

CONNECTING MORRISON: OUR PATH FORWARD!

Public Hearing – July 13, 2026

MULTI-USE & SHARED PATH

Connecting North Jackson Street (Kimmel Drive), Harvey's Subdivision, East-End Commercial Corridor, and the Morrison Sports Complex

Illinois Traffic Enhancement Program (ITEP)

(Illinois Department of Transportation)

Grant Application – Due October 5, 2026

CONNECTING MORRISON: OUR PATH FORWARD!

Illinois Traffic Enhancement Program (ITEP)

“to allocate resources to well-planned smaller scale, but critically important projects that provide and support connected alternate modes of transportation that are safe for all users, enhance the transportation system through preservation of visual and cultural resources, and improve the quality of life for members of the communities impacted.”

Biennial competitive application cycle (even years)



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Illinois Traffic Enhancement Program (ITEP)

Local Matching Funds

Engineering & Construction – 80/20%

- Community Score – Local Match Assistance (LMA) Eligibility
- LMA – Dependent Upon Application Pool
- LMA – Possibly Full (100/0%) or Half (90/10%) or None (80/20%)

Land Acquisition (includes Easements) & Street Lighting – 50/50%



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HISTORY

2004 – Morrison Sports Complex

2005 – Utility Easements

2011 – Recreation Easement

2018 – Bicycle & Pedestrian Plan 2018

2024 – ITEP Application – Missed Funding by 1 Point!

Friends of the Parks Foundation

Ride Illinois / Illinois Department of Natural Resources

Morrison Area Development Corporation

City of Morrison



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Our Project ...

To seek land acquisition/easements, project engineering and construction of a multi-use shared path, connecting North Jackson Street (Kimmel Drive), Harvey's Subdivision, East-End Commercial Corridor and the Morrison Sports Complex.

Consists of an asphalt path, signage, safety barriers, landscaping and path lighting.

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Anticipated Benefits ...

Project is a path forward for our community!

- * Safe and alternative access connecting MSC and other destinations
- * Enhances transportation opportunities
- * Attracts visitors and new residents
- * Creates economic opportunities and growth
- * Strategic Planning ... ***It's what our community wants!***

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Application – Path Option #1 (Path Lighting included in Construction Cost)

Project Cost - Morrison: Our Path Forward!					
Type of Work	Phase Total Cost	ITEP Funds 80/20	Local Match 80/20	ITEP Funds 90/10	Local Match 90/10
Prelim. Eng. 1	\$ 63,200	\$ 50,560	\$ 12,640	\$ 5,880	\$ 6,320
Prelim. Eng. 2	\$ 45,000	\$ 36,000	\$ 9,000	\$ 4,500	\$ 4,500
Land Acquisition (50/50)	\$ 217,500	\$ 108,750	\$ 108,750	\$ 108,750	\$ 108,750
Street Lighting 50/50	\$ -	\$ -	\$ -	\$ -	\$ -
Utility Relocations	\$ -	\$ -	\$ -	\$ -	\$ -
Construction	\$ 471,590	\$ 377,272	\$ 94,318	\$ 424,431	\$ 47,159
Const. Eng.	\$ -	\$ -	\$ -	\$ -	\$ -
Total Project Cost	\$ 797,290	\$ 572,582	\$ 224,708	\$ 630,561	\$ 166,729

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Illinois Traffic Enhancement Program (ITEP)

Application Process

- ✓ Online Application
- ✓ Cost Estimates & Preliminary Engineering
- ✓ Resolution of Financial Commitment
- ✓ Required Statements (i.e., Conflict of Interest, Risk Assessment, etc.)
- ✓ **Public Involvement**
- ✓ **Letters of Support**
- ✓ Pictures
- ✓ Map of Project Area



CONNECTING MORRISON: OUR PATH FORWARD!

PUBLIC INFORMATION – QUESTIONS & FEEDBACK

Brian Melton, City Administrator
City Hall/ 200 W. Main St., Morrison IL
Email/ bmelton@morrisonil.org
Phone/ 815-772-7657
Cell/ 815-499-7887





MORRISON POLICE DEPARTMENT

Michael G. Moon, Chief of Police

City Council Report for July 13, 2026

Officer Kolten Sage has been on light duty and is digitizing old arrest records to make them easily accessible. We have received 2026 Chevrolet Silverado Truck that is currently being outfitted with police equipment at Holland Automotive. It will replace a 2020 Dodge Durango. We are placing the speed sign at various locations around town to deter speeding.

April Monthly Activity Report

192	Logs (Calls through Dispatch)
3	Arrests (1 Warrants and 2 Criminal Offense)
18	Reports (requiring written report)
13	Traffic Stops
10	Citations for traffic violations
0	City Ordinance
3	Traffic Accident

Respectfully submitted,

Michael Moon
Chief of Police

STREET DEPARTMENT

JUNE

1. Street & Seasonal Maintenance

- Spray fence lines, curblines, and around playground equipment
- Mowed and trimmed parks
- Put new mulch in playground areas
- Trimmed trees
- Started repairing catch basins
- Marked out and installed handicap signs for Emmanuel Church
- Swept Knox Street by the hospital (reopened street)
- Serviced mowers
- Replaced faded signs around town
- Cold-patched potholes

2. Community Support & Special Projects

- Kept up with work orders
- Took tables, barricades, and electrical boxes uptown for the Fire Department Anniversary
- Swept downtown area

3. Sports Complex Operations

- Got the sports complex ready for tournament play
- Prepped fields
- Mowed and trimmed grounds
- Sprayed fence lines
- Cleaned west side fence line
- Pulled weeds
- Applied fresh mulch
- Painted scoreboards

4. Cemetery Operations

- Mowed and trimmed cemetery grounds
- Assisted with burials and funerals
- Continued moving equipment and supplies into new building
- Helped with new mulch for playgrounds

Mike Garland

Superintendent of Streets & Parks

City of MORRISON

200 West Main Street
Morrison, Illinois 61270-2400
Phone 815.772.7657
Fax 815.772.4291
morrisonil.org



June Report

JULIES are an everyday thing throughout the month.

The water tower project was completed on June 4th. We started slowly refilling the tower on the 4th and 5th so we could heavily chlorinate the water as the tower filled up so that the water could sit over the weekend. Bacteriological samples were taken on the 7th and 8th and taken to a lab for testing to make sure the water would be safe to drink. After the samples passed, we then put the tower back into service on the 9th.

We installed a storm water manhole at the end of Sunset Dr. where one did not exist. This will help alleviate washout issues at the end of the road.

We took the Vactor to Ascendance Truck Center in Sterling to have them look at an air brake gauge issue, a power steering noise, and an air conditioning issue.

The deadline for this 6-month lead and copper sampling period is fast approaching, and we had to gently remind the last 12 holdouts that they needed to get those samples to us or else we would have to take measures to collect those samples ourselves.

Well unfortunately we had to shut the water off to two addresses for not returning the samples needed and we collected the samples ourselves.

Shane Osborn

City of Morrison

Superintendent of Utilities

COUNCIL MEETING REPORT

JULY 13, 2026

Nathan Jacobs

njacobs@morrisonil.org

Morrison Parks & Recreation

Jul 13 2026 / 16

REPORT

Council Meeting Updates



Highlight 01

Youth T-Ball League started their T-Ball games (Mondays & Thursdays) last week and will go until the end of this month.



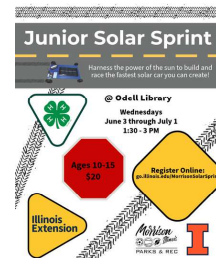
Highlight 02

Family Bingo for July will be Thursday, July 9th at 6:30pm in the Community Room. Hoping for more kids for this one. Our June Family Bingo was over 30 people, everyone loved it! We received McDonald's, Dairy Queen, Happy Joe's & Hardees gift certificates as extra prizes for Family Bingo!



Highlight 03

We hosted Morrison High School 7 on 7 football scrimmage at the complex. We had 3 other teams from Stockton, Newman and Eerie. We had a good crowd for it. Along with the football we had MYBS CP Boys championship on field 2 on Wednesday.



Junior Solar Sprint is went well. We maxed at 6 kids. Very cool program! Another program on Wednesday, June 24th at Kelly Park, we had 6 kids.

Chair Fitness has started June 9th on Tuesdays and Thursdays from 3pm to 3:45pm and be an ongoing program. We are already over 25! We already have one getting certified to teach so we have a sub for class.

Father's Day USSSA Softball Tournament update: We had teams from Washington, IL, Quincy, IL, Peru, IL and Quad City area. Everyone loved our complex and concessions. It went very well except for the rain on Sunday.



STATE OF ILLINOIS
COUNTY OF WHITESIDE
CITY OF MORRISON
OFFICIAL PROCEEDINGS

June 22, 2026

CALL TO ORDER

The Morrison City Council met in regular session on Monday, June 22, 2026, at 6:30 p.m. in the Morrison Community Room, 307 South Madison Street, Morrison, Illinois. The meeting was called to order by City Administrator Brian Melton at 6:30 p.m. City Clerk Mike Hemmer recorded the minutes. Mayor Scott Vandermyde was absent. Meeting was offered to the public via Zoom and video recording to be available at <https://www.youtube.com/@CityofMorrisonIL>.

ROLL CALL

Alderspersons present on roll call were Kevin Bruckner Jr, Sara Dunne, Sidonna Mahaffey, Matt Tichler, Todd Schlegel, and Vernon Tervel. Absent: Seth Buckwalter. Vacancy: Ward 1. Other city officials present were City Administrator Brian Melton and Police Chief Michael Moon.

PLEDGE OF ALLEGIANCE - Cited.

APPOINTMENT OF MAYOR PRO TEMPORE

Ald Schlegel moved to approve Kevin Bruckner Jr as Mayor Pro Tempore due to the Mayor Vandermyde's absence; seconded by Ald Tichler. All Ayes by voice vote without objection. Motion passed.

PUBLIC COMMENT - None.

REPORT OF CITY OFFICERS, DEPARTMENT HEADS AND/OR COMMITTEES

Recreation Services Director Jacobs provided a written report to the Council. CA Melton informed Council that Knox Street is now open and that the hospital will have an Open House of the new addition on July 19. Melton informed Council that the Illinois Municipal League's Risk Management Association offers equipment breakdown coverage based on current values of equipment. This would be presented to Council in the future for consideration. Due to the City's software conversion, July utility bills will be issued later than usual and online payments will be shut down during the conversion. Late fees and other penalties for the July billing cycle will be waived.

CONSENT AGENDA

Ald Schlegel moved to approve City Council, Meeting Minutes, June 8, 2026; Bills Payable - \$184,894.42; and Street Closure – Morrison Rotary Club, Harvest Hammer, September 19, 2026; seconded by Ald Mahaffey. Ayes: Bruckner, Dunne, Mahaffey, Tichler, Schlegel, and Tervelt. Absent: Buckwalter. Nays: None. Motion passed.

ITEMS FOR CONSIDERATION, DISCUSSION AND POSSIBLE ACTION

Ald Schlegel moved to approve Ordinance 26-09 Amending & Replacing Chapter 12 Business Regulation; seconded by Ald Dunne. The Ordinance has been previously presented to Council. CA Melton highlighted a few changes regarding Not-For-Profit Organizations. Ayes: Bruckner, Dunne, Tichler, Schlegel, and Tervelt. Absent: Buckwalter. Nays: Mahaffey. Motion passed.

CA Melton discussed Ordinance 26-10 Disposal of Surplus Property (Draft - Discussion Only). A charity organization (Pink Heels) has approached the City for a donation of a surplus police vehicle. CA Melton asked Council to consider it.

CA Melton discussed Ordinance 26-11 Establishing a Utility Billing Statement Processing Fee (Draft – Discussion Only). Council discussed. This will be voted on at the next Council meeting.

CA Melton discussed the Real Estate Agreement, Stralow Property (Draft – Discussion Only). Through the estate of Cecil and Delores Stralow, the children would like to donate a parcel of land to the City (about one-third of an acre) on Jenkran Street. Council discussed. The Council would like to develop a plan for the property. This will be presented as an ordinance in the future.

CA Melton discussed the Deerview Condo Association – Snow Removal Reimbursement Request (Discussion Only). The Association is requesting to be reimbursed for the snow removal on Milnes Drive and Deerview Lane. The City is currently reimbursing the Association for their streetlights. In the past, the City had plowed these private streets until the Association hired their own contractor to clear the streets and driveways of the 38 condominiums. Council discussed and asked CA Melton to review private roads in the city limits and the City's responsibility.

CA Melton updated the Council on the Municipal Electric Aggregation Agreement (Discussion Only). The Agreement was signed with MC Squared Energy at a rate of 9.99 cents per kWh. Notifications will be sent to residents in mid-July.

ADJOURNMENT

Ald Tichler moved to adjourn, seconded by Ald Schlegel. Without objection, the meeting adjourned at 7:35 pm.

Approved:

Kevin Bruckner Jr.
Mayor Pro Tempore

Michael Hemmer
City Clerk

City of MORRISON

200 West Main Street
Morrison, Illinois 61270-2400
Phone 815.772.7657
Fax 815.772.4291
morrisonil.org



MEMORANDUM

To: Mayor & Council

From: Barb King

Date: 7/13/26

RE: Bills Payable

Please see the attached list of Bills Payable in the total amount of: **\$104,345.15.**

Council Members having questions regarding bills should contact
Mayor Vandermyde OR City Administrator Melton
via phone, email or personal visit prior to the meeting.

6/24/2026 THRU 6/27/2026

INVOICE NUMBER	VENDOR NAME REFERENCE	GL ACCOUNT #	AMOUNT	PAYMENT AMOUNT	CHECK #	CHECK DATE
2191	AMERICAN EAGLE OVERHEAD MAINT SERV - BLDG	01-41-5110	476.00	476.00	26920	6/26/26
WI035336	BARAK'S TRUCK REPAIR MAINT SERV - EQUIPMENT	01-41-5120	151.47	151.47	26921	6/26/26
P46486	BIRKEY'S MAINT SUPP - EQUIPMENT	01-41-6120	201.84	201.84	26922	6/26/26
P46586	MAINT SUPP - EQUIPMENT	01-41-6120	72.10	72.10	26922	6/26/26
P46587	MAINT SUPP - EQUIPMENT	01-41-6120	201.84	201.84	26922	6/26/26
P46682	MAINT SUPP - STREETS	01-41-6140	84.24	84.24	26922	6/26/26
P46683CM	MAINT SUPP - STREETS	01-41-6140	84.24-	84.24-	26922	6/26/26
P46684	MAINT SUPP - STREETS	01-41-6140	80.19	80.19	26922	6/26/26
169057	BS&A SOFTWARE SOFTWARE/HARDWARE SOFTWARE SUPPORT SOFTWARE/HARDWARE	01-11-5370 50-81-5370 51-80-5370	7,928.33 7,928.33 7,928.34	23,785.00	26923	6/26/26
STM062326	COM ED ACCT NO 7500655000	15-15-5720	4,493.15	4,493.15	26924	6/26/26
INV51410	CUSTOM PRODUCTS CORPORATN MAINT SUPP - STREETS	01-41-6140	1,103.83	1,103.83	26925	6/26/26
STM061126A	ELAN OFFICE SUPPLIES SOFTWARE/HARDWARE OPERATING SUPPLIES DUES MINOR EQUIPMENT, OFFICE TRAVEL/TRAINING POSTAGE POSTAGE POSTAGE SMALL TOOLS MAINT SUPP - SAFETY EQUIPMENT MAINT SUPP - BLDG POSTAGE MAINT SUPP - BLDG OPERATING SUPPLIES CONCESSION SUPPLIES MAINT SUPPLIES - SAFETY EQUIP OPERATING SUPPLIES MAINT SUPP - EQUIPMENT MAINT SUPP - EQUIPMENT OPERATING SUPPLIES MAINT - VEHICLE	01-11-6510 01-11-5370 01-11-6520 01-11-5610 01-11-6532 01-11-5620 01-11-5510 51-80-5510 50-81-5510 01-42-6530 50-81-6142 50-81-6110 50-81-5510 50-81-6110 01-41-6520 01-43-6538 01-43-6142 01-43-6520 01-42-6120 01-41-6120 01-21-6520 01-21-5130	296.72 108.74 80.00 574.63 799.98 255.00 50.00 328.52 225.00 88.01 23.82 198.95 597.29 538.95 13.98 1,841.79 128.22 436.12 42.00 329.94 86.00 150.00			

6/24/2026 THRU 6/27/2026

INVOICE NUMBER	VENDOR NAME REFERENCE	GL ACCOUNT #	AMOUNT	PAYMENT AMOUNT	CHECK #	CHECK DATE
	ELAN					
	COMMUNITY EVENTS	01-43-9281	70.31			
	OPERATING SUPPLIES	01-42-6520	491.38			
	MISC EXPENSE	01-11-9280	252.90			
				8,008.25	26926	6/26/26
3187	HEUSINKVELD, INC					
	TOURNAMENT AWARDS	01-43-6542	1,651.00			
				1,651.00	26927	6/26/26
13496	HOPKINS & ASSOCIATES					
	ACCOUNTING SERVICE/AUDIT	02-00-5310	4,000.00			
	ACCOUNTING SERVICE/AUDIT	51-80-5310	4,000.00			
	ACCOUNTING SERVICE	50-81-5310	4,000.00			
				12,000.00	26928	6/26/26
STM061626	IL SECRETARY OF STATE					
	LICENSE STICKER	01-21-5610	151.00			
				151.00	26918	6/16/26
VN5309059689	ILLINOIS TOLLWAY					
	M254355 (IL)	01-11-5620	36.00			
				36.00	26929	6/26/26
3694	JR. SIGN COMPANY					
	COMMUNITY EVENTS	01-43-9281	35.00			
				35.00	26930	6/26/26
STM061626	KING BARB					
	EYE CARE REIMBURSEMENTS	77-77-4555	75.00			
				75.00	26919	6/16/26
STM061826	KNESS, DONALD					
	MAINT SERV - UTILITY SYSTEM	51-80-5150	340.00			
				340.00	26931	6/26/26
H08921	LOGAN CONTRACTORS SUPPLY,					
	MAINT SUPP - STREETS	01-41-6140	1,163.19			
				1,163.19	26932	6/26/26
STM062226A	NICOR GAS					
	ACCT NO 27638541113	01-11-5710	63.49			
				63.49	26933	6/26/26
STM062226B	ACCT NO 40023838523	01-41-5710	182.69			
				182.69	26933	6/26/26
8208307	PERFORMANCE FOOD SERVICE					
	ACCT NO 213527	01-43-6538	254.53			
				254.53	26934	6/26/26
0025658-2173-9	PRAIRIE HILL RDF					
	SLUDGE DISPOSAL	50-81-5750	272.74			
				272.74	26935	6/26/26
0721-008880445	REPUBLIC SERVICES					
	ACCT NO 3-0721-0231094	14-14-5730	201.80			
				201.80	26936	6/26/26
1.149.25	SB FRIEDMAN DEVELOPMENT					
	LEGAL SERVICES (FOR TIF)	08-08-5330	10,606.90			
				10,606.90	26937	6/26/26
4.149.25	LEGAL SERVICES (FOR TIF)	08-08-5330	6,296.50			
				6,296.50	26937	6/26/26
STM061826	SCHIMMER INC					
	MAINT SERV - VEHICLE	01-41-5130	1,119.28			
				1,119.28	26938	6/26/26
	SUPERWASH, INC.					

6/24/2026 THRU 6/27/2026

INVOICE NUMBER	VENDOR NAME REFERENCE	GL ACCOUNT #	AMOUNT	PAYMENT AMOUNT	CHECK #	CHECK DATE
STM062526	SUPERWASH, INC. MAINT - VEHICLE	01-21-5130	480.00	480.00	26947	6/25/26
026-23	TOMCAT CONSULTANTS, LLC MAINT SERV - UTILITY SYSTEM	51-80-5150	3,000.00	3,000.00	26939	6/26/26
STM062726	TOP PICK SPORTS PRODUCTIO USSA TOURNAMENT ASSOC FEES	01-43-5800	576.00	576.00	26946	6/24/26
120536	UNIFORM DEN, INC. UNIFORMS	01-21-6590	511.20	511.20	26940	6/26/26
1059517	US FOODS, INC ACCT NO 51635647	01-43-6538	935.44	935.44	26941	6/26/26
INV01072736	USA BLUEBOOK OPERATING SUPPLIES	51-80-6520	760.95	760.95	26942	6/26/26
INV01078355	CHEMICALS	51-80-6560	936.50	936.50	26942	6/26/26
SCN818742CM	MAINT SUPP - UTILITY SYSTEM	50-81-6151	484.95-	484.95-	26942	6/26/26
STM060826	WEX BANK AUTO FUEL/OIL AUTO FUEL/OIL AUTO FUEL/OIL AUTO FUEL/OIL AUTO FUEL/OIL	01-21-6550 01-41-6550 01-42-6550 51-80-6550 50-81-6550	2,881.04 2,620.24 617.08 1,004.30 664.21	7,786.87	26943	6/26/26
STM062426	WHITESIDE CO RECORDER MISC EXPENSE MISC EXPENSE	51-80-9280 50-81-9280	30.00 30.00	60.00	26944	6/26/26
41335	WILLETT, HOFMANN & ASSOC. ENGINEERING SERVICE	51-80-5320	9,361.55	9,361.55	26945	6/26/26
41339	ENGINEERING SERVICE	51-80-5320	5,898.80	5,898.80	26945	6/26/26
STM061226	ZSCHIESCHE RYAN MISC EXPENSE	01-42-9280	1,500.00	1,500.00	26896	6/12/26
REPORT TOTAL			104,345.15			

City of Morrison
TREASURER'S REPORT
CALENDAR 5/2026, FISCAL 1/2027

FUND#	TITLE	BEGINNING CASH & INVESTMENTS	MTD REVENUES	MTD EXPENSES	CHANGE IN LIABILITY	TRANSFER IN	TRANSFER OUT	ENDING BALANCE
01	GENERAL FUND	946,338.53	239,502.63	256,696.37	.00	.00	82,716.00	929,144.79
02	AUDIT FUND	14,005.49	3,262.14	.00	.00	3,216.00	.00	17,267.63
03	STREET LIGHTING FUND	52,664.41	117.22	26,000.00	.00	.00	26,000.00	26,781.63
04	LOCAL 1 % SALES TAX FUND	891,892.56	59,621.27	7,140.00	.00	26,000.00	.00	944,373.83
05	COMMUNITY LANDSCAPING	10,243.16	13,244.69	3,440.00	.00	13,200.00	.00	20,047.85
06	INSURANCE FUND	33,250.98	6,407.58	.00	.00	6,300.00	.00	39,658.56
07	TOURISM & CONVENTION FUND	19,451.43	2,206.92	.00	.00	.00	.00	21,658.35
08	ECONOMIC DEVELOPMENT FUND	57,934.01	30,215.54	.00	.00	30,000.00	.00	88,149.55
12	FIRE PROTECTION FUND	.00	2,560.98	2,560.98	.00	.00	.00	.00
14	REFUSE DISPOSAL FUND	14,303.95	25,344.05	24,214.15	.00	.00	.00	15,433.85
15	MOTOR FUEL TAX FUND	336,695.75	16,092.12	3,401.80	.00	.00	.00	349,386.07
16	IMRF FUND	446,828.95	6,211.98	8,258.66	.00	.00	.00	444,782.27
17	FICA FUND	124,959.76	356.25	8,826.39	.00	.00	.00	116,489.62
18	LIBRARY FUND	68.02	13,234.36	13,234.36	.00	.00	.00	68.02
20	DRUG TRAFFIC PREVENTION	9,889.24	29.23	.00	.00	.00	.00	9,918.47
24	POL VEH & CAP EQUIP FUND	28,143.33-	92,000.00	25,653.57	.00	92,000.00	.00	38,203.10
26	VEH & CAP EQUIP FUND	43,504.81	105,567.44	.00	.00	105,000.00	.00	149,072.25
35	REVOLVING LOAN FUND	.00	.00	.00	.00	.00	.00	.00
37	VETERAN'S MEMORIAL PARK	7,062.81	20.54	226.09	.00	.00	.00	6,857.26
46	2016 G.O.	231,117.59	11,665.75	92,000.00	.00	.00	92,000.00	150,783.34
50	SEWER FUND	1,459,803.24	106,050.99	227,571.13	.00	.00	135,000.00	1,338,283.10
51	WATER FUND	896,655.81	85,783.37	158,499.85	.00	.00	90,000.00	823,939.33
52	W&S VEHICLE REPLACEMENT	.00	.00	.00	.00	.00	.00	.00
53	WATER/SEWER/PUBLIC WORKS	.00	.00	.00	.00	.00	.00	.00
54	WASTEWATER TREATMENT PLAN	.00	.00	.00	.00	.00	.00	.00
61	CAPITAL IMPROVEMENT FUND	143,246.71	656.87	11,395.70	.00	.00	.00	132,507.88
74	GROVE HILL CEMETERY PERPE	55,284.57	1,184.74	15,803.00	.00	.00	.00	40,666.31
77	HEALTH INSURANCE FUND	90,701.43	150,444.54	34,462.92	3,904.87	150,000.00	.00	210,587.92
Report Total		5,857,759.88	971,781.20	919,384.97	3,904.87	425,716.00	425,716.00	5,914,060.98


Maggie Jones (Jun 29, 2026 17:36:13 CDT)

City of Morrison, Illinois

200 West Main Street, Morrison IL USA 61270

Permit No.: **26-04**

STREET CLOSURE & OTHER CITY SERVICES REQUEST

Name of Organization: Morrison Department of Fun

Contact Person/Address: Brad Yaklich 626 E Lindemay St B

Email: dryaklich@gmail.com Phone: 815 535 7818

Event: Chalk the Block Street Art Chalk Festival

Street(s) to be Closed: Main St (Cherry St → Orange St), Base St + Genesee St (Market Hwy 30)

Date(s) of Event: September 19th 2026

Times of Closure: 10am To 11pm

Additional City Services

☒ Electric Service on Genesee Street

☒ Electric Service on Base Street

☒ Picnic Tables – How many? 8

☒ Main Street Audio System/Music/Microphone

☒ Refuse Receptacles – How many? 8

☒ Water – Location(s)? Pending

☐ Police Services

Other/Specify: Barriers

The undersigned agrees to release, hold harmless, and defend the City of Morrison, its officers and agents against any and all claims for loss, damage, personal injury, or death occurring as a result of the event for which this permit is requested. **Proof of insurance is required. Insurance must name the City of Morrison as an additional insured.**

[Signature]
Authorized Signature

Title

6/24/26
Date

STREET CLOSURE PERMIT

- ☐ Subject to the information contained in this Application, a permit is approved and thereby issued.
- ☐ Receipt of \$25.00 PERMIT FEE and/or the \$50.00 ELECTRICAL HOOK-UP CHARGE is hereby acknowledged. Fees are waived for non-profit organizations.

Date

City Clerk

City of Morrison, Illinois
200 West Main Street, Morrison IL USA 61270

STREET CLOSURE REQUEST

POLICIES AND PROCEDURES

STATEMENT OF PURPOSE

From time-to-time various civic organizations require the closure of city streets in order to host a community event and/or festival. Although such activities are of benefit to the community, concerns exist within the area for vehicles/pedestrian safety; traffic flow; and exposure to increased risk of liability. Therefore, it is necessary for the City to establish certain requirements regarding the closure of city streets. It is the intent of the Street Closure Request to ensure the public's safety during any event held on city property.

PERMIT ELIGIBILITY

The Street Closure Request is intended for the temporary closure of city streets necessary to accommodate an event sponsored by a community-based not-for-profit organization.

APPLICATION AND ISSUANCE

Application: An application for permit, prepared by the sponsor organization, shall be filed with the City Clerk no less than sixty (60) days in advance of the scheduled activity. The application shall include the following information: date(s) of event; street segments to be closed; time of closure; duration of closure; electrical service requirements; and any support service requested of the city (i.e., police, picnic tables, refuse receptacles, etc.)

Council Review/Permit issuance: The City Council has responsibility for permit review and approval. Completed application will be submitted to the City Council at the next regularly scheduled meeting following submittal of the application. Upon review and approval, the City Clerk will be authorized to issue a permit to the sponsor organization.

In the event the Council denies the requested permit, the matter shall be referred to the full council for consideration at the next regular council meeting following committee review. The action of the City Council shall be considered final.

LIABILITY

The applicant shall agree to release, hold harmless, and defend the City of Morrison, its officers and agents in connection with any claim(s) for any loss, damage, personal injury, or death occurring as a result of the event for which the permit is issued.

SERVICE FEE

The City of Morrison agrees to provide necessary direct support services such as police protection, street sweeping, setting of barricades, etc. without charge to the sponsor organization.

RECORDS MANAGEMENT

The City Clerk shall keep a record of all permits issued pursuant to the requirements cited herein.

END

City of MORRISON

200 West Main Street
Morrison, Illinois 61270-2400
Phone 815.772.7657
Fax 815.772.4291
morrisonil.org



MINUTES

Planning & Zoning Commission
June 24, 2026, 5:30 p.m.

The Planning & Zoning Commission met on June 24, 2026, at City Hall, 200 West Main Street. Mike Buckwalter was appointed as Chairman Pro Tem and called the meeting to order at 5:32 p.m. Executive Secretary Barb King recorded the minutes.

Commission members present on the roll call were Mike Buckwalter, Jim Workman, Charles Yost, and Vaughn Maxfield. Sherrie Shirk, Kathy Schmidt and Kevin Kuehl were absent.

Other city officials present – Alderman Vern Tervelt, Alderwoman Dunne & City Administrator Brian Melton

Commission member Workman moved to approve the April 29, 2026, minutes; seconded by commission member Maxfield. On a voice vote, the motion was carried.

Public Hearing

Special Use Permit for 903 W. Morris St. - Brian Giovanni Jimenez submitted a Request for Special Use for the property located at 903 W. Morris Street, Morrison, IL. The petitioner is seeking a special use permit to allow for the operation of his business known as Five Star Landscaping in the R-2 General Residential District/R-3 Multiple Family Residential District. Public comments were heard regarding space and storage, burning, traffic flow, wildlife, noise, dust and debris. Property values, relocation, comprehensive plan, municipal code and allowable uses within the district and comments from people who support the location of the Five Star Landscaping current business location were also heard. Commission member Yost made a recommendation to postpone the vote until a full commission was present; seconded by commission member Workman. On a roll call vote of 1 ayes (Yost) and 3 no votes (Buckwalter, Workman and Maxfield) the motion failed. Commission member Maxfield made a motion to recommend to the city council the approval of the special use permit for the defined area (parcel #08-13-279-003) with the following conditions:

- The defined area shall be used for a landscaping business.
- Building shall be used for storage of small equipment only.
- Outside area shall be used for storage of business-related vehicles, small trailers and landscaping materials. (i.e. rock, block and mulch
- No chemicals shall be stored on property.
- No waste disposal on the property.
- No burning.
- Property shall be maintained in accordance to the Municipal Code.

seconded by commission member Workman. On a roll call vote of 3 ayes (Workman, Maxfield and Buckwalter), 1 no vote (Yost), the motion carried.

New Business

None.

Old Business

None.

Other Considerations

The next regularly scheduled meeting will be **July 29, 2026.**

At approximately 6:21 p.m. commission member Vaughn moved to adjourn the meeting; seconded by commission member Workman. On a voice vote, the motion was carried.

Bk

City of Morrison, Illinois
200 West Main Street, Morrison IL USA 61270

Permit No.: <u>26-01</u>	RECEIVED MAY 21 2026
Date Issued: _____	

SPECIAL USE PERMIT

APPLICATION

A Special Use is, as the name suggests, a use of property, which is not specifically permitted within the Zoning District in which the property is located. A Special Use Permit is required whenever the intended use of a building, structure, or zoning lot does not conform with the use(s) specified within the Zoning District in which the building or lot is located.

PROPERTY

Address or Location of Property: 903 W. Morris Street, Morrison, IL 61270

Property Tax ID (PIN) Number: 08-13-²⁷⁹282-003 *B: PSR ATTACHMENT*

Existing Zoning: R2 & R3

APPLICANT/PROPERTY OWNER

Name: Bryan Giovanni Jimenez

Address: 10488 Fulfs Road, Morrison, IL 61270

Contact No.: _____ Email: _____

NATURE OF SPECIAL USE: Please explain the nature of the special use request and why it should be granted. Use additional pages and attach if necessary.

See attached information sheet outlining reasons to grant.

See attached; Legal Description with identified area of special use; and, GIS

MAP showing the area, streets, and residences: Copy of Deed (Parcel "2" is the area).

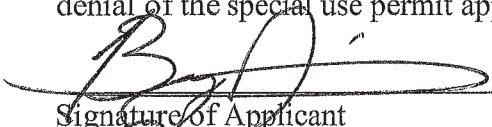
REQUIRED ATTACHMENTS (if necessary)

- ✓ **Legal description** of the property.
- ✓ **Name and address of all owners** of the site as well as the names and addresses of all professional site planners, architects, engineers, surveyors, or other consultants.
- ✓ **Page 3 Drawing** (to scale):
 - Show adjacent property owners, including across rights-of-way
 - An indication of the area surrounding the site showing land use, unusual physical features, public facilities, and existing zoning
 - Show streets, railroads, waterways, and other physical features
 - Conceptual drawing, plan set, blueprints, etc. may be attached as well

Public Hearing: After your application has been submitted and reviewed by the City Administrator (or designee), it will be referred to the next regularly scheduled Planning and Zoning Commission meeting for a public hearing. The Planning and Zoning Commission meets the last Wednesday of every month at 5:30 p.m. at the City Hall, 200 W. Main Street. At the Planning and Zoning Commission meeting, you will present your request. A rezoning or amendment cannot be recommended by the Commission unless it finds, based upon the application and evidence presented at the public hearing, that all of the following conditions have been met:

- ☒ The proposed special use is necessary or desirable to provide a service which is in the interest of public convenience;
- ☒ The proposed special use does not create a nuisance or threat to public health, safety, or welfare;
- ☒ There will be no additional public expense for flood protection, public safety services or repairs to roads, utilities, or other public facilities/infrastructure;
- ☐ There will not be an undue increase in traffic congestion on public roads and highways due to this proposed special use;
- ☐ The essential character of the locality of the property in question will not be altered;
- ☒ Other requirements of the Zoning Ordinance, such as parking, landscaping, etc., will be met;
- ☒ The proposed special use is compatible with the Morrison Comprehensive Plan.

Certification: To the best of my knowledge, the information contained herein, and on the attachments, is true, accurate, and correct, and substantially represents the existing features and proposed features. Any error, misstatement, or misrepresentation of material fact or expression of material fact, with or without intention, shall constitute sufficient grounds for the revocation or denial of the special use permit application.


Signature of Applicant

5/21/26
Date


Signature of Owner

5/21/26
Date

After receiving a completed application, the City Clerk will file notice of your request with the local newspaper and with the adjoining property owners. If you have any questions, please contact the City Administrator at (815) 772-7657.

OFFICIAL USE ONLY

Fee Amount Paid: 0

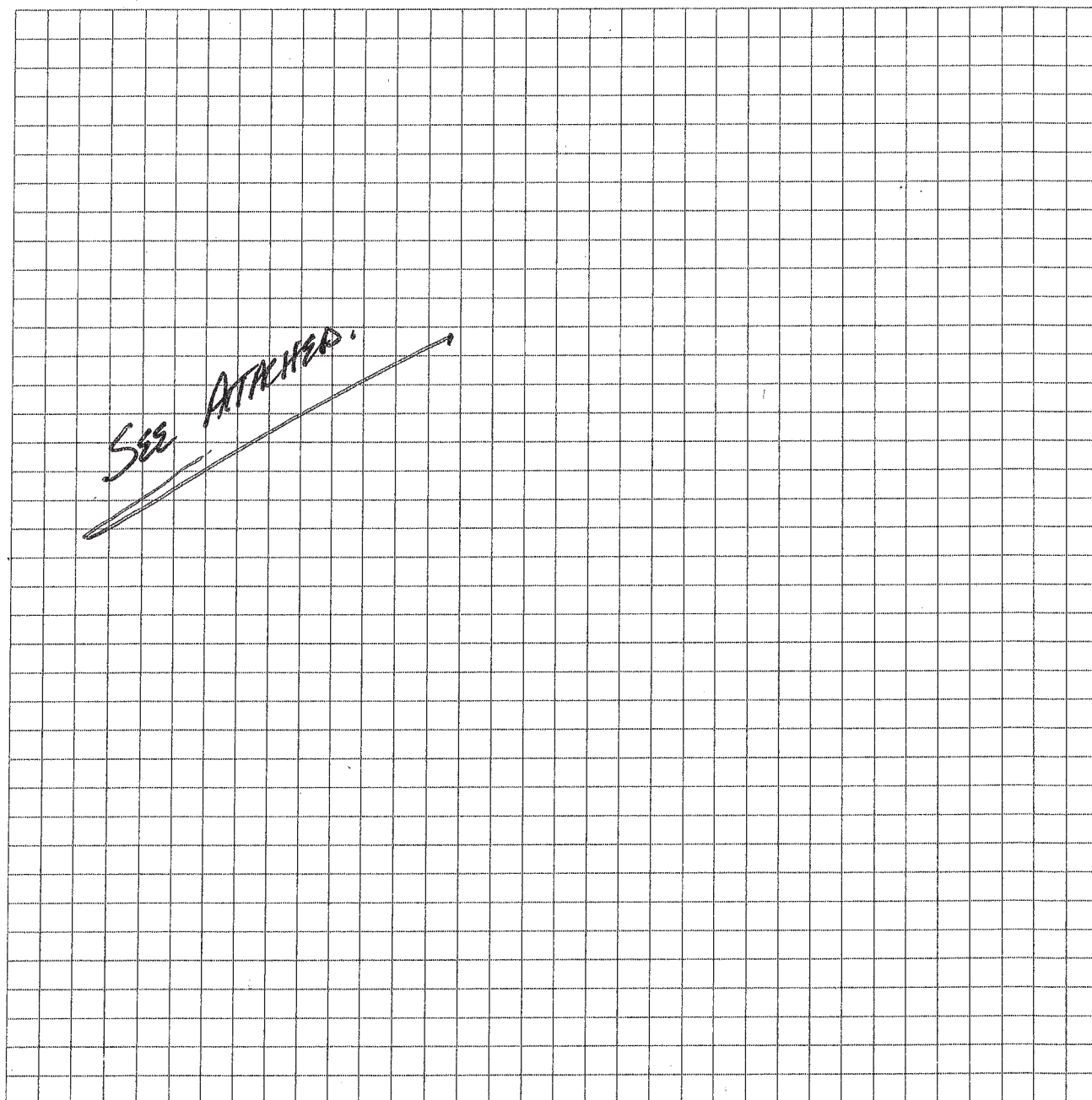
Date Paid: WAIVED B

P&Z Commission Meeting Date: 6/24/26 Action Taken: _____

DRAWING

Illustrate below property lines, rights-of-way, streets, railroads, waterways, etc. and the exact location of all existing buildings and structures (marked X). Include any proposed buildings and structures (marked P).

Indicate north with an arrow. Scale drawing is 1 square equal 4 feet.



5 STAR LANDSCAPING
(BRYAN JIMINEZ)

SPECIAL USE PERMIT INFORMATION

Background: Bryan Jiminez (of 5 Star Landscaping) owns parts of the real estate that is commonly known as the Morrison Country Club (Country Club) that closed after the 2015 calendar year. The Country Club operated for 90 – 100 years. The Country Club had a restaurant at the clubhouse/building in addition to the golf course and a parking lot. There were entrances to the parking lot from Oak Street and also from West Morris Street.

The building and parking lot are used for the purpose of storing small equipment inside the building while the area where the parking lot and adjacent land is used to store small trailers, rock and mulch.

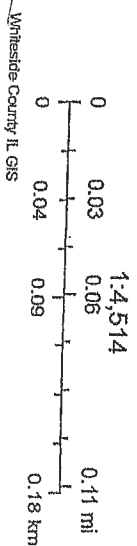
Bryan Jiminez asks that the a Special Use Permit be granted for the area surrounding the clubhouse/building. More specifically, from the property boundary lines of the area of West Morris Street and along Oak Street to the intersection with West Park Street. The use of the property will be as noted in the prior paragraph (e.g. to store small equipment and supplies inside the building) and small trailers and landscaping supplies (rock, mulch, etc.) on the property outside of the building.

The reason to grant this request is that due to the nature of the property it cannot be used as residential property and it has not been used as residential property since the Country Club began. Granting the Special Use Permit allowing the property to be used as noted above will not (or will have little) impact to the surrounding area. The reality is there will be less impact than when the property was being operated as a Country Club.

Having the building and property used and maintained is desirable, necessary and will benefit the surrounding area. It will not be any threat to public health, safety or create a nuisance. There will not be any additional public expense required. There will not be any undue increase in traffic and actually be less than the historical traffic use when operated as a golf course. The property's essential character will not be altered. The parking and landscaping will be met. Overall, the proposed use will remain consistent with the purpose and intent of the Morrison Comprehensive Plan.

[illegible]

Tax Parcels Selectable



City of MORRISON

200 West Main Street
Morrison, Illinois 61270-2400
Phone 815.772.7657
www.morrisonil.org



Historic Preservation Commission

Minutes

July 7, 2026, 5:00 p.m. City Hall

The Historic Preservation Commission met on July 7, 2026. Chairperson Barb Bees called the meeting to order at 5:04 p.m. Executive Secretary Barb King recorded the minutes.

Commission members present were Barb Bees, Lynn Kenady, John Tomasino, Ned Nesti Jr., and Greg Kruse..

Commission member Kenady moved to approve the June 2, 2026, meeting minutes; seconded by commission member Kruse. On a voice vote, the motion carried.

Public Hearing

Aaron Brooks submitted a Request for Certificate of Appropriateness for the property located at 638 W Lincolnway for the installation of a classic cedar fence. Commission member Kenady made a motion to approve the Certificate of Appropriateness (COA) for the fence installation; seconded by commission member Tomasino. On a voice vote, the motion carried.

Seantae Wetzell submitted a Request for Certificate of Appropriateness for the property located at 204 E Main Street. The correct forms were not submitted. Commission member Kenady volunteered to contact her regarding the necessary documentation.

New Business

Harvey Zuidema submitted a Request to Participate in the Building Improvement Program on behalf of the Morrison Historical Society for the property located at 202 East Lincolnway. The proposed project includes power washing and repainting the building, replacing any damaged bricks and tuckpointing cracks as needed. Commission member Nesti made a motion to approve the Request to Participate; seconded by commission member Tomasino. On a voice vote, the motion carried.

Old Business

The commission reviewed the Building Improvement Brochure and expressed approval of the design. Chairperson Bees will meet with CA Melton to finalize the layout and arrange for printing and distribution.

Other Considerations

Commission members discussed compiling a list of local contractors who perform historic preservation and building improvement projects in the area.

The next regularly scheduled meeting will be August 4, 2026 @ 5:00 p.m.

Adjournment - At approximately 5:35 p.m. commission member Kruse moved to adjourn the meeting; seconded by commission member Kenady. On a voice vote, the motion carried.

CITY OF MORRISON, ILLINOIS USA

ORDINANCE NO. 2026-13

**AN ORDINANCE APPROVING AMENDING THE ZONING MAP TO RECLASSIFY
PROPERTY OWNED BY BRYAN JIMENZ FROM R-2 / R-3 RESIDENTIAL TO R-2 /
R-3 RESIDENTIAL WITH SPECIAL USE**

ADOPTED BY THE
CITY COUNCIL
OF THE
CITY OF MORRISON, ILLINOIS
THIS 13th DAY OF JULY, 2026

Published in pamphlet form by authority of the City Council of the City of Morrison, this
13th day of July, 2026.

ORDINANCE NO. 2026-13

**AN ORDINANCE APPROVING AMENDING THE ZONING MAP TO RECLASSIFY
PROPERTY OWNED BY BRYAN JIMENZ FROM R-2 / R-3 RESIDENTIAL TO R-2 /
R-3 RESIDENTIAL WITH SPECIAL USE**

WHEREAS, Petitioner Bryan Jimenz requests to have property located adjacent to the terminus of W. Morris Street (903 W. Morris) (PIN 08-13-279-003) rezoned from R-2 / R-3 Residential to R-2 / R-3 Residential with Special Use to continue operation of the existing business 5 Star Landscaping; and

WHEREAS, the City Council referred the matter to the Planning & Zoning Board for consideration and review of the request; and

WHEREAS, the Planning & Zoning Board held an initial public hearing on April 8, 2026, to consider the request and entertain any objections or comments; and

WHEREAS, following said the initial public hearing, consideration was continued to June 24, 2026, to consider further input from neighboring property owners and the community; and

WHEREAS, after due consideration the Planning & Zoning Board voted to recommend that the City Council grant Petitioner's request to approve reclassification of the identified parcel, as shown on Exhibit A, to (R2 / R3) with Special Use; and

WHEREAS, the City Council has reviewed the request and location of the parcel, historical usage of the parcel, and immediate proximity to property zoned as Industrial (I-1); and

WHEREAS, the City Council has reviewed the recommendation of the Planning & Zoning Board, and desires to approve the same.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Morrison, Whiteside County, Illinois as follows:

SECTION 1: The statements contained in the preamble paragraph of this Ordinance are declared to be true and accurate and incorporated herein.

SECTION 2: The parcel described herein, shown on Exhibit A, is approved for reclassification under the Zoning Ordinance of the City of Morrison as zoning classification / (R2 / R3) with special use, allowing for a use as a landscaping business provided the Owner or intended Owner agrees with the following items:

- (a) The permitted area of Special Use shall be in a defined area (Exhibit B) and be used only as a landscaping business;
- (b) Buildings shall only be used for storage of small equipment;

- (c) Outside area shall only be used for storage of actively used business related vehicles, small trailers and landscaping materials (e.g. rock, block, mulch);
- (d) No chemical tanks or barrels may be stored at the location;
- (e) The property may not be used for open burning or waste / refuse disposal;
- (f) Property shall be maintained in compliance with the City Code.

SECTION 3: The official zoning map of the City of Morrison is hereby amended to reflect the reclassification of the parcel described herein.

SECTION 4. The Mayor and City Clerk are authorized to sign such documents as may be reasonable and necessary to confirm the zoning and give notice to the County relating to the same.

SECTION 5: This Ordinance shall be in full force and effect upon its passage and approval, and publication as required by law.

PASSED by the Mayor and the City Council of the City of Morrison on this 13th day of July, 2026.

Scott Vandermyde, Mayor

ATTEST:

Michael Hemmer, City Clerk

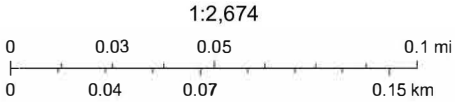
Alderspersons Voting:

	AYE	NAY	ABSTAIN	ABSENT
Kevin Bruckner Jr.	☐	☐	☐	☐
Seth Buckwalter	☐	☐	☐	☐
Sara Dunne	☐	☐	☐	☐
Sidonna Mahaffey	☐	☐	☐	☐
Todd Schlegel	☐	☐	☐	☐
Vernon Tervelt	☐	☐	☐	☐
Matthew Tichler	☐	☐	☐	☐
Vacancy	☐	☐	☐	☐

Exhibit A - Map



7/6/2026, 11:32:38 AM
Tax Parcels Selectable



Whiteside County IL GIS

Exhibit B
(Defined Area)

The defined area shall be the area located within the parcel and south from the property boundary line adjacent to the terminus of West Morris Street and proceeding southwesterly along the boundary of the parcel adjacent to Oak Street until reaching the intersection of Park Street.

CITY OF MORRISON, ILLINOIS USA

ORDINANCE NO. 26-11

**ORDINANCE AMENDING THE CITY OF MORRISON MUNICIPAL CODE
CHAPTER 20, ARTICLE II, FEE SCHEDULE, AND
CHAPTER 56, ARTICLE V, WATER AND WASTEWATER CHARGES,
IMPLEMENTING A UTILITY BILLING STATEMENT PROCESSING FEE**

ADOPTED BY THE

CITY COUNCIL

OF THE

CITY OF MORRISON, ILLINOIS USA

THIS 13th DAY OF JULY 2026

Published in pamphlet form by authority of the Mayor and City Council of the City of Morrison,
this 13th day of July 2026.

ORDINANCE NO. 26-11

ORDINANCE AMENDING THE CITY OF MORRISON MUNICIPAL CODE CHAPTER 20, ARTICLE II, FEE SCHEDULE, AND CHAPTER 56, ARTICLE V, WATER AND WASTEWATER CHARGES, IMPLEMENTING A UTILITY BILLING STATEMENT PROCESSING FEE

WHEREAS, the City Council has authority under Chapter 2, Article VII, Division 1, Section 2-588 of the Morrison City Code to establish fees, license requirements, and charges for other City services, and to incorporate such schedules in Chapter 20, Article II AND Chapter 56, Article V; and

WHEREAS, Chapter 20, Article II, of the Morrison City Code sets forth fee schedules for various licenses, permits, services, and other activities as set forth therein; and

WHEREAS, Chapter 56, Article V, of the Morrison City Code sets forth charges for water and wastewater services; and

WHEREAS, the Council finds that the preparation, printing, handling, and mailing of paper utility billing statements results in administrative and material costs that can be reduced with electronic billing technology. The purpose of this ordinance is to recover a portion of the costs associated with providing paper billing statements to customers who elect not to participate in the City's electronic billing program.

WHEREAS, the Council hereby finds it appropriate and in the best interests of the City and its residents for adoption of a utility billing statement processing fee, as set forth herein.

NOW THEREFORE BE IT ORDAINED by the Council of the City of Morrison, Illinois:

SECTION 1: That Chapter 20, Article II, is hereby amended by establishing the Utility Billing Statement Processing Fee as:

“56-291(6) Utility Billing Statement Processing Fee \$3.00 per billing cycle”

SECTION 2: That Chapter 56, Article V, Section 56-291 is amended with the additional language to read:

“Sec. 56-291. - Basis of use charges

(6) *Utility Billing Statement Processing Fee* – Utility Billing Statement Processing Fee Established. Effective next utility billing cycle hereafter, any utility customer who elects to receive a paper billing statement by U.S. Mail in lieu of electronic billing and electronic notification shall be assessed a Processing Fee in the amount of Three Dollars (\$3.00) per billing cycle, not to exceed Three Dollars (\$3.00) per month.

- a. Application of Fee. The Processing Fee shall be added to and itemized on the customer's utility bill as a separate line item. The fee shall apply to all

utility accounts receiving paper billing statements, regardless of service classification, unless exempted under subsection (b).

- b. Exemptions. The following customers shall be exempt from the Processing Fee:
 - 1. Customers with a documented and verifiable disability requiring receipt of paper communications.
 - 2. Any other exemption designated by resolution of the City Council.
- c. Election of Electronic Billing. Customers may avoid this processing fee by enrolling in the City's electronic billing and notification program in accordance with procedures established by the City Administrator.
- d. Administrative Authority. The City Administrator or his/her designee is authorized to promulgate rules and procedures necessary to implement and administer this Section and fee.”

SECTION 3: The provisions and sections of this Ordinance and the schedule adopted hereby and incorporated herein shall be deemed to be separable, and the invalidity of any portion of this Ordinance or any portion of the schedules attached hereto and incorporated herein shall not affect the validity of the remainder.

SECTION 4: All ordinances and parts of ordinances in conflict herewith are, to the extent of such conflict, hereby repealed.

SECTION 5: The City Clerk is hereby directed to publish this Ordinance in pamphlet form.

SECTION 6: This Ordinance shall be in full force and effect as of thirty (30) days after its passage and approval and publication as required by law.

PASSED by the Mayor and Council of the City of Morrison on the 13th day of July 2026.

Scott Vandermyde, Mayor

ATTEST:

Michael Hemmer, City Clerk

Alderspersons Voting:

	AYE	NAY	ABSTAIN	ABSENT
Kevin Bruckner Jr.	☐	☐	☐	☐
Seth Buckwalter	☐	☐	☐	☐
Sara Dunne	☐	☐	☐	☐
Sidonna Mahaffey	☐	☐	☐	☐
Todd Schlegel	☐	☐	☐	☐
Vernon Tervelt	☐	☐	☐	☐
Matthew Tichler	☐	☐	☐	☐
Vacancy	☐	☐	☐	☐

CITY OF MORRISON, ILLINOIS USA

ORDINANCE NO. 2026-12

**ORDINANCE AUTHORIZING ACCEPTANCE OF
DONATION OF REAL PROPERTY
(P.I.N. 09-17-158-019)**

ADOPTED BY THE

CITY COUNCIL

OF THE

CITY OF MORRISON, ILLINOIS

THIS 13th DAY OF JULY, 2026

Published in pamphlet form by authority of the City Council of the City of Morrison, Illinois this
13th day of July, 2026.

ORDINANCE NO. 2026-12

**ORDINANCE AUTHORIZING ACCEPTANCE OF
DONATION OF REAL PROPERTY
(P.I.N. 09-17-158-019)**

WHEREAS, the Mayor and City Council (collectively, the “**Corporate Authorities**”) of the City of Morrison, Whiteside County, Illinois (the “**City**”) deem it advisable, necessary, and in the public interest that the City acquire, by donation, the real property bearing Parcel Identification Number 09-17-158-019 and legally described on ***EXHIBIT A***, attached hereto (the “**Property**”);

WHEREAS, the Property will serve the public and corporate purposes for which the City is organized;

WHEREAS, pursuant to the provisions of Section 2-2-12 of the Illinois Municipal Code, 65 ILCS 5/2-2-12 (the “**Code**”), and other applicable provisions of law, the City is authorized to acquire and hold real property for corporate purposes;

WHEREAS, title to the Property is currently held by Kristin J. Reyes, as Successor Trustee of the Cecil J. Stralow and Dolores A. Stralow Trust, and Kristin J. Reyes, in such capacity, has authority to convey the Property to the City;

WHEREAS, on June 12, 2026, the City and Kristin J. Reyes, as aforesaid, entered into a tentative Real Estate Donation Agreement (the “**Agreement**”) providing for the donation and conveyance of the Property to the City pursuant to the provisions of the Agreement and subject to the approval of the Corporate Authorities; and

WHEREAS, pursuant to the provisions of the Code, it is necessary and appropriate that the Corporate Authorities adopt an ordinance authorizing acceptance of the donation of the Property and approving the Donation Agreement.

NOW, THEREFORE, BE IT ORDAINED, by the Corporate Authorities of the City as follows:

SECTION 1: The recitals set forth in the preamble to this Ordinance are true and correct and are incorporated herein as if fully set forth in this Section 1.

SECTION 2: The City hereby accepts the donation of the Property from the Cecil J. Stralow and Dolores A. Stralow Trust.

SECTION 3: The City hereby approves the Agreement.

SECTION 4: From and after the effective date of this Ordinance, the Mayor, the City Manager, and the City Clerk are hereby authorized and directed to do all things necessary and essential, including the procurement of title insurance and execution of any documents and certificates, to

complete the donation of the Property from the Cecil J. Stralow and Dolores A. Stralow Trust to the City and to otherwise carry out this Ordinance.

SECTION 5: All ordinances and parts of ordinances in conflict herewith are, to the extent of such conflict, hereby repealed.

SECTION 6: The provisions and sections of this Ordinance shall be deemed to be separable, and the invalidity of any portion of this Ordinance shall not affect the validity of the remainder.

SECTION 7: The City Clerk is hereby directed to publish this Ordinance in pamphlet form.

SECTION 8: This Ordinance shall be in full force and effect from and after its passage, approval, and publication in the manner provided by law.

APPROVED this 13th day of July, 2026.

Scott Vandermyde, Mayor

ATTEST:

Michael Hemmer, City Clerk

Alderspersons Voting:

	AYE	NAY	ABSTAIN	ABSENT
Kevin Bruckner Jr.	☐	☐	☐	☐
Seth Buckwalter	☐	☐	☐	☐
Sara Dunne	☐	☐	☐	☐
Sidonna Mahaffey	☐	☐	☐	☐
Todd Schlegel	☐	☐	☐	☐
Vernon Tervelt	☐	☐	☐	☐
Matthew Tichler	☐	☐	☐	☐
Vacancy	☐	☐	☐	☐

EXHIBIT A

WARRANTY DEED

Corporation

THIS INDENTURE WITNESSETH, That the

Grantor, Wolarts, Inc.,

a Corporation, created and existing under

and by virtue of the laws of the State of
Illinois

for and in consideration of the sum of

One and No/100(\$1.00)-- DOLLARS

receipt whereof is hereby acknowledged.

CONVEYS and WARRANTS to Cecil J. Stralow and Dolores A. Stralow as trustees of theCecil J. Stralow Trust dated February 18, 1987 and Dolores A. Stralow Trust dated February 18, 1987,of the City of TemeculaCounty of Riversideand State of California, the following described real estate, to wit:

SEE ATTACHED.

PIN: 19-17-158-019

situated in the City of Morrisonin the County of Whiteside in the State of Illinois.IN TESTIMONY WHEREOF, The said Wolarts, Inc.,

a Corporation, hath hereunto caused its corporate seal to be affixed, and these presents to be signed by its

President, and attested by its Secretary, this 18th dayof August, A.D. 2006Wolarts, Inc., a Corporation,By Cecil J. Stralow

Attest:

President.

Jul 13 2026 / 47

Secretary.

7312-2006

STATE OF ILLINOIS
WHITESIDE COUNTY SS
Filed in the Recorder's Office of said
County

On AUG 28 2006
at 10:00 O'clock A M

By Dawn M. Young Recorder
Deputy

RHS \$10

RECORDER'S STAMP

This deed requires no Illinois
revenue stamps by virtue of the
exemption contained in paragraph
(c) OF 35 ILCS 200/31-45.

2006-08-06 [Signature]

STATE OF ILLINOIS,

COUNTY OF WHITESIDE

ss.

I, Ronald F. Coplan, in and for said County, in the State aforesaid, do hereby certify that Cecil J. Stralow, personally known to me to be the President of the Wolarts, Inc., a Corporation, and Dolores A. Stralow, personally known to me to be the Secretary of said Corporation, whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such President and Secretary, they signed and delivered the said instrument of writing as President and Secretary of said Corporation and caused the corporate seal of said Corporation to be affixed thereto, pursuant to authority given by the Board of Directors of said Corporation, as their free and voluntary act, and as the free and voluntary act and deed of said Corporation, for the uses and purposes therein set forth.

Given under my hand and seal, this 18th day of August, A.D. 2006

"OFFICIAL SEAL"
RONALD F. COPLAN
Notary Public, State of Illinois
My Commission Expires 5/3/10

WARRANTY DEED

WOLARTS, INC.

a Corporation,

To

Cecil J. Stralow and

Dolores A. Stralow

STATE OF ILLINOIS

COUNTY OF WHITESIDE } ss.

No. _____

This instrument was filed for record in the

Recorder's office of Whiteside

County aforesaid, on the AUG 28 2006 day of

August, A.D. 19 06, at 10:00

o'clock A. M., and recorded in Book _____

of _____ on Page _____

Recorder.

Prepared by and for
Return to: Ronald F. Coplan
114 E. Main Street
Morrison, IL 61270

BUILDING "J"
HIGH TERRACE CONDOMINIUMS
PROJECT NO. 2003029

Of Property Described As: Part of the Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4) of Section 17 in Township 21 North (T21N), Range 5 East (R5E) of the Fourth Principal Meridian (4th PM), City of Morrison, Whiteside County, Illinois, bounded and described as follows, to wit:

Beginning at the Southwest corner of Building "C" of High Terrace Condominiums, according to the plat thereof, recorded as M.F. No. 4225-81 in the Office of the Whiteside County Recorder; thence North 89 Degrees 54 Minutes 27 Seconds East, along the South line thereof, a distance of 140.11 feet to the Southeast corner of said Building "C"; thence South 00 Degrees 21 Minutes 41 Seconds East, along the West line of Building "H" of said High Terrace Condominiums, according to the plat thereof, recorded as M.F. No. 8799-96 in said Office of the Whiteside County Recorder, a distance of 131.10 feet to the Southwest corner of said Building "H"; thence South 89 Degrees 21 Minutes 36 Seconds West, along the North line of Building "G", of said High Terrace Condominiums, according to the plat thereof, recorded as M.F. No. 9881-94 in said Office of the Whiteside County Recorder, a distance of 99.11 feet to the Westernmost Northwest corner of said Building "G" and the East line of Jenkran Street in said City of Morrison; thence Northerly, along said East line, being an arc of a curve, concave Southwesterly, having a radius of 60.00 feet and whose chord bears North 35 Degrees 19 Minutes 14 Seconds West, an arc distance of 77.38 feet; thence North 00 Degrees 05 Minutes 57 Seconds West, along said East line, a distance of 73.13 feet to the Point of Beginning;

Containing 0.383 acres, more or less.

Subject To an Easement for the purpose of Ingress, egress, and the installation and maintenance of public franchised utilities, over, across, under and through a 20 foot strip land described as follows, to wit:

The Northerly 20 feet of the Southerly 28 feet of the above described property.

WHITESIDE COUNTY
STATE OF ILLINOIS
FILE WITH COUNTY RECORDER

RONALD F. COPLAN

RESIDES AT MORRISON, IL, BEING DULY SWORN ON OATH, STATES THAT HE
VIOLATION OF SECTION 1 OF CHAPTER 109 OF THE ILLINOIS REVISED STATUTES.

(CIRCLE ONE)

1. Said Act is not applicable as the grantors own no adjoining property to the premises described in said deed OR the conveyance falls in one of the following exemptions as shown by Amended Act which became effective July 17, 1959.

1A. The division or subdivision of land into parcels or tracts of 5 acres or more in size which does not involve any new streets or easements of access.

2. The division of lots or blocks of less than 1 acre in any recorded subdivision which does not involve any new streets or easements of access.

3. The sale or exchange of parcels of land between owners of adjoining and contiguous land.

4. The conveyance of parcels of land or interests therein for use as a right of way for railroads or other public utility facilities and other pipe lines which does not involve any new streets or easements of access.

5. The conveyance of land owned by a railroad or other public utility which does not involve any new streets or easements of access.

6. The conveyance of land for highway or other public purposes or grants or conveyances relating to the dedication of land for public use or instruments relating to the vacation of land impressed with a public use.

7. Conveyances made to correct descriptions in prior conveyances.

8. The sale or exchange of parcels or tracts of land following the division into no more than 2 parts of a particular parcel or tract of land existing on July 17, 1959 and not involving any new streets or easements of access.

9. The sale of a single lot of less than 5 acres from a larger tract when a survey is made by an Illinois Professional Land Surveyor, (AS EXHIBITED BY ATTACHED) provided, that this exemption shall not apply to the sale of any subsequent lots from the same larger tract of land, as determined by the dimensions and configuration of the larger tract on October 15, 1973, and provided also that this exemption does not invalidate any local requirements applicable to the subdivision of land.

AFFIANT further states that he makes this affidavit for the purpose of inducing the Recorder of Whiteside County, Illinois, to accept the attached deed for recording.

Document #

7312-2006

SUBSCRIBED and SWORN to before me this

24th day of August

20 06

NOTARY PUBLIC

JUL 13 2006

"OFFICIAL SEAL"
DEBORAH HUIZENGA
Notary Public, State of Illinois
My Commission Expires 02/23/07

REAL ESTATE DONATION AGREEMENT

This Real Estate Donation Agreement ("Agreement") is made on June 12, 2026, Kristen J. Reyes, acting as an Agent under the Durable Power of Attorney of Cecil J. Stralow and as successor Trustee of the Cecil J. Stralow and Dolores A. Stralow Trust ("Seller"), and City of Morrison, an Illinois Municipal Corporation ("Buyer" or "City"):

RECITALS

1. Kristen J. Reyes has been appointed as the Agent of the Durable Power of Attorney of Cecil J. Stralow (see attached Exhibit "A") following the death of Dolores A. Stralow (see attached Exhibit "B"), the initial Agent, and the Durable Power of Attorney of Cecil J. Stralow permits the Agent to sell real property.

2. Kristen J. Reyes is also the successor Trustee of the Cecil J. Stralow and Dolores A. Stralow Trust following the death of Dolores A. Stralow and the determination of incapacity of Cecil J. Stralow.

3. The Cecil J. Stralow and Dolores A. Stralow Trust is the owner, by virtue of a warranty deed (see attached Exhibit "C") of certain property in the City of Morrison and commonly identified by Parcel ID #09-17-158-019.

4. Seller agrees to donate and convey to Buyer and Buyer agrees to accept from Seller, the property commonly identified by Parcel ID #09-17-158-019, consisting of approximately thirty-five hundreds (.35) of an acre, commonly known as, Illinois, and legally described as follows:

See legal description attached hereto as Exhibit "E" ("Subject Premises"),

subject to any and all existing rights-of-way for public highways, utilities and drainage and subject to all existing easements, covenants, restrictions and reservations of record.

5. Seller shall pay 2025 real estate taxes due in 2026.

6. Possession shall be given at closing. Closing shall occur within thirty (30) days of full execution of this Agreement and approval by the City Council of the acceptance of this Agreement.

7. Delivery of the deed and payment of any costs associated with closed due from Seller, at the office of the title company issuing title insurance, or at such other location as may be mutually agreed upon by the parties. Buyer agrees to prepare such documents (including deed) as may be necessary to effectuate transfer and closing, at Buyer's expense. Seller shall be responsible for any outstanding real estate tax liabilities and costs associated with any appraisal sought by it for purposes related to deductibility of any value from the donation.

8. This Agreement is expressly contingent on formal City Council approval within sixty (60) days of execution.

9. With the understanding that Buyer will rely upon this statement, Seller, to the best of its knowledge, hereto certifies that no hazardous material is stored on or otherwise exists within or upon the Subject Premises and there are no underground storage tanks upon, or located within, the Subject Premises. Hazardous material shall mean: (a) asbestos in any form; (b) urea formaldehyde foam insulation; (c) transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls in excess of fifty (50) parts per million; (d) petroleum or petroleum by-products; or (e) any other chemical, material or substance which is (i) regulated or identified as toxic or hazardous or exposure to which is prohibited, limited, or regulated by an Applicable Law, or either (ii) present in amounts in excess of what is permitted or deemed safe under Applicable Law, or (iii) handled, stored or otherwise used in any way which is prohibited or deemed unsafe under Applicable Law. "Applicable Law" shall mean any law, rule, order, ordinance, or regulation of any federal, state, county, regional, local, or other governmental authority.

10. In case of failure of Seller failing perform any of the covenants on its part hereby made and entered into, Seller agrees to reimburse Buyer for all costs and expenses, including reasonable attorneys' fees paid out or expended or incurred by it, in which case, its reasonable outlay for that purpose to obtain compliance with such provision.

11. Any continuing obligations contained herein shall not be merged in the deed.

12. It is mutually agreed that all the covenants and agreements herein shall extend to and be obligatory upon the heirs, executors, administrators and assigns of the respective parties hereto.

13. This Agreement becomes binding when signed by all parties or when all parties have signed a duplicate counterpart. All previous agreements between the parties, pertaining to the described property, if any, are hereby cancelled.

14. Access Easement. Buyer acknowledges that there is an existing access point to adjacent parcels located on the Property.

15. Inspections. Buyer may conduct, at Buyer's expense, any desired inspections of the Property. Seller expressly authorizes Buyer, or its agents, to access the property for the purpose of obtaining such inspections.

- i. Buyer shall serve notice upon Seller or Seller's attorney of any defects disclosed by any inspection for which Buyer requests resolution by Seller, together with a

copy of the pertinent pages of the inspection reports within ten (10) calendar days after Buyer's receipt. If within ten (10) business days after notice by Buyer to Seller of items needing resolution, a written agreement is not reached between Seller and Buyer with respect to resolution of all inspection issues, then either Seller or Buyer may terminate this Agreement by serving notice to the other party, whereupon this Agreement shall be null and void.

- ii. Notwithstanding anything to the contrary set forth above in this paragraph, in the event the inspection reveals that the condition of the Real Estate is unacceptable to Buyer and Buyer serves notice to Seller within five (5) business days after the Effective Date, this Agreement shall be null and void.

16. Seller acknowledges that the City of Morrison makes no representation as to the value of the property being donated or the tax deductibility of the same. The Parties agree that it is the sole responsibility of Seller to obtain and document any appraised value of the property, at its own expense, and to seek independent advice from a tax professional relating to the legal ability of Seller to deduct or otherwise seek credit for the donation under State or Federal law. The Buyer's sole responsibility is to acknowledge receipt of the donation.

SIGNATURES TO REAL ESTATE CONTRACT

DATED June 12, 2026

Dated: June 12, 2026.

SELLER:

Kristen J. Reyes, Trustee
Cecil J. Stralow and Dolores A. Stralow Trust
Kristen J. Reyes, as trustee

BUYER:

City of Morrison,
an Illinois Municipal Corporation
ATTEST:

This document was drafted by:

Timothy B. Zollinger (attorney for Buyer)
Ward, Murray, Pace & Johnson, P.C.
202 East Fifth Street
P.O. Box 400
Sterling, IL 61081

Tax Billing Address:

City of Morrison
C/O City Administrator
200 W. Main St
Morrison, IL 61270

EXHIBIT "A"

(Durable Power of Attorney of Cecil J. Stralow)

EXHIBIT "B"

(Death Certificate of Dolores A. Stralow)

EXHIBIT "C"

(Warranty Deed)

EXHIBIT "D"

(Legal Description)

Part of the Southwest Quarter (SW 1/4) of the Northwest Quarter (NW1/4) of Section 17 in Township 21 North (T21N), Range 5 East (R5E) of the Fourth Principal Meridian (4th PM), City of Morrison, Whiteside County, Illinois, bounded and described as follows, to wit:

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Containing 0.383 acres, more or less.



OPTIONAL EQUIPMENT BREAKDOWN QUOTATION

Municipality: City of Morrison

Rating Basis: \$32,270,244 (100% of Current Statement of Values)

Equipment Breakdown Coverage Deductible: \$500 except for

Direct Damage to Transformers Deductible: \$2 per max rated KVA, \$1,000 minimum

Equipment Breakdown Coverage Annual Premium: \$6,777

To buy this optional coverage, please contact:

Julia Reynolds at CCMSI: (217) 444-1199

For questions about this coverage, limits, terms or conditions, please contact:

Annie Mariage at EPIC Insurance Midwest (217) 477-5388



Eligibility

Illinois municipalities who are RMA Members are eligible to buy Equipment Breakdown coverage.

Examples of covered causes of loss include:*

- Mechanical breakdown
- Electrical arcing
- Artificially generated electrical currents
- Bulging, cracking or collapse of pressure vessels

Examples of covered equipment include:*

Air conditioning units	Heating and cooling systems
Boilers (inspections included for no additional cost)	High-efficiency lighting systems
Communication systems	Mechanical equipment
Computers and telecommunications	Motors
Electrical distribution systems	Piping (steam, air, etc.)
Electrical equipment	Pumps
Emergency generators	Refrigeration units
Engines	Security systems
Fans	Switchboards
Fired/unfired pressure vessels	Transformers
Fired water heaters	Turbines
Generators	Vacuum systems
	Ventilation systems

* This information is a general description – please refer to the actual policy language for specific details.

ILLINOIS MUNICIPAL LEAGUE RISK MANAGEMENT ASSOCIATION

ENDORSEMENT #102 EQUIPMENT BREAKDOWN COVERAGE

Date: <Issue Date>
Member: <Municipal Name>
Eff Date: <Start Date>
Exp Date: <End Date>

Agreement No: <Agree#>

This endorsement is issued by the Illinois Municipal League Risk Management Association under the agreement number issued to the Member named above and forms a part of that agreement as of the effective date hereof, at the hour stated in the Declarations.

It is agreed that the coverage provided by forms RMA P and RMA 11 is amended as follows:

Equipment Breakdown Schedule	
<u>COVERAGE</u>	<u>LIMIT OF LIABILITY</u>
Spoilage	\$100,000
Ordinance or Law	Follows Property, subject to maximum of \$500,000
Expediting Expenses	\$100,000
Service Interruption - Spoilage	Included in Spoilage Limit
Service Interruption - Extra Expense	Included in Extra Expense Limit
Data and "media"	\$100,000
"Fungus", Wet Rot and Dry Rot	\$15,000 per location per coverage period
Hazardous Substance	\$100,000
Off Premises Equipment	\$500,000
Newly Acquired Property	\$1,000,000, 60 days
Extra Expense	\$1,000,000
Business Income	Follows Property, subject to a maximum of \$150,000
Water Damage	\$100,000
Electrical Risk Improvements	10% of paid loss, not to exceed \$10,000
<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
Direct Damage - For all other than the following: - Lift Stations - Pump Stations - Water Treatment Plants - Transformers	\$500
Direct Damage - For the following locations: - Lift Stations - Pump Stations - Water Treatment Plants	\$500
Direct Damage - Transformers	\$2 per max rated KVA, \$1,000 minimum
Extra Expense	Combined with Direct Damage
Service Interruption - Waiting Period	12 hours
Other:	

The following is added to RMA 11:

VII. EQUIPMENT BREAKDOWN

1. EQUIPMENT BREAKDOWN. The Association will pay for direct physical loss of or damage caused by or resulting from a "breakdown" to "covered equipment".

(a) "breakdown"

(1) "breakdown" means:

- (i) Failure of pressure or vacuum equipment;
- (ii) Mechanical failure including rupture or bursting caused by centrifugal force; or
- (iii) Electrical failure including arcing;

that causes direct physical loss or damage to "covered equipment" and necessitates its repair or replacement.

(2) "breakdown" does not mean:

- (i) Cracking of any part on an internal combustion gas turbine exposed to the products of combustion;
 - (ii) Damage to any structure or foundation supporting the "covered equipment" or any of its parts;
 - (iii) Damage to any vacuum tube, gas tube or brush;
 - (iv) Defects, erasures, errors, limitations or viruses in "computer equipment", data, "media" and/or programs including the inability to recognize and process any date or time or provide instructions to "covered equipment". However, if a "breakdown" ensues, the Association will pay the ensuing loss or damage not otherwise excluded;
 - (v) Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
 - (vi) Malfunction including but not limited to adjustment, alignment, calibration, cleaning or modification; or
 - (vii) The functioning of any safety or protective device.
- (3) If an initial "breakdown" causes other "breakdowns", all will be considered one "breakdown". All "breakdowns" that manifest themselves at the same time and are the result of the same cause will also be considered one "breakdown".

(b) "covered equipment"

(1) "covered equipment" means:

- (i) Equipment designed and built to operate under internal pressure or vacuum other than weight of contents. For any boiler or fired vessel, the furnace of the "covered equipment" and the gas passages from there to the atmosphere will be considered as outside the "covered equipment";
- (ii) Communication equipment and "computer equipment";
- (iii) Fiber optic cable; or
- (iv) Any other electrical or mechanical equipment that is used in the generation, transmission or utilization of energy.

(2) "covered equipment" does not mean any:

- (i) Astronomical telescope, cyclotron used for other than medical purposes, nuclear reactor, particle accelerator used for other than medical purposes, satellites and/or spacecraft (including satellite or spacecraft contents and/or their launch sites);
- (ii) Catalyst;
- (iii) Dragline, power shovel, excavation or construction equipment including any "covered equipment" mounted on or used solely with any dragline, power shovel excavation or construction equipment;
- (iv) Equipment or any part of equipment manufactured by the Member for sale;
- (v) Felt, wire, screen, mold, form, pattern, die, extrusion plate, swing hammer, grinding disc, cutting blade, non-electrical cable, chain, belt, rope, clutch plate, brake pad, non-metal part or any part or tool subject to periodic replacement;

- (vi) Insulating or refractory material;
- (vii) Non-metallic pressure or vacuum equipment, unless it is constructed and used in accordance with the American Society of Mechanical Engineers (A.S.M.E.) code or a Code that has been accepted by the National Board of Boiler and Pressure Vessel Inspectors;
- (viii) Part of pressure or vacuum equipment that is not under internal pressure of its contents or internal vacuum;
- (ix) Pressure vessel and piping that are buried below ground and require the excavation of materials to inspect, remove, repair or replace;
- (x) Structure, foundation, cabinet or compartment supporting or containing the "covered equipment" or part of the "covered equipment" including penstock, draft tube or well casing;
- (xi) Vehicle, aircraft, self-propelled equipment or floating vessel, including any "covered equipment" mounted on or used solely with any vehicle, aircraft, self-propelled equipment or floating vessel; or
- (xii) "media".

(c) Equipment Breakdown Coverage Extensions

The following coverages also apply to loss or damage caused by or resulting from a "breakdown" to "covered equipment". These Coverage Extensions do not provide additional amounts of coverage. The limits provided are part of, not in addition to, the Limit of Liability that applies to the damaged property.

(1) Spoilage

- (i) The Association will pay for:
 - (a) The Member's loss of "perishable goods" due to spoilage;
 - (b) The Member's loss of "perishable goods" due to contamination from the release of refrigerant, including but not limited to ammonia; or
 - (c) The Member's loss of "perishable goods" due to spoilage that is caused by or results from an interruption in utility services that is the direct result of a "breakdown" to "covered equipment" that is owned by a utility, landlord, or other supplier with whom the Member has a contract to provide the Member with any of the following services: electrical power, communications, waste disposal, air conditioning, refrigeration, heating, gas, air, water, or steam. The interruption of the utility services must last at least 12 consecutive hours after the time of the "breakdown", unless another amount is shown for Service Interruption - Waiting Period on the Equipment Breakdown Deductible Schedule, in order for this coverage to apply.
 - (d) The Association will also pay any necessary expense the Member incurs to reduce the amount of loss under this coverage. The Association will pay such expenses to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.
- (ii) If the Member is unable to replace the "perishable goods" before its anticipated sale, the amount of the Association's payment will be determined on the basis of the sales price of the "perishable goods" at the time of the "breakdown", less discounts and expenses the Member otherwise would have had.
- (iii) The most the Association will pay for any loss or expense under this Coverage Extension is \$100,000, or the Limit of Liability shown for Spoilage on the Equipment Breakdown Schedule, subject to the applicable deductible.

(2) Ordinance or Law

If End #55 is attached to the RMA-11, coverage provided by that endorsement is extended to loss caused by a "breakdown" to "covered equipment". The most the Association will pay for coverage provided by this coverage extension is \$500,000, or the Limit of Liability shown for Ordinance or Law on the Equipment Breakdown Schedule, subject to the applicable Deductible.

(3) Expediting Expenses

- (i) With respect to the Member's damaged property, the Association will pay the reasonable extra cost to make temporary repairs and expedite permanent repairs or permanent replacement.

- (ii) Expediting expenses include overtime wages and the extra cost of express or other rapid means of transportation.
 - (iii) The most the Association will pay for Expediting Expenses is \$100,000, or the Limit of Liability shown for Expediting Expenses on the Equipment Breakdown Schedule, subject to the applicable Deductible.
- (4) Service Interruption
- (i) The coverage provided for Extra Expense is extended to apply to loss caused by or resulting from an interruption in utility services that is a direct result of a "breakdown" to "covered equipment" that is owned by a utility, landlord, or other supplier with whom the Member has a contract to provide the Member with any of the following services: electrical power, communications, waste disposal, air conditioning, refrigeration, heating, gas, air, water or steam.
 - (ii) The interruption of the utility services must last at least 12 consecutive hours after the time of the "breakdown", unless a different amount is shown for Service Interruption - Waiting Period on the Equipment Breakdown Deductible Schedule, in order for this coverage to apply. Once this waiting period is met, coverage will commence at the initial time of the interruption, subject to the applicable Deductible.
- (5) Data and "media"
- (i) The Association will pay the Member's cost to research, replace and restore data, including programs and operating systems that are lost or corrupted due to a "breakdown". The Association will also pay for loss or damage to "media" caused by a "breakdown".
 - (ii) The most the Association will pay under this Coverage Extension for the sum of all covered expenses, including any loss covered under any applicable Extra Expense coverage is \$100,000, or the Limit of Liability shown for Data and "media" on the Equipment Breakdown Schedule, subject to the applicable Deductible.
- (6) "Fungus", Wet Rot and Dry Rot
- (i) The Association will pay for loss or damage by "fungus", wet or dry rot only when the "fungus", wet or dry rot is the direct result of a "breakdown" to "covered equipment" that occurs during the coverage period. As used in this Coverage Extension, the term loss or damage means direct physical loss or damage to "covered property" caused by "fungus", wet or dry rot including the cost:
 - (a) To treat, contain or remove the "fungus", wet or dry rot;
 - (b) To dispose of the "fungus", wet or dry rot;
 - (c) To tear out and replace any "covered property" as needed to gain access to the "fungus", wet or dry rot; and
 - (d) Of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungus", wet or dry rot is present.
 - (ii) Limit
 - (a) The most the Association will pay for this Coverage Extension is \$15,000 or the Limit of Liability shown for "Fungus", Wet Rot and Dry Rot on the Equipment Breakdown Schedule per location per coverage period with respect to any one "breakdown" which results in "fungus", wet or dry rot, the Association will not pay more than such limit even if the "fungus", wet or dry rot continues to be present or active or recurs in a later coverage period.
 - (b) If "fungus", wet or dry rot results from damage by water as otherwise covered under this Endorsement, the limit in (6) (ii) (a) is part of, not in addition to, the Water Damage limit.
 - (c) If "fungus", wet or dry rot results from a "breakdown" to "covered equipment" other than water, the limit in (6) (ii) (a) is part of, not in addition to, the Direct Damage Limit of Liability.

The deductible for coverage under this Coverage Extension is included within the applicable Direct Damage Deductible, and Extra Expense Deductible shown in the Equipment Breakdown Deductible Schedule.

(7) Hazardous Substance

- (i) If property covered in RMA 11 is damaged, contaminated or polluted by a "hazardous substance" as a direct result of a "breakdown" to "covered equipment", the Association will pay for physical damage caused by the "hazardous substance", including any additional expenses incurred by the member for clean-up, repair, replacement or disposal of that property.
- (ii) As used here, additional expenses means the additional cost incurred over and above the amount that the Association would have paid had no "hazardous substance" been involved with the loss.
- (iii) The most the Association will pay for all loss or damage described under this Coverage Extension is \$100,000 or the Limit of Liability shown for Hazardous Substance on the Equipment Breakdown Schedule.

The deductible for coverage under this Coverage Extension is included within the applicable Direct Damage Deductible, and Extra Expense Deductible shown in the Equipment Breakdown Deductible Schedule.

(8) Off Premises Equipment

- (i) We will pay for direct damage caused by a "breakdown" to the Member's transportable "covered equipment" that, at the time of the "breakdown", is located within the United States of America (including its territories and possessions), Canada or Puerto Rico but is at a temporary location that is not a Covered Location or any other location owned, leased or operated by the Insured.
- (ii) The most the Association will pay under this Coverage Extension is \$500,000 or the Limit of Liability shown for Off Premises Equipment on the Equipment Breakdown Schedule, subject to the applicable Deductible.

(9) Newly Acquired Property

- (i) The Newly Acquired Property coverage provided in Section VI. ADDITIONAL CONDITIONS, 2. Limits of Liability (b) of RMA 11, is extended to cover loss or expense resulting from a "breakdown" to "covered equipment".
- (ii) The most the Association will pay under this Coverage Extension is \$1,000,000, or the Limit of Liability shown for Newly Acquired Property on the Equipment Breakdown Schedule, subject to the applicable Deductible.
- (iii) This coverage expires sixty (60) days after the property is acquired.

(10) Extra Expense

- (i) Extra Expense coverage provided in Section VI. ADDITIONAL CONDITIONS, 2. Limits of Liability (j) of RMA 11, is extended to cover loss or expense resulting from a "breakdown" to "covered equipment".
- (ii) The most the Association will pay under this Coverage Extension is \$1,000,000, or the Limit of Liability shown for Extra Expense on the Equipment Breakdown Schedule, subject to the applicable Deductible.

(11) Business Income

- (i) Business Income coverage provided in Section VI. ADDITIONAL CONDITIONS, 2. Limits of Liability (l) of RMA 11, is extended to cover loss or expense resulting from a "breakdown" to "covered equipment".
- (ii) The most the Association will pay under this Coverage Extension is \$150,000, or the Limit of Liability shown for Business Income on the Equipment Breakdown Schedule, subject to the applicable Deductible.

(12) Water Damage

If property is damaged by water as a direct result of a "breakdown" to "covered equipment", the most the Association will pay for such physical damage, included salvage expense, is \$100,000, or the Limit of Liability shown for Water Damage on the Equipment Breakdown Schedule, subject to the applicable Deductible.

(13) Electrical Risk Improvements

When "covered equipment" sustains direct physical loss or damage resulting from a "breakdown" from artificially generated electric current (including arcing) that necessitates its repair or replacement, the Association will pay up to an additional 10% of the amount actually paid for all loss or damage, not to exceed \$10,000, for costs the Member incurs to make material improvements to the Member's electrical system at the location of the loss.

This Coverage Extension does not pay for:

- (i) Stock, work in process, raw materials, finished goods or merchandise;
- (ii) Any personal property of the Member's employees or officers;
- (iii) Any "covered property" that is repaired or replaced due to direct physical loss or damage; or
- (iv) Any Business Income or Extra Expense

These expenses must be reported to the Association in writing within 180 days of direct physical loss or damage.

(d) Equipment Breakdown Exclusions

With regard to coverage provided under this Endorsement only, the following changes are made:

- (1) Paragraph 4. is deleted from Section III. EXCLUSIONS, in RMA P.
- (2) Paragraphs 4. and 8. are deleted from Section V. PERILS EXCLUDED in RMA 11.
- (3) The following exclusions apply to the coverage provided under this Endorsement in addition to the other exclusions in RMA P and RMA 11, except as deleted in (d) (1) and (d) (2) above.
The Association will not pay under this Endorsement for loss or damage caused directly or indirectly by any of the following:
 - (i) Any of the following tests:
 - (a) A hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel; or
 - (b) An insulation breakdown test of any type of electrical equipment;
 - (ii) Fire including fire resulting from a "breakdown";
 - (iii) Lightning;
 - (iv) Combustion explosion;
 - (v) Explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass;
 - (vi) An explosion. However, the Association will pay for direct loss or damage caused by an explosion of "covered equipment" of a kind specified below, if not otherwise excluded:
 - (a) Steam boiler; electric steam generator; steam piping; steam turbine; steam engine; or
 - (b) Gas turbine or any other moving or rotating machinery when such explosion is caused by centrifugal force or mechanical breakdown.
 - (vii) A "breakdown" that results from or is caused by capsizing collapse, collision, upset or overturning of the "covered equipment";
 - (viii) With respect to Service Interruption and Spoilage, the Association will not pay for loss caused by or resulting from: windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; falling objects; water damage caused by the discharge or leakage of sprinkler system, sewer piping or domestic water piping; water or other means used to extinguish a fire, even when the attempt is unsuccessful; weight of snow, ice or sleet; freezing due to cold weather; molten material; acts of sabotage; deliberate acts of load shedding by the supplying or distributing utility; or collapse.
 - (ix) "Electronic vandalism"

(e) Limit of Liability

The most the Association will pay for loss or damage in any one "breakdown" is \$100,000,000. The limits provided for the Equipment Breakdown Coverage Extensions are part of, not in addition to, the \$100,000,000 limit of liability that applies to the damaged property.

(f) Deductible

If an amount is shown in the Deductible section of the Equipment Breakdown Deductible Schedule, that deductible will apply; otherwise the deductible shown in the Declarations for the applicable coverage will apply.

(g) The following provision applies to the coverage provided by this Endorsement only and in addition to the provisions in Section IV. CONDITIONS 10. Payment of Loss in RMA P to which this Endorsement applies: If "covered equipment" is valued at replacement cost, cannot be repaired and requires replacement the Member may choose to apply the following provision:

New Generation Coverage - If the Member wants to replace damaged "covered equipment" of the same capacity, the Association will pay up to 25% more than "covered equipment" of like kind, quality and capacity would have cost at the time of the "breakdown".

(h) With respect to the coverage provided under this Endorsement, the following are added to Section IV. CONDITIONS of RMA P to which this Endorsement applies:

(1) Jurisdictional Inspections

- (i) The Association agrees to provide pressure vessel certificate-of-operation engineering services where:
 - a) The certificate-of-operation is required by state or municipal law; and
 - b) The state or municipal law permits inspections by Association representatives.
- (ii) If the Association receives notification of a pressure vessel certificate-of-operation inspection due date less than 30 (thirty) days prior to the expiration of the certificate-of-operation, the Association will not be responsible for:
 - a) Any fine or other penalty that may be assessed; or
 - b) Any liability that may arise due to the fact that the inspection was not performed prior to the certificate-of-operation due date.

(2) Suspension

- (i) Whenever "covered equipment" is found to be in, or exposed to, a dangerous condition, any of the Association's representatives may immediately suspend the coverage provided by this Endorsement. The Association will deliver or mail a written notice of suspension to the Member's last known address or the address where the "covered equipment" is located.
- (ii) Once suspended in this way, the Member's coverage can be reinstated only by an Endorsement for that "covered equipment".
- (iii) If the Association suspends the Member's coverage, the Member will get a pro rata refund of premium for that "covered equipment". But the suspension will be effective even if the Association has not yet made or offered a refund.

(i) With respect to the coverage provided by this Endorsement, the following definitions apply in addition to the definitions provided in Section III. ADDITIONAL DEFINITIONS in RMA 11 to which this Endorsement applies:

- (1) "computer equipment" means the Member's programmable electronic equipment that is used to store, retrieve and process data; and associated peripheral equipment that provides communication including input and output functions such as printing or auxiliary functions such as data transmission. It does not include data or "media".
- (2) "electronic vandalism" means:
 - (i) Willful or malicious destruction of computer programs, content, instructions or other electronic or digital data stored within computer systems.
 - (ii) Unauthorized computer code or programming that:

Member:

<Municipal Name>

Agreement No:

<Agree#>

- a) Deletes, distorts, corrupts or manipulates computer programs, content, instructions or other electronic or digital data, or otherwise results in damage to computers or computer systems or networks to which it is introduced;
 - b) Replicates itself, impairing the performance of computers or computer systems or networks; or
 - c) Gains remote control access to data and programming within computers or computer systems or networks to which it is introduced.
- (3) "fungus" means any type or form of fungus, including mold, mildew and any mycotoxins, spores, scents or by products produced or released by fungi.
- (4) "hazardous substance" means any substance, other than refrigerants (including ammonia), that has been declared to be hazardous to health by a government agency.
- (5) "media" means electronic data processing or storage material such as films, tapes, discs, drums or cells.
- (6) "perishable goods" means personal property maintained under controlled conditions for its preservation and susceptible to loss or damage if the controlled conditions change.
- (7) "power generating equipment" means any pressure, mechanical or electrical equipment, machinery or apparatus used in, or associated with, the generation of electric power. However, "power generating equipment" does not include any "covered equipment" with capacity less than or equal to 1000kw that is used solely for the generation of emergency power.

This term does not appear in this Endorsement, but may appear in the Equipment Breakdown Schedule.

- (8) "production machines", mean any production or process machine or apparatus that processes, forms, cuts, shapes, or grinds raw materials in process or finished products, including any object that is used solely with and/or forms an integral part of the production or process or apparatus. But "production machines" does not include any:
- (i) pressure vessel or vacuum vessel, other than any cylinder containing a movable plunger or piston; or
 - (ii) pump, compressor, fan or blower that conveys raw materials, materials in process or finished products; or
 - (iii) separate enclosed gear set connected by a coupling, clutch or belt; or
 - (iv) separate driving electrical or mechanical machine connected by a coupling clutch or belt.

This term does not appear in this Endorsement, but may appear in the Equipment Breakdown Schedule.

2. As respects a "breakdown" to "covered equipment", the most the Association will pay for any one occurrence under any coverage provided in Section VI. ADDITIONAL CONDITIONS in RMA 11 is the applicable Limit of Liability shown below.

Coverage and Limits of Liability

- Course of construction - \$1,000,000
- Property in transit - \$100,000
- Property at a location not reported - \$100,000
- Structures not specifically reported - 10% of the property values on file, not to exceed \$50,000

This Endorsement does not extend the following found in Section VI. ADDITIONAL CONDITIONS, 2. Limits of Liability of RMA 11:

- Property lost or damaged by "earthquake" or "flood".

City of Morrison – Audit Presentation – Fiscal Year Ended April 30, 2026

Introduction

1. Audit went well with excellent communication from the City Staff
2. Thanks to Shelli and Barb for doing a very nice job with the books and in answering all of our questions in a timely manner.

Audit Opinions

1. Page 2 - 4 of the handout – Independent Auditor’s Report - This is a “clean” or “unmodified” audit opinion. It basically states that we have audited your financial statements and that they have been prepared in compliance with generally accepted accounting principles, and that we had no material findings on compliance with applicable laws.
2. Page 5-6 of the handout – Independent Auditor’s Report over Internal Control and Compliance. The purpose of the 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.

Financial Summary – Page 1

1. The first section is a comparison of the cash balance by fund at 4/30/26 as compared to 4/30/25– In total the cash balance across all funds was \$6,372,200 at 4/30/26 down about \$637,446 from the prior year balance of \$7,009,646.
 - a. General Fund cash saw a decrease of \$4,226 from the prior year – an overall increase in revenue was offset by capital outlay of \$238,816 during the year.
 - b. Cash in the Local 1% Sales Tax Fund and the Capital Projects Fund decreased by a combined \$255,000 from the prior year. While sales tax revenue continues to increase, the City continues to spend on infrastructure improvements. Between the two funds, capital outlay during FY 26 was about \$630,000. In prior years, these funds have been boosted up by transfers in from the General Fund. That did not happen in FY 26 as the General Fund did not generate excess reserved cash.
 - c. The Water and Sewer Funds combined resulted in a decrease in cash balance from the prior year of about \$170,000. The Water and Sewer Funds had a combined net operating income of about \$120,000 for the year, however loan principal and interest payments and capital improvements during the year drove down the cash balance. The Sewer Fund did receive a \$395,000 grant during the fiscal year.
 - d. Overall – the City still has a very strong cash position at year-end despite large debt payments and capital outlay completed during the year.
2. I’m going to skip down to Long-Term Debt – at year-end the city has total principal due on long-term debt of \$17,310,126 most of which is due to the IL EPA and the bonds issued during a prior fiscal year that were deposited into the Capital Fund. During the 2026 fiscal year, the City paid down \$729,000 of principal on this debt and issued \$0 of new debt.
3. For the Net Pension Liability figures– We receive the calculation of the net pension liability from the actuaries hired by IMRF each year. We are required to include these amounts in your financials. The net pension asset at 4/30/26 totaled \$65,613 net of deferrals. This is an

improved position of about \$14,000 from the prior year. The increases/decreases in this liability are often the result of differences in the actual rate of return of investments held by IMRF compared to the expected rate of return. The actual return on investments was strong for the actuarial period of 1/1/25 – 12/31/25.

SAS 114 Letter and Management Letter – Pages 7-10

1. The SAS 114 letter (pages 7 and 8) – includes required communications from the auditor to the city council – the letter basically states that the audit went well, we had no significant audit adjustments that were proposed that were not made, we had no significant disagreements with management, and no other significant findings or issues.
2. The Management Letter (pages 9 and 10) – identifies findings that we had during the audit. The items mentioned in this letter are pretty common across almost all of my audit clients, so they are nothing that I consider to be significant.
 - a. Segregation of Duties – due to the small size of the city staff – segregation of duties is not always at an optimum – however we found other controls in place to mitigate the risks associated with segregation of duties.

City of Morrison
April 30, 2026

On a Fund Level:

	General	Local 1% Sales Tax	Capital Project	Water	Sewer	Sanitation	Other	Total
Cash @ 4/30/26	1,173,011	891,893	143,247	896,140	1,459,496	14,211	1,794,202	6,372,200
Cash @4/30/25	1,177,237	961,346	329,239	1,221,758	1,305,886	19,108	1,995,072	7,009,646
Increase/(Decrease)	(4,226)	(69,453)	(185,992)	(325,618)	153,610	(4,897)	(200,870)	(637,446)
Revenue FY 2026	2,312,572	465,514	14,083	985,404	1,709,906	317,632	1,147,086	6,952,197
Revenue FY 2025	2,173,620	382,627	157,571	945,244	1,318,964	316,499	1,166,261	6,460,786
Increase/(Decrease)	138,952	82,887	(143,488)	40,160	390,942	1,133	(19,175)	491,411
Expenditure/Expenses FY 2026	(2,377,524)	(559,585)	(200,075)	(884,281)	(1,331,114)	(292,687)	(1,295,029)	(6,940,295)
Expenditure/Expenses FY 2025	(2,162,903)	(334,246)	(237,727)	(832,825)	(1,311,513)	(282,793)	(1,232,902)	(6,394,909)
Increase/(Decrease)	214,621	225,339	(37,652)	51,456	19,601	(9,894)	62,127	545,386

City as a Whole: (Full Accrual Basis of Accounting)

Net Position:	Governmental	Business-Type	Total
Total Net Position @4/30/26	10,270,065	15,044,598	25,314,663
Total Net Position @4/30/25	10,147,674	14,570,668	24,718,342
Increase/(Decrease)	122,391	473,930	596,321

Unrestricted Net Position:			
Unrestricted Net Position @4/30/26	1,154,610	2,481,883	3,636,493
Unrestricted Net Position @4/30/25	1,677,321	2,671,247	4,348,568
Increase/(Decrease)	(522,711)	(189,364)	(712,075)

Long-Term Debt: (Includes Current Portion)			
LT Debt @4/30/26	3,405,000	13,905,123	17,310,123
LT Debt @4/30/25	3,580,000	14,458,884	18,038,884
Increase/(Decrease)	(175,000)	(553,761)	(728,761)

Net Pension Liability (IMRF) and Related Deferrals:			
Net Pens Ben net of Def @4/30/26	59,660	5,953	65,613
Net Pens Ben net of Def @4/30/25	45,352	(475)	44,877
Increase/(Decrease)	14,308	6,428	20,736



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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor, City Council, and City Administrator
City of Morrison, IL

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Morrison, Illinois, as of and for the year ended April 30, 2026, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Morrison, as of April 30, 2026, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the retirement plan information in Schedule 1 and budgetary comparison information in Schedules 2 and 3, and Notes to the Budgetary Comparison Schedules be presented to supplement the basic financial statements, as listed as *Required Supplementary Information* in the table of contents. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary 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.

Management has omitted the Management Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such

missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

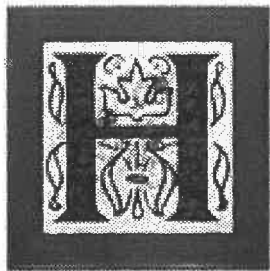
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Schedules 4-7 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such 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, Schedules 4-7 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 10, 2026, on our consideration of the City of Morrison'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 solely 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 the effectiveness of the City's 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's internal control over financial reporting and compliance.

Hopkins & Assoc.

Granville, Illinois
June 10, 2026



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**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***

The Honorable Mayor, City Council, and City Administrator
City of Morrison, IL

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 financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Morrison as of and for the year ended April 30, 2026, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 10, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

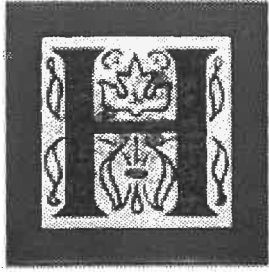
As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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.

Hopkins & Assoc.

Granville, Illinois
June 10, 2026



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June 10, 2026

The Honorable Mayor, City Council, and City Administrator
City of Morrison, IL

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the City of Morrison for the year ended April 30, 2026. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 3, 2026. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of Morrison are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the current fiscal year. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting or auditing matter whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 10, 2026

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the applications of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

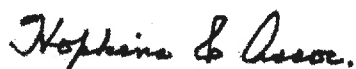
We applied certain limited procedures to Required Supplementary Information (RSI) as labeled in the Table of Contents, which are required supplementary information that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Supplementary Information as detailed in the Table of Contents, which accompany the financial statements but are not RSI. With respect to supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the City Council and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



Hopkins & Associates, CPAs



HOPKINS & ASSOCIATES
Certified Public Accountants

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June 10, 2026

City Council
City of Morrison
Morrison, IL

Dear Board Members:

In planning and performing our audit of the financial statements of the City of Morrison as of and for the year ended April 30, 2026, in accordance with auditing standards generally accepted in the United States of America, we considered the City of Morrison' internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Morrison' internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Morrison's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. 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.

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 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.

The following are recommendations, observations, and other communications that are not significant deficiencies:

Internal Control

Due to the small size of the City Office Staff, segregation of duties that is an important aspect of internal control is not at its optimum. That being said, the City is doing a good job of compensating for that shortcoming by its other checks and balances.

For internal control to be at its highest level the City should prepare the depreciation schedule, financial statements, and notes for the audit; however, as is the common practice, the auditor has prepared these schedules and reports. To compensate for this, the City Administrator completed a checklist indicating his review of the financial statements and the notes for any concerns.

This communication is intended solely for the information and use of management, the City Council, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

Thank you for your business and for the cooperation of the officers and City Council. Please call us if you have any questions or concerns.

Yours truly,

A handwritten signature in cursive script that reads "Hopkins & Assoc.".

Hopkins and Associates, CPAs

CITY OF MORRISON, ILLINOIS
ANNUAL FINANCIAL REPORT
Year Ended April 30, 2026

CITY OF MORRISON
April 30, 2026
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HOPKINS & ASSOCIATES
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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor, City Council, and City Administrator
City of Morrison, IL

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Morrison, Illinois, as of and for the year ended April 30, 2026, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Morrison, as of April 30, 2026, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the retirement plan information in Schedule 1 and budgetary comparison information in Schedules 2 and 3, and Notes to the Budgetary Comparison Schedules be presented to supplement the basic financial statements, as listed as *Required Supplementary Information* in the table of contents. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary 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.

Management has omitted the Management Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such

missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Schedules 4-7 are presented for purposes of additional analysis and are 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, Schedules 4-7 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 10, 2026, on our consideration of the City of Morrison'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 solely 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 the effectiveness of the City's 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's internal control over financial reporting and compliance.



Granville, Illinois
June 10, 2026



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Certified Public Accountants

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**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***

The Honorable Mayor, City Council, and City Administrator
City of Morrison, IL

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 financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Morrison as of and for the year ended April 30, 2026, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 10, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's 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 financial statements. 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.

Hopkins & Assoc.

Granville, Illinois
June 10, 2026

CITY OF MORRISON
GOVERNMENT-WIDE STATEMENT OF NET POSITION
April 30, 2026

	Primary Government		
	Governmental	Business-Type	Total
	Activities	Activities	
ASSETS			
Cash and Cash Equivalents (Note 2)	\$ 4,002,353	\$ 2,369,847	\$ 6,372,200
Receivables (net) :			
Property Tax (Note 1C)	1,056,930	-	1,056,930
Other (Note 7)	535,834	278,073	813,907
Inventory	3,913	-	3,913
Prepaid Expenses (Note 9)	43,735	22,046	65,781
Capital Assets: (Note 3)			
Land	264,429	320,459	584,888
Buildings and Public Property	7,711,093	-	7,711,093
Streets and Land Improvements	7,080,142	-	7,080,142
Machinery, Equipment, and Vehicles	3,011,746	419,537	3,431,283
Water and Sewer Infrastructure	-	37,374,391	37,374,391
Accumulated Depreciation	(8,828,805)	(11,668,595)	(20,497,400)
Net Pension Benefit (Note 13)	142,961	68,635	211,596
Total Assets	\$ 15,024,331	\$ 29,184,393	\$ 44,208,724
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows of Pension Resources (Note 13)	\$ 553,635	\$ 248,733	\$ 802,368
Total Deferred Outflows of Resources	\$ 553,635	\$ 248,733	\$ 802,368
Total Assets and Deferred Outflows	\$ 15,577,966	\$ 29,433,126	\$ 45,011,092
LIABILITIES			
Current Liabilities:			
Accounts Payable (Note 7)	\$ 9,779	\$ 47,506	\$ 57,285
Accrued Wages and Payroll Liabilities (Note 7)	71,633	18,281	89,914
Customer Deposits	-	56,724	56,724
Long-Term Liabilities: (Note 11)			
Accrued Compensated Absences (Note 17)	127,623	49,479	177,102
Long-Term Debt - Due within One Year	180,000	616,546	796,546
Long-Term Debt - Due in more than One Year	3,225,000	13,288,577	16,513,577
Total Liabilities	\$ 3,614,035	\$ 14,077,113	\$ 17,691,148
DEFERRED INFLOWS OF RESOURCES			
Unavailable Property Taxes	\$ 1,056,930	\$ -	\$ 1,056,930
Deferred Inflows of Pension Resources (Note 13)	636,936	311,415	948,351
Total Deferred Inflows of Resources	\$ 1,693,866	\$ 311,415	\$ 2,005,281
NET POSITION			
Net Investment in Capital Assets	\$ 5,976,566	\$ 12,540,669	\$ 18,517,235
Restricted - nonexpendable	166,300	22,046	188,346
Restricted for: (Note 4)			
Debt Service	259,704	-	259,704
Road Maintenance	1,326,244	-	1,326,244
Other Purposes	1,386,641	-	1,386,641
Unrestricted:			
Related to Net Pension Liability (Note 13)	59,660	5,953	65,613
Other Purposes	1,094,950	2,475,930	3,570,880
Total Net Position	\$ 10,270,065	\$ 15,044,598	\$ 25,314,663
Total Liabilities, Deferred Inflows, and Net Position	\$ 15,577,966	\$ 29,433,126	\$ 45,011,092

See accompanying notes to basic financial statements.

CITY OF MORRISON
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
Year Ended April 30, 2026

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Fee/Fines	Operating	Capital	Primary Government		
		Charges for Service	Grants and Refunds	Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
General Administration	\$ 757,978	\$ 87,033	\$ 42,000	\$ -	\$ (628,945)		\$ (628,945)
Public Safety	1,007,466	61,040	-	-	(946,426)		(946,426)
Streets and Alleys	883,364	-	11,195	-	(872,169)		(872,169)
Parks, Recreation, and Library	457,028	76,484	-	57,168	(323,376)		(323,376)
Municipal Buildings and Grounds	612,120	50,875	-	-	(561,245)		(561,245)
Economic Development	22,896	-	-	-	(22,896)		(22,896)
Interest on Long-Term Debt	104,525	-	-	-	(104,525)		(104,525)
Total Governmental Activities	\$ 3,845,377	\$ 275,432	\$ 53,195	\$ 57,168	\$ (3,459,582)		\$ (3,459,582)
Business-Type Activities:							
Water, Sanitation, and Sewer	\$ 2,369,984	\$ 2,522,642	\$ -	\$ 395,159		\$ 547,817	\$ 547,817
Interest on Long-Term Debt	131,670	-	-	-		(131,670)	(131,670)
Total Business-Type Activities	\$ 2,501,654	\$ 2,522,642	\$ -	\$ 395,159		\$ 416,147	\$ 416,147
Total Primary Government	\$ 6,347,031	\$ 2,798,074	\$ 53,195	\$ 452,327	\$ (3,459,582)	\$ 416,147	\$ (3,043,435)
General revenues:							
Taxes:							
Property Taxes					\$ 739,355	\$ -	\$ 739,355
Income Tax					747,563	-	747,563
Sales and Use Taxes					1,225,422	-	1,225,422
Utility Tax					210,775	-	210,775
Telecommunications Tax					46,678	-	46,678
Motor Fuel Tax					187,376	-	187,376
Replacement Tax					74,722	-	74,722
Motel Tax					12,843	-	12,843
Foreign Fire Insurance					17,647	-	17,647
Video Gaming Tax					99,174	-	99,174
Interest Earned					164,818	88,713	253,531
Other General Revenue					27,087	-	27,087
Total General Revenues					\$ 3,553,460	\$ 88,713	\$ 3,642,173
Change in Net Position from Operations					\$ 93,878	\$ 504,860	\$ 598,738
Change in Accrued Vacation and Sick Pay Liability					(2,417)	-	(2,417)
Transfer In (Note 6)					160,930	-	160,930
Transfer (Out) (Note 6)					(130,000)	(30,930)	(160,930)
Change in Net Position					\$ 122,391	\$ 473,930	\$ 596,321
Net Position - Beginning					10,147,674	14,570,668	24,718,342
Net Position - Ending					\$ 10,270,065	\$ 15,044,598	\$ 25,314,663

See accompanying notes to basic financial statements.

**CITY OF MORRISON
BALANCE SHEET
ALL GOVERNMENTAL FUNDS
April 30, 2026**

	General Fund	Local 1% Sales Tax Fund	Capital Project Fund	Odell Public Library District Fund	Other Governmental Funds	TOTAL
ASSETS						
Cash and Cash Equivalents (Note 2)	\$ 1,173,011	\$ 891,893	\$ 143,247	\$ 675,837	\$ 1,118,365	\$ 4,002,353
Accounts Receivable (Note 7)	401,684	82,575	-	3,013	48,562	535,834
Due From Other Funds	-	-	-	-	69,000	69,000
Property Tax Receivable (Note 1C)	288,815	-	-	119,595	648,520	1,056,930
Inventory	3,913	-	-	-	-	3,913
Prepaid Expenses (Note 9)	-	-	-	-	43,735	43,735
Total Assets	\$ 1,867,423	\$ 974,468	\$ 143,247	\$ 798,445	\$ 1,928,182	\$ 5,711,765
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE						
Liabilities:						
Accounts Payable (Note 7)	\$ 9,779	\$ -	\$ -	\$ -	\$ -	\$ 9,779
Due to Other Funds	69,000	-	-	-	-	69,000
Accrued Wages (Note 7)	53,751	-	-	4,921	-	58,672
Accrued Compensated Absences (Note 7)	-	-	-	-	-	-
Payroll Tax Liabilities (Note 7)	2,422	-	-	-	10,539	12,961
Total Liabilities	\$ 134,952	\$ -	\$ -	\$ 4,921	\$ 10,539	\$ 150,412
Deferred Inflows of Resources:						
Deferred Property Taxes (Note 1C)	\$ 288,815	\$ -	\$ -	\$ 119,595	\$ 648,520	\$ 1,056,930
Total Deferred Inflows of Resources	\$ 288,815	\$ -	\$ -	\$ 119,595	\$ 648,520	\$ 1,056,930
Fund Balances (Note 1):						
Nonspendable	\$ 3,913	\$ -	\$ -	\$ -	\$ 162,387	\$ 166,300
Restricted	10,243	974,468	-	673,929	1,313,949	2,972,589
Committed	101,439	-	143,247	-	-	244,686
Assigned	-	-	-	-	-	-
Unassigned	1,328,061	-	-	-	(207,213)	1,120,848
Total Fund Balances	\$ 1,443,656	\$ 974,468	\$ 143,247	\$ 673,929	\$ 1,269,123	\$ 4,504,423
Total Liabilities and Fund Balances	\$ 1,867,423	\$ 974,468	\$ 143,247	\$ 798,445	\$ 1,928,182	\$ 5,711,765

Reconciliation of the Balance Sheet of Governmental Funds to Statement of Net Position

Total Fund Balances - All Governmental Funds	\$ 4,504,423
The amount of the book value of capital assets at April 30, 2026. (In governmental fund statements, all capital assets are expensed as purchased. Under GASB No. 34 in the government-wide statements of net position, capital assets are presented at book value.)	9,238,605
The amount of the book value of debt at April 30, 2026. (Governmental funds do not report debt on the balance sheet. In the government-wide statement of net position, debt is reported as a long-term liability.)	(3,405,000)
The amount of Net Pension Benefit (Liability) at April 30, 2026. (In the government-wide statement of net position, net pension liability is reported as a long-term liability).	142,961
The amount of Deferred Outflows (Inflows) at April 30, 2026 related to IMRF Expenses	(83,301)
Compensated Absences not due and payable from current resources are not reported in governmental funds	(127,623)
Total Net Position of Governmental Activities	\$ 10,270,065

See accompanying notes to basic financial statements.

CITY OF MORRISON
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUNDS
Year Ended April 30, 2026

	General Fund	1% Local Sales Tax Fund	Capital Project Fund	Odell Public Library District Fund	Other Governmental Funds	TOTAL
REVENUES						
Property Tax	\$ 268,187	\$ -	\$ -	\$ 109,559	\$ 361,609	\$ 739,355
Licenses	55,637	-	-	-	-	55,637
Permits	9,196	-	-	-	-	9,196
Income Tax	747,563	-	-	-	-	747,563
Replacement Tax	36,704	-	-	14,481	23,537	74,722
Grocery Tax	11,195	-	-	-	-	11,195
Sales Tax	746,934	-	-	-	-	746,934
Local 1% Sales Tax	-	434,432	-	-	-	434,432
Use Tax	37,761	-	-	-	-	37,761
Video Gaming Tax	99,174	-	-	-	-	99,174
Hotel/Motel Tax	-	-	-	-	12,843	12,843
Cannabis Use Tax	6,295	-	-	-	-	6,295
Fees	375	-	-	-	-	375
Interest Revenue	43,180	31,082	9,583	19,107	61,866	164,818
Rental Revenue	6,425	-	4,500	-	-	10,925
Reimbursements	-	-	-	-	-	-
Donations	-	-	-	27,060	-	27,060
Certified Death Certificates	10,900	-	-	-	-	10,900
Police - Fines, Patrol, Fees, Reports	22,059	-	-	-	3,000	25,059
School District Resource Officer Reimbursements	35,981	-	-	-	-	35,981
Cemetery - Burial Fees and Lot Sales	50,875	-	-	-	-	50,875
Park - Events, Fees, Concessions, Rental	64,354	-	-	-	-	64,354
Foreign Fire Insurance Tax	-	-	-	-	17,647	17,647
Motor Fuel Tax	-	-	-	-	187,376	187,376
State Grant	-	-	-	30,108	-	30,108
Federal Grant	42,000	-	-	-	-	42,000
Library - Desk Fees	-	-	-	12,130	-	12,130
Utility Tax	-	-	-	-	210,775	210,775
Telecommunications Tax	-	-	-	-	46,678	46,678
Cemetery - Perpetual Care	-	-	-	-	-	-
Other	17,777	-	-	-	2,410	20,187
Total Revenues	\$ 2,312,572	\$ 465,514	\$ 14,083	\$ 212,445	\$ 934,641	\$ 3,939,255
EXPENDITURES						
Current:						
General Administrative	\$ 486,381	\$ -	\$ -	\$ -	\$ 280,762	\$ 767,143
Public Safety	820,167	-	-	-	97,625	917,792
Streets and Alleys	290,168	-	-	-	96,871	387,039
Parks, Recreation, and Library	252,919	-	-	191,165	665	444,749
Municipal Buildings and Grounds	270,683	-	-	-	-	270,683
Economic Development	18,390	-	-	-	4,506	22,896
Debt service:						
Loan Interest	-	55,062	-	-	49,463	104,525
Loan Principal	-	75,000	-	-	100,000	175,000
Capital Outlay	238,816	429,523	200,075	-	473,972	1,342,386
Total Expenditures	\$ 2,377,524	\$ 559,585	\$ 200,075	\$ 191,165	\$ 1,103,864	\$ 4,432,213
Excess (Deficiency) of Revenues over Expenditures	\$ (64,952)	\$ (94,071)	\$ (185,992)	\$ 21,280	\$ (169,223)	\$ (492,958)
Transfer In (Note 6)	\$ 107,930	\$ 26,000	\$ -	\$ -	\$ 27,000	\$ 160,930
Transfer (Out) (Note 6)	(43,000)	-	-	-	(87,000)	(130,000)
Net Change in Fund Balances	\$ (22)	\$ (68,071)	\$ (185,992)	\$ 21,280	\$ (229,223)	\$ (462,028)
Fund Balances - Beginning	1,443,678	1,042,539	329,239	652,649	1,498,346	4,966,451
Fund Balances - Ending	\$ 1,443,656	\$ 974,468	\$ 143,247	\$ 673,929	\$ 1,269,123	\$ 4,504,423

See accompanying notes to basic financial statements.

CITY OF MORRISON
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended April 30, 2026

Net Change in Fund Balances - Total Governmental Funds	\$ (462,028)
The amount by which depreciation exceeded capital outlays in the current period. (Governmental Funds report capital outlays as expenditures and do not report depreciation. In the government-wide statement of activities the costs of the purchased capital assets are reported as depreciation expense over the estimated useful lives of the assets.)	397,528
The amount by which debt service exceeded interest paid. (Governmental Funds report debt service interest paid and debt service principal payments as expenditures. In the government-wide statement of activities the cost of the debt service interest paid is reported as Interest on Long-Term Debt as a functional expenditure. Principal paid reduces the long-term liability and, in turn, is not recorded as an expenditure.)	175,000
The amount of debt issued during the year (Governmental Funds report debt issued as revenue in the year of issuance. In the government-wide state of net position the issuance of debt is recorded as a long-term liability and is not recorded as revenue on the statement of activities)	-
Increase in Accrued Vacation and Sick Pay. (This is a long-term liability and is only reported on the government-wide statements.)	(2,417)
The change in Net Pension Liability and related Deferred Inflows/Outflows. (Governmental Funds do not report expenditures that do not require current use of financial resources.)	14,308
Change in Net Position of Governmental Activities	\$ 122,391

See accompanying notes to basic financial statements.

CITY OF MORRISON
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
April 30, 2026

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Fund	Sewer Fund	Sanitation Fund	Total Proprietary Funds	Self Insured Deductible Fund
ASSETS					
Current Assets:					
Cash and Cash Equivalents(Note 2)	\$ 896,140	\$ 1,459,496	\$ 14,211	\$ 2,369,847	\$ 90,701
Receivables:					
Accounts Receivable (Note 7)	114,818	160,392	2,863	278,073	-
Prepaid Expenses	11,023	11,023	-	22,046	-
Non-Current Assets:					
Net Pension Asset	29,229	39,406	-	68,635	-
Capital Assets: (Note 3)					
Land	-	320,459	-	320,459	-
Infrastructure	15,956,990	21,417,401	-	37,374,391	-
Meters	224,959	-	-	224,959	-
Vehicles and Equipment	166,273	28,305	-	194,578	-
Accumulated Depreciation	(4,550,883)	(7,117,712)	-	(11,668,595)	-
Total Assets	\$ 12,848,549	\$ 16,318,770	\$ 17,074	\$ 29,184,393	\$ 90,701
DEFERRED OUTFLOWS OF RESOURCES	\$ 109,198	\$ 139,535	\$ -	\$ 248,733	\$ -
Total Assets and Deferred Outflows	\$ 12,957,747	\$ 16,458,305	\$ 17,074	\$ 29,433,126	\$ 90,701
LIABILITIES					
Current Liabilities:					
Accounts Payable (Note 7)	\$ 11,292	\$ 11,900	\$ 24,314	\$ 47,506	\$ 42,710
Accrued Wages and Payroll Liab. (Note 7)	9,882	8,399	-	18,281	-
Customer Deposits	56,724	-	-	56,724	-
Non-Current Liabilities: (Note 11)					
Accrued Vacation and Sick Pay (Note 1L)	14,002	35,477	-	49,479	-
Due within One Year	205,736	410,810	-	616,546	-
Due in more than One Year	4,242,926	9,045,651	-	13,288,577	-
Total Liabilities	\$ 4,540,562	\$ 9,512,237	\$ 24,314	\$ 14,077,113	\$ 42,710
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows	\$ 135,629	\$ 175,786	\$ -	\$ 311,415	\$ -
Total Deferred Inflows of Resources	\$ 135,629	\$ 175,786	\$ -	\$ 311,415	\$ -
NET POSITION					
Net Investment in Capital Assets	\$ 7,348,677	\$ 5,191,992	\$ -	\$ 12,540,669	\$ -
Restricted-nonexpendable	11,023	11,023	-	22,046	-
Restricted	-	-	-	-	47,991
Unrestricted	921,856	1,567,267	(7,240)	2,481,883	-
Total Net Position	\$ 8,281,556	\$ 6,770,282	\$ (7,240)	\$ 15,044,598	\$ 47,991
Total Liabilities, Deferred Inflows, and Net Position	\$ 12,957,747	\$ 16,458,305	\$ 17,074	\$ 29,433,126	\$ 90,701

See accompanying notes to basic financial statements.

CITY OF MORRISON
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
Year Ended April 30, 2026

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Fund	Sewer Fund	Sanitation Fund	Total Enterprise Funds	Self Insured Deductible Fund
OPERATING REVENUES					
Charges for Service:					
Water Fees	\$ 947,483	\$ -	\$ -	\$ 947,483	\$ -
Sewer Fees	-	1,257,965	-	1,257,965	-
Landfill Charges	-	-	316,894	316,894	-
Health Insurance Contributions	-	-	-	-	416,819
Other	300	-	-	300	-
Total Operating Revenues	\$ 947,783	\$ 1,257,965	\$ 316,894	\$ 2,522,642	\$ 416,819
OPERATING EXPENSES					
Salaries	\$ 173,477	\$ 205,053	\$ -	\$ 378,530	\$ -
Workers' Compensation	2,964	2,964	-	5,928	-
Social Security	13,023	15,356	-	28,379	-
Retirement	11,920	14,350	-	26,270	-
Automobile Allowance	-	-	-	-	-
Maintenance Service	8,818	52,957	-	61,775	-
Accounting Service	7,333	7,333	-	14,666	-
Engineering	16,325	23,044	-	39,369	-
Legal	-	-	-	-	-
Software/Hardware	36,260	36,840	-	73,100	-
Computer System Maintenance	4,110	5,280	-	9,390	-
Lab Fees	12,433	5,716	-	18,149	-
Postage	8,263	4,803	-	13,066	-
Telephone	13,721	15,286	-	29,007	-
Printing	622	622	-	1,244	-
Dues & Permit Fees	1,100	-	-	1,100	-
Travel/Training	2,563	342	-	2,905	-
Utilities	54,756	95,819	-	150,575	-
Drug Testing	-	1,125	-	1,125	-
IEPA Permit	-	7,500	-	7,500	-
Liability/General Insurance	13,378	13,378	-	26,756	-
Maintenance Supplies	31,744	29,286	-	61,030	-
Office Supplies	171	171	-	342	-
Small Tools	1,134	529	-	1,663	-
Lab Supplies	242	301	-	543	-
Fuel/Oil	5,324	5,382	-	10,706	-
Chemicals	21,140	7,836	-	28,976	-
Uniforms	625	948	-	1,573	-
System Leak Survey	4,500	-	-	4,500	-
Economic Development	4,975	4,975	-	9,950	-
Banking Fees	1,576	-	-	1,576	-
Contractual Waste Hauler	-	-	292,687	292,687	-
Health Insurance Fund - Reimbursement	65,000	80,000	-	145,000	-
Health Insurance	-	-	-	-	380,093
Depreciation	318,662	604,848	-	923,510	-
Miscellaneous	3,129	2,393	-	5,522	-
Total Operating Expenses	\$ 839,288	\$ 1,244,437	\$ 292,687	\$ 2,376,412	\$ 380,093
Net Operating Income (Loss)	\$ 108,495	\$ 13,528	\$ 24,207	\$ 146,230	\$ 36,726
NON-OPERATING REVENUE (EXPENSES)					
Interest Revenue	\$ 34,793	\$ 53,182	\$ 738	\$ 88,713	\$ 4,912
Change in Pension Liability & Deferrals	2,828	3,600	-	6,428	-
Debt Interest Expense	(44,993)	(86,677)	-	(131,670)	-
Grant Revenue	-	395,159	-	395,159	-
Transfer In (Note 6)	-	-	-	-	-
Transfer (Out) (Note 6)	-	-	(30,930)	(30,930)	-
Changes in Net Position - Current Year	\$ 101,123	\$ 378,792	\$ (5,985)	\$ 473,930	\$ 41,638
Total Net Position - Beginning	8,180,433	6,391,490	(1,255)	14,570,668	6,353
Total Net Position - Ending	\$ 8,281,556	\$ 6,770,282	\$ (7,240)	\$ 15,044,598	\$ 47,991

See accompanying notes to basic financial statements.

CITY OF MORRISON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended April 30, 2026

	Business-Type Activities - Enterprise Funds				Governmental Activites - Internal Service Fund
	Water Fund	Sewer Fund	Sanitation Fund	Total Proprietary Funds	Self Insured Deductible Fund
Cash flows from operating activities:					
Cash Received from Customers	\$ 950,939	\$ 1,265,645	\$ 317,035	\$ 2,533,619	\$ 377,710
Payments to Employees & for Employee Benefits	(196,727)	(234,849)	-	(431,576)	(380,093)
Payments to Suppliers	(319,683)	(402,187)	(291,740)	(1,013,610)	-
Other Operating Revenues (Expenses)	-	-	-	-	-
Net cash provided by operating activities	\$ 434,529	\$ 628,609	\$ 25,295	\$ 1,088,433	\$ (2,383)
Cash flows from non-capital financing activities:					
Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers (Out)	-	-	(30,930)	(30,930)	-
Net cash provided (used) by non-cap. fin. activities	\$ -	\$ -	\$ (30,930)	\$ (30,930)	\$ -
Cash flows from capital and related financing activities:					
Principal Payments on Note Payable	\$ (189,638)	\$ (364,312)	\$ -	\$ (553,950)	\$ -
Proceeds from Federal Grant	-	395,159	-	395,159	-
Proceeds on Issuance of Debt	-	-	-	-	-
Acquisition of Capital Assets	(560,309)	(472,350)	-	(1,032,659)	-
Interest Paid	(44,993)	(86,678)	-	(131,671)	-
Net cash (used) by capital financing activities	\$ (794,940)	\$ (528,181)	\$ -	\$ (1,323,121)	\$ -
Cash flows from investing activities:					
Interest Revenue	\$ 34,793	\$ 53,182	\$ 738	\$ 88,713	\$ 4,912
Net cash provided by investing activities	\$ 34,793	\$ 53,182	\$ 738	\$ 88,713	\$ 4,912
Net increase in cash and cash equivalents	\$ (325,618)	\$ 153,610	\$ (4,897)	\$ (176,905)	\$ 2,529
Cash and equivalents, April 30, 2025	1,221,758	1,305,886	19,108	2,546,752	88,172
Cash and equivalents, April 30, 2026	\$ 896,140	\$ 1,459,496	\$ 14,211	\$ 2,369,847	\$ 90,701
Reconciliation of Operating Income (Loss) to Net Cash provided (used) by Operating Activites					
Operating Income (Loss)	\$ 108,495	\$ 13,528	\$ 24,207	\$ 146,230	\$ 36,726
Adjustments to reconcile net loss to net cash provided by operating activities:					
Depreciation	\$ 318,662	\$ 604,848	\$ -	\$ 923,510	\$ -
Changes in Assets and Liabilities				-	-
(Increase) Decrease in Other Assets	(3,963)	7,488	141	3,666	-
Increase (Decrease) in Payables	11,335	2,745	947	15,027	(39,109)
Total Adjustments	\$ 326,034	\$ 615,081	\$ 1,088	\$ 942,203	\$ (39,109)
Net Cash provided by operating activities	\$ 434,529	\$ 628,609	\$ 25,295	\$ 1,088,433	\$ (2,383)

See accompanying notes to basic financial statements.

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 1 - Summary of Significant Accounting Policies

A. General

The City of Morrison, Illinois, is governed by an elected mayor and eight aldermen. The City's major operations include police protection, parks and recreation, public works, and general administrative services. In addition, the City owns and operates a water and sewer system.

For the year ended April 30, 2026, the financial statements have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the City are described below.

B. Reporting Entity

The City of Morrison, Illinois, includes all of the funds and account groups relevant to the operation of the City in the financial statements reported herein.

The criteria of GASB pronouncements have been considered in determining the activities to be included in this report. As required by generally accepted accounting principles, these financial statements present the City (the primary government) and its component units. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include potential component units in the reporting entity was based upon the significance of their operational or financial relationship with the primary government.

These financial statements present the City (the primary government) and its component unit, The Odell Public Library (the "Library").

Blended Component Unit - The Odell Public Library (the "Library") serves all the citizens of the City and is governed by the Library Board of Trustees. The budget and tax levy ordinance is approved by the Library Board and City Council. Although it is legally separate from the City, the Library is reported as if it were part of the primary government because the City Council appoints the governing board. The Library is reported as a Special Revenue Fund.

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 1 - Summary of Significant Accounting Policies (Continued)

C. Basis of Accounting

The City maintains its accounting records on the cash basis and year-end adjustments are recorded to convert to the accrual basis or modified accrual basis as prescribed by generally accepted accounting principles. In the government-wide financial statements, the accrual basis is used, and revenues are recognized when earned and expenses are recognized when the related liability is incurred. In the governmental funds financial statements, the modified accrual basis is used. Under the modified accrual basis, revenues are recorded when susceptible to accrual, i.e., both measurable and available, except for the property tax receivable which is discussed below. Available means collectible within 60 days. Expenditures are recognized when the related liability is incurred. All revenue and expense accounts are subject to accrual.

Property tax receivable and a balancing deferred inflow of resources are recorded in the government-wide statement of net position and in the fund financial statements. These amounts are measurable but not available.

D. Basic Financial Statements – Government-Wide Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are presented on a consolidated basis by column and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net position is reported in four parts: net investment in capital assets; restricted-nonspendable; restricted net position; and unrestricted net position. Fiduciary funds are not included in government-wide statements.

The government-wide Statement of Activities reports both the gross and net cost of each of the City's functions and business-type activities. The functions are also supported by general government revenues. The Statement of Activities reduces gross expenses by related program revenues and operating and capital grants. Program revenues must be directly associated with the function of the business-type activity. Operating grants include operating-specific and discretionary grants while the capital grants column reflects capital-specific grants.

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 1 - Summary of Significant Accounting Policies (Continued)

E. Basic Financial Statements—Fund Financial Statements

The City does not allocate indirect costs. The government-wide focus is more on the sustainability of the City as an entity and the change in its net position resulting from the current year's activities. As a general rule the effect of internal activity has been eliminated from the government-wide financial statements.

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures/expenses. The various funds are reported by generic classifications within the financial statements.

1. Governmental Funds:

The focus of the governmental funds' measurement is upon determination of financial position and changes in financial position rather than upon net income. For reporting purposes, the City has elected to treat the General Fund, Local 1% Sales Tax Fund, Odell Public Library Fund, and the Capital Project Fund as major funds, and has considered all other governmental funds to be non-major funds. In Statements 3 and 4, these non-major funds are reported as "Other Governmental Funds." Details of these funds can be found in Schedules 6 and 7. All three Proprietary Funds are also considered to be major funds. The following is a description of governmental fund types:

- a. General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund consists of the General Fund, Community Landscaping Fund, Economic Development Fund, and Public Works Vehicle Fund.
 - 1) General Fund – This is the City's primary operating fund. It accounts for all financial resources of the general government, except those that are required to be accounted for in another fund. The services which are administered by and accounted for in the general fund include general government, public safety, public works, and parks and recreation, and cemetery operations.
 - 2) Community Landscaping Fund – This fund was created to account for a donation restricted for community landscaping.
 - 3) Economic Development Fund – This fund was created to account for funds committed to be spent on economic development of the city.
 - 4) Public Works Vehicle Fund – This fund was created by the City Council to accumulate funds for future purchases of public works vehicles.

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 1 - Summary of Significant Accounting Policies (Continued)

E. Basic Financial Statements—Fund Financial Statements (Continued)

- b. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The City has fourteen Special Revenue Funds: Local 1% Sales Tax Fund, Audit Fund, Street Lighting Fund, Insurance Fund, Fire Protection Fund, Motor Fuel Tax Fund, IMRF Fund, Social Security Fund, Drug Traffic Prevention Fund, Police Vehicle Fund, Odell Public Library Fund, Tourism and Convention Fund, Veterans Memorial Park Fund, and the Grove Hill Cemetery Perpetual Care Fund.
- c. Debt Service Funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt for governmental funds. The City has one debt service fund.
- d. Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The City has one Capital Projects Funds.

2. Proprietary Funds:

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed through user charges. The City has three Proprietary Funds: Water Fund; Sewer Fund; and Sanitation Fund.

The City also administers an internal service fund (reported as a proprietary fund type) to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The Self-Insured Deductible Fund accounts for the partially self-funded high deductible in the employee health insurance plan.

3. Fiduciary Funds:

Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support City programs. The reporting focus is on net position and changes in net position. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements. The City has no fiduciary funds.

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 1 - Summary of Significant Accounting Policies (Continued)

F. Budgets and Budgetary Accounting

Budgetary control is on the total expenditure level for each fund. All budgets are adopted on a basis consistent with generally accepted accounting principles. Budgets are prepared for all funds and all budgets lapse at year-end. The appropriated budget is prepared by fund, function, and department. Transfers of appropriations between departments require the approval of the Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. Appropriations in all budgeted funds lapse at the end of the fiscal year.

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets, are defined by the City as assets with an initial, individual cost of more than the threshold identified below and an estimated useful life in excess of two years.

<u>Assets</u>	<u>Threshold</u>
Plant and related properties	\$ 25,000
Machinery and equipment	5,000
Vehicles	5,000
Infrastructure	15,000

As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their acquisition value at the date of donation.

Land and construction in progress are not depreciated. The other property, plant, equipment, and infrastructure of the primary government are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	
Plant and related properties	10 to 40 years
Machinery and equipment	3 to 10 years
Vehicles	3 to 10 years
Infrastructure	20 years

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 1 - Summary of Significant Accounting Policies (Continued)

H. Revenue and Expenses

Program revenues in government-wide financial statements generally include fees, rentals, permits, fines, and other specifically billed revenues. In proprietary funds, operating revenues and expenses are distinguished from non-operating items because they are clearly traceable to the functioning of the specific service provided to the customers.

I. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

J. Investments and Cash Equivalents

All investments are cash or cash equivalents (readily converted to cash). Deposits in banks or savings associations are valued at cost, which is equivalent to fair value. For purposes of the statement of cash flows, the proprietary funds consider short-term highly liquid investments, including time deposits at financial institutions, to be cash equivalents.

K. Restricted and Unrestricted Resources

When an expense is incurred in which both restricted and unrestricted net position/fund balances are available, it is the City's policy to first apply the restricted resources.

L. Compensated Absences and Post-Employment

The City's policy permits employees to accumulate earned but unused vacation, compensated time, and sick benefits, which are eligible for payment upon separation from City service. The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. The liability has been calculated using the guidelines of GASB 101. The liability for compensated absences includes salary-related benefits and payroll taxes, where applicable.

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 1 - **Summary of Significant Accounting Policies (Continued)**

M. Fund Balance Classification

In order to comply with GASB 54, the City adheres to the fund balance classification requirements. Fund balances in the fund financial statements will be classified as follows:

- a. **Nonspendable** – Fund balances should be considered to be nonspendable if funds are not in spendable form, or are legally or contractually required to be maintained intact. The City has nonspendable fund balances in the Insurance Fund for prepaid insurance (\$43,735), in the Cemetery Fund for perpetual care assets (\$118,652), and for inventory in the General Fund (\$3,913).
- b. **Restricted** – Fund balances should be considered to be restricted when constraints placed on funds are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The City has restricted fund balances in the General Fund, see Note 4. Additionally, all fund balances that are not considered nonspendable in the following funds are restricted: Local 1% Sales Tax Fund, Audit Fund, Street Lighting Fund, Insurance Fund, Fire Protection Fund, Motor Fuel Tax Fund, IMRF Fund, Social Security Fund, Drug Traffic Prevention Fund, Police Vehicle Fund, Odell Public Library Fund, Revolving Loan Fund, Veterans Memorial Park Fund, and the Grove Hill Cemetery Perpetual Care Fund.
- c. **Committed** – Fund balances should be considered to be committed if funds can only be used for specific purposes as a result of constraints imposed by formal action of the City's Mayor and Aldermen. The City has a committed fund balance in the General Fund for economic development and public works vehicle replacement for \$101,439. The City also has a committed fund balance in the Capital Project fund for future projects of \$143,247.
- d. **Assigned** – Fund balances should be considered to be assigned if amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. This City does not have any assigned fund balances.
- e. **Unassigned** – Fund balances should be considered to be unassigned if they are a portion of the General fund balances that have not been considered to be restricted, committed, or assigned to specific purposes.

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 1 - Summary of Significant Accounting Policies (Continued)

N. Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of expendable supplies. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Note 2 - Cash and Equivalents

The City is allowed to invest in securities as authorized by Sections 2 and 6 of the Public Funds Investment Act (30ILCS 235). In general, the City may invest in obligations of the United States of America or its agencies (or guaranteed by the full faith and credit of the same) and certain time deposits and short-term obligations as defined in the Public Fund Investment Act. Cash accounts are maintained at TBK Bank in Morrison, Illinois; Illinois Funds in Springfield, Illinois; Community State Bank in Morrison, Illinois; Sterling Federal Bank in Sterling, Illinois; and a Paypal Clearing Account.

At year-end, the carrying amount of the City's cash and deposits was \$6,372,200 and the bank balances totaled \$6,471,091.

Cash and investments are categorized in accordance with risk factors. Deposits at each bank are insured up to FDIC limits. The Deposits are secured by type as indicated in the following table.

		Bank Balance	Book Balance
Type 1	Fully insured by FDIC	\$ 1,388,434	\$ 1,371,716
Type 2	Secured by securities pledged to City but in the bank's name	-	-
Type 3	Uninsured	82,173	-
		<u>\$ 1,470,607</u>	<u>\$ 1,371,716</u>
Uncatergorized -	Uncatergorized Illinois Fund - secured by State of Illinois	5,000,484	5,000,484
		<u>\$ 6,471,091</u>	<u>\$ 6,372,200</u>

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 2 - **Cash and Investments (Continued)**

The major divergence between book and bank balances consisted of outstanding checks and deposits in transit at April 30, 2026.

The City maintained a balance in the Illinois Funds as noted in the table above. The State Treasurer maintains the Illinois Treasurer's Investment Pool (Pool) at cost and fair value through daily adjustment in the interest earnings. The State Treasurer also maintains the average duration of the Pool at less than 25 days. The Pool is audited annually by an outside independent auditor and copies of the report are distributed to participants. The Pool maintains a Standard and Poor's AAAM rating. The relationship between the City and the investment agent is a direct contractual relationship and the investments are not supported by a transferable instrument that evidences ownership or creditorship. All funds deposited in the Pool are classified as cash equivalents as all could be withdrawn on a day's notice. Although not subject to regulatory oversight, the fund is administered in accordance with the provisions of the Illinois Public Funds Investment Act, 30 ILCS 235.

Note 3 - **Capital Assets**

The City's Fixed Assets are valued at historical cost or estimated historical cost, if actual cost is not known.

The current year additions to capital assets were \$1,342,386 for governmental activities and \$1,032,659 for business-type activities. There were no disposals of capital assets recorded in the current fiscal year.

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 3 - Capital Assets (Continued)

<u>COST BASIS</u>				
	<u>Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>End of Year</u>
General Assets				
Non-Depreciable Assets				
Land	\$ 264,429	\$ -	\$ -	\$ 264,429
Depreciable Assets				
Plant and Related Properties	\$ 7,171,548	\$ 539,545	\$ -	\$ 7,711,093
Infrastructure	6,650,619	429,523	-	7,080,142
Machinery, Equipment, and Vehicles	2,638,428	373,318	-	3,011,746
Total General Assets	\$ 16,725,024	\$ 1,342,386	\$ -	\$ 18,067,410
Water and Sewer Fund				
Non-Depreciable Assets				
Land	\$ 320,459	\$ -	\$ -	\$ 320,459
Depreciable Assets				
Water Plant and Related Property	\$ 15,396,681	\$ 560,309	\$ -	\$ 15,956,990
Sewer Plant and Related Property	20,945,051	472,350	-	21,417,401
Vehicles and Equipment	419,537	-	-	419,537
Total Water and Sewer Assets	\$ 37,081,728	\$ 1,032,659	\$ -	\$ 38,114,387
GrandTotal	\$ 53,806,752	\$ 2,375,045	\$ -	\$ 56,181,797

<u>ACCUMULATED DEPRECIATION</u>				
	<u>Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>End of Year</u>
General Assets				
Depreciable Assets				
Plant and Related Properties	\$ 4,320,219	\$ 327,207	\$ -	\$ 4,647,426
Infrastructure	1,779,736	348,182	-	2,127,918
Machinery, Equipment, and Vehicles	1,783,992	269,469	-	2,053,461
Total General Assets	\$ 7,883,947	\$ 944,858	\$ -	\$ 8,828,805
Water and Sewer				
Depreciable Assets				
Water Plant and Related Property	\$ 3,951,277	\$ 312,738	\$ -	\$ 4,264,015
Sewer Plant and Related Property	6,425,421	595,247	-	7,020,668
Vehicles and Equipment	368,387	15,525	-	383,912
Total Water Sewer Assets	\$ 10,745,085	\$ 923,510	\$ -	\$ 11,668,595
GrandTotal	\$ 18,629,032	\$ 1,868,368	\$ -	\$ 20,497,400

Depreciation is allocated to the following functions: Administration, \$5,143; public safety, \$89,674; streets, \$496,325; parks, recreation, and library, \$12,279; municipal buildings and grounds, \$341,437; water, \$318,662; and sewer, \$604,848.

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 4 - Restricted Fund Balances and Restricted Net Position

Amounts restricted for debt service total \$259,704 in the governmental funds.

Prepaid Insurance, perpetual care cemetery assets and inventory of \$166,300 is classified as nonspendable fund balance in the governmental funds, and as a restricted net asset on the government-wide statement of net assets.

Special levies for police protection, road and bridge, and emergency services are deposited in the general fund. All property tax money received for these special levies was expended in the year ended April 30, 2026. No restricted fund balance is necessary for these items.

Amounts restricted by donors in the general fund for landscaping total \$10,243.

Restrictions for other special levied taxes and other restricted amounts at April 30, 2026 are as follows:

Local 1% Sales Tax	\$ 974,468
Audit	14,005
Street Lighting	52,664
Insurance	33,251
Motor Fuel Tax	351,776
IMRF	445,632
Social Security	120,514
Drug Traffic Prevention	9,889
Police Vehicle	-
Odell Public Library	673,929
Tourism and Convention	19,451
Veterans Memorial Park	7,063
Grove Hill Cemetery	-
Total	<u>\$ 2,702,642</u>

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 5 - Property Tax

Property taxes are attached as an enforceable lien on property as of January 1, 2024. Taxes are collectible in two installments on July 1 and September 1. The County Collector distributes these taxes to the various entities and funds within 30 days of collection. The City adopted a Tax Levy Ordinance in December of 2024. The tax assessment for the City for 2024 was \$64,488,169. The extension and collections were as follows:

	<u>Rate</u>	<u>Extension</u>	<u>Received</u>	<u>Difference</u>
Corporate	0.25000	\$ 161,220	\$ 161,117	\$ (103)
IMRF	0.13530	87,252	87,196	(56)
Fire Protection	0.12410	80,030	79,978	(52)
Police Protection	0.07500	48,366	48,335	(31)
Library	0.15000	96,732	96,670	(62)
Cemetery	0.02500	16,122	16,112	(10)
Audit	0.01100	7,094	7,089	(5)
Library Building	0.02000	12,898	12,889	(9)
Tort	0.09040	58,297	58,260	(37)
Street Lighting	0.05000	32,244	32,223	(21)
Emergency Services	0.00190	1,225	1,224	(1)
Social Security	0.15030	96,926	96,863	(63)
	1.08300	\$ 698,406	\$ 697,956	\$ (450)
Road and Bridge*	N/A	41,399	41,399	-
	1.08300	\$ 739,805	\$ 739,355	\$ (450)

*Levied through the township.

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 6 - **Interfund Payables/Receivables and Transfers**

During the year ended April 30, 2023, the City Council approved an interfund loan from the Grove Hill Cemetery Perpetual Care Fund to the General Fund in the amount of \$115,000. As of April 30, 2026, the General Fund owed the Grove Hill Cemetery Perpetual Care Fund \$69,000.

Below are the interfund transfers as of April 30, 2026:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
Major Funds:		
General	\$ 107,930	\$ 43,000
1% Sales Tax	26,000	-
Capital Projects	-	-
Water	-	-
Sewer	-	-
Sanitation	-	30,930
Nonmajor Governmental	27,000	87,000
	<u>\$ 160,930</u>	<u>\$ 160,930</u>

Transfers generally related to expense reimbursements and payroll liabilities within the City's funds in accordance with budgetary authorizations.

Note 7 - **Other Receivables and Payables**

At April 30, 2026, the following receivables are recorded:

- Accounts Receivable – Water and sewer billings not yet collected at April 30, including the May 2026 billing. Other receivables identified by the City's office staff including income, sales, and use tax due from the State at April 30.
- Accrued Payroll Tax Liabilities – Unpaid wages and the related IMRF, FICA, and Medicare taxes for work performed in the current fiscal year.
- Accounts Payable – Unpaid bills for materials received or services provided at year end.

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 8 - **Insurance Risk Management**

The City provides for risk management by securing comprehensive insurance through private carriers. The Mayor reports no major changes in insurance coverage or risk during the current fiscal year. Insurance premiums are paid through the Liability Insurance Fund. Tort levy funds were expended for the following purposes: liability, general, and workers compensation insurance premiums, \$63,847.

Note 9 - **Prepaid Expense**

The City had \$43,735 of prepaid insurance expense as of April 30, 2026. Insurance premiums are paid annually at the beginning of each covered year.

Note 10 - **Risk Management**

The City faces several types of risk. The following is a discussion of the nature of the risks, the significance to the government, and the policies in place to reduce the risk:

- 1) Custodial credit risk for deposits is the risk that in the event of bank or broker failure, the deposits may be in peril. The government policy is to either keep deposit amounts below F.D.I.C. insurance levels at a specific institution or to require the institution pledge securities to insure the deposits in excess of F.D.I.C. levels. The results are disclosed in Note 2. This risk is moderately low.
- 2) Interest rate risk is the risk that interest rate changes may adversely affect the fair value of investments. Since the government's investments are all cash or cash equivalents, this risk is minimal. The City's long-term debt accrues at fixed interest rates; therefore, interest rate risk related to debt is also minimal.
- 3) Concentration of credit risk is the risk of loss attributed to the magnitude of the government's investment in a single issuer. This risk is low.
- 4) Risk of loss of fixed assets is the risk that fire, wind, theft, etc. may reduce or eliminate the value of buildings, property, equipment, and other assets. The government has comprehensive insurance coverage to minimize this risk. During the past three years, settlements have been less than coverage. This risk is low.
- 5) Risk of claims and judgments is the risk that the assets of the government may be impaired due to an employee or officer's actions or failure to act. This risk is minimized by the comprehensive coverage provided by private carriers. This risk is low.

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 11 - Long-Term Debt

The City issues general obligation debt certificates and bonds and notes payable to provide funds for the acquisition and construction of major capital facilities. The debt has been issued for governmental and business-type type activities. The debt is generally paid by sources other than property taxes. Debt outstanding at April 30, 2026 are as follows:

Governmental Activities:

Debt Certificates and Bonds	Sale Date	Original Borrowing	Interest Rates to Maturity	Final Maturity	Outstanding 4/30/26
Series 2016 - Bonds	12/14/2016	\$ 1,960,000	2.00-4.00	12/15/2035	\$ 1,230,000
Series 2021 - Bonds	5/27/2021	\$ 2,470,000	1.00-3.00	12/15/2047	\$ 2,175,000

The general obligation bonds (alternate revenue source), Series 2016, bear interest at 2.00 to 4.00 percent, which is due June 15 and December 15 of each year, while principal mature serially on December 15 of each year with an original final maturity on December 15, 2035. The original issue was \$1,960,000. The bond proceeds were used to refinance the general obligation limited debt certificates, Series 2008 and a portion of the general obligation limited debt certificates, Series 2010. The bonds will be repaid from telecommunication taxes, utility taxes, and State of Illinois income taxes.

The general obligation bonds (alternate revenue source), Series 2021, bear interest at 1.00 to 3.00 percent, which is due June 15 and December 15 of each year, while principal mature serially on December 15 of each year with an original final maturity on December 15, 2047. The original issue was \$2,470,000. The bond proceeds were used to finance a large public works infrastructure project completed during the fiscal year ended April 30, 2022. The bonds will be repaid from other revenue sources other than property taxes.

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 11 - Long-Term Debt (Continued)

Business-Type Activities – Notes Payable:

Note Payable	Date	Original Borrowing	Interest Rates to Maturity	Final Maturity	Outstanding 4/30/26
Pub Water Sup Loan (2011)	2013	\$ 2,574,422	1.25%	7/15/2042	\$ 2,074,427
Pub Water Sup Loan (2015)	2015	9,254,051	1.00%	10/5/2046	7,353,653
Pub Water Sup Loan (2016)	2017	2,598,669	1.00%	11/1/2047	2,102,808
Pub Water Sup Loan (2022)	2022	757,298	1.00%	3/1/2052	669,450
Pub Water Sup Loan (2023)	2023	876,545	0.83%	3/22/2044	793,909
Pub Water Sup Loan (2023)	2024	948,139	0.93%	5/1/2054	910,876
Total					\$ 13,905,123

Illinois Environmental Protection Agency Loans

In September 2011, the City entered into a public water supply loan with the Illinois Environmental Protection Agency and borrowed \$2,574,422 on a reimbursement basis at a stated interest rate of 1.25% payable in semi-annual installments through July 15, 2042. The total disbursement amount to the City from the EPA was \$3,406,050. \$831,628 of this total disbursed amount was forgiven by the EPA and was recorded as grant revenue in the City's financial statements in the year of forgiveness.

In November 2015, the City entered into a loan with the Illinois Environmental Protection Agency and borrowed \$9,254,051 on a reimbursement basis at a stated interest rate of 1.00% payable in semi-annual installments through October 5, 2046. The total disbursement amount to the City from the EPA was \$13,803,851. \$4,549,800 of this total disbursed amount was forgiven by the EPA and was recorded as grant revenue in the City's financial statements in the year of forgiveness.

In August 2016, the City entered into a loan with the Illinois Environmental Protection Agency and borrowed \$2,598,669 on a reimbursement basis at a stated interest rate of 1.00% payable in semi-annual installments through November 1, 2047. The total disbursement amount to the City from the EPA was \$3,801,930. \$1,203,261 of this total disbursed amount was forgiven by the EPA and was recorded as grant revenue in the City's financial statements in the year of forgiveness.

In April 2022, the City entered into a loan with the Illinois Environmental Protection Agency and borrowed \$757,298 on a reimbursement basis at a stated interest rate of 1.00% payable in semi-annual installments through March 1, 2052. The total disbursement amount to the City from the EPA was \$1,154,744. \$400,000 of this total disbursed amount has been forgiven by the EPA and was recorded as grant revenue in the City's financial statements in the year of forgiveness.

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 11 - Long-Term Debt (Continued)

Illinois Environmental Protection Agency Loans

In April 2023, the City entered into a loan with the Illinois Environmental Protection Agency and borrowed \$876,545 (\$325,625 of loan proceeds received during years ended April 30, 2024 and 2026) on a reimbursement basis at a stated interest rate of 0.83% payable in semi-annual installments through June 1, 2043. The total disbursement amount to the City from the EPA was \$1,155,175. \$400,000 of this total disbursed amount has been forgiven by the EPA and was recorded as grant revenue in the City's financial statements in the year of forgiveness.

In April 2024, the City entered into a loan with the Illinois Environmental Protection Agency and borrowed \$948,139 on a reimbursement basis at a stated interest rate of 0.93% payable in semi-annual installments through May 1, 2054. The total disbursement amount to the City so far from the EPA was \$1,755,343. \$807,204 of this total disbursed amount has been forgiven by the EPA and was recorded as grant revenue in the City's financial statements in the year of forgiveness.

Payment Schedules

The payment schedule and annual activity for these loans has been included in the tables below.

Governmental Activities

Year Ending April 30:	Notes Payable		Debt Certificates and Bonds	
	Principal	Interest	Principal	Interest
2027	-	-	180,000	100,574
2028	-	-	190,000	96,464
2029	-	-	190,000	91,704
2030	-	-	195,000	90,584
2031	-	-	200,000	85,504
2032-2036	-	-	1,105,000	327,199
2037-2041	-	-	505,000	139,834
2042-2046	-	-	585,000	73,516
2047-2051	-	-	255,000	9,048
Total	\$ -	\$ -	\$ 3,405,000	\$ 1,014,427

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 11 - Long-Term Debt (Continued)

Business-Type Activities

<u>Year Ending April 30:</u>	<u>Loan/Note Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2027	616,546	140,105
2028	623,489	133,721
2029	629,937	127,271
2030	636,457	120,755
2031	643,043	113,815
2032-2036	3,316,430	469,969
2037-2041	3,491,730	290,382
2042-2046	3,083,084	120,470
2047-2051	727,890	16,875
2052-2056	136,517	1,976
Total	\$ 13,905,123	\$ 1,535,339

	<u>Balance</u>			<u>Balance</u>	<u>Due</u>
	<u>April 30, 2025</u>	<u>Additions</u>	<u>Reductions</u>	<u>April 30, 2026</u>	<u>Within</u>
					<u>One Year</u>
<u>Governmental Activities</u>					
Bonds	\$ 3,580,000	\$ -	\$ 175,000	\$ 3,405,000	\$ 180,000
Notes Payable	-	-	-	-	-
Comp. Absences	125,206	2,417	-	127,623	-
	<u>\$ 3,705,206</u>	<u>\$ 2,417</u>	<u>\$ 175,000</u>	<u>\$ 3,532,623</u>	<u>\$ 180,000</u>
<u>Business-Type Activities</u>					
IEPA - 2011	\$ 2,186,965	\$ -	\$ 112,538	\$ 2,074,427	\$ 113,949
IEPA - 2015	7,675,333	-	321,680	7,353,653	324,905
IEPA - 2016	2,145,440	-	42,633	2,102,807	85,905
IEPA - 2022	691,892	-	22,441	669,451	22,666
IEPA - 2023	834,640	-	40,731	793,909	41,070
IEPA - 2024	924,614	-	13,738	910,876	28,051
Comp. Absences	43,051	6,428	-	49,479	-
	<u>\$ 14,501,935</u>	<u>\$ 6,428</u>	<u>\$ 553,761</u>	<u>\$ 13,954,602</u>	<u>\$ 616,546</u>

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 12 - Legal Debt Margin

Taxed Assessed Valuation - 2025 Tax Year		\$ 70,348,620
Statutory Debt Limitation (8.625%)		\$ 6,067,568
Total Debt	\$ 17,310,123	
Excludable from Limit:	(13,905,123)	3,405,000
Legal Debt Margin		<u>\$ 2,662,568</u>

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 13 - Retirement Benefits

All employees are covered by Social Security and Medicare. The City also has a pension plan covering eligible employees. A summary of the plan follows:

Illinois Municipal Retirement Fund

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 multi-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.

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.

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 13 - Retirement Benefits (Continued)

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 ½ of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms – As of December 31, 2025, the following employees were covered by the benefit terms:

<u>Membership</u>	
Number of	
- Retirees and Beneficiaries	34
- Inactive, Non-Retired Members	28
- Active Members	29
Total	91

Contributions – As set by statute, the Employer’s Regular Plan Members are required to contribute 4.5% 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 contribution rate for calendar years 2025 and 2026 were 6.87% and 7.99%, respectively. For the fiscal year ended April 30, 2026, the Employer contributed \$122,808 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 IMRF’s Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability – The Employer’s net pension liability was measured as of December 31, 2025. 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, 2025. The **actuarial cost method** used was Entry Age Normal. The **asset valuation method** used was Market Value of Assets. The **inflation rate** was assumed to be 2.25%. **Salary increases** were expected to be 2.85-13.75%, including inflation. The **investment rate of return** was assumed to be 7.25%. **Projected retirement age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated of the 2023 valuation according to an experience study from years 2020-2022. For **mortality**,

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 13 - Retirement Benefits (Continued)

for **non-disabled retirees**, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2021. For **disabled retirees**, the Pub-2021, Amount-Weighted, below-median income, General, and Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For **active members**, the Pub-2021, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. 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 to the target asset allocation percentage and 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:

Asset Class	Portfolio Target Allocation	Long-Term Expected Real Rate of Return
Equities	32.5%	7.35%
International Equities	18.0%	7.45%
Fixed Income	24.0%	4.75%
Real Estate	10.5%	6.25%
Alternatives	14.0%	8.50%
Cash Equivalents	1.0%	3.00%
Total	100.0%	

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 4.83%, and the resulting single discount rate is 7.25%.

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 13 - Retirement Benefits (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, 2024	\$ 9,973,906	\$ 9,500,382	\$ 473,524
Changes for the year:			
Service Cost	127,435	-	127,435
Interest on the Total Pension Liability	708,773	-	708,773
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	372,519	-	372,519
Changes of Assumptions	-	-	-
Contributions - Employer	-	110,070	(110,070)
Contributions - Employees	-	72,098	(72,098)
Net Investment Income	-	1,491,441	(1,491,441)
Benefit Payments, including Refunds of Employee Contributions	(522,900)	(522,900)	-
Other (Net Transfer)	-	220,238	(220,238)
Net Changes	685,827	1,370,947	(685,120)
Balances at December 31, 2025	<u>\$ 10,659,733</u>	<u>\$ 10,871,329</u>	<u>\$ (211,596)</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – 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 7.25%	1% Increase 8.25%
Net Pension Liability / (Asset)	\$ 996,690	\$ (211,596)	\$ (1,189,439)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions – For the fiscal year ended April 30, 2026, the Employer recognized a pension benefit of \$20,736. At April 30, 2026, the Employer reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 13 - Retirement Benefits (Continued)

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ 350,004	\$ -
Changes of assumptions	-	594
Net difference between projected and actual earnings on pension plan investments	<u>411,360</u>	<u>947,757</u>
Total Deferred Amounts to be recognized in pension expense in future periods	<u>761,364</u>	<u>948,351</u>
 Pension Contributions made subsequent to the Measurement Date	 <u>41,004</u>	 <u>-</u>
 Total Deferred Amounts Related to Pensions	 <u><u>\$ 802,368</u></u>	 <u><u>\$ 948,351</u></u>

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 Ending December 31,	Net Deferred Outflows (Inflows) of Resources
2026	\$ 400,589
2027	(169,757)
2028	(215,408)
2029	(161,407)
2030	-
Thereafter	-
Total	<u><u>\$ (145,983)</u></u>

CITY OF MORRISON
NOTES TO FINANCIAL STATEMENTS
April 30, 2026

Note 14 - Other Post Retirement Benefits Other Than Pensions

The City has evaluated its potential other postemployment benefits liability. The City provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with Illinois statutes, which creates an implicit subsidy of retiree health insurance. Former employees who choose to retain their rights to health insurance through the City are required to pay 100% of the current premium. However, few former employees have chosen to stay in the City's health insurance plan in the last several years. Therefore, there has been low utilization and, therefore, an immaterial implicit subsidy to calculate in accordance with GASB Statement No. 75. Additionally, the City has no former employees for whom the City was providing an explicit subsidy and no employees with agreements for future explicit subsidies upon retirement. Therefore, the City has not recorded any postemployment benefit liability as of April 30, 2026.

Note 15 - Spending Exceeded Appropriated Amounts – Non-Major & Proprietary Funds

Expenditures/Expenses exceeded appropriated amounts in the following funds: General Fund, Local 1% Sales Tax Fund, Insurance Fund, Tourism and Convention Fund, Fire Protection Fund, Motor Fuel Tax Fund, IMRF Fund, Police Vehicle Fund, Veterans Memorial Park Fund, Capital Project Fund, Debt Service Fund, Grove Hill Cemetery Perpetual Care Fund, and the Health Insurance Fund. Spending that exceeds budgeted amounts is a violation of Illinois State Statutes.

Note 16 - Contingencies

From time to time, the City is party to other pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and the City's legal counsel that the likelihood is remote that any such claims or proceedings will have a material or adverse effect on the City's financial position or results of operations.

Note 17 - Accrued Compensated Absences – GASB 101

For the year ended April 30, 2026, the City calculated the liability for accrued compensated absences using the requirements specified in standard GASB 101.

CITY OF MORRISON
ILLINOIS MUNICIPAL RETIREMENT FUND - REGULAR EMPLOYEES

Calendar Year Ending December 31,	Schedule of Changes in the Net Pension Liability and Related Ratios									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service Cost	\$ 127,435	\$ 113,107	\$ 110,998	\$ 113,804	\$ 111,425	\$ 123,332	\$ 116,296	\$ 113,537	\$ 125,839	\$ 135,161
Interest on the Total Pension Liability	708,773	658,563	639,821	620,713	616,537	614,587	592,236	566,966	562,702	547,851
Changes of Benefit Terms	-	-	-	-	-	-	-	-	-	-
Difference Between Expected and Actual Experience	372,519	431,240	19,881	34,595	(170,715)	(135,518)	94,447	163,890	63,589	(68,411)
Changes of Assumptions	-	-	(3,459)	-	-	(66,457)	-	238,883	(239,251)	(27,868)
Benefit Payments, including Refunds of Employee Contributions	(522,900)	(512,164)	(507,408)	(500,872)	(500,813)	(505,386)	(491,011)	(459,867)	(439,869)	(386,917)
Net Change in Total Pension Liability	\$ 685,827	\$ 690,746	\$ 259,833	\$ 268,240	\$ 56,434	\$ 30,558	\$ 311,968	\$ 623,409	\$ 73,010	\$ 199,816
Total Pension Liability - Beginning	9,973,906	9,283,160	9,023,327	8,755,087	8,698,653	8,668,095	8,356,127	7,732,718	7,659,708	7,459,892
Total Pension Liability - Ending (a)	\$ 10,659,733	\$ 9,973,906	\$ 9,283,160	\$ 9,023,327	\$ 8,755,087	\$ 8,698,653	\$ 8,668,095	\$ 8,356,127	\$ 7,732,718	\$ 7,659,708
Plan Fiduciary Net Position										
Contributions - Employer	\$ 110,070	\$ 76,959	\$ 73,352	\$ 102,447	\$ 149,035	\$ 161,278	\$ 113,201	\$ 132,510	\$ 141,210	\$ 150,185
Contributions - Employee	72,098	65,097	59,907	68,981	68,581	56,086	54,715	52,079	52,407	52,067
Net Investment Income	1,491,441	905,662	942,681	(1,343,110)	1,588,326	1,209,149	1,392,672	(496,866)	1,219,840	442,101
Benefit Payments, including Refunds of Employee Contributions	(522,900)	(512,164)	(507,408)	(500,872)	(500,813)	(505,386)	(491,011)	(459,867)	(439,869)	(386,917)
Other (Net Transfer)	220,238	24,098	29,518	13,250	(309,154)	14,634	38,567	151,031	(177,854)	29,023
Net Change in Plan Fiduciary Net Position	1,370,947	559,652	598,050	(1,659,304)	995,975	935,761	1,108,144	(621,113)	795,734	286,459
Plan Fiduciary Net Position - Beginning	9,500,382	8,940,730	8,342,680	10,001,984	9,006,009	8,070,248	6,962,104	7,583,217	6,787,483	6,501,024
Plan Fiduciary Net Position - Ending (b)	10,871,329	9,500,382	8,940,730	8,342,680	10,001,984	9,006,009	8,070,248	6,962,104	7,583,217	6,787,483
Net Pension Liability / (Asset) - Ending (a)-(b)	(211,596)	473,524	342,430	680,647	(1,246,897)	(307,356)	597,847	1,394,023	149,501	872,225
Total Pension Liability	101.99%	95.25%	96.31%	92.46%	114.24%	103.53%	93.10%	83.32%	98.07%	88.61%
Covered Valuation Payroll	\$ 1,602,181	\$ 1,446,610	\$ 1,331,269	\$ 1,285,859	\$ 1,267,302	\$ 1,246,351	\$ 1,215,891	\$ 1,157,299	\$ 1,140,616	\$ 1,157,048
Net Pension Liability as a Percentage of Covered Valuation Payroll	-13.21%	32.73%	25.72%	52.93%	-98.39%	-24.66%	49.17%	120.45%	13.11%	75.38%

Schedule of Employer Contributions - Most Recent Calendar Year

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2016	150,185	150,185	-	1,157,048	12.98%
2017	129,346	141,210	11,864	1,140,616	12.38%
2018	132,511	132,510	(1)	1,157,299	11.45%
2019	113,199	113,201	2	1,215,891	9.31%
2020	161,278	161,278	-	1,246,351	12.94%
2021	149,035	149,035	-	1,267,302	11.76%
2022	104,155	102,447	(1,708)	1,285,859	7.97%
2023	73,353	73,352	(1)	1,331,269	5.51%
2024	76,960	76,959	(1)	1,446,610	5.32%
2025	110,070	110,070	-	1,602,181	6.87%

Notes to Schedule of Contributions: Actuarially determined contribution rates are calculated as of December 31 each year, which is a 12 months prior to the beginning of the fiscal year in which contributions are reported.

See Notes to Financial Statements for more information about actuarial assumptions and other items.

CITY OF MORRISON
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended April 30, 2026

	<u>1st & Final</u>	<u>Actual</u>	<u>Over/Under</u>	<u>Actual</u>
	<u>Budgeted</u>	<u>Budgetary</u>	<u>Budget</u>	<u>GAAP</u>
<u>REVENUES</u>	<u>Revenues & Expenditures</u>	<u>Basis</u>	<u>Basis</u>	<u>Basis</u>
<u>Property:</u>				
Property Tax - Corporate	\$ 176,065	\$ 177,229	\$ 1,164	\$ 177,229
Property Tax- Police	47,560	48,335	775	48,335
Property Tax - Road & Bridge	38,000	41,399	3,399	41,399
Property Tax - ESDA	1,165	1,224	59	1,224
<u>Licenses & Permits:</u>				
Liquor Licenses	19,000	19,700	700	19,700
Franchise Licenses	40,000	22,822	(17,178)	22,822
Gaming and Other Licenses	12,750	13,115	365	13,115
Building Permits	2,500	5,168	2,668	5,168
Other Permits	1,500	4,028	2,528	4,028
<u>Other:</u>				
Income Tax	675,000	749,016	74,016	747,563
Replacement Tax	40,000	37,378	(2,622)	36,704
Sales Tax	525,000	747,435	222,435	746,934
Grocery Tax	-	5,165	5,165	11,195
Use Tax	142,000	37,516	(104,484)	37,761
Video Gaming Tax	90,000	97,902	7,902	99,174
Cannabis Use Tax	6,400	6,140	(260)	6,295
Zoning Fees	250	375	125	375
Refuse Collection	31,400	-	(31,400)	-
Interest	12,750	43,180	30,430	43,180
Rental Revenue - Community Room	5,000	6,425	1,425	6,425
Other Revenue	4,000	11,177	7,177	11,177
Federal Grant - Police Retention	100,000	42,000	(58,000)	42,000
Certified Death Certificates	9,000	10,900	1,900	10,900
<u>Fines & Penalties:</u>				
Court Fines	12,000	9,554	(2,446)	9,554
Township Patrol	1,000	1,000	-	1,000
Parking Fines	5,000	1,375	(3,625)	1,375
Towing Fees	2,000	1,200	(800)	1,200
School District Resource Officer	52,000	35,981	(16,019)	35,981
DUI Fines	1,200	800	(400)	800
Police Vehicle Set Aside	-	6,600	6,600	6,600
Police Reports, Grants, and Reimbursements	4,000	8,130	4,130	8,130
<u>Miscellaneous Income:</u>				
Burial Fees	15,000	37,975	22,975	37,975
Cemetery Lot Sales	5,000	12,900	7,900	12,900
<u>Parks & Rec:</u>				
Flag Football	600	219	(381)	219
Park & Recreation Fees	12,500	16,078	3,578	16,078
Park Concessions	30,000	39,687	9,687	39,687
Sports Complex Banners/ Advertising	3,000	2,368	(632)	2,368
Other Revenue	750	1,452	702	1,452
Facility Rental	2,500	4,550	2,050	4,550
Total Revenues	\$ 2,125,890	\$ 2,307,498	\$ 181,608	\$ 2,312,572
<u>EXPENDITURES</u>				
<u>Legislative</u>				
Salaries - Elected Officials	\$ 8,000	\$ 7,813	\$ 187	\$ 8,210
Legal Service	9,500	10,029	(529)	10,029
Dues	-	125	(125)	125
Total Legislative	\$ 17,500	\$ 17,967	\$ (467)	\$ 18,364
<u>City Clerk</u>				
Salaries - Elected Officials	\$ 2,500	\$ 2,000	\$ 500	\$ 2,000
Ordinance Codification	6,500	3,966	2,534	3,966
Dues	100	221	(121)	221
State CC Fees	4,000	5,231	(1,231)	5,231
Total City Clerk	\$ 13,100	\$ 11,418	\$ 1,682	\$ 11,418

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CITY OF MORRISON
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended April 30, 2026

	<u>1st & Final Budgeted Revenues & Expenditures</u>	<u>Actual Budgetary Basis</u>	<u>Over/Under Budget Budgetary Basis</u>	<u>Actual GAAP Basis</u>
<u>EXPENDITURES</u> (Continued)				
Administration				
<u>Personnel:</u>				
Salaries	\$ 56,830	\$ 160,479	\$ (103,649)	\$ 161,145
Overtime	750	547	203	547
<u>Professional Services:</u>				
Maintenance Service - Building	6,000	5,615	385	5,615
Maintenance Service - Equipment	500	714	(214)	714
Internet/Email Services	4,320	4,849	(529)	4,849
Janitor Services	2,200	-	2,200	-
Software/Hardware	17,500	30,557	(13,057)	30,557
Copier Services	3,400	3,483	(83)	3,483
Computer System Maintenance	4,300	9,131	(4,831)	9,131
Other Professional Services	12,000	7,094	4,906	7,094
Postage	1,000	940	60	940
Telephone	9,000	15,285	(6,285)	15,285
Publishing	4,000	2,781	1,219	2,781
Printing	500	763	(263)	763
Dues	1,600	2,261	(661)	2,261
Travel/Training	1,500	2,068	(568)	2,458
Publications	250	1,272	(1,022)	1,272
Utilities	1,000	366	634	366
<u>Commodities:</u>				
Maintenance Supplies - Building	1,500	1,143	357	1,149
Office/Operating Supplies	7,000	12,230	(5,230)	12,605
<u>Other Expenses:</u>				
Health Insurance Fund - Reimbursements	190,000	190,000	-	190,000
Miscellaneous	7,300	2,815	4,485	2,815
Banking Charges	800	769	31	769
Total Administration	\$ 333,250	\$ 455,162	\$ (121,912)	\$ 456,599
Police (Public Safety)				
<u>Personnel:</u>				
Salaries - Full Time	\$ 622,804	\$ 644,517	\$ (21,713)	\$ 648,524
Salaries - Part Time	27,500	21,464	6,036	22,664
Salaries - Overtime	40,000	46,442	(6,442)	44,884
<u>Contractual Services:</u>				
Maintenance - Equipment	1,000	681	319	681
Maintenance - Vehicle	10,000	27,805	(17,805)	27,805
Software/Hardware	7,300	3,300	4,000	2,717
Animal Control Services	1,000	1,200	(200)	1,200
Other Professional Services	9,000	17,936	(8,936)	18,301
Telephone	500	60	440	60
Publications	1,500	159	1,341	159
Postage	100	88	12	88
Dispatching	-	5,135	(5,135)	5,135
Dues	750	151	599	151
Travel/Training	4,000	(540)	4,540	-
<u>Commodities:</u>				
Firearms/Ammunition	10,000	7,523	2,477	7,523
Office Supplies	500	234	266	234
Operating Supplies	8,500	5,281	3,219	5,311
Automotive Fuel/Oil	23,000	21,421	1,579	21,421
Uniforms	8,000	12,445	(4,445)	11,767
Miscellaneous	500	1,007	(507)	1,007
<u>Capital Outlay:</u>				
Capital Outlay	-	7,044	(7,044)	7,044
Total Police	\$ 775,954	\$ 823,353	\$ (47,399)	\$ 826,676

CITY OF MORRISON
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended April 30, 2026

	1st & Final Budgeted Revenues & Expenditures	Actual Budgetary Basis	Over/Under Budget Budgetary Basis	Actual GAAP Basis
EXPENDITURES (Continued)				
Cemetery				
<u>Personnel:</u>				
Salaries - Full Time	\$ 103,627	\$ 142,415	\$ (38,788)	\$ 142,601
Salaries - Part Time	23,400	80,122	(56,722)	81,841
Salaries - Overtime	1,000	1,223	(223)	1,223
<u>Professional Services:</u>				
Maintenance Service - Equipment	2,500	1,625	875	1,625
Maintenance Service - Vehicles	1,000	19	981	19
Utilities	3,000	3,029	(29)	3,029
<u>Commodities:</u>				
Maintenance Supplies- Building	1,000	971	29	971
Maintenance Supplies- Equipment	2,500	3,464	(964)	3,464
Maintenance Supplies- Vehicle	500	-	500	-
Maintenance Supplies- Safety Equipment	500	-	500	-
Operating Supplies	2,500	3,037	(537)	3,041
Small Tools	1,000	99	901	99
Automotive Fuel/Oil	6,000	7,023	(1,023)	7,023
Uniforms	1,000	750	250	1,000
<u>Capital Outlays:</u>				
Equipment	15,000	6,519	8,481	6,519
<u>Other:</u>				
Loan Repayment to Board of Trust	11,500	11,500	-	-
Record Deeds	350	540	(190)	540
Miscellaneous	500	1,650	(1,150)	1,650
Total Cemetery	\$ 176,877	\$ 263,986	\$ (87,109)	\$ 254,645
Parks				
<u>Personnel:</u>				
Salaries - Full Time	\$ 138,669	\$ 114,925	\$ 23,744	\$ 115,049
Salaries - Part Time	50,000	6,137	43,863	6,137
Salaries- Overtime	-	615	(615)	615
<u>Professional Services:</u>				
Maintenance Service - Building	5,000	12,332	(7,332)	12,332
Maintenance Service - Equipment	2,500	2,915	(415)	2,915
Maintenance Service - Vehicle	500	30	470	30
Maintenance Service - Grounds	4,500	35,871	(31,371)	36,000
French Creek Restroom Rental	4,800	5,740	(940)	5,740
Travel/Training	250	85	165	85
Utilities	8,000	12,797	(4,797)	12,797
<u>Commodities:</u>				
Maintenance Supplies	2,500	1,605	895	1,605
Operating Supplies	6,000	4,982	1,018	5,314
Concession Supplies	17,000	20,647	(3,647)	20,647
Concession Sales Tax	3,400	2,990	410	2,990
Umpires	1,000	1,850	(850)	1,850
Tournament Awards	5,000	8,410	(3,410)	8,410
Automotive Fuel/Oil	1,200	481	719	481
Maintenance Supplies - Fields	4,000	11,266	(7,266)	10,065
Uniforms	500	-	500	-
<u>Capital Outlays:</u>				
Sports Complex Equipment and Infrastructure	100,000	5,221	94,779	5,221
Concession Equipment	1,000	-	1,000	-
<u>Other:</u>				
Miscellaneous	6,000	7,541	(1,541)	7,541
Community Events	-	2,316	(2,316)	2,316
Total Parks	361,819	\$ 258,756	\$ 103,063	\$ 258,140
Community Room				
<u>Personnel:</u>				
Salaries - Part Time	\$ 1,000	\$ 763	\$ 237	\$ 779
<u>Professional Services:</u>				
Maintenance Service- Building	2,000	10,128	(8,128)	12,261
Maintenance Service- HVAC	500	950	-	950
Natural Gas and Telephone	50	145	(95)	145
<u>Commodities:</u>				
Maintenance Supplies	1,500	4,572	(3,072)	4,572
<u>Other:</u>				
Miscellaneous	2,500	3,850	(1,350)	3,850
Total Community Room	\$ 7,550	\$ 20,408	\$ (12,858)	\$ 22,557

CITY OF MORRISON
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended April 30, 2026

	1st & Final Budgeted Revenues & Expenditures	Actual Budgetary Basis	Over/Under Budget Budgetary Basis	Actual GAAP Basis
EXPENDITURES (Continued)				
Streets				
<u>Personnel:</u>				
Salaries - Full Time	\$ 152,491	\$ 111,048	\$ 41,443	\$ 111,085
Salaries - Overtime	10,000	6,920	3,080	6,920
<u>Professional Services:</u>				
Maintenance Service - Building	3,000	3,652	(652)	3,652
Maintenance Service - Equipment	2,500	21,433	(18,933)	21,262
Maintenance Service - Vehicle	10,000	7,817	2,183	7,817
Maintenance Service - Streets/Sidewalks	4,500	-	4,500	-
Maintenance Service - Snow Removal	25,000	24,390	610	24,390
Tree Trimming/Removal	15,000	16,520	(1,520)	16,520
Internet and Telephone	6,520	3,315	3,205	3,315
Dues	100	100	-	100
Travel/Training	500	512	(12)	512
Natural Gas	6,500	9,435	(2,935)	9,435
Street Lighting and Utilities	4,000	5,678	(1,678)	5,678
Sidewalk Program 50-50	-	1,225	(1,225)	1,225
Drug Testing	500	250	250	250
<u>Commodities:</u>				
Maintenance Supplies- Building	4,000	9,052	(5,052)	9,052
Maintenance Supplies- Equipment	2,000	6,895	(4,895)	6,923
Maintenance Supplies- Vehicle	2,000	2,618	(618)	2,618
Maintenance Supplies- Streets	22,000	22,233	(233)	22,233
Maintenance Supplies- Safety Equipment	500	467	33	467
Office Supplies	-	6,161	(6,161)	6,161
Operating Supplies	2,500	2,601	(101)	2,416
Small Tools	1,500	5,343	(3,843)	5,343
Automotive Fuel/ Oil	22,000	18,119	3,881	18,119
Uniforms	2,000	1,500	500	1,500
<u>Other:</u>				
Miscellaneous	2,000	3,175	(1,175)	3,175
Total Streets	\$ 301,111	\$ 290,459	10,652	\$ 290,168
ESDA				
Maintenance Agreement - Warning System	\$ 536	\$ 535	\$ 1	\$ 535
Mass Warning System	1,200	-	1,200	-
Total ESDA	\$ 1,736	\$ 535	\$ 1,201	\$ 535
Economic Development				
Professional Fees, Dues, and Economic Development	\$ 65,000	\$ 18,390	\$ 46,610	\$ 18,390
Capital Outlay	15,000	10,000	5,000	10,000
Total Economic Development	\$ 80,000	\$ 28,390	\$ 51,610	\$ 28,390
Public Works - Vehicle Replacement				
Equipment and Vehicles	\$ 149,542	\$ 210,032	\$ (60,490)	\$ 210,032
Principal - Long-Term Debt	-	-	-	-
Interest - Long-Term Debt	-	-	-	-
Total Public Works - Vehicle Replacement	\$ 149,542	\$ 210,032	\$ (60,490)	\$ 210,032
Total General Fund Expenditures - All Departments	\$ 2,218,439	\$ 2,380,466	\$ (162,027)	\$ 2,377,524
Excess (Deficiency) Revenues				
Over Expenditures	\$ (92,549)	\$ (72,968)	\$ 19,581	\$ (64,952)
Transfers In	77,000	107,930	30,930	107,930
Transfers (Out)	(43,000)	(43,000)	-	(43,000)
Change in Fund Balance	\$ (58,549)	\$ (8,038)	\$ 50,511	\$ (22)
Fund Balance, Beginning of Year				1,443,678
Fund Balance, End of Year				\$ 1,443,656

See accompanying note to budgetary comparison schedules.

CITY OF MORRISON
BUDGETARY COMPARISON SCHEDULE
MAJOR SPECIAL REVENUE FUND
Year Ended April 30, 2026

LOCAL 1% SALES TAX FUND

	1st & Final Budgeted Revenues & Expenditures	Actual Budgetary Basis	Over/Under Budget Budgetary Basis	Actual GAAP Basis
<u>REVENUES</u>				
Additional 1% Sales Tax Local	\$ 290,000	\$ 433,050	\$ 143,050	\$ 434,432
Interest	22,000	31,082	9,082	31,082
Total Revenues	\$ 312,000	\$ 464,132	\$ 152,132	\$ 465,514
<u>EXPENDITURES</u>				
Engineering Streets	\$ 10,000	\$ 34,094	\$ (24,094)	\$ 34,094
Street/Bridge Improvement Construction	300,000	395,429	(95,429)	395,429
Bond Fees	-	-	-	-
Total Expenditures	\$ 310,000	\$ 429,523	\$ (119,523)	\$ 429,523
Excess (Deficiency) Revenues Over Expenditures	\$ 2,000	\$ 34,609	\$ 271,655	\$ 35,991
Transfer In	26,000	26,000	-	26,000
Main Street Bond Principal	(75,000)	(75,000)	-	(75,000)
Main Street Bond Interest	(56,600)	(55,062)	(1,538)	(55,062)
Change in Fund Balance	\$ (103,600)	\$ (69,453)	\$ 270,117	\$ (68,071)
Fund Balance, Beginning of Year				1,042,539
Fund Balance, End of Year				\$ 974,468

ODELL PUBLIC LIBRARY FUND

	1st & Final Budgeted Revenues & Expenditures	Actual Budgetary Basis	Over/Under Budget Budgetary Basis	Actual GAAP Basis
<u>REVENUES</u>				
Property Tax	\$ 97,119	\$ 96,670	\$ (449)	\$ 96,670
Property Tax - Building	12,949	12,889	(60)	12,889
Replacement Tax	12,000	14,747	2,747	14,481
Per Capita - State Grant	-	6,025	6,025	6,025
Desk Fees	-	12,130	12,130	12,130
Donations	-	27,060	27,060	27,060
Grants	-	24,083	24,083	24,083
Interest	-	19,107	19,107	19,107
Other Revenue	129,119	-	(129,119)	-
Total Revenues	\$ 251,187	\$ 212,711	\$ (38,476)	\$ 212,445
<u>EXPENDITURES</u>				
Salaries and Benefits	\$ 129,119	\$ 118,600	10,519	\$ 118,914
Library Collection	-	25,333	(25,333)	25,333
Programs and Projects for Patrons	-	27,720	(27,720)	27,720
Repairs and Maintenance	-	12,417	(12,417)	12,417
Technology Maintenance	-	2,836	(2,836)	2,836
Automation	-	1,010	(1,010)	1,010
Dues and Fees	-	335	(335)	335
Insurance	-	205	(205)	205
Miscellaneous Expenditures	122,068	987	121,081	987
Supplies	-	378	(378)	378
Utilities, Telephone, and Internet	-	402	(402)	402
Travel and Training	-	628	(628)	628
Total Expenditures	\$ 251,187	\$ 190,851	\$ 60,336	\$ 191,165
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ 21,860	\$ 21,860	\$ 21,280
Transfer In	-	-	-	-
Change in Fund Balance	\$ -	\$ 21,860	\$ 21,860	\$ 21,280
Fund Balance, Beginning of Year				652,649
Fund Balance, End of Year				\$ 673,929

See accompanying note to budgetary comparison schedules.

CITY OF MORRISON
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO BUDGETARY COMPARISON SCHEDULES
Year Ended April 30, 2026

Note A - Budget to Actual Reconciliation

An explanation of the difference between budgetary basis revenues and expenditures and revenues and expenditures determined in accordance with generally accepted accounting principles follows:

	General Fund	Major Special Revenue Funds
Budgetary basis revenue (inflow)	\$ 2,307,498	\$ 676,843
Differences - budget to GAAP:		
Change in receivables & deferrals	5,074	1,116
Total revenue (GAAP basis) as reported on statement of revenues, expenditures, and fund balances - governmental funds (Statement 4)	\$ 2,312,572	\$ 677,959
Budgetary basis expenditures (outflows)	\$ 2,380,466	\$ 620,374
Changes in payables and accrued items	(2,942)	314
Total expenditures (Statement 4)	\$ 2,377,524	\$ 620,688

Note B - Budgetary Process

The City's Budget is adopted before the start of the fiscal year. The budget was not amended and all budgeted funds lapse at year end. More information is available in Note 1 (F) to the financial statements.

Note C - Expenditures in Excess of Budgeted Amounts – Major Funds

Expenditures exceeded budgeted amounts in the General Fund and the Local 1% Sales Tax Fund. Expenditures in excess of budgeted amounts is in violation of state statutes.

CITY OF MORRISON
BUDGETARY COMPARISON SCHEDULE
ALL OTHER GOVERNMENTAL FUNDS
Year Ended April 30, 2026

AUDIT FUND

	1st & Final	Actual	Over/Under	Actual
	Budgeted		Budgetary	GAAP
	Revenues &	Budgetary	Basis	Basis
	Expenditures	Basis	Basis	Basis
REVENUES				
Property Tax	\$ 7,057	\$ 7,089	\$ 32	\$ 7,089
Interest	500	495	(5)	495
Total Revenues	\$ 7,557	\$ 7,584	\$ 27	\$ 7,584
EXPENDITURES				
Accounting Services	\$ 7,333	\$ 7,333	\$ -	\$ 7,333
Total Expenditures	\$ 7,333	\$ 7,333	\$ -	\$ 7,333
Change in Fund Balance	\$ 224	\$ 251	\$ 27	\$ 251
Fund Balance, Beginning of Year				13,754
Fund Balance, End of Year				\$ 14,005

STREET LIGHTING FUND

	1st & Final	Actual	Over/Under	Actual
	Budgeted		Budgetary	GAAP
	Revenues &	Budgetary	Basis	Basis
	Expenditures	Basis	Basis	Basis
REVENUES				
Property Tax	\$ 31,873	\$ 32,223	\$ 350	\$ 32,223
Interest	1,000	1,807	807	1,807
Miscellaneous	-	-	-	-
Total Revenues	\$ 32,873	\$ 34,030	\$ 1,157	\$ 34,030
EXPENDITURES				
Street Lights Supplies & Maintenance	\$ 3,500	\$ -	\$ 3,500	\$ -
Total Expenditures	\$ 3,500	\$ -	\$ 3,500	\$ -
Excess (Deficiency) Revenues				
Over Expenditures	\$ 29,373	\$ 34,030	\$ 4,657	\$ 34,030
Transfer Out	(26,000)	(26,000)	(52,000)	(26,000)
Change in Fund Balance	\$ 3,373	\$ 8,030	\$ (47,343)	\$ 8,030
Fund Balance, Beginning of Year				44,634
Fund Balance, End of Year				\$ 52,664

INSURANCE FUND

	1st & Final	Actual	Over/Under	Actual
	Budgeted		Budgetary	GAAP
	Revenues &	Budgetary	Basis	Basis
	Expenditures	Basis	Basis	Basis
REVENUES				
Property Tax	\$ 57,871	\$ 58,260	\$ 389	\$ 58,260
Interest	1,500	1,909	409	1,909
Total Revenues	\$ 59,371	\$ 60,169	\$ 798	\$ 60,169
EXPENDITURES				
Workers Compensation	\$ 25,000	\$ 25,601	\$ (601)	\$ 23,715
Liability Insurance	17,000	14,282	2,718	14,520
General Insurance	20,300	25,719	(5,419)	25,612
Total Expenditures	\$ 62,300	\$ 65,602	\$ (3,302)	\$ 63,847
Excess (Deficiency) Revenues				
Over Expenditures	\$ (2,929)	\$ (5,433)	\$ 4,100	\$ (3,678)
Transfer In	3,000	3,000	-	3,000
Change in Fund Balance	\$ 71	\$ (2,433)	\$ 4,100	\$ (678)
Fund Balance, Beginning of Year				77,664
Fund Balance, End of Year				\$ 76,986

TOURISM AND CONVENTION FUND

	1st & Final	Actual	Over/Under	Actual
	Budgeted		Budgetary	GAAP
	Revenues &	Budgetary	Basis	Basis
	Expenditures	Basis	Basis	Basis
REVENUES				
Hotel-Motel Tax	\$ 3,500	\$ 12,843	\$ 9,343	\$ 12,843
Interest	50	3,672	3,622	3,672
Total Revenues	\$ 3,550	\$ 16,515	\$ 12,965	\$ 16,515
EXPENDITURES				
Economic Development - Chamber	\$ 2,500	\$ 4,506	\$ (2,006)	\$ 4,506
Total Expenditures	\$ 2,500	\$ 4,506	\$ (2,006)	\$ 4,506
Change in Fund Balance	\$ 1,050	\$ 12,009	\$ 10,959	\$ 12,009
Fund Balance, Beginning of Year				7,442
Fund Balance, End of Year				\$ 19,451

CITY OF MORRISON
BUDGETARY COMPARISON SCHEDULE
ALL OTHER GOVERNMENTAL FUNDS
Year Ended April 30, 2026

FIRE PROTECTION FUND

	1st & Final	Actual	Over/Under	Actual
	Budgeted		Budget	
	Revenues &	Budgetary	Budgetary	GAAP
	Expenditures	Basis	Basis	Basis
<u>REVENUES</u>				
Property Tax	\$ 80,000	\$ 79,978	\$ (22)	\$ 79,978
Foreign Fire Insurance Tax	17,000	17,647	647	17,647
Total Revenues	\$ 97,000	\$ 97,625	\$ 625	\$ 97,625
<u>EXPENDITURES</u>				
Property Tax Distribution	\$ 80,000	\$ 79,978	\$ 22	\$ 79,978
Foreign Fire Insurance Tax Distribution	17,000	17,647	(647)	17,647
Total Expenditures	\$ 97,000	\$ 97,625	\$ (625)	\$ 97,625
Change in Fund Balance	\$ -	\$ -	\$ -	\$ -
Fund Balance, Beginning of Year				-
Fund Balance, End of Year				\$ -

MOTOR FUEL TAX FUND

	1st & Final	Actual	Over/Under	Actual
	Budgeted		Budget	
	Revenues &	Budgetary	Budgetary	GAAP
	Expenditures	Basis	Basis	Basis
<u>REVENUES</u>				
Motor Fuel Tax and TRF Revenue	\$ 185,500	\$ 187,061	\$ 1,561	\$ 187,376
Interest	4,500	11,395	6,895	11,395
Total Revenues	\$ 190,000	\$ 198,456	\$ 8,456	\$ 198,771
<u>EXPENDITURES</u>				
Salt	\$ 40,000	\$ 28,643	\$ 11,357	\$ 28,643
Engineering Services	-	-	-	-
Street Lighting	48,000	68,228	(20,228)	68,228
Street Improvements	-	-	-	-
Total Expenditures	\$ 88,000	\$ 96,871	\$ (8,871)	\$ 96,871
Change in Fund Balance	\$ 102,000	\$ 101,585	\$ (415)	\$ 101,900
Fund Balance, Beginning of Year				249,876
Fund Balance, End of Year				\$ 351,776

IMRF FUND

	1st & Final	Actual	Over/Under	Actual
	Budgeted		Budget	
	Revenues &	Budgetary	Budgetary	GAAP
	Expenditures	Basis	Basis	Basis
<u>REVENUES</u>				
Property Tax	\$ 86,700	\$ 87,196	\$ 496	\$ 87,196
Replacement Tax	20,000	23,970	3,970	23,537
IMRF Reimbursement	3,130	389	(2,741)	389
Interest	9,000	17,403	8,403	17,403
Total Revenues	\$ 118,830	\$ 128,958	\$ 10,128	\$ 128,525
<u>EXPENDITURES</u>				
Retirement Contributions	\$ 72,800	\$ 95,809	\$ (23,009)	\$ 96,538
Total Expenditures	\$ 72,800	\$ 95,809	\$ (23,009)	\$ 96,538
Change in Fund Balance	\$ 46,030	\$ 33,149	\$ (12,881)	\$ 31,987
Fund Balance, Beginning of Year				413,645
Fund Balance, End of Year				\$ 445,632

CITY OF MORRISON
BUDGETARY COMPARISON SCHEDULE
ALL OTHER GOVERNMENTAL FUNDS
Year Ended April 30, 2026

SOCIAL SECURITY FUND

	1st & Final	Actual	Over/Under	Actual
	Budgeted		Budget	
	Revenues &	Budgetary	Budgetary	GAAP
	Expenditures	Basis	Basis	Basis
<u>REVENUES</u>				
Property Tax	\$ 96,400	\$ 96,863	\$ 463	\$ 96,863
Reimbursements	2,100	2,021	(79)	2,021
Interest	4,200	5,865	1,665	5,865
Total Revenues	\$ 102,700	\$ 104,749	\$ 2,049	\$ 104,749
<u>EXPENDITURES</u>				
Social Security and Medicare	\$ 111,600	\$ 111,166	\$ 434	\$ 111,694
Total Expenditures	\$ 111,600	\$ 111,166	\$ 434	\$ 111,694
Change in Fund Balance	\$ (8,900)	\$ (6,417)	\$ 2,483	\$ (6,945)
Fund Balance, Beginning of Year				127,459
Fund Balance, End of Year				\$ 120,514

DRUG TRAFFIC PREVENTION

	1st & Final	Actual	Over/Under	Actual
	Budgeted		Budget	
	Revenues &	Budgetary	Budgetary	GAAP
	Expenditures	Basis	Basis	Basis
<u>REVENUES</u>				
Court Fines	\$ 250	\$ 1,980	\$ 1,730	\$ 1,980
Interest	100	299	199	299
Total Revenues	\$ 350	\$ 2,279	\$ 1,929	\$ 2,279
<u>EXPENDITURES</u>				
DARE Program	\$ -	\$ -	\$ -	\$ -
Miscellaneous Expense	350	-	350	-
Total Expenditures	\$ 350	\$ -	\$ 350	\$ -
Change in Fund Balance	\$ -	\$ 2,279	\$ 2,279	\$ 2,279
Fund Balance, Beginning of Year				7,610
Fund Balance, End of Year				\$ 9,889

CITY OF MORRISON
BUDGETARY COMPARISON SCHEDULE
ALL OTHER GOVERNMENTAL FUNDS
Year Ended April 30, 2026

POLICE VEHICLE FUND

	1st & Final	Actual	Over/Under	Actual
	Budgeted	Budgetary	Budgetary	GAAP
	Revenues &	Basis	Basis	Basis
	Expenditures			
<u>REVENUES</u>				
Police Grant	\$ -	\$ -	\$ -	\$ -
Interest	1,200	1,778	578	1,778
Police Vehicle Fines	20	1,020	1,000	1,020
Vehicle Disposal	-	6,900	6,900	6,900
Other Revenue	-	-	-	-
Total Revenues	\$ 1,220	\$ 9,698	\$ 8,478	\$ 9,698
<u>EXPENDITURES</u>				
Police Vehicle	\$ 49,000	\$ -	\$ 49,000	\$ -
Capital Equipment	21,538	144,502	(122,964)	144,502
Miscellaneous	20,000	-	20,000	-
Total Expenditures	\$ 90,538	\$ 144,502	\$ (53,964)	\$ 144,502
Excess (Deficiency) of Revenue over Expenditures	\$ (89,318)	\$ (134,804)	\$ (45,486)	\$ (134,804)
Transfer In	24,000	24,000	-	24,000
Change in Fund Balance	\$ (65,318)	\$ (110,804)	\$ (45,486)	\$ (110,804)
Fund Balance, Beginning of Year				82,661
Fund Balance, End of Year				\$ (28,143)

CITY OF MORRISON
BUDGETARY COMPARISON SCHEDULE
ALL OTHER GOVERNMENTAL FUNDS
Year Ended April 30, 2026

VETERANS MEMORIAL PARK FUND

	1st & Final	Actual	Over/Under Budget	Actual
	Budgeted			
	Revenues & Expenditures	Budgetary Basis	Budgetary Basis	GAAP Basis
<u>REVENUES</u>				
Brick Pavers	\$ 100	\$ -	\$ (100)	\$ -
Interest	200	266	66	266
Total Revenues	\$ 300	\$ 266	\$ (34)	\$ 266
<u>EXPENDITURES</u>				
Memorial Park Expenditures	\$ 300	\$ 665	\$ (365)	\$ 665
Total Expenditures	\$ 300	\$ 665	\$ (365)	\$ 665
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ (399)	\$ (399)	\$ (399)
Transfers In (Out)	-	-	-	-
Change in Fund Balance	\$ -	\$ (399)	\$ (399)	\$ (399)
Fund Balance, Beginning of Year				7,462
Fund Balance, End of Year				\$ 7,063

CAPITAL PROJECT FUND

	1st & Final	Actual	Over/Under Budget	Actual
	Budgeted			
	Revenues & Expenditures	Budgetary Basis	Budgetary Basis	GAAP Basis
<u>REVENUES</u>				
Grant/Reimbursement Revenue	\$ -	\$ -	\$ -	\$ -
Building Rent	12,000	4,500	(7,500)	4,500
Reimbursements	-	-	-	-
Interest	8,000	9,583	1,583	9,583
Total Revenues	\$ 20,000	\$ 14,083	\$ (5,917)	\$ 14,083
<u>EXPENDITURES</u>				
Engineering Service	\$ 10,000	\$ 2,654	\$ 7,346	\$ 2,654
Capital Outlay	107,000	197,421	(90,421)	197,421
Total Expenditures	\$ 117,000	\$ 200,075	\$ (83,075)	\$ 200,075
Change in Fund Balance	\$ (97,000)	\$ (185,992)	\$ (88,992)	\$ (185,992)
Fund Balance, Beginning of Year				329,239
Fund Balance, End of Year				\$ 143,247

CITY OF MORRISON
BUDGETARY COMPARISON SCHEDULE
ALL OTHER GOVERNMENTAL FUNDS
Year Ended April 30, 2026

DEBT SERVICE FUND

	<u>1st & Final</u>	<u>Actual</u>	<u>Over/Under</u>	<u>Actual</u>
	<u>Budgeted</u>		<u>Budget</u>	
	<u>Revenues &</u>	<u>Budgetary</u>	<u>Budgetary</u>	<u>GAAP</u>
	<u>Expenditures</u>	<u>Basis</u>	<u>Basis</u>	<u>Basis</u>
<u>REVENUES</u>				
Utility Tax	\$ 165,000	\$ 206,590	\$ 41,590	\$ 210,775
Telecommunications Tax	45,000	46,236	1,236	46,678
Interest Revenue	1,500	6,820	5,320	6,820
Total Revenues	\$ 211,500	\$ 259,646	\$ 48,146	\$ 264,273
<u>EXPENDITURES</u>				
Debt Principal	\$ 100,000	\$ 100,000	\$ -	\$ 100,000
Debt Interest	49,463	49,463	-	49,463
Fiscal Agent Fees	450	1,350	(900)	1,350
Total Expenditures	\$ 149,913	\$ 150,813	\$ (900)	\$ 150,813
Excess (Deficiency) of Revenues				
Over Expenditures	\$ 61,587	\$ 108,833	\$ 47,246	\$ 113,460
Transfer Out	(61,000)	(61,000)	-	(61,000)
Change in Fund Balance	\$ 587	\$ 47,833	\$ 47,246	\$ 52,460
Fund Balance, Beginning of Year				207,244
Fund Balance, End of Year				\$ 259,704

GROVE HILL CEMETERY PERPETUAL CARE FUND

	<u>1st & Final</u>	<u>Actual</u>	<u>Over/Under</u>	<u>Actual</u>
	<u>Budgeted</u>		<u>Budget</u>	
	<u>Revenues &</u>	<u>Budgetary</u>	<u>Budgetary</u>	<u>GAAP</u>
	<u>Expenditures</u>	<u>Basis</u>	<u>Basis</u>	<u>Basis</u>
<u>REVENUES</u>				
Perpetual Care	\$ 50	\$ -	\$ (50)	\$ -
Interest	10,000	10,157	157	10,157
Miscellaneous	-	-	-	-
Total Revenues	\$ 10,050	\$ 10,157	\$ 107	\$ 10,157
<u>EXPENDITURES</u>				
Perpetual Care Expenditures	\$ 200,000	\$ 329,470	\$ (129,470)	\$ 329,470
Total Expenditures	\$ 200,000	\$ 329,470	\$ (129,470)	\$ 329,470
Excess (Deficiency) of Revenues				
Over Expenditures	\$ (189,950)	\$ (319,313)	\$ 129,577	\$ (319,313)
Transfer In (Out)	-	-	-	-
Change in Fund Balance	\$ (189,950)	\$ (319,313)	\$ (129,363)	\$ (319,313)
Fund Balance, Beginning of Year				258,895
Fund Balance, End of Year				\$ (60,418)

CITY OF MORRISON
BUDGETARY COMPARISON SCHEDULE
ALL PROPRIETARY FUNDS
Year Ended April 30, 2026

HEALTH INSURANCE - INTERNAL SERVICE FUND

	1st & Final	Actual	Over/Under	Actual
	Budgeted		Budget	
	Revenues &	Budgetary	Budgetary	GAAP
	Expenditures	Basis	Basis	Basis
<u>OPERATING REVENUES</u>				
Retirees and Cobra Contribution	\$ -	\$ -	\$ -	\$ -
Other Revenue	-	81,819	81,819	81,819
Interest	5,000	4,912	(88)	4,912
Total Revenues	\$ 5,000	\$ 86,731	\$ 81,731	\$ 86,731
<u>OPERATING EXPENSES</u>				
Health Insurance Premiums	\$ 322,400	\$ 355,584	\$ (33,184)	\$ 355,584
Dental Life Vision Premiums	16,340	12,365	3,975	12,365
Eye Care Reimbursements	1,260	2,666	(1,406)	2,666
Deductible Reimbursements	-	9,478	(9,478)	9,478
Total Expenses	\$ 340,000	\$ 380,093	\$ (40,093)	\$ 380,093
Net Operating Revenue (Loss)	\$ (335,000)	\$ (293,362)	\$ 41,638	\$ (293,362)
Other Sources (Uses)				
Transfer In	\$ -	\$ -	\$ -	\$ -
Reimbursement from City Funds	335,000	335,000	-	335,000
Total Other Sources (Uses)	\$335,000	\$ 335,000	\$0	\$ 335,000
Change in Net Position	\$ -	\$ 41,638	\$ 41,638	\$ 41,638
Net Position, Beginning of Year				6,353
Net Position, End of Year				\$ 47,991

CITY OF MORRISON
BUDGETARY COMPARISON SCHEDULE
ALL PROPRIETARY FUNDS
Year Ended April 30, 2026

WATER FUND

	1st & Final	Actual	Over/Under	Actual
	Budgeted	Budgetary	Budgetary	GAAP
	Revenues & Expenditures	Basis	Basis	Basis
<u>OPERATING REVENUES</u>				
Water Sales	\$ 825,000	\$ 894,674	\$ 69,674	\$ 898,445
Penalties	40,000	49,038	9,038	49,038
Utility Deposit	7,000	6,927	(73)	-
Other Income	1,000	300	(700)	300
Total Revenues	\$ 873,000	\$ 950,939	\$ 77,939	\$ 947,783
<u>OPERATING EXPENSES</u>				
<u>Personnel:</u>				
Salaries- Full Time	\$ 185,745	\$ 156,416	\$ 29,329	\$ 159,462
Salaries- Part Time	7,800	4,247	3,553	4,245
Salaries- Overtime	8,500	8,066	434	9,770
Workers' Compensation	3,000	3,200	(200)	2,964
Social Security	11,000	12,878	(1,878)	13,023
Retirement	9,000	11,920	(2,920)	11,920
Automobile Allowance	1,800	-	1,800	-
<u>Professional Services:</u>				
Maintenance Service- Building	1,000	1,432	(432)	1,432
Maintenance Service- Equipment	3,000	-	3,000	-
Maintenance Service- Vehicle	4,000	2,803	1,197	2,803
Maintenance Service- Utility System	111,064	115,647	(4,583)	4,583
Accounting Service	7,333	7,333	-	7,333
Engineering Service	170,000	55,481	114,519	16,325
Other Professional Services	4,500	-	4,500	-
Software/Hardware	32,000	36,260	(4,260)	36,260
Computer System Maintenance	1,000	4,110	(3,110)	4,110
Lab Fees	3,500	12,309	(8,809)	12,433
Postage	5,000	8,097	(3,097)	8,263
Telephone	16,000	13,721	2,279	13,721
Printing	1,000	622	378	622
Dues	500	1,100	(600)	1,100
Travel/Training	1,000	2,563	(1,563)	2,563
Utilities	44,500	54,085	(9,585)	54,085
Julie	1,200	671	529	671
Drug Testing	250	-	250	-
Liability and General Insurance	13,800	13,334	466	13,378
<u>Commodities:</u>				
Maintenance Supplies- Building	1,000	60	940	60
Maintenance Supplies- Vehicle	1,000	343	657	343
Maintenance Supplies- Safety Equipment	500	-	500	-
Maintenance Supplies- Utility System	20,000	22,632	(2,632)	22,632
Office Supplies	-	171	(171)	171
Operating Supplies	5,000	8,551	(3,551)	8,709
Small Tools	2,500	1,134	1,366	1,134
Lab Supplies	2,000	242	1,758	242
Fuel/Oil	6,500	5,324	1,176	5,324
Chemicals	22,000	21,674	326	21,140
Uniforms	1,200	750	450	625
<u>Outlays:</u>				
Water Main Improvements	630,000	357,173	272,827	-
Equipment and Vehicles	24,000	52,916	(28,916)	-
System Leak Survey	4,500	4,500	-	4,500
<u>Other:</u>				
Economic Development	5,000	4,975	25	4,975
Utility Deposit Refunds	750	1,129	(379)	-
Banking Fees	2,000	1,576	424	1,576
Health Insurance Fund Reimbursement	65,000	65,000	-	65,000
Depreciation	-	-	-	318,662
Miscellaneous Expenses	1,500	2,274	(774)	3,129
Total Expenses	\$ 1,441,942	\$ 1,076,719	\$ 365,223	\$ 839,288
Net Operating Revenue (Loss)	\$ (568,942)	\$ (125,780)	\$ 443,162	\$ 108,495
<u>Other Sources (Uses)</u>				
Interest Revenue	\$ 20,000	\$ 34,793	\$ 14,793	\$ 34,793
Change in Pension Liability & Deferrals	-	-	-	2,828
Debt Principal Payments	(196,340)	(189,638)	6,702	-
Debt Interest Expense	(54,036)	(44,993)	9,043	(44,993)
Total Other Sources (Uses)	\$ (230,376)	\$ (199,838)	\$ 30,538	\$ (7,372)
Change in Net Position	\$ (799,318)	\$ (325,618)	\$ 473,700	\$ 101,123
Net Position, Beginning of Year				8,180,433
Net Position, End of Year				\$ 8,281,556

CITY OF MORRISON
BUDGETARY COMPARISON SCHEDULE
ALL PROPRIETARY FUNDS
Year Ended April 30, 2026

	SEWER FUND			
	Ist & Final	Actual	Over/Under	Actual
	Budgeted	Budgetary	Budgetary	GAAP
REVENUES	Revenues & Expenditures	Basis	Basis	Basis
Sewer Fees	\$ 1,250,000	\$ 1,237,692	\$ (12,308)	\$ 1,230,012
Leachate	3,000	7,761	4,761	7,761
Penalties	17,000	20,192	3,192	20,192
Other Revenue	1,500	-	(1,500)	-
Total Revenues	\$ 1,271,500	\$ 1,265,645	\$ (5,855)	\$ 1,257,965
	OPERATING EXPENSES			
<u>Personnel:</u>				
Salaries- Full Time	\$ 212,234	\$ 185,377	\$ 26,857	\$ 188,965
Salaries- Part Time	7,800	4,247	3,553	4,245
Salaries- Overtime	13,000	12,334	666	11,843
Workers Compensation	3,000	3,200	(200)	2,964
Social Security	16,000	15,341	659	15,356
Retirement	14,000	14,350	(350)	14,350
Automobile Allowance	1,800	-	1,800	-
<u>Professional Services:</u>				
Maintenance Service- Building	1,000	1,664	(664)	1,664
Maintenance Service- Equipment	2,000	3,389	(1,389)	3,389
Maintenance Service- Vehicle	6,000	14,125	(8,125)	14,125
Maintenance Service- Utility System	20,000	33,779	(13,779)	33,779
Accounting	7,333	7,333	-	7,333
Engineering	176,000	99,056	76,944	23,044
Other Professional Services	2,500	-	2,500	-
Software Support	12,000	36,840	(24,840)	36,840
Computer System Maintenance	2,500	5,280	(2,780)	5,280
Lab Fees	1,000	5,716	(4,716)	5,716
Postage	4,500	4,637	(137)	4,803
Telephone	8,000	15,286	(7,286)	15,286
Printing	1,000	622	378	622
Dues	8,100	-	8,100	-
Travel/Training	2,000	342	1,658	342
Utilities- Nicor Gas	2,000	499	1,501	499
Sludge Disposal	2,000	229	1,771	229
Utilities- Comed	112,000	99,246	12,754	94,420
Julie	1,500	671	829	671
Drug Testing	800	1,125	(325)	1,125
IEPA Permit	7,532	7,500	32	7,500
Liability Insurance	5,100	4,761	339	4,840
General Insurance	8,800	8,573	227	8,538
<u>Commodities:</u>				
Maintenance Supplies- Building	2,000	642	1,358	642
Maintenance Supplies- Equipment	5,000	462	4,538	462
Maintenance Supplies- Vehicle	1,000	-	1,000	-
Maintenance Supplies- Safety Equipment	500	1,404	(904)	1,404
Maintenance Supplies- Utility System	35,000	22,446	12,554	22,446
Office Supplies	-	171	(171)	171
Operating Supplies	5,000	3,536	1,464	4,332
Small Tools	2,000	529	1,471	529
Lab Supplies	2,000	301	1,699	301
Automotive Fuel/Oil	7,000	5,382	1,618	5,382
Chemicals	8,000	5,596	2,404	7,836
Uniforms	1,000	948	52	948
<u>Capital Outlays:</u>				
Infrastructure Improvements	1,271,782	-	1,271,782	-
Equipment & Vehicles	-	395,079	(395,079)	-
<u>Other:</u>				
Economic Development	5,000	4,975	25	4,975
Health Insurance Fund Reimbursement	80,000	80,000	-	80,000
Depreciation	-	-	-	604,848
Miscellaneous Expense	6,500	2,393	4,107	2,393
Total Expenses	\$ 2,093,281	\$ 1,109,386	\$ 983,895	\$ 1,244,437
Other Sources (Uses)				
Interest Revenue	\$ 40,000	\$ 53,182	\$ 13,182	\$ 53,182
Grant Revenue	1,271,782	395,159	(876,623)	395,159
Debt Principal Payments	(401,420)	(364,312)	37,108	-
Change in Pension Liability & Deferrals	-	-	-	3,600
Interest Expense	(102,500)	(86,678)	15,822	(86,677)
Transfers In	-	-	-	-
Transfers (Out)	-	-	-	-
Total Other Sources (Uses)	\$ 807,862	\$ (2,649)	\$ (810,511)	\$ 365,264
Change in Net Position	\$ (13,919)	\$ 153,610	\$ 167,529	\$ 378,792
Net Position, Beginning of Year				6,391,490
Net Position, End of Year				\$ 6,770,282

CITY OF MORRISON
BUDGETARY COMPARISON SCHEDULE
ALL PROPRIETARY FUNDS
Year Ended April 30, 2026

REFUSE DISPOSAL FUND

	1st & Final	Actual	Over/Under	Actual
	Budgeted		Budget	
	Revenues &	Budgetary	Budgetary	GAAP
	Expenditures	Basis	Basis	Basis
<u>REVENUES</u>				
User Fees	\$ 289,000	\$ 312,116	\$ 23,116	\$ 311,975
Penalties	4,500	4,919	419	4,919
Total Revenues	\$ 293,500	\$ 317,035	23,535	\$ 316,894
<u>OPERATING EXPENSES</u>				
Contractual Waste Hauler	\$ 292,000	\$ 291,740	\$ 260	\$ 292,687
Total Expenses	\$ 292,000	\$ 291,740	260	\$ 292,687
Other Sources (Uses)				
Interest Income	\$ 250	\$ 738	\$ 488	\$ 738
Transfers (Out)	-	(30,930)	(30,930)	(30,930)
Total Other Sources (Uses)	\$ 250	\$ (30,192)	\$ (30,930)	\$ (30,192)
Change in Net Position	\$ 1,750	\$ (4,897)	\$ (6,647)	\$ (5,985)
Net Position, Beginning of Year				(1,255)
Net Position, End of Year				<u><u>\$ (7,240)</u></u>

CITY OF MORRISON
COMBINING BALANCE SHEET
ALL NON-MAJOR GOVERNMENTAL FUNDS
Year Ended April 30, 2026

	Audit Fund	Street Lighting Fund	Insurance Fund	Fire Protection Fund	Motor Fuel Tax Fund	IMRF Fund	Social Security Fund	Drug Traffic Prevention Fund	Police Vehicle Fund
ASSETS									
Cash and Equivalents (Note 2)	\$ 14,005	\$ 52,664	\$ 33,251	\$ -	\$ 336,696	\$ 446,829	\$ 124,960	\$ 9,889	\$ (28,143)
Accounts Receivable (Note 7)	-	-	-	-	15,080	4,896	-	-	-
Due From Other Funds	-	-	-	-	-	-	-	-	-
Property Tax Receivable (Note 1C)	3,870	35,175	29,545	82,450	-	98,490	116,990	-	-
Prepaid Expenses (Note 15)	-	-	43,735	-	-	-	-	-	-
Total Assets	<u>\$ 17,875</u>	<u>\$ 87,839</u>	<u>\$ 106,531</u>	<u>\$ 82,450</u>	<u>\$ 351,776</u>	<u>\$ 550,215</u>	<u>\$ 241,950</u>	<u>\$ 9,889</u>	<u>\$ (28,143)</u>
LIABILITIES									
Current Liabilities (Note 7)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,093	\$ 4,446	\$ -	\$ -
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,093</u>	<u>\$ 4,446</u>	<u>\$ -</u>	<u>\$ -</u>
DEFERRED INFLOWS OF RESOURCES									
Deferred Property Taxes (Note 1C)	\$ 3,870	\$ 35,175	\$ 29,545	\$ 82,450	\$ -	\$ 98,490	\$ 116,990	\$ -	\$ -
Total Deferred Inflows	<u>\$ 3,870</u>	<u>\$ 35,175</u>	<u>\$ 29,545</u>	<u>\$ 82,450</u>	<u>\$ -</u>	<u>\$ 98,490</u>	<u>\$ 116,990</u>	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCE									
Fund Balance: (Note 1M)									
Nonspendable	\$ -	\$ -	\$ 43,735	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	14,005	52,664	33,251	-	351,776	445,632	120,514	9,889	-
Committed	-	-	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-	-	(28,143)
Total Fund Balance	<u>\$ 14,005</u>	<u>\$ 52,664</u>	<u>\$ 76,986</u>	<u>\$ -</u>	<u>\$ 351,776</u>	<u>\$ 445,632</u>	<u>\$ 120,514</u>	<u>\$ 9,889</u>	<u>\$ (28,143)</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 17,875</u>	<u>\$ 87,839</u>	<u>\$ 106,531</u>	<u>\$ 82,450</u>	<u>\$ 351,776</u>	<u>\$ 550,215</u>	<u>\$ 241,950</u>	<u>\$ 9,889</u>	<u>\$ (28,143)</u>

	Tourism and Convention Fund	Veterans Memorial Park Fund	Grove Hill Cemetery Perpetual Care Fund	Debt Service Fund	Total
ASSETS					
Cash and Equivalents (Note 2)	\$ 19,451	\$ 7,063	\$ (129,418)	\$ 231,118	\$ 1,118,365
Accounts Receivable (Note 7)	-	-	-	28,586	48,562
Due From Other Funds	-	-	69,000	-	69,000
Property Tax Receivable (Note 1C)	-	-	-	282,000	648,520
Prepaid Expenses (Note 15)	-	-	-	-	43,735
Total Assets	<u>\$ 19,451</u>	<u>\$ 7,063</u>	<u>\$ (60,418)</u>	<u>\$ 541,704</u>	<u>\$ 1,928,182</u>
LIABILITIES					
Current Liabilities (Note 7)	\$ -	\$ -	\$ -	\$ -	\$ 10,539
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,539</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred Property Taxes (Note 1C)	\$ -	\$ -	\$ -	\$ 282,000	\$ 648,520
Total Deferred Inflows	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 282,000</u>	<u>\$ 648,520</u>
FUND BALANCE					
Fund Balance: (Note 1M)					
Nonspendable	\$ -	\$ -	\$ 118,652	\$ -	\$ 162,387
Restricted	19,451	7,063	-	259,704	1,313,949
Committed	-	-	-	-	-
Unrestricted	-	-	(179,070)	-	(207,213)
Total Fund Balance	<u>\$ 19,451</u>	<u>\$ 7,063</u>	<u>\$ (60,418)</u>	<u>\$ 259,704</u>	<u>\$ 1,269,123</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 19,451</u>	<u>\$ 7,063</u>	<u>\$ (60,418)</u>	<u>\$ 541,704</u>	<u>\$ 1,928,182</u>

CITY OF MORRISON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL NON-MAJOR GOVERNMENTAL FUNDS
Year Ended April 30, 2026

	Special Revenue Funds								
	Audit Fund	Street Lighting Fund	Insurance Fund	Fire Protection Fund	Motor Fuel Tax Fund	IMRF Fund	Social Security Fund	Drug Traffic Prevention Fund	Police Vehicle Fund
REVENUES									
Property Tax	\$ 7,089	\$ 32,223	\$ 58,260	\$ 79,978	\$ -	\$ 87,196	\$ 96,863	\$ -	\$ -
Foreign Fire Insurance Tax	-	-	-	17,647	-	-	-	-	-
Hotel-Motel Tax	-	-	-	-	-	-	-	-	-
Motor Fuel Tax	-	-	-	-	187,376	-	-	-	-
Replacement Tax	-	-	-	-	-	23,537	-	-	-
Utility Tax	-	-	-	-	-	-	-	-	-
Telecommunications Tax	-	-	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-	1,980	1,020
State Grant	-	-	-	-	-	-	-	-	-
Vehicle Disposal	-	-	-	-	-	-	-	-	6,900
Library Desk Fees	-	-	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-	-	-
Cemetery - Perpetual Care	-	-	-	-	-	-	-	-	-
Interest Revenue	495	1,807	1,909	-	11,395	17,403	5,865	299	1,778
Other	-	-	-	-	-	389	2,021	-	-
Total Revenues	\$ 7,584	\$ 34,030	\$ 60,169	\$ 97,625	\$ 198,771	\$ 128,525	\$ 104,749	\$ 2,279	\$ 9,698
EXPENDITURES									
Current:									
General Administrative	\$ 7,333	\$ -	\$ 63,847	\$ -	\$ -	\$ 96,538	\$ 111,694	\$ -	\$ -
Public Safety	-	-	-	97,625	-	-	-	-	-
Streets and Alleys	-	-	-	-	96,871	-	-	-	-
Parks and Recreation	-	-	-	-	-	-	-	-	-
Municipal Buildings	-	-	-	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-	-	-	-
Debt service:									
Loan Interest	-	-	-	-	-	-	-	-	-
Loan Principal	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	144,502
Total Expenditures	\$ 7,333	\$ -	\$ 63,847	\$ 97,625	\$ 96,871	\$ 96,538	\$ 111,694	\$ -	\$ 144,502
Excess (Deficiency) of Revenues over Expenditures	\$ 251	\$ 34,030	\$ (3,678)	\$ -	\$ 101,900	\$ 31,987	\$ (6,945)	\$ 2,279	\$ (134,804)
Transfer In	\$ -	\$ -	\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,000
Transfer (Out)	-	(26,000)	-	-	-	-	-	-	-
Loan Proceeds	-	-	-	-	-	-	-	-	-
Net Change in Fund Balances	\$ 251	\$ 8,030	\$ (678)	\$ -	\$ 101,900	\$ 31,987	\$ (6,945)	\$ 2,279	\$ (110,804)
Fund Balances - Beginning	13,754	44,634	77,664	-	249,876	413,645	127,459	7,610	82,661
Fund Balances - Ending	\$ 14,005	\$ 52,664	\$ 76,986	\$ -	\$ 351,776	\$ 445,632	\$ 120,514	\$ 9,889	\$ (28,143)

CITY OF MORRISON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL NON-MAJOR GOVERNMENTAL FUNDS
Year Ended April 30, 2026

	Special Revenue Funds			Debt Service Fund	Total All Non-Major Gov't Funds
	Tourism and Convention Fund	Veteran's Memorial Park Fund	Cemetery Perpetual Care Fund	Debt Service Fund	
REVENUES					
Property Tax	\$ -	\$ -	\$ -	\$ -	\$ 361,609
Foreign Fire Insurance Tax	-	-	-	-	17,647
Hotel-Motel Tax	12,843	-	-	-	12,843
Motor Fuel Tax	-	-	-	-	187,376
Replacement Tax	-	-	-	-	23,537
Utility Tax	-	-	-	210,775	210,775
Telecommunications Tax	-	-	-	46,678	46,678
Fines	-	-	-	-	3,000
State Grant	-	-	-	-	-
Vehicle Disposal	-	-	-	-	6,900
Library Desk Fees	-	-	-	-	-
Donations	-	-	-	-	-
Cemetery - Perpetual Care	-	-	-	-	-
Interest Revenue	3,672	266	10,157	6,820	61,866
Other	-	-	-	-	2,410
Total Revenues	\$ 16,515	\$ 266	\$ 10,157	\$ 264,273	\$ 934,641
EXPENDITURES					
Current:					
General Administrative	\$ -	\$ -	\$ -	\$ 1,350	\$ 280,762
Public Safety	-	-	-	-	97,625
Streets and Alleys	-	-	-	-	96,871
Parks and Recreation	-	665	-	-	665
Municipal Buildings and Grounds	-	-	-	-	-
Economic Development	4,506	-	-	-	4,506
Debt Service:					-
Loan Interest	-	-	-	49,463	49,463
Loan Principal	-	-	-	100,000	100,000
Capital Outlay	-	-	329,470	-	473,972
Total Expenditures	\$ 4,506	\$ 665	\$ 329,470	\$ 150,813	\$ 1,103,864
Excess (Deficiency) of Revenues over Expenditures	\$ 12,009	\$ (399)	\$ (319,313)	\$ 113,460	\$ (169,223)
Transfer In	\$ -	\$ -	\$ -	\$ -	\$ 27,000
Transfer (Out)	-	-	-	(61,000)	(87,000)
Loan Proceeds	-	-	-	-	-
Net Change in Fund Balances	\$ 12,009	\$ (399)	\$ (319,313)	\$ 52,460	\$ (229,223)
Fund Balances - Beginning	7,442	7,462	258,895	207,244	1,498,346
Fund Balances - Ending	\$ 19,451	\$ 7,063	\$ (60,418)	\$ 259,704	\$ 1,269,123

RESOLUTION NO. 26-03

A RESOLUTION PROVIDING FOR THE LEVY OF AN ADDITIONAL TAX OF .02% OF THE VALUE OF ALL OF THE TAXABLE PROPERTY IN THE CITY OF MORRISON, WHITESIDE COUNTY, ILLINOIS FOR MAINTENANCE, REPAIRS AND ALTERATIONS OF LIBRARY BUILDINGS AND EQUIPMENT IN THE CITY OF MORRISON, WHITESIDE COUNTY, ILLINOIS

WHEREAS, as permitted by the Illinois Municipal Code and the Illinois Local Library Act, the City of Morrison operates a City library, commonly known as the Odell Public Library; and

WHEREAS, the City Council of the City of Morrison desires to levy, for the benefit of the Odell Public Library, an additional tax of .02% of all the taxable property in the City of Morrison, as equalized or assessed by the Whiteside County Assessor, for the maintenance, repairs, and alterations of library buildings and equipment, as permitted by the Illinois Local Library Act, 75 ILCS 5/3-1.

NOW THEREFORE BE IT RESOLVED by the City Council of the CITY OF MORRISON, Whiteside County, Illinois as follows:

SECTION 1. For the tax year 2026 there is herein levied an additional tax of .02% of all the taxable property in the CITY OF MORRISON, Whiteside County, Illinois, as equalized or assessed by the Whiteside County Assessor, for the maintenance, repairs, and alterations of library buildings and equipment in the City.

SECTION 2. The City Clerk is directed, within fifteen (15) days after its adoption by the City Council, to publish this Resolution on its website, its social media accounts, and at least once, within a newspaper published for general circulation within the CITY OF MORRISON, Whiteside County, Illinois.

SECTION 3. If no petition is filed with the City Clerk of the City of Morrison within thirty days after publication of this Resolution, signed by at least 264 electors residing within the CITY OF MORRISON, said number representing ten percent (10%) of the total number of registered voters in the CITY OF MORRISON, requesting that the question of the levy of the additional tax herein provided be submitted to the electors of the City of Morrison, then this Resolution shall be in full force and effect and the tax so levied.

SECTION 4. If a petition, signed by the requisite number of electors, is filed with the City Clerk within thirty days of publication of this Resolution, then the question of the levy of the additional tax shall be submitted to the electors of the City of Morrison at the next election, presently scheduled to be held on November 3, 2026.

SECTION 5. The City Clerk shall cause this Resolution to be noted in the minutes of the meeting of this City Council and a certified copy thereof be filed in the Office of the Clerk of the

County of Whiteside.

SECTION 6. The Mayor and City Clerk are herein authorized to execute all documents necessary to implement and effectuate the imposition of this levy, a levy imposed for the sole benefit of the Odell Public Library.

ADOPTED by the City Council of the CITY OF MORRISON, Whiteside County, Illinois and approved this 27th day of July 2026.

Scott D. Vandermyde, Mayor

ATTEST:

Michael Hemmer, City Clerk

Alderspersons Voting:

	AYE	NAY	ABSTAIN	ABSENT
Kevin Bruckner Jr.	☐	☐	☐	☐
Seth Buckwalter	☐	☐	☐	☐
Sara Dunne	☐	☐	☐	☐
Sidonna Mahaffey	☐	☐	☐	☐
Todd Schlegel	☐	☐	☐	☐
Vernon Tervelt	☐	☐	☐	☐
Matthew Tichler	☐	☐	☐	☐
Vacancy	☐	☐	☐	☐