



**CITY OF ROCK FALLS, ILLINOIS**

---

REPORT ON COMPLIANCE  
WITH PUBLIC ACT 85-1142

For the Year Ended April 30, 2018



SIKICH.COM

**CITY OF ROCK FALLS, ILLINOIS**  
**RIVERFRONT REDEVELOPMENT TAX**  
**INCREMENT FINANCING (TIF) FUND**  
**TABLE OF CONTENTS**

---

	<u>Page(s)</u>
INDEPENDENT ACCOUNTANT’S REPORT ON MANAGEMENT’S ASSERTION OF COMPLIANCE .....	1
INDEPENDENT AUDITOR’S REPORT ON SUPPLEMENTARY INFORMATION .....	2
SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures and Changes in Fund Balance .....	3
Schedule of Fund Balance by Source.....	4

**INDEPENDENT ACCOUNTANT'S REPORT ON  
MANAGEMENT'S ASSERTION OF COMPLIANCE**

401 W. State Street, Suite 509  
Rockford, IL 61101  
815.282.6565

[SIKICH.COM](http://SIKICH.COM)

## INDEPENDENT ACCOUNTANT'S REPORT ON MANAGEMENT'S ASSERTION OF COMPLIANCE

The Honorable Mayor  
Members of the City Council  
City of Rock Falls, Illinois

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

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

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

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

This report is intended solely for the information and use of the Mayor, the City Council, management of the City, 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.

*Sikich LLP*

Rockford, Illinois  
October 11, 2018

**INDEPENDENT AUDITOR'S REPORT  
ON SUPPLEMENTARY INFORMATION**

401 W. State Street, Suite 509  
Rockford, IL 61101  
815.282.6565

[SIKICH.COM](http://SIKICH.COM)

## INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

The Honorable Mayor  
Members of the City Council  
City of Rock Falls, Illinois

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the City of Rock Falls, Illinois (the City) as of and for the year ended April 30, 2018, which collectively comprise the basic financial statements of the City and have issued our report thereon dated October 11, 2018, which expressed an unmodified opinion on those statements.

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The supplementary information (schedules of revenues, expenditures and changes in fund balance; schedule of fund balance by source) 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.

*Sikich LLP*

Rockford, Illinois  
October 11, 2018

**SUPPLEMENTARY INFORMATION**

**CITY OF ROCK FALLS, ILLINOIS**

**TAX INCREMENT FINANCING (TIF) FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE**

For the Year Ended April 30, 2018

	<b>Downtown TIF Fund</b>	<b>Riverfront TIF Fund</b>	<b>Total</b>
<b>REVENUES</b>			
Property taxes	\$ 170,376	\$ 22,047	\$ 192,423
Investment Income	1,470	27	1,497
Miscellaneous	19,157	-	19,157
<b>Total revenues</b>	<b>191,003</b>	<b>22,074</b>	<b>213,077</b>
<b>EXPENDITURES</b>			
General government			
Contractual services	41,788	851	42,639
Commodities	18,642	-	18,642
Miscellaneous	2,780	18,079	20,859
Capital outlay	99,649	-	99,649
Debt service			
Interest	96,701	-	96,701
<b>Total expenditures</b>	<b>259,560</b>	<b>18,930</b>	<b>278,490</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(68,557)</b>	<b>3,144</b>	<b>(65,413)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	80,000	-	80,000
Transfers (out)	(28,599)	(80,000)	(108,599)
<b>Total other financing sources (uses)</b>	<b>51,401</b>	<b>(80,000)</b>	<b>(28,599)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(17,156)</b>	<b>(76,856)</b>	<b>(94,012)</b>
<b>FUND BALANCE (DEFICIT), MAY 1</b>	<b>(67,854)</b>	<b>103,465</b>	<b>35,611</b>
<b>FUND BALANCE (DEFICIT), APRIL 30</b>	<b>\$ (85,010)</b>	<b>\$ 26,609</b>	<b>\$ (58,401)</b>

(See independent auditor's report.)



**CITY OF ROCK FALLS, ILLINOIS**

TAX INCREMENT FINANCING (TIF) FUNDS  
SCHEDULE OF FUND BALANCE BY SOURCE

For the Year Ended April 30, 2018

	<b>Downtown TIF Fund</b>	<b>Riverfront TIF Fund</b>	<b>Total</b>
<b>BEGINNING BALANCE (DEFICIT), MAY 1, 2017</b>	\$ (67,854)	\$ 103,465	\$ 35,611
<b>DEPOSITS</b>			
Property taxes	170,376	22,047	192,423
Investment Income	1,470	27	1,497
Miscellaneous	19,157	-	19,157
Total deposits	191,003	22,074	213,077
Balance plus deposits	123,149	125,539	248,688
<b>EXPENDITURES</b>			
General government			
Contractual services	41,788	851	42,639
Commodities	18,642	-	18,642
Miscellaneous	2,780	18,079	20,859
Capital outlay	99,649	-	99,649
Debt service			-
Interest	96,701	-	96,701
Total expenditures	259,560	18,930	278,490
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(68,557)	3,144	(65,413)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	80,000	-	80,000
Transfers (out)	(28,599)	(80,000)	(108,599)
Total other financing sources (uses)	51,401	(80,000)	(28,599)
<b>ENDING BALANCE (DEFICIT), APRIL 30, 2018</b>	\$ (85,010)	\$ 26,609	\$ (58,401)
<b>ENDING BALANCE BY SOURCE</b>			
Property tax	\$ -	\$ 26,582	\$ 26,582
Investment income	-	27	27
Deficit	(85,010)	-	(85,010)
Subtotal	(85,010)	26,609	(58,401)
Less surplus funds	-	-	-
<b>FUND BALANCE (DEFICIT), APRIL 30, 2018</b>	\$ (85,010)	\$ 26,609	\$ (58,401)

(See independent auditor's report.)