

**COUNTY OF KENDALL, ILLINOIS
CORONAVIRUS AID, RELIEF, AND ECONOMIC
SECURITY ACT GRANT**

FINANCIAL REPORT

June 30, 2024

COUNTY OF KENDALL, ILLINOIS
Coronavirus Aid, Relief, and Economic Security Act Program

Year Ended June 30, 2024
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116 E. Washington Street
Suite One
Morris, Illinois 60450

Phone: (815) 942-3306
Fax: (815) 942-9430
www.mackcpas.com

TAWNYA R. MACK, CPA
LAURI POPE, CPA

CATE MOULTON, CPA
MADISON SCHEEL, CPA
CHRIS CHRISTENSEN
JESSIKA MCGARVEY

CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

To the Chairman and Members
of the County Board
County of Kendall, Illinois

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Coronavirus Aid, Relief, and Economic Security Act Program Agreement of the County of Kendall, Illinois, (the "County") which is comprised of the annual financial report for the year ended June 30, 2024, and the related notes to the financial statements.

In our opinion, the Coronavirus Aid, Relief, and Economic Security Act Program Agreement Annual Financial Report referred to above presents fairly, in all material respects, the revenues and expenses of the Coronavirus Aid, Relief, and Economic Security Act Program Agreement of the County of Kendall, Illinois, for the year ended June 30, 2024, in accordance with the financial reporting provisions of the Illinois Department of Transportation Division of Public and Intermodal Transportation as described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Coronavirus Aid, Relief, and Economic Security Act Program Agreement of the County of Kendall, Illinois 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial statement, which describes the basis of accounting. The financial statement is prepared on the basis of the financial reporting provisions of the Illinois Department of Transportation Division of Public and Intermodal Transportation, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting as described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility 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 auditors' 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 GAAS 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 GAAS, 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 Coronavirus Aid, Relief, and Economic Security Act Program Agreement of the County of Kendall, Illinois' 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 Coronavirus Aid, Relief, and Economic Security Act Program Agreement of the County of Kendall, Illinois' 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.

Restriction of Use

This report is intended solely for the information and use of the County Board and management of Kendall County, Illinois and for filing with the State of Illinois, Department of Transportation Division of Public and Intermodal Transportation, and is not intended to be and should not be used by anyone other than those specified parties.

Mack & Associates, P.C.

Mack & Associates, P.C.
Certified Public Accountants

Morris, Illinois
November 20, 2024

Required Audited Schedule of Revenues and Expenses under
the CARES Act Grant OP-21-21-CARE
Operating Period January 20, 2020 to June 30, 2024
Contract Number

Expenses

Line Item	Eligible Expenses	Actual Administrative Expenses	Actual Operating Expenses	Total
501	Labor			
502	Fringe Benefits			
503	Services			
504.01	Fuel and Oil			
504.02	Tires and Tubes			
504.99	Other Materials			
505	Utilities			
506	Casualty and Liability			
507	Taxes			
508	Purchase of Service		363,041.51	363,041.51
509	Miscellaneous			
511	Interest Expense			
512	Lease and Rentals			
	Other:			
	Total Expenses		\$363,041.51	\$363,041.51

Revised 06/16/21

DPIT OP-ASRE-CARES

**Required Audited Schedule of Revenues and Expenses under
the CARES Act Grant OP-21-21-CARE
Operating Period January 20, 2020 to June 30, 2024
Contract Number**

Expenses

	Administrative Expenses	Operating Expenses	Total	
1) Expenses: Per Single Audit		\$363,042	\$363,042	
2) Less: Ineligible Expenses per Single Audit				
3) Net Eligible Expenses ((1)-(2))		\$363,042	\$363,042	
4) Less: CARES Operating Revenues (From Page 1)		\$0	\$0	
5) CARES Operating Deficit ((3)-(4))		\$363,042		
6) CARES Deficit ((3)-(4))			\$363,042	
7) CARES Reimbursement %	x 0%	x 100%		
				Grant
				Total
A) Eligible Reimbursement Per Percentages		\$363,042		\$363,042
B) Funding Limits per Contract				\$378,067
C) Maximum Section CARES Reimbursement: (Lesser of Totals for (A) or (B))			\$363,042	\$363,042
D) Less: IDOT Payments-Section CARES Reimbursement to Grantee				\$ 363,042
E) Amount (Over) Under Paid ((C)-(D))				\$0.00
F) Grantee Local Match Requirement (Operating Deficit-(C))			\$0	

GRANTEE MATCH SOURCES	AMOUNTS
Downstate Operating Grant	
Local Contracts	
In-Kind Services, Subsidies, Donations	
TOTAL LOCAL MATCH (Must equal (F))	
LOCAL TRANSIT FUNDS RETAINED (CARRY FORWARD ACCOUNT)	
BEGINNING CARRY FORWARD (C.F.A.) BALANCE	
FY Local Transit (Local Contracts) Amounts Received	
Less expended for Capital \$ Operating \$	
ENDING CARRY FORWARD (C.F.A.) BALANCE	

I certify that the revenues and costs claimed for reimbursement are adequately supported and the approved cost allocation plan (if applicable) has been followed as provided in the project budget.

Prepared By: Justin Dooley
Title: CFO
Reviewed By/PCOM: _____
Date: _____
CPA Approval: _____
Date: _____

Prepared By: Justin Dooley

Title: CFO

Reviewed by PCOM: Jennifer Breault

Date: _____

Reviewed by Grantee: _____
Authorized Representative

Date: _____

COUNTY OF KENDALL, ILLINOIS

Coronavirus Aid, Relief, and Economic Security Act Program

Year Ended June 30, 2024

Notes to Financial Statements

NOTE 1: Summary of Significant Accounting Policies

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the County of Kendall's (the "County") accounting policies are described below.

A. Basis of Presentation

The financial statement presents a comparison between direct expenditures and program revenues for the Coronavirus Aid, Relief, and Economic Security Act Program. Direct expenditures are those that are specifically associated with these programs. Program revenues include grants that are restricted to meeting the operational or capital requirements of the programs, and interest earned on grants that is required to be used to support the program.

B. Measurement Focus and Basis of Accounting

The financial statement is prepared using the accrual basis of accounting. This means that all revenues earned and expenditures incurred are reported in the financial statement. The Schedule of Revenue and Expenses is a reporting format in accordance with provisions of the grant agreement between the Illinois Department of Transportation and Kendall County, Illinois. Such financial information includes only the revenues and expenses as promulgated within the format of the prescribed form.

NOTE 2: Grant Agreements

Coronavirus Aid, Relief, and Economic Security Act Grant

The Agreement is made by and between the Illinois Department of Transportation, Division of Public and Intermodal Transportation (the "State"), and the County of Kendall (the "County").

The County proposes to provide public transportation services in a Non-urbanized area of Illinois (the "project"), as described in the County's final approved application.

The State has applied under Section 5311 of the Federal Transit Act, as amended (49 U.S.C. Section 5311), to the Federal Transit Administration (FTA) for federal operating, capital and administrative assistance for this Project.

The State's application has been approved by the FTA, and the County represents that it is an eligible recipient and has made application to the State for a public transportation grant under the provisions of Illinois Compiled Statutes 20 ILCS 2705/49, et seq. and 30 ILCS 740/1 et seq. (the "Acts"), and the County's final application, including subsequent submittals, information, and documentation, as provided by the County in support thereof, has been approved by the State.

COUNTY OF KENDALL, ILLINOIS

Coronavirus Aid, Relief, and Economic Security Act Program

Year Ended June 30, 2024

Notes to Financial Statements

NOTE 2: Grant Agreements (Continued)

Coronavirus Aid, Relief, and Economic Security Act Grant (Continued)

In consideration of the mutual covenants, the parties agree that the above recitals are made a part of this Agreement, that this Agreement is made to provide federal financial assistance (the "Grant") to the County, to set forth the terms and conditions upon which the Grant will be made available, and to set forth the agreement of the Parties as to the manner in which the Project will be undertaken, used, and completed.

Definitions as used in this Agreement

- A. "AICPA" means the American Institute of Certified Public Accountants.
- B. "FTA" means the Federal Transit Administration of the United States Department of Transportation. Any reference in any law, map, regulation, document, paper, or other record of the United States to the Urban Mass Transportation Administration shall be deemed a reference to the Federal Transit Administration.
- C. "OMB" means the U.S. Office of Management and Budget.

Project Scope

The County agrees to provide, or cause to be provided through its contractor(s), the public transportation services described in the County's final approved application, and the service plan on file at the State's offices and subsequent submittals, information, and documentation, provided by the County in support thereof, all as approved by State representatives. The County's application and service plan are incorporated into this Agreement.

Project Budget

The State will fund up to 100% of eligible operating deficit incurred by the County during the Term to reimburse the County for the provision of public transportation and intercity bus service, as approved by the State for the Project, up to the amount as stated in the Uniform Budget. The method for determining the intercity bus portion of the project shall be in accordance with the Department's guidelines, as from time to time adopted.

In no event shall the State's funding participation under this Agreement exceed the total State Grant available for the Project. The maximum amount of operating and administrative assistance for the Project under this Agreement is \$363,042.

COUNTY OF KENDALL, ILLINOIS

Coronavirus Aid, Relief, and Economic Security Act Program

Year Ended June 30, 2024

Notes to Financial Statements

NOTE 2: Grant Agreements (Continued)

Coronavirus Aid, Relief, and Economic Security Act Grant (Continued)

Project Budget (Continued)

The County further understands that the State shall not make a grant which, when combined with federal funds or funds from any other source, is in excess of 100% of the Project Cost. In the event payment or reimbursement by the State results in receipt by the County from all sources a total amount in excess of 100% of the Project Costs, the State does not waive its right to require the County to promptly refund any excess funds provided under this Agreement. The determination of any refund due to the State will be made after project close-out and completion of an audit.

The County shall carry out the Project and shall incur obligations against and make disbursements of Project funds only in conformity with the Uniform Budget. Budget line items may be adjusted by the County with prior notification of the Department. However, any amendment to the Uniform Budget should be in accordance with the provisions of Article VI and Article XXVI, Section 26.5 of this agreement. No liability shall be incurred by the State in excess of the aforementioned amounts of the Grant.

NOTE 3: Contingencies

Grant Revenues

The Coronavirus Aid, Relief, and Economic Security Act grant program is created from funding from a state grant which is governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant program are subject to audit and adjustment by the granting agencies. Any disallowed claims resulting from such audits could become a liability of the County. In the opinion of the County, any such disallowed claims will not have a material adverse effect on the overall financial position of the County.

NOTE 4: Subsequent Events

Grant Revenues

As of June 30, 2024, the County was due \$0 from the Illinois Department of Transportation for the Coronavirus Aid, Relief, and Economic Security Act Grant.