

CITY OF NEWTON, ILLINOIS
TAX INCREMENT FINANCING FUND
REPORT ON COMPLIANCE
WITH SUBSECTION (Q) OF SECTION 11-74.4-3
FOR THE YEAR ENDED APRIL 30, 2023

CITY OF NEWTON, ILLINOIS
Tax Increment Financing Fund
April 30, 2023

Table of Contents

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



INDEPENDENT ACCOUNTANT'S REPORT

To the City Council
City of Newton, Illinois

We have examined management of the City of Newton, Illinois' assertion that the City of Newton, Illinois (the City) complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act during the year ended April 30, 2023. The City's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion about the City's compliance with the specified requirements based on our examination.

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

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

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

In our opinion, management's assertion that the City complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act during the year ended April 30, 2023 is fairly stated, in all material respects.

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

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

November 2, 2023



INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY INFORMATION

To the City Council
City of Newton, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Newton, Illinois (the City) as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements of the City and have issued our report thereon dated November 2, 2023, which expressed an unmodified opinion on those statements.

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

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

Kemper CPA Group LLP

KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants

November 2, 2023

CITY OF NEWTON, ILLINOIS
TAX INCREMENT FINANCING FUND
Balance Sheet - Modified Cash Basis
April 30, 2023

ASSETS

Cash and cash equivalents	\$ 1,237,459
Inventory	59,750
Total assets	<u>\$ 1,297,209</u>

FUND BALANCE

Nonspendable	\$ 59,750
Restricted	1,237,459
Total fund balance	<u>\$ 1,297,209</u>

See independent auditor's report on supplementary information.

CITY OF NEWTON, ILLINOIS
TAX INCREMENT FINANCING FUND
Statement of Revenues, Expenditures,
and Changes in Fund Balance - Modified Cash Basis
For the Year Ended April 30, 2023

REVENUES

Property taxes	\$ 520,736
Charges for services	20,000
Interest and investment earnings	7,975
Total revenues	<u>548,711</u>

EXPENDITURES

Current:

Community development	<u>137,705</u>
Total expenditures	<u>137,705</u>
Net change in fund balance	411,006
Fund balance - beginning	<u>886,203</u>
Fund balance - ending	<u>\$ 1,297,209</u>

See independent auditor's report on supplementary information.