

**VILLAGE OF ROCKDALE, ILLINOIS
(A MUNICIPAL CORPORATION)**

**FINANCIAL STATEMENTS
APRIL 30, 2025**

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To the Mayor and Members of the Board of Trustees
Village of Rockdale
Rockdale, Illinois

Independent Auditor's Report

Report On The Audit Of The Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Rockdale, Illinois, (Village) as of and for the year ended April 30, 2025, 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, 2025, 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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.

Change In Accounting Principle

As discussed in Note 1 of the financial statements, the Village adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, in fiscal year 2025. Our opinion is not modified with respect to this matter.

Responsibilities Of Management For The Financial Statements

The Village's 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 GAAS and GAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and GAS, 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 management's discussion and analysis on pages 4 through 10, and the schedule of changes in net pension liability and related ratios - Illinois Municipal Retirement Fund on pages 41-42 and the schedule of employer contributions - Illinois Municipal Retirement Fund on page 43 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.

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 other supplementary information is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary 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 other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included In The Annual Report

Management is responsible for the other information included in the annual report. The other information comprises the other supplemental schedule but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe in our report.

Other Reporting Required By Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 4, 2026 on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Wermer, Roger, Doran, + Ruyon, 22C".

March 4, 2026

VILLAGE OF ROCKDALE, ILLINOIS

Management's Discussion And Analysis April 30, 2025

Our discussion and analysis of the Village of Rockdale's financial performance provides an overview of the Village's financial activities for the fiscal year ended April 30, 2025. Please read it in conjunction with the Village's financial statements, which begin on page 11.

FINANCIAL HIGHLIGHTS

The Village's net position increased by \$706 thousand, or 3.29%, as a result of this year's operations. Net position of our governmental activities increased by \$1.135 million, or 8.38%, and net position of our business-type activities decreased by \$429 thousand, or 5.43%.

During the year, the Village's governmental activities had revenues of \$4.4 million and expenses of \$3.3 million while the Village's business-type activities had revenues of \$1.9 million and expenses of \$2.3 million.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position (on pages 11 and 12) and the Statement of Activities (on pages 13 and 14) provide information about the activities of the Village as a whole and present a long-term view of the Village's finances. Fund financial statements start on page 15. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village's operations in more detail than the government-wide statements by providing information about the Village's most significant funds.

The Statement Of Net Position And The Statement Of Activities

Our analysis of the Village as a whole begins on page 5. One of the most important questions asked about the Village's finances is, "Is the Village, as a whole, better, or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Village as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Village's *net position* and changes in them. You can think of the Village's net position (the difference between assets, liabilities, and deferred inflows of resources) as one way to measure the Village's financial health, or *financial position*. Over time, *increases or decreases* in the Village's net position are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the Village's property tax base and the condition of the Village's roads, to assess the *overall health* of the Village.

In the Statement of Net Position and the Statement of Activities, we divide the Village into two kinds of activities:

VILLAGE OF ROCKDALE, ILLINOIS

Management's Discussion And Analysis
April 30, 2025

- 1) Governmental Activities – Most of the Village's basic services are reported here, including police protection, public works, and general administration. Property taxes, franchise fees, and state shared revenues finance most of these activities.
- 2) Business-Type Activities – The Village charges fees to customers to help it cover all or most of the costs of certain services it provides. The Village's water and sewer system is reported here.

Reporting The Village's Most Significant Funds

Fund Financial Statements

Our analysis of the Village's major funds begins on page 8. The fund financial statements begin on page 15 and provide detailed information about the most significant funds – not the Village as a whole. The Village Trustees establish funds to help the Village control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The Village's two kinds of funds – *governmental* and *proprietary* – use different accounting approaches.

Governmental Funds – Most of the Village's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted into cash. The governmental fund statements provide a detailed *short-term view* of the Village's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources than can be spent in the near future to finance the Village's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) and governmental *funds* in the reconciliation to the right of the fund financial statements.

Proprietary Funds – When the Village charges customers for the services it provides – whether to outside customers or to other units of the Village – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the Village's enterprise fund (a component of proprietary funds) is the same as the business-type activities we report in the government-wide statements but provides more detail and additional information, such as cash flows, for proprietary funds.

THE VILLAGE AS A WHOLE

The Village's combined net position increased by approximately 3.29%— increasing from \$21.453 million to \$22.159 million. An increase was seen in the governmental activities. The governmental activities increased by approximately 8.38%. The increase in the governmental activities is due mainly to an increase in operating grants and contributions. The business-type activities decreased by about 5.43%. The decrease in the business-type activities can be attributed mainly to an increase in water/sewer expenses. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the Village's governmental and business-type activities:

VILLAGE OF ROCKDALE, ILLINOIS

Management's Discussion And Analysis
April 30, 2025

Table 1
Net Position
(In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets						
Current And Other Assets	\$ 10,606	\$ 9,518	\$ 1,609	\$ 2,064	\$ 12,215	\$ 11,582
Capital Assets	5,324	5,099	6,440	6,102	11,764	11,201
Total Assets	15,930	14,617	8,049	8,166	23,979	22,783
Deferred Outflows Of Resources						
	80	196	-	-	80	196
Liabilities						
Other Liabilities	331	452	576	264	907	716
Total Liabilities	331	452	576	264	907	716
Deferred Inflows Of Resources						
	993	810	-	-	993	810
Net Position						
Net Investment In Capital Assets	5,324	5,099	6,347	5,976	11,671	11,075
Restricted	2,476	2,199	-	-	2,476	2,199
Unrestricted	6,886	6,253	1,126	1,926	8,012	8,179
Total Net Position	\$ 14,686	\$ 13,551	\$ 7,473	\$ 7,902	\$ 22,159	\$ 21,453

The net position of the Village's governmental activities increased from \$13.551 million to \$14.686 million. Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – increased by \$633 thousand or 10.1%.

The net position of the Village's business-type activities decreased from \$7.902 million to \$7.473 million. Unrestricted net position decreased by \$800 thousand. The increase in total net position was primarily due to the aforementioned increase in operating grants and contributions received by the Village.

VILLAGE OF ROCKDALE, ILLINOIS

Management's Discussion And Analysis
April 30, 2025

Table 2
Changes In Net Position
(In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues						
Program Revenues						
Charges For						
Services	\$ 231	\$ 223	\$ 1,837	\$ 1,800	\$ 2,068	\$ 2,023
Operating Grants						
And Contributions	966	98	-	-	966	98
General Revenues						
Property Taxes	530	453	-	-	530	453
Other Taxes	2,420	2,847	-	-	2,420	2,847
Interest And						
Investment						
Earnings	242	164	87	66	329	230
Other	67	76	-	-	67	76
Total Revenues	4,456	3,861	1,924	1,866	6,380	5,727
Program Expenses						
General						
Government	582	477	-	-	582	477
Public Safety	1,803	1,352	-	-	1,803	1,352
Public Works	37	133	-	-	37	133
Streets And Bridges	835	644	-	-	835	644
Community						
Development	64	58	-	-	64	58
Water And Sewer	-	-	2,353	1,601	2,353	1,601
Total Expenses	3,321	2,664	2,353	1,601	5,674	4,265
Change In Net Position	1,135	1,197	(429)	265	706	1,462
Net Position, Beginning	13,551	12,354	7,902	7,637	21,453	19,991
Net Position, Ending	\$ 14,686	\$ 13,551	\$ 7,473	\$ 7,902	\$ 22,159	\$ 21,453

Our analysis that follows separately considers the operations of governmental and business-type activities.

Table 3 presents the cost of each of the Village's activity categories – general government, public safety, public works, refuse disposal, streets and bridges and community development – as well as each category's *net* cost (total cost less revenue generated by the activities). The net cost shows the financial burden that was placed on the Village's taxpayers by each of these functions.

VILLAGE OF ROCKDALE, ILLINOIS

Management's Discussion And Analysis
April 30, 2025

Table 3
Governmental Activities
(In Thousands)

	Total Cost Of Services		Net Cost Of Services	
	2025	2024	2025	2024
General Government	\$ 582	\$ 477	(\$ 364)	\$ 398
Public Safety	1,803	1,352	1,644	1,198
Public Works	37	133	37	133
Streets And Bridges	835	645	744	556
Community Development	64	58	64	58
Total	\$ 3,321	\$ 2,665	\$ 2,125	\$ 2,343

Business-Type Activities

Operating revenues from the Waterworks and Sewerage Fund increased by \$37 thousand in 2025, which amounted to 2.06% more than 2024. Operating expenses from the Waterworks and Sewerage Fund increased in 2025 by \$752 thousand or 46.97%.

THE VILLAGE'S FUNDS

As the Village completed the year, its governmental funds (as presented in the balance sheet on page 15) reported a combined fund balance of \$9.193 million, which is greater than last year's total of \$7.918 million. The governmental funds experienced an increase in its cash and investments by a combined total of \$1.25 million.

General Fund Budgetary Highlights

Total revenue for the General Fund was less than budgeted amounts by \$227 thousand or 5.38%. This negative variance is due to home rule sales taxes were below budgetary expectations.

Total expenditures for the General Fund were under budgeted amounts by \$1.09 million or 25.82%. This negative variance is mostly due to lower-than-expected costs of administration, public safety and capital outlay during the fiscal year.

CAPITAL ASSETS

At April 30, 2025, the Village had \$11.765 million invested in a broad range of capital assets, including land, buildings, equipment, infrastructure, and water and sewer facilities. (See Table 4 at the top of the next page.) This amount represents a net increase (including additions and deductions) of approximately \$564 thousand or 5.04% more than last year, due to increases in road improvements projects and waterworks and sewerage system projects.

VILLAGE OF ROCKDALE, ILLINOIS

Management's Discussion And Analysis
April 30, 2025

Table 4
Capital Assets At Year-End
(Net Of Depreciation, In Thousands)

	Governmental Activities		Business Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 475	\$ 475	\$ 32	\$ 32	\$ 507	\$ 507
Infrastructure	3,810	3,629	-	-	3,810	3,629
Buildings	489	478	-	-	489	478
Waterworks And Sewerage System	-	-	5,083	4,109	5,083	4,109
Equipment	268	228	452	466	720	694
Automotive Equipment	282	289	-	-	282	289
Construction In Progress	-	-	874	1,495	874	1,495
Total	\$ 5,324	\$ 5,099	\$ 6,441	\$ 6,102	\$ 11,765	\$ 11,201

More detailed information about the Village's capital assets is presented in note 4 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Village's elected and appointed officials considered many factors when setting the fiscal year ending April 30, 2025 budget, tax rates, and fees that will be charged for the business-type activities. Economic factors include population growth and the unemployment rate. Based on the most recent census, the Village's population exceeds 1,980.

On April 20, 2021, the Village Council adopted a new ordinance that increases water and sewer rates. On July 16, 2024, the Village Council adopted the fiscal year ending April 30, 2025 budget. Total appropriations for fiscal year 2026 were set at \$10,698,850, an increase of 24.46% over the fiscal year ended April 30, 2025 appropriations of \$8,595,950. The increase in the total budget represents an increase in infrastructure project activity.

During the fiscal year ended April 30, 2013, the Village adopted a redevelopment plan subject to tax incremental financing. The Tax Increment #1 Fund (TIF) was established to account for the portion of taxes attributable to the increase in the current equalized assessed valuation of property within the Village of Rockdale Moen Avenue Redevelopment Plan and Project area. Such property tax increases are to be paid to the Village for deposit into the TIF Fund for the purpose of paying obligations incurred from the Village of Rockdale Moen Avenue Redevelopment Plan and Project costs. The Village has entered into multiple intergovernmental agreements with taxing districts residing within the TIF district that will disallow any unnecessary financial detriment to the other taxing districts caused by the establishment of the TIF and to not have substantial negative impact on the real estate tax bases of the other taxing districts. In 2025, total revenues for the TIF were \$374 thousand and total expenditures were \$64 thousand.

VILLAGE OF ROCKDALE, ILLINOIS

Management's Discussion And Analysis
April 30, 2025

During the fiscal year ended April 30, 2019, the Village created a new capital projects fund, the Moen Avenue Project Fund for the purpose of tracking resources and expenditures for the reconstruction of a portion of Moen Avenue. As of April 30, 2025, the reconstruction project is ongoing.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Village's finances and to show the Village's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Village office at, 79 Moen Avenue, Rockdale, Illinois 60436.

BASIC FINANCIAL STATEMENTS

VILLAGE OF ROCKDALE, ILLINOIS

Statement Of Net Position
April 30, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets			
Current Assets:			
Cash	\$ 5,783,403	\$ 357,202	\$ 6,140,605
Investments	2,843,334	1,335,126	4,178,460
Receivables			
Property Taxes, Net Of Allowance For Uncollectible Amounts	570,410	-	570,410
Leases	6,780		6,780
Customer Accounts	10,499	369,545	380,044
Sales Tax	184,168	-	184,168
Home Rule Sales Tax	139,385	-	139,385
State Income Tax	103,005	-	103,005
Motor Fuel Tax	7,272	-	7,272
Video Gaming Tax	13,577	-	13,577
Telecom Tax	5,728		5,728
Prepaid Expenses	49,376	16,459	65,835
Due From Utilities Companies	14,520	-	14,520
Internal Balances	469,194	(469,194)	-
Total Current Assets	<u>10,200,651</u>	<u>1,609,138</u>	<u>11,809,789</u>
Noncurrent Assets:			
Net Pension Asset	285,563	-	285,563
Lease Receivable - Long Term	119,742	-	119,742
Capital Assets (Net)			
Land	475,327	31,578	506,905
Infrastructure	3,809,869	-	3,809,869
Building	489,224	-	489,224
Combined Water And Sewerage System	-	5,083,060	5,083,060
Equipment	267,980	451,590	719,570
Automotive Equipment	281,592	-	281,592
Construction In Progress	-	873,585	873,585
Total Capital Assets (Net)	<u>5,323,992</u>	<u>6,439,813</u>	<u>11,763,805</u>
Total Noncurrent Assets	<u>5,729,297</u>	<u>6,439,813</u>	<u>12,169,110</u>
Total Assets	<u>15,929,948</u>	<u>8,048,951</u>	<u>23,978,899</u>
Deferred Outflows Of Resources			
Deferred Outflows Of Resources Related To Pensions	80,549	-	80,549
Total Deferred Outflows Of Resources	<u>80,549</u>	<u>-</u>	<u>80,549</u>
Total Assets And Deferred Outflows Of Resources	<u>\$ 16,010,497</u>	<u>\$ 8,048,951</u>	<u>\$ 24,059,448</u>

See Accompanying Notes To Basic Financial Statements.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION			
Liabilities			
Current Liabilities:			
Vouchers Payable	\$ 24,116	\$ 575,735	\$ 599,851
Accrued Salaries And Benefits	199,200	-	199,200
Due To Other Governmental Agencies	107,514	-	107,514
Total Current Liabilities	<u>330,830</u>	<u>575,735</u>	<u>906,565</u>
Deferred Inflows Of Resources			
Deferred Property Tax Revenue	570,410	-	570,410
Deferred Inflows Of Resources Related To Pensions	297,468	-	297,468
Deferred Inflows Of Resources Related To Leases	<u>125,465</u>	<u>-</u>	<u>125,465</u>
Total Deferred Inflows Of Resources	<u>993,343</u>	<u>-</u>	<u>993,343</u>
Net Position			
Net Investment In Capital Assets	5,323,992	6,347,422	11,671,414
Restricted For:			
Employee Benefits	151,515	-	151,515
Maintenance Of Roadways	1,526,294	-	1,526,294
TIF Redevelopment Projects	588,552	-	588,552
Public Safety	79,488	-	79,488
Unrestricted	<u>7,016,483</u>	<u>1,125,794</u>	<u>8,142,277</u>
Total Net Position	<u>14,686,324</u>	<u>7,473,216</u>	<u>22,159,540</u>
Total Liabilities, Deferred Inflows Of Resources, And Net Position	<u>\$ 16,010,497</u>	<u>\$ 8,048,951</u>	<u>\$ 24,059,448</u>

VILLAGE OF ROCKDALE, ILLINOIS

Statement Of Activities
For The Year Ended April 30, 2025

Functions / Programs	Expenses	Program Charges For Services
Governmental Activities:		
General Government	\$ 582,330	\$ 70,960
Public Safety	1,803,480	159,728
Public Works	37,042	-
Streets And Bridges	834,510	-
Community Development	64,206	-
Total Governmental Activities	3,321,568	230,688
Business-Type Activities:		
Water And Sewer	2,353,118	1,837,230
Total Business-Type Activities	2,353,118	1,837,230
Total Government	\$ 5,674,686	\$ 2,067,918

General Revenues:

- Property Tax
- Replacement Tax
- State Income Tax
- State Sales Tax
- Home Rule Sales Tax
- Local Use Tax
- Utility Tax
- Video Gaming Tax
- Other Taxes
- Interest
- Other

Total General Revenues

Change In Net Position

Net Position -
Beginning Of Year

Net Position - End Of Year

See Accompanying Notes To Basic Financial Statements.

Revenues Operating Grants And Contributions	Net (Expense) Revenue And Changes In Net Position		
	Governmental Activities	Business-Type Activities	Total
\$ 875,000	\$ 363,630	\$ -	\$ 363,630
-	(1,643,752)	-	(1,643,752)
-	(37,042)	-	(37,042)
90,940	(743,570)	-	(743,570)
-	(64,206)	-	(64,206)
<u>965,940</u>	<u>(2,124,940)</u>	<u>-</u>	<u>(2,124,940)</u>
-	-	(515,888)	(515,888)
-	-	(515,888)	(515,888)
<u>\$ 965,940</u>	<u>(2,124,940)</u>	<u>(515,888)</u>	<u>(2,640,828)</u>
	530,530	-	530,530
	55,351	-	55,351
	358,814	-	358,814
	751,611	-	751,611
	649,863	-	649,863
	52,582	-	52,582
	481,741	-	481,741
	66,559	-	66,559
	3,121	-	3,121
	242,298	87,175	329,473
	67,464	-	67,464
	<u>3,259,934</u>	<u>87,175</u>	<u>3,347,109</u>
	1,134,994	(428,713)	706,281
	<u>13,551,330</u>	<u>7,901,929</u>	<u>21,453,259</u>
	<u>\$ 14,686,324</u>	<u>\$ 7,473,216</u>	<u>\$ 22,159,540</u>

VILLAGE OF ROCKDALE, ILLINOIS

Governmental Funds
Balance Sheet
April 30, 2025

	General Fund	Tax Increment #1 Fund	Motor Fuel Tax Fund	Moen Avenue Project Fund	Total Governmental Funds
ASSETS					
Cash	\$ 4,513,713	\$ 364,848	\$ 894,779	\$ 10,063	\$ 5,783,403
Investments	2,231,124	-	612,210	-	2,843,334
Receivables					
Property Taxes, Net Of Allowance					
For Uncollectible Amounts	160,089	410,321	-	-	570,410
Accounts	10,499	-	-	-	10,499
Sales Tax	184,168	-	-	-	184,168
Home Rule Sales Tax	139,385	-	-	-	139,385
State Income Tax	103,005	-	-	-	103,005
Motor Fuel Tax	-	-	7,272	-	7,272
Video Gaming Tax	13,577	-	-	-	13,577
Telecom Tax	5,728	-	-	-	5,728
Leases	126,522	-	-	-	126,522
Interest	-	-	-	-	-
Prepaid Expenditures	49,376	-	-	-	49,376
Internal Receivables	2,128,057	331,218	12,033	-	2,471,308
Due From Utilities Companies	14,520	-	-	-	14,520
	\$ 9,679,763	\$ 1,106,387	\$ 1,526,294	\$ 10,063	\$ 12,322,507
LIABILITIES					
Vouchers Payable	\$ 24,116	\$ -	\$ -	\$ -	\$ 24,116
Accrued Salaries And Benefits	199,200	-	-	-	199,200
Due To Other Governmental Agencies	-	107,514	-	-	107,514
Internal Payables	485,873	-	-	1,516,241	2,002,114
	709,189	107,514	-	1,516,241	2,332,944
DEFERRED INFLOWS OF RESOURCES					
Deferred Property Tax Revenue	160,089	410,321	-	-	570,410
Deferred Inflows Of Resources Related To Leases	125,465	-	-	-	125,465
Other Deferred Revenue	100,777	-	-	-	100,777
	386,331	410,321	-	-	796,652
FUND BALANCES					
Nonspendable	49,376	-	-	-	49,376
Restricted For:					
Employee Benefits	82,871	-	-	-	82,871
Maintenance Of Roadways	-	-	1,526,294	-	1,526,294
Public Safety	79,488	-	-	-	79,488
TIF Redevelopment Projects	-	588,552	-	-	588,552
Assigned For:					
Maintenance Of Roadways	192,630	-	-	-	192,630
Public Safety	1,619,740	-	-	-	1,619,740
Unassigned	6,560,138	-	-	(1,506,178)	5,053,960
	8,584,243	588,552	1,526,294	(1,506,178)	9,192,911
	\$ 9,679,763	\$ 1,106,387	\$ 1,526,294	\$ 10,063	\$ 12,322,507
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances					

See Accompanying Notes To Basic Financial Statements.

VILLAGE OF ROCKDALE, ILLINOIS

Reconciliation Of Governmental Funds Balance Sheet To Statement Of Net Position April 30, 2025

Total Fund Balances (From Adjoining Page)	\$	9,192,911
<p>Amounts reported for Governmental Activities in the Statement of Net Position are different because:</p>		
<p>Certain taxes receivable are not available to pay for current period expenditures and therefore are deferred in the governmental funds.</p>		100,777
<p>Capital assets used in Governmental Activities are not current financial resources and therefore are not reported in the funds:</p>		
Capital Assets	\$ 8,477,380	
Accumulated Depreciation	(3,153,388)	
Net Capital Assets		5,323,992
<p>Some assets and related deferred amounts reported in the statement of net position do not require the use of current financial resources and therefore are not reported as assets or deferred amounts in governmental funds. These activities consist of:</p>		
Deferred Outflows Of Resources Related To Pensions		80,549
Net Pension Asset		285,563
Deferred Inflows Of Resources Related To Pensions		(297,468)
Net Position Of Governmental Activities	\$	<u>14,686,324</u>

See Accompanying Notes To Basic Financial Statements.

VILLAGE OF ROCKDALE, ILLINOIS

Statement Of Revenue, Expenditures And
Changes In Fund Balances
Governmental Funds
For The Year Ended April 30, 2025

	<u>General Fund</u>	<u>Tax Increment #1 Fund</u>	<u>Motor Fuel Tax Fund</u>	<u>Moен Avenue Project Fund</u>	<u>Total Governmental Funds</u>
Revenue					
Property Taxes	\$ 166,910	\$ 363,620	\$ -	\$ -	\$ 530,530
Other Taxes	2,454,798	-	-	-	2,454,798
Federal, State And Private Grants And Allotments	875,000	-	90,940	-	965,940
Interest Earnings	178,285	10,016	52,745	1,252	242,298
Licenses, Permits, Rentals And Fees	49,261	-	-	-	49,261
Fines	143,649	-	-	-	143,649
Other	123,558	-	-	-	123,558
Total Revenue	<u>3,991,461</u>	<u>373,636</u>	<u>143,685</u>	<u>1,252</u>	<u>4,510,034</u>
Expenditures					
Current:					
General Government	591,546	-	-	8	591,554
Public Safety	1,593,325	-	-	-	1,593,325
Public Works	37,042	-	-	-	37,042
Streets And Bridges	789,448	-	-	-	789,448
Community Development	-	64,206	-	-	64,206
Capital Outlay	117,827	-	-	85,227	203,054
Total Expenditures	<u>3,129,188</u>	<u>64,206</u>	<u>-</u>	<u>85,235</u>	<u>3,278,629</u>
Excess (Deficiency) Of Revenue Over Expenditures	862,273	309,430	143,685	(83,983)	1,231,405
Other Financing Sources					
Insurance Proceeds	43,984	-	-	-	43,984
Total Other Financing Sources	<u>43,984</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,984</u>
Net Change In Fund Balances	906,257	309,430	143,685	(83,983)	1,275,389
Fund Balances (Deficit), Beginning Of Year	<u>7,677,986</u>	<u>279,122</u>	<u>1,382,609</u>	<u>(1,422,195)</u>	<u>7,917,522</u>
Fund Balances (Deficit), End Of Year	<u>\$ 8,584,243</u>	<u>\$ 588,552</u>	<u>\$ 1,526,294</u>	<u>(\$ 1,506,178)</u>	<u>\$ 9,192,911</u>

See Accompanying Notes To Basic Financial Statements.

VILLAGE OF ROCKDALE, ILLINOIS

Reconciliation Of Statement Of Revenue,
Expenditures And Changes In Fund Balances Of
Governmental Funds To Statement Of Activities
For The Year Ended April 30, 2025

Net Change In Fund Balances - Governmental Funds (From Adjoining Page)	\$ 1,275,389
<i>Amounts reported for governmental activities in the Statement of Activities are different because:</i>	
Some revenues were not collected for several months after the close of the fiscal year and therefore were not considered to be "available" and are not reported as revenue in the governmental funds. The change from fiscal year 2024 to 2025 was:	(35,156)
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets are depreciated over their estimated useful lives as depreciation expense. This is the amount of expenditures capitalized as assets in the current period.	531,162
This is the amount of depreciation recorded in the current period.	(252,199)
Some expenses reported in the Statement Of Activities do not require the use of current financial resources and therefore are not reported in the governmental funds: Change in net pension asset and related deferred amounts.	(329,948)
Governmental funds only report the disposal of assets to the extent proceeds are received. In the Statement Of Activities, a gain or loss is reported for each disposal. This is the basis in the capital assets that were disposed.	(54,254)
Change In Net Position Of Governmental Activities	<u>\$ 1,134,994</u>

See Accompanying Notes To Basic Financial Statements.

VILLAGE OF ROCKDALE, ILLINOIS

Statement Of Net Position
Proprietary Fund
April 30, 2025

	Waterworks And Sewerage Fund
ASSETS	
Current Assets	
Cash	\$ 357,202
Investments	1,335,126
Receivables	
Customer Accounts Receivable	369,545
Internal Receivables	142,622
Prepaid Expenses	16,459
Total Current Assets	<u>2,220,954</u>
Noncurrent Assets	
Capital Assets	
Land	31,578
Waterworks And Sewerage System	10,707,352
Equipment	868,102
Construction In Progress	873,585
Subtotal	<u>12,480,617</u>
Accumulated Depreciation	(6,040,804)
Total Noncurrent Assets	<u>6,439,813</u>
Total Assets	<u>8,660,767</u>
LIABILITIES	
Current Liabilities	
Vouchers Payable	\$ 575,735
Internal Payables	611,816
Total Liabilities	<u>1,187,551</u>
NET POSITION	
Net Investment In Capital Assets	6,347,422
Unrestricted	1,125,794
Total Net Position	<u>7,473,216</u>
Total Liabilities And Net Position	<u>\$ 8,660,767</u>

See Accompanying Notes To Basic Financial Statements.

VILLAGE OF ROCKDALE, ILLINOIS

Statement Of Revenue, Expenses And
Changes In Net Position
Proprietary Fund
For The Year Ended April 30, 2025

	Waterworks And Sewerage Fund
Operating Revenue	
Charges For Services - Water	\$ 825,385
Charges For Services - Sewer	998,576
Tap On / Turn On Fees	6,330
Fines And Other	<u>6,939</u>
Total Operating Revenue	<u>1,837,230</u>
Operating Expenses	
Utilities	703,063
Sewage Treatment	1,059,175
Repairs And Maintenance	88,689
Materials And Supplies	67,942
Engineering Fees	103,382
Insurance Expense	24,379
Administrative Expense	34,835
Depreciation	<u>271,653</u>
Total Operating Expenses	<u>2,353,118</u>
Operating (Loss)	(<u>515,888</u>)
Nonoperating Revenue	
Interest Earnings	<u>87,175</u>
Total Nonoperating Revenue	<u>87,175</u>
Change In Net Position	(<u>428,713</u>)
Net Position, Beginning Of Year	<u>7,901,929</u>
Net Position, End Of Year	<u><u>\$ 7,473,216</u></u>

See Accompanying Notes To Basic Financial Statements.

VILLAGE OF ROCKDALE, ILLINOIS

Statement Of Cash Flows
Proprietary Fund
For The Year Ended April 30, 2025

	<u>Waterworks And Sewerage Fund</u>
Cash Flows From Operating Activities	
Receipts From Customers	\$ 1,769,090
Payments To Suppliers	(1,770,707)
Net Cash (Used In) Operating Activities	(1,617)
Cash Flows From Noncapital Financing Activities	
Increase In Interfund Lending	(142,622)
Increase In Interfund Borrowing	66,856
Net Cash (Used In) Noncapital Financing Activities	(75,766)
Cash Flows From Capital And Related Financing Activities	
Purchases Of Capital Assets	(609,148)
Net Cash (Used In) Capital And Related Financing Activities	(609,148)
Cash Flows From Investing Activities	
Investment Purchases	(63,546)
Income Received On Investments	87,175
Net Cash Provided By Investing Activities	23,629
Net (Decrease) In Cash	(662,902)
Cash, Beginning Of Year	<u>1,020,104</u>
Cash, End Of Year	<u>\$ 357,202</u>

See Accompanying Notes To Basic Financial Statements.

	<u>Waterworks And Sewerage Fund</u>
Reconciliation Of Operating Income To Net Cash (Used In) Operating Activities:	
Operating (Loss)	(\$ 515,888)
Adjustments To Reconcile Operating Income To Net Cash (Used In) Operating Activities:	
Depreciation Expense	271,653
Changes In Assets And Liabilities:	
Receivables	(68,140)
Prepaid Expenses	(309)
Vouchers Payable	311,067
Total Adjustments	<u>514,271</u>
Net Cash (Used In) Operating Activities	<u>(\$ 1,617)</u>

VILLAGE OF ROCKDALE, ILLINOIS

Notes To Basic Financial Statements
April 30, 2025

1. Summary Of Significant Accounting Policies

Introduction

The Village of Rockdale, Illinois was incorporated in 1902, under the provisions of the State of Illinois.

The financial statements of the Village of Rockdale, Illinois are prepared in accordance with Accounting Principles Generally Accepted in the United States of America (GAAP). The Village's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

Financial Reporting Entity

As defined by accounting principles generally accepted in the United States of America, established by the GASB, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

- 1) Appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- 2) Fiscal dependency on the primary government.

The accompanying financial statements present the Village of Rockdale, Illinois only. There are no component units as defined in GASB Statement 14, Statement 39, or Statement 61 that are required to be included with these financial statements. Also, the Village is not included as a component unit in any other government reporting entity, as defined by GASB pronouncements.

Basis Of Presentation

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenue, and nonexchange revenue. 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 a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflows of resources, fund equity, revenue, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The Village's funds are organized into two major categories: governmental and proprietary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund, the Village (General Fund) or meets the following criteria:

VILLAGE OF ROCKDALE, ILLINOIS

Notes To Basic Financial Statements
April 30, 2025

1. Summary Of Significant Accounting Policies

- a) Total assets, liabilities plus deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or proprietary fund are at least 10% of the corresponding total for all funds of that category or type; and
- b) Total assets, liabilities plus deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or proprietary fund are at least 5% of the corresponding total for all governmental and proprietary funds combined.

Governmental Funds

Governmental funds are those through which most governmental functions of the Village are financed. The Village's expendable financial resources (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the Village's governmental funds:

General Fund - The General Fund is the general operating fund of the Village. It is used to account for and report all financial resources not accounted for and reported in another fund.

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 expenditure for specified purposes other than debt service or capital projects.

The major special revenue funds are the following:

Tax Increment #1 Fund – Accounts for the portion of taxes attributable to the increase in the current equalized assessed valuation of property within the Village of Rockdale Moen Avenue Redevelopment Plan and Project area. Revenue of the Fund includes property tax distributions received from Will County, Illinois, and interest earnings.

Motor Fuel Tax Fund – Accounts for all revenue and expenditures related to street and bridge maintenance and improvements. Revenue of the Fund includes motor fuel allotments from the state of Illinois and interest earnings.

Capital Projects Funds - Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The major capital projects fund is the following:

Moen Avenue Project Fund – Accounts for the funds earmarked for the Moen Avenue reconstruction project.

VILLAGE OF ROCKDALE, ILLINOIS

Notes To Basic Financial Statements
April 30, 2025

1. Summary Of Significant Accounting Policies

Proprietary Funds

Proprietary funds are used to account for the Village's ongoing organizations and activities, which are similar to those often found in the private sector. The measurement focus is based upon determination of net income.

Enterprise Funds – Enterprise funds are used to report any activity for which a fee is charged to external users for goods or services.

The major enterprise fund is the following:

Waterworks And Sewerage Fund – This fund accounts for the revenue and expenses related to providing a safe, potable water supply for domestic and industrial usage and fire protection, and for maintaining a dependable system for collecting and treating the wastewater of the Village.

Measurement Focus And Basis Of Accounting

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

Measurement Focus

On the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the “current financial resources” measurement or the “economic resources” measurement is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets, liabilities, and deferred inflows of resources 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.
- b. The proprietary funds utilize an “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 noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

VILLAGE OF ROCKDALE, ILLINOIS

Notes To Basic Financial Statements
April 30, 2025

1. Summary Of Significant Accounting Policies

Basis Of Accounting

Government-Wide Financial Statements

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used. Revenues, expenses, gains, losses, assets, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide Statement of Activities presents a comparison between expenses, and program revenues for each segment of the business-type activities of the Village and for each governmental program. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the Village.

Net Position is reported as restricted when constraints placed on its use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Fund Financial Statements

Fund financial statements report detailed information about the Village. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting on funds by type. Each Village fund is presented as a major fund.

Governmental Funds

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available". Measurable means knowing or being able to reasonably estimate the amount. Available means collectable within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures (including capital outlay) are recorded when the related fund liability is incurred. In applying the susceptible-to-accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidelines. Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible-to-accrual criteria are met.

VILLAGE OF ROCKDALE, ILLINOIS

Notes To Basic Financial Statements
April 30, 2025

1. Summary Of Significant Accounting Policies

Shared revenues remitted from the State of Illinois, such as state income tax, replacement tax, sales tax, and motor fuel tax allotments, are accrued applying the susceptible-to-accrual concept based upon the month they are liabilities to the State.

Licenses and permits, charges for services (other than water), and miscellaneous revenues (except for investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

Revenues from Federal and State grants and similar programs are recognized when all eligibility requirements have been met. Usually, this is at the time an expenditure has been incurred for an authorized purpose.

Proprietary Funds

All proprietary funds are accounted for using the accrual basis of accounting. These funds account for operations that are primarily financed by user charges. The economic resources focus concerns determining costs as a means of maintaining the capital investment and management control. Their revenues are recognized when earned and expenses are recognized when the liability is incurred, or economic asset used. Allocations of costs, such as depreciation, are recorded in proprietary funds. Unbilled utility service receivables are recorded at each year end.

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. Non-operating activities include interest received.

Budgets And Budgetary Accounting

- 1) Formal budgetary integration is employed as a management control device during the year for the General Fund, the Tax Increment #1 Fund, the Motor Fuel Tax Fund, and the Moen Avenue Project Fund through an internal reporting system. Although not legally required under Illinois Statutes, the Village also prepares budgets as a control device for its proprietary fund. Such budgetary integration permits the Village's department managers to monitor actual revenues and expenditures relative to budgets on an ongoing basis throughout the year.
- 2) The budget for each fund is prepared on the basis of accounting which does not differ materially from the method of accounting described in the 'Basis of Accounting' except for the Enterprise Fund, which does not budget for depreciation expense, and budgets for capital expenditures.

Cash And Cash Equivalents

For purposes of the Statement of Cash Flows, the Village considers all highly liquid debt instruments purchased with initial maturities of three months or less to be cash equivalents. These amounts are presented on the statement of net position as "Cash".

VILLAGE OF ROCKDALE, ILLINOIS

Notes To Basic Financial Statements
April 30, 2025

1. Summary Of Significant Accounting Policies

Capital Assets

Capital assets are stated on the basis of historical cost. Assets acquired through gifts or donations are recorded at their estimated acquisition value at the time of acquisition. The Village has established a capitalization threshold of \$20,000 for infrastructure improvements, \$5,000 for land improvements, buildings, waterworks, and sewerage systems, and \$1,000 for equipment. The Village has elected not to report infrastructure acquired prior to the fiscal year ended April 30, 2003, the year of GASB Statement No. 34 implementation.

Depreciation Of Capital Assets

Depreciation has been provided over the estimated useful lives of the assets using the straight-line method. The estimated useful lives are shown below:

Infrastructure	40 Years
Buildings	40 Years
Combined Waterworks and Sewerage Systems	40 Years
Land Improvements	8 to 15 Years
Equipment	10 to 15 Years

Investments

The Village may invest in instruments as allowed by the Illinois Public Funds Investment Act (30 ILCS 235/2). Investments of the Village, if any, are carried at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have an established market are reported at estimated fair value.

Leases Receivable

A lease receivable is recognized at the lease commencement date based on the present value of the lease payment stream. Leases receivable is reduced by the principal payments set out in the lease contracts.

Pensions

For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Illinois Municipal Retirement Fund (IMRF) and additions to/deductions from that plan's fiduciary net position have been determined on the same basis as they are reported by that plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Customer Accounts

The Village has deemed all customer accounts receivable at April 30, 2025 to be collectible.

VILLAGE OF ROCKDALE, ILLINOIS

Notes To Basic Financial Statements
April 30, 2025

1. Summary Of Significant Accounting Policies

Employee Compensated Absences

The Village accounts for compensated absences in accordance with Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. Employee vacation and sick leave for which employees are eligible to receive termination payments are recognized as a liability when the leave is attributable to services already rendered and it is probable the benefits will be used or paid. The liability is recorded in the fund from which the respective employee's salary is paid. If an employee elects to apply unused leave toward Illinois Municipal Retirement Fund (IMRF) service credit, the related leave is not paid to the employee and, accordingly, is not included in the compensated absences liability.

Use Of Estimates

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

Fund Balances

The Village's fund balances are required to be reported using five separate classifications as listed below. The Village may not necessarily utilize each classification in a given fiscal year.

Nonspendable fund balance - Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact. This classification may include inventories, prepaid amounts, and long-term loans receivable.

Restricted fund balance - Constraints placed on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or other governments; or are imposed by law (through constitutional provisions or enabling legislation).

Committed fund balance - Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the Village's highest level of decision-making authority, the Village Board.

Assigned fund balance - Amounts that are constrained by the Village's intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the Village Board, Mayor, or another body (such as a Finance Committee), or by an official to whom that authority has been given. With the exception of the General Fund, assigned fund balance is the residual fund balance classification for all governmental funds with positive balances.

Unassigned fund balance - This is the residual classification of the General Fund. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification, as the result of overspending for specific purposes for which amounts had been restricted, committed, or assigned.

VILLAGE OF ROCKDALE, ILLINOIS

Notes To Basic Financial Statements
April 30, 2025

1. Summary Of Significant Accounting Policies

Net Position

Restricted net position is legally restricted by outside parties for a specific purpose. None of the restricted net position of the Village is the result from enabling legislation adopted by the Village. Net investment in capital assets is the book value of capital assets less any long-term debt outstanding that was issued to construct or acquire the capital assets.

Use Of Resources Policy

The Village considers restricted resources to have been used first when an expenditure/expense is incurred for purposes for which both restricted and unrestricted balances are available. Committed, assigned, and unassigned amounts are considered to have been spent in that order when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. Expenditures incurred for a specifically identified purpose will reduce the specific identified classification of fund balance.

New Accounting Pronouncement

In fiscal year 2025, the Village adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. Under GASB Statement No. 101, a liability is recognized for unused leave if (a) the leave is attributable to services already provided, and (b) it is likely that the leave will either be used or paid out. As a result of implementing this standard, the Village evaluated and revised its methodology for recognizing liabilities related to compensated absences, particularly for certain types of sick leave, to reflect only the amounts expected to be used or paid in accordance with GASB Statement No. 101. The implementation of this standard did not result in a material change to the Village's financial statements, and no prior-period financial statements were restated.

2. Cash And Investments

Deposits

The carrying amount of cash deposits, including certificates of deposit, was \$10,319,065 at April 30, 2025, while the bank balances were \$10,545,460.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy states that all amounts deposited or invested with financial institutions in excess of any insurance limit shall be collateralized. As of April 30, 2025, the Village's deposits were fully collateralized.

3. Property Taxes

Property taxes are recognized as revenues in the period for which the taxes were levied and if they are "measurable" and "available." "Available" means then due or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Such time thereafter shall not ordinarily exceed sixty days.

VILLAGE OF ROCKDALE, ILLINOIS

Notes To Basic Financial Statements
April 30, 2025

3. Property Taxes

Property taxes are levied each year on all taxable real property located in the Village. The amounts recorded as revenue for fiscal year 2025 represent the taxes from the 2023 and prior year levies that have been collected by Will County and have been distributed to the Village within sixty days of year-end. The budget and appropriations ordinance anticipate that the 2024 property tax levy will be used to finance fiscal year 2026 expenditures. The 2024 levy has been recognized as a receivable as of April 30, 2025 but recognition as revenue has been deferred to 2026. Property taxes receivable for prior years are immaterial and are not recorded.

The calendar for the 2024 property tax levy is as follows:

Levy Date - Village - December 17, 2024
Lien Date - January 1, 2024
Due Date(s) – on or about June 3, August 3, September 3, and November 3, 2025
First Distribution Date – Mid May 2025

Allowance for uncollectible property taxes is calculated by reviewing past collections. Allowance for uncollectible property taxes for the current levy is zero percent of the levy as of April 30, 2025.

4. Capital Assets

Capital asset activity for the year ended April 30, 2025 was as follows:

	Balance 5/1/2024	Additions	Disposals	Balance 4/30/2025
Governmental Activities				
<i>Capital Assets Not Being Depreciated</i>				
Land	\$ 475,327	\$ -	\$ -	\$ 475,327
Subtotal	<u>475,327</u>	<u>-</u>	<u>-</u>	<u>475,327</u>
<i>Depreciable Capital Assets</i>				
Infrastructure	4,776,907	300,930	-	5,077,837
Buildings	991,035	38,600	-	1,029,635
Equipment	904,243	88,640	-	992,883
Automotive Equipment	858,435	102,992	59,729	901,698
Subtotal	<u>7,530,620</u>	<u>531,162</u>	<u>59,729</u>	<u>8,002,053</u>
Totals At Historical Cost	<u>8,005,947</u>	<u>531,162</u>	<u>59,729</u>	<u>8,477,380</u>
<i>Less Accumulated Depreciation For</i>				
Infrastructure	1,147,645	120,323	-	1,267,968
Buildings	513,160	27,251	-	540,411
Equipment	676,184	48,719	-	724,903
Automotive Equipment	569,675	55,906	5,475	620,106
Total Accumulated Depreciation	<u>2,906,664</u>	<u>252,199</u>	<u>5,475</u>	<u>3,153,388</u>
Governmental Activities Capital Assets, Net	<u>\$ 5,099,283</u>	<u>\$ 278,963</u>	<u>\$ 54,254</u>	<u>\$ 5,323,992</u>

VILLAGE OF ROCKDALE, ILLINOIS

Notes To Basic Financial Statements
April 30, 2025

4. Capital Assets

Depreciation expense was charged to the General Government, Public Safety, and Streets and Bridges functions in the Statement Of Activities in the amounts of \$55,670, \$53,536, and \$142,993, respectively.

	Balance 5/1/2024	Additions	Disposals	Balance 4/30/2025
Business-Type Activities				
<i>Capital Assets Not Being Depreciated</i>				
Land	\$ 31,578	\$ -	\$ -	\$ 31,578
Construction In Progress	1,495,319	581,472	1,203,206	873,585
Subtotal	<u>1,526,897</u>	<u>581,472</u>	<u>1,203,206</u>	<u>905,163</u>
<i>Depreciable Capital Assets</i>				
Waterworks And Sewerage System	9,476,470	1,230,882	-	10,707,352
Equipment	868,102	-	-	868,102
Subtotal	<u>10,344,572</u>	<u>1,230,882</u>	<u>-</u>	<u>11,575,454</u>
Totals At Historical Cost	<u>11,871,469</u>	<u>1,812,354</u>	<u>1,203,206</u>	<u>12,480,617</u>
<i>Less Accumulated Depreciation For</i>				
Waterworks And Sewerage System	5,367,398	256,894	-	5,624,292
Equipment	401,753	14,759	-	416,512
Total Accumulated Depreciation	<u>5,769,151</u>	<u>271,653</u>	<u>-</u>	<u>6,040,804</u>
Business-Type Activities Capital Assets, Net	<u>\$ 6,102,318</u>	<u>\$ 1,540,701</u>	<u>\$ 1,203,206</u>	<u>\$ 6,439,813</u>

5. Defined Benefit Pension Plan

The Village is a participating member of the Illinois Municipal Retirement Fund which reports under the Employer Social Security account number 36-6006080, which covers all of its employees who:

1. occupy a job normally requiring 1,000 hours or more per year.
2. are paid on a regular payroll.
3. no minimum or maximum age.
4. are not covered by another state-created retirement system for the same service.

Employees not qualifying above are considered "nonparticipating employees" and are covered under social security.

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 managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multiple-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Annual Comprehensive 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.

VILLAGE OF ROCKDALE, ILLINOIS

Notes To Basic Financial Statements
April 30, 2025

5. Defined Benefit Pension Plan

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

At December 31, 2024, the following employees were covered by the benefit terms:

Inactive Plan Members and Beneficiaries Currently Receiving Benefits	13
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	12
Active Plan Members	15
Total	<u>40</u>

VILLAGE OF ROCKDALE, ILLINOIS

Notes To Basic Financial Statements April 30, 2025

5. Defined Benefit Pension Plan

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 contribution rate for calendar year 2024 was 1.48%. For the fiscal year ended April 30, 2025, the Village contributed \$17,320 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 Asset

The Village's net pension asset was measured as of December 31, 2024. The total pension liability used to calculate the net pension asset 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, 2024:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.25%.
- Salary Increases were expected to be 2.85% to 13.75%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2023 valuation according to an experience study from years 2020 to 2022.
- For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021 were used.
- 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-2021.
- 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-2021.
- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2024:

VILLAGE OF ROCKDALE, ILLINOIS

Notes To Basic Financial Statements
April 30, 2025

5. Defined Benefit Pension Plan

Asset Class	Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	33.50%	4.35%
International Equity	18.00%	5.40%
Fixed Income	24.50%	5.20%
Real Estate	10.50%	6.40%
Alternative Investments	12.50%	4.85-6.25%
Cash Equivalents	1.00%	3.60%
Total	100.00%	

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability as of December 31, 2024. 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. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. 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) as of the measurement date (to the extent that the plan's fiduciary net position is projected to be 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 4.08%, and the resulting single discount rate is 7.25%.

VILLAGE OF ROCKDALE, ILLINOIS

Notes To Basic Financial Statements
April 30, 2025

5. Defined Benefit Pension Plan

Changes in the Net Pension (Asset)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension (Asset) (A)-(B)
	(A)	(B)	(A)-(B)
Balances at December 31, 2023	\$ 2,405,056	\$ 2,715,152	(\$ 310,096)
Changes for the year:			
Service Cost	76,451	-	76,451
Interest on the Total Pension Liability	173,999	-	173,999
Differences Between Expected and Actual Experience of the Total Pension Liability	(345,124)	-	(345,124)
Contributions - Employer	-	16,495	(16,495)
Contributions - Employees	-	49,430	(49,430)
Net Investment Income	-	277,130	(277,130)
Benefit Payments, Including Refunds of Employee Contributions	(86,580)	(86,580)	-
Other (Net Transfer)	-	(462,262)	33,912
Net Changes	(181,254)	(205,787)	24,533
Balances at December 31, 2024	\$ 2,223,802	\$ 2,509,365	(\$ 285,563)

Sensitivity of the Net Pension (Asset)/Liability to Changes in the Discount Rate

The following presents the plan's net pension (asset)/liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension (asset)/liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
	(6.25%)	(7.25%)	(8.25%)
Net Pension Liability/ (Asset)	\$ 43,922	(\$ 285,563)	(\$ 546,122)

VILLAGE OF ROCKDALE, ILLINOIS

Notes To Basic Financial Statements
April 30, 2025

5. Defined Benefit Pension Plan

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended April 30, 2025, the Village recognized pension expense of \$346,443. At April 30, 2025, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts Related to Pensions		
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between Expected and Actual Experience	\$ 45,471	\$ 293,928
Changes of Assumptions	-	3,540
Net Difference between Projected and Actual Earnings on Pension Plan Investments	30,092	-
Total Deferred Amounts to be Recognized in Pension Expense in Future Periods	75,563	297,468
<i>Pension Contributions Made Subsequent to the Measurement Date</i>		
	4,986	-
Total Deferred Amounts Related to Pensions	\$ 80,549	\$ 297,468

Amounts of deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31	Net Deferred Inflows of Resources
2025	\$ 64,719
2026	25,743
2027	111,884
2028	19,559
Total	\$ 221,905

6. Other Postemployment Benefits

The Village is legally required to offer postemployment healthcare benefits to former employees and retirees. Former employees, who are not retirees, are provided healthcare benefits mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). Former employees, who are qualified under COBRA, may apply for coverage by the Village's health plan. The cost is 100% funded on a monthly pay-as-you-go basis by the former employee based upon the actual cost of the health plan for the chosen level of coverage.

VILLAGE OF ROCKDALE, ILLINOIS

Notes To Basic Financial Statements
April 30, 2025

6. Other Postemployment Benefits

Illinois statutes mandate that a municipal government must offer its retirees a health insurance plan equivalent to that offered to active employees. Illinois statutes enable a government to make the health plan benefits supplemental to Medicare and to offer these supplemental benefits at a different retiree contribution rate than regular benefits provided by the group plan. State statutes do not presently require the government to pay any portion of the cost of the plan for retired employees. Retired employees covered under the Village's plan are required to pay 100% of the cost of their insurance based on the rates paid by the Village. Retired employees must be covered under the Village's health insurance plan at the time of retirement to receive this benefit and must continue coverage with the Village's plan to maintain this benefit. Although the actuarial cost of health benefits for retirees exceeds the average amount paid by retirees, based on historical turnover rates, number of active employees, age of active employees and participation rate, management of the Village does not consider the effects of implementing GASB 75 and calculating the actuarial determined liability to be material to the April 30, 2025 financial statements.

7. Lessor Disclosure

The Village has an ongoing cell tower lease with a cellular phone company. The Village rents the exterior of a water tower and surrounding real property in order for the cellular company to attach antennas and run connection cables and lines. The lease is received in monthly installments for 25 years. Lease payments increase every five years. The lease charges interest at a rate of 3.5%.

For the year ended April 30, 2025, the Village recognized \$8,920 and \$4,584 in lease revenue and interest income, respectively.

At April 30, 2025, future minimum lease payments to be received by the Village are as follows:

Year Ending April 30	Principal	Interest	Total
2026	\$ 6,780	\$ 4,320	\$ 11,100
2027	7,021	4,079	11,100
2028	7,271	3,829	11,100
2029	7,715	3,570	11,285
2030	8,368	3,287	11,655
2031-2035	47,314	11,738	59,052
2036-2040	<u>42,053</u>	<u>2,817</u>	<u>44,870</u>
Total	<u>\$ 126,522</u>	<u>\$ 33,640</u>	<u>\$ 160,162</u>

8. 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 is insured through Arthur J. Gallagher Risk Management Services, Inc., who provides coverage via various carriers. The Village's consolidated package consists of specific coverage for Property, General Liability, Employee Benefit Injury, Law Enforcement, Public Officials Error & Omissions/Employment Practices Offense. The Village also maintains a policy for Automobile/Auto Physical Damage and an umbrella policy with the same carrier. Through alternate carriers, the Village maintains policies for Boiler and Machinery/Equipment Breakdown and Crime Coverage. Worker's Compensation Policy is provided through the Illinois Public Risk Fund.

VILLAGE OF ROCKDALE, ILLINOIS

Notes To Basic Financial Statements
April 30, 2025

8. Risk Management

There were no significant reductions in insurance coverage from the previous year. Settled claims have not exceeded the insurance coverage in the last three years.

9. Contingencies And Commitments

Other Litigation

From time to time, the Village is involved in legal and administrative proceedings with respect to employment, civil rights, property taxes and other matters. Although the Village is unable to predict the outcome of these matters, the Village believes that any appropriate liabilities have been established and that the final outcome of these actions will not have a material adverse effect on the results of operations or the financial position of the Village.

Fund Commitments

The Village has entered into a contract totaling approximately \$2.8 million for the Moen Avenue Project, to be paid from the Moen Avenue Project Fund. As of April 30, 2025, approximately \$1.0 million has been paid, leaving remaining commitments of approximately \$1.8 million.

The Village has also entered into various contracts for construction projects to be paid from the Water and Sewer Fund. As of April 30, 2025, the Village had remaining commitments of approximately \$758 thousand.

10. Major Customer

The Village is exposed to a concentration of risk related to operating revenues of the proprietary fund. During the current year, one customer accounted for operating revenues of \$470,803, representing 25.63% of the enterprise fund's total operating revenues. This concentration could subject the proprietary fund to a risk of financial impact if the customer were to significantly reduce or terminate its use of the Village's services.

11. Budget And Individual Fund Disclosures

Budget

The original and final budget amounts have been presented in the required supplementary information. The budget information is presented in this report in all cases where annual appropriations are required. Unexpended budgeted amounts lapse at the end of the budget year. Spending control is established by the amount of expenditures budgeted for the fund, but management control is exercised at the budgetary line-item level.

Interfund Assets/Liabilities

Interfund balances are expected to be repaid within one year. The following interfund balances existed at April 30, 2025:

The Waterworks and Sewerage Fund owed \$611,816 to the General Fund. The amount owed is attributable to current and prior period expenditures that pertained to the Waterworks and Sewerage Fund and were paid from the General Fund from available resources.

VILLAGE OF ROCKDALE, ILLINOIS

Notes To Basic Financial Statements
April 30, 2025

11. Budget And Individual Fund Disclosures

The General Fund owed \$142,622 to the Waterworks and Sewerage Fund. The amount owed is attributable to current expenditures that pertained to the General Fund and were paid from the Waterworks and Sewerage Fund.

The General Fund owed \$12,033 to the Motor Fuel Tax Fund and \$331,218 to the Tax Increment #1 Fund. The amount owed to the Motor Fuel Tax Fund is attributable to current and prior year revenue received from the Illinois Department of Transportation for the Illinois Jobs Now Grant and the Rebuild Illinois Grant that was deposited into the General Fund. This funding is beyond the normal annual Motor Fuel Tax allotment that the Village received and must be expended in accordance with Motor Fuel Tax standards, policies, and procedures. The amount owed to the TIF Fund is attributable to property tax revenue received.

The Moen Avenue Project Fund owed \$1,516,241 to the General Fund. The amount owed is attributable to current and prior period expenditures that pertained to the Moen Avenue project that were paid from the General Fund from available resources.

Deficit Fund Balance

Moen Avenue Project Fund maintained a deficit fund balance of \$1,506,178 at April 30, 2025. Future revenues and transfers from other funds are expected to eliminate the deficit.

12. Conduit Debt Obligations

On September 4, 2009, the Village Board authorized the issuance Series 2008 Revenue Bond in the amount of \$10,000,000 for the benefit of Cornerstone Services, Inc. The bonds do not constitute a debt or pledge of the faith and credit of the Village and, accordingly, have not been reported in the accompanying financial statements. At April 30, 2025, the Cornerstone Services Project debt outstanding balance was \$7,352,175.

13. Subsequent Events

IEPA Loan – 176776 was issued to provide funds for the Meadow Avenue watermain replacement project. The loan is dated June 27, 2025. The loan is anticipated to total \$4,300,000 plus construction period interest. The final loan amount and repayment schedule were not available at the time of this report.

IEPA Loan – 176778 was issued to provide funds for the lead service lines replacement project. The loan is dated July 30, 2025. The loan is anticipated to total \$787,459 plus construction period interest. The final loan amount and repayment schedule were not available at the time of this report.

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REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF ROCKDALE, ILLINOIS

Required Supplementary Information
 Illinois Municipal Retirement Fund
 Schedule Of Changes In The Net Pension Liability And Related Ratios
 Last Ten Calendar Years

Calendar Year Ended December 31,	2024	2023	2022	2021
Total Pension Liability				
Service Cost	\$ 76,451	\$ 73,690	\$ 67,141	\$ 60,723
Interest On The Total Pension Liability	173,999	167,913	149,077	156,997
Differences Between Expected And Actual Experience Of The Total Pension Liability	(345,124)	(45,023)	162,396	(207,536)
Changes Of Assumptions	-	(6,084)	-	-
Benefit Payments, Including Refunds Of Employee Contributions	(86,580)	(129,274)	(114,891)	(130,380)
Net Change In Total Pension Liability	(181,254)	61,222	263,723	(120,196)
Total Pension Liability - Beginning	<u>2,405,056</u>	<u>2,343,834</u>	<u>2,080,111</u>	<u>2,200,307</u>
Total Pension Liability - Ending (A)	<u><u>\$ 2,223,802</u></u>	<u><u>\$ 2,405,056</u></u>	<u><u>\$ 2,343,834</u></u>	<u><u>\$ 2,080,111</u></u>
Plan Fiduciary Net Position				
Contributions - Employer	\$ 16,495	\$ 8,884	\$ 14,381	\$ 37,331
Contributions - Employees	49,430	42,080	40,193	35,367
Net Investment Income	277,130	289,631	(360,060)	463,149
Benefit Payments, Including Refunds Of Employee Contributions	(86,580)	(129,274)	(114,891)	(130,380)
Other (Net Transfer)	(462,262)	(31,266)	12,430	(246,040)
Net Change In Plan Fiduciary Net Position	(205,787)	180,055	(407,947)	159,427
Plan Fiduciary Net Position - Beginning	<u>2,715,152</u>	<u>2,535,097</u>	<u>2,943,044</u>	<u>2,783,617</u>
Plan Fiduciary Net Position - Ending (B)	<u><u>\$ 2,509,365</u></u>	<u><u>\$ 2,715,152</u></u>	<u><u>\$ 2,535,097</u></u>	<u><u>\$ 2,943,044</u></u>
Net Pension (Asset) - Ending (A) - (B)	(285,563)	(310,096)	(191,263)	(862,933)
Plan Fiduciary Net Position As A Percentage Of The Total Pension Liability	112.84%	112.89%	108.16%	141.48%
Covered Valuation Payroll	\$ 1,114,539	\$ 906,493	\$ 893,176	\$ 785,927
Net Pension (Asset) As A Percentage Of Covered Valuation Payroll	-25.62%	-34.21%	-21.41%	-109.80%

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 66,435 168,910	\$ 55,535 150,863	\$ 46,806 143,996	\$ 54,364 146,809	\$ 50,478 151,905	\$ 48,929 145,018
(235,410) (28,889)	169,796 -	39,650 57,692	(31,778) (78,228)	(149,910) -	18,277 -
(134,624) (163,578)	(130,810) 245,384	(132,360) 155,784	(117,442) (26,275)	(127,282) (74,809)	(115,059) 97,165
<u>2,363,885</u>	<u>2,118,501</u>	<u>1,962,717</u>	<u>1,988,992</u>	<u>2,063,801</u>	<u>1,966,636</u>
<u>\$ 2,200,307</u>	<u>\$ 2,363,885</u>	<u>\$ 2,118,501</u>	<u>\$ 1,962,717</u>	<u>\$ 1,988,992</u>	<u>\$ 2,063,801</u>
\$ 25,051 33,611 375,669	\$ 8,481 39,704 415,317	\$ 28,875 25,479 (128,336)	\$ 28,886 23,338 375,726	\$ 29,020 22,711 147,730	\$ 32,394 22,461 10,871
(134,624) (133,648)	(130,810) 33,912	(132,360) 42,339	(117,442) (8,227)	(127,282) (107,670)	(115,059) (6,848)
166,059 2,617,558	366,604 2,250,954	(164,003) 2,414,957	302,281 2,112,676	(35,491) 2,148,167	(56,181) 2,204,348
<u>\$ 2,783,617</u>	<u>\$ 2,617,558</u>	<u>\$ 2,250,954</u>	<u>\$ 2,414,957</u>	<u>\$ 2,112,676</u>	<u>\$ 2,148,167</u>
(583,310)	(253,673)	(132,453)	(452,240)	(123,684)	(84,366)
126.51%	110.73%	106.25%	123.04%	106.22%	104.09%
\$ 744,841	\$ 718,706	\$ 566,190	\$ 518,612	\$ 504,689	\$ 499,137
-78.31%	-35.30%	-23.39%	-87.20%	-24.51%	-16.90%

VILLAGE OF ROCKDALE, ILLINOIS

Required Supplementary Information
Illinois Municipal Retirement Fund
Schedule Of Employer Contributions
Last Ten Calendar Years

Calendar Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution As A Percentage Of Covered Valuation Payroll
2024	\$ 16,495	\$ 16,495	\$ -	\$ 1,114,539	1.48%
2023	8,884	8,884	-	906,493	0.98%
2022	14,380	14,381	(1)	893,176	1.61%
2021	37,332	37,331	1	785,927	4.75%
2020	25,027	25,051	(24)	744,841	3.36%
2019	8,481	8,481	-	718,706	1.18%
2018	28,876	28,875	1	566,190	5.10%
2017	28,887	36,353	(7,466)	518,612	7.01%
2016	29,020	29,020	-	504,689	5.75%
2015	32,394	32,394	-	499,137	6.49%

Notes to Schedule:

*Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2024 Contribution Rate**

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 2024 Contribution Rates:

Actuarial Cost Method:

Aggregate Entry Age Normal.

Amortization Method:

Level Percentage of Payroll, Closed.

Remaining Amortization Period:

19-year closed period.

Asset Valuation Method:

5-Year smoothed market; 20% corridor.

Wage Growth:

2.75%.

Price Inflation:

2.25%.

Salary Increases:

2.75% 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, 2022 actuarial valuation

VILLAGE OF ROCKDALE, ILLINOIS

Required Supplementary Information - Budgetary Comparison Information
 General Fund
 Schedule Of Revenue, Expenditures And Changes In Fund Balance -
 Budget And Actual
 For The Year Ended April 30, 2025

	<u>Original And Final Budget</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenue			
Property Taxes	\$ 165,860	\$ 166,910	\$ 1,050
Replacement Taxes	150,000	55,351	(94,649)
State Income Taxes	350,000	358,814	8,814
State Sales Taxes	950,000	781,979	(168,021)
Home Rule Sales Taxes	1,000,000	649,863	(350,137)
Local Use Taxes	100,000	57,188	(42,812)
Utility Taxes	520,000	463,988	(56,012)
Telecommunications Taxes	30,000	17,935	(12,065)
Video Gaming Taxes	60,000	66,559	6,559
Other Taxes	4,000	3,121	(879)
Franchise Fees	2,500	2,301	(199)
Grants And Allotments	347,990	875,000	527,010
Interest Earnings	100,000	178,285	78,285
Licenses And Permits	90,000	38,103	(51,897)
Rental Income	18,000	8,857	(9,143)
Police Fines	160,000	143,649	(16,351)
Miscellaneous Income	170,000	123,558	(46,442)
Total Revenue	<u>4,218,350</u>	<u>3,991,461</u>	<u>(226,889)</u>
Expenditures			
Current:			
General Government			
Administration			
Salaries And Benefits	190,000	161,045	28,955
Engineering Services	100,000	29,479	70,521
Professional Services	128,500	89,401	39,099
Office Expenditures	66,500	33,566	32,934
Travel Expenditures	5,000	3,000	2,000
Dues	5,000	3,143	1,857
Repairs And Maintenance	22,000	11,076	10,924
Miscellaneous Expenditures	47,050	48,608	(1,558)
Total Administration	<u>564,050</u>	<u>379,318</u>	<u>184,732</u>
Municipal Buildings And Grounds			
Maintenance-Building	45,000	48,882	(3,882)
Maintenance-Grounds	50,000	2,740	47,260
Other Contractual Services	-	8,046	(8,046)
Total Municipal Buildings And Grounds	<u>95,000</u>	<u>59,668</u>	<u>35,332</u>

(Continued)

VILLAGE OF ROCKDALE, ILLINOIS

Required Supplementary Information - Budgetary Comparison Information
 General Fund
 Schedule Of Revenue, Expenditures And Changes In Fund Balance -
 Budget And Actual
 For The Year Ended April 30, 2025

	Original And Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Legal Department			
Legal Services	\$ 165,000	\$ 76,845	\$ 88,155
Insurance			
Health Insurance	40,000	22,792	17,208
Liability Insurance	40,000	31,488	8,512
Total Insurance	80,000	54,280	25,720
Public Benefit			
Contractual Services For Public Improvement	5,000	5,000	-
Employee Pensions			
Pension Costs	56,000	16,435	39,565
Total General Government	965,050	591,546	373,504
Public Safety			
Police Department			
Police Officer Salaries And Benefits	1,144,500	1,112,588	31,912
Dispatching And Other			
Professional Services	177,500	55,295	122,205
Vehicle Repairs And Maintenance	180,000	100,980	79,020
Supplies	194,000	238,859	(44,859)
Police Uniforms Allowance	20,000	11,389	8,611
Dues	1,500	2,640	(1,140)
Training	15,000	10,325	4,675
Insurance	60,000	45,660	14,340
Miscellaneous Expenditures	13,200	15,589	(2,389)
Total Public Safety	1,805,700	1,593,325	212,375
Public Works			
Street Lighting	110,000	37,042	72,958
Office Supplies	100	-	100
Total Public Works	110,100	37,042	73,058

(Continued)

VILLAGE OF ROCKDALE, ILLINOIS

Required Supplementary Information - Budgetary Comparison Information
 General Fund
 Schedule Of Revenue, Expenditures And Changes In Fund Balance -
 Budget And Actual
 For The Year Ended April 30, 2025

	Original And Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Refuse Disposal			
Landfill Charges	\$ 3,500	\$ -	\$ 3,500
Streets And Bridges			
Street Salaries And Benefits	325,500	354,561 (29,061)
Operating Supplies	42,500	47,541 (5,041)
Gravel, Asphalt And Road Oil	40,000	29,062	10,938
Vehicle Repairs And Maintenance	20,000	12,630	7,370
Repairs And Maintenance	461,000	293,941	167,059
Professional Services	4,500	2,237	2,263
Office Equipment	3,500	2,503	997
Signs And Posts	5,000	7,135 (2,135)
Insurance	50,000	39,487	10,513
Miscellaneous Expenditures	1,000	351	649
Total Streets And Bridges	953,000	789,448	163,552
Total Current Expenditures	3,837,350	3,011,361	825,989
Capital Outlay:			
Administration			
Office Equipment	1,000	-	1,000
Municipal Buildings And Grounds			
Building Improvements	40,000	-	40,000
Public Safety			
New Equipment	150,000	66,588	83,412
New Police Vehicles	140,000	51,239	88,761
Streets And Bridges			
New Equipment	50,000	-	50,000
Total Capital Outlay	381,000	117,827	263,173
Total Expenditures	4,218,350	3,129,188	1,089,162
Excess Of Revenue Over Expenditures	-	862,273	862,273
Other Financing Sources			
Insurance Proceeds	-	43,984	43,984
Total Other Financing Sources	-	43,984	43,984
Net Change In Fund Balance	\$ -	906,257	\$ 906,257
Fund Balance, Beginning Of Year		7,677,986	
Fund Balance, End Of Year		\$ 8,584,243	

VILLAGE OF ROCKDALE, ILLINOIS

Required Supplementary Information - Budgetary Comparison Information
 Tax Increment #1 Fund
 Schedule Of Revenue, Expenditures And Changes In Fund Balance -
 Budget And Actual
 For The Year Ended April 30, 2025

	Original And Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenue			
Property Taxes	\$ 300,000	\$ 363,620	\$ 63,620
Interest On Investments	18,000	10,016	(7,984)
Total Revenue	318,000	373,636	55,636
Expenditures			
<i>Community Development</i>			
TIF Agreement Allocation			
Mound Road Expense	300,000	-	300,000
TIF Agreement - Rockdale Fire District	40,000	29,206	10,794
TIF Agreement - School District 84	35,000	35,000	-
Total Expenditures	375,000	64,206	10,794
Net Change In Fund Balance	(\$ 57,000)	309,430	\$ 366,430
Fund Balance, Beginning Of Year		279,122	
Fund Balance, End Of Year		\$ 588,552	

VILLAGE OF ROCKDALE, ILLINOIS

Required Supplementary Information - Budgetary Comparison Information
 Motor Fuel Tax Fund
 Schedule Of Revenue And Changes In Fund Balance -
 Budget And Actual
 For The Year Ended April 30, 2025

	<u>Original And Final Budget</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenue			
Grants And Allotments	\$ 90,000	\$ 90,940	\$ 940
Interest On Investments	<u>20,000</u>	<u>52,745</u>	<u>32,745</u>
Total Revenue	<u>110,000</u>	<u>143,685</u>	<u>33,685</u>
Expenditures			
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net Change In Fund Balance	<u>\$ 110,000</u>	<u>143,685</u>	<u>\$ 33,685</u>
Fund Balance, Beginning Of Year		<u>1,382,609</u>	
Fund Balance, End Of Year		<u>\$ 1,526,294</u>	

Notes To Required Supplementary Information:

The Budgetary Comparison Information schedules include only the activity of the Village's General Fund, and the major special revenue funds with a budget, the Tax Incremental #1 Fund and the Motor Fuel Tax Fund, and are presented on the modified accrual basis of accounting. The budget was not modified during the year.

OTHER SUPPLEMENTARY INFORMATION

VILLAGE OF ROCKDALE, ILLINOIS

Moen Avenue Project Fund
 Schedule Of Revenue, Expenditures And Changes In Fund Balance -
 Budget And Actual
 For The Year Ended April 30, 2025

	Original And Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenue			
Interest On Investments	\$ -	\$ 1,252	\$ 1,252
Total Revenue	-	1,252	1,252
Expenditures			
General Government			
Administration			
Miscellaneous Expenditures	-	8	(8)
Total General Government	-	8	(8)
Capital Outlay:			
Streets And Bridges			
Engineering Services	-	85,227	(85,227)
Project Expenditures	100,000	-	100,000
Total Capital Outlay	100,000	85,227	14,773
Total Expenditures	100,000	85,235	14,757
Net Change In Fund Balance	(\$ 100,000)	(83,983)	\$ 16,017
Fund Balance (Deficit), Beginning Of Year		(1,422,195)	
Fund Balance (Deficit), End Of Year		(\$ 1,506,178)	

VILLAGE OF ROCKDALE, ILLINOIS

Schedule Of Expenditures For Tort Immunity Purposes
For The Year Ended April 30, 2025

General Insurance	\$	116,635
Unemployment Insurance		3,923
Legal Fees		<u>76,845</u>
Total Tort Immunity Purposes Expenditures	\$	<u>197,403</u>

The Village levies property taxes for tort immunity/liability insurance purposes. As required by Public Act 91-0268 passed by the Illinois General Assembly, the Village is including the above list of tort immunity purposes expenditures in its annual financial statements.

The Village's tax extension for liability insurance purposes for tax year 2024 as levied by Will County was \$15,062. Any shortfall to cover expenditures in excess of taxes collected is derived from other revenues of the Village. Any excess of revenues over expenditures is carried forward to subsequent fiscal years subject to a statutory formula.

OTHER SUPPLEMENTAL SCHEDULE

VILLAGE OF ROCKDALE, ILLINOIS

Schedule Of Assessed Valuations, Extended Tax Rates, Extensions And Collections Last Ten Levy Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Assessed Valuations	\$ 62,498,775	\$ 58,395,608	\$ 55,659,944	\$ 53,760,160
Tax Rates				
General Corporate	0.0942	0.1008	0.1058	0.1095
Garbage Disposal	0.0097	0.0103	0.0108	0.0112
Municipal Retirement	0.0561	0.0600	0.0629	0.0652
Police Protection	0.0177	0.0189	0.0198	0.0205
Insurance	0.0241	0.0257	0.0270	0.0280
Prior Year Levy Adjustment	0.0006	0.0111	0.0001	0.0002
	0.2024	0.2268	0.2264	0.2346
Township Road And Bridge	0.0538	0.0602	0.0610	0.0622
Total Rates	<u>0.2562</u>	<u>0.2870</u>	<u>0.2874</u>	<u>0.2968</u>
Tax Extensions				
General Corporate	\$ 58,874	\$ 58,863	\$ 58,888	\$ 58,867
Garbage Disposal	6,062	6,015	6,011	6,021
Municipal Retirement	35,062	35,037	35,010	35,052
Police Protection	11,062	11,037	11,021	11,021
Insurance	15,062	15,008	15,028	15,053
Prior Year Levy Adjustment	375	6,482	56	107
	126,498	132,441	126,014	126,121
Township Road And Bridge	33,591	35,109	33,906	33,388
Total Extensions	<u>\$ 160,089</u>	<u>\$ 167,550</u>	<u>\$ 159,920</u>	<u>\$ 159,509</u>
Tax Collections	<u>\$ -</u>	<u>\$ 166,910</u>	<u>\$ 159,615</u>	<u>\$ 152,942</u>
Percentage Collected	<u>0.00%</u>	<u>99.62%</u>	<u>99.81%</u>	<u>95.88%</u>

Collections may exceed 100% due to Will County adjustments and railroad taxes.
Property taxes from tax increment financing are not included in this schedule.

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>\$ 52,657,680</u>	<u>\$ 50,818,586</u>	<u>\$ 49,110,619</u>	<u>\$ 46,950,190</u>	<u>\$ 45,380,514</u>	<u>\$ 43,882,083</u>
0.1118	0.1159	0.1199	0.1254	0.1298	0.1342
0.0114	0.0119	0.0123	0.0128	0.0133	0.0137
0.0665	0.0689	0.0713	0.0746	0.0772	0.0798
0.0209	0.0217	0.0224	0.0235	0.0243	0.0251
0.0285	0.0296	0.0306	0.0320	0.0331	0.0342
-	-	-	-	-	-
0.2391	0.2480	0.2565	0.2683	0.2777	0.2870
0.0630	0.0669	0.0696	0.0717	0.0738	0.0763
<u>0.3021</u>	<u>0.3149</u>	<u>0.3261</u>	<u>0.3400</u>	<u>0.3515</u>	<u>0.3633</u>
\$ 58,871	\$ 58,899	\$ 58,883	\$ 58,876	\$ 58,904	\$ 58,890
6,003	6,047	6,041	6,010	6,036	6,012
35,017	35,014	35,016	35,025	35,034	35,018
11,005	11,028	11,001	11,033	11,027	11,014
15,008	15,042	15,028	15,024	15,021	15,008
-	-	-	-	-	-
125,904	126,030	125,969	125,968	126,022	125,942
33,122	33,986	34,164	33,641	33,508	33,494
<u>\$ 159,026</u>	<u>\$ 160,016</u>	<u>\$ 160,133</u>	<u>\$ 159,609</u>	<u>\$ 159,530</u>	<u>\$ 159,436</u>
<u>\$ 158,925</u>	<u>\$ 159,942</u>	<u>\$ 160,041</u>	<u>\$ 159,556</u>	<u>\$ 158,472</u>	<u>\$ 159,944</u>
<u>99.94%</u>	<u>99.95%</u>	<u>99.94%</u>	<u>99.97%</u>	<u>99.34%</u>	<u>100.32%</u>

OTHER REPORTS



To the Mayor and Members
of the Board of Trustees
Village of Rockdale
Rockdale, Illinois

**Independent Auditor's Report On Compliance With Requirements
Applicable To The Tax Increment Financing District**

We have examined the Village of Rockdale, Illinois, (Village)'s compliance with the requirements of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act during the year ended April 30, 2025. Management is responsible for the Village's compliance with those requirements. Our responsibility is to express an opinion on the Village's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Village's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Village's compliance with specified requirements.

In our opinion, the Village complied, in all material respects, with the aforementioned requirements for the year ended April 30, 2025

This report is intended solely for the information and use of management of the Village, the state of Illinois and the appropriate taxing districts with tax authority in the Village's TIF District and is not intended to be and should not be used by anyone other than these specified parties.

Wermmer, Rogers, Doran, + Ruzon. 22C

March 4, 2026

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To the Mayor and Members
of the Board of Trustees
Village of Rockdale
Rockdale, Illinois

**Independent Auditor's Report On Internal Control Over Financial
Reporting And On Compliance And Other Matters Based On An
Audit Of Financial Statements Performed In Accordance With
*Government Auditing Standards***

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, and each major fund of Village of Rockdale, Illinois, (Village) as of and for the year ended April 30, 2025, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated March 4, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, 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 have not been identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be a material weakness and significant deficiencies.

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 deficiency described in the accompanying schedule of findings and responses item 2025-001 to be a material weakness.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and responses as items 2025-002, 2025-003, 2025-004, 2025-005 and 2025-006 to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Village's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Village's responses to the findings identified in our audit and described in the accompanying schedule of findings and responses. The Village's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Wermer, Rogers, Doran, + Runyon, LLC

March 4, 2026

VILLAGE OF ROCKDALE, ILLINOIS

Schedule Of Findings And Responses
April 30, 2025

Finding 2025-001: Financial Reporting

Criteria:

Management is responsible for establishing and maintaining effective internal control over financial reporting and for the preparation and fair presentation of financial statements in accordance with generally accepted accounting principles (GAAP) and applicable Governmental Accounting Standards Board (GASB) requirements. While certain accounting functions may be outsourced, responsibility for internal control over financial reporting cannot be outsourced. Internal controls should include procedures to ensure financial statements and related disclosures are complete, accurate, and prepared in conformity with GAAP.

Condition:

The Village engages Wermer, Rogers, Doran & Ruzon, LLC (WRDR) to assist with the preparation of the Village's financial statements and related disclosures. However, Village personnel do not currently possess sufficient governmental accounting and financial reporting expertise to perform a detailed, independent review of the financial statements and disclosures at a level that provides reasonable assurance that material misstatements, omissions, or errors would be identified and corrected.

As a result, the Village's internal control over financial reporting relies in part on the external auditors, who cannot be considered part of the Village's internal control system.

Cause:

The Village has limited staff resources with formal training and experience in governmental accounting, GASB standards, and financial reporting requirements necessary to independently prepare and review the financial statements and related disclosures.

Effect:

Without sufficient internal expertise and review procedures, there is an increased risk that material misstatements, omissions, or disclosure errors in the financial statements may not be prevented or detected and corrected in a timely manner.

Recommendation:

We recommend the Village assign an employee the responsibility of becoming knowledgeable in governmental accounting and financial reporting. Such knowledge could be obtained through reviewing governmental accounting textbooks, Governmental Accounting Standards Board Statements, and report review checklists and by attending governmental accounting seminars.

Village's Response:

Management concurs with the finding. The Village will implement a plan after evaluating its options.

VILLAGE OF ROCKDALE, ILLINOIS

Schedule Of Findings And Responses
April 30, 2025

Finding 2025-002: Segregation Of Duties

Criteria:

Management is responsible for establishing and maintaining effective internal control over financial reporting, including adequate segregation of duties. Proper segregation of duties requires that authorization, custody of assets, recordkeeping, and reconciliation functions be performed by different individuals where feasible. When staffing limitations exist, management should implement compensating controls, such as independent review and monitoring procedures, to reduce the risk of errors or fraud.

Condition:

During our review of utility billing and cash receipt procedures, we noted the same employee was responsible for billing customers, receiving payments, and having access to the general ledger. In addition, bank reconciliations were not prepared or reviewed by an individual independent of general ledger access, and there were no formal review procedures in place for the bank reconciliation process.

Cause:

The Village has limited staffing resources, which has resulted in incompatible duties being assigned to the same employee without adequate compensating controls or independent review procedures.

Effect:

Inadequate segregation of duties increases the risk of misappropriation of assets, misstated financial statements, inaccurate financial documentation, improper use of funds, and/or undetected errors or irregularities. Without independent review controls, errors or inappropriate activity may not be prevented or detected in a timely manner.

Recommendation:

We recommend the Village implement procedures to eliminate or mitigate the above segregation of duties issues.

The Village should assign an individual who does not have access to the utility billing system the duty of periodically reviewing utility rates. Additionally, the Village should assign someone the task of reviewing the bank reconciliations and matching the bank reconciliations to the general ledger.

Village's Response:

Management concurs with the finding. The Village will implement a plan after evaluating its options.

VILLAGE OF ROCKDALE, ILLINOIS

Schedule Of Findings And Responses
April 30, 2025

Finding 2025-003: Capital Assets

Criteria:

Management is responsible for establishing and maintaining effective internal control over financial reporting, including maintaining accurate and complete capital asset records. Generally accepted accounting principles (GAAP) and applicable Governmental Accounting Standards Board (GASB) guidance require capital assets to be recorded at historical cost or estimated historical cost when actual cost is not available and supported by a detailed subsidiary ledger that reconciles to the general ledger.

Condition:

The Village did not maintain a detailed capital asset ledger on a historical cost basis. Certain capital assets were not supported by a complete listing with acquisition dates, costs, accumulated depreciation, and other relevant information necessary to ensure proper financial reporting.

Cause:

The Village has not implemented formal procedures for tracking and valuing capital assets, and historical cost information was not consistently accumulated or maintained in a centralized capital asset system.

Effect:

Without a detailed capital asset ledger maintained at historical cost, there is an increased risk that capital assets and related depreciation expense may be misstated in the financial statements. In addition, the Village may not have complete accountability over its fixed assets, increasing the risk of errors, omissions, or loss of assets not being detected in a timely manner.

Recommendation:

We recommend that the Village take an inventory of all of its capital assets and assign estimated historical cost values to each asset in the detailed list. This inventory can be completed by Village personnel or through the use of a contracted appraisal firm.

Village's Response:

Management concurs with the finding. The Village will implement a plan after evaluating its options.

VILLAGE OF ROCKDALE, ILLINOIS

Schedule Of Findings And Responses
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Finding 2025-004: Use Of Accounting Software

Criteria:

Management is responsible for establishing and maintaining effective internal control over financial reporting, including ensuring that the general ledger balances and accurately reflects the financial activity of each fund. Proper reconciliation and closing procedures should be in place to ensure prior year balances are correctly carried forward to fund balance accounts.

Condition:

The general ledger produced by the Village's accounting software did not balance. This issue has been ongoing due to prior year balances not properly closing to the appropriate fund balance accounts in each fund.

Cause:

The Village's accounting system has not been fully reconciled, and prior year closing procedures were not properly completed, resulting in a cumulative imbalance in the general ledger.

Effect:

An out-of-balance general ledger increases the risk of misstated financial statements, inaccurate reporting, and reduced reliability of financial information used for decision-making. Without corrective action, errors may go undetected and affect the integrity of the Village's financial reporting.

Recommendation:

We recommend the Village work with the software vendor to correct the issue that has resulted from prior year balances not closing into the fund balances.

Village's Response:

Management concurs with the finding. The Village will implement a plan after evaluating its options.

VILLAGE OF ROCKDALE, ILLINOIS

Schedule Of Findings And Responses
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Finding 2025-005: Federal Grants

Criteria:

The U.S. Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards requires non-federal entities to establish and maintain internal controls over federal awards. These controls should provide reasonable assurance that federal awards are managed in compliance with laws, regulations, and the provisions of grant agreements. Internal control should encompass the five elements defined by COSO:

- **Control Environment** sets the tone of an organization influencing the control consciousness of its people. It is the foundation for all other components of internal control, providing discipline and structure.
- **Risk Assessment** is the entity's identification and analysis of risks relevant to achievement of its objectives, forming a basis for determining how the risks should be managed.
- **Control Activities** are the policies and procedures that help ensure that management's directives are carried out.
- **Information and Communication** are the identification, capture, and exchange of information in a form and time frame that enable people to carry out their responsibilities.
- **Monitoring** is a process that assesses the quality of internal control performance over time.

Some internal control procedures apply broadly to all federal grants, while others are grant-specific depending on requirements.

Condition:

The Village has not formally developed written internal control procedures governing federal awards in accordance with Uniform Guidance. While certain practices exist, internal controls have not been formally documented, and key procedures over compliance with federal program requirements have not been fully established or consistently applied.

Cause:

The Village has not implemented formal internal control procedures over federal awards and has not yet taken steps to develop written policies consistent with Uniform Guidance and COSO principles.

Effect:

Without documented internal control procedures, there is an increased risk that federal awards may not be administered in compliance with laws, regulations, or grant provisions. The lack of formalized controls may result in errors, noncompliance findings, or questioned costs in future audits.

Recommendation:

We recommend the Village familiarize itself with the federal guidance and develop written internal control procedures governing federal grants in accordance with the new guidance.

Village's Response:

Management concurs with the finding. The Village will implement a plan after evaluating its options.

VILLAGE OF ROCKDALE, ILLINOIS

Schedule Of Findings And Responses
April 30, 2025

Finding 2025-006: Lack Of Documentation For Approved Pay Increases And Vacation Payouts

Criteria:

Sound internal control practices require that all employee compensation changes and payouts of accrued leave be properly authorized and supported by documentation. Maintaining documentation of approvals helps ensure payroll transactions are accurate, authorized, and consistent with established policies and procedures.

Condition:

During our review, we noted instances where payroll records reflected employee pay increases and payouts of accrued vacation time; however, supporting documentation evidencing formal approval of these transactions was not available for review.

Cause:

The condition appears to be the result of the Village not having a formalized process requiring written documentation and retention of approvals for pay increases and vacation payouts.

Effect:

The lack of documentation reduces the effectiveness of internal controls over payroll and increases the risk that compensation adjustments or leave payouts could be processed without proper authorization.

Recommendation:

We recommend that the Village implement procedures requiring all pay increases and vacation payouts to be formally approved and documented prior to processing. Supporting documentation should be retained in personnel files or another centralized location to provide a clear audit trail.

Village's Response:

Management concurs with the finding. The Village will implement a plan after evaluating its options.