

VILLAGE OF ROSSVILLE

Rossville, Illinois

Annual Financial Report

For the Year Ended April 30, 2023

Feller & Kuester CPAs PLLC
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To the Board of Trustees and Management
Village of Rossville
Rossville, Illinois

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Rossville (the Village) as of and for the year ended April 30, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered the Village'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 Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village'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 material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Village's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiencies in internal control to be material weaknesses:

Segregation of Duties

The Village has an absence of appropriate segregation of duties. In order to overcome this lack of segregation of duties, it would be necessary to hire several additional employees and to incur the related expenses. It is an axiom of internal control that the cost of any system of internal control should not exceed the benefits derived there from. The Village's management has determined that, in its judgment, the risk of loss from the lack of segregation of duties does not warrant the expense necessary for a village of its size to significantly reduce that risk. As a result, some of the aspects of internal accounting control which rely upon an adequate segregation of duties are absent. This situation dictates that the Village's Trustees remain involved in the financial affairs of the Village to provide oversight and independent review functions. This situation is not unusual in a village this size; however, we are required under our professional responsibilities to call this situation to your attention.

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's discussion and analysis that accounting principles generally accepted in the United States of America require 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 the 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 Village's basic financial statements. The schedule of property tax levies, rates, extensions, and collections on page 40 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of property tax levies, rates, extensions, and collections is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Feller & Kuester CPAs PLLC

Feller & Kuester CPAs PLLC
Champaign, Illinois

September 5, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Village of Rossville
Rossville, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Rossville, Illinois (the Village), as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the Village'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, and each major fund of the Village, as of April 30, 2023, 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. 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 Village, 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 Village'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 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, 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 Village'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 Village'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 required supplementary information on pages 33 to 39 be presented to supplement the basic financial statements. 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's discussion and analysis that accounting principles generally accepted in the United States of America require 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 the 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 Village's basic financial statements. The schedule of property tax levies, rates, extensions, and collections on page 40 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of property tax levies, rates, extensions, and collections is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Feller & Kuester CPAs PLLC

Feller & Kuester CPAs PLLC
Champaign, Illinois

September 5, 2023

VILLAGE OF ROSSVILLE
STATEMENT OF NET POSITION
APRIL 30, 2023

	Governmental Activities	Business-Type Activities	Total
Assets			
<i>Current Assets:</i>			
Cash and Cash Equivalents	\$ 874,603	\$ 1,669,493	\$ 2,544,096
Investments	190,264	601,068	791,332
Internal Balances	(86)	86	-
Receivables, Net of Allowance:			
Property Taxes	476,851	-	476,851
Other Taxes	69,255	-	69,255
Accounts Receivable	21,868	74,545	96,413
Prepaid Expenses	9,698	15,669	25,367
Restricted Assets:			
Cash and Cash Equivalents	3,634	253,331	256,965
Total Current Assets	<u>1,646,087</u>	<u>2,614,192</u>	<u>4,260,279</u>
<i>Noncurrent Assets:</i>			
Capital Assets, Net of Accumulated Depreciation:			
Land (Not Being Depreciated)	97,310	-	97,310
Other Capital Assets, Net	433,656	1,144,267	1,577,923
Total Noncurrent Assets	<u>530,966</u>	<u>1,144,267</u>	<u>1,675,233</u>
Total Assets	<u>2,177,053</u>	<u>3,758,459</u>	<u>5,935,512</u>
Deferred Outflows of Resources			
Deferred Outflows Related to Pensions	<u>316,767</u>	-	<u>316,767</u>
Liabilities			
<i>Current Liabilities:</i>			
Accounts Payable	12,947	174,433	187,380
Accrued Expenses	10,795	12,285	23,080
Customer Deposits	-	17,690	17,690
Deferred Revenue	-	16,750	16,750
Notes Payable, Current Portion	1,856	66,334	68,190
Total Current Liabilities	<u>25,598</u>	<u>287,492</u>	<u>313,090</u>
<i>Noncurrent Liabilities:</i>			
Net Pension Liability	274,592	-	274,592
Notes Payable, Net of Current	1,437	12,933	14,370
Total Noncurrent Liabilities	<u>276,029</u>	<u>12,933</u>	<u>288,962</u>
Total Liabilities	<u>301,627</u>	<u>300,425</u>	<u>602,052</u>
Deferred Inflows of Resources			
Unavailable Revenue - Property Taxes	476,851	-	476,851
Deferred Inflows Related to Pensions	150,436	-	150,436
Total Deferred Inflows of Resources	<u>627,287</u>	<u>-</u>	<u>627,287</u>
Net Position			
Net Investment in Capital Assets	527,673	1,065,000	1,592,673
Restricted for:			
Unspent American Rescue Plan Act Funds	-	6,695	6,695
Unspent Motor Fuel Tax	315,827	-	315,827
Unspent Levy Allocations	339,474	-	339,474
Unrestricted	381,932	2,386,339	2,768,271
Total Net Position	<u>\$ 1,564,906</u>	<u>\$ 3,458,034</u>	<u>\$ 5,022,940</u>

See Accompanying Notes.

**VILLAGE OF ROSSVILLE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2023**

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Operating		Primary Government		Total
		Charges for Services	Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
Primary Government:						
<i>Governmental Activities:</i>						
General Government	\$ 34,509	\$ 20,456	\$ 2,000	\$ (12,053)	\$ -	\$ (12,053)
Police	242,714	5,127	-	(237,587)	-	(237,587)
Other Public Safety	3,188	-	-	(3,188)	-	(3,188)
Streets and Alleys	121,746	-	-	(121,746)	-	(121,746)
Economic Development	367,290	595	-	(366,695)	-	(366,695)
Total Governmental Activities	<u>769,447</u>	<u>26,178</u>	<u>2,000</u>	<u>(741,269)</u>	<u>-</u>	<u>(741,269)</u>
<i>Business-Type Activities:</i>						
Gas	659,296	647,866	-	-	(11,430)	(11,430)
Water	245,645	206,358	-	-	(39,287)	(39,287)
Sewer	82,137	177,711	-	82,808	178,382	178,382
Storm Water	9,244	42,169	-	-	32,925	32,925
Total Business-Type Activities	<u>996,322</u>	<u>1,074,104</u>	<u>-</u>	<u>82,808</u>	<u>160,590</u>	<u>160,590</u>
Total Primary Government	<u>\$ 1,765,769</u>	<u>\$ 1,100,282</u>	<u>\$ 2,000</u>	<u>\$ (741,269)</u>	<u>\$ 160,590</u>	<u>\$ (580,679)</u>
General Revenues:						
Taxes:						
Property Taxes				442,723	-	442,723
State Income Tax				187,902	-	187,902
State Sales Tax				93,401	-	93,401
State Use Tax				50,464	-	50,464
State Cannabis Use Tax				1,901	-	1,901
State Motor Fuel Tax				65,949	-	65,949
State Replacement Tax				11,588	-	11,588
State Video Gaming Tax				2,903	-	2,903
Franchise Fees				12,499	6,012	18,511
Interest Income				2,754	22,905	25,659
Internal Activities				(82,808)	82,808	-
Total General Revenues				<u>789,276</u>	<u>111,725</u>	<u>901,001</u>
Change in Net Position				<u>48,007</u>	<u>272,315</u>	<u>320,322</u>
Net Position - Beginning of Year				<u>1,516,899</u>	<u>3,185,719</u>	<u>4,702,618</u>
Net Position - End of Year				<u>\$ 1,564,906</u>	<u>\$ 3,458,034</u>	<u>\$ 5,022,940</u>

See Accompanying Notes.

**VILLAGE OF ROSSVILLE
BALANCE SHEET
GOVERNMENTAL FUNDS
APRIL 30, 2023**

	General Fund	Motor Fuel Tax Fund	TIF Fund	Total
Assets				
Cash and Cash Equivalents	\$ 204,492	\$ 311,489	\$ 358,622	\$ 874,603
Investments	190,264	-	-	190,264
Receivables, Net of Allowance:				
Property Taxes	22,529	-	454,322	476,851
Other Taxes	64,917	4,338	-	69,255
Accounts Receivable	21,868	-	-	21,868
Prepaid Expenses	9,698	-	-	9,698
Restricted Assets:				
Cash and Cash Equivalents	3,634	-	-	3,634
Total Assets	\$ 517,402	\$ 315,827	\$ 812,944	\$ 1,646,173
Liabilities				
Accounts Payable	\$ 12,767	\$ -	\$ 180	\$ 12,947
Accrued Expenses	10,795	-	-	10,795
Due to Other Funds	86	-	-	86
Total Liabilities	23,648	-	180	23,828
Deferred Inflows of Resources				
Unavailable Revenue - Property Taxes	22,529	-	454,322	476,851
Unavailable Revenue - Other Taxes	11,076	-	-	11,076
Total Deferred Inflows of Resources	33,605	-	454,322	487,927
Fund Balances				
Nonspendable	9,698	-	-	9,698
Restricted	-	315,827	339,474	655,301
Committed	3,634	-	-	3,634
Assigned	-	-	18,968	18,968
Unassigned	446,817	-	-	446,817
Total Fund Balances	460,149	315,827	358,442	1,134,418
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 517,402	\$ 315,827	\$ 812,944	\$ 1,646,173
Reconciliation to Statement of Net Position:				
Total Fund Balances of Governmental Funds				\$ 1,134,418
Amounts reported for governmental activities in the Statement of Net Position are different because:				
Capital assets used in governmental activities are not financial resources and, therefore, not reported in the funds.				530,966
A part of other tax receivables will be collected after year-end but is not available soon enough to pay for the current period's expenditures.				11,076
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.				(3,293)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings are recognized as deferred outflows and inflows of resources on the Statement of Net Position.				166,331
Net pension liability is shown as a liability on the Statement of Net Position.				(274,592)
Net Position of Governmental Activities				\$ 1,564,906

See Accompanying Notes.

VILLAGE OF ROSSVILLE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED APRIL 30, 2023

	General Fund	Motor Fuel Tax Fund	TIF Fund	Total
Revenues				
<i>Local Taxes</i>				
Property Taxes	\$ 22,078	\$ -	\$ 420,645	\$ 442,723
<i>Intergovernmental Receipts & Grants</i>				
State Income Tax	187,902	-	-	187,902
State Sales Tax	94,955	-	-	94,955
State Use Tax	50,068	-	-	50,068
State Cannabis Use Tax	1,901	-	-	1,901
State Motor Fuel Tax	-	65,949	-	65,949
State Replacement Tax	11,588	-	-	11,588
State Video Gaming Tax	2,903	-	-	2,903
<i>Other Sources</i>				
Licenses and Permits	8,063	-	-	8,063
Fines and Forfeitures	5,127	-	-	5,127
Franchise Fees	12,499	-	-	12,499
Mowing Income	9,400	-	-	9,400
Rental Income	1,800	-	595	2,395
Other Fees	1,193	-	-	1,193
Interest Income	2,619	130	5	2,754
Donations	2,000	-	-	2,000
Total Revenues	414,096	66,079	421,245	901,420
Expenditures				
<i>Current</i>				
General Government	27,358	-	-	27,358
Police	207,061	-	-	207,061
Other Public Safety	500	-	-	500
Streets and Alleys	98,065	3,608	-	101,673
Economic Development	-	-	331,859	331,859
<i>Capital Outlay</i>	19,423	-	122,132	141,555
<i>Debt Service:</i>				
Principal	1,788	-	-	1,788
Interest	160	-	-	160
Total Expenditures	354,355	3,608	453,991	811,954
Excess (Deficiency) of Revenues Over Expenditures	59,741	62,471	(32,746)	89,466
Other Financing Sources (Uses)				
Transfers In	5,529	-	-	5,529
Transfers (Out)	(82,808)	-	(5,529)	(88,337)
Total Other Financing Sources (Uses)	(77,279)	-	(5,529)	(82,808)
Net Change in Fund Balances	(17,538)	62,471	(38,275)	6,658
Fund Balances - Beginning of Year	477,687	253,356	396,717	1,127,760
Fund Balances - End of Year	<u>\$ 460,149</u>	<u>\$ 315,827</u>	<u>\$ 358,442</u>	<u>\$ 1,134,418</u>
Reconciliation to the Statement of Activities:				
Net Change in Fund Balances of Governmental Funds				\$ 6,658
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:				
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and report as depreciation expense.				
Capital Outlay				141,555
Depreciation Expense				(65,920)
New debt is an other financing source in governmental funds, while repayment of loan principal is an expenditure in the governmental funds, but the new debt increase long-term liabilities and the repayment reduces long-term liabilities in the Statement of Net Position:				
Principal Paid on Long-Term Liabilities				1,788
Some revenues were not collected within 60 days after the close of the fiscal year. Therefore, they were not considered to be "available" and are not reported as revenue in the governmental funds.				
The change from fiscal year 2022 to 2023 consists of sales tax and use tax.				(1,158)
The increase (decrease) in the net pension asset is reported only in the Statement of Activities.				(85,589)
The (increase) decrease in the net pension liability is reported only in the Statement of Activities.				(274,592)
The change in deferred inflows and outflows of resources is reported only in the Statement of Activities.				325,265
Change in Net Position of Governmental Activities				<u>\$ 48,007</u>

See Accompanying Notes.

VILLAGE OF ROSSVILLE
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
APRIL 30, 2023

	Enterprise Funds				Total
	Gas Fund	Water Fund	Sewer Fund	Storm Water Fund	
Assets					
<i>Current Assets:</i>					
Cash and Cash Equivalents	\$ 685,853	\$ 168,116	\$ 487,680	\$ 327,844	\$ 1,669,493
Investments	601,068	-	-	-	601,068
Accounts Receivable, Net	32,764	20,322	18,208	3,251	74,545
Prepaid Expenses	10,281	3,233	2,155	-	15,669
<i>Restricted Assets:</i>					
Cash and Cash Equivalents	13,590	238,391	1,350	-	253,331
Due from Other Funds	-	-	86	-	86
Total Current Assets	1,343,556	430,062	509,479	331,095	2,614,192
<i>Noncurrent Assets:</i>					
<i>Capital Assets, Net</i>					
Land (Not Being Depreciated)	-	-	-	-	-
Other Capital Assets, Net	68,337	325,522	741,828	8,580	1,144,267
Total Noncurrent Assets	68,337	325,522	741,828	8,580	1,144,267
Total Assets	1,411,893	755,584	1,251,307	339,675	3,758,459
Liabilities					
<i>Current Liabilities:</i>					
Accounts Payable	18,137	1,825	154,471	-	174,433
Accrued Expenses	5,835	5,375	768	307	12,285
Customer Deposits	13,590	2,750	1,350	-	17,690
Deferred Revenue	16,750	-	-	-	16,750
Notes Payable, Current Portion	7,423	5,567	51,488	1,856	66,334
Total Current Liabilities	61,735	15,517	208,077	2,163	287,492
<i>Noncurrent Liabilities</i>					
Notes Payable, Net of Current	5,749	4,312	1,436	1,436	12,933
Total Liabilities	67,484	19,829	209,513	3,599	300,425
Net Position					
Net Investment in Capital Assets	55,165	315,643	688,904	5,288	1,065,000
<i>Restricted:</i>					
Unspent American Rescue Plan Act Funds	-	-	6,695	-	6,695
Unrestricted	1,289,244	420,112	346,195	330,788	2,386,339
Total Net Position	\$ 1,344,409	\$ 735,755	\$ 1,041,794	\$ 336,076	\$ 3,458,034

See Accompanying Notes.

VILLAGE OF ROSSVILLE
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED APRIL 30, 2023

	Enterprise Funds				Total
	Gas Fund	Water Fund	Sewer Fund	Storm Water Fund	
Operating Revenue					
Sales	\$ 577,195	\$ 201,193	\$ 174,273	\$ 38,864	\$ 991,525
Customer Charges	53,138	-	-	-	53,138
Gas Tax	13,162	-	-	-	13,162
Penalties	2,690	3,085	3,085	3,305	12,165
Miscellaneous	1,656	25	353	-	2,034
Antenna Rent and Reimbursement	-	1,980	-	-	1,980
Reconnection Fees	25	75	-	-	100
Total Operating Revenue	<u>647,866</u>	<u>206,358</u>	<u>177,711</u>	<u>42,169</u>	<u>1,074,104</u>
Operating Expenses					
Gas Purchased	403,379	-	-	-	403,379
Salaries and Related Expenses	134,216	120,902	17,660	5,976	278,754
Contractual Services	18,710	14,149	4,221	355	37,435
Depreciation	23,436	68,738	18,421	2,711	113,306
Repairs and Maintenance	24,816	4,949	7,151	42	36,958
Supplies and Materials	21,243	18,793	4,548	-	44,584
Utilities	9,160	12,513	23,788	-	45,461
Gas Tax	13,371	-	-	-	13,371
Insurance	9,278	4,639	3,093	-	17,010
Fees and Dues	1,047	482	2,671	-	4,200
Total Operating Expenses	<u>658,656</u>	<u>245,165</u>	<u>81,553</u>	<u>9,084</u>	<u>994,458</u>
Operating Income (Loss)	<u>(10,790)</u>	<u>(38,807)</u>	<u>96,158</u>	<u>33,085</u>	<u>79,646</u>
Non-Operating Revenue (Expenses)					
Franchise Fee	2,004	2,004	2,004	-	6,012
Interest Income	17,229	4,165	579	932	22,905
Interest Expense	(640)	(480)	(584)	(160)	(1,864)
Total Non-Operating Revenue (Expenses)	<u>18,593</u>	<u>5,689</u>	<u>1,999</u>	<u>772</u>	<u>27,053</u>
Income (Loss) Before Contributions and Transfers	7,803	(33,118)	98,157	33,857	106,699
Contributions and Transfers					
American Rescue Plan Act Funds	-	-	82,808	-	82,808
Transfers In	-	-	82,808	-	82,808
Total Contributions and Transfers	<u>-</u>	<u>-</u>	<u>165,616</u>	<u>-</u>	<u>165,616</u>
Change in Net Position	7,803	(33,118)	263,773	33,857	272,315
Net Position - Beginning of Year	1,336,606	768,873	778,021	302,219	3,185,719
Net Position - End of Year	<u>\$ 1,344,409</u>	<u>\$ 735,755</u>	<u>\$ 1,041,794</u>	<u>\$ 336,076</u>	<u>\$ 3,458,034</u>

See Accompanying Notes.

VILLAGE OF ROSSVILLE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED APRIL 30, 2023

	Enterprise Funds				Total
	Gas Fund	Water Fund	Sewer Fund	Storm Water Fund	
Cash Flows from Operating Activities					
Receipts from Customers	\$ 680,719	\$ 206,704	\$ 177,531	\$ 42,381	\$ 1,107,335
Payments to Suppliers of Good or Services	(523,456)	(55,117)	104,347	(397)	(474,623)
Payments to Employees for Services	(134,176)	(120,864)	(17,654)	(5,974)	(278,668)
Net Cash Provided by (Used in) Operating Activities	<u>23,087</u>	<u>30,723</u>	<u>264,224</u>	<u>36,010</u>	<u>354,044</u>
Cash Flows from Non-Capital Financing Activities					
Receipt from Franchise Fees	2,004	2,004	2,004	-	6,012
Advances (Repayments) to Other Funds	-	-	(86)	-	(86)
Transfers In from Other Funds	-	-	82,808	-	82,808
Net Cash Provided by (Used in) Non-Capital Financing Activities	<u>2,004</u>	<u>2,004</u>	<u>84,726</u>	<u>-</u>	<u>88,734</u>
Cash Flows from Capital and Related Financing Activities					
Receipts of American Rescue Plan Act Funds	-	-	82,808	-	82,808
Proceeds from Notes Payable	-	-	49,632	-	49,632
Principal Paid on Long-Term Liabilities	(7,150)	(5,362)	(1,788)	(1,788)	(16,088)
Interest Paid on Long-Term Liabilities	(640)	(480)	(584)	(160)	(1,864)
Capital Outlay Purchases	(16,267)	(7,500)	(220,146)	(5,000)	(248,913)
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(24,057)</u>	<u>(13,342)</u>	<u>(90,078)</u>	<u>(6,948)</u>	<u>(134,425)</u>
Cash Flows from Investing Activities					
Receipt of Interest	17,229	4,165	579	932	22,905
Net Increase in Cash and Cash Equivalents & Investments	18,263	23,550	259,451	29,994	331,258
Cash and Cash Equivalents & Investments - Beginning of Year	1,282,248	382,957	229,579	297,850	2,192,634
Cash and Cash Equivalents & Investments - End of Year	<u>\$ 1,300,511</u>	<u>\$ 406,507</u>	<u>\$ 489,030</u>	<u>\$ 327,844</u>	<u>\$ 2,523,892</u>
Cash and Cash Equivalents	\$ 685,853	\$ 168,116	\$ 487,680	\$ 327,844	\$ 1,669,493
Investments	601,068	-	-	-	601,068
Restricted Cash and Cash Equivalents	13,590	238,391	1,350	-	253,331
Total Cash and Cash Equivalents and Investments	<u>\$ 1,300,511</u>	<u>\$ 406,507</u>	<u>\$ 489,030</u>	<u>\$ 327,844</u>	<u>\$ 2,523,892</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Operating Income (Loss)	\$ (10,790)	\$ (38,807)	\$ 96,158	\$ 33,085	\$ 79,646
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities:					
Depreciation Expense	23,436	68,738	18,421	2,711	113,306
Changes in Operating Assets and Liabilities					
(Increase) Decrease in Accounts Receivable	22,289	171	(205)	212	22,467
(Increase) Decrease in Prepaid Expenses	(1,931)	(210)	(140)	-	(2,281)
Increase (Decrease) in Customer Deposits	(270)	175	25	-	(70)
Increase (Decrease) in Accounts Payable	(20,521)	618	149,959	-	130,056
Increase (Decrease) in Accrued Expenses	40	38	6	2	86
Increase (Decrease) in Deferred Revenue	10,834	-	-	-	10,834
Total Adjustments	<u>33,877</u>	<u>69,530</u>	<u>168,066</u>	<u>2,925</u>	<u>274,398</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 23,087</u>	<u>\$ 30,723</u>	<u>\$ 264,224</u>	<u>\$ 36,010</u>	<u>\$ 354,044</u>

See Accompanying Notes.

VILLAGE OF ROSSVILLE
NOTES TO BASIC FINANCIAL STATEMENTS
APRIL 30, 2023

NOTE 1 – Summary of Significant Accounting Policies

The financial statements of the Village of Rossville (the Village) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for governmental accounting and financial reporting.

Financial Reporting Entity

This report includes all of the funds of the Village. The reporting entity for the Village consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board and either (1) the Village's ability to impose its will over the component unit or (2) the possibility that the component unit will provide a financial benefit or impose a financial burden on the Village. Regardless of whether the component unit has a board or how its board is appointed, the Village is financially accountable if the component unit is fiscally dependent on the Village and can possibly provide a financial benefit or impose a financial burden on the Village. Pursuant to these criteria, no component units were identified for inclusion in the accompanying financial statements.

Basis of Presentation

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, licenses, permits, fines, fees, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements

Fund financial statements of the Village are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund equity, revenues, and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. The Village presently has no fiduciary funds. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

VILLAGE OF ROSSVILLE
NOTES TO BASIC FINANCIAL STATEMENTS
APRIL 30, 2023

- Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or proprietary fund are at least ten percent of the corresponding total for all funds of that category or type.
- Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental fund or proprietary fund are at least five percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund – The general fund is the primary operating fund of the Village and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds – Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The reporting entity included the following special revenue funds, which are major funds:

<u>Fund</u>	<u>Brief Description</u>
Motor Fuel Tax Fund	Accounts for motor fuel tax provided by the State of Illinois and expenditures paid for road repair and replacement.
TIF Fund	Accounts for property taxes received from the incremental increase in the assessed value of real property in the Village’s TIF District and expenditures paid for redevelopment projects in the TIF District and administration of the TIF District.

Proprietary Funds

Enterprise Fund – Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges, and measurement of financial activity focuses on net income measurement similar to the private sector. The reporting entity includes the following enterprise funds that are reported as major funds:

<u>Fund</u>	<u>Brief Description</u>
Gas Fund	Accounts for revenues received and expenses paid for operating the gas system.

VILLAGE OF ROSSVILLE
NOTES TO BASIC FINANCIAL STATEMENTS
APRIL 30, 2023

Water Fund	Accounts for revenues received and expenses paid for operating the water system.
Sewer Fund	Accounts for revenues received and expenses paid for operating the sanitary sewer system.
Storm Water Fund	Accounts for revenues received and expenses paid for operating the storm water system.

The storm water fund did not meet the requirements of a major fund; however, management has elected to include this fund as a major fund of the reporting entity.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe “how” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Government-Wide Financial Statements and Enterprise Fund Financial Statements

In the government-wide Statement of Net Position and Statement of Activities, governmental activities and business-type activities, as well as, the proprietary funds are presented using the “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or non-current, financial or non-financial) associated with their activities are reported. Equities are classified as net position.

Governmental activities and business-type activities in the government-wide financial statements and the enterprise funds financial statements are presented on the accrual basis of accounting. On this basis, revenues, expenses, gains, losses, assets, liabilities, and deferred inflows and outflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which the taxes are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows of resources. Grants are recognized as revenue when eligibility requirements are met, such as allowable costs having been incurred.

Governmental Fund Financial Statements

In the governmental fund financial statements, governmental funds are presented using the “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

VILLAGE OF ROSSVILLE
NOTES TO BASIC FINANCIAL STATEMENTS
APRIL 30, 2023

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenue is recognized when it becomes both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers receipts within 60 days of year-end to be available. Expenditures generally are recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when payment is due. Various state and local taxes, grants, and other revenue items are considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period if applicable to the fiscal year and collected within 60 days of fiscal year-end.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits, and cash held by a fiscal agent. For purposes of the proprietary funds' statements of cash flow, cash and cash equivalents include cash on hand, demand deposits, and cash held by a fiscal agent as well as short-term investments with original maturities at issuance of three months or less.

Investments

Investments classified in these statements consist entirely of certificates of deposit acquired with cash whose original maturity term exceeds three months. Investments are carried at costs, which approximates fair value.

Restricted Assets

Restricted assets consist of cash and cash equivalents which are being held on behalf of a third party or which use has been restricted by the Board of Trustees.

Receivables

Receivables are reported at the estimated net realizable amounts from third-party payers. Receivables are stated at the amount management expects to collect on outstanding balances. Based on management's review of receivable balances at year end, and recent payment histories of third-party payers, an allowance of \$6,000 has been recorded in the gas fund against gas receivables, an allowance of \$1,000 has been recorded in the water fund against water receivables, an allowance of \$1,000 has been recorded in the sewer fund against sewer receivables, and an allowance of \$1,000 has been recorded in the storm water fund against storm water receivables. No other allowance for uncollectible receivables has been recorded at year-end as management expects to collect all but an immaterial amount of other reported receivables.

VILLAGE OF ROSSVILLE
NOTES TO BASIC FINANCIAL STATEMENTS
APRIL 30, 2023

Prepaid Expenditures/Expenses

Prepaid expenditures/expenses such as for insurance or service contracts are deferred and expended/expensed over the term when the services are received.

Capital Assets

The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-Wide Statements

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 columns in the government-wide financial statements. Capital assets in the proprietary funds are capitalized in the fund in which the capital assets are utilized. Such assets are valued at historical cost or estimated historical cost if actual is unavailable. Assets acquired are recorded at cost. Donated capital assets are valued at their estimated fair value on the date donated. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not capitalized. Items of property that are fully depreciated, sold, or otherwise disposed of are removed from the respective asset and accumulated depreciation accounts. Any gain or losses thereon are reflected in operations as appropriate. Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. A capitalization threshold of \$5,000 is used to report equipment capital assets and \$50,000 for buildings, improvements, and infrastructure capital assets.

Depreciation is provided over all assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	20-50 years
Equipment	5-22 years
Improvements	10-50 years
Infrastructure	10-30 years

Fund Financial Statements

In the fund financial statements, capital assets acquired for use in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets acquired for use in proprietary fund operations are accounted for the same as in the government-wide statements.

Deferred Revenue

Deferred revenue consists of resources that have been received but not yet earned.

VILLAGE OF ROSSVILLE
NOTES TO BASIC FINANCIAL STATEMENTS
APRIL 30, 2023

Long-Term Debt

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. All long-term debt to be repaid from business-type resources is reported as liabilities in government-wide and fund financial statements. Bond premiums and discounts as well as issuance costs are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

Long-term debt of governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund financial statements as the treatment in the government-wide statements, which is the debt proceeds are reported as liabilities at the time of occurrence and payment of principal is reported as reduction in debt outstanding and interest is reported as an expense.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows / Inflows of Resources

Deferred outflows and inflows related to pensions represent the changes in total pension liability related to the difference in actual and expected experience or changes in assumptions regarding future events recognized over the expected remaining service life of all employees and differences in projected and actual earnings over the measurement period recognized over a five-year period.

Deferred inflows of resources related to unavailable revenues from property and other taxes represent an acquisition of net position that applies to future period(s) and will not be recognized as an inflow of resources (revenue) until that time. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Equity Classification

Government-Wide Statements

In the government-wide statements, equity is classified as net position and displayed in three components. When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first and then unrestricted.

VILLAGE OF ROSSVILLE
NOTES TO BASIC FINANCIAL STATEMENTS
APRIL 30, 2023

- Net Investment in Capital Assets - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other debt that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted Net Position - consists of net position with constraints placed on their use either by external groups such as creditors, grantors, contributors, or laws or regulations of other higher authority governments, or by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position - consists of all other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

Fund Financial Statements

In the governmental fund statements, fund equity is classified as fund balance and displayed in five components in accordance with GASB Statement Number 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The five components of fund balance are:

- Nonspendable - consists of fund balance amounts that cannot be spent either because they are not in spendable form or because of legal or contractual constraints require them to be maintained intact. At April 30, 2023, the Village had \$9,698 nonspendable in the general fund for prepaid expenses.
- Restricted - consists of fund balances with constraints placed on their use either by external groups, by laws of higher authority governments or by constitutional provisions, or enabling legislation. At April 30, 2023, the Village reported the total amount of \$655,301 as restricted in the following components:
 - \$315,827 restricted in the motor fuel tax fund for unspent motor fuel tax. This amount can only be spent on street and alley improvements under state laws and procedures.
 - \$339,474 restricted in the TIF fund for unspent special tax levy. This amount can only be spent for economic development in the TIF district.
- Committed - consists of fund balance amounts that are constrained for specific purposes that are internally imposed by formal action of the highest level of decision-making authority, the Village Trustees. These amounts are committed thru a resolution approved by the Village Trustees prior to year-end (actual amounts are determined after year-end). Any changes to the constraints imposed require amendment by the same type of Village Trustee resolution. At April 30, 2023, the Village had \$3,634 committed for the purchase of police vehicles. This amount can only be spent on police vehicles per Board of Trustees’ Resolution.

VILLAGE OF ROSSVILLE
NOTES TO BASIC FINANCIAL STATEMENTS
APRIL 30, 2023

- Assigned - consists of fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance may be assigned by financial management or official action of the Village Trustees and also includes all amounts in governmental funds, other than the general fund, that are not restricted or committed. Assignments may take place after the end of the reporting period. At April 30, 2023, the Village had \$18,968 assigned for economic development in the TIF fund.
- Unassigned - consists of residual positive fund balance within the general fund which has not been classified within the other above categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes. At April 30, 2023, the Village had \$446,817 as unassigned in the general fund.

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first unless there are legal documents or contracts that prohibit this (ex. grant agreements). Additionally, if different levels of unrestricted funds are available for spending, the Village considers committed funds to be expended first followed by assigned and then unassigned funds.

The Village does not maintain any rainy-day funds (amounts set aside for use in emergency situations or when a budgetary imbalance arises). The Village also does not utilize encumbrance accounting. Appropriations not spent at year-end lapse and may be acted upon as a supplemental appropriation, if required.

Program Revenues

In the Statement of Activities, revenues that are derived directly from each activity or from parties outside the Village's taxpayers are reported as program revenues. Program revenues include the following:

Governmental Activities

Charges for Services:

Licenses and Permits	Fees paid by the public for licenses and permits.
Fines and Forfeitures	Amounts remitted to the Village by entities and persons for court fines.
Mowing Income	Fees paid by the public (entities) for mowing.
Rental Income	Rent paid by the public for use of Village property.
Other Fees	Other fees paid by the public.

VILLAGE OF ROSSVILLE
NOTES TO BASIC FINANCIAL STATEMENTS
APRIL 30, 2023

Operating Grants and Contributions:

Donations	Donations received from the public for park projects which are exclusively used for public purposes.
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Business-Type Activities

Charges for Services:

Sales / Customer Charges / Gas Tax / Penalties / Miscellaneous / Reconnection Fees	Various fees and taxes paid by the public for gas water, sewer, and storm water services.
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Antenna Rent and Reimbursement	Amounts remitted to the Village by entities and persons for use Village property.
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Capital Grants and Contributions:

American Rescue Plan Act Funds	Revenue received from the Illinois Non-Entitlement Unit for providing municipal government services to Village residents.
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All other governmental revenues are reported as general. All taxes are classified as general revenue even if restricted for a specific purpose.

Operating and Non-Operating Revenues and Expenses of the Proprietary Funds

Operating revenues and expenses for the proprietary funds are those that result from providing services. It also includes all revenues and expenses not related to capital and related financing, non-capital financing, or investing activities.

Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide Statement of Net Position and Statement of Activities, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Fund Financial Statements

Interfund activity, if any, within and among the governmental fund categories is reported as follows in the fund financial statements:

- Interfund Loans - Amounts provided with a requirement for repayment are reported as due from other funds and due to other funds.

VILLAGE OF ROSSVILLE
NOTES TO BASIC FINANCIAL STATEMENTS
APRIL 30, 2023

- Interfund Services - Sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.
- Interfund Reimbursements - Repayments from funds responsible for certain expenditures/expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds.
- Interfund Transfers - Flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

Government-Wide Financial Statements

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

- Internal Balances - Amounts reported in the fund financial statements as due to and due from other funds are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities which are reported as Internal Balances.
- Internal Activities - Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities except for the net amount of transfers between governmental and business-type activities, which are reported as Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities.

Unpaid Vacation and Sick Pay

Full-time, permanent employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the Village. Sick leave accrued to full-time, permanent employees to specified maximums. Generally, after one year of service, employees are entitled to a percentage of their sick leave balance and all accrued vacation leave upon termination.

The estimated current portion of the liability for vested vacation and sick benefits attributable to the Village's governmental funds are recorded as an expenditure and liability in the respective funds. The amounts attributable to proprietary funds are charged to an expense and a corresponding liability in the applicable fund.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures (such as estimated useful lives in determining depreciation expense); accordingly, actual results could differ from those estimates.

VILLAGE OF ROSSVILLE
NOTES TO BASIC FINANCIAL STATEMENTS
APRIL 30, 2023

Subsequent Events

The Village has evaluated subsequent events through September 5, 2023, the date on which the financial statements were available to be issued. There were no subsequent events requiring recognition or disclosure in the financial statements.

NOTE 2 – Legal Budget

Legal budgets are prepared in the form of an appropriations ordinance for the Village funds using the same accounting basis and practices as are used to account for and prepare financial reports. Unexpected appropriations lapse at the end of each fiscal year. Once a budget is approved, it can be amended at the function and fund level by approval of a majority of the members of the Village's Board of Trustees after a public notice and hearing. Appropriations transfers between budget line items may be presented to the Board at their regular meetings. Each transfer must have Board approval. Such transfers are made before the fact and are reflected in the official minutes 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. There were no transfers made after fiscal year-end, as dictated by law. A comparison of budget to actual expenditures is provided for each major governmental fund in the required supplementary information. For the year ended April 30, 2023, actual cash expenditures exceeded appropriations by \$16,027 in the gas fund. Overspending the gas fund was the result of not appropriating enough for IMGA purchases.

NOTE 3 – Property Taxes

Property taxes are levied and attach as an enforceable lien on January 1st on property values assessed as of the same date. Property tax is levied each year on all taxable real property located in the Village on or before the last Tuesday in December (by passage of the Tax Levy Ordinance). The 2021 tax levy was adopted by the Board on November 15, 2021. The 2022 tax levy was adopted by the Board on November 21, 2022. The first installment is due 30 days after the bills are mailed by the County and the second installment is due in September. Tax bills are typically mailed in May or June. The Village receives significant distributions of tax receipts approximately one month after these due dates.

The property tax revenues recorded in the current-year financial statements represent the collections of the 2021 property tax levy. The 2022 property tax levy has been recorded as a receivable and a deferred inflow since this amount is normally not collected within a time period to be available and is intended to finance the operations for the year ended April 30, 2024. No provision has been made for delinquent property taxes since in past years the amount has been insignificant.

NOTE 4 – Cash and Cash Equivalents

The Village's cash deposits consist of checking, certificate of deposits, and money markets. These deposits are stated at cost. The Village is authorized to invest excess funds in instruments outlined under Chapter 30, Section 235 of the Illinois Compiled Statutes. Such instructions include obligations of the U.S. Treasury, agencies, instrumentalities, commercial paper noted

VILLAGE OF ROSSVILLE
NOTES TO BASIC FINANCIAL STATEMENTS
APRIL 30, 2023

within the three highest classifications by at least two standard rating services, obligations of state and their political subdivision, saving accounts, credit union shares, and the Illinois Funds or such other officially recognized funds. The Village does not have a separate investment policy.

Custodial Credit Risk – Bank Deposit

Custodial credit risk is the risk that in the event of a bank failure, the Village’s deposits, including amounts in checking, savings, certificate of deposits, and money market accounts may not be returned. At April 30, 2023, the Village had a bank balance of \$3,612,935, which reconciled to a book balance of \$3,592,393, exposed to custodial credit risk. The table presented below is designed to disclose the level of custodial credit risk assumed by the Village based upon how its deposits were insured or secured with collateral at April 30, 2023. The categories of custodial credit risk are defined as follows:

Category 1 – Insured by Federal Deposit Insurance Corporation (FDIC) or collateralized with securities held by the Village or by its agent in its name.

Category 2 – Uninsured but collateralized with securities held by the pledging financial institution’s trust department or agent in the Village's name.

Category 3 – Uninsured and uncollateralized; or collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the Village’s name; or properly collateralized with no written and approved collateral agreement.

<u>Type of Deposit</u>	<u>Total Bank Balance</u>	<u>Custody Credit Risk Category</u>			
		<u>1</u>	<u>2</u>	<u>3</u>	
<i>Insured Deposits</i>	\$ 500,000	\$ 500,000	\$ -	\$ -	
<i>Uninsured Deposits</i>					
Collateralized	3,112,935	-	3,112,935	-	Total Bank
Uncollateralized	-	-	-	-	Balance
Total Deposits	<u>\$ 3,612,935</u>	<u>\$ 500,000</u>	<u>\$ 3,112,935</u>	<u>\$ -</u>	<u>\$ 3,612,935</u>

Reconciliation to Government-Wide Statement of Net Position:

Cash and Cash Equivalents	\$ 2,544,096
Investments	791,332
Outstanding Items	20,542
Restricted Cash and Cash Equivalents	256,965
Total Bank Balance	<u><u>\$ 3,612,935</u></u>

VILLAGE OF ROSSVILLE
NOTES TO BASIC FINANCIAL STATEMENTS
APRIL 30, 2023

NOTE 5 – Receivables

All of the receivables on the balance sheet are expected to be collected within one year. Governmental funds report *unearned revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the component of *unearned revenue* reported in the governmental fund was as follows:

	<u>Unearned</u>
Property taxes receivable for subsequent year	\$ 476,851
Property taxes received for subsequent year	<u>-</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 476,851</u>
Unearned revenue included in deferred inflows of resources	<u>\$ 476,851</u>

NOTE 6 – Capital Assets

A summary of capital assets activity, for the fiscal year ended April 30, 2023, was as follows for governmental activities:

	Balance at <u>5/1/2022</u>	<u>Additions</u>	<u>Deductions</u>	Balance at <u>4/30/2023</u>
Capital Assets Not Being Depreciated:				
Land	\$ 97,310	\$ -	\$ -	\$ 97,310
Other Capital Assets:				
Buildings	217,960	-	-	217,960
Equipment	357,064	19,423	-	376,487
Improvements	191,441	-	-	191,441
Infrastructure	682,510	122,132	-	804,642
Total Depreciable Property at Historical Cost	<u>1,448,975</u>	<u>141,555</u>	<u>-</u>	<u>1,590,530</u>
Less Accumulated Depreciation for:				
Buildings	209,846	1,236	-	211,082
Equipment	284,857	20,791	-	305,648
Improvements	109,900	8,462	-	118,362
Infrastructure	486,351	35,431	-	521,782
Total Accumulated Depreciation	<u>1,090,954</u>	<u>65,920</u>	<u>-</u>	<u>1,156,874</u>
Other Capital Assets, Net	<u>358,021</u>	<u>75,635</u>	<u>-</u>	<u>433,656</u>
Capital Assets, Net	<u>\$ 455,331</u>	<u>\$ 75,635</u>	<u>\$ -</u>	<u>\$ 530,966</u>

VILLAGE OF ROSSVILLE
NOTES TO BASIC FINANCIAL STATEMENTS
APRIL 30, 2023

A summary of capital assets activity, for the fiscal year ended April 30, 2023, was as follows for business-type activities:

	Balance at <u>5/1/2022</u>	Additions	Deductions	Balance at <u>4/30/2023</u>
Capital Assets Not Being Depreciated:				
None	\$ -	\$ -	\$ -	\$ -
Other Capital Assets:				
Buildings	940,864	-	-	940,864
Equipment	1,149,694	36,267	-	1,185,961
Improvements	726,323	212,646	-	938,969
Total Depreciable Property at Historical Cost	<u>2,816,881</u>	<u>248,913</u>	<u>-</u>	<u>3,065,794</u>
Less Accumulated Depreciation for:				
Buildings	746,077	54,914	-	800,991
Equipment	880,793	44,486	-	925,279
Improvements	181,351	13,906	-	195,257
Total Accumulated Depreciation	<u>1,808,221</u>	<u>113,306</u>	<u>-</u>	<u>1,921,527</u>
Other Capital Assets, Net	<u>1,008,660</u>	<u>135,607</u>	<u>-</u>	<u>1,144,267</u>
Capital Assets, Net	<u>\$ 1,008,660</u>	<u>\$ 135,607</u>	<u>\$ -</u>	<u>\$ 1,144,267</u>

Depreciation expense was charged to the following functions on the Statement of Activities:

Governmental Activities:

General Government	\$ 6,754
Police	9,645
Other Public Safety	2,688
Streets and Alleys	11,402
Economic Development	35,431
Total Depreciation Expense	<u>\$ 65,920</u>

Business-Type Activities:

Gas	\$ 23,436
Water	68,738
Sewer	18,421
Storm Water	2,711
Total Depreciation Expense	<u>\$ 113,306</u>

VILLAGE OF ROSSVILLE
NOTES TO BASIC FINANCIAL STATEMENTS
APRIL 30, 2023

NOTE 7 – Interfund Loans

The following is a summary of interfund loans at April 30, 2023:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Major Funds:		
General Fund	\$ -	\$ 86
Sewer Fund	86	-
Total	<u>\$ 86</u>	<u>\$ 86</u>

This interfund loan represents the amount of the American Rescue Plan Act (ARPA) funds deposited in the general fund that is to be transferred to the sewer fund. The Village will be using these funds for sewer improvements. This interfund loan is expected to be paid back within one year.

NOTE 8 – Interfund Transfers

The following is a summary of interfund transfers during the year ended April 30, 2023:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
General Fund	\$ 5,529	\$ 82,808
TIF Fund	-	5,529
Sewer Fund	82,808	-
Total	<u>\$ 88,337</u>	<u>\$ 88,337</u>

Transfer of \$5,529 was made from the TIF fund to the general fund as stated by the TIF agreement. Transfer of \$82,808 was made to move the ARPA funds received during the year ended April 30, 2022 in the general fund to the sewer fund to properly account for and match where the funds were to be expended.

NOTE 9 – Long-Term Debt

As of April 30, 2023, the long-term debt, arising from cash transactions, payable from governmental fund resources consisted of the following:

Notes Payable:

Secured note payable dated January 22, 2020 with Iroquois Federal Savings and Loan Association located in Hoopston, Illinois with 60 monthly payments of \$1,623 beginning February 22, 2020; Matures on January 22, 2025; Original principal of \$88,666; Bearing interest rate of 3.75%; Secured by two 2020 Ford F550 trucks.

- Paid by general fund resources (10%) \$ 3,293

VILLAGE OF ROSSVILLE
NOTES TO BASIC FINANCIAL STATEMENTS
APRIL 30, 2023

As of April 30, 2023, the long-term debt, arising from cash transactions, payable from business-type fund resources consisted of the following:

Notes Payable:

Secured note payable dated January 22, 2020 with Iroquois Federal Savings and Loan Association located in Hoopeston, Illinois with 60 monthly payments of \$1,623 beginning February 22, 2020; Matures on January 22, 2025; Original principal of \$88,666; Bearing interest rate of 3.75%; Secured by two 2020 Ford F550 trucks.

- Paid by gas fund resources (40%) \$ 13,172
- Paid by water fund resources (30%) \$ 9,879
- Paid by sewer fund resources (10%) \$ 3,292
- Paid by storm water fund resources (10%) \$ 3,292

Secured note payable (line of credit) dated November 3, 2022 with Iroquois Federal Savings and Loan Association located in Hoopeston, Illinois for \$1,000,000, and will pay in full upon demand; Matures on November 3, 2023; Original principal of \$1,000,000; Bearing interest rate of 6.50%; This loan is unsecured.

- Paid by sewer fund resources (100%) \$ 49,632

Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended April 30, 2023:

Type of Debt	Balance May 1, 2022	Additions	Reductions	Balance April 30, 2023	Amount Due Within One Year
<i>Governmental Activities:</i>					
Notes Payable	5,081	-	1,788	3,293	1,856
<i>Business-Type Activities:</i>					
Notes Payable	45,723	-	16,088	29,635	16,702
Notes Payable (LOC)	-	49,632	-	49,632	49,632
Total	<u>\$ 45,723</u>	<u>\$ 49,632</u>	<u>\$ 16,088</u>	<u>\$ 79,267</u>	<u>\$ 66,334</u>

Interest expense for the governmental activities notes payable for the year ended April 30, 2023 was \$160. This amount was charged to the streets and alleys function on the Statement of Activities.

Interest expense for the business-type activities notes payable for the year ended April 30, 2023 was \$1,440. Of this amount, \$640 was charged to the gas function, \$480 was charged to the water function, \$160 was charged to the sewer function, and \$160 was charged to the storm water function on the Statement of Activities.

VILLAGE OF ROSSVILLE
NOTES TO BASIC FINANCIAL STATEMENTS
APRIL 30, 2023

Interest expense for the business-type activities notes payable (line of credit) for the year ended April 30, 2023 was \$424. This amount was charged to the sewer function on the Statement of Activities.

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, for long-term debt, as of April 30, 2023, are as follows:

<i>Year Ended</i> <i>April 30,</i>	<i>Governmental Activities</i>		<i>Business-Type Activities</i>	
	<i>Notes Payable</i>		<i>Notes Payable</i>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 1,856	\$ 92	\$ 66,334	\$ 826
2025	1,437	23	12,933	203
Total	<u>\$ 3,293</u>	<u>\$ 115</u>	<u>\$ 79,267</u>	<u>\$ 1,029</u>

NOTE 10 – Pension Plans

Illinois Municipal Retirement Fund

Plan Description: The Village’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 Village’s plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. A summary of IMRF’s pension benefits is provided in the “Benefits Provided” section below. 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.

VILLAGE OF ROSSVILLE
NOTES TO BASIC FINANCIAL STATEMENTS
APRIL 30, 2023

Under Tier 1, the pension is increased by 3% of the original amount on January 1st every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1st 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, 2022, the following employees were covered by the benefit terms:

Retirees and Beneficiaries Currently Receiving Benefits	9
Inactive Plan Members Entitled to but not yet Receiving Benefits	5
Active Plan Members	9
Total	23

Contributions: As set by statute, the Village’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 Village’s annual required contribution rate for calendar years 2022 and 2023 was 8.47% and 8.03%, respectively. For calendar year 2022, the Village contributed \$34,970 to the plan. For the fiscal year ended April 30, 2023, the Village contributed \$34,481 to the plan. The Village 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 Village’s net pension liability was measured as of December 31, 2022. 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, 2022:

- 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%.

VILLAGE OF ROSSVILLE
NOTES TO BASIC FINANCIAL STATEMENTS
APRIL 30, 2023

- Salary Increases were expected to be 2.85% to 13.75%.
- 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 for the 2020 valuation pursuant to an experience study of the period 2017 – 2019.
- For non-disabled Retirees, an IMRF-specific mortality table was used (Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables) with future mortality improvements projected using scale MP-2020.
- For Disabled Retirees, an IMRF-specific mortality table was used (Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables) with future mortality improvements projected using scale MP-2020.
- For Active Members, an IMRF-specific mortality table was used (Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables) with future mortality improvements projected using scale MP-2020.
- 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 as of December 31, 2022:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	35.5%	6.50%
International Equity	18.0%	7.60%
Fixed Income	25.5%	4.90%
Real Estate	10.5%	6.20%
Alternative Investments	9.5%	6.25% - 9.90%
Cash Equivalents	1.0%	4.00%
Total	100%	

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 (to the extent that the plan's 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)

VILLAGE OF ROSSVILLE
NOTES TO BASIC FINANCIAL STATEMENTS
APRIL 30, 2023

as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 4.05%, and the resulting single discount rate is 7.25%.

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% Lower 6.25%	Current Discount 7.25%	1% Higher 8.25%
Total Pension Liability	\$ 2,015,088	\$ 1,777,406	\$ 1,590,557
Plan Fiduciary Net Position	1,502,814	1,502,814	1,502,814
Net Pension Liability / (Asset)	<u>\$ 512,274</u>	<u>\$ 274,592</u>	<u>\$ 87,743</u>

Changes in Net Pension Liability / (Asset): The Village's changes in net pension liability / (asset) for the calendar year ended December 31, 2022 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2021	\$ 1,644,047	\$ 1,729,636	\$ (85,589)
Service Cost	36,667	-	36,667
Interest on Total Pension Liability	117,990	-	117,990
Difference Between Expected and Actual Experience of the Total Pension Liability	48,555	-	48,555
Change of Assumptions	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(69,853)	(69,853)	-
Contributions - Employer	-	34,969	(34,969)
Contributions - Employee	-	18,579	(18,579)
Net Investment Income	-	(200,939)	200,939
Other (Net Transfer)	-	(9,578)	9,578
Balances at December 31, 2022	<u>\$ 1,777,406</u>	<u>\$ 1,502,814</u>	<u>\$ 274,592</u>

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions: For the year ended April 30, 2023, the Village recognized pension expense of \$69,396. At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

VILLAGE OF ROSSVILLE
NOTES TO BASIC FINANCIAL STATEMENTS
APRIL 30, 2023

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 45,978	\$ -
Changes of Assumptions	-	3,838
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	260,319	146,598
Total Deferred Amounts to be Recognized in Pension Expense in Future Periods	306,297	150,436
Contributions Subsequent to the Measurement Date	10,470	-
Total Deferred Amounts Related to Pensions	\$ 316,767	\$ 150,436

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 of Resources
2023	\$ 8,423
2024	32,829
2025	49,530
2026	65,079
Total	\$ 155,861

NOTE 11 – Commitments

The Village is in the process of a lift station project related to its sewerage system facilities. The Village has been approved for \$1,718,000 sewerage system revenue bonds from USDA Rural Development. In addition, the Village has applied for interim loan financing for up to \$1,000,000 from a local bank for phase one of the lift station project. This interim loan financing will be paid off with the revenue bonds from USDA Rural development after the project is complete. The Village is in agreement with Cross Construction, Inc. in the amount of \$746,610 for phase one of the project. The Village is in agreement with Fehr Graham and Associates LLC in the amount of \$179,000 for engineering related to the project.

NOTE 12 – Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village purchases commercial insurance to cover these risks of loss. During the current fiscal year there were no significant reductions in insurance coverage for any category. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

VILLAGE OF ROSSVILLE
NOTES TO BASIC FINANCIAL STATEMENTS
APRIL 30, 2023

NOTE 13 – Legal Debt Margin

The Village’s legal debt margin is 8.625% of the most recent available equalized assessed valuation (EAV) of the Village per 65 ILCS 5/8-5-1.

2022 EAV	\$ 7,265,407
Debt Legal (%)	8.625%
Debt Margin	<u>626,641</u>
Current Debt	<u>82,560</u>
Remaining Debt Margin	<u><u>\$ 544,081</u></u>

NOTE 14 – Restricted Property Tax Activity

The Village had the following restricted property tax activity in the general fund during the year ended April 30, 2023:

	<u>Restricted Purpose</u>
	Road & Bridge
Restricted Balance at April 30, 2022	\$ -
Property Taxes Received	4,296
Expenditures Incurred	<u>(4,296)</u>
Restricted Balance at April 30, 2023	<u><u>\$ -</u></u>

VILLAGE OF ROSSVILLE
ILLINOIS MUNICIPAL RETIREMENT FUND
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
LAST 10 CALENDAR YEARS

<u>Calendar Year Ending December 31,</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability								
Service Cost	\$ 36,667	\$ 39,017	\$ 35,652	\$ 33,188	\$ 25,877	\$ 29,369	\$ 29,156	\$ 28,542
Interest on the Total Pension Liability	117,990	111,511	105,320	97,331	90,745	87,515	84,174	76,812
Benefit Changes	-	-	-	-	-	-	-	-
Difference Between Expected and Actual Experience	48,555	7,569	21,892	41,456	33,272	16,938	(17,503)	31,642
Assumption Changes	-	-	(14,929)	-	41,916	(30,582)	(3,187)	3,069
Benefit Payments and Refunds	(69,853)	(65,236)	(63,235)	(62,794)	(63,004)	(53,845)	(48,562)	(29,846)
Net Change in Total Pension Liability	133,359	92,861	84,700	109,181	128,806	49,395	44,078	110,219
Total Pension Liability - Beginning	1,644,047	1,551,186	1,466,486	1,357,305	1,228,499	1,179,104	1,135,026	1,024,807
Total Pension Liability - Ending (a)	\$ 1,777,406	\$ 1,644,047	\$ 1,551,186	\$ 1,466,486	\$ 1,357,305	\$ 1,228,499	\$ 1,179,104	\$ 1,135,026
Plan Fiduciary Net Position								
Employer Contributions	\$ 34,969	\$ 43,483	\$ 39,742	\$ 30,327	\$ 32,517	\$ 30,819	\$ 26,017	\$ 25,089
Employee Contributions	18,579	18,600	17,847	15,456	14,223	15,297	13,230	10,908
Pension Plan Net Investment Income	(200,939)	247,783	186,283	210,596	(64,706)	175,826	66,254	5,049
Benefit Payments and Refunds	(69,853)	(65,236)	(63,235)	(62,794)	(63,004)	(53,845)	(48,562)	(29,846)
Other	(9,578)	(8,318)	3,588	(784)	25,906	(3,349)	(1,353)	(66,848)
Net Change in Plan Fiduciary Net Position	(226,822)	236,312	184,225	192,801	(55,064)	164,748	55,586	(55,648)
Plan Fiduciary Net Position - Beginning	1,729,636	1,493,324	1,309,099	1,116,298	1,171,362	1,006,614	951,028	1,006,676
Plan Fiduciary Net Position - Ending (b)	\$ 1,502,814	\$ 1,729,636	\$ 1,493,324	\$ 1,309,099	\$ 1,116,298	\$ 1,171,362	\$ 1,006,614	\$ 951,028
Net Pension Liability / (Asset) - Ending (a) - (b)	\$ 274,592	\$ (85,589)	\$ 57,862	\$ 157,387	\$ 241,007	\$ 57,137	\$ 172,490	\$ 183,998
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	84.55%	105.21%	96.27%	89.27%	82.24%	95.35%	85.37%	83.79%
Covered Valuation Payroll	\$ 412,869	\$ 413,333	\$ 393,603	\$ 343,454	\$ 299,974	\$ 273,212	\$ 259,395	\$ 242,403
Net Pension Liability as a Percentage of Covered Valuation Payroll	66.51%	-20.71%	14.70%	45.82%	80.34%	20.91%	66.50%	75.91%

The Village implemented GASB Statement No. 68 in the year ended April 30, 2016. Information prior to the year ended April 30, 2016 is not available.

**VILLAGE OF ROSSVILLE
ILLINOIS MUNICIPAL RETIREMENT FUND
MULTIYEAR SCHEDULE OF CONTRIBUTIONS
LAST 10 CALENDAR YEARS**

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2015	\$ 25,089	\$ 25,089	\$ -	\$ 242,403	10.35%
2016	\$ 26,017	\$ 26,017	\$ -	\$ 259,395	10.03%
2017	\$ 30,818	\$ 30,819	\$ (1)	\$ 273,212	11.28%
2018	\$ 32,517	\$ 32,517	\$ -	\$ 299,974	10.84%
2019	\$ 30,327	\$ 30,327	\$ -	\$ 343,454	8.83%
2020	\$ 39,439	\$ 39,742	\$ (303)	\$ 393,603	10.10%
2021	\$ 43,483	\$ 43,483	\$ -	\$ 413,333	10.52%
2022	\$ 34,970	\$ 34,969	\$ 1	\$ 412,869	8.47%

The Village implemented GASB Statement No. 68 in the year ended April 30, 2016. Information prior to the year ended April 30, 2016 is not available.

**VILLAGE OF ROSSVILLE
ILLINOIS MUNICIPAL RETIREMENT FUND
NOTES TO SCHEDULES**

Valuation Date:

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

Methods and Assumptions Used to Determine 2022 Contribution Rates:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll; Closed
Remaining Amortization Period	21-Year Closed Period
Asset Valuation Method	5-Year Smoothed Market; 20% Corridor
Wage Growth	2.75%
Price Inflation	2.25%
Salary Increases	2.85% to 13.75% including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017 - 2019.
Mortality	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-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other Information:

Notes There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2020 actuarial valuation.

**VILLAGE OF ROSSVILLE
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED APRIL 30, 2023**

	Budget		Actual	Total
	Original	Final		Under (Over) Budget
Revenue				
<i>Local Taxes</i>				
Property Taxes	\$ 28,300	\$ 28,300	\$ 22,078	\$ 6,222
<i>Intergovernmental Receipts & Grants</i>				
State Income Tax	135,000	135,000	187,902	(52,902)
State Sales Tax	70,000	70,000	94,955	(24,955)
State Use Tax	35,000	35,000	50,068	(15,068)
State Cannabis Use Tax	2,000	2,000	1,901	99
State Replacement Tax	4,000	4,000	11,588	(7,588)
State Video Gaming Tax	1,000	1,000	2,903	(1,903)
<i>Other Sources</i>				
Licenses and Permits	7,410	7,410	8,063	(653)
Fines and Forfeitures	22,985	22,985	5,127	17,858
Franchise Fees	16,000	16,000	12,499	3,501
Mowing Income	5,000	5,000	9,400	(4,400)
Rental Income	300	300	1,800	(1,500)
Other Fees	300	300	1,193	(893)
Interest Income	1,000	1,000	2,619	(1,619)
Donations	-	-	2,000	(2,000)
Total Revenues	<u>328,295</u>	<u>328,295</u>	<u>414,096</u>	<u>(85,801)</u>
Expenditures				
<i>Current</i>				
General Government	23,905	23,905	27,358	(3,453)
Police	260,450	260,450	207,061	53,389
Other Public Safety	500	500	500	-
Streets and Alleys	119,450	119,450	98,065	21,385
<i>Capital Outlay</i>	19,000	19,000	19,423	(423)
<i>Debt Service:</i>				
Principal	1,700	1,700	1,788	(88)
Interest	400	400	160	240
Total Expenditures	<u>425,405</u>	<u>425,405</u>	<u>354,355</u>	<u>71,050</u>
Excess (Deficiency) of Revenue Over Expenditures	<u>(97,110)</u>	<u>(97,110)</u>	<u>59,741</u>	<u>(156,851)</u>
Other Financing Sources (Uses)				
Transfers In (Out)	4,000	4,000	(77,279)	(81,279)
Proceeds from Sale of Capital Assets	5,000	5,000	-	(5,000)
Total Other Financing Sources (Uses)	<u>9,000</u>	<u>9,000</u>	<u>(77,279)</u>	<u>86,279</u>
Net Change in Fund Balances	<u>\$ (88,110)</u>	<u>\$ (88,110)</u>	<u>(17,538)</u>	<u>\$ (70,572)</u>
Fund Balances - Beginning of Year			477,687	
Fund Balances - End of Year			<u>\$ 460,149</u>	

The notes to budgetary comparison schedules are an integral part of this statement.

**VILLAGE OF ROSSVILLE
BUDGETARY COMPARISON SCHEDULE
MOTOR FUEL TAX FUND
FOR THE YEAR ENDED APRIL 30, 2023**

	Budget		Actual	Total Under (Over) Budget
	Original	Final		
<u>Revenue</u>				
<i>Intergovernmental Receipts & Grants</i>				
State Motor Fuel Tax	\$ 60,000	\$ 60,000	\$ 65,949	\$ (5,949)
<i>Other Sources</i>				
Interest Income	10	10	130	(120)
Total Revenues	60,010	60,010	66,079	(6,069)
<u>Expenditures</u>				
<i>Current</i>				
Streets and Alleys	33,099	33,099	3,608	29,491
Total Expenditures	33,099	33,099	3,608	29,491
Excess (Deficiency) of Revenue				
Over Expenditures	\$ 26,911	\$ 26,911	62,471	\$ (35,560)
Fund Balances - Beginning of Year			253,356	
Fund Balances - End of Year			\$ 315,827	

The notes to budgetary comparison schedules are an integral part of this statement.

VILLAGE OF ROSSVILLE
BUDGETARY COMPARISON SCHEDULE
TIF FUND
FOR THE YEAR ENDED APRIL 30, 2023

	Budget		Actual	Total Under (Over) Budget
	Original	Final		
<u>Revenue</u>				
<i>Local Taxes</i>				
Property Taxes	\$ 420,000	\$ 420,000	\$ 420,645	\$ (645)
<i>Other Sources</i>				
Rental Income	570	570	595	(25)
Interest Income	-	-	5	(5)
Total Revenues	420,570	420,570	421,245	(675)
<u>Expenditures</u>				
<i>Current</i>				
Economic Development	364,800	402,750	331,859	70,891
<i>Capital Outlay</i>				
	80,000	123,000	122,132	868
Total Expenditures	444,800	525,750	453,991	71,759
Excess (Deficiency) of Revenue				
Over Expenditures	(24,230)	(105,180)	(32,746)	(72,434)
Other Financing Sources (Uses)				
Transfers In (Out)	-	-	(5,529)	5,529
Total Other Financing Sources (Uses)	-	-	(5,529)	5,529
Net Change in Fund Balances	\$ (24,230)	\$ (105,180)	(38,275)	\$ (66,905)
Fund Balances - Beginning of Year			396,717	
Fund Balances - End of Year			\$ 358,442	

The notes to budgetary comparison schedules are an integral part of this statement.

VILLAGE OF ROSSVILLE
NOTES TO BUDGETARY COMPARISON SCHEDULES
APRIL 30, 2023

BUDGET LAW

Municipal Budget Law. In accordance with those provisions, the following process is used to adopt the annual budget:

- a. Prior to the end of the first quarter of each fiscal year, a board designated person or persons designated by the board submits to the board a proposed operating budget for the year commencing on May 1st.
- b. Public hearings are conducted to obtain citizen comments. At least one public hearing must be held no later than 10 days prior to final approval of the budget.
- c. Subsequent to the public hearings the budget is adopted by the board. The legal level of control at which expenditures may not legally exceed appropriations is at the fund level.

BASIS OF ACCOUNTING

The budget is prepared on the modified accrual basis of accounting.

VILLAGE OF ROSSVILLE
SCHEDULE OF PROPERTY TAX LEVIES, RATES, EXTENSIONS, AND COLLECTIONS
FOR THE YEAR ENDED APRIL 30, 2023

<i>Tax Levy Year</i>	2022	2021	2020	2019	2018
Fiscal Year of Receipt	2024	2023	2022	2021	2020
Assessed Valuations	\$ 7,265,407	\$ 7,151,779	\$ 7,157,661	\$ 7,111,977	\$ 6,959,027
Tax Levies					
General	\$ 18,772	\$ 18,787	\$ 18,667	\$ 18,266	\$ 18,132
Total Tax Levies	\$ 18,772	\$ 18,787	\$ 18,667	\$ 18,266	\$ 18,132
Tax Rates					
General	0.25000	0.25000	0.25000	0.25000	0.25000
Total Tax Rates	0.25000	0.25000	0.25000	0.25000	0.25000
Tax Extensions					
General	\$ 18,164	\$ 17,879	\$ 17,894	\$ 17,780	\$ 17,398
Total Tax Extensions	\$ 18,164	\$ 17,879	\$ 17,894	\$ 17,780	\$ 17,398
Tax Collections					
General	\$ 17,782	\$ 17,782	\$ 17,617	\$ 17,640	\$ 17,217
Tax Extensions Collected	\$ 17,782	\$ 17,782	\$ 17,617	\$ 17,640	\$ 17,217
Percentage of Extensions Collected	99.46%	99.46%	98.45%	99.21%	98.96%

Note: The above schedule does not include the tax increment area and the road and bridge allocation.