

**CITY OF ANNA, ILLINOIS**  
**FINANCIAL STATEMENTS**  
**For the Year Ended April 30, 2019**

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**City of Anna, Illinois**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**April 30, 2019 and 2018**

The City of Anna, Illinois is presenting the following discussion and analysis to provide an overall review of the City's financial activities for the fiscal year ended April 30, 2019 and 2018. The City's financial performance is discussed within the context of the accompanying financial statements and notes to the financial statements in order to enhance the understanding of readers.

**Financial Highlights**

- \* The assets of the City exceeded liabilities at the close of the fiscal year ended April 30, 2019 by \$ 17,068,965. Of this amount, \$ 4,159,297 is considered unrestricted. The unrestricted net position of the City's governmental activities were \$ 2,372,649 and may be used to meet the government's ongoing obligations to citizens and creditors. The unrestricted net position of the City's business-type activities were \$ 1,786,648 and may be used to meet the ongoing obligations of the City's water, sewer, and gas utility activities.
- \* The City's total net position increased by \$ 181,288 or 1.07% in the fiscal year ended April 30, 2019. The net position of governmental activities increased by \$ 48,528 or .63% from the prior fiscal year. The net position of business-type activities increased \$ 132,760 or 1.44% from the prior fiscal year.
- \* The total cost of all City services for the fiscal year ended April 30, 2019 was \$ 6,581,076, \$ 3,133,671 or 47.62% of which was for governmental services, and \$ 3,447,405 or 52.38% of which was for business-type activities.
- \* A total of \$ 569,725 or 18.18% of governmental services were financed by program revenue, with \$ 62,641 or 2.00% financed by grants and the remaining 79.82% being financed by general revenues. Sales and Use tax revenue represented the single largest source of general revenue, providing 48.12% of expense.
- \* The City's investment in capital assets increased \$ 170,164 during the year as a result of utility improvements, and additional operating equipment purchases. Funding for the investments were provided by reserves.
- \* The City's total bonded debt and loans decreased by \$ 51,180 or 6.02% during the year as a result of scheduled payments on existing revenue bonds.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: Government-wide Financial Statements; Fund Financial Statements; and Notes to the Financial Statements. This report also includes other supplementary information in addition to the basic financial statements.

**Government-wide Financial Statements**

These statements are designed to provide an overview of the City's finances, in a manner similar to a private sector business. The Statement of Net Position - Modified Cash Basis presents information on all of the City's non-fiduciary assets and liabilities resulting from cash transactions, with the difference between the two reported as net position. Over time increases or decreases in net position may serve as an useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities - Modified Cash Basis presents information showing how the government's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying cash transaction occurs.

**City of Anna, Illinois**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**April 30, 2019 and 2018**

**Government-wide Financial Statements (concluded)**

Both statements distinguish functions and activities of the City that are principally supported by taxes, governmental activities, and from other functions and activities that are intended to recover all or a significant portion of costs through user fees or charges, business-type activities. The governmental activities of the City include; general government; public safety; transportation and public works; social services; parks and recreation; and community development. The business-type activities of the City include three enterprise activities; water utility system, sewer utility system, and gas utility system.

**Fund Financial Statements**

These statements report the City's operations in more detail and focus primarily on the specific activities. All funds of the City can be divided into three categories; governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds**

Fund financial statements provide detailed information about each of the City's most significant funds, called major funds. The determination of major funds is established by GASB Statement 34 and replaces combining like funds and presenting them in total. Instead, the City considers each separately budgeted and managed fund to be a major fund, and as such, each is presented separately.

Governmental fund financial statements are presented on the modified cash basis of accounting, which means assets, liabilities, net position, revenues, and expenses are recognized when they result from a cash transaction with a provision for the recognition of notes receivable. Capital assets and long term liabilities are not presented in the governmental fund financial statements. Under the modified cash basis of accounting, certain assets and related revenues, and certain liabilities and the related expenses are not recorded in these financial statements.

**Proprietary Funds**

Proprietary funds provide the same type of information as government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, sewer, and gas utility activities.

Proprietary fund financial statements are presented on the modified cash basis of accounting, which means assets, liabilities, net position, revenues, and expenses are recognized when they result from a cash transaction, with a provision for the recognition of capital assets, depreciation, and debt. Under the modified cash basis of accounting, certain assets and related revenues, and certain liabilities and the related expenses are not recorded in these financial statements.

**Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not included in the government-wide financial statements because the resources are not available to support the functions and activities of the City.

Fiduciary fund financial statements are presented on the modified cash basis of accounting, which means assets, liabilities, net position, revenues, and expenses are recognized when they result from a cash transaction, with a provision for the recognition of investments at fair value.

**Notes to Financial Statements**

The Notes to the Financial Statements: provide additional information that is essential to an understanding of the data provided in the City's financial statements.

**Other Information**

This information includes budgetary comparison schedules which presents the variance with actual results.



**City of Anna, Illinois**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**April 30, 2019 and 2018**

**Financial Analysis - Statement of Net Position - Modified Cash Basis**

The assets of the City exceeded its liabilities at the close of the fiscal year ended April 30, 2019 by \$ 17,068,965. Of this amount, \$ 4,159,297 is considered unrestricted. The unrestricted net position of the City's governmental activities were \$ 2,372,649. The unrestricted net position of the City's business-type activities were \$ 1,786,648.

The City's total net position increased by \$ 181,288 or 1.07% in the fiscal year ended April 30, 2019. The net position of governmental activities increased by \$ 48,528 or .63% from the prior fiscal year. The net position of business-type activities increased \$ 132,760 or 1.44% from the prior fiscal year.

A summary of the City's government-wide Statement of Net Position - Modified Cash Basis follows:

**Condensed Statement of Net Position - Modified Cash Basis**

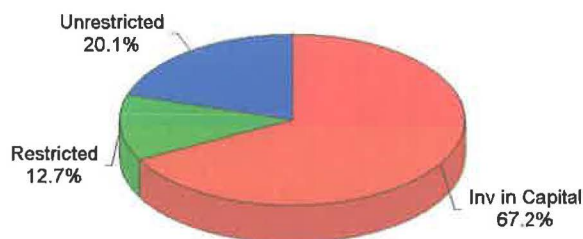
	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
<b>ASSETS</b>						
Current Assets	\$ 3,071,386	\$ 2,781,720	\$ 3,231,004	\$ 2,836,531	\$ 6,302,390	\$ 5,618,251
Noncurrent Assets	0	0	29,917	32,616	29,917	32,616
Capital Assets	4,657,504	4,898,642	6,999,173	7,305,581	11,656,677	12,204,223
Other Assets	0	0	0	0	0	0
Total Assets	7,728,890	7,680,362	10,260,094	10,174,728	17,988,984	17,855,090
<b>LIABILITIES</b>						
Current Liabilities	0	0	120,992	117,207	120,992	117,207
Noncurrent Liabilities	0	0	0	0	0	0
Current Debt	0	0	51,914	51,180	51,914	51,180
Noncurrent Debt	0	0	747,113	799,026	747,113	799,026
Total Liabilities	0	0	920,019	967,413	920,019	967,413
<b>NET POSITION</b>						
Invested in Capital						
Assets net of debt	4,657,504	4,898,642	6,200,146	6,455,375	10,857,650	11,354,017
Restricted	698,737	845,563	1,353,281	1,299,567	2,052,018	2,145,130
Unrestricted	2,372,649	1,936,157	1,786,648	1,452,373	4,159,297	3,388,530
Total Net Position	\$ 7,728,890	\$ 7,680,362	\$ 9,340,075	\$ 9,207,315	\$ 17,068,965	\$ 16,887,677

The following are graphical representations of total net position by category for the fiscal years ended April 30, 2019 and April 30, 2018:

City of Anna, Illinois - Net Assets  
April 30, 2019



City of Anna, Illinois - Net Assets  
April 30, 2018



**City of Anna, Illinois**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**April 30, 2019 and 2018**

**Financial Analysis - Statement of Net Activities - Modified Cash Basis**

The City's total revenues increased by \$ 53,414 over the prior fiscal year due to increases sales tax, and income taxes. Sales tax revenues increased \$ 96,975, income tax revenues increased \$ 36,186, other taxes increased \$ 10,908, investment income increased \$ 5,833, service charges decreased \$ 56,953, grants decreased \$ 22,939, and other income decreased \$ 22,289.

Total expenses decreased \$ 554,324, due mainly to decrease in commodity purchases as the result of decreases in utility usage. Other substantial decreases were attributed to personnel reductions due to attrition.

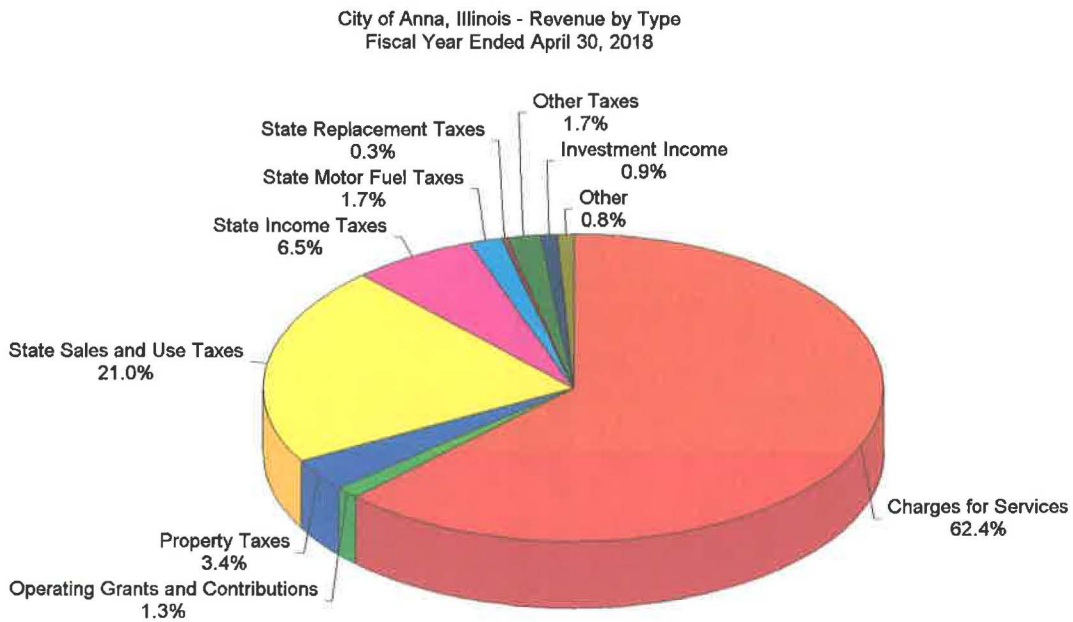
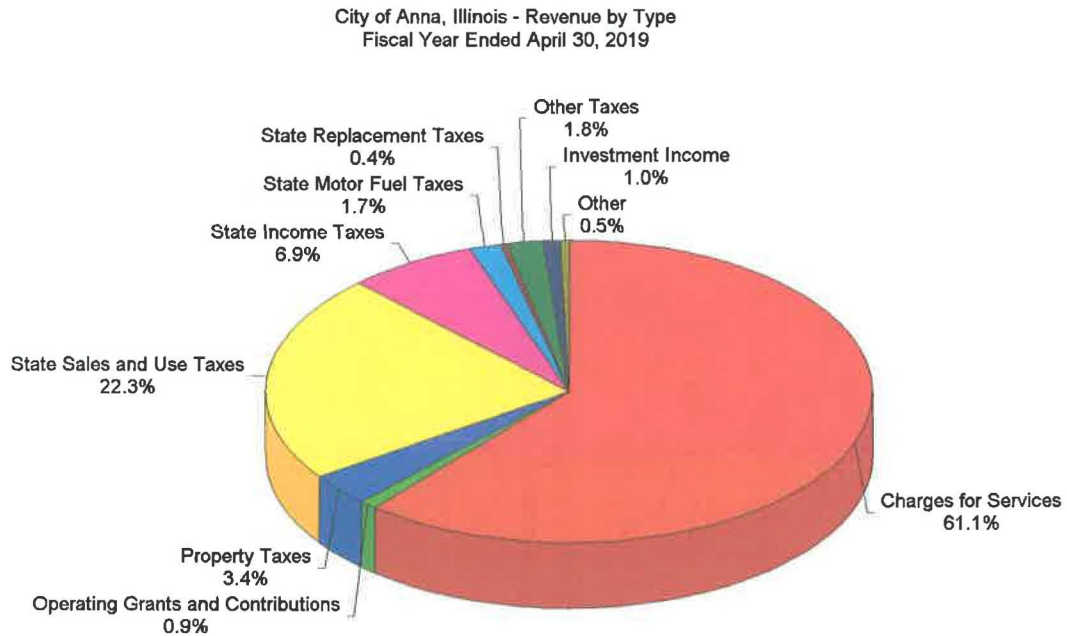
A summary of the City's government-wide Statement of Activities - Modified Cash Basis follows:

**Condensed Statement of Activities and Changes in Net Position - Modified Cash Basis**

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
<b>REVENUES</b>						
Program Revenues						
Charges for Services	\$ 569,725	\$ 558,899	\$ 3,560,615	\$ 3,628,394	\$ 4,130,340	\$ 4,187,293
Oper. Grants	3,095	5,000	0	0	3,095	5,000
Capital Grants	59,546	80,580	0	0	59,546	80,580
General Revenues						
Property Taxes	231,401	226,566	0	0	231,401	226,566
State Sales/Use Taxes	1,507,884	1,410,909	0	0	1,507,884	1,410,909
State Income Taxes	468,988	432,802	0	0	468,988	432,802
State Motor Fuel Taxes	113,095	112,974	0	0	113,095	112,974
State Replace Taxes	23,701	22,964	0	0	23,701	22,964
Other Taxes	124,999	114,091	0	0	124,999	114,091
Investment Income	50,221	51,836	17,251	9,803	67,472	61,639
Other	29,544	46,543	2,299	7,589	31,843	54,132
Total Revenues	3,182,199	3,063,164	3,580,165	3,645,786	6,762,364	6,708,950
<b>EXPENSES</b>						
General Government	716,013	960,806	0	0	716,013	960,806
Public Safety	1,062,175	1,018,634	0	0	1,062,175	1,018,634
Transport/Public Works	592,949	631,641	0	0	592,949	631,641
Social Services	488,721	468,873	0	0	488,721	468,873
Culture/Recreation	214,267	218,199	0	0	214,267	218,199
Economic Development	59,546	5,780	0	0	59,546	5,780
Debt Service	0	0	0	0	0	0
Water	0	0	1,259,577	1,326,399	1,259,577	1,326,399
Sewer	0	0	799,383	761,800	799,383	761,800
Gas	0	0	1,388,445	1,743,268	1,388,445	1,743,268
Total Expenses	3,133,671	3,303,933	3,447,405	3,831,467	6,581,076	7,135,400
<b>Change in Net Position</b>	48,528	(240,769)	132,760	(185,681)	181,288	(426,450)
Transfers	0	0	0	0	0	0
<b>Beginning Net Position</b>	7,680,362	7,921,131	9,207,315	9,392,996	16,887,677	17,314,127
<b>Ending Net Position</b>	\$ 7,728,890	\$ 7,680,362	\$ 9,340,075	\$ 9,207,315	\$ 17,068,965	\$ 16,887,677

**City of Anna, Illinois**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**April 30, 2019 and 2018**

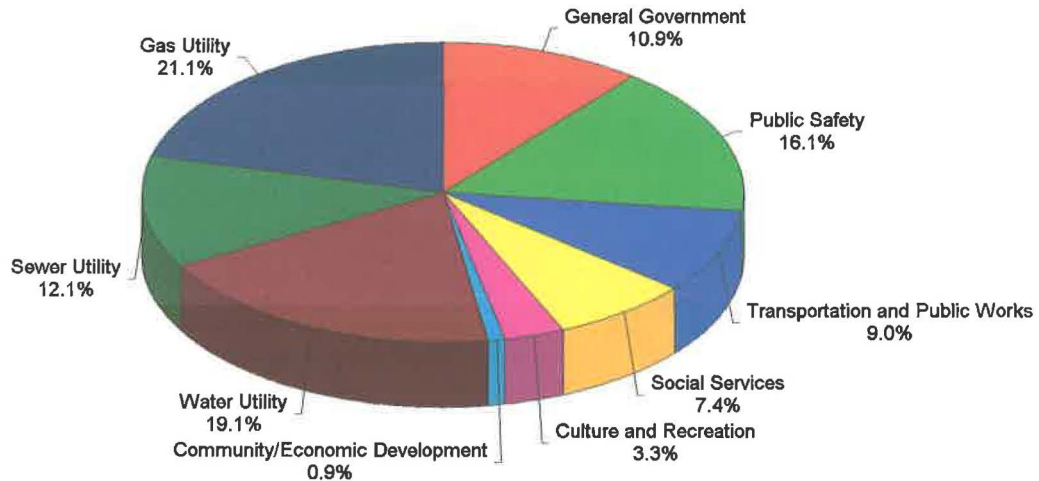
The following are graphical representations of revenues by type/source for the fiscal years ended April 30, 2019 and April 31, 2018:



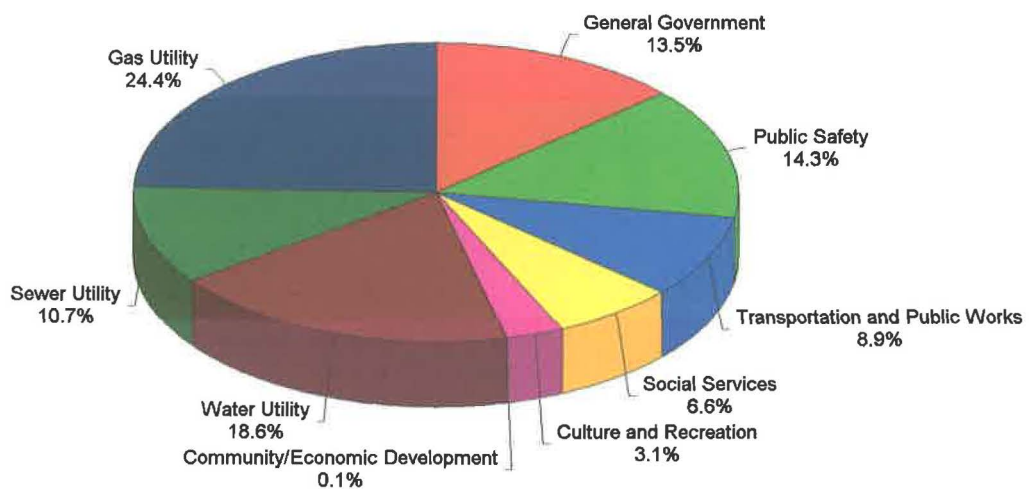
**City of Anna, Illinois**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**April 30, 2019 and 2018**

The following are graphical representations of expenses by program/function for the fiscal years ended April 30, 2019 and April 31, 2018:

City of Anna, Illinois - Expense by Function  
Fiscal Year Ended April 30, 2019



City of Anna, Illinois - Expense by Function  
Fiscal Year Ended April 30, 2018



**City of Anna, Illinois**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**April 30, 2019 and 2018**

**Capital Expenditures**

The City expended a total of \$ 170,164 for capital expenditures during the year. This investment consisted of \$ 69,231 for utility projects, and \$ 100,933 for operating equipment.

**Capital Assets**

	2019	2018
Land & Right of Way	\$ 1,326,477	\$ 1,326,477
Plant & Dist. System	13,445,711	13,376,480
Building	4,885,300	4,885,300
Other Equipment	4,470,708	4,369,775
Construction in Progress	0	0
Less: Accumulated Depreciation	(12,471,519)	(11,753,809)
 Total Capital Assets net of depreciation	 \$ 11,656,677	 \$ 12,204,223

The following significant changes occurred during the fiscal year ended April 30, 2019:

- \* Utility infrastructure upgrades
- \* Other various equipment purchases

**Long Term Debt**

	2019	2018
IEPA Loan - Water	\$ 652,956	\$ 695,381
IEPA Loan - Sewer	146,070	154,825
 Total Long Term Debt	 \$ 799,026	 \$ 850,206

The following significant changes occurred during the fiscal year ended April 30, 2019:

- \* None - normal Debt reduction

Additional information can be found in Note V to the financial statements.

**Economic Factors**

The City strives to maintain awareness of local economic conditions. The City is continually upgrading the infrastructure, and promotes the industrial park with the desire to attract potential businesses which will provide job creation and stimulate business activity in the local economy.

**Future Budget Issues**

The City reviews its financial results monthly and annually in order to develop realistic an workable operating budgets. In addition to the operating budgets, the City also prepares long term budgets for capital expenditures to plan for future capital asset acquisition and maintenance costs as well as the means of financing them.

**Contact Information**

This report is designed to provide readers with a general overview of the City's finances and to demonstrate the City's accountability for the funds received. Anyone with questions regarding this report or desiring additional information, may contact: City of Anna, 103 Market Street, Anna, Illinois 62906, or by phone at (619)833-8528.

**BEUSSINK, HICKAM & KOCHER, P.C.**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
**139 West Vienna St. – P.O. Box 556**  
**Anna, Illinois 62906**  
**(618)833-2721, (618)833-7059, Fax (618)833-7077**

**INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and City Council  
City of Anna, Illinois

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business type activities, the aggregate discretely presented component units, and each major fund of City of Anna, Illinois, as of and for the year ended April 30, 2019, 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 modified cash basis of accounting described in Note I; this includes determining that the modified 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.

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, and each major fund of the City of Anna, Illinois, as of April 30, 2019, and the respective changes in modified cash basis financial position, and, where applicable, the modified cash basis cash flows thereof for the year then ended in accordance with the modified cash basis of accounting described in Note I.



**Basis of Accounting**

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

**Other Matters***Other Information*

The management's discussion and analysis on pages i-vii, and budgetary comparison information on pages 55-64, are presented for purposes of additional analysis. Such information is the responsibility of management and has been derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. We have applied certain limited procedures to the other information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2019, on our consideration of the City of Anna, 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 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 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 Anna, Illinois's internal control over financial reporting and compliance.



Anna, Illinois  
November 5, 2019

**BEUSSINK, HICKAM & KOCHER, P.C.**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
**139 West Vienna St. – P.O. Box 556**  
**Anna, Illinois 62906**  
**(618)833-2721, (618)833-7059, Fax (618)833-7077**

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND  
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and City Council  
City of Anna, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the modified cash basis financial statements of the governmental activities, the business type activities, the aggregate discretely presented component units, and each major fund of the City of Anna, Illinois, as of and for the year ended April 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Anna, Illinois 's basic financial statements, and have issued our report thereon dated November 5, 2019. That report states that the basic financial statements were prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions were not modified with respect to this matter.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the modified cash basis financial statements, we considered the City of Anna, Illinois 's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the modified cash basis financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Anna, Illinois 's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Anna, Illinois 's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Anna, Illinois 's modified cash basis financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of the modified cash basis financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script, appearing to read "Benjamin Hill & Hochstetler".

Anna, Illinois  
November 5, 2019

## **BASIC FINANCIAL STATEMENTS**

**City of Anna, Illinois**  
**STATEMENT OF NET POSITION**  
**MODIFIED CASH BASIS**  
**April 30, 2019**

	Primary Government		
	Governmental Activities	Business Type Activities	Total
<b>ASSETS</b>			
Current Assets			
Cash and Cash Equivalents	\$ 729,821	\$ 1,811,004	\$ 2,540,825
Certificates of Deposit	2,280,000	1,420,000	3,700,000
Receivables:			
Accounts Receivable - net	0	0	0
Taxes Receivable - net	0	0	0
Interfund	0	0	0
Accrued Interest	0	0	0
Notes Receivable	61,565	0	61,565
Inventory	0	0	0
Prepaid Items	0	0	0
Total Current Assets	3,071,386	3,231,004	6,302,390
Non-Current Assets			
Restricted:			
Cash and Cash Equivalents	0	29,917	29,917
Certificates of Deposit	0	0	0
Total Restricted Assets	0	29,917	29,917
Capital Assets:			
Land and Right-of-way	1,326,477	0	1,326,477
Plant and Distribution System	0	13,445,711	13,445,711
Buildings and Improvements	4,456,679	428,621	4,885,300
Equipment	3,389,743	1,080,965	4,470,708
Less Accumulated Depreciation	(4,515,395)	(7,956,124)	(12,471,519)
Construction in Progress	0	0	0
Total Capital Assets	4,657,504	6,999,173	11,656,677
Other Assets:			
Escrow	0	0	0
Other	0	0	0
Total Other Assets	0	0	0
Total Non-Current Assets	4,657,504	7,029,090	11,686,594
Total Assets	\$ 7,728,890	\$ 10,260,094	\$ 17,988,984

(Continued)

	Primary Government		
	Governmental Activities	Business Type Activities	Total
<b>LIABILITIES</b>			
Current Liabilities			
Payable from Current Assets:			
Accounts Payable	\$ 0	\$ 0	\$ 0
Accrued Payroll and Related Items	0	0	0
Interfund	0	0	0
Customer Deposits	0	120,992	120,992
Accrued Interest	0	0	0
Deferred/Unearned Revenue	0	0	0
Bonds/Loans Payable - Current Portion	0	0	0
Total Payable from Current Assets	0	120,992	120,992
Payable from Restricted Assets:			
Accounts Payable	0	0	0
Bonds/Loans Payable - Current Portion	0	51,914	51,914
Accrued Interest Payable	0	0	0
Total Payable from Restricted Assets	0	51,914	51,914
Total Current Liabilities	0	172,906	172,906
Non-Current Liabilities			
Bonds Payable	0	747,113	747,113
Other Liabilities	0	0	0
Accrued Compensated Absences	0	0	0
Total Non-Current Liabilities	0	747,113	747,113
Total Liabilities	\$ 0	\$ 920,019	\$ 920,019
<b>NET POSITION</b>			
Investment in Capital Assets, net of related debt	\$ 4,657,504	\$ 6,200,146	\$ 10,857,650
Restricted for:			
Future Expenditures	166,467	0	166,467
Designated Projects/Programs	532,270	1,323,364	1,855,634
Debt Service	0	29,917	29,917
Unrestricted	2,372,649	1,786,648	4,159,297
Total Net Position	\$ 7,728,890	\$ 9,340,075	\$ 17,068,965

The Notes to Financial Statements are an integral part of this statement.

**City of Anna, Illinois**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION**  
**MODIFIED CASH BASIS**  
**For the Year Ended April 30, 2019**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
<b>Primary Government:</b>							
<b>Governmental Activities:</b>							
General Government	\$ 716,013	\$ 76,766	\$ 0	\$ 0	\$ (639,247)		\$ (639,247)
Public Safety	1,062,175	44,397	3,095	0	(1,014,683)		(1,014,683)
Transportation and Public Works	592,949	0	0	0	(592,949)		(592,949)
Social Services	488,721	435,937	0	0	(52,784)		(52,784)
Culture and Recreation	214,267	12,625	0	0	(201,642)		(201,642)
Community/Economic Development	59,546	0	0	59,546	0		0
Debt Service	0	0	0	0	0		0
Total Governmental Activities	\$ 3,133,671	\$ 569,725	\$ 3,095	\$ 59,546	\$ (2,501,305)		\$ (2,501,305)
<b>Business Type Activities:</b>							
Water Utility	\$ 1,259,577	\$ 1,302,883	\$ 0	\$ 0		\$ 43,306	\$ 43,306
Sewer Utility	799,383	733,604	0	0		(65,779)	(65,779)
Gas Utility	1,388,445	1,524,128	0	0		135,683	135,683
Total Business Type Activities	3,447,405	3,560,615	0	0		113,210	113,210
Total Primary Government	\$ 6,581,076	\$ 4,130,340	\$ 3,095	\$ 59,546	\$ (2,501,305)	\$ 113,210	\$ (2,388,095)
General Revenues							
Property Taxes					231,401	0	231,401
State Replacement Taxes					23,701	0	23,701
State Sales and Use Taxes					1,507,884	0	1,507,884
State Income Taxes					468,988	0	468,988
State Motor Fuel Taxes					113,095	0	113,095
Other Taxes					124,999	0	124,999
Investment Income					50,221	17,251	67,472
Other					29,544	2,299	31,843
Transfers					0	0	0
Total General Revenues and Transfers					\$ 2,549,833	\$ 19,550	\$ 2,569,383
Change in Net Position					\$ 48,528	\$ 132,760	\$ 181,288
Net Position, beginning of year					7,680,362	9,207,315	16,887,677
Prior Period Adjustments					0	0	0
Net Position, end of year					\$ 7,728,890	\$ 9,340,075	\$ 17,068,965

The Notes to Financial Statements are an integral part of this statement.

## FUND FINANCIAL STATEMENTS

**City of Anna, Illinois**  
**BALANCE SHEET**  
**MODIFIED CASH BASIS**  
**GOVERNMENTAL FUNDS**  
**April 30, 2019**

	PUBLIC SAFETY			TRANSPORTATION		SOCIAL SERVICES				TOTAL
	GENERAL	POLICE DEPT	FIRE DEPT	STREETS DEPT	MOTOR FUEL TAX	SANITATION	CEMETERY	PARK AND RECREATION	COMMUNITY DEVELOPMENT	GOVERNMENTAL FUNDS
ASSETS										
Cash and Cash Equivalents	\$ 348,512	\$ 59,947	\$ 22,452	\$ 71,708	\$ 101,062	\$ 60,683	\$ 9,681	\$ 55,776	\$ 0	\$ 729,821
Certificates of Deposit	2,280,000	0	0	0	0	0	0	0	0	2,280,000
Accounts Receivable - net	0	0	0	0	0	0	0	0	0	0
Taxes Receivable - net	0	0	0	0	0	0	0	0	0	0
Interfund	0	0	0	0	0	0	0	0	0	0
Other Receivables	0	0	0	0	0	0	0	0	0	0
Accrued Interest	0	0	0	0	0	0	0	0	0	0
Notes Receivable	0	0	0	0	0	0	0	0	61,565	61,565
Inventory	0	0	0	0	0	0	0	0	0	0
Prepaid Expense	0	0	0	0	0	0	0	0	0	0
Total Assets	\$ 2,628,512	\$ 59,947	\$ 22,452	\$ 71,708	\$ 101,062	\$ 60,683	\$ 9,681	\$ 55,776	\$ 61,565	\$ 3,071,386
LIABILITIES										
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Payroll and Related Items	0	0	0	0	0	0	0	0	0	0
Interfund	0	0	0	0	0	0	0	0	0	0
Customer Deposits	0	0	0	0	0	0	0	0	0	0
Accrued Interest	0	0	0	0	0	0	0	0	0	0
Deferred Revenue	0	0	0	0	0	0	0	0	0	0
Total Liabilities	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FUND BALANCE										
Fund Balance - Non Spendable	0	0	0	0	0	0	0	0	61,565	61,565
Fund Balance - Restricted	3,840	0	0	0	101,062	0	0	0	0	104,902
Fund Balance - Committed	252,023	59,947	22,452	71,708	0	60,683	9,681	55,776	0	532,270
Fund Balance - Assigned	0	0	0	0	0	0	0	0	0	0
Fund Balance - Unassigned	2,372,649	0	0	0	0	0	0	0	0	2,372,649
Total Fund Balance	2,628,512	59,947	22,452	71,708	101,062	60,683	9,681	55,776	61,565	3,071,386
Total Liabilities, and Fund Balance	\$ 2,628,512	\$ 59,947	\$ 22,452	\$ 71,708	\$ 101,062	\$ 60,683	\$ 9,681	\$ 55,776	\$ 61,565	\$ 3,071,386

The Notes to Financial Statements are an integral part of this statement.

**City of Anna, Illinois**  
**RECONCILIATION OF FUND BALANCES TO THE STATEMENT OF NET POSITION**  
**GOVERNMENTAL FUNDS**  
**April 30, 2019**

**Total Fund Balances for Governmental Funds** \$ 3,071,386

Amounts reported for governmental activities in the statement of activities are different because:

Capital assets used in governmental activities are not financial resources, and therefore are not reported in the funds  
These assets consist of:

Land and Right-of-way	\$ 1,326,477	
Plant and Distribution System	0	
Buildings and Improvements	4,456,679	
Equipment	3,389,743	
Less Accumulated Depreciation	(4,515,395)	
Construction in Progress	0	
<b>Total Capital Assets</b>	4,657,504	

Sales taxes and property taxes will be collected after year-end, but are not available to pay for the current period's expenditures, and therefore are reported as deferred inflows in the funds 0

Long-term liabilities are not due and payable in the current period and, therefore are not reported in the funds  
These liabilities consist of:

Bonds/Notes/Loans Payable	\$ 0	
Accrued Interest	0	
Accrued Compensated Absences	0	
<b>Total Long-Term Liabilities</b>	0	

**Total Net Position of Governmental Activities** \$ 7,728,890

The Notes to Financial Statements are an integral part of this statement.



City of Anna, Illinois  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**MODIFIED CASH BASIS**  
**GOVERNMENTAL FUNDS**  
**April 30, 2019**

	PUBLIC SAFETY			TRANSPORTATION		SOCIAL SERVICES				TOTAL
	GENERAL	POLICE DEPT	FIRE DEPT	STREETS DEPT	MOTOR FUEL TAX	SANITATION	CEMETERY	PARK AND RECREATION	COMMUNITY DEVELOPMENT	GOVERNMENTAL FUNDS
REVENUES										
Property Taxes	\$ 200,734	\$ 0	\$ 0	\$ 30,667	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 231,401
Replacement Tax	0	0	0	23,701	0	0	0	0	0	23,701
Sales and UseTax	317,735	559,134	147,117	290,803	0	0	61,683	131,412	0	1,507,884
Income Tax	121,429	160,609	47,954	83,531	0	0	17,718	37,747	0	468,988
Motor Fuel Tax	0	0	0	0	113,095	0	0	0	0	113,095
Other Taxes	124,999	0	0	0	0	0	0	0	0	124,999
Grants	0	3,095	0	0	0	0	0	0	59,546	62,641
License & Permits	76,256	0	0	0	0	500	0	0	0	76,756
Fines	510	38,322	0	0	0	0	0	0	0	38,832
Service Fees	0	0	6,075	0	0	405,562	29,875	12,625	0	454,137
Interest	45,519	86	61	98	477	91	12	78	3,799	50,221
Other Revenues	649	3,430	1,225	12,635	0	5,000	0	6,605	0	29,544
Total Revenues	\$ 887,831	\$ 764,676	\$ 202,432	\$ 441,435	\$ 113,572	\$ 411,153	\$ 109,288	\$ 188,467	\$ 63,345	\$ 3,182,199
EXPENDITURES										
Salaries	\$ 139,195	\$ 421,880	\$ 99,749	\$ 223,634	\$ 0	\$ 0	\$ 63,259	\$ 76,179	\$ 0	\$ 1,023,896
Payroll Taxes & Fringes	140,849	199,047	54,279	109,739	0	0	26,016	26,432	0	556,362
Purchased Services	292,907	84,317	43,071	44,528	167,588	370,441	7,105	48,546	59,546	1,118,049
Supplies	11,607	18,991	12,664	27,545	0	9,252	5,223	27,158	0	112,440
Other	3,350	250	250	0	0	0	0	0	0	3,850
Capital Outlays	12,876	26,376	18,298	20,386	0	0	0	0	0	77,936
Total Expenditures	\$ 600,784	\$ 750,861	\$ 228,311	\$ 425,832	\$ 167,588	\$ 379,693	\$ 101,603	\$ 178,315	\$ 59,546	\$ 2,892,533
REVENUE OVER (UNDER)										
EXPENDITURES	\$ 287,047	\$ 13,815	\$ (25,879)	\$ 15,603	\$ (54,016)	\$ 31,460	\$ 7,685	\$ 10,152	\$ 3,799	\$ 289,666
OTHER SOURCES(USES)										
Transfers	130,243	(34,881)	7,327	(17,901)	0	(31,369)	(4,073)	(3,859)	(45,487)	0
Net Change in Fund Balance	417,290	(21,066)	(18,552)	(2,298)	(54,016)	91	3,612	6,293	(41,688)	289,666
Fund Balance, beginning	2,211,222	81,013	41,004	74,006	155,078	60,592	6,069	49,483	103,253	2,781,720
Fund Balance, ending	\$ 2,628,512	\$ 59,947	\$ 22,452	\$ 71,708	\$ 101,062	\$ 60,683	\$ 9,681	\$ 55,776	\$ 61,565	\$ 3,071,386

The Notes to Financial Statements are an integral part of this statement.

**City of Anna, Illinois**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**  
**GOVERNMENTAL FUNDS**  
**April 30, 2019**

<b>Net Change in Fund Balances for Governmental Funds</b>	<b>\$ 289,666</b>
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures, and in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:	
Capital outlay	77,936
Depreciation	(319,074)
Revenues are recorded in the statement of activities when earned, they are not reported in the funds until collected or collectible within 60 days of year-end	0
Payment of principal on long-term debt is an expenditure in the governmental funds, but not in the statement of activities	0
Increase in accumulated compensated absences are recorded when earned in the statement of activities	0
<b>Change in Net Position of Governmental Funds</b>	<b>\$ 48,528</b>

The Notes to Financial Statements are an integral part of this statement.

**City of Anna, Illinois**  
**STATEMENT OF NET POSITION**  
**MODIFIED CASH BASIS**  
**PROPRIETARY FUNDS**  
**April 30, 2019**

ASSETS	BUSINESS TYPE ACTIVITIES			
	WATER UTILITY	SEWER UTILITY	GAS UTILITY	TOTAL
Current Assets:				
Cash and Equivalents	\$ 500,992	\$ 461,255	\$ 848,757	\$ 1,811,004
Certificates of Deposit	200,000	570,000	650,000	1,420,000
Receivables:				
Accounts Receivable - net	0	0	0	0
Taxes Receivable - net	0	0	0	0
Interfund	0	0	0	0
Accrued Interest	0	0	0	0
Notes Receivable	0	0	0	0
Inventory	0	0	0	0
Prepaid Expenses	0	0	0	0
Total Current Assets	700,992	1,031,255	1,498,757	3,231,004
Non-Current Assets				
Restricted:				
Cash and Cash Equivalents:				
Bond and Interest Sinking	12,985	16,932	0	29,917
Bond and Interest Reserve	0	0	0	0
Replacement/Improvement/Depreciation	0	0	0	0
Construction/Grant Funds	0	0	0	0
Surplus Account	0	0	0	0
Total Restricted Assets	12,985	16,932	0	29,917
Capital Assets:				
Land and Right-of-way	0	0	0	0
Plant and Distribution System	3,929,003	6,886,129	2,630,579	13,445,711
Buildings and Improvements	169,159	0	259,462	428,621
Equipment	322,135	283,047	475,783	1,080,965
Less Accumulated Depreciation	(2,107,032)	(3,678,968)	(2,170,124)	(7,956,124)
Construction in Progress	0	0	0	0
Total Capital Assets	2,313,265	3,490,208	1,195,700	6,999,173
Other Assets:				
Unamortized Bond Issue Cost	0	0	0	0
Unamortized Bond Discount	0	0	0	0
Escrow	0	0	0	0
Total Other Assets	0	0	0	0
Total Non-Current Assets	2,326,250	3,507,140	1,195,700	7,029,090
Total Assets	\$ 3,027,242	\$ 4,538,395	\$ 2,694,457	\$ 10,260,094

(Continued)

	BUSINESS TYPE ACTIVITIES			
	WATER UTILITY	SEWER UTILITY	GAS UTILITY	TOTAL
<b>LIABILITIES</b>				
Current Liabilities:				
Payable from Current Assets:				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Payroll and Related Items	0	0	0	0
Interfund	0	0	0	0
Customer Deposits	42,965	0	78,027	120,992
Accrued Interest	0	0	0	0
Deferred Revenue	0	0	0	0
Total Payable from Current Assets	42,965	0	78,027	120,992
Payable from Restricted Assets:				
Accounts Payable	0	0	0	0
Current Portion of Revenue Bonds	42,957	8,957	0	51,914
Accrued Interest	0	0	0	0
Total Payable from Restricted Assets	42,957	8,957	0	51,914
Total Current Liabilities	85,922	8,957	78,027	172,906
Non-Current Liabilities:				
Revenue Bonds	610,000	137,113	0	747,113
Accrued Compensated Absences	0	0	0	0
Total Non-Current Liabilities	610,000	137,113	0	747,113
Total Liabilities	\$ 695,922	\$ 146,070	\$ 78,027	\$ 920,019
<b>NET POSITION</b>				
Invested in Capital Assets, net of related debt	1,660,308	3,344,138	1,195,700	6,200,146
Restricted for:				
Future Expenditures	0	0	0	0
Designated Projects/Programs	432,909	286,643	603,812	1,323,364
Debt Service	12,985	16,932	0	29,917
Unrestricted	225,118	744,612	816,918	1,786,648
Total Net Position	\$ 2,331,320	\$ 4,392,325	\$ 2,616,430	\$ 9,340,075

The Notes to Financial Statements are an integral part of this statement.

**City of Anna, Illinois**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**MODIFIED CASH BASIS**  
**PROPRIETARY FUNDS**  
**For the Year Ended April 30, 2019**

	BUSINESS TYPE ACTIVITIES			
	WATER UTILITY	SEWER UTILITY	GAS UTILITY	TOTAL
<b>OPERATING REVENUES</b>				
Charges and Fees	\$ 1,302,883	\$ 733,604	\$ 1,524,128	\$ 3,560,615
<b>COST OF SALES</b>				
Commodity Purchases	752,203	2,322	812,520	1,567,045
Commodity Tax	0	0	41,142	41,142
Total Cost of Sales	752,203	2,322	853,662	1,608,187
Gross Profit	\$ 550,680	\$ 731,282	\$ 670,466	\$ 1,952,428
<b>OPERATING EXPENSES</b>				
Salaries	\$ 176,581	\$ 210,671	\$ 188,584	\$ 575,836
Payroll Taxes and Fringes	81,730	124,576	67,023	273,329
Purchased Services	92,765	197,729	130,780	421,274
Supplies	41,456	50,957	53,176	145,589
Administration and Facility	0	0	0	0
Depreciation	103,785	207,312	87,540	398,637
Other Expense	2,497	2,313	7,680	12,490
Total Operating Expense	\$ 498,814	\$ 793,558	\$ 534,783	\$ 1,827,155
Operating Income (Loss)	\$ 51,866	\$ (62,276)	\$ 135,683	\$ 125,273
<b>NON-OPERATING REVENUE(EXPENSE)</b>				
Interest Income	1,629	7,854	7,768	17,251
Interest Expense & Loan Cost	(8,560)	(3,503)	0	(12,063)
Loan forgiveness	0	0	0	0
Early Retirement Incentive	0	0	0	0
Other Income	1,040	553	706	2,299
Non-Operating Revenue(Expense)	(5,891)	4,904	8,474	7,487
<b>NET INCOME (LOSS) before capital contributions</b>	\$ 45,975	\$ (57,372)	\$ 144,157	\$ 132,760
Capital Grants	0	0	0	0
	45,975	(57,372)	144,157	132,760
Net Position, beginning of year	2,285,345	4,449,697	2,472,273	9,207,315
Net Position, end of year	\$ 2,331,320	\$ 4,392,325	\$ 2,616,430	\$ 9,340,075

The Notes to Financial Statements are an integral part of this statement.

**City of Anna, Illinois**  
**STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS**  
**PROPRIETARY FUNDS**  
**For the Year Ended April 30, 2019**  
**Increase (Decrease) in Cash and Cash Equivalents**

	BUSINESS TYPE ACTIVITIES			
	WATER UTILITY	SEWER UTILITY	GAS UTILITY	TOTAL
<b>Cash Flows - Operating Activities:</b>				
Cash received from customers	\$ 1,303,183	\$ 733,604	\$ 1,527,613	\$ 3,564,400
Cash payments for goods & services	(888,921)	(253,321)	(1,045,298)	(2,187,540)
Cash payments to employees	(258,311)	(335,247)	(255,607)	(849,165)
Net cash provided(used) by operating	155,951	145,036	226,708	527,695
<b>Cash Flows - Noncapital Activities:</b>				
Operating grants and Retirement incentive	\$ 0	\$ 0	\$ 0	\$ 0
Transfers to other funds	0	0	0	0
Other Income	1,040	553	706	2,299
Net cash provided(used) - noncapital	1,040	553	706	2,299
<b>Cash Flows - Capital Activities:</b>				
Acquisition & construction of assets	\$ (21,484)	\$ (22,812)	\$ (47,934)	\$ (92,230)
Debt proceeds	0	0	0	0
Principal paid on bonds	(42,424)	(8,755)	0	(51,179)
Interest paid on bonds	(8,560)	(3,503)	1	(12,062)
Bond escrow returned	0	0	0	0
Net cash provided(used) - capital	(72,468)	(35,070)	(47,933)	(155,471)
<b>Cash Flows - Investment Activities:</b>				
Interest on investments	\$ 1,629	\$ 7,854	\$ 7,768	\$ 17,251
Proceeds(Purchase) of investments	0	0	0	0
Net cash provided(used) - investments	1,629	7,854	7,768	17,251
Net increase(decrease) in cash & equiv	\$ 86,152	\$ 118,373	\$ 187,249	\$ 391,774
Cash & cash equivalents, beginning	627,825	929,814	1,311,508	2,869,147
Cash & cash equivalents, ending	\$ 713,977	\$ 1,048,187	\$ 1,498,757	\$ 3,260,921
<b>Reconciliation of Operating Income to Net Cash Provided by Operating:</b>				
Operating Income (Loss)	\$ 51,866	\$ (62,276)	\$ 135,683	\$ 125,273
Adjustments to reconcile operating income to net cash provided (used) by operating:				
Depreciation	103,785	207,312	87,540	398,637
Changes in assets and liabilities:				
(Incr)Decr in accounts receivable	0	0	0	0
(Incr)Decr in prepaid expenses	0	0	0	0
Incr(Decr) in accounts payable	0	0	0	0
Incr(Decr) in accrued payroll and related	0	0	0	0
Incr(Decr) in customer deposits	300	0	3,485	3,785
Incr(Decr) in deferred revenues	0	0	0	0
Total adjustments	104,085	207,312	91,025	402,422
Net cash provided (used) by operating	\$ 155,951	\$ 145,036	\$ 226,708	\$ 527,695

The Notes to Financial Statements are an integral part of this statement.

**City of Anna, Illinois**  
**STATEMENT OF NET POSITION**  
**MODIFIED CASH BASIS**  
**FIDUCIARY FUNDS**  
**April 30, 2019**

	PENSION TRUST FUNDS		
	POLICE PENSION	FIRE PENSION	TOTAL
<b>ASSETS</b>			
Cash and Cash Equivalents:			
Cash	\$ 205,916	\$ 90,811	\$ 296,727
Certificates of Deposit	0	0	0
Total Cash and Cash Equivalents	205,916	90,811	296,727
Receivables:			
Taxes Receivable	0	0	0
Employee Contributions	0	0	0
Accrued Interest	0	0	0
Total Receivables	0	0	0
Investments, at fair value (Note III-B)			
Certificates of Deposit	1,589,699	1,150,000	2,739,699
Illinois Funds	0	0	0
Bonds/Deposit Notes	0	0	0
U.S. Treasury Obligations	0	0	0
Government Backed Securities	180,946	29,449	210,395
Annuity Contracts	0	0	0
Mutual Funds	526,318	418,792	945,110
Total Investments	2,296,963	1,598,241	3,895,204
Total Assets	\$ 2,502,879	\$ 1,689,052	\$ 4,191,931
<b>LIABILITIES</b>			
Accounts Payable	\$ 0	\$ 0	\$ 0
Refunds Payable	0	0	0
Payroll Withholding	0	0	0
Total Liabilities	0	0	0
<b>Net Position Held in Trust for Pension Benefits</b>	<b>\$ 2,502,879</b>	<b>\$ 1,689,052</b>	<b>\$ 4,191,931</b>

The Notes to Financial Statements are an integral part of this statement.

**City of Anna, Illinois**  
**STATEMENT OF CHANGES IN NET POSITION**  
**MODIFIED CASH BASIS**  
**FIDUCIARY FUNDS**  
**For the Year Ended April 30, 2019**

	PENSION TRUST FUNDS		
	POLICE PENSION	FIRE PENSION	TOTAL
<b>ADDITIONS</b>			
Contributions:			
Property Taxes	\$ 188,122	\$ 91,627	\$ 279,749
Employee Contributions	38,857	5,361	44,218
City Contributions	75,000	49,992	124,992
Total Contributions	301,979	146,980	448,959
Investment Income:			
Interest and Dividends	80,636	57,229	137,865
Net Gain (Loss) on Investments	(5,157)	(5,316)	(10,473)
Investment Management Fees	0	0	0
Net Investment Income	75,479	51,913	127,392
Total Additions	\$ 377,458	\$ 198,893	\$ 576,351
<b>DEDUCTIONS</b>			
Direct Benefit Payments	212,078	208,619	420,697
Legal Fees	3,939	0	3,939
Accounting & Audit Fees	6,845	5,830	12,675
Other	2,066	1,966	4,032
Refunds & Transfers	0	0	0
Total Deductions	\$ 224,928	\$ 216,415	\$ 441,343
<b>Change in Net Position</b>	\$ 152,530	\$ (17,522)	\$ 135,008
Prior Period Adjustment, Change in Accounting Method	(205,549)	(100,247)	(305,796)
<b>Net Position Held in Trust for Pension Benefits</b>			
Beginning of year	2,555,898	1,806,821	4,362,719
End of year	\$ 2,502,879	\$ 1,689,052	\$ 4,191,931

The Notes to Financial Statements are an integral part of this statement.



**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2019**

**Note I - Summary of Significant Accounting Policies**

The City of Anna, Illinois was incorporated under the laws of the State of Illinois. The City is governed by an elected Mayor and City Council and provides the following services: General - Administration, Public Safety - Police and Fire, Transportation/Public Works - Streets and Motor Fuel Tax, Social Services - Sanitation and Cemetery, Parks/Recreation - Park and Pool, Community Development, and Public Utilities - Water, Sewer, and Gas.

The financial statements of the City are presented on the modified cash basis of accounting. The modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, Financial Accounting Standards Board (FASB) and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, and are generally followed to the extent they are applicable to the modified cash basis of accounting, and those standards do not contradict guidance of the Governmental Accounting Standards Board.

**A. The Reporting Entity**

The accompanying financial statements present the activities of the City and its component units, legally separate organizations for which the City is financially accountable or integrated. The following component units provide services or benefits exclusively to the City or its employees and are therefore blended and reported as if they were part of the City: Police Pension Fund, and Firefighters Pension Fund.

The following entities are excluded from the reporting entity of the City because the potential component units have separate elected or appointed boards and the City does not have the ability to exercise influence or control over operations, approve budgets, or provide funding: Anna-Jonesboro High School District #81, and Anna Community Consolidated School District #37. Audited financial statements are available from the organizations. The following entities are excluded from the reporting entity since the City's accountability is limited to making appointments to the governing board; Anna-Jonesboro Water Commission. Audited financial statements are available from the organization.

**B. Basis of Presentation**

Financial information of the City is presented as follows:

**1. Management's Discussion and Analysis**

Management's Discussion and Analysis introduces the basic financial statements and provides an overview of the City's financial activities.

**2. Government-wide Financial Statements**

Government-wide financial statements include a Statement of Net Position - Modified Cash Basis, and Statement of Activities and Changes in Net Position - Modified Cash Basis. These statements report all non-fiduciary activities of the City. For the most part, the effect of any interfund activity has been removed from these statements. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those which are clearly identifiable to a specific function. Program revenues include; (a) charges, fees, or fines to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and, (b) grants and contributions that are restricted to providing the operational or capital requirements of a particular function or program. Revenues not classified as program revenues, including all taxes, are presented as general revenues.

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note I - Summary of Significant Accounting Policies**

**B. Basis of Presentation (continued)**

**3. Fund Financial Statements**

Governmental Fund financial statements provide information about the City's funds, including its fiduciary funds and blended component units. Separate statements for each fund category; governmental proprietary, and fiduciary; are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. Any remaining governmental funds are aggregated and reported in a separate column.

Governmental Funds

Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. The difference between fund assets and liabilities is reported as fund balance. The City reports the following types of governmental funds:

General Fund

This 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.

Special Revenue Funds

These funds are established to account for specific revenue sources that have legal restrictions to expenditures for specific purposes. For reporting purposes, blended component units are considered special revenue funds.

Governmental fund financial statements include a Balance Sheet - Modified Cash Basis, and a Statement of Revenues, Expenditures and Changes in Fund Balance - Modified Cash Basis presenting a column for all major funds and a column for non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances as presented in these statements to the net position and changes in net position presented in the government-wide financial statements.

The City reports the following major governmental funds:

General Fund

This 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.

Public Safety:	<u>Police Fund</u>	<u>Fire Fund</u>
Transportation/Public Works:	<u>Street Fund</u>	<u>Motor Fuel Tax Fund</u>
Social Services:	<u>Sanitation Fund</u>	<u>Cemetery Fund</u>
Parks and Recreation:	<u>Park/Pool Fund</u>	
Community Development:	<u>Community Development Fund</u>	

Proprietary Funds

Proprietary fund reporting focuses on the determination of income, changes in net position, and cash flows. The difference between fund assets and liabilities is reported as net position. The City reports the following types of proprietary funds:

Enterprise Funds

Enterprise funds are operated in a manner similar to a private business enterprise where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note I - Summary of Significant Accounting Policies (continued)**

**B. Basis of Presentation (concluded)**

**3. Fund Financial Statements (concluded)**

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues result from non-exchange transactions or ancillary activities.

Proprietary financial statements include a Statement of Net Position - Modified Cash Basis, a Statement of Revenues, Expenses and Changes in Net Position - Modified Cash Basis, and a Statement of Cash Flows - Modified Cash Basis, presenting a column for all major funds and a column for any non-major funds aggregated.

The City reports the following major proprietary funds:

Water Utility Fund

This fund accounts for the activities of the water distribution system.

Sewer Utility Fund

This fund accounts for the activities of the sewage treatment facilities.

Gas Utility Fund

This fund accounts for the activities of the gas distribution system.

Fiduciary Funds

Fiduciary fund reporting focuses on the determination of income, and changes in net position. The difference between fund assets and liabilities is reported as net position held in trust. The City reports the following types of fiduciary funds:

Pension Trust Funds

These funds account for the activities of the Police and Firefighter Pension Funds which accumulate resources for the defined benefit pension payments to qualified retirees and their survivors. This fund is excluded from the City's government-wide financial statements.

**4. Notes to the Financial Statements**

Provide additional information essential to an understanding of the data in the financial statements.

**5. Other Information**

Other information presented for additional analysis with the financial statements.

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

The Government-wide financial statements and Fund financial statements of the governmental funds and proprietary funds are presented using the modified cash basis of accounting. Under the modified cash basis of accounting, assets, liabilities, net position, revenues, and expenses are recognized when they result from a cash transaction, with a provision for the recognition of notes receivable, capital assets, depreciation and debt. The modified cash basis of accounting is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Under the modified cash basis of accounting, certain assets and the related revenues (such as accounts receivable for goods or services provided but not yet collected) and certain liabilities and the related expenses (such as accounts payable for goods or services received but not yet paid) are not recorded in these financial statements.

City of Anna, Illinois  
NOTES TO FINANCIAL STATEMENTS - CONTINUED  
April 30, 2019

**Note I - Summary of Significant Accounting Policies (continued)**

**C. Measurement Focus, Basis of Accounting, and Basis of Presentation (concluded)**

Under generally accepted accounting principles, the government-wide financial statements, proprietary fund financial statements would be presented on the accrual basis of accounting and the governmental funds would be presented on the modified accrual basis of accounting.

**D. Deposits and Investments**

The City pools the cash of its various funds in order to facilitate cash management. Cash applicable to a particular fund is readily identifiable. The balance maintained in pooled accounts is sufficient to meet current operating requirements. Note III.

Investments are stated at cost, except for pension trust fund investments which are carried at fair value. Gains or losses on the sale of investments are recognized upon realization. The City has adopted a written investment and cash management policy.

**E. Due to and from Other Funds**

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. Note IV.

**F. Inventories**

The City does not maintain inventories that would be material to the financial statements and therefore expenses items as they are purchased.

**G. Restricted Assets**

Certain restricted cash and investments are held to satisfy bonded debt covenants, and for the acquisition and construction of capital assets.

**H. Capital Assets**

Capital assets are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are recognized as assets with a cost of \$ 2,500 or more and having an estimated useful life of 3 years or more. Infrastructure assets acquired or substantially improved prior to May 1, 2004 are not recorded as assets. The cost of normal maintenance and repairs that do not meet the minimum capitalization amounts, do not add to asset value, or extend life are expensed. Note V.

All capital assets are reported at historical cost, or estimated historical cost if actual historical cost is not available. Donated capital assets are reported at their estimated fair value on the date donated. Capital outlay costs for constructed assets are capitalized during construction. Exhaustible capital assets in service are depreciated using the straight line method over the following estimated useful lives:

	Years
Plant and Distribution System	10-50
Building and Improvements	20-40
Equipment	5-7
Other Depreciable Assets	10-40

In the government-wide and proprietary fund financial statements of net position, capital assets used and acquired are accounted for and presented as assets. In the fund financial statements, capital assets are accounted for as capital outlay expenditures when acquired.

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note I - Summary of Significant Accounting Policies (continued)**

**I. Impairment of Capital Assets**

A capital asset is considered impaired when its service utility has declined significantly and unexpectedly. The City has considered significant events or changes in circumstances affecting capital assets to determine whether an impairment of a capital asset has occurred. The City has determined that no such events or circumstances were encountered during the year ended April 30, 2019.

**J. Accumulated Absences**

City employees are entitled to certain compensated absences based on their length of employment. With the exception of sick time, compensated absences do not vest or accumulate and are recorded as expenditures when paid.

**K. Post-employment Benefits**

The City has established a voluntary retiree health insurance program effective May 1, 2009 to provide continuing health insurance coverage to eligible employees through its regular health insurance provider. The City does not currently provide any other post employment benefits.

**L. Lease Commitments**

The City does not currently have any material lease commitments.

**M. Deferred Compensation Plan**

The City offers employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. The Plan, is available to all permanent City employees and permits a portion of salary to be deferred until future years. The deferred compensation is not available to employees until termination, retirement, death, or financial hardship. It is the opinion of the City's management, that the City has no liability for losses under the plan, but does have a duty of due care that would be required of an ordinary prudent investor.

**N. Long-term Obligations**

Long-term debt is reported as a liability in the applicable governmental and enterprise funds in the government wide financial statements. Long-term debt of governmental funds is not reported as liabilities in the fund financial statements. Long-term debt payable is reported net of applicable costs. Any bond or debt issuance costs are reported as expenses when paid. Note VI.

**O. Net Position and Fund Equity**

**1. Government-wide and Proprietary Fund Financial Statements**

Net position represent the difference between total assets and total liabilities, and are classified as: invested in capital assets, net of related debt; restricted; and unrestricted. Note VIII.

- a. Net Position Invested in Capital Assets, net of related debt consist of capital assets less accumulated depreciation and net of outstanding balances of any debts used to finance those assets, such as bonds, capital leases, and notes.
- b. Restricted Net Position are those assets that may be used to finance specific types of transactions. These restrictions may be established by debt covenants, grantors, laws, or regulations.
- c. Unrestricted Net Position are those assets that do not meet the definition of either net position invested in capital assets net of related debt, or restricted net position.

**2. Governmental Fund Financial Statements**

Fund balances are composed of five major classifications: Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. A detailed classification of theses amounts is provided in Note VIII.

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note I - Summary of Significant Accounting Policies (continued)**

**N. Net Position and Fund Equity (concluded)**

**2. Governmental Fund Financial Statements (concluded)**

**a. Nonspendable Fund Balance**

This classification includes amounts that cannot be spent because they are (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The "not in spendable form" criteria includes items not expected to be converted to cash, for example, inventories and prepaid amounts.

**b. Restricted Fund Balance**

This classification includes amounts that are subject to outside restrictions or constraints imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. This category would include items such as: unexpended state and federal grant revenues, and unexpended tax levies.

**c. Committed Fund Balance**

This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority. The amounts committed cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action used to previously commit the amounts. This classification would also include contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

**d. Assigned Fund Balance**

This classification includes amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted or committed. Intent may be expressed by the governing body (City Council), or a committee (finance or budget), or an official (Manager, Budget Officer), which the governing body has delegated the authority to assign amounts to be used for specific purposes.

**e. Unassigned Fund Balance**

This classification is the residual classification for amounts that have not been restricted, committed, or assigned for specific purposes within the general funds.

Unless specifically identified, expenditures reduce restricted balances first, then committed balances, then assigned balances, and lastly unassigned balances. Expenditures for specifically identified purposes will reduce the specific classification of fund balances that is identified.

**O. Statement of Cash Flows**

For the purposes of the Statement of Cash Flows, the City considers all highly liquid investments (including restricted assets) with a maturity of 3 months or less when purchased to be cash equivalents.

**P. Revenues**

The City considers operating revenues in the enterprise funds as all charges to customers, non-operating revenues include investment earnings, and other revenues not directly resulting from customer charges.

**Q. Estimates**

Preparation of financial statements in conformity with an other comprehensive basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Actual results could vary from those estimates.

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note II - Stewardship, Compliance, and Accountability**

**A. Budgets and Budgetary Accounting**

The budget for all fund types is prepared on the accrual basis of accounting which is the same basis used in financial reporting. This allows for compatibility between the budget and actual amounts. This is an acceptable method in accordance with Chapter 24, Section 8-2, Paragraph 9.3 of the Illinois Revised Statutes. The budget was passed on April 17, 2018.

For each fund, total fund expenditures may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year. The City follows these procedures in establishing the budget.

1. Prior to May 1, the Budget Officer submits to the City Council a proposed operating budget for the fiscal year.
2. The proposed budget is made available for public inspection and comments for at least ten days prior to adoption.
3. Prior to May 1, the budget is legally adopted by resolution.
4. The budget is employed as a management control device during the year.
5. The City Council may make transfers between the various items in any fund not exceeding in aggregate 10% of the total of such fund as set forth in the budget.
6. The City Council may amend the budget by the same procedures required of its original adoption. The original budget was not amended.

**B. Budget Comparison**

Summary of actual expenditures compared to budget amounts are as follows:

	Budget		Actual		Variance
General Fund	\$ 838,459	\$	600,784	\$	237,675
Police Fund	762,963		750,861		12,102
Fire Fund	235,248		228,311		6,937
Street Fund	424,708		425,832		(1,124)
Motor Fuel Tax Fund	175,000		167,588		7,412
Sanitation Fund	412,525		379,693		32,832
Cemetery Fund	103,791		101,603		2,188
Park & Pool Fund	187,859		178,315		9,544
Community Development Fund	0		59,546		(59,546)

Expenditures for the following funds exceeded the budget and appropriation amounts:

Street Fund  
Community Development Fund

A detailed comparison statement of the actual revenues and expenditures with the budget, including budget variances, is included in the other information section.



**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note III - Deposits and Investments**

**A. Deposits**

It is the policy of the City to require that deposits in excess of FDIC insurable limits be secured by eligible collateral instruments acceptable under the Illinois Public Funds Investment Act. The City's deposits are categorized into three levels of custodial risk:

- Category 1      Insured by the FDIC, or registered with securities held by the City or its agent in the City's name.
- Category 2      Uninsured and unregistered, with securities held by the counter party's trust department or agent in the City's name.
- Category 3      Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent, but not in the City's name.

A comparison of the carrying value and bank balances at April 30, 2019 are shown below. The difference between the carrying value and bank balance is due to outstanding checks and/or deposits in transit.

Primary Government

	Category			Carrying Value	Bank Balance
	1	2	3		
Petty Cash	\$ 280	\$ 0	\$ 0	\$ 280	\$ 0
Deposit Accounts	2,570,462	0	0	2,570,462	2,565,076
Certificates of Deposit	3,700,000	0	0	3,700,000	3,700,000
Total	\$ 6,270,742	\$ 0	\$ 0	\$ 6,270,742	\$ 6,265,076

Reconciliation to Government-Wide Statement of Net Position

Cash and Cash Equivalents	\$ 2,540,825
Certificates of Deposit	3,700,000
Restricted Cash and Cash Equivalents	29,917
Restricted Certificates of Deposit	0
Total	\$ 6,270,742

Fiduciary Funds

Pension Trust Funds

	Category			Carrying Value	Bank Balance
	1	2	3		
Petty Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Deposit Accounts	296,727	0	0	296,727	283,011
Cert of Deposit	0	0	0	0	0
Total	\$ 296,727	\$ 0	\$ 0	\$ 296,727	\$ 283,011



**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note III - Deposits and Investments (continued)**

**B. Investments**

The City is allowed to invest as authorized by the Illinois State Statutes. In general, the City may invest in the following items: interest bearing direct obligations of the United States of America; interest bearing obligations fully insured by the United States of America; interest bearing bonds, notes, debentures or other similar obligations of agencies of the United States of America; interest bearing savings accounts or certificates of deposit issued by federally chartered banks or savings and loan associations, by State of Illinois chartered banks or savings and loan associations, and in credit unions, insured by agencies or instrumentalities of the federal government, interest bearing bonds of the State of Illinois; pooled interest bearing accounts managed by the Illinois Public Treasurers Investment Pool; interest bearing bonds of any county, township, or municipal corporation of the State of Illinois; money market mutual funds managed by certain registered investment companies; general accounts of life insurance companies authorized to transact business in Illinois; and with limitations, certain mutual funds, certain corporate bonds, and certain repurchase agreements.

A comparison of investment carrying value and fair value at April 30, 2019 are shown below. The carrying amount of marketable securities was adjusted to quoted fair value at April 30, 2019. Investments are categorized to give an indication of the level or risk assumed by the entity into three levels of custodial risk.

- Category 1      Insured by the FDIC, or registered with securities held by the Fund or its agent in the City's name.
- Category 2      Uninsured and unregistered, with securities held by the counter party's trust department or agent in the City's name.
- Category 3      Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent, but not in the City's name.

Primary Government

	Category			Amortized Cost	Fair Value
	1	2	3		
Certificates of Deposit	\$ 3,700,000	\$ 0	\$ 0	\$ 3,700,000	\$ 3,700,000
U.S. Government Securities	0	0	0	0	0
Govt Backed Securities	0	0	0	0	0
<b>Total</b>	<b>\$ 3,700,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,700,000</b>	<b>\$ 3,700,000</b>

Investments not subject to categorization

Illinois Funds	\$ 0	\$ 0
Fixed Income Securities	0	0
Equity Securities	0	0
<b>Total</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Total Investments</b>	<b>\$ 3,700,000</b>	<b>\$ 3,700,000</b>

Investment securities are exposed to various risks, such as interest rate risk, market risk, and credit risk. Due to the level of risks associated with certain securities, there is a likelihood that changes in the values of the investments will occur that could materially affect the amounts reported. Due to the type of entity investments, interest rate risk is not considered to be significant at April 30, 2019.

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note III - Deposits and Investments (continued)**

**B. Investments (concluded)**

Reconciliation to Government-Wide Statement of Net Position

Certificates of Deposit	\$ 3,700,000
U.S. Government Securities	0
Govt Backed Securities	0
Illinois Funds	0
Fixed Income Securities	0
Equity Securities	0

Total	\$ 3,700,000
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Fiduciary Funds

Pension Trust Funds

	Category			Amortized Cost	Fair Value
	1	2	3		
Cert of Deposit	\$ 2,739,699	\$ 0	\$ 0	\$ 2,739,699	\$ 2,739,699
U.S. Govt Securities	0	0	0	0	0
Govt Backed Sec	203,425	0	0	203,425	210,395
Total	\$ 2,943,124	\$ 0	\$ 0	\$ 2,943,124	\$ 2,950,094

Investments not subject to categorization

Illinois Funds	\$ 0	\$ 0
Fixed Income Securities	0	0
Equity Securities	877,922	945,110
Total	\$ 877,922	\$ 945,110
Total Investments	\$ 3,821,046	\$ 3,895,204

Investment securities are exposed to various risks, such as interest rate risk, market risk, and credit risk. Due to the level of risks associated with certain securities, there is a likelihood that changes in the values of the investments will occur that could materially affect the amounts reported. Due to the type of City investments, interest rate risk is not considered to be significant at April 30, 2019.

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note III - Deposits and Investments (continued)**

**C. Fair Value**

Fair value is the price that would be received to sell an asset or the amount paid to transfer a liability in an orderly transaction between market participants at the measurement date. Valuation techniques used to determine fair value should maximize the use of observable inputs and minimize the use of unobservable inputs. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels:

- Level 1 Quoted prices for identical assets or liabilities in active markets.
- Level 2 Inputs other than quoted prices within Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include; quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability, such as, interest rates and yield curves observable at commonly quoted intervals, implied volatilities, and credit spreads; market corroborated inputs.
- Level 3 Unobservable inputs for an asset or liability.

The following valuation methods and inputs are used for assets and liabilities measured at fair value on a recurring basis and recognized in the financial statements.

Securities

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing service and pricing models, the inputs of which are market based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy; however, no Level 3 securities exist at April 30, 2019.

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accounting principles. The following are the assets and liabilities recognized in the financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy as of April 30, 2019:

Primary Government

Investment Category

	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Fair Value
Certificates of Deposit	\$ 0	\$ 3,700,000	\$ 0	\$ 3,700,000
U.S. Government Securities	0	0	0	0
Govt Backed Securities	0	0	0	0
Illinois Funds	0	0	0	0
Fixed Income Securities	0	0	0	0
Equity Securities	0	0	0	0
Total	\$ 0	\$ 3,700,000	\$ 0	\$ 3,700,000

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note III - Deposits and Investments (concluded)**

**C. Fair Value (concluded)**

Fiduciary Funds

Pension Trust Funds

<u>Investment Category</u>	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Fair Value
Certificates of Deposit	\$ 0	\$ 2,739,699	\$ 0	\$ 2,739,699
U.S. Government Securities	0	0	0	0
Govt Backed Securities	0	210,395	0	210,395
Illinois Funds	0	0	0	0
Fixed Income Securities	0	0	0	0
Equity Securities	945,110	0	0	945,110
Total	\$ 945,110	\$ 2,950,094	\$ 0	\$ 3,895,204

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note IV - Due to/from Other Funds**

As of April 30, 2019, interfund receivables and payables that resulted from various transactions were as follows:

	<u>Due to</u>	<u>Due from</u>
Governmental Funds:		
General Fund	\$ 0	\$ 0
Police Fund	0	0
Fire Fund	0	0
Street Fund	0	0
Sanitation Fund	0	0
Cemetery Fund	0	0
Park and Pool Fund	0	0
Proprietary Funds:		
Water Utility Fund	0	0
Sewer Utility Fund	0	0
Gas Utility Fund	0	0
Fiduciary Funds:		
Police Pension Fund	0	0
Fire Pension Fund	0	0
	<hr/>	<hr/>
Total	\$ 0	\$ 0
	<hr/>	<hr/>

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note V - Changes in Capital Assets**

A summary of changes in capital assets and depreciation is as follows:

**A. Governmental Funds**

	Balance 4/30/18	Additions/ Adjustments	Deletions/ Adjustments	Balance 4/30/19
Land & Right of Way	\$ 1,326,477	\$ 0	\$ 0	\$ 1,326,477
Plant & Distribution System				
Buildings & Improvements	4,456,679	0	0	4,456,679
Equipment	3,311,807	77,936	0	3,389,743
Construction in Progress	0	0	0	0
<b>Total Cost</b>	<b>9,094,963</b>	<b>77,936</b>	<b>0</b>	<b>9,172,899</b>
Less: Accumulated Depreciation				
Plant & Distribution System	0	0	0	0
Buildings & Improvements	(1,962,923)	(142,757)	0	(2,105,680)
Equipment	(2,233,398)	(176,317)	0	(2,409,715)
<b>Total Accumulated Depreciation</b>	<b>(4,196,321)</b>	<b>(319,074)</b>	<b>0</b>	<b>(4,515,395)</b>
<b>Total Capital Assets net of depreciation</b>	<b>\$ 4,898,642</b>	<b>\$ (241,138)</b>	<b>\$ 0</b>	<b>\$ 4,657,504</b>

Depreciation was charged to the governmental activity functions as follows:

General Government	\$ 128,105
Public Safety	127,677
Transportation and Public Works	19,915
Social Services	7,425
Culture and Recreation	35,952
Community/Economic Development	0
	<b>\$ 319,074</b>

**B. Proprietary Funds**

**1. Water Utility**

	Balance 4/30/18	Additions/ Adjustments	Deletions/ Adjustments	Balance 4/30/19
Land & Right of Way	\$ 0	\$ 0	\$ 0	\$ 0
Plant & Distribution System	3,915,118	13,885	0	3,929,003
Buildings & Improvements	169,159	0	0	169,159
Equipment	314,536	7,599	0	322,135
Construction in Progress	0	0	0	0
<b>Total Cost</b>	<b>4,398,813</b>	<b>21,484</b>	<b>0</b>	<b>4,420,297</b>
Less: Accumulated Depreciation				
Plant & Distribution System	(1,672,559)	(92,782)	0	(1,765,341)
Buildings & Improvements	(58,119)	(4,532)	0	(62,651)
Equipment	(272,569)	(6,471)	0	(279,040)
<b>Total Accumulated Depreciation</b>	<b>(2,003,247)</b>	<b>(103,785)</b>	<b>0</b>	<b>(2,107,032)</b>
<b>Total Capital Assets net of depreciation</b>	<b>\$ 2,395,566</b>	<b>\$ (82,301)</b>	<b>\$ 0</b>	<b>\$ 2,313,265</b>

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note V - Changes in Capital Assets (concluded)**

**B. Proprietary Funds (concluded)**

**2. Sewer Utility**

	Balance 4/30/18	Additions/ Adjustments	Deletions/ Adjustments	Balance 4/30/19
Land & Right of Way	\$ 0	\$ 0	\$ 0	\$ 0
Plant & Distribution System	6,870,916	15,213	0	6,886,129
Buildings & Improvements	0	0	0	0
Equipment	275,448	7,599	0	283,047
Construction in Progress	0	0	0	0
<b>Total Cost</b>	<b>7,146,364</b>	<b>22,812</b>	<b>0</b>	<b>7,169,176</b>
Less: Accumulated Depreciation				
Plant & Distribution System	(3,273,182)	(189,852)	0	(3,463,034)
Buildings & Improvements	0	0	0	0
Equipment	(198,474)	(17,460)	0	(215,934)
<b>Total Accumulated Depreciation</b>	<b>(3,471,656)</b>	<b>(207,312)</b>	<b>0</b>	<b>(3,678,968)</b>
<b>Total Capital Assets net of depreciation</b>	<b>\$ 3,674,708</b>	<b>\$ (184,500)</b>	<b>\$ 0</b>	<b>\$ 3,490,208</b>

**3. Gas Utility**

	Balance 4/30/18	Additions/ Adjustments	Deletions/ Adjustments	Balance 4/30/19
Land & Right of Way	\$ 0	\$ 0	\$ 0	\$ 0
Plant & Distribution System	2,590,446	40,133	0	2,630,579
Buildings & Improvements	259,462	0	0	259,462
Equipment	467,984	7,799	0	475,783
Construction in Progress	0	0	0	0
<b>Total Cost</b>	<b>3,317,892</b>	<b>47,932</b>	<b>0</b>	<b>3,365,824</b>
Less: Accumulated Depreciation				
Plant & Distribution System	(1,598,909)	(72,261)	0	(1,671,170)
Buildings & Improvements	(84,049)	(6,625)	0	(90,674)
Equipment	(399,627)	(8,653)	0	(408,280)
<b>Total Accumulated Depreciation</b>	<b>(2,082,585)</b>	<b>(87,539)</b>	<b>0</b>	<b>(2,170,124)</b>
<b>Total Capital Assets net of depreciation</b>	<b>\$ 1,235,307</b>	<b>\$ (39,607)</b>	<b>\$ 0</b>	<b>\$ 1,195,700</b>

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note VI - Long-term Obligations**

**A. General Long-Term Debt**

The City is subject to the Municipal Finance Law of Illinois which limits the amount of debt that may be incurred (excluding revenue bonds). The limitation is 8.625 percent of the assessed valuation.

Assessed Valuation - 2018 levy year	\$ 52,708,463
Legal Debt Limitation - 8.625% of assessed valuation	4,546,105
Outstanding Debt	0
Legal Debt Margin	\$ 4,546,105

**1. Changes in Long-Term Debt**

A summary of changes in long-term debt for the year ended April 30, 2019:

	Balance 4/30/18	Increase (Decrease)	Balance 4/30/19	Current Portion
None	\$ 0	\$ 0	\$ 0	0
	\$ 0	\$ 0	\$ 0	0

**2. Installment Contracts**

None

\$ 0

Total Long-Term Debt

\$ 0

**3. Debt Service Requirements**

The annual requirements to amortize all debt outstanding at April 30, 2019, including interest, to maturity, are estimated as follows:

None



**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note VI - Long-term Obligations (continued)**

**B. Water Fund**

**1. Changes in Long-Term Debt**

A summary of changes in long-term debt for the year ended April 30, 2019:

	Balance 4/30/18	Issued	(Retired)	Balance 4/30/19	Current Portion
IEPA Loan - Water	\$ 695,381	\$ 0	\$ (42,425)	\$ 652,956	\$ 42,957
	<u>\$ 695,381</u>	<u>\$ 0</u>	<u>\$ (42,425)</u>	<u>\$ 652,956</u>	<u>\$ 42,957</u>

**2. Bonds and Loans Payable**

Bonds and Loans payable at April 30, 2019 consisted of the following:

IEPA Drinking Water Revolving Fund Loan:

Loan dated September 27, 2011 for \$ 1,179,885 less loan forgiveness of \$ 300,000, due in semi-annual installments of \$ 25,492 beginning on February 1, 2014 through February 1, 2033, with interest at 1.25%.

652,956

Total Long-Term Debt

\$ 652,956

**3. Debt Service Requirements**

The annual requirements to amortize all debt outstanding at April 30, 2019, including interest, to maturity, are estimated as follows:

April 30,	Principal	Interest	Total
2019	\$ 0	\$ 0	\$ 0
2020	42,957	8,028	50,985
2021	43,495	7,490	50,985
2022	44,041	6,944	50,985
2023	44,593	6,392	50,985
2024	45,152	5,833	50,985
2025	45,718	5,267	50,985
2026	46,292	4,693	50,985
2027	46,872	4,113	50,985
2028	47,460	3,525	50,985
2029	48,055	2,930	50,985
2030	48,657	2,328	50,985
2031	49,268	1,717	50,985
2032	49,885	1,100	50,985
2033	50,511	474	50,985
Thereafter	0	0	0
Totals	<u>\$ 652,956</u>	<u>\$ 60,834</u>	<u>\$ 713,790</u>

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note VI - Long-term Obligations (continued)**

**B. Sewer Fund**

**1. Changes in Long-Term Debt**

A summary of changes in long-term debt for the year ended April 30, 2019:

	Balance 4/30/18	Issued	(Retired)	Balance 4/30/19	Current Portion
IEPA Loan - Sewer	\$ 154,825	\$ 0	\$ (8,755)	\$ 146,070	\$ 8,957
	<u>\$ 154,825</u>	<u>\$ 0</u>	<u>\$ (8,755)</u>	<u>\$ 146,070</u>	<u>\$ 8,957</u>

**2. Bonds and Loans Payable**

Bonds and Loans payable at April 30, 2019 consisted of the following:

IEPA Clean Water Revolving Fund Loan:

Loan dated July 25, 2012 for \$ 380,959 less loan forgiveness of  
\$ 189,599, due in semi-annual installments of \$ 6,129 beginning on  
November 30, 2013 through November 30, 2032, with interest at 2.295%. 146,070

Total Long-Term Debt \$ 146,070

**3. Debt Service Requirements**

The annual requirements to amortize all debt outstanding at April 30, 2019, including interest, to maturity, are estimated as follows:

April 30,	Principal	Interest	Total
2019	\$ 0	\$ 0	\$ 0
2020	8,957	3,301	12,258
2021	9,164	3,094	12,258
2022	9,376	2,883	12,259
2023	9,592	2,667	12,259
2024	9,813	2,445	12,258
2025	10,040	2,219	12,259
2026	10,272	1,987	12,259
2027	10,509	1,750	12,259
2028	10,751	1,507	12,258
2029	11,000	1,259	12,259
2030	11,253	1,005	12,258
2031	11,513	745	12,258
2032	11,779	480	12,259
2033	12,051	208	12,259
Thereafter	<u>0</u>	<u>0</u>	<u>0</u>
Totals	<u>\$ 146,070</u>	<u>\$ 25,550</u>	<u>\$ 171,620</u>

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note VI - Long-term Obligations (concluded)**

**C. Gas Fund**

**1. Changes in Long-Term Debt**

A summary of changes in long-term debt for the year ended April 30, 2019:

	Balance 4/30/18	Issued	(Retired)	Balance 4/30/19	Current Portion
None	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**2. Bonds Payable**

Bonds payable at April 30, 2019 consisted of the following:

None

	0
Total Long-Term Debt	<u>\$ 0</u>

**3. Debt Service Requirements**

The annual requirements to amortize bonded debt outstanding at April 30, 2019, including interest, to maturity, are as follows:

	April 30,	Principal	Interest	Total
None		\$ 0	\$ 0	\$ 0
		0	0	0
Thereafter		0	0	0
Totals		<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note VII - Property Taxes**

The City's property tax is levied each year on all taxable real property located within the City on or before the last Tuesday in December. The 2018 levy was passed by the City Council on December 4, 2018. Property taxes attach as an enforceable lien on property on January 1 and are payable in two installments. The City receives significant distributions of tax receipts approximately one month after these due dates. Tax receipts recorded in these financial statements are from the 2017 and prior levies. The following are the tax rate limits permitted by statute and by local referendum and the actual rates levied per \$100 of assessed valuation. The City received the final payment of the 2017 levy in the next fiscal year. The City is subject to the Property Tax Extension Limitation Law (PTELL) effective January 1, 1997.

	Max Rate	TAX YEAR		
		2016	2017	2018
Equalized Assessed Valuation		\$ 53,024,098	\$ 53,529,588	\$ 52,708,463
RATE (per \$ 100)				
General	0.29400	0.11367	0.11555	0.11604
Tort	Unlimited	0.09859	0.09908	0.09812
Fire Protection	0.09000	0.03469	0.03671	0.03703
Garbage Collection	Unlimited	0.00000	0.00000	0.00000
Park and Recreation	0.07500	0.00000	0.00000	0.00000
Social Security	Unlimited	0.15700	0.15596	0.15550
Police Pension	Unlimited	0.32815	0.34860	0.37022
Fire Pension	Unlimited	0.17351	0.16880	0.18512
Totals		0.90561	0.92470	0.96203
EXTENSIONS				
General		\$ 60,272	\$ 61,853	\$ 61,163
Tort		52,277	53,037	51,717
Fire Protection		18,394	19,651	19,518
Garbage Collection		0	0	0
Park and Recreation		0	0	0
Social Security		83,248	83,485	81,962
Police Pension		174,000	186,604	195,137
Fire Pension		92,000	90,358	97,574
Totals		\$ 480,191	\$ 494,988	\$ 507,071
COLLECTIONS				
General		\$ 59,832	\$ 61,321	NOT YET
Tort		51,894	52,580	COLLECTED
Fire Protection		18,260	19,481	
Garbage Collection		0	0	
Park and Recreation		0	0	
Social Security		82,641	82,765	
Police Pension		172,730	184,996	
Fire Pension		91,328	89,579	
Totals		\$ 476,685	\$ 490,722	
Road and Bridge		\$ 31,128	\$ 29,971	
Percentage collected		99.27%	99.14%	

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note VIII - Net Position - Government-wide Statement**

A summary of net position by classification as of April 31, 2019, is as follows:

**A. Capital Assets, Net of Related Debt**

**1. Governmental Funds**

	2019	2018
Capital Assets	\$ 9,172,899	\$ 9,094,963
Accumulated Depreciation	(4,515,395)	(4,196,321)
Total Capital Assets	<u>4,657,504</u>	<u>4,898,642</u>
Less: Capital Related Debt		
Current Portion of Capital Related Long-term Debt	0	0
Long-term Portion of Capital Related Long-term Debt	0	0
Unamortized Discount and Premium	0	0
Total Capital Related Debt	<u>0</u>	<u>0</u>
Total Capital Assets, Net of Related Debt - Governmental	<u>\$ 4,657,504</u>	<u>\$ 4,898,642</u>

**2. Proprietary Funds**

Capital Assets	\$ 14,955,297	\$ 14,863,069
Accumulated Depreciation	(7,956,124)	(7,557,488)
Total Capital Assets	<u>6,999,173</u>	<u>7,305,581</u>
Less: Capital Related Debt		
Current Portion of Capital Related Long-term Debt	51,914	134,840
Long-term Portion of Capital Related Long-term Debt	747,113	986,410
Unamortized Discount and Premium	0	0
Total Capital Related Debt	<u>799,027</u>	<u>1,121,250</u>
Total Capital Assets, Net of Related Debt - Proprietary	<u>\$ 6,200,146</u>	<u>\$ 6,184,331</u>
Total Capital Assets, Net of Related Debt	<u>\$ 10,857,650</u>	<u>\$ 11,082,973</u>

**B. Restricted Net Position**

**1. Governmental Funds**

Restricted Cash and Investments		
Future Expenditures	\$ 166,467	\$ 998,122
Capital Projects	532,270	467,136
Debt Service	0	0
Total Restricted Net Position - Governmental	<u>\$ 698,737</u>	<u>\$ 1,465,258</u>

**2. Proprietary Funds**

Restricted Cash and Investments		
Future Expenditures	\$ 0	\$ 0
Capital Projects	1,323,364	1,145,728
Debt Service	29,917	449,738
Total Restricted Net Position - Proprietary	<u>\$ 1,353,281</u>	<u>\$ 1,595,466</u>
Total Restricted Net Position	<u>\$ 2,052,018</u>	<u>\$ 3,060,724</u>

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note VIII - Net Position - Government-wide Statement (continued)**

**C. Unrestricted Net Position**

**1. Governmental Funds**

	2019	2018
Total Net Position	\$ 7,728,890	\$ 7,680,362
Less:		
Capital Assets, Net of Related Debt	(4,657,504)	(4,898,642)
Restricted Assets	(698,737)	(1,465,258)
Total Unrestricted Net Position - Governmental	\$ 2,372,649	\$ 1,316,462

**2. Proprietary Funds**

Total Net Position	\$ 9,340,075	\$ 9,207,315
Less:		
Capital Assets, Net of Related Debt	(6,200,146)	(6,184,331)
Restricted Assets	(1,353,281)	(1,595,466)
Total Unrestricted Net Assets - Proprietary	\$ 1,786,648	\$ 1,427,518

Total Unrestricted Net Position	\$ 4,159,297	\$ 2,743,980
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**D. Restricted Net Position - Governmental Funds**

**1. Restricted for Future Use**

Restricted funds maintained in accordance with terms of grant agreements for cost sharing are restricted in use. Restricted fund balance contains the following at April 30, 2019:

	Required	Actual
General Fund - Special Assessments	\$ 3,840	\$ 3,840
	0	0
	0	0
Total Restricted for Future Use	\$ 3,840	\$ 3,840

**2. Restricted for Debt Service**

Restricted funds maintained in accordance with terms of the bond ordinance are restricted in use. Restricted retained earnings contains the following at April 30, 2019:

	Required	Actual
None	\$ 0	\$ 0
	0	0
	0	0
Total Restricted for Debt Service	\$ 0	\$ 0

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note VIII - Net Position - Government-wide Statement (continued)**

**D. Restricted Net Position - Governmental Funds (concluded)**

**3. Designated for Capital Projects**

Designated funds maintained in accordance the City's capital funding policy and amounts designated for other commitments of capital projects are as follows, at April 30, 2019:

	Capital Projects	Capital Building	Capital Equipment	Total
General Fund	\$ 0	\$ 5,628	\$ 24,208	\$ 29,836
Police Fund	0	14,753	45,194	59,947
Fire Fund	0	14,811	7,641	22,452
Park & Recreation Fund	0	0	55,776	55,776
Sanitation Fund	0	14,614	46,069	60,683
Cemetery Fund	0	0	9,681	9,681
Street Fund	0	18,510	53,198	71,708
Total Designated for Capital	\$ 0	\$ 68,316	\$ 241,767	\$ 310,083

**4. Designated for Early Retirement Incentive**

Designated funds maintained in accordance the City's early retirement incentive program are as follows, at April 30, 2019:

	Total
General Fund	\$ (207,589)
Police Fund	0
Fire Fund	0
Park & Recreation Fund	0
Sanitation Fund	0
Cemetery Fund	0
Street Fund	0
Total Designated for Early Retirement Incentive	\$ (207,589)

**5. Designated for Retiree Health Insurance**

Designated funds maintained in accordance the City's retiree health insurance program are as follows, at April 30, 2019:

	Total
General Fund	\$ 429,777
Police Fund	0
Fire Fund	0
Park & Recreation Fund	0
Sanitation Fund	0
Cemetery Fund	0
Street Fund	0
Total Designated for Retiree Health Insurance	\$ 429,777

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note VIII - Net Assets - Government-wide Statement (continued)**

**E. Restricted Net Position - Proprietary Funds**

**1. Restricted for Future Use**

Restricted funds maintained in accordance with terms of grant agreements for cost sharing are restricted in use. Restricted net position contains the following at April 30, 2019:

	Required	Actual
None	\$ 0	\$ 0
	0	0
	0	0
Total Restricted for Future Use	\$ 0	\$ 0

**2. Restricted for Debt Service**

Restricted funds maintained in accordance with terms of the bond ordinance are restricted in use. Restricted net position contains the following at April 30, 2019:

**Water and Sewer Funds**

	Required	Actual
Bond and Interest	\$ 17,872	\$ 29,917
Bond and Interest Reserve	0	0
Replacement and Improvement	0	0
Construction/Grant Funds	0	0
Bond Surplus	0	0
	\$ 17,872	\$ 29,917

**Gas Fund**

Bond and Interest	\$ 0	\$ 0
Bond and Interest Reserve	0	0
Replacement and Improvement	0	0
Construction/Grant Funds	0	0
Surplus	0	0
	\$ 0	\$ 0
Total Restricted for Debt Service	\$ 17,872	\$ 29,917

**3. Designated for Capital Projects**

Designated funds maintained in accordance the City's capital funding policy and amounts designated for other commitments of general long-term debt and other projects are as follows, at April 30, 2019:

	Capital Projects	Capital Building	Capital Equipment	Total
Water Utility Fund	\$ 0	\$ 15,924	\$ 34,718	\$ 50,642
Sewer Utility Fund	0	29,640	41,705	71,345
Gas Utility Fund	0	14,694	56,858	71,552
	\$ 0	\$ 60,258	\$ 133,281	\$ 193,539



**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note VIII - Net Position - Government-wide Statement (concluded)**

**E. Restricted Net Position - Proprietary Funds (concluded)**

**4. Designated for Early Retirement Incentive**

Designated funds maintained in accordance the City's early retirement incentive program are as follows, at April 30, 2019:

	Total
Water Utility Fund	\$ 175,853
Sewer Utility Fund	36,015
Gas Utility Fund	175,853
Total Designated for Early Retirement Incentive	<u>\$ 387,721</u>

**5. Designated for Retiree Health Insurance**

Designated funds maintained in accordance the City's retiree health insurance program are as follows, at April 30, 2019:

	Total
Water Utility Fund	\$ 206,414
Sewer Utility Fund	179,282
Gas Utility Fund	331,410
Total Designated for Retiree Health Insurance	<u>\$ 717,106</u>

**Note IX - Fund Balance - Governmental Fund Statements**

	Nonspendable	Restricted	Committed	Assigned	Unassigned
General Fund	\$ 0	\$ 3,840	\$ 252,023	\$ 0	\$ 2,372,649
Grants	0	0	0	0	0
Tax Levies	0	0	0	0	0
Police Fund	0	0	59,947	0	0
Grants	0	0	0	0	0
Fire Fund	0	0	22,452	0	0
Grants	0	0	0	0	0
Tax Levies	0	0	0	0	0
Street Fund	0	0	71,708	0	0
Grants	0	0	0	0	0
Tax Levies	0	0	0	0	0
Motor Fuel Tax Fund	0	101,062	0	0	0
Grants	0	0	0	0	0
Sanitation Fund	0	0	60,683	0	0
Grants	0	0	0	0	0
Cemetery Fund	0	0	9,681	0	0
Grants	0	0	0	0	0
Park & Recreation Fund	0	0	55,776	0	0
Grants	0	0	0	0	0
Tax Levies	0	0	0	0	0
Community Development	61,565	0	0	0	0
Grants	0	0	0	0	0
	<u>\$ 61,565</u>	<u>\$ 104,902</u>	<u>\$ 532,270</u>	<u>\$ 0</u>	<u>\$ 2,372,649</u>
Total				<u>\$</u>	<u>3,071,386</u>

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note X - Retirement Plans**

The City participates in three retirements systems: The Illinois Municipal Retirement Fund (IMRF), the Downstate Firefighters Pension Fund, and the Downstate Police Pension Fund. IMRF is a multiple-employer defined benefit public pension plan administered by the IMRF Board of Trustees, the Downstate Firefighter and Police Pension Funds are single-employer defined benefit plans administered by a local Board of Trustees. The Illinois Pension Code outlines the benefit provisions of the plans, and amendments to the plans can be made only by legislative action with the Governor's approval. The aggregate cash basis pension expense recognized by the City for the year ended April 30, 2019 was as follows:

Primary Government - IMRF	\$ 110,100
Fiduciary Funds	
Firefighters Pension	216,415
Police Pension	224,928
	<u>\$ 551,443</u>

**A. Illinois Municipal Retirement System**

**Plan Description**

The employer's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The employer's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multiple-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. 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 Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at [www.imrf.org](http://www.imrf.org).

**Benefits Provided**

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of: 3% of the original pension amount, or 1/2 of the increase in the Consumer Price Index of the original pension amount.

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note X - Retirement Plans (continued)**

**A. Illinois Municipal Retirement System (continued)**

**Employees Covered by Benefit Terms**

At December 31, 2018, the following employees were covered by the benefit terms:

Retirees and Beneficiaries currently receiving benefits	38
Inactive plan members entitled to, but not yet receiving benefits	12
Active plan members	19
Total	69

**Funding Policy/Contributions**

As set by statute, employer 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 employer's annual required contribution rate for calendar year 2018 was 12.29 percent. The employer's annual required contribution rate for calendar year 2019 is 9.70 percent. For the year ended April 30, 2019, the employer contributed \$ 110,100 to the plan. The employer 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 benefits rate is set by statute.

**Net Pension Liability**

The employer's net pension liability was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

**Actuarial Assumptions**

The following are the methods and assumptions used to determine total pension liability at December 31, 2018:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Inflation Rate	2.50%
Salary Increases	3.39% to 14.25% including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014 to 2016.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
Other Information:	
Notes	There were no benefit changes during the year.

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2018 Illinois Municipal Retirement Fund annual actuarial valuation report.

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note X - Retirement Plans (continued)**

**A. Illinois Municipal Retirement System (continued)**

**Actuarial Assumptions (concluded)**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2018:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	37.00%	7.15%
International Equity	18.00%	7.25%
Fixed Income	28.00%	3.75%
Real Estate	9.00%	6.25%
Alternate Investments	7.00%	
Private Equity		8.50%
Hedge Funds		5.50%
Commodities		3.20%
Cash Equivalents	1.00%	2.50%
Total	100.00%	

**Single Discount Rate**

A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 3.71%, and the resulting single discount rate is 7.25%.

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note X - Retirement Plans (continued)**

**A. Illinois Municipal Retirement System (continued)**

**Changes in the Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A)-(B)
Balances at December 31, 2017	\$ 8,602,368	\$ 8,439,830	\$ 162,538
Changes for the year:			
Service Cost	119,047		119,047
Interest on the Total Pension Liability	628,697		628,697
Changes of Benefit Terms	0		0
Difference Between Expected and Actual Experience of Total Pension Liability	1,366,516		1,366,516
Changes of Assumptions	285,568		285,568
Contributions - Employer		461,592	(461,592)
Contributions - Employee		129,465	(129,465)
Net Investment Income		(514,536)	514,536
Benefit Payments, including Refunds of Employee Contributions	(558,523)	(558,523)	0
Other (Net Transfer)	0	618,207	(618,207)
Net Changes	1,841,305	136,205	1,705,100
Balances at December 31, 2018	\$ 10,443,673	\$ 8,576,035	\$ 1,867,638

**Sensitivity of Net Pension Liability(Asset) to the Single Discount Rate Assumption**

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Net Pension Liability (Asset)	\$ 3,165,020	\$ 1,867,638	\$ 802,963

**Pension Expense, Deferred Outflows of Resources, and Deferred Inflows  
of Resources Related to Pensions**

For the year ended December 31, 2018, the employer recognized pension income of \$ 51,960. At December 31, 2018, the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
Amounts to be Recognized in Future Periods		
Differences between expected and actual experience	\$ 1,073,071	\$ 42,151
Changes of assumptions	211,488	110,013
Net difference between projected and actual earnings on pension plan investments	1,052,437	480,072
Pension contributions subsequent to the measurement date	0	0
Total Deferred Amounts Related to Pensions	\$ 2,336,996	\$ 632,236

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note X - Retirement Plans (continued)**

**A. Illinois Municipal Retirement System (concluded)**

**Pension Expense, Deferred Outflows of Resources, and Deferred Inflows  
of Resources Related to Pensions (concluded)**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ended December 31,	Deferred Outflows of Resources	Deferred Inflows of Resources
119	\$ 588,820	\$ 0
120	453,440	0
121	428,114	0
122	234,386	0
123	0	0
eafter	0	0
total	<u>\$ 1,704,760</u>	<u>\$ 0</u>

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note X - Retirement Plans (continued)**

**B. Firefighters Pension Fund**

**Plan Description**

The Firefighters Pension Fund was established by ordinance of the City Council in 1981 in accordance with state law. The Fund is a single-employer defined benefit plan administered by a 5 member Board of Trustees of which two members are appointed by the mayor of the municipality, two members are elected by and from active participants of the fund and one member is elected by and from retired beneficiaries of the fund. State law authorizes the Board to perform all necessary functions to carry out the provisions of Article 4 of the Illinois Pension Code. Benefit and contribution provisions are established by state law and may be amended only by the Illinois State Legislature. At April 30, 2019, the Fund's membership was as follows:

Retirees and beneficiaries:	
Currently receiving benefits	5
Entitled to benefits but not yet receiving them	0
Current members:	
Vested	1
Nonvested	0
Total members	<u>6</u>

**Basis of Accounting**

The financial statements are presented on the modified cash basis of accounting. Under the modified cash basis of accounting, assets, liabilities, net position, revenues, and expenses are recognized when they result from a cash transaction, with a provision for the recognition of notes receivable, capital assets, depreciation and debt. The modified cash basis of accounting is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Under the modified cash basis of accounting, certain assets and the related revenues (such as accounts receivable for taxes levied or interest accrued but not yet collected) and certain liabilities and the related expenses (such as accounts payable for goods or services received but not yet paid) are not recorded in these financial statements.

**Investments**

The Fund reports securities at fair value. Fixed income securities are reported at amortized cost, with adjustment to market value determined by using quoted market prices provided by independent pricing services. This valuation was performed as of April 30, 2019, and unrealized gains and losses were recognized as of this date.

**Property Taxes**

Property tax is levied each year on all taxable real property located within the City on or before the last Tuesday in December. The 2018 levy for the Firefighters Pension Fund is included in the levy passed by the City Council on December 4, 2018. Property taxes attach as an enforceable lien on the property January 1 and are payable in two installments. The amount estimated due from the 2018 levy has not been recorded in these financial statements.

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note X - Retirement Plans (continued)**

**B. Firefighters Pension Fund (continued)**

**Benefit Provisions**

**Tier I - Membership started prior to January 1, 2011:**

A firefighter age 50 or more with 20 or more years of creditable service who is no longer in service as a firefighter, shall receive a monthly pension of one-half the monthly salary attached to the rank held in the fire 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, to a maximum of 75% of such monthly salary.

A firefighter who retires or separated from service having at least 10 but less than 20 years of creditable service, who is not entitled to receive a disability pension, and did not apply for a refund of contributions at separation from service shall receive a reduced monthly pension upon attainment of age 60 based on the monthly salary attached to rank in the fire service on the date of retirement or separation of service, according to the following years of service: for 10 years, 15% of salary; for 11 years, 17.6% of salary; for 12 years, 20.4% of salary; for 13 years, 23.4% of salary; for 14 years, 26.6% of salary; for 15 years, 30% of salary; for 16 years, 33.6% of salary; for 17 years, 37.4% of salary; for 18 years, 41.4% of salary; for 19 years, 45.6% of salary.

The monthly pension of a firefighter retired from service with 20 or more years of service after January 1, 1987, shall be increased annually, following the first anniversary of the date of retirement or upon the attainment of age 55, if it occurs after the first anniversary, by 3% of the originally granted monthly pension, and by an additional 3% in each January thereafter.

**Tier II - Membership started on or after January 1, 2011:**

A firefighter age 55 or more with 10 or more years of creditable service who is no longer in service as a firefighter, shall have the option to receive a monthly pension computed by multiplying 2.5% for each year of service by the final average salary. The pension of a firefighter retiring after attaining age 55 with 10 or more years of creditable service shall be reduced by one-half of 1% for each month under age 55. The maximum pension shall be 75% of final average salary.

Final average salary means the average monthly salary obtained by dividing the total salary during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period.

The monthly pension shall annually be increased by the lesser of (a) 3% of the current amount including all previous adjustments, or (b) one-half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1, including all previous adjustments.

The Plan also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Members that terminate their participation may withdraw their contributions and forfeit future benefits.

**Funding**

The members are required to contribute 9.455 percent of their annual salary. The City is required to contribute the remaining amount necessary to fund the plan. This funding is provided by the City through the levy of a property tax. The annual real estate tax levy is based on actuarial computations performed by the Illinois Department of Financial and Professional Regulation. The amount of the tax rate is not restricted by statute. For the year ended April 30, 2019, payroll earnings of \$ 56,697 were reported to and covered by the Fund.



**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note X - Retirement Plans (continued)**

**B. Firefighters Pension Fund (continued)**

**Funding Status and Funding Progress**

The unfunded accrued liability was computed as part of an actuarial valuation performed by the Illinois Department of Insurance as of April 30, 2018. The most recent actuarial valuation performed as of April 30, 2019, is not yet available. Significant actuarial methods and assumptions used in the valuation were as follows:

**Actuarial Methods**

Funding method used	Projected Unit Cost
Amortization method used	Normal cost, plus an additional amount (determined as a level percentage of payroll) to bring the plan's funded ratio to 90% by the end of fiscal year 2040.
Asset valuation method	Investment gains and losses are recognized over a 5 year period.

**Actuarial Assumptions**

Interest rate assumption - current fiscal year	5.0%
Interest rate assumption - prior fiscal year	5.0%
Healthy mortality rates - Male	RP-2014 Healthy Annuitant , with Blue Collar Adjustment, Males
Healthy mortality rates - Female	RP-2014 Healthy Annuitant , with Blue Collar Adjustment, Females
Disabled mortality rates - Male	115% of RP-2014 Healthy Annuitant, with Blue Collar Adjustment, Males
Disabled mortality rates - Female	115% of RP-2014 Healthy Annuitant, with Blue Collar Adjustment, Females
Decrements other than mortality	Experience tables
Rate of service-related deaths	20.0%
Rate of service-related disabilities	80.0%
Salary increases	Service related table with rates grading from 12.5% to 3.5% at 31 years of service.
Payroll growth	3.50%
Tier 2 cost-of-living adjustment	1.25%
Marital assumptions	80% of members are assumed to be married, male spouses are assumed to be 3 years older than female spouses.

The actuarial assumptions used in determining the above amounts are based on experience for all Article 4 funds for the State of Illinois in aggregate, not that of each individual fund. The Department of Insurance has approved the actuarial assumptions. Contact the Department of Insurance for complete experience tables.

The above valuation uses personnel data as reported to the Department of Insurance in the Schedule P. Specifically the following data items have been determined as of the date of the Actuarial Valuation Report: attained age, annual salary or pension, and completed years of service of each individual participant.

The fund specific information used in the production of the Actuarial Valuation Report was provided to the Illinois Department of Insurance by the pension fund board of trustees through the fund's annual statement .

Additional critical information regarding actuarial assumptions and methods, and important actuarial disclosures are provided in the Actuarial Valuation Report Disclosures Document located on the following Illinois DOI website (<http://insurance.illinois.gov/Applications/Pension/FOIAReporting/FOIAportal.aspx>).

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note X - Retirement Plans (continued)**

**B. Firefighters Pension Fund (concluded)**

**Funding Status and Funding Progress (concluded)**

Total unfunded accrued liability applicable to the Fund's employees was \$ 2,670,452 at April 30, 2018, determined as follows:

Reserves for annuities and benefits in force	\$ 4,149,842
Retirees and beneficiaries currently receiving benefits	414,598
and terminated employees not yet receiving benefits	\$ 4,564,440
Accrued liabilities for active members	
Total accrued liability	1,893,988
Actuarial value of assets available for benefits	\$ 2,670,452
Unfunded accrued liability	41.49%
Funded ratio	

**Annual Pension Costs and Net Pension Obligation**

The contribution requirements were computed as part of an actuarial valuation performed by the Illinois Department of Insurance as of April 30, 2018. The most recent actuarial valuation performed as of April 30, 2019, is not yet available.

The annual pension cost and net pension obligation for the year ended April 30, 2018, were as follows:

Annual required contribution for normal costs	\$ 24,889
Annual required contribution to amortize unfunded accrued liability	116,563
Interest on net pension obligation	7,073
Adjustment to annual required contribution	0
Annual Pension Cost	148,525
Contributions made	146,787
Increase(Decrease) in net pension obligation	1,738
Net pension obligation, beginning of year	0
Net pension obligation, end of year	\$ 1,738

**Trend Information**

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. The three year trend information is presented below:

Actuarial Valuation Date	Annual Pension Cost (APC)	% of APC Contributed	Net Pension Obligation
4/30/2018	\$ 148,525	98.83%	\$ 1,738
4/30/2017	137,222	101.79%	0
4/30/2016	112,098	126.60%	0

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note X - Retirement Plans (continued)**

**C. Police Pension Fund**

**Plan Description**

The Police Pension Fund was established by an ordinance of the City Council in 1980, in accordance with state law. The Fund is a single-employer defined benefit plan administered by a 5 member Board of Trustees of which two members are appointed by the mayor of the municipality, two members are elected by and from active participants of the fund and one member is elected by and from retired beneficiaries of the fund. State law authorizes the Board to perform all necessary functions to carry out the provisions of Article 3 of the Illinois Pension Code. Benefit and contribution provisions are established by state law and may be amended only by the Illinois State Legislature. At April 30, 2019 the Fund's membership was as follows:  
the Fund's membership was as follows:

Retirees and beneficiaries:	
Currently receiving benefits	7
Entitled to benefits but not yet receiving them	0
Current members:	
Vested	3
Nonvested	4
	<hr/>
Total members	<u>14</u>

**Basis of Accounting**

The financial statements are presented on the modified cash basis of accounting. Under the modified cash basis of accounting, assets, liabilities, net position, revenues, and expenses are recognized when they result from a cash transaction, with a provision for the recognition of notes receivable, capital assets, depreciation and debt. The modified cash basis of accounting is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Under the modified cash basis of accounting, certain assets and the related revenues (such as accounts receivable for taxes levied or interest accrued but not yet collected) and certain liabilities and the related expenses (such as accounts payable for goods or services received but not yet paid) are not recorded in these financial statements.

**Investments**

The Fund reports securities at fair value. Fixed income securities are reported at amortized cost, with adjustment to market value determined by using quoted market prices provided by independent pricing services. This valuation was performed as of April 30, 2019, and unrealized gains and losses were recognized as of this date.

**Property Taxes**

Property tax is levied each year on all taxable real property located within the City on or before the last Tuesday in December. The 2018 levy for the Firefighters Pension Fund is included in the levy passed by the City Council on December 4, 2018. Property taxes attach as an enforceable lien on the property January 1 and are payable in two installments. The amount estimated due from the the 2018 levy has not been recorded in these financial statements.

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note X - Retirement Plans (continued)**

**C. Police Pension Fund (continued)**

**Benefit Provisions**

Tier I - Membership started prior to January 1, 2011:

A police officer age 50 or more with 20 or more years of creditable service, who is not a participant in a self-managed plan and who is no longer in service as a police officer, shall receive a monthly pension of one-half the salary attached to the rank held on the last day of service or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years of service through 30 years of service, to a maximum of 75% of such salary.

A police officer mandatorily retired from service due to age by operation of law, having at least 8 but less than 20 years of creditable service, shall receive a pension equal to 2.5% of the salary attached to the rank held on the last day of service or for one year prior to the last day, whichever is greater, for each year of creditable service. A police officer who retires or is separated from service having at least 8 years but less than 20 years of creditable service, who is not mandatorily retired due to age by operation of law, and who does not apply for a refund of contributions at separation from police service, shall receive a pension upon attaining age 60 equal to 2.5% of the salary attached to the rank held on the last day of service or for one year prior to the last day, whichever is greater, for each year of creditable service. The monthly pension of an officer shall be increased, upon either the first of the month following the first anniversary of the date of retirement, or upon the first day of the month following attainment of age 55 if it occurs after the first anniversary of retirement by 1/12 of 3% of the pension payable at the time of the increase for each full month elapsed since the pension began, and by an additional 3% of the pension payable at the time of increase in January each year thereafter.

Tier II - Membership started on or after January 1, 2011:

A police officer age 55 or more with 10 or more years of creditable service who is no longer in service as a police officer, shall have the option to receive a monthly pension computed by multiplying 2.5% for each year of service by the final average salary. The pension of a police officer retiring after attaining age 50 with 10 or more years of creditable service shall be reduced by one-half of 1% for each month of age under age 55. The maximum pension shall be 75% of final average salary.

Final average salary means the average monthly salary obtained by dividing the total salary during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period.

The monthly pension shall annually be increased by the lesser of (a) 3% of the current amount including all previous adjustments, or (b) one-half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1, including all previous adjustments.

The Plan also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Members that terminate their participation may withdraw their contributions and forfeit future benefits.

**Funding**

The members are required to contribute 9.91 percent of their annual salary. The City is required to contribute the remaining amount necessary to fund the plan. This funding is provided by the City through the levy of a property tax. The annual real estate tax levy is based on actuarial computations performed by the Illinois Department of Financial and Professional Regulation. The amount of the tax rate is not restricted by statute. For the year ended April 30, 2019, payroll earnings of \$ 392,103 were reported to and covered by the Fund.

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note X - Retirement Plans (continued)**

**C. Police Pension Fund (continued)**

**Funding Status and Funding Progress**

The unfunded accrued liability was computed as part of an actuarial valuation performed by the Illinois Department of Insurance as of April 30, 2018. The most recent actuarial valuation performed as of April 30, 2019, is not yet available. Significant actuarial methods and assumptions used in the valuation were as follows:

**Actuarial Methods**

Funding method used	Projected Unit Cost
Amortization method used	Normal cost, plus an additional amount (determined as a level percentage of payroll) to bring the plan's funded ratio to 90% by the end of fiscal year 2040.
Asset valuation method	Investment gains and losses are recognized over a 5 year period.

**Actuarial Assumptions**

Interest rate	5.75%
Interest rate, prior fiscal year	5.0%
Healthy mortality rates - Male	RP-2014 Healthy Annuitant, with Blue Collar Adjustment, Males
Healthy mortality rates - Female	RP-2014 Healthy Annuitant, with Blue Collar Adjustment, Females
Disabled mortality rates - Male	115% of RP-2014 Healthy Annuitant, with Blue Collar Adjustment, Males
Disabled mortality rates - Female	115% of RP-2014 Healthy Annuitant, with Blue Collar Adjustment, Females
Decrements other than mortality	Experience tables
Rate of service-related deaths	10.0%
Rate of service-related disabilities	60.0%
Salary increases	Service related table with rates grading from 11% to 3.5% at 33 years of service.
Payroll growth	3.50%
Tier 2 cost-of-living adjustment	1.25%
Marital assumptions	80% of members are assumed to be married, male spouses are assumed to be 3 years older than female spouses.

The actuarial assumptions used in determining the above amounts are based on experience for all Article 4 funds for the State of Illinois in aggregate, not that of each individual fund. The Department of Insurance has approved the actuarial assumptions. Contact the Department of Insurance for complete experience tables.

The above valuation uses personnel data as reported to the Department of Insurance in the Schedule P. Specifically the following data items have been determined as of the date of the Actuarial Valuation Report: attained age, annual salary or pension, and completed years of service of each individual participant.

The fund specific information used in the production of the Actuarial Valuation Report was provided to the Illinois Department of Insurance by the pension fund board of trustees through the fund's annual statement.

Additional critical information regarding actuarial assumptions and methods, and important actuarial disclosures are provided in the Actuarial Valuation Report Disclosures Document located on the following Illinois DOI website (<http://insurance.illinois.gov/Applications/Pension/FOIAReporting/FOIAportal.aspx>).

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**April 30, 2019**

**Note X - Retirement Plans (continued)**

**C. Police Pension Fund (concluded)**

**Funding Status and Funding Progress (concluded)**

Total unfunded accrued liability applicable to the Fund's employees was \$ 2,550,791 at April 30, 2018, determined as follows:

Reserves for annuities and benefits in force	\$ 3,471,618
Retirees and beneficiaries currently receiving benefits	1,757,824
and terminated employees not yet receiving benefits	\$ 5,229,442
Accrued liabilities for active members	
Total accrued liability	<u>2,678,651</u>
Actuarial value of assets available for benefits	<u>\$ 2,550,791</u>
Unfunded accrued liability	<u>51.22%</u>
Funded ratio	

**Annual Pension Costs and Net Pension Obligation**

The contribution requirements were computed as part of an actuarial valuation performed by the Illinois Department of Insurance as of April 30, 2018. The most recent actuarial valuation performed as of April 30, 2019, is not yet available.

The annual pension cost and net pension obligation for the year ended April 30, 2018, were as follows:

Annual required contribution for normal costs	\$ 100,419
Annual required contribution to amortize unfunded accrued liability	114,458
Interest on net pension obligation	12,355
Adjustment to annual required contribution	<u>0</u>
Annual Pension Cost	227,232
Contributions made	<u>268,529</u>
Increase(Decrease) in net pension obligation	(41,297)
Net pension obligation, beginning of year	<u>3,852</u>
Net pension obligation, end of year	<u>\$ 0</u>

**Trend Information**

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. The three year trend information is presented below:

Actuarial Valuation Date	Annual Pension Cost (APC)	% of APC Contributed	Net Pension Obligation
4/30/2018	\$ 227,232	118.17%	\$ 0
4/30/2017	262,182	98.53%	3,852
4/30/2016	238,902	104.17%	0

**City of Anna, Illinois**  
**NOTES TO FINANCIAL STATEMENTS - CONCLUDED**  
**April 30, 2019**

**Note X - Retirement Plans (concluded)**

**D. Social Security**

Employees not qualifying for coverage under the Illinois Municipal Retirement Fund, Firefighters Pension Fund or Police Pension Fund are considered "non-participating employees". These employees are covered under the Social Security system.

**Note XI - Risk Management**

Significant losses are covered by commercial insurance for all major categories: liability, property, and workers' compensation. During the year ended April 30, 2019, there were no significant reductions in coverage. Also there have been no settlement amounts which have exceeded insurance coverage in the past three fiscal years.

The City's insurance premiums for workers compensation and liability coverages are adjusted annually by audit, based on the actual levels of activity during the period of coverage. These premium audit adjustments are recorded in the year when paid or received. During the year ended April 30, 2019, the net audit adjustment, based on actual experience was \$ 5,445.

**Note XII - Commitments and Contingencies**

**A. Litigation**

The City's management and legal counsel assert that there are no material outstanding claims or litigation as of the report date.

**B. State and Federal Grants**

In the normal course of operations, the City receives grant funds from various State and Federal agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

**Note XIII - Subsequent Events**

The City has evaluated the effect of subsequent events through the date of this report, which is the date the financial statements were available to be issued. No subsequent events were identified that are essential to the understanding of these financial statements.

**Note XIV - Prior Period Adjustment - Fiduciary Funds**

The fiduciary funds are reported in separately issued audit reports using the accrual basis of accounting. For presentation with the government-wide financial statements, the fiduciary funds were converted to the modified cash basis of accounting which required the prior period adjustment.

## OTHER INFORMATION



**City of Anna, Illinois**  
**OTHER INFORMATION**  
**NOTES TO BUDGETARY COMPARISON SCHEDULES**  
**Year Ended April 30, 2019**

**Budgets and Budgetary Accounting**

The budget for all fund types is prepared on the modified cash basis of accounting which is the same basis used in financial reporting. This allows for compatibility between the budget and actual amounts. This is an acceptable method in accordance with Chapter 24, Section 8-2, Paragraph 9.3 of the Illinois Revised Statutes. The budget was passed on April 17, 2018.

For each fund, total fund expenditures may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year. The City follows these procedures in establishing the budget.

1. Prior to May 1, the Budget Officer submits to the City Council a proposed operating budget for the fiscal year.
2. The proposed budget is made available for public inspection and comments for at least ten days prior to adoption.
3. Prior to May 1, the budget is legally adopted by resolution.
4. The budget is employed as a management control device during the year.
5. The City Council may make transfers between the various items in any fund not exceeding in aggregate 10% of the total of such fund as set forth in the budget.
6. The City Council may amend the budget by the same procedures required of its original adoption. The original budget was not amended.

**City of Anna, Illinois**  
**OTHER INFORMATION**  
**BUDGETARY COMPARISON SCHEDULES - MODIFIED CASH BASIS**  
**GENERAL FUND**  
**Year Ended April 30, 2019**

	Original Budget	Final Budget	Actual	Variance with Budget
<b>REVENUES</b>				
Property Taxes	\$ 202,000	\$ 202,000	\$ 200,734	\$ (1,266)
State Replacement Taxes	0	0	0	0
State Sales and Use Taxes	197,971	197,971	317,735	119,764
State Income Taxes	50,724	50,724	121,429	70,705
State Motor Fuel Taxes	0	0	0	0
Other Taxes	119,000	119,000	124,999	5,999
Grants	0	0	0	0
Licenses and Permits	69,000	69,000	76,256	7,256
Fines	0	0	510	510
Service Fees	0	0	0	0
Investment Income	42,225	42,225	45,519	3,294
Other Revenues	38,314	38,314	649	(37,665)
<b>Total Revenues</b>	<b>\$ 719,234</b>	<b>\$ 719,234</b>	<b>\$ 887,831</b>	<b>\$ 168,597</b>
<b>EXPENDITURES</b>				
Salaries	\$ 186,605	\$ 186,605	\$ 139,195	\$ 47,410
Payroll Taxes & Fringes	225,111	225,111	140,849	84,262
Purchased Services	299,625	299,625	292,907	6,718
Supplies	12,650	12,650	11,607	1,043
Other	6,468	6,468	3,350	3,118
Capital Outlay	108,000	108,000	12,876	95,124
Debt Service	0	0	0	0
<b>Total Expenditures</b>	<b>\$ 838,459</b>	<b>\$ 838,459</b>	<b>\$ 600,784</b>	<b>\$ 237,675</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>\$ (119,225)</b>	<b>\$ (119,225)</b>	<b>\$ 287,047</b>	<b>\$ 406,272</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers	0	0	130,243	130,243
Debt Proceeds	0	0	0	0
<b>Net Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>130,243</b>	<b>130,243</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<b>\$ (119,225)</b>	<b>\$ (119,225)</b>	<b>\$ 417,290</b>	<b>\$ 536,515</b>
<b>Fund Balance, beginning of year</b>	<b>2,211,222</b>	<b>2,211,222</b>	<b>2,211,222</b>	
<b>Fund Balance, end of year</b>	<b>\$ 2,091,997</b>	<b>\$ 2,091,997</b>	<b>\$ 2,628,512</b>	<b>\$ 536,515</b>

See accompanying Notes to Budgetary Comparison Schedules.

**City of Anna, Illinois**  
**OTHER INFORMATION**  
**BUDGETARY COMPARISON SCHEDULES - MODIFIED CASH BASIS**  
**POLICE FUND**  
**Year Ended April 30, 2019**

	Original Budget	Final Budget	Actual	Variance with Budget
<b>REVENUES</b>				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
State Replacement Taxes	0	0	0	0
State Sales and Use Taxes	557,087	557,087	559,134	2,047
State Income Taxes	157,126	157,126	160,609	3,483
State Motor Fuel Taxes	0	0	0	0
Other Taxes	0	0	0	0
Grants	0	0	3,095	3,095
Licenses and Permits	0	0	0	0
Fines	48,000	48,000	38,322	(9,678)
Service Fees	0	0	0	0
Investment Income	0	0	86	86
Other Revenues	750	750	3,430	2,680
Total Revenues	\$ 762,963	\$ 762,963	\$ 764,676	\$ 1,713
<b>EXPENDITURES</b>				
Salaries	\$ 456,845	\$ 456,845	\$ 421,880	\$ 34,965
Payroll Taxes & Fringes	206,947	206,947	199,047	7,900
Purchased Services	80,396	80,396	84,317	(3,921)
Supplies	11,325	11,325	18,991	(7,666)
Other	250	250	250	0
Capital Outlay	7,200	7,200	26,376	(19,176)
Debt Service	0	0	0	0
Total Expenditures	\$ 762,963	\$ 762,963	\$ 750,861	\$ 12,102
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	\$ 0	\$ 0	\$ 13,815	\$ 13,815
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers	0	0	(34,881)	(34,881)
Debt Proceeds	0	0	0	0
Net Other Financing Sources (Uses)	0	0	(34,881)	(34,881)
<b>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	\$ 0	\$ 0	\$ (21,066)	\$ (21,066)
Fund Balance, beginning of year	81,013	81,013	81,013	
<b>Fund Balance, end of year</b>	\$ 81,013	\$ 81,013	\$ 59,947	\$ (21,066)

See accompanying Notes to Budgetary Comparison Schedules.

**City of Anna, Illinois**  
**OTHER INFORMATION**  
**BUDGETARY COMPARISON SCHEDULES - MODIFIED CASH BASIS**  
**FIRE FUND**  
**Year Ended April 30, 2019**

	Original Budget	Final Budget	Actual	Variance with Budget
<b>REVENUES</b>				
Property Taxes	\$ 20,000	\$ 20,000	\$ 0	\$ (20,000)
State Replacement Taxes	0	0	0	0
State Sales and Use Taxes	166,334	166,334	147,117	(19,217)
State Income Taxes	46,914	46,914	47,954	1,040
State Motor Fuel Taxes	0	0	0	0
Other Taxes	0	0	0	0
Grants	0	0	0	0
Licenses and Permits	0	0	0	0
Fines	0	0	0	0
Service Fees	2,000	2,000	6,075	4,075
Investment Income	0	0	61	61
Other Revenues	0	0	1,225	1,225
<b>Total Revenues</b>	<b>\$ 235,248</b>	<b>\$ 235,248</b>	<b>\$ 202,432</b>	<b>\$ (32,816)</b>
<b>EXPENDITURES</b>				
Salaries	\$ 108,400	\$ 108,400	\$ 99,749	\$ 8,651
Payroll Taxes & Fringes	72,756	72,756	54,279	18,477
Purchased Services	42,042	42,042	43,071	(1,029)
Supplies	8,200	8,200	12,664	(4,464)
Other	250	250	250	0
Capital Outlay	3,600	3,600	18,298	(14,698)
Debt Service	0	0	0	0
<b>Total Expenditures</b>	<b>\$ 235,248</b>	<b>\$ 235,248</b>	<b>\$ 228,311</b>	<b>\$ 6,937</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (25,879)</b>	<b>\$ (25,879)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers	0	0	7,327	7,327
Debt Proceeds	0	0	0	0
<b>Net Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>7,327</b>	<b>7,327</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (18,552)</b>	<b>\$ (18,552)</b>
<b>Fund Balance, beginning of year</b>	<b>41,004</b>	<b>41,004</b>	<b>41,004</b>	
<b>Fund Balance, end of year</b>	<b>\$ 41,004</b>	<b>\$ 41,004</b>	<b>\$ 22,452</b>	<b>\$ (18,552)</b>

See accompanying Notes to Budgetary Comparison Schedules.

**City of Anna, Illinois**  
**OTHER INFORMATION**  
**BUDGETARY COMPARISON SCHEDULES - MODIFIED CASH BASIS**  
**STREET FUND**  
**Year Ended April 30, 2019**

	Original Budget	Final Budget	Actual	Variance with Budget
<b>REVENUES</b>				
Property Taxes	\$ 28,000	\$ 28,000	\$ 30,667	\$ 2,667
State Replacement Taxes	25,000	25,000	23,701	(1,299)
State Sales and Use Taxes	289,738	289,738	290,803	1,065
State Income Taxes	81,720	81,720	83,531	1,811
State Motor Fuel Taxes	0	0	0	0
Other Taxes	0	0	0	0
Grants	0	0	0	0
Licenses and Permits	0	0	0	0
Fines	0	0	0	0
Service Fees	0	0	0	0
Investment Income	0	0	98	98
Other Revenues	250	250	12,635	12,385
<b>Total Revenues</b>	<b>\$ 424,708</b>	<b>\$ 424,708</b>	<b>\$ 441,435</b>	<b>\$ 16,727</b>
<b>EXPENDITURES</b>				
Salaries	\$ 234,082	\$ 234,082	\$ 223,634	\$ 10,448
Payroll Taxes & Fringes	109,017	109,017	109,739	(722)
Purchased Services	39,834	39,834	44,528	(4,694)
Supplies	30,375	30,375	27,545	2,830
Other	0	0	0	0
Capital Outlay	11,400	11,400	20,386	(8,986)
Debt Service	0	0	0	0
<b>Total Expenditures</b>	<b>\$ 424,708</b>	<b>\$ 424,708</b>	<b>\$ 425,832</b>	<b>\$ (1,124)</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 15,603</b>	<b>\$ 15,603</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers	0	0	(17,901)	(17,901)
Debt Proceeds	0	0	0	0
<b>Net Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>(17,901)</b>	<b>(17,901)</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (2,298)</b>	<b>\$ (2,298)</b>
<b>Fund Balance, beginning of year</b>	<b>74,006</b>	<b>74,006</b>	<b>74,006</b>	
<b>Fund Balance, end of year</b>	<b>\$ 74,006</b>	<b>\$ 74,006</b>	<b>\$ 71,708</b>	<b>\$ (2,298)</b>

See accompanying Notes to Budgetary Comparison Schedules.

**City of Anna, Illinois**  
**OTHER INFORMATION**  
**BUDGETARY COMPARISON SCHEDULES - MODIFIED CASH BASIS**  
**MOTOR FUEL TAX FUND**  
**Year Ended April 30, 2019**

	Original Budget	Final Budget	Actual	Variance with Budget
<b>REVENUES</b>				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
State Replacement Taxes	0	0	0	0
State Sales and Use Taxes	0	0	0	0
State Income Taxes	0	0	0	0
State Motor Fuel Taxes	124,000	124,000	113,095	(10,905)
Other Taxes	0	0	0	0
Grants	0	0	0	0
Licenses and Permits	0	0	0	0
Fines	0	0	0	0
Service Fees	0	0	0	0
Investment Income	51,000	51,000	477	(50,523)
Other Revenues	0	0	0	0
<b>Total Revenues</b>	<b>\$ 175,000</b>	<b>\$ 175,000</b>	<b>\$ 113,572</b>	<b>\$ (61,428)</b>
<b>EXPENDITURES</b>				
Salaries	\$ 0	\$ 0	\$ 0	\$ 0
Payroll Taxes & Fringes	0	0	0	0
Purchased Services	175,000	175,000	167,588	7,412
Supplies	0	0	0	0
Other	0	0	0	0
Capital Outlay	0	0	0	0
Debt Service	0	0	0	0
<b>Total Expenditures</b>	<b>\$ 175,000</b>	<b>\$ 175,000</b>	<b>\$ 167,588</b>	<b>\$ 7,412</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (54,016)</b>	<b>\$ (54,016)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers	0	0	0	0
Debt Proceeds	0	0	0	0
<b>Net Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (54,016)</b>	<b>\$ (54,016)</b>
Fund Balance, beginning of year	155,078	155,078	155,078	
<b>Fund Balance, end of year</b>	<b>\$ 155,078</b>	<b>\$ 155,078</b>	<b>\$ 101,062</b>	<b>\$ (54,016)</b>

See accompanying Notes to Budgetary Comparison Schedules.

**City of Anna, Illinois**  
**OTHER INFORMATION**  
**BUDGETARY COMPARISON SCHEDULES - MODIFIED CASH BASIS**  
**SANITATION FUND**  
**Year Ended April 30, 2019**

	Original Budget	Final Budget	Actual	Variance with Budget
<b>REVENUES</b>				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
State Replacement Taxes	0	0	0	0
State Sales and Use Taxes	0	0	0	0
State Income Taxes	0	0	0	0
State Motor Fuel Taxes	0	0	0	0
Other Taxes	0	0	0	0
Grants	0	0	0	0
Licenses and Permits	500	500	500	0
Fines	0	0	0	0
Service Fees	407,025	407,025	405,562	(1,463)
Investment Income	0	0	91	91
Other Revenues	5,000	5,000	5,000	0
Total Revenues	\$ 412,525	\$ 412,525	\$ 411,153	\$ (1,372)
<b>EXPENDITURES</b>				
Salaries	\$ 0	\$ 0	\$ 0	\$ 0
Payroll Taxes & Fringes	0	0	0	0
Purchased Services	404,525	404,525	370,441	34,084
Supplies	8,000	8,000	9,252	(1,252)
Other	0	0	0	0
Capital Outlay	0	0	0	0
Debt Service	0	0	0	0
Total Expenditures	\$ 412,525	\$ 412,525	\$ 379,693	\$ 32,832
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	\$ 0	\$ 0	\$ 31,460	\$ 31,460
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers	0	0	(31,369)	(31,369)
Debt Proceeds	0	0	0	0
Net Other Financing Sources (Uses)	0	0	(31,369)	(31,369)
<b>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	\$ 0	\$ 0	\$ 91	\$ 91
Fund Balance, beginning of year	60,592	60,592	60,592	
Fund Balance, end of year	\$ 60,592	\$ 60,592	\$ 60,683	\$ 91

See accompanying Notes to Budgetary Comparison Schedules.

**City of Anna, Illinois**  
**OTHER INFORMATION**  
**BUDGETARY COMPARISON SCHEDULES - MODIFIED CASH BASIS**  
**CEMETERY FUND**  
**Year Ended April 30, 2019**

	Original Budget	Final Budget	Actual	Variance with Budget
<b>REVENUES</b>				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
State Replacement Taxes	0	0	0	0
State Sales and Use Taxes	61,457	61,457	61,683	226
State Income Taxes	17,334	17,334	17,718	384
State Motor Fuel Taxes	0	0	0	0
Other Taxes	0	0	0	0
Grants	0	0	0	0
Licenses and Permits	0	0	0	0
Fines	0	0	0	0
Service Fees	25,000	25,000	29,875	4,875
Investment Income	0	0	12	12
Other Revenues	0	0	0	0
Total Revenues	\$ 103,791	\$ 103,791	\$ 109,288	\$ 5,497
<b>EXPENDITURES</b>				
Salaries	\$ 62,728	\$ 62,728	\$ 63,259	\$ (531)
Payroll Taxes & Fringes	24,198	24,198	26,016	(1,818)
Purchased Services	8,065	8,065	7,105	960
Supplies	5,200	5,200	5,223	(23)
Other	0	0	0	0
Capital Outlay	3,600	3,600	0	3,600
Debt Service	0	0	0	0
Total Expenditures	\$ 103,791	\$ 103,791	\$ 101,603	\$ 2,188
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	\$ 0	\$ 0	\$ 7,685	\$ 7,685
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers	0	0	(4,073)	(4,073)
Debt Proceeds	0	0	0	0
Net Other Financing Sources (Uses)	0	0	(4,073)	(4,073)
<b>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	\$ 0	\$ 0	\$ 3,612	\$ 3,612
Fund Balance, beginning of year	6,069	6,069	6,069	
<b>Fund Balance, end of year</b>	\$ 6,069	\$ 6,069	\$ 9,681	\$ 3,612

See accompanying Notes to Budgetary Comparison Schedules.



**City of Anna, Illinois**  
**OTHER INFORMATION**  
**BUDGETARY COMPARISON SCHEDULES - MODIFIED CASH BASIS**  
**PARK AND POOL FUND**  
**Year Ended April 30, 2019**

	Original Budget	Final Budget	Actual	Variance with Budget
<b>REVENUES</b>				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
State Replacement Taxes	0	0	0	0
State Sales and Use Taxes	130,931	130,931	131,412	481
State Income Taxes	36,928	36,928	37,747	819
State Motor Fuel Taxes	0	0	0	0
Other Taxes	0	0	0	0
Grants	0	0	0	0
Licenses and Permits	0	0	0	0
Fines	0	0	0	0
Service Fees	20,000	20,000	12,625	(7,375)
Investment Income	0	0	78	78
Other Revenues	0	0	6,605	6,605
Total Revenues	\$ 187,859	\$ 187,859	\$ 188,467	\$ 608
<b>EXPENDITURES</b>				
Salaries	\$ 85,511	\$ 85,511	\$ 76,179	\$ 9,332
Payroll Taxes & Fringes	25,588	25,588	26,432	(844)
Purchased Services	46,510	46,510	48,546	(2,036)
Supplies	20,050	20,050	27,158	(7,108)
Other	0	0	0	0
Capital Outlay	10,200	10,200	0	10,200
Debt Service	0	0	0	0
Total Expenditures	\$ 187,859	\$ 187,859	\$ 178,315	\$ 9,544
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	\$ 0	\$ 0	\$ 10,152	\$ 10,152
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers	0	0	(3,859)	(3,859)
Debt Proceeds	0	0	0	0
Net Other Financing Sources (Uses)	0	0	(3,859)	(3,859)
<b>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	\$ 0	\$ 0	\$ 6,293	\$ 6,293
Fund Balance, beginning of year	49,483	49,483	49,483	
Fund Balance, end of year	\$ 49,483	\$ 49,483	\$ 55,776	\$ 6,293

See accompanying Notes to Budgetary Comparison Schedules.

**City of Anna, Illinois**  
**OTHER INFORMATION**  
**BUDGETARY COMPARISON SCHEDULES - MODIFIED CASH BASIS**  
**COMMUNITY DEVELOPMENT FUND**  
**Year Ended April 30, 2019**

	Original Budget	Final Budget	Actual	Variance with Budget
<b>REVENUES</b>				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
State Replacement Taxes	0	0	0	0
State Sales and Use Taxes	0	0	0	0
State Income Taxes	0	0	0	0
State Motor Fuel Taxes	0	0	0	0
Other Taxes	0	0	0	0
Grants	0	0	59,546	59,546
Licenses and Permits	0	0	0	0
Fines	0	0	0	0
Service Fees	0	0	0	0
Investment Income	0	0	3,799	3,799
Other Revenues	0	0	0	0
<b>Total Revenues</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 63,345</b>	<b>\$ 63,345</b>
<b>EXPENDITURES</b>				
Salaries	\$ 0	\$ 0	\$ 0	\$ 0
Payroll Taxes & Fringes	0	0	0	0
Purchased Services	0	0	59,546	(59,546)
Supplies	0	0	0	0
Other	0	0	0	0
Capital Outlay	0	0	0	0
Debt Service	0	0	0	0
<b>Total Expenditures</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 59,546</b>	<b>\$ (59,546)</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,799</b>	<b>\$ 3,799</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers	0	0	(45,487)	(45,487)
Debt Proceeds	0	0	0	0
<b>Net Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>(45,487)</b>	<b>(45,487)</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (41,688)</b>	<b>\$ (41,688)</b>
<b>Fund Balance, beginning of year</b>	<b>103,253</b>	<b>103,253</b>	<b>103,253</b>	
<b>Fund Balance, end of year</b>	<b>\$ 103,253</b>	<b>\$ 103,253</b>	<b>\$ 61,565</b>	<b>\$ (41,688)</b>

See accompanying Notes to Budgetary Comparison Schedules.