

VILLAGE OF DONNELLSON, ILLINOIS

FINANCIAL STATEMENTS

April 30, 2020

CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT	3
BASIC FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION – MODIFIED CASH BASIS	5
STATEMENT OF ACTIVITIES – MODIFIED CASH BASIS	6
STATEMENT OF ASSETS AND FUND BALANCES ARISING FROM MODIFIED CASH BASIS TRANSACTIONS – GOVERNMENTAL FUNDS	7
RECONCILIATION OF STATEMENT OF ASSETS AND FUND BALANCES ARISING FROM MODIFIED CASH BASIS TRANSACTIONS TO THE STATEMENT OF NET POSITION	8
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES ARISING FROM MODIFIED CASH BASIS TRANSACTIONS – GOVERNMENTAL FUNDS	9
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES ARISING FROM MODIFIED CASH BASIS TRANSACTIONS TO THE STATEMENT OF ACTIVITIES	10
STATEMENT OF NET POSITION – MODIFIED CASH BASIS – PROPRIETARY FUNDS	11
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION – MODIFIED CASH BASIS – PROPRIETARY FUNDS	12
STATEMENT OF CASH FLOWS – MODIFIED CASH BASIS – PROPRIETARY FUNDS	13
NOTES TO FINANCIAL STATEMENTS	14

Village of Donnellson, Illinois
STATEMENT OF NET POSITION – MODIFIED CASH BASIS
April 30, 2020

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 120,680	\$ 118,297	\$ 238,977
Restricted cash-bond reserve	-	35,533	35,533
Restricted cash-deposits	-	5,951	5,951
Total current assets	120,680	159,781	280,461
Noncurrent assets			
Capital assets			
Land	811	-	811
Other capital assets, net of depreciation	57,906	1,150,914	1,208,820
Total noncurrent assets	58,717	1,150,914	1,209,631
Total assets	179,397	1,310,695	1,490,092
LIABILITIES			
Current liabilities			
Meter deposits	-	5,951	5,951
Long-term debt	-	10,000	10,000
Total current liabilities	-	15,951	15,951
Noncurrent liabilities			
Long-term debt	-	330,000	330,000
Total liabilities	-	345,951	345,951
NET POSITION			
Net investment in capital assets	58,717	810,914	869,631
Restricted for debt	-	35,533	35,533
Restricted for streets	33,921	-	33,921
Unrestricted	86,759	118,297	205,056
Total net position	\$ 179,397	\$ 964,744	\$ 1,144,141

The accompanying notes are an integral part of these statements.

Village of Downers Grove, Illinois
STATEMENT OF ACTIVITIES – MODIFIED CASH BASIS
Year Ended April 30, 2020

Function/Programs	Expenses	Program Revenues			Net (Expenses) Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government							
Governmental activities:							
General government	\$ 89,786	\$ -	\$ -	\$ -	\$ (89,786)	\$ -	\$ (89,786)
Public safety	13,503	-	-	-	(13,503)	-	(13,503)
Streets and roads	3,213	-	-	-	(3,213)	-	(3,213)
Total governmental activities	106,502	-	-	-	(106,502)	-	(106,502)
Business-type activities							
Water operations	62,441	46,196	-	-	-	(16,245)	(16,245)
Sewer operations	72,884	38,036	-	-	-	(34,848)	(34,848)
Total business-type activities	135,325	84,232	-	-	-	(51,093)	(51,093)
Total	\$ 241,827	\$ 84,232	\$ -	\$ -	(106,502)	(51,093)	(157,595)
General revenues:							
Taxes							
Property tax					15,517	-	15,517
Sales tax					13,774	-	13,774
Use tax					7,281	-	7,281
Motor fuel tax					7,591	-	7,591
State income tax					22,760	-	22,760
Replacement tax					1,792	-	1,792
Fines					5,962	-	5,962
Video gaming tax					12,737	-	12,737
Investment income					580	345	925
Building rental					1,505	-	1,505
Miscellaneous					18,828	-	18,828
Net transfers in (out)					2,202	(2,202)	-
Total general revenues and transfers					110,529	(1,857)	108,672
CHANGE IN NET POSITION							
Net position at May 1, 2019					175,370	1,017,694	1,193,064
Net position at April 30, 2020					\$ 179,397	\$ 964,744	\$ 1,144,141

The accompanying notes are an integral part of these statements.

Village of Donnellson, Illinois
STATEMENT OF ASSETS AND FUND BALANCES
ARISING FROM MODIFIED CASH BASIS TRANSACTIONS – GOVERNMENTAL FUNDS
April 30, 2020

	General Fund	Motor Fuel Tax Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 86,759	\$ 33,921	\$ 120,680
FUND BALANCES			
Restricted for streets	-	33,921	33,921
Unassigned	86,759	-	86,759
Total fund balances	\$ 86,759	\$ 33,921	\$ 120,680

The accompanying notes are an integral part of these statements.

Village of Donnellson, Illinois
RECONCILIATION OF THE STATEMENT OF ASSETS AND FUND BALANCES ARISING FROM
MODIFIED CASH BASIS TRANSACTIONS TO THE STATEMENT OF NET POSITION
April 30, 2020

Fund balances for governmental funds \$ 120,680

Capital assets used in governmental activities are not financial resources and, therefore, are not reported on the balance sheet of the governmental

Capital assets	321,269	
Accumulated depreciation	(262,552)	58,717
		<u>58,717</u>

Net position of governmental activities \$ 179,397

The accompanying notes are an integral part of these statements.

Village of Donnellson, Illinois

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES ARISING FROM MODIFIED CASH BASIS TRANSACTIONS - MODIFIED CASH BASIS

Year Ended April 30, 2020

	General Fund	Motor Fuel Tax Fund	Total Governmental Funds
REVENUES			
Property taxes	\$ 15,517	\$ -	\$ 15,517
Sales tax	13,774	-	13,774
Use tax	7,281	-	7,281
Motor fuel tax	-	7,591	7,591
State income tax	22,760	-	22,760
Replacement tax	1,792	-	1,792
Fines	5,962	-	5,962
Video gaming tax	12,737	-	12,737
Investment income	537	43	580
Building rental	1,505	-	1,505
Miscellaneous	18,828	-	18,828
Total revenues	100,693	7,634	108,327
EXPENDITURES			
Current			
General government	83,612	-	83,612
Public safety	13,503	-	13,503
Streets and roads	1,393	-	1,393
Total expenditures	98,508	-	98,508
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	2,185	7,634	9,819
OTHER FINANCING SOURCES (USES)			
Transfers in	2,202	3,594	5,796
Transfers out	(3,594)	-	(3,594)
Total other financing sources	(1,392)	3,594	2,202
NET CHANGE IN FUND BALANCES	793	11,228	12,021
Fund balances at May 1, 2019	85,966	22,693	108,659
Fund balances at April 30, 2020	\$ 86,759	\$ 33,921	\$ 120,680

The accompanying notes are an integral part of these statements.

Village of Donnellson, Illinois

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES ARISING FROM MODIFIED CASH BASIS TRANSACTIONS TO THE STATEMENT OF
ACTIVITIES**

Year Ended April 30, 2020

Net change in fund balances for total governmental funds \$ 12,021

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.

(7,994)

Change in net position of governmental activities

\$ 4,027

The accompanying notes are an integral part of these statements.

Village of Donnellson, Illinois

STATEMENT OF NET POSITION – MODIFIED CASH BASIS – PROPRIETARY FUNDS

April 30, 2020

	Business-type activities		
	Water Fund	Sewer Fund	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 72,118	\$ 46,179	\$ 118,297
Restricted cash-bond reserve	-	35,533	35,533
Restricted cash-meter deposits	5,951	-	5,951
Total current assets	78,069	81,712	159,781
Noncurrent assets			
Property, plant, equipment	318,919	2,033,192	2,352,111
Accumulated depreciation	(304,426)	(896,771)	(1,201,197)
Total noncurrent assets	14,493	1,136,421	1,150,914
Total assets	92,562	1,218,133	1,310,695
LIABILITIES			
Current liabilities			
Meter deposits	5,951	-	5,951
Bonds payable	-	10,000	10,000
Total current liabilities	5,951	10,000	15,951
Noncurrent liabilities			
Bonds payable	-	330,000	330,000
Total liabilities	5,951	340,000	345,951
NET POSITION			
Net investment in capital assets	14,493	796,421	810,914
Restricted for debt	-	35,533	35,533
Unrestricted	72,118	46,179	118,297
Total net position	\$ 86,611	\$ 878,133	\$ 964,744

The accompanying notes are an integral part of these statements.

Village of Donnellson, Illinois
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION -
MODIFIED CASH BASIS – PROPRIETARY FUNDS
Year Ended April 30, 2020

	Business-type activities		
	Water Fund	Sewer Fund	Total
OPERATING REVENUE			
Charges for services	\$ 46,196	\$ 38,036	\$ 84,232
OPERATING EXPENSES			
Salaries	5,884	1,741	7,625
Repairs and maintenance	29,119	1,296	30,415
Water/sewer service purchases	20,025	-	20,025
Testing	4,606	-	4,606
Depreciation	1,144	50,143	51,287
Utilities	1,002	4,173	5,175
Miscellaneous	661	6	667
Total operating expenses	62,441	57,359	119,800
Operating income (loss)	(16,245)	(19,323)	(35,568)
NON-OPERATING REVENUES (EXPENSES)			
Investment income	156	189	345
Interest expense	-	(15,525)	(15,525)
Total non-operating revenue and expenses	156	(15,336)	(15,180)
Net income (loss) before transfers	(16,089)	(34,659)	(50,748)
Transfers out	(588)	(1,614)	(2,202)
CHANGE IN NET POSITION	(16,677)	(36,273)	(52,950)
Net position at May 1, 2019	103,288	914,406	1,017,694
Net position at April 30, 2020	\$ 86,611	\$ 878,133	\$ 964,744

The accompanying notes are an integral part of these statements.

Village of Donnellson, Illinois
STATEMENT OF CASH FLOWS – MODIFIED CASH BASIS – PROPRIETARY FUNDS
Year Ended April 30, 2020

	Business-type activities		
	Water Fund	Sewer Fund	Total
Cash Flows From Operating Activities			
Cash received from customers	\$ 46,602	\$ 38,036	\$ 84,638
Payment to suppliers for goods and services	(55,413)	(5,475)	(60,888)
Payment to employees for services	(5,884)	(1,741)	(7,625)
Net cash provided by (used in) operating activities	(14,695)	30,820	16,125
Cash Flows From Noncapital Financing Activities			
Transfers out - other funds	(588)	(1,614)	(2,202)
Net cash used in noncapital financing activities	(588)	(1,614)	(2,202)
Cash Flows From Capital and Related Financing Activities			
Principal paid on bonds payable	-	(10,000)	(10,000)
Interest paid on bonds payable	-	(15,525)	(15,525)
Net cash used in capital and related financing activities	-	(25,525)	(25,525)
Cash Flows From Investing Activities			
Interest received	156	189	345
Net increase (decrease) in cash and cash equivalents	(15,127)	3,870	(11,257)
Cash and cash equivalents at May 1, 2019	93,196	77,842	171,038
Cash and cash equivalents at April 30, 2020	\$ 78,069	\$ 81,712	\$ 159,781
Reconciliation of operating income (loss) to net cash provided by operating activities			
Operating income (loss)	\$ (16,245)	\$ (19,323)	\$ (35,568)
Adjustments to reconcile operating income to net cash provided by (used in) operating activities			
Depreciation expense	1,144	50,143	51,287
Increase in meter deposits	406	-	406
Net cash provided by (used in) operating activities	\$ (14,695)	\$ 30,820	\$ 16,125

The accompanying notes are an integral part of these statements.