

Village of Roscoe, Illinois

Financial Statements and
Supplementary Information

December 31, 2024

Village of Roscoe, Illinois

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Independent Auditors' Report

To the Village Board of
Village of Roscoe, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Roscoe, Illinois (the Village), as of and for the year ended December 31, 2024, 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, each major fund and the aggregate remaining fund information of the Village as of December 31, 2024, and the respective changes in financial position 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* issued by the Comptroller General of the United States (GAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Village and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' 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 auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 required supplementary information, as listed in the table of contents, 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 GAAS, 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 accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 25, 2025 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 the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Baker Tilly US, LLP

Milwaukee, Wisconsin
August 25, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF ROSCOE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2024
(Unaudited)

The management of the Village of Roscoe, Illinois presents this narrative overview and analysis to facilitate both short and long-term analysis of the financial activities of the Village for the fiscal year ended December 31, 2024. This Management Discussion and Analysis (MDA) is based on currently known facts, decisions, and conditions which existed as of the date of the independent auditor's report. Additional information outside the scope of this analysis can be found in the Letter of transmittal. We encourage readers to consider the information presented here in conjunction the Village's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

-Net asset position and performance in total – With total assets and deferred outflows of \$33,692,183 and liabilities and deferred inflows of \$9,089,433 the Village's total Net Position at December 31, 2024, was \$24,602,751 an increase of \$2,652,253 during 2024. Of this amount \$18,265,707 represents net investment in capital assets, \$5,098,647 represents net position restricted for specific activities and \$1,238,397 represents unrestricted net position.

-Governmental activity summary – Program revenues of the government activities increased by \$990,927 or 120% and general revenues increased by \$95,203 or 1.2% from the amount reported in 2023. During the same period expenses for governmental activities increased by \$855,308 or 14 percent.

-Governmental Funds - The Village's governmental funds reported a combined ending fund balance of \$10,288,953 as of December 31, 2024, compared to \$8,821,131 as of December 31, 2023, which represents an increase of \$1,467,822 or 17%. At year end \$4,947,552 of the ending fund balance is restricted for highway and streets, public safety, capital projects and debt service and \$508,808 is committed by board resolution for special purposes. The Village Board has adopted a fund balance policy to maintain one third of the general fund budget as assigned for the subsequent years budget, that amount is \$1,504,131 leaving \$3,328,462 as unassigned and available for spending at the Village's discretion.

-At the end of the current fiscal year, unassigned fund balance of the general fund was \$3,328,462 or approximately 45% of the 2024 general fund expenditures budget. This is in addition to the Village's fund balance policy of 33% of the next years adopted general fund expenditures budget.

-Long-Term Obligations – Long term liabilities (including alternate revenue bonds, leases and subscriptions, compensated absences, and police pension liability) totaled \$4,810,223 at the end of 2024 compared to \$6,026,948 at the end of 2023 which represents a net decrease of \$1,216,725 or 20%.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Village's basic financial statements. The basic financial statements include two kinds of statements which present different views of the Village: government-wide financial statements and fund financial statements. The basic financial statements also include notes to the financial statements other required supplementary information in addition to the basic financial statements.

Government-wide financial statements provide both short and long-term information about the Village's overall financial status.

Fund financial statements focus on individual parts of the Village government, reporting Village operations in more detail than the government-wide financial statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by the required supplementary information section which further explains and supports the information in the financial statements.

In addition to all of the required financial statement elements, the Village has provided sections for combining statements to provide detail on non-major funds and additional supplementary information.

The following table summarizes the major features of the Village's financial statements.

	GOVERNMENT-WIDE STATEMENTS	FUND STATEMENTS	
		Governmental Funds	Fiduciary Fund
Scope	Entire Village government (except Fiduciary funds)	Activities of the Village that are not fiduciary such as public safety	Activities in which the Village is trustee or agent of another's resources such as pension plans
Required financial statements	-Statement of net position -Statement of activities	-Balance sheet -Statement of revenues, expenditures and changes in fund balances	-Statement of fiduciary net position -Statement of changes in fiduciary net position
Accounting basis	Accrual	Modified accrual	Accrual
Measurement focus	Economic resources	Current financial resources	Economic resources
Type of assets & liability information	All assets and liabilities; both financial and capital, short and long-term	Assets expected to be used and liabilities that come due during the year or shortly thereafter, no capital assets	All assets and liabilities. Does not contain capital assets or long-term liabilities.
Type of inflow & outflow information	All revenues and expenses during the year regardless of when cash is received or paid	Revenues for which cash is received during the year or shortly thereafter; expenditures for goods and services that have been received and payment is due during the year or shortly thereafter	All revenues and expenses during the year regardless of when cash is received or paid. Does not include deferred inflows/outflows

GOVERNMENT-WIDE STATEMENTS

The government-wide financial statements are designed to be corporate-like in that all governmental activities are consolidated into columns which add to a total for the Primary Government. The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to disclose bottom line results for the Village and its governmental activities.

This statement combines and consolidates the governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities is focused on both the gross and net cost of various activities, which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services. The governmental activities reflect the Village's basic services including administration, financial services, police, and public works. Property taxes, telecommunication taxes, and shared state tax distributions finance the majority of these services.

FUND FINANCIAL STATEMENTS

Traditional users of governmental financial statements will find the fund Financial Statements presentation more familiar. The focus is on Major Funds, rather than fund types.

Governmental Funds are presented on a sources and uses of liquid resources basis. This is the manner in which the budget is typically developed. Governmental Funds provide a current resources (short-term) view that helps determine whether there are more or fewer current financial resources available to spend for Village operations.

Fiduciary Funds are presented for certain activities when the Village's role is that of trustee (i.e. Police Pension) or agent. While Fiduciary Funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the Government-Wide Financial Statements.

The Governmental Funds statements require reconciliation because of the different measurement focus (current financial resources/modified accrual versus total economic resources/full accrual) which is reflected on the page following each statement. The flow of current financial resources will reflect debt proceeds, proceeds from sales of capital asset disposals, and interfund transfers as other financial sources as well as capital outlay expenditures and debt principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the Governmental Activities column in the Government-Wide Statements.

INFRASTRUCTURE ASSETS

Historically, a government's largest group of assets (infrastructure – streets, storm sewers, etc.) had not been reported nor depreciated in governmental financial statements. GASB-34 requires that these assets be valued and reported within the Governmental column of the Government-Wide Statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful lives or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity.

If the government develops the asset management system (the modified approach), which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its costs of maintenance in lieu of depreciation. The Village has elected to depreciate assets over their useful life. If a project is considered maintenance - a recurring cost that does not extend the asset's original useful life or expand its capacity - the cost of the project will be expensed. An "overlay" of a street will be considered maintenance whereas a "rebuild" of a street will be capitalized.

FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE
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In accordance with GASB Statement No. 34, a comparative analysis of government-wide information is presented.

NET POSITION

STATEMENT OF NET POSITION

The following table reflects the condensed Statement of Net Position:

Table 1
Statement of Net Position
As of December 31, 2024 and 2023

Governmental Activities		
	<u>2024</u>	<u>2023</u>
Current and other assets	\$ 13,931,550	\$ 13,402,999
Capital assets	19,108,956	18,311,266
Deferred outflows - pension asset	651,677	1,266,293
Total assets and deferred outflows	33,692,183	32,980,558
Current liabilities	1,166,280	2,257,311
Noncurrent liabilities	4,810,223	6,026,949
Deferred inflows of resources	3,112,930	2,745,800
Total liabilities and deferred inflows	9,089,433	11,030,060
Net assets:		
Invested in capital assets		
net of related debt	18,265,707	16,389,112
Restricted	5,098,647	2,915,248
Unrestricted	1,238,397	2,646,138
Total net position	\$ 24,602,751	\$ 21,950,498

NORMAL IMPACTS-NET POSITION

There are six common (basic) types of transactions that will generally affect the comparability of the Statements of Net Position summary presentation.

Net Results Of Activities – Impacts (increases/decreases) current assets and unrestricted net assets.

Borrowing For Capital – Increases current assets and long-term debt.

Spending Borrowed Proceeds On New Capital – Reduces current assets and increases capital assets. There is a second impact, an increase in invested in capital assets and an increase in related net debt will not change the amount invested in capital assets, net of debt.

Spending Of Non-borrowed Current Assets On New Capital – (a) Reduces current assets and increases capital assets; and (b) reduces unrestricted net assets and increases invested in capital assets, net of debt.

Principal Payment On Debt – (a) Reduces current assets and reduces long-term debt; and (b) reduces unrestricted net assets and increases invested in capital assets, net of debt.

Reduction Of Capital Assets Through Depreciation – Reduces capital assets and invested in capital assets, net of debt.

CURRENT YEAR IMPACTS-NET POSITION

Net position may serve over time as a useful indicator of a government's financial position. The Village's assets and deferred outflows exceeded liabilities and deferred inflows by \$24,602,751 at the close of the fiscal year ended December 31, 2024.

The Village's net position includes assets invested in capital net of related debt, restricted net position, and unrestricted net position. At the end of 2024, \$18,265,707 or 74% was invested in capital assets net of related debt. These assets reflect the Village's investment in capital assets (land, buildings, equipment, improvements, and infrastructure) less any related debt used to acquire those assets that are still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Assets restricted or committed for special purposes; capital projects, maintenance of roads and bridges, and debt service make up 21% or \$5,098,647 of the Village's net position and the remaining 5% or \$1,238,397 is available for any purpose.

The Village's total net position at December 31, 2024 increased by \$2,652,253 from the 2023 ending amount of \$21,950,498. This change in net position was due to higher than anticipated program revenues of approximately \$990,000, long-term obligations decreased by almost \$1,200,000 and capital assets net of depreciation increased by approximately \$746,000. Total assets and deferred outflows of resources increased from \$32,980,558 to \$33,692,183, an increase of \$711,625 or 2%. Total liabilities and deferred inflows of resources decreased \$1,940,627 or 18%.

CHANGES IN NET POSITION

The following table reflects the condensed Statement of Activities:

Table 2
Changes in Net Position
For the Years Ended December 31, 2024 and 2023

Governmental Activities		
	2024	2023
Revenues		
Program revenues:		
Charges for services	\$ 359,968	\$ 328,044
Operating grants & contributions	488,196	496,492
Capital grants & contributions	967,299	-
General revenues:		
Property taxes	1,747,934	1,648,176
Other taxes	5,414,790	5,490,147
Interest	519,445	514,182
Intergovernmental revenues not restricted to specific programs	75,550	-
Miscellaneous	77,777	87,788
Total revenues	9,650,959	8,564,829
Expenses		
Government activities:		
General government	1,763,710	1,364,558
Public safety	3,208,396	2,883,234
Public works	1,789,034	1,598,390
Culture and recreation	217,524	269,084
Interest on long-term debt	20,042	28,132
Total expenses	6,998,706	6,143,398
Change in net position	2,652,253	2,421,431
Net position, beginning	21,950,498	19,529,067
Net position, ending	\$ 24,602,751	\$ 21,950,498

For more detailed information, see the Statement of Activities.

NORMAL IMPACT-CHANGES IN NET POSITION

Reflected below are eight common (basic) impacts on revenues and expense.

Revenues:

Economic Condition – Reflects a declining, stable or growing economic environment and has a substantial impact on state income, sales, telecommunications and utility tax revenues as well as public spending habits for items such as building permits and user fees including volumes of usage.

Increase/Decrease In Village Approval Rates – While certain tax rates are set by statutes, the Village Board has authority to impose and periodically increase/decrease rates (building permit fees, etc.). The Village's property taxes are subject to tax caps, which generally limit Village increases to the lesser of the change in the Consumer Price Index for the period December 2019 to December 2020 or 5.0%, whichever is lower.

Changing Patterns In Intergovernmental And Grant Revenue (both recurring and non-recurring) – Certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year to year comparisons.

Market Impacts On Investment Income – The Village's investment portfolio is managed with an approach utilizing competitive pricing, laddered maturities up to one year for term investments, and diversity of investments. Market conditions may cause investment income to fluctuate more than would occur with more short-term composition.

Expenses:

Changes In Programs – Within the functional expense categories (General Government, Public Safety, Public Works, etc.) individual programs may be added, deleted, or expanded to meet changing community needs

Changes In Authorized Personnel – Changes in service demand may cause the Village Board to increase/decrease authorized staffing.

Salary Increases (annual adjustments and step increases) – The Village strives to maintain a competitive salary range position in the marketplace.

Inflation – Annual inflation rose at the highest rate since January 1982 (the CPI was 2.9% for the year ended December 31, 2024), the Village is a major consumer of certain commodities and services, which typically experience inflation at a rate that can be significantly different from the CPI. Examples of such items include health insurance, fuel, electricity and operating supplies.

CURRENT YEAR IMPACTS-CHANGES IN NET POSITION

GOVERNMENTAL ACTIVITIES

Revenues:

Revenues from governmental activities totaled \$9,650,959 for 2024, an increase of \$1,086,130 from 2023. Local taxes received from the State were the largest source of revenues for the year at \$5,414,790, a decrease of \$75,357 or 1.4%. The next highest source of revenue was property tax at \$1,747,934 up 6.1%. The revenues from these two sources represent 74% of the governmental activity revenues.

Expenses:

The Village's total governmental activity expenses were \$6,998,706. The four major functional areas were general government \$1,763,710 or 25% of the total; public safety \$3,208,396 or 46% of the total; public works \$1,789,034 or 26% of the total and culture and recreation \$217,524 or 3% of the total. These four functional areas account for 99% of the total expenses of the Village.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

As discussed earlier the Village's governmental funds reported a combined ending fund balance of \$10,288,953 as of December 31, 2024, compared to \$8,821,131 as of December 31, 2023, which represents an increase of \$1,467,822 or seventeen percent.

The General Fund balance decreased \$596,497, primarily the result of tax revenue shared with the State ending the year 6% less than the previous year. Total General Fund revenues were \$7,977,823 in fiscal year 2024 a increase of \$102,995 or 1% from the prior year. Total General Fund expenditures were \$7,003,983 in fiscal year 2024, under budget by \$434,406 or 6%. This positive variance was due primarily to public safety expenditures that were not made by the end of the fiscal year. Transfers to other funds decreased from \$2,478,100 in 2023 to \$1,915,373 in 2024, an increase of \$562,727. Transfers of \$1,643,273 were made for infrastructure projects and \$272,100 was transferred at the end of the current fiscal to the debt service fund for principal and interest payments to be made in 2024.

The fund balances in the Street & Bridge Fund and Motor Fuel Fund increased to \$331,208 and \$1,829,134 respectively. The Capital Project Fund balance increased to \$2,174,334 in 2024 up from \$492,918 in 2023. These balances have accumulated over the last few years and will be spent down over the next few years for planned capital infrastructure projects.

For more detailed information, see the Governmental Funds Statements.

General Fund Budgetary Highlights

	Original Budget	Final Budget	Actual
Revenues			
Taxes	\$ 3,733,629	\$ 3,733,629	\$ 3,874,531
Intergovernmental	3,130,000	3,130,000	2,997,410
Licenses & permits	185,300	185,300	205,913
Fines, forfeitures and penalties	306,010	306,010	293,360
Reimbursements	2,500	2,500	75,550
Interest	200,000	200,000	441,060
Miscellaneous	156,690	156,690	89,999
Total	7,714,129	7,714,129	7,977,822
Expenditures			
Expenditures and other financing sources	9,495,152	9,495,152	8,574,320
Change in Fund Balance	\$ (1,781,023)	\$ (1,781,023)	\$ (596,498)

CAPITAL ASSET AND DEBT ADMINISTRATION

CAPITAL ASSETS

At December 31, 2024, the Village's Governmental Funds had invested \$17,596,777 net of depreciation (see Notes to Financial Statements # 7) in a variety of capital assets, as reflected in the following schedule.

Governmental Funds Change in Net Capital Assets

	Beginning Balance	Net Additions/ Deletions	Ending Balance
Non-depreciable assets			
Land	\$ 1,537,250	\$ 104,376	\$ 1,641,626
Construction in progress	1,476,301	(188,777)	1,287,524
Depreciable capital assets			
Land improvements	1,980,078	180,135	2,160,213
Infrastructure	11,563,781	699,609	12,263,390
Building & building improvements	4,896,983	554,281	5,451,264
Equipment & vehicles	2,198,381	246,115	2,444,496
	<u>23,652,774</u>	<u>1,595,739</u>	<u>25,248,513</u>
Accumulated depreciation on capital assets	<u>(6,055,995)</u>	<u>(849,688)</u>	<u>(6,905,683)</u>
Total	\$ 17,596,777	\$ 746,051	\$ 18,342,830

As allowed by GASB-34, the Village has elected to capitalize its infrastructure assets prospectively. During the current year, the Village expended \$699,609 of Village funds on infrastructure projects, land and land improvements, buildings and building improvements and miscellaneous equipment for the public works department and parks.

Long-term Debt

At December 31, 2024 the Village owed \$4,810,223 in long-term debt. This debt consists of \$843,249 in general obligation alternate revenue bonds net of related premium, \$271,839 in compensated absences, \$2,929,009 for the Police Pension liability, and \$766,126 for leases and subscription liability. The current portion expected to come due in 2024 is \$760,841.

State statutes limit the amount of general obligation debt the Village may issue up to 8.625% of its total assessed valuation. The current debt limitation based upon the 2023 assessed valuation is \$293,615,849 leaving a debt margin of \$25,331,152.

See Notes to Financial Statements for more details

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT
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This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Mark D. Olson CPA, Treasurer, Village of Roscoe, P.O. Box 283, Roscoe, Illinois, 61073-0283.

BASIC FINANCIAL STATEMENTS

Village of Roscoe

Statement of Net Position

December 31, 2024

	Governmental Activities
Assets	
Cash and investments	\$ 10,596,675
Receivables net:	
Taxes receivable, net	1,764,197
Accounts receivable, net	29,145
Due from other governments	982,730
Prepaid expenses	203,854
Net pension asset, IMRF	354,949
Capital assets:	
Right of use, net of accumulated amortization	698,288
Subscriptions, net of accumulated amortization	67,838
Nondepreciable	2,929,150
Depreciable, net of accumulated depreciation	<u>15,413,680</u>
Total assets	<u>33,040,506</u>
Deferred Outflows of Resources	
Deferred outflows, IMRF	126,147
Deferred outflows, police pension liability	<u>525,530</u>
Total deferred outflows of resources	<u>651,677</u>
Liabilities	
Accounts payable	508,351
Accrued payroll	194,238
Accrued interest	741
Unearned revenues	462,950
Noncurrent liabilities:	
Due within one year	760,841
Due in more than one year	<u>4,049,382</u>
Total liabilities	<u>5,976,502</u>
Deferred Inflows of Resources	
Deferred inflows, IMRF	143,418
Deferred inflows, police pension liability	1,054,789
Unearned taxes	1,760,848
Unearned license fees	<u>153,875</u>
Total deferred inflows of resources	<u>3,112,930</u>
Net Position	
Net investment in capital assets	18,265,707
Restricted for:	
Capital projects	2,174,334
Debt service	378,901
Net pension asset, IMRF	354,949
Tax increment financing	30,121
Maintenance of road and bridges	2,160,342
Unrestricted	<u>1,238,397</u>
Total net position	<u>\$ 24,602,751</u>

See notes to financial statements

Village of Roscoe

Statement of Activities

Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
General government	\$ 1,763,710	\$ 219,788	\$ -	\$ -	\$ (1,543,922)
Public safety	3,208,396	124,130	-	-	(3,084,266)
Public works	1,789,034	-	488,196	967,299	(333,539)
Culture and recreation	217,524	16,050	-	-	(201,474)
Interest and fiscal charges	20,042	-	-	-	(20,042)
Total governmental activities	<u>\$ 6,998,706</u>	<u>\$ 359,968</u>	<u>\$ 488,196</u>	<u>\$ 967,299</u>	<u>(5,183,243)</u>
General Revenues					
Taxes:					
Property taxes					1,747,934
Sales tax					2,186,748
Income tax					1,890,667
Local use tax					344,796
Telecommunications tax					114,536
Personal property replacement tax					176,818
Franchise taxes					156,784
Video game tax					526,906
Cannabis use tax					17,535
Interest					519,445
Intergovernmental revenues not restricted to specific programs					75,550
Miscellaneous					<u>77,777</u>
Total general revenues					<u>7,835,496</u>
Change in net position					2,652,253
Net Position, Beginning					<u>21,950,498</u>
Net Position, Ending					<u>\$ 24,602,751</u>

See notes to financial statements

Village of Roscoe

Balance Sheet

December 31, 2024

	General Fund	Special Revenue Motor Fuel Tax Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and investments	\$ 5,186,411	\$ 1,835,148	\$ 2,784,237	\$ 790,879	\$ 10,596,675
Receivables:					
Taxes	1,764,197	-	-	-	1,764,197
Other	29,145	-	-	-	29,145
Due from other governments	941,488	41,242	-	-	982,730
Due from other funds	50,649	-	-	-	50,649
Prepaid expenses	203,854	-	-	-	203,854
Total assets	\$ 8,175,744	\$ 1,876,390	\$ 2,784,237	\$ 790,879	\$ 13,627,250
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ 314,142	\$ 47,256	\$ 146,953	\$ -	\$ 508,351
Accrued wages	134,175	-	-	-	134,175
Other payables	60,063	-	-	-	60,063
Due to other funds	-	-	-	50,649	50,649
Unearned revenues	-	-	462,950	-	462,950
Total liabilities	508,380	47,256	609,903	50,649	1,216,188
Deferred Inflows of Resources					
Property taxes levied for subsequent year	1,760,848	-	-	-	1,760,848
Unearned revenues	153,875	-	-	-	153,875
Unavailable revenues	207,386	-	-	-	207,386
Total deferred inflows of resources	2,122,109	-	-	-	2,122,109
Fund Balances					
Nonspendable - prepaid expenses	203,854	-	-	-	203,854
Restricted					
Capital projects	-	-	2,174,334	-	2,174,334
Debt service	-	-	-	378,901	378,901
Maintenance of roads and bridges	-	1,829,134	-	331,208	2,160,342
Tax increment financing	-	-	-	30,121	30,121
Committed - Franchise and right away agreement	508,808	-	-	-	508,808
Assigned - subsequent year budget	1,504,131	-	-	-	1,504,131
Unassigned	3,328,462	-	-	-	3,328,462
Total fund balances	5,545,255	1,829,134	2,174,334	740,230	10,288,953
Total liabilities, deferred inflows of resources and fund balances	\$ 8,175,744	\$ 1,876,390	\$ 2,784,237	\$ 790,879	\$ 13,627,250

See notes to financial statements

Village of Roscoe

Reconciliation of Fund Balances of Governmental Funds to
the Governmental Activities in the Statement of Net Position
December 31, 2024

Total Fund Balance, Governmental Funds	\$ 10,288,953
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Amounts reported for governmental activities in the Statement of Net Position
are different because:

Net pension asset does not require current financial resources therefore not recorded in the governmental funds	354,949
--	---------

Capital assets used in governmental activities are not
financial resources and, therefore, are not reported
in the governmental funds.

Capital assets, including net right of use and subscription assets	\$ 26,743,251	
Accumulated depreciation	<u>(7,634,295)</u>	19,108,956

Revenues in the statement of activities that do not provide current financial resources are deferred in the funds	207,386
--	---------

Interest on long-term debt is not accrued in governmental
funds, but is recognized as an expenditure when due.

All liabilities, both current and long-term, are reported on the Statement of Net Position.	(741)
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Long-term liabilities, including bonds payable, are
not due and payable in the current period and
therefore are not reported in the governmental funds.

Alternative revenue bonds	(830,000)	
Premium on debt	(13,249)	
Lease liability	(698,288)	
Subscription liability	(67,838)	
Compensated absences	<u>(271,839)</u>	(1,881,214)

Net pension liability for the Police Pension Trust Fund is shown as a noncurrent liability on the statement of net position.	(2,929,009)
--	-------------

Net differences between expected and actual experiences, assumption changes, between projected and actual earnings for the Police Pension Trust Fund are recognized as deferred outflows (inflows) of resources on the statement of net position.	(529,259)
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Net differences between expected and actual experiences, assumption changes, between projected and actual earnings for the IMRF Pension Fund are recognized as deferred outflows (inflows) of resources on the statement of net position.	<u>(17,270)</u>
--	-----------------

Total Net Position, Governmental Activities	<u>\$ 24,602,751</u>
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Village of Roscoe**Statement of Revenues, Expenditures and Changes in Fund Balances**

Year Ended December 31, 2024

	General Fund	Special Revenue Motor Fuel Tax Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Taxes	\$ 3,874,531	\$ -	\$ -	\$ 171,477	\$ 4,046,008
Intergovernmental	2,997,410	488,196	967,299	-	4,452,905
Licenses and permits	205,913	-	-	-	205,913
Fines, forfeitures and penalties	293,360	-	-	-	293,360
Public charges for services	75,550	-	-	-	75,550
Investment income	441,060	78,385	-	-	519,445
Miscellaneous	89,999	-	3,233	-	93,232
Total revenues	<u>7,977,823</u>	<u>566,581</u>	<u>970,532</u>	<u>171,477</u>	<u>9,686,413</u>
Expenditures					
Current:					
General government	1,643,595	-	-	51	1,643,646
Public safety	3,142,050	-	-	-	3,142,050
Public works	994,646	117,041	-	-	1,111,687
Culture and recreation	191,335	-	-	-	191,335
Capital outlay	1,032,357	125,072	932,389	-	2,089,818
Debt service:					
Principal retirement	-	-	-	360,000	360,000
Interest and fiscal charges	-	-	-	25,091	25,091
Total expenditures	<u>7,003,983</u>	<u>242,113</u>	<u>932,389</u>	<u>385,142</u>	<u>8,563,627</u>
Excess (deficiency) of revenues over expenditures	<u>973,840</u>	<u>324,468</u>	<u>38,143</u>	<u>(213,665)</u>	<u>1,122,786</u>
Other Financing Sources (Uses)					
Proceeds from leases	345,036	-	-	-	345,036
Transfers in	-	-	1,643,273	272,100	1,915,373
Transfers out	<u>(1,915,373)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,915,373)</u>
Total other financing sources (uses)	<u>(1,570,337)</u>	<u>-</u>	<u>1,643,273</u>	<u>272,100</u>	<u>345,036</u>
Net change in fund balances	(596,497)	324,468	1,681,416	58,435	1,467,822
Fund Balances, Beginning	<u>6,141,752</u>	<u>1,504,666</u>	<u>492,918</u>	<u>681,795</u>	<u>8,821,131</u>
Fund Balances, Ending	<u>\$ 5,545,255</u>	<u>\$ 1,829,134</u>	<u>\$ 2,174,334</u>	<u>\$ 740,230</u>	<u>\$ 10,288,953</u>

See notes to financial statements

Village of Roscoe

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in
Fund Balances to the Governmental Activities in the Statement of Activities
Year Ended December 31, 2024

Net Change in Fund Balances, Total Governmental Funds	\$	1,467,822
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, only certain items according to policy are capitalized and depreciated in the Statement of Activities:		
Capital outlay reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	\$	2,089,818
Some items reported as capital outlay were not capitalized		(149,041)
Depreciation/amortization is reported in the government-wide statements		<u>(1,143,087)</u>
		797,690
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the Statement of Activities.		360,000
Revenues in the statement of activities that do not provide current financial resources are deferred in the funds		(35,454)
The change in net pension asset for the Illinois Municipal Retirement Fund is reported only in the statement of activities.		111,697
The change in deferred inflows and outflows of resources for the Illinois Municipal Retirement Fund (IMRF) and Police Pension Trust Fund are reported only in the statement of activities.		(906,860)
The change in net pension liability for the Police Pension Trust Fund is reported only in the statement of activities.		809,485
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. but the repayment reduces long-term liabilities in the statement of net position.		
Lease financed		(345,036)
Lease repaid		273,868
Amortization of premium		4,416
Subscriptions repaid		<u>19,531</u>
		<u>(47,221)</u>
Some expenses in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Net change in accrued interest		633
Net change in compensated absences		<u>94,461</u>
		95,094
Change in Net Position of Governmental Activities	\$	<u>2,652,253</u>

See notes to financial statements

Village of Roscoe

Statement of Fiduciary Net Position -

Police Pension Fund

December 31, 2024

	<u>Pension Trust</u>
Assets	
Cash and equivalents	\$ 176,135
Investments, retirement plans Pooled/Common/Commingled Funds	<u>7,461,279</u>
Miscellaneous receivable	<u>2,005</u>
Total assets	<u>7,639,419</u>
Liabilities	
Accounts payable	1,375
Refund due to members	<u>22,238</u>
Total liabilities	<u>23,613</u>
Net Position	
Total net position	<u>\$ 7,615,806</u>

See notes to financial statements

Village of Roscoe

Statement of Changes in Fiduciary Net Position -

Police Pension Fund

Year Ended December 31, 2024

	<u>Pension Trust</u>
Additions	
Contributions:	
Plan members	\$ 136,835
Employer	<u>466,054</u>
Total contributions	<u>602,889</u>
Investment income	<u>624,185</u>
Total investment income	624,185
Less investment expense	<u>(10,898)</u>
Net investment income	<u>613,287</u>
Total additions	<u>1,216,176</u>
Deductions	
Pension benefits	274,734
Refund of contributions	<u>5,103</u>
Total distributions	<u>279,837</u>
Administration expense	<u>34,171</u>
Total deductions	<u>314,008</u>
Change in fiduciary net position	902,168
Net Position, Beginning	<u>6,713,638</u>
Net Position, Ending	<u>\$ 7,615,806</u>

See notes to financial statements

Village of Roscoe, Illinois

Notes to Financial Statements
December 31, 2024

1. Summary Of Significant Accounting Policies

The basic financial statements of the Village of Roscoe, Illinois (Village) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

Incorporation

The Village was incorporated in 1965. The Village operates under a President-Trustee form of government and provides the following services as authorized by statute: public safety (police), streets, public improvements, planning and zoning, financial and general administrative services.

Financial Reporting Entity

GAAP requires that the financial reporting entity include (1) the primary government, (2) organizations for which the primary government is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The Village is a municipal corporation governed by a Board of Trustees, which is elected by the public and has the exclusive responsibility and accountability for the decisions it makes. The Village has the statutory authority to adopt its own budget, to levy taxes and to issue bonded debt without the approval of another government. It has the right to sue and be sued and has the right to buy, sell, lease or mortgage property in its own name. Based on these criteria, the Village is considered a primary government. The Village has not identified any component units that are required to be included in the basic financial statements in accordance with the standards established by GASB.

Police Pension Employees Retirement System

The Village's sworn police employees participate in the Police Pension Fund (PPF). The PPF functions for the benefit of these employees and is governed by a five-member pension board. Funding for the PPF comes from the following sources: participant contributions as required by state statute, PPF investment returns and contributions from the Village as determined by an independent actuarial study. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of the Village's contribution levels. Although it is legally separate from the Village, the PPF is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's sworn police employees. The PPF is reported as a pension trust fund considered a primary government. The Village has not identified any component units that are required to be included in the basic financial statements in accordance with the standards established by GASB.

Fund Accounting

The Village uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain Village functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into the following categories: governmental and fiduciary. Each category, in turn, is divided into separate funds.

Village of Roscoe, Illinois

Notes to Financial Statements

December 31, 2024

Governmental funds are used to account for all or most of the Village's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of capital assets, the servicing of long-term debt and the management of funds held in trust that can be used for governmental services (permanent fund). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments or on behalf of other funds within the Village. The Village utilizes a pension trust fund which is generally used to account for assets that the Village holds in a fiduciary capacity or on behalf of others as their agent.

Government-Wide and Fund Financial Statements

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The Statement requires that liabilities for compensated absences be recognized in financial statements prepared using the economic resources measurement focus for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This standard was implemented January 1, 2024. The impact of implementation was not material.

The government-wide financial statements Statement of Net Position and the Statement of Activities report information on all of the activities of the Village and is reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations.

The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

The effect of material interfund activity has been eliminated from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include:

- 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and
- 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary fund. Major individual governmental funds are reported as separate columns in the fund financial statements.

Village of Roscoe, Illinois

Notes to Financial Statements
December 31, 2024

The Village reports the following major governmental funds:

General Fund

The General Fund accounts for the resources devoted to finance the services traditionally associated with local government. Included in these services are general administration of the Village, financial management, police, inspection services, streets, public works and building maintenance. Any other activity for which a special fund has not been created is accounted for in the General Fund.

Motor Fuel Tax Special Revenue Fund

The Motor Fuel Tax Special Revenue fund accounts for revenue allocations from the State for the Villages portion of tax collections on fuel sales. Funds are spent on various products, services and capital projects in compliance with the Illinois Department of Transportation.

Capital Projects Fund

The Capital Projects Fund accounts for the major capital expenditures financed through transfers from the general fund, the issuance of bonds or the receipt of grants.

The Village reports the following nonmajor governmental funds:

Special Revenue Funds

Special Revenue Funds used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than major capital projects).

Street and Bridge
Tax Increment Financing

Debt Service Fund

Debt Service Fund - Bond & Interest used to account for and report financial resources that are restricted, committed or assigned to expenditure for payment of general long-term debt principal, interest and related costs.

In addition, the Village reports the following fund type:

Fiduciary Fund

Fiduciary Fund used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations and/or other governmental units.

Police Pension

Measurement Focus, Basis of Accounting and Financial Statement Presentation**Measurement Focus**

The Government-Wide Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants, contributions and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Basis of Accounting

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, generally considered to be within 60 days after year-end. For this purpose, the Village considers revenues to be available if they are collected within 60 days after year-end. The Village recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Those revenues susceptible to accrual are property taxes, income taxes, franchise taxes, utility taxes, licenses, interest revenue and charges for services. Sales tax and telecommunication tax owed to the state at year-end on behalf of the Village are also recognized as revenue. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash. 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, and 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.

The Village reports deferred revenue on its financial statements. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" or "earned" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Village before it has a legal claim to them as when grant monies are received prior to the incurrences of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the government has a legal claim to the resources, the liability for deferred revenue is removed from the financial statements and revenue is recognized.

Cash and Cash Equivalents

The Village considers all cash on hand, demand deposits and highly liquid investments with a maturity of three months or less when purchased to be cash and cash equivalents.

The Illinois Funds, a money-market mutual fund created by the Illinois State Legislature and controlled by the Illinois State Treasurer, is reported at a \$1 per share value, which equals the Village's fair value in the pool.

Village of Roscoe, Illinois

Notes to Financial Statements

December 31, 2024

Investments

Investments with a maturity of one year or less and all nonnegotiable certificates of deposits are recorded at cost or amortized cost, which approximates fair value. All other investments and all investments of the pension trust funds are recorded at fair value. Fair value is determined based primarily on the basis of quoted market prices or cost plus accumulated interest.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond the date of this year-end are recorded as prepaid items.

Property Taxes

The Village annually establishes a legal right to revenue from property tax assessments upon enactment of a tax levy ordinance by the Village Board. Property taxes are recognized as a receivable at the time they are levied. Revenue from property taxes is recognized as the taxes are collected in the year intended to finance operations or when they become available to be used to pay liabilities of the current period, generally considered to be within sixty days after year end. Revenue from those taxes which are not considered available is unearned.

The property tax calendar for the 2024 tax levy to finance 2024 operations was as follows:

Lien date:	January 1, 2024
Levy date:	December 15, 2023
First installment due:	June 1, 2024
Second installment due:	September 1, 2024

Tax bills were mailed at least 30 days prior to the first installment due date. Property taxes are billed and collected by the County Treasurer of Winnebago County, Illinois.

Property Taxes

The Village's 2024 tax rates per \$100 of assessed valuation together with the related maximum tax rates are as follows:

Type of Levy	Rates Per \$100 of Assessed Valuation	
	2024 Rate	Legal Maximum
Village:		
Corporate	0.1826	0.4375
Police protection	0.1572	0.6000
Police pension	0.1553	None
Social security	0.0037	None
Liability insurance	0.0284	None
Total Village	0.5272	

The 2024 tax levy, which attached as an enforceable lien on property as of January 1, 2024, has been recorded as a receivable and as a deferred revenue as of December 31, 2024 as the tax had been levied by the Village but would not be extended or collected until calendar year 2025.

Village of Roscoe, Illinois

Notes to Financial Statements
December 31, 2024

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, storm water), are reported in the applicable governmental activities columns in the Government-Wide Financial Statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. As a result, certain capital outlay disbursements may not be recorded as a capital asset on the Statement of Net Position (e.g., water mains and sewer mains are considered capital assets but are capitalized by the respective special district and not by the Village). Capital assets are recorded at historical cost or estimated acquisition cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Depreciation and amortization of exhaustible capital assets is recorded as an allocated expense in the statements of activities, with accumulated depreciation and amortization reflected in the statement of net position. Depreciation and amortization is provided over the assets estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

	<u>Years</u>
Assets	
Buildings	50
Improvements	10-45
Equipment and vehicles	3-15
Infrastructure	4-40
Right-of-use	5-7
Subscriptions	3-6

Infrastructure assets normally can be preserved for a significantly greater number of years than other capital assets because they normally (a) can be maintained in a condition that will allow them to be used longer than most other capital assets and (b) are stationary in nature. The Village elected to capitalize its infrastructure assets prospectively as provided by GASB criteria.

Compensated Absences

The Village employees are allowed to accumulate earned but not used vacation, sick and compensatory time benefits, subject to cap limits. All unused vacation, sick and compensatory time leave is accrued when incurred in the Government-Wide Financial Statements. A liability for these amounts is reported in the governmental funds only if it has matured (for example, as a result of employee resignation or retirement).

Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "Due from other funds" or "Due to other funds" on the Balance Sheet and are eliminated in the Government-Wide Financial Statements.

Long-Term Obligations

In the Government-Wide Financial Statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities financial statements. Bond premiums are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium. Bond issuance costs are expensed in the year of issuance.

Village of Roscoe, Illinois

Notes to Financial Statements

December 31, 2024

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

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period (s) and so will not be recognized as an inflow of resource (revenue) until that time.

Leases

The Village is a lessee because it leases capital assets from other entities. As a lessee, the Village reports a lease liability and an intangible right-to-use capital assets (known as the lease assets) on the government-wide financial statements. In the governmental fund financial statements, the Village recognizes lease proceeds and capital outlay at initiation of the lease and the outflow of resources for lease liability as a debt service payment. The Village does not have a policy in place for the recognition of leases as a lease liability and intangible capital asset.

Subscription-Based Information Technology Arrangements

The Village reports a subscription liability and an intangible right-to-use capital asset (known as the subscription asset) on the government-wide financial statements. In the governmental fund financial statements, the System recognizes subscription proceeds and capital outlay at initiation of the subscription and the outflow of resources for the subscription liability as a debt service payment.

Fund Equity/Net Position

In the fund financial statements GASB Statement No. 54 defined and requires the fund balance amounts to be reported within one of the following fund balance categories:

Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributions or the laws or regulations of other governments. When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

Committed - amounts that can be used only for specified purposes determined by a formal action of the Village Board. The Village Board is the highest level of decision-making authority for the Village. Commitments may be modified or rescinded only through the same type of action it employed to previously commit those amounts.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Village's adopted policy, the Village Board may assign amounts for specific purposes.

Unassigned - all other spendable amounts.

In the Government-Wide Financial Statements, restricted net assets are legally restricted by outside parties for a specific purpose. Invested in capital assets, net of related debt represents the book value of capital assets less any long-term debt issued to acquire or construct the capital assets. All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt” are classified as unrestricted net assets.

2. Stewardship, Compliance and Accountability

Legal Compliance and Accountability

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted (at the fund level) for the General Fund and Special Revenue - Street & Bridge, Motor Fuel, Debt Service and Capital Projects Funds on the modified accrual basis with a line items basis by fund. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year-end.

The Village follows these procedures in establishing the budgetary data reflected in the financial statements.

- The Village Finance Committee submits to the Village Board a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to January 1, the budget is legally enacted by Village Board action. This is the amount reported as original budget.
- The Village Board is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total appropriation of any fund must be approved by the Village Board as a supplemental appropriation ordinance.
- Budgets are adopted and formal budgetary integration is employed as a management control device during the year for General Fund, Special Revenue Funds - Street & Bridge, Motor Fuel, Debt Service Fund and Capital Projects Fund.
- All budgets for these funds are adopted on a basis consistent with generally accepted accounting principles.
- Budgetary authority lapses at year-end.
- State law requires that “expenditures be made in conformity with appropriations/ budget”. As under the budget act, transfers between line items, departments and funds may be made by administrative action. The final budget reflects all amendments made. The level of legal control is at the fund level.

Village of Roscoe, Illinois

Notes to Financial Statements

December 31, 2024

3. Deposits and Investments

Permitted Deposits and Investments - Statutes authorize the Village to make deposits in commercial banks and savings and loan institutions and to invest in obligations of the U.S.

Treasury and U.S. agencies, obligations of states and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services and the Illinois Funds. Pension funds may also invest in certain non-U.S. obligations, mortgages, veteran's loans and life insurance company contracts and in certain instances mutual funds and equity securities.

Illinois Funds is an investment pool, managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Fund's share price, the price, which approximate 100% of deposits held. The Illinois Funds are rated AAA by Fitch Rating Inc.

The following is a summary of deposits and investments:

	Book	Bank
Primary government:		
Cash and cash equivalents	\$ 989,778	\$ 1,155,316
Cash and demand deposits Illinois funds	9,356,897	9,356,897
Total cash primary government	<u>\$ 10,346,675</u>	<u>\$ 10,512,213</u>
Investments:		
Time deposits	<u>\$ 250,000</u>	<u>\$ 250,000</u>
Fiduciary (Police Pension Fund):		
Cash and cash equivalents	\$ 176,135	\$ 179,069
Cash and demand deposits Illinois funds	-	-
Total cash fiduciary	<u>\$ 176,135</u>	<u>\$ 179,069</u>
Investments:		
Equity	\$ 7,461,279	\$ 7,461,279
Fixed income	-	-
Total investments fiduciary	<u>\$ 7,461,279</u>	<u>\$ 7,461,279</u>

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Village's deposits may not be returned. The Village's policy requires that funds on deposit in excess of FDIC insurance must be secured by 110% of the fair value of the net amount of funds secured.

The Village maintains collateral agreements with its banks. At December 31, 2024, the banks had pledged various government securities in the amount of \$595,249 to secure the Village's deposits. The remaining balance is insured through the FDIC.

Village of Roscoe, Illinois

Notes to Financial Statements

December 31, 2024

Interest Rate Risk

The Police Pension Fund's investment policy does not specifically address interest rate risks. At December 31, 2024 the Police Pension Fund had the following investments and maturities:

	<u>Fair Value</u>	<u>2025 Less Than 1 Year</u>	<u>2026-2030 1-5 Years</u>	<u>2031-2035 6-10 Years</u>	<u>Over 10 Years</u>
Police Pension					
Investment in IPOPIF	\$ 7,461,279	\$ 7,461,279	\$ -	\$ -	\$ -
Total investments	<u>\$ 7,461,279</u>	<u>\$ 7,461,279</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Concentration of Credit Risk

The Government's Police Pension Fund's investment policy was developed by the Illinois Police Officers' Investment Fund and does not specifically address concentration of credit risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. As of December 31, 2024, The Village's investments held in the Illinois Funds were not rated.

Fair Market Value Measurement

The Village categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The valuation method for recurring fair value measurements of investments is the quoted market prices approach. The Village's Police Pension Fund Investments are categorized as follows:

	<u>December 31, 2024</u>	<u>Fair Value Measurement Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by fair value level:				
Investment in IPOPIP	\$ 7,461,279	\$ -	\$ -	\$ 7,461,279

Village of Roscoe, Illinois

Notes to Financial Statements

December 31, 2024

4. Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Property taxes receivable, general fund	\$ -	\$ 1,760,848
Unearned revenue, capital projects fund	-	462,950
Other governmental units, general fund	207,386	153,875
	<u>207,386</u>	<u>153,875</u>
Total unearned/unavailable revenue	<u>\$ 207,386</u>	<u>\$ 2,377,673</u>
Unearned revenue included in liabilities	\$ 462,950	
Unearned revenue included in deferred outflows	1,914,723	
	<u>1,914,723</u>	
Total unearned revenue	<u>\$ 2,377,673</u>	

5. Interfund Receivables, Payables and Transfers

Transfers between funds for the year ended December 31, 2024 are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General fund	\$ -	\$ 1,915,373
Special revenue funds:		
Bond and interest	272,100	-
Capital projects	1,643,273	-
	<u>1,915,373</u>	<u>-</u>
Total	<u>\$ 1,915,373</u>	<u>\$ 1,915,373</u>

Transfers are used to (1) move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to bond & interest from the fund collecting the receipts to the Bond & Interest Fund as debt service payments become due.

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

<u>Receivable</u>	<u>Payable</u>	<u>Purpose</u>	<u>Amount</u>
General fund	Tax Increment Financing fund	Interfund cash advance	\$ 50,649

Village of Roscoe, Illinois

Notes to Financial Statements

December 31, 2024

6. Capital Assets

Capital asset activity for the year ended December 31, 2024 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 1,537,250	\$ 104,376	\$ -	\$ 1,641,626
Construction in progress	1,476,301	312,562	(501,339)	1,287,524
	<u>3,013,551</u>	<u>416,938</u>	<u>(501,339)</u>	<u>2,929,150</u>
Capital assets being depreciated:				
Land improvements	1,980,078	180,135	-	2,160,213
Infrastructure	11,563,781	699,609	-	12,263,390
Building and improvements	4,896,983	554,281	-	5,451,264
Equipment and vehicles	2,198,381	246,115	-	2,444,496
	<u>20,639,223</u>	<u>1,680,140</u>	<u>-</u>	<u>22,319,363</u>
Total capital assets being depreciated				
Less accumulated depreciation for:				
Land improvements	(452,787)	(51,754)	-	(504,541)
Infrastructure	(2,877,236)	(554,782)	-	(3,432,018)
Building and improvements	(1,107,014)	(116,883)	-	(1,223,897)
Equipment and vehicles	(1,618,958)	(126,269)	-	(1,745,227)
	<u>(6,055,995)</u>	<u>(849,688)</u>	<u>-</u>	<u>(6,905,683)</u>
Accumulated depreciation				
Total capital assets being depreciated, net	<u>14,583,228</u>	<u>830,452</u>	<u>-</u>	<u>15,413,680</u>
Total governmental activities capital assets, net of depreciation	<u>\$ 17,596,779</u>	<u>\$ 1,247,390</u>	<u>\$ (501,339)</u>	<u>\$ 18,342,830</u>

Depreciation expense was charged to the following functions/programs of the primary government:

Governmental activities:	
General government	\$ 38,704
Public safety	72,506
Public works	685,072
Culture and recreation	<u>53,406</u>
Total governmental activities, depreciation expense	<u>\$ 849,688</u>

Village of Roscoe, Illinois

Notes to Financial Statements
December 31, 2024

7. Right-of-Use-Assets

The Lease right-of-use asset activity for the year ended December 31, 2024 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Lease assets being amortized:				
Equipment	\$ 146,862	\$ -	\$ -	\$ 146,862
Vehicles	905,366	345,036	-	1,250,402
	<u>1,052,228</u>	<u>345,036</u>	<u>-</u>	<u>1,397,264</u>
Accumulated amortization:				
Equipment	(57,183)	(29,239)	-	(86,422)
Vehicles	(367,925)	(244,629)	-	(612,554)
	<u>(425,108)</u>	<u>(273,868)</u>	<u>-</u>	<u>(698,976)</u>
Total governmental activities lease assets net of accumulated amortization	<u>\$ 627,120</u>	<u>\$ 71,168</u>	<u>\$ -</u>	<u>\$ 698,288</u>

8. Subscription Assets

The Subscription asset activity for the year ended December 31, 2024 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Subscription asset being amortized:				
Equipment	\$ 97,474	\$ -	\$ -	\$ 97,474
Less accumulated amortization:				
Equipment	(10,105)	(19,531)	-	(29,636)
Total book value of subscription asset	<u>\$ 87,369</u>	<u>\$ (19,531)</u>	<u>\$ -</u>	<u>\$ 67,838</u>

Village of Roscoe, Illinois

Notes to Financial Statements
December 31, 2024

9. Long-Term Obligations

The outstanding obligations as of December 31, 2024 consist of the following:

	December 31, 2024	Current Portion
\$1,100,000 General Obligation Alternative Revenue Bonds, series 2017 (sales tax alternate revenue source). Annual principal payments ranging from \$115,000 to \$135,000 due through 2026. Interest rate is 2.125% due June 15 and December 15.	\$ 265,000	\$ 130,000
\$2,095,000 General Obligation Alternative Revenue Refunding Bonds, series 2018 (telecommunication tax alternative revenue source). Annual principal payments ranging from \$205,000 to \$240,000 due through 2027. Interest rate is 2.15% due June 15 and December 15.	565,000	235,000
Bond premium, related to debt	13,249	4,416
Compensated absences	271,839	90,613
Police pension liability	2,929,009	-
	<u>\$ 4,044,097</u>	<u>\$ 460,029</u>

The annual debt service requirements to maturity, including principal and interest, are as follows:

Years Ending December 31:	Principal	Interest	Total Payment
2025	\$ 365,000	\$ 17,779	\$ 382,779
2026	375,000	9,964	384,964
2027	90,000	1,935	91,935
Total	<u>\$ 830,000</u>	<u>\$ 29,678</u>	<u>\$ 859,678</u>

Village of Roscoe, Illinois

Notes to Financial Statements
December 31, 2024

Lease Liabilities

The outstanding lease obligations as of December 31, 2024 consist of the following:

Lessee Lease Liabilities

Governmental Activities					Balance
Lease Liability Description	Date of Issue	Final Maturity	Interest Rate	Original Indebtedness	December 31, 2024
Vehicle	12/01/2020	01/01/2026	1.37 %	\$ 90,816	\$ 17,983
Vehicle	12/01/2020	01/01/2026	1.37	90,816	17,983
Vehicle	12/01/2020	01/01/2026	1.37	114,036	22,426
Vehicle	12/01/2020	01/01/2026	1.37	114,036	22,426
Vehicle	12/01/2020	01/01/2026	1.37	114,036	22,426
Vehicle	11/01/2022	11/01/2026	4.27	51,226	21,110
Vehicle	11/01/2022	11/01/2026	4.27	43,890	23,374
Vehicle	11/01/2022	11/01/2026	4.27	35,071	18,736
Body cameras	02/01/2022	02/01/2027	1.63	153,710	60,440
Vehicle	02/01/2023	02/01/2027	7.72	19,395	11,024
Vehicle	04/01/2023	04/01/2028	7.72	73,855	38,590
Vehicle	02/01/2023	02/01/2028	7.40	142,106	87,814
Vehicle	07/01/2023	07/01/2027	7.82	48,343	16,183
Vehicle	04/01/2024	04/01/2029	7.86	90,343	79,620
Vehicle	07/01/2024	07/01/2028	8.19	51,760	46,324
Vehicle	09/01/2024	09/01/2028	7.36	18,731	17,388
Vehicle	09/01/2024	09/01/2028	7.36	18,731	17,388
Vehicle	09/01/2024	09/01/2030	7.29	114,237	109,460
Vehicle	09/01/2024	09/01/2028	7.68	51,234	47,593
Total					<u>\$ 698,288</u>

The annual lease amortization requirements to maturity, including principal and interest, are as follows:

Years Ending December 31:	Principal	Interest	Total Payment
2025	\$ 279,479	\$ 49,504	\$ 328,983
2026	184,098	33,527	217,625
2027	123,685	20,478	144,163
2028	66,725	8,508	75,233
2029	28,146	3,211	31,357
2030	16,155	825	16,980
Total	<u>\$ 698,288</u>	<u>\$ 116,053</u>	<u>\$ 814,341</u>

Village of Roscoe, Illinois

Notes to Financial Statements

December 31, 2024

The annual subscription amortization requirements to maturity, including principal and interest, are as follows:

Years Ending December 31:	Principal	Interest	Total Payment
2025	\$ 21,333	\$ 6,989	\$ 28,322
2026	13,492	4,618	18,110
2027	15,031	3,078	18,109
2028	17,982	128	18,110
	<u>\$ 67,838</u>	<u>\$ 14,813</u>	<u>\$ 82,651</u>

The bonds payable, loan payable, unamortized loan payable discounts and postemployment benefits are paid from General Fund revenues. Alternate revenue bonds are paid from the telecommunications taxes.

Long-term liability activity for the year ended December 31, 2024, was as follows:

Governmental	Beginning Balance	New Increases	Decreases	Ending Balance	Amount Due Within One Year
General fund:					
Alternative revenue bonds	\$ 1,190,000	\$ -	\$ 360,000	\$ 830,000	\$ 365,000
Bond premium, related to debt	17,665	-	4,416	13,249	4,416
Compensated absences	366,300	271,839	366,300	271,839	90,613
Police pension liability	3,738,494	-	809,485	2,929,009	-
Lease liability	627,120	345,036	273,868	698,288	279,479
Subscription liability	87,369	-	19,531	67,838	21,333
Total	<u>\$ 6,026,948</u>	<u>\$ 616,875</u>	<u>\$ 1,833,600</u>	<u>\$ 4,810,223</u>	<u>\$ 760,841</u>

Legal Debt Margin

The Village's aggregate indebtedness is subject to a statutory limitation by the State of Illinois of 8.625% of its equalized assessed value. At December 31, 2023, the statutory limit of the Village was \$25,331,152.

10. Contingent Liabilities

Litigation

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village's attorney the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the state government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

11. Employee Retirement Systems

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent-multiple-employer public employee retirement system and the Police Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for the two plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The Police Pension Plan does not issue a separate report on the pension plan. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained at www.imrf.org.

Illinois Municipal Retirement Fund

Plan Description

The Village's defined benefit pension plan for regular employees provides retirement and disability benefits, postretirement 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 a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

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

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

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.

Village of Roscoe, Illinois

Notes to Financial Statements

December 31, 2024

Employees Covered by Benefit Terms

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

	<u>IMRF Regular</u>
Retirees and beneficiaries currently receiving benefits	13
Inactive plan members entitled to but not yet receiving benefits	7
Active plan members receiving benefits	14
Active plan member temporary disability	-
Total	<u>34</u>

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 1.7%. For the fiscal year ended December 31, 2024, the Village contributed \$15,031 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.

Pension Liability

The Village's net pension liability was measured as of December 31, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2024:

- The Actuarial Cost Method used was Aggregate 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 2.75% 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 2020 valuation pursuant to an experience study of the period 2017-2019.

Mortality

For nondisabled 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.

Village of Roscoe, Illinois

Notes to Financial Statements

December 31, 2024

Long-Term Expected Real Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Portfolio Target Percentage	Expected Real Rate Return One Year
Domestic equity	33.5 %	5.70 %
International equity	18.0	7.10
Fixed income	24.5	5.30
Real estate	10.5	7.30
Alternative investments	12.5	6.05-10.00
Cash equivalents	1.0	3.60
Total	<u>100.0 %</u>	Long-term

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, same as the prior valuations. The projection of cash flows used to determine the discount rates assumed that members contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rates. Based on those assumptions, the fiduciary net positions were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return was applied to all periods of projected benefits payments to determine the total pension liability.

Village of Roscoe, Illinois

Notes to Financial Statements

December 31, 2024

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 single discount rate is 7.25%.

Changes in the Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Net pension liability (asset) at December 31, 2023	\$ 1,836,520	\$ 2,079,772	\$ (243,252)
Changes for the year:			
Service cost	67,167	-	67,167
Interest on the total pension liability	132,328	-	132,328
Differences between expected and actual experience of the total pension liability	(138,693)	-	(138,693)
Changes of assumptions	-	-	-
Contributions, employer	-	15,031	(15,031)
Contributions, employees	-	39,143	(39,143)
Benefit payments, including refunds of employee contributions	(89,786))	(89,786)	-
Net investment income	-	197,932	(197,932)
Other (net transfer)	-	(79,607)	79,607
Net pension liability (asset) at December 31, 2024	<u>\$ 1,807,536</u>	<u>\$ 2,162,485</u>	<u>\$ (354,949)</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

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

	Single Discount Rate Assumption		
	1% Decrease 6.25%	Current 7.25%	1% Increase 8.25%
Total pension liability	\$ 2,020,066	\$ 1,807,536	\$ 1,633,645
Plan fiduciary net position	<u>2,162,485</u>	<u>2,162,485</u>	<u>2,162,485</u>
Net pension liability (asset)	<u>\$ (142,419)</u>	<u>\$ (354,949)</u>	<u>\$ (528,840)</u>

Total Net Pension Asset for the IMRF plan is \$354,949 at December 31, 2024.

Village of Roscoe, Illinois

Notes to Financial Statements
December 31, 2024

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

For the year ended December 31, 2024 the Village recognized pension income of \$419,785. At December 31, 2024, 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 to be recognized in pension expense in future periods:		
Differences between expected and actual experience	\$ 38,493	\$ 43,739
Changes of assumptions	-	9,601
Net difference between projected and actual earnings on pension plan investments	<u>87,654</u>	<u>90,078</u>
Total deferred amounts to be recognized in pension expense in future periods	<u>\$ 126,147</u>	<u>\$ 143,418</u>

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

Years Ending December 31:	Regular Plan Net Deferred Outflows of Resources
2025	\$ 13,866
2026	36,393
2027	(57,265)
2028	<u>(10,265)</u>
	<u>\$ (17,271)</u>

Police Pension Plan

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the plan as a Pension Trust Fund. At January 1, 2024, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	7
Inactive plan members entitled to but not yet receiving benefits	7
Active plan members	<u>14</u>
Total	<u>28</u>

Benefits Provided

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2012) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2012) attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800 as of 2011, plus the lesser of 50% of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., .5% of each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or 50% of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. The Village made a contribution of \$500,616 for the year ended December 31, 2024.

Net Pension Liability

The Village's net pension liability was measured at December 31, 2024. The measurement period for pension expense was January 1, 2024 to December 31, 2024. The reporting period is January 1, 2024 to December 31, 2024. The Sponsor's Net Pension Liability was measured as of December 31, 2024. The Total Pension Liability used to calculate the Net Pension Liability was determined as of that date.

Village of Roscoe, Illinois

Notes to Financial Statements

December 31, 2024

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2024.

Inflation	2.5%
Salary increases	Service based
Discount rate	6.50%
Investment rate of return	6.50%
	PubS-2010 Active Lives, Inactive Lives, Beneficiaries and Disabled Lives, projected five years pasty the valuation date with Scale MP-2021.
Mortality rate	

The mortality assumptions sufficiently accommodate anticipated future mortality improvements.

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 expenses 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 by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the Pension Plan's target asset allocation as of December 31, 2024 are summarized in the following table:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Growth	58 %	65.00 %
Income	16	14.00
Inflation protection	9	11.00
Rick mitigation	17	10.00
Total	100 %	

Concentrations - The Plan does not provide information on individual holdings, so the Village is not aware of any one organization that represents 5% or more of the Pension Plan's fiduciary net position.

Discount Rate - The Discount Rate used to measure the Total Pension Liability was 6.50%.

The projection of cash flows used to determine the Discount Rate assumed that Plan Member contributions will be made at the current contribution rate and that Sponsor 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 plan members. Therefore, the Long-Term Expected Rate of Return on Pension Plan investments (6.50%) was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Village of Roscoe, Illinois

Notes to Financial Statements

December 31, 2024

For purpose of this valuation, the expected rate of return on pension plan investments is 6.50%; the municipal bond rate is 4.00% (based on the daily rate closest to, but not later than the measurement date of the S&P Municipal Bond 20 Year High Grade Rate Index). The resulting single discount rate is 6.50%.

Changes in Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance at December 31, 2023	\$ 10,452,132	\$ 6,713,638	\$ 3,738,494
Changes for the year:			
Service cost	306,110	-	306,110
Interest on the total pension liability	690,191	-	690,191
Differences between expected and actual experience of the total pension liability	(582,259)	-	(582,259)
Changes of assumptions	-	-	-
Contributions, employer	-	500,616	(500,616)
Contributions, employees	-	143,793	(143,793)
Net investment income	-	613,289	(613,289)
Benefit payments, including refunds of employee contributions	(279,837)	(279,837)	-
Administrative expenses	-	(34,171)	34,171
Net changes	134,205	943,690	(809,485)
Balances at December 31, 2024	\$ 10,586,337	\$ 7,657,328	\$ 2,929,009

Sensitivity of the Net Pension Liability to changes in the Discount Rate

The following presents the plan's net pension liability calculated using the Single Discount Rate of 6.00% as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	Single Discount Rate Assumption		
	1% Decrease 5.50%	Current 6.50%	1% Increase 7.50%
Sponsor's net pension liability	\$ 4,738,217	\$ 2,929,009	\$ 1,484,411

Village of Roscoe, Illinois

Notes to Financial Statements

December 31, 2024

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

For the year ended December 31, 2024, the Village will recognize a Pension Expense of \$419,782. On December 31, 2024, the Sponsor 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 to be recognized in pension expense in future periods:		
Differences between expected and actual experience	\$ 259,262	\$ 647,565
Changes of assumptions	176,775	407,224
Net difference between projected and actual earnings on pension plan investments	89,493	-
Total deferred amounts to be recognized in pension expense in future periods	\$ 525,530	\$ 1,054,789

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending December 31:	Regular Plan Net Deferred Outflows of Resources
2025	\$ 19,201
2026	30,178
2027	(285,107)
2028	(228,925)
2029	(64,606)
	\$ (529,259)

12. Pledged Taxes

The Village pledged the revenue from its telecommunications tax for the payment of the bond principal and interest on the \$2,095,000 general obligation alternate revenue refunding bonds series 2018 that were issued to fund the expansion and renovation of Village Hall and various water and sewer projects. During 2024, the Village reported \$115,980 in revenue from the telecommunications tax and \$131,168 in transfers from other general fund sources. Funds for payment of the 2024 principal of \$235,000 and interest of \$12,148 have been deposited in the debt service fund prior to the end of the 2024 fiscal year. The expected payments from this revenue source are approximately \$247,000 per year or approximately 190% of the expected revenue from this source through 2026. The remaining amounts due will be covered by other general fund sources.

The Village pledged the revenue from its sales tax for the payment of the bond principal and interest on the \$1,100,000 general obligation alternate revenue bonds series 2017 that were issued to fund the expansion and renovation of Village Hall/Police Department. At the end of 2024, the Village Transferred \$135,631 of sales tax revenue for principal and interest payments due in fiscal year 2024. The expected payments from this source of revenue are approximately \$137,000 per year or approximately 6% of the expected revenue from sales tax.

13. Risk Management

Liability Insurance

The Village is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health and accident claims; and natural disasters. The Village has purchased commercial insurance to provide for any expenses that may result from claims related to the aforementioned risks of loss.

The amounts of settlements have not exceeded insurance coverage in each of the past three years.

14. Agreements

The Village has approved an agreement for Trunk Sewer Extension Cost Sharing and Reimbursement of McCurry Road Trunk Sewer Phase 3. The agreement would provide that the Village would be obligated for 1/3 of the total project costs estimated not to exceed \$960,000. The Village contributed \$320,000 during 2009; however, this project is currently on hold with no scheduled construction commencement date. After completion of the project, the Village expects to recover its costs through future connection fees. The Rock River Water Reclamation District is expected to be the owner of the sewer system upon completion of the project.

The Village has entered into an agreement with another developer where the Village, in exchange for the developer completing improvements that would enhance future economic growth in the area, the Village would rebate 75% of the Municipal Retailer's Occupation Tax for a period of 7 years commencing with sales made in December of 2018 and thereafter. The Village has rebated \$260,149 to date under this agreement. Rebates are expected to be about \$80,000 per year for the remaining three years of the agreement.

15. Effect of New Accounting Standards on Current-Period Financial Statements

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 102, *Certain Risk Disclosures*
- Statement No. 103, *Financial Reporting Model Improvements*
- Statement No. 104, *Disclosure of Certain Capital Assets*

When they become effective, application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Village of Roscoe**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -**

General Fund

Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Taxes	\$ 3,733,629	\$ 3,733,629	\$ 3,874,531	\$ 140,902
Intergovernmental	3,130,000	3,130,000	2,997,410	(132,590)
Licenses and permits	185,300	185,300	205,913	20,613
Fines, forfeitures and penalties	306,010	306,010	293,360	(12,650)
Public charges for services	2,500	2,500	75,550	73,050
Investment income	200,000	200,000	441,060	241,060
Miscellaneous	156,690	156,690	89,999	(66,691)
Total revenues	<u>7,714,129</u>	<u>7,714,129</u>	<u>7,977,823</u>	<u>263,694</u>
Expenditures				
Current:				
General government	1,674,749	1,674,749	1,643,595	31,154
Public safety	3,599,588	3,599,588	3,142,050	457,538
Public works	1,314,589	1,314,589	994,646	319,943
Culture and recreation	294,963	294,963	191,335	103,628
Capital outlay	554,500	554,500	1,032,357	(477,857)
Total expenditures	<u>7,438,389</u>	<u>7,438,389</u>	<u>7,003,983</u>	<u>434,406</u>
Excess of revenues over expenditures	<u>275,740</u>	<u>275,740</u>	<u>973,840</u>	<u>698,100</u>
Other Financing Sources (Uses)				
Proceeds from leases	-	-	345,036	345,036
Transfers out	(2,056,763)	(2,056,763)	(1,915,373)	141,390
Total other financing sources (uses)	<u>(2,056,763)</u>	<u>(2,056,763)</u>	<u>(1,570,337)</u>	<u>486,426</u>
Net change in fund balances	<u>\$ (1,781,023)</u>	<u>\$ (1,781,023)</u>	<u>(596,497)</u>	<u>\$ 1,184,526</u>
Fund Balance, Beginning			<u>6,141,752</u>	
Fund Balance, Ending			<u>\$ 5,545,255</u>	

See notes to required supplementary information

Village of Roscoe

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Special Revenue - Motor Fuel Tax Fund

Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Motor fuel tax allocations	\$ 482,200	\$ 482,200	\$ 488,196	\$ 5,996
Investment income	35,000	35,000	78,385	43,385
Total revenues	517,200	517,200	566,581	49,381
Expenditures				
Current:				
Public works	204,562	204,562	117,041	87,521
Capital outlay	500,000	500,000	125,072	374,928
Total expenditures	704,562	704,562	242,113	462,449
Excess (deficiency) of revenues over expendi	(187,362)	(187,362)	324,468	511,830
Net change in fund balances	\$ (187,362)	\$ (187,362)	324,468	\$ 511,830
Fund Balance, Beginning			1,504,666	
Fund Balance, Ending			\$ 1,829,134	

See notes to required supplementary information

Village of Roscoe

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Capital Projects Fund

Year Ended December 31, 2024

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Intergovernmental charges for services	\$ -	\$ -	\$ 967,299	\$ 967,299
Miscellaneous	-	-	3,233	3,233
Total revenues	-	-	970,532	970,532
Expenditures				
Current:				
Public works	85,200	85,200	-	85,200
Capital outlay:				
Other Infrastructure projects	1,699,463	1,699,463	932,389	767,074
Total expenditures	1,784,663	1,784,663	932,389	852,274
Excess (deficiency) of revenues over expenditures	(1,784,663)	(1,784,663)	38,143	1,822,806
Other Financing Sources				
Transfers in	2,217,663	2,217,663	1,643,273	(574,390)
Total other financing sources	2,217,663	2,217,663	1,643,273	(574,390)
Net change in fund balances	\$ 433,000	\$ 433,000	1,681,416	\$ 1,248,416
Fund Balance, Beginning			492,918	
Fund Balance, Ending			\$ 2,174,334	

See notes to required supplementary information

Village of Roscoe, Illinois
Schedule of Changes in Net Pension Liability and Related Ratios

Illinois Municipal Retirement Fund - Regular Plan

December 31, 2024

Last 10 Calendar Years

Calendar Years Ended December 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service cost	\$ 67,167	\$ 60,678	\$ 60,165	\$ 59,032	\$ 51,695	\$ 63,839	\$ 54,279	\$ 59,727	\$ 65,303	\$ 60,724
Interest on the total pension liability	132,328	121,682	108,845	103,532	104,496	102,455	109,338	102,806	95,079	87,364
Difference between expected and actual experience	(138,693)	58,546	82,425	(17,696)	(85,479)	(33,064)	(165,195)	49,926	6,722	1,973
Assumption changes	-	(14,279)	-	-	(4,828)	-	37,979	(52,939)	-	-
Benefit payments and refunds	(89,786)	(76,289)	(72,954)	(71,367)	(94,322)	(103,702)	(67,981)	(71,430)	(51,157)	(47,803)
Net change in total pension liability	(28,984)	150,338	178,481	73,501	(28,438)	29,528	(31,580)	88,090	115,947	102,258
Total Pension Liability, Beginning	<u>1,836,520</u>	<u>1,686,182</u>	<u>1,507,701</u>	<u>1,434,200</u>	<u>1,462,638</u>	<u>1,433,110</u>	<u>1,464,690</u>	<u>1,376,600</u>	<u>1,260,653</u>	<u>1,158,395</u>
Total Pension Liability, Ending (a)	<u>\$ 1,807,536</u>	<u>\$ 1,836,520</u>	<u>\$ 1,686,182</u>	<u>\$ 1,507,701</u>	<u>\$ 1,434,200</u>	<u>\$ 1,462,638</u>	<u>\$ 1,433,110</u>	<u>\$ 1,464,690</u>	<u>\$ 1,376,600</u>	<u>\$ 1,260,653</u>
Plan Fiduciary Net Position										
Employer contributions	\$ 15,031	\$ 7,925	\$ 15,106	\$ 20,956	\$ 28,540	\$ 17,545	\$ 28,299	\$ 32,900	\$ 31,695	\$ 31,816
Employee contributions	39,143	33,642	28,442	28,664	26,264	25,306	26,203	23,389	24,762	25,340
Pension plan net investment income	197,932	205,759	(281,539)	325,998	260,061	274,917	(104,811)	279,639	93,262	7,172
Benefit payments and refunds	(89,786)	(76,289)	(72,954)	(71,367)	(94,322)	(103,702)	(67,981)	(71,430)	(51,157)	(47,803)
Other	(79,607)	42,003	2,298	(8,591)	(85,880)	22,701	(163,532)	(32,120)	92,815	(79,867)
Net change in plan fiduciary net position	82,713	213,040	(308,647)	295,660	134,663	236,767	(281,822)	232,378	191,377	(63,342)
Plan Fiduciary Net Position, Beginning	<u>2,079,772</u>	<u>1,866,732</u>	<u>2,175,379</u>	<u>1,879,719</u>	<u>1,745,056</u>	<u>1,508,289</u>	<u>1,790,111</u>	<u>1,557,733</u>	<u>1,366,356</u>	<u>1,429,698</u>
Plan Fiduciary Net Position, Ending (b)	<u>\$ 2,162,485</u>	<u>\$ 2,079,772</u>	<u>\$ 1,866,732</u>	<u>\$ 2,175,379</u>	<u>\$ 1,879,719</u>	<u>\$ 1,745,056</u>	<u>\$ 1,508,289</u>	<u>\$ 1,790,111</u>	<u>\$ 1,557,733</u>	<u>\$ 1,366,356</u>
Net Pension Liability (Asset), Ending (a) - (b)	<u>\$ (354,949)</u>	<u>\$ (243,252)</u>	<u>\$ (180,550)</u>	<u>\$ (667,678)</u>	<u>\$ (445,519)</u>	<u>\$ (282,418)</u>	<u>\$ (75,179)</u>	<u>\$ (325,421)</u>	<u>\$ (181,133)</u>	<u>\$ (105,703)</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	119.64%	113.25%	110.70%	144.28%	131.06%	119.31%	105.25%	122.22%	113.16%	108.38%
Covered Valuation Payroll	873,874	747,597	632,040	636,970	583,650	562,347	582,282	519,753	550,266	563,120
Net Pension Liability as a Percentage of Covered Valuation Payroll	-40.62%	-32.54%	-28.57%	-104.82%	-73.33%	-50.22%	-12.91%	-62.61%	-32.92%	-18.77%

See notes to required supplementary information

Village of Roscoe, Illinois

Schedule of Employer Contributions
 Illinois Municipal Retirement Fund - Regular Plan
 December 31, 2024
 Last 10 Calendar Years*

Calendar Years Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2015	\$ 31,816	\$ 31,816	\$ -	\$ 563,120	5.65%
2016	31,695	31,695	-	550,266	5.76%
2017	32,900	32,900	-	519,753	6.33%
2018	28,299	28,299	-	582,282	4.86%
2019	17,545	17,545	-	562,347	3.12%
2020	28,540	28,540	-	583,650	4.89%
2021	20,956	20,956	-	636,970	3.29%
2022	15,106	15,106	-	632,040	2.39%
2023	7,925	7,925	-	747,597	1.06%
2024	15,031	15,031	-	873,874	1.72%

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 are 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: 0.0725
 Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition.

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.

See notes to required supplementary information

Village of Roscoe, Illinois
Schedule of Changes in Net Pension Liability and Related Ratios

Illinois Municipal Retirement Fund - SLEP

December 31, 2024

Last 10 Calendar Years*

Calendar Years Ended December 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on the total pension liability	-	-	-	-	-	-	-	-	5,653	6,474
Benefit changes	-	-	-	-	-	-	-	-	-	-
Difference between expected and actual experience	-	-	-	-	-	-	-	-	(81,023)	(17,430)
Assumption changes	-	-	-	-	-	-	-	-	-	-
Benefit payments and refunds	-	-	-	-	-	-	-	-	-	-
Net change in total pension liability	-	-	-	-	-	-	-	-	(75,370)	(10,956)
Total Pension Liability, Beginning	-	-	-	-	-	-	-	-	75,370	86,326
Total Pension Liability, Ending (a)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,370</u>
Plan Fiduciary Net Position										
Employer contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee contributions	-	-	-	-	-	-	-	-	-	-
Pension plan net investment income	-	-	-	-	-	-	-	-	5,653	419
Benefit payments and refunds	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	(81,035)	(8,745)
Net change in plan fiduciary net position	-	-	-	-	-	-	-	-	(75,382)	(8,326)
Plan Fiduciary Net Position, Beginning	-	-	-	-	-	-	-	-	75,382	83,708
Plan Fiduciary Net Position, Ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,382</u>
Net Pension Liability, Ending (a) - (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12)</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.02%
Covered Valuation Payroll	-	-	-	-	-	-	-	-	-	-
Net Pension Liability as a Percentage of Covered Valuation Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Note: Covered valuation payroll is zero because employee covered under SLEP is inactive.

See notes to required supplementary information

Village of Roscoe, Illinois

Schedule of Employer Contributions
Illinois Municipal Retirement Fund - SLEP
December 31, 2024
Last 10 Calendar Years*

Calendar Years Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2015	\$ -	\$ -	\$ -	\$ -	0.00%
2016	-	-	-	-	0.00%
2017	-	-	-	-	0.00%
2018	-	-	-	-	0.00%
2019	-	-	-	-	0.00%
2020	-	-	-	-	0.00%
2021	-	-	-	-	0.00%
2022	-	-	-	-	0.00%
2023	-	-	-	-	0.00%
2024	-	-	-	-	0.00%

* - Fiscal year 2015 was the first year of GASB 68 implementation for the Village, however three years of data was available and have been included for additional analysis.

Notes to Schedule:

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2021 Contribution Rate*

Valuation Date:

Notes Employee covered under SLEP is not active, therefore, there are no payroll costs.

Methods and Assumptions Used to Determine 2021 Contribution Rates:

Actuarial Cost Method: Aggregate entry age normal
Amortization Method: Level percentage of payroll, closed
Remaining Amortization Period: 21-year closed period.
Asset Valuation Method: 5-year smoothed market; 20% corridor
Wage Growth: 2.75%
Price Inflation: 2.25%

Salary Increases: 2.85% to 13.75%, including inflation
Investment Rate of Return: 7.25%
Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition.

Mortality: For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other Information:

Notes: There were no benefit changes during the year.

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

See notes to required supplementary information

Village of Roscoe, Illinois
Schedule of Changes in Net Pension Liability and Related Ratios

Police Pension Fund

December 31, 2024

Last 10 Calendar Years*

Calendar Years Ended December 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service cost	\$ 306,110	\$ 316,129	\$ 349,403	\$ 271,086	\$ 278,474	\$ 276,363	\$ 231,759	\$ 224,283	\$ 224,625	\$ 199,079
Interest on the total pension liability	690,191	636,591	609,001	566,093	527,111	479,724	420,832	411,129	372,564	347,949
Benefit changes	-	-	-	-	-	48,627	-	-	-	-
Difference between expected and actual experience	(582,259)	227,060	(255,835)	9,657	54,547	187,874	24,213	(145,420)	196,092	-
Assumption changes	-	-	(712,645)	-	-	-	742,833	105,305	-	-
Contributions, buy back	-	-	-	-	-	-	-	-	-	3,045
Benefit payments and refunds	(279,837)	(410,456)	(215,459)	(204,573)	(201,511)	(208,347)	(195,928)	(193,142)	(206,097)	(187,770)
Net change in total pension liability	134,205	769,324	(225,535)	642,263	658,621	784,241	1,223,709	402,155	587,184	362,303
Total Pension Liability, Beginning	<u>10,452,132</u>	<u>9,682,808</u>	<u>9,908,343</u>	<u>9,266,080</u>	<u>8,607,459</u>	<u>7,823,218</u>	<u>6,599,509</u>	<u>6,197,354</u>	<u>5,610,170</u>	<u>5,247,867</u>
Total Pension Liability, Ending (a)	<u>\$ 10,586,337</u>	<u>\$ 10,452,132</u>	<u>\$ 9,682,808</u>	<u>\$ 9,908,343</u>	<u>\$ 9,266,080</u>	<u>\$ 8,607,459</u>	<u>\$ 7,823,218</u>	<u>\$ 6,599,509</u>	<u>\$ 6,197,354</u>	<u>\$ 5,610,170</u>
Plan Fiduciary Net Position										
Employer contributions	\$ 500,616	\$ 443,611	\$ 355,232	\$ 493,334	\$ 446,817	\$ 374,117	\$ 309,890	\$ 260,286	\$ 234,355	\$ 233,182
Employee contributions	143,793	123,510	129,508	106,466	103,709	98,611	99,150	97,946	75,226	88,743
Contributions, buy back	-	-	-	-	-	-	-	-	-	3,045
Pension plan net investment income	613,289	767,378	(763,453)	377,654	591,535	548,751	(60,710)	349,835	183,154	62,882
Benefit payments and refunds	(279,837)	(410,456)	(215,459)	(204,573)	(201,511)	(208,347)	(195,928)	(193,142)	(206,097)	(187,770)
Other, administrative expense	(34,171)	(20,815)	(15,842)	(11,304)	(5,258)	(5,616)	(5,912)	(8,268)	(7,008)	(5,581)
Net change in plan fiduciary net position	943,690	903,228	(510,014)	761,577	935,292	807,516	146,490	506,657	279,630	194,501
Plan Fiduciary Net Position, Beginning	<u>6,713,638</u>	<u>5,810,510</u>	<u>6,320,524</u>	<u>5,558,947</u>	<u>4,623,655</u>	<u>3,816,139</u>	<u>3,669,649</u>	<u>3,162,992</u>	<u>2,883,362</u>	<u>2,688,861</u>
Adjustment to beginning of year	-	(100)	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position, Ending (b)	<u>\$ 7,657,328</u>	<u>\$ 6,713,638</u>	<u>\$ 5,810,510</u>	<u>\$ 6,320,524</u>	<u>\$ 5,558,947</u>	<u>\$ 4,623,655</u>	<u>\$ 3,816,139</u>	<u>\$ 3,669,649</u>	<u>\$ 3,162,992</u>	<u>\$ 2,883,362</u>
Net Pension Liability, Ending (a) - (b)	<u>\$ 2,929,009</u>	<u>\$ 3,738,494</u>	<u>\$ 3,872,298</u>	<u>\$ 3,587,819</u>	<u>\$ 3,707,133</u>	<u>\$ 3,983,804</u>	<u>\$ 4,007,079</u>	<u>\$ 2,929,860</u>	<u>\$ 3,034,362</u>	<u>\$ 2,726,808</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	72.33%	64.23%	60.01%	63.79%	59.99%	53.72%	48.78%	55.60%	51.04%	51.40%
Covered Valuation Payroll	\$ 1,450,989	\$ 1,246,317	\$ 1,306,842	\$ 1,074,329	\$ 1,046,509	\$ 995,066	\$ 100,505	\$ 988,355	\$ 759,092	\$ 895,489
Net Pension Liability as a Percentage of Covered Valuation Payroll	201.86%	299.96%	296.31%	333.96%	354.24%	400.36%	400.51%	296.44%	399.74%	304.50%

Other Information:

Notes:

* - Fiscal year 2015 was the first year of implementation, therefore only nine years are shown.

See notes to required supplementary information

Village of Roscoe, Illinois

Schedule of Employer Contributions

Police Pension Fund

December 31, 2024

Last 10 Calendar Years*

Calendar Years Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2015	\$ 276,837	\$ 233,182	\$ 43,655	\$ 895,489	26.04%
2016	276,837	234,355	42,482	759,092	30.87%
2017	312,450	260,286	52,164	988,355	26.34%
2018	377,230	309,890	67,340	1,000,505	30.97%
2019	412,688	374,117	38,571	995,066	37.60%
2020	452,415	446,817	5,598	1,046,509	42.70%
2021	354,963	493,334	(138,371)	1,074,329	45.92%
2022	444,734	355,232	89,502	1,306,842	27.18%
2023	404,288	443,611	(39,323)	1,246,317	35.59%
2024	481,587	500,616	(19,029)	1,450,989	34.50%

* - Fiscal year 2015 was the first year of implementation, therefore only nine years are shown.

Notes to Schedule:

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

Valuation Date: 1/1/2024

Notes Actuarially determined contribution rates are calculated as of January 1, one year prior to the end of the year in which contributions are reported.

Methods and Assumptions Used to Determine 2024 Contribution Rates:

Funding Method: Projected Unit Credit
Amortization Method: Normal cost, plus an additional amount (determined as a level percentage of payroll) to bring the plan's funded ratio to 90% by the end of fiscal year 2040.

Mortality Rate: **Healthy Lives:**
RP-2014 Healthy Annuitant with Blue Collar Adjustment, males and females.
Disabled Lives:
115% of RP-2014 Healthy Annuitant with-Blue Collar Adjustment, males and females.

Interest Rate: 6.80%

Retirement Age:

Age	Rate	Age	Rate
50-54	20%	50-54	5%
55-62	25%	55	40%
63	33%	56-62	25%
64	40%	63	33%
65-69	55%	64	40%
70+	100%	65-69	55%
		70+	100%

See notes to required supplementary information

Village of Roscoe, Illinois

Schedule of Employer Contributions

Police Pension Fund

December 31, 2024

Last 10 Calendar Years*

Termination Rate:

Service	Rate
0	13.00%
1	8.00%
2	7.00%
3	6.00%
4	5.00%
5	4.50%
6	4.00%
7	3.50%
8	3.00%
9	2.50%
10	2.25%
11	2.00%
12	1.75%
13	1.50%
14+	1.25%

Disability Rate:

60% percent of disabilities are assumed
to be in the line of duty.

Age	Rate
20	0.000%
25	0.029%
30	0.133%
35	0.247%
40	0.399%
45	0.561%
50	0.675%
55	0.855%
60	1.093%

Salary Increases:

Rates vary by service from 0 to 32 years.

Service	Rate
0	11.00%
1	10.75%
2	8.75%
3	8.50%
4	7.00%
5	6.25%
6	5.25%
7	4.25%
8-16	4.00%
17-32	3.75%
32+	3.50%

Payroll Growth:

3.00%

Inflation:

2.50% per year.

Cost-of-Living Adjustments:

Tier 1: 3.00% per year after age 55. Those that retire prior to age 55 receive and increase of 1/12 of 3.00% for each full month since benefit commencement upon reaching age 55.

Tier 2: 1.25% per year after the later of attainment of age 60 or first anniversary of retirement.

Marital Status:

80% of officers are assumed to be married.

Spouse's Age:

Males are assumed to be three years older than females.

Actuarial Asset Method:

Investment gains and losses are smoothed over a 5-year period.

See notes to required supplementary information

Legal Compliance and Accountability

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted (at the fund level) for the General Fund and Special Revenue - Street & Bridge, Motor Fuel, Debt Service and Capital Projects Funds on the modified accrual basis with a line items basis by fund. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year end.

The Village follows these procedures in establishing the budgetary data reflected in the financial statements.

- A. The Village Finance Committee submits to the Village Board a proposed operating budget for the calendar year commencing the following January 1st. The operating budget includes proposed expenditures and the means of financing them.
- B. Public hearings are conducted to obtain taxpayer comments.
- C. Prior to January 1st, the budget is legally enacted by Village Board action. This is the amount reported as original budget.
- D. The Village Board is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total appropriation of any fund must be approved by Village Board as a supplemental appropriation ordinance.
- E. Budgets are adopted and formal budgetary integration is employed as a management control device during the year for General Fund, Special Revenue Funds - Street & Bridge, Motor Fuel, Debt Service Fund and Capital Projects Fund.
- F. All budgets for these funds are adopted on a basis consistent with generally accepted accounting principles.
- G. Budgetary authority lapses at year-end.
- H. State law requires that "expenditures be made in conformity with appropriations/budget". As under the budget act, transfers between line items, departments and funds may be made by administrative action. The final budget reflects all amendments made. The level of legal control is at the fund level.

SUPPLEMENTARY INFORMATION

Village of Roscoe

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2024

	Special Revenue Funds		Total	Debt Service	Total Nonmajor Governmental Funds
	Street & Bridge Fund	Tax Increment Financing Fund		Bond & Interest	
Assets					
Cash and investments	\$ 331,208	\$ 80,770	\$ 411,978	\$ 378,901	\$ 790,879
Total assets	<u>\$ 331,208</u>	<u>\$ 80,770</u>	<u>\$ 411,978</u>	<u>\$ 378,901</u>	<u>\$ 790,879</u>
Liabilities and Fund Balances					
Liabilities					
Due to other funds	\$ -	\$ 50,649	\$ 50,649	\$ -	\$ 50,649
Total liabilities	<u>-</u>	<u>50,649</u>	<u>50,649</u>	<u>-</u>	<u>50,649</u>
Fund Balances					
Restricted	<u>331,208</u>	<u>30,121</u>	<u>361,329</u>	<u>378,901</u>	<u>740,230</u>
Total fund balances	<u>331,208</u>	<u>30,121</u>	<u>361,329</u>	<u>378,901</u>	<u>740,230</u>
Total liabilities and fund balances	<u>\$ 331,208</u>	<u>\$ 80,770</u>	<u>\$ 411,978</u>	<u>\$ 378,901</u>	<u>\$ 790,879</u>

Village of Roscoe

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds
Year Ended December 31, 2024

	Special Revenue Funds			Debt Service	Total Nonmajor
	Street & Bridge Fund	Tax Increment Financing Fund	Total	Bond & Interest	Governmental Funds
Revenues					
Taxes:					
Property taxes	\$ 32,708	\$ 22,789	\$ 55,497	\$ -	\$ 55,497
Telecommunications	-	-	-	115,980	115,980
Total revenues	32,708	22,789	55,497	115,980	171,477
Expenditures					
Current:					
General government	-	51	51	-	51
Debt service:					
Principal retirement	-	-	-	360,000	360,000
Interest and fiscal charges	-	-	-	25,091	25,091
Total expenditures	-	51	51	385,091	385,142
Excess (deficiency) of revenues over expenditures	32,708	22,738	55,446	(269,111)	(213,665)
Other Financing Sources					
Transfers in	-	-	-	272,100	272,100
Transfers out	-	-	-	-	-
Total other financing sources	-	-	-	272,100	272,100
Net change in fund balances	32,708	22,738	55,446	2,989	58,435
Fund Balances, Beginning	298,500	7,383	305,883	375,912	681,795
Fund Balances, Ending	\$ 331,208	\$ 30,121	\$ 361,329	\$ 378,901	\$ 740,230

Village of Roscoe

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
Special Revenue - Street and Bridge Fund
Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 30,000	\$ 30,000	\$ 32,708	\$ 2,708
Total revenues	30,000	30,000	32,708	2,708
Net change in fund balances	\$ 30,000	\$ 30,000	32,708	\$ 2,708
Fund Balance, Beginning			298,500	
Fund Balance, Ending			\$ 331,208	

Village of Roscoe

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

Debt Service Fund

Year Ended December 31, 2024

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Telecommunications tax	\$ 111,000	\$ 111,000	\$ 115,980	\$ 4,980
Total revenues	111,000	111,000	115,980	4,980
Expenditures				
Debt service				
Principal	-	-	360,000	(360,000)
Interest	-	-	25,091	(25,091)
Total expenditures	-	-	385,091	(385,091)
Excess (deficiency) of revenues over ex	111,000	111,000	(269,111)	(380,111)
Other Financing Sources				
Transfers in	272,100	272,100	272,100	-
Total other financing sources	272,100	272,100	272,100	-
Net change in fund balances	\$ 383,100	\$ 383,100	2,989	\$ (380,111)
Fund Balance, Beginning			375,912	
Fund Balance, Ending			\$ 378,901	

Village of Roscoe, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -

General Fund

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Under/ Over
Taxes				
Property	\$ 1,678,629	\$ 1,678,629	\$ 1,692,437	\$ 13,808
Sales	2,055,000	2,055,000	2,182,094	127,094
Total taxes	3,733,629	3,733,629	3,874,531	140,902
Intergovernmental				
State income tax	1,845,000	1,845,000	1,890,667	45,667
Local use tax	467,000	467,000	382,349	(84,651)
Video game tax	515,000	515,000	526,906	11,906
Personal property replacement	230,000	230,000	176,818	(53,182)
Cannabis use tax	18,000	18,000	17,535	(465)
Donations	20,000	20,000	-	(20,000)
Grants	35,000	35,000	3,135	(31,865)
Total intergovernmental	3,130,000	3,130,000	2,997,410	(132,590)
Licenses and permits				
Liquor licenses	141,200	141,200	148,650	7,450
Employee registration liquor	7,000	7,000	2,013	(4,987)
Vending licenses	-	-	4,575	4,575
Permits	33,000	33,000	37,444	4,444
Other	4,100	4,100	13,231	9,131
Total licenses and permits	185,300	185,300	205,913	20,613
Fines, forfeitures and penalties				
Cable franchise fees	45,000	45,000	31,512	(13,488)
Gas franchise fees	125,000	125,000	125,272	272
Design review fees	1,000	1,000	5,550	4,550
Inspection fees	-	-	951	951
Traffic fines	80,000	80,000	62,526	(17,474)
DUI fines	5,000	5,000	3,473	(1,527)
Parking citations	2,000	2,000	-	(2,000)
Drug fines	100	100	1,632	1,532
Police agency vehicles	410	410	-	(410)
Notice of violations	6,500	6,500	3,590	(2,910)
Administrative tow fees	40,000	40,000	55,340	15,340
Credit card fees	1,000	1,000	3,515	2,515
Total fines, forfeitures and penalties	306,010	306,010	293,360	(12,650)
Public charges for services				
Shared sidewalk repairs	2,500	2,500	-	(2,500)
Other reimbursements	-	-	75,550	75,550
Total public charges for services	2,500	2,500	75,550	73,050
Investment income	200,000	200,000	441,060	241,060
Miscellaneous				
Miscellaneous	156,690	156,690	89,999	(66,691)
Total miscellaneous	156,690	156,690	89,999	(66,691)
Total revenues	\$ 7,714,129	\$ 7,714,129	\$ 7,977,823	\$ 263,694

Village of Roscoe, Illinois

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -

General Fund

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Under/ Over
Expenditures				
Current:				
General government:				
Village hall administration:				
Salaries and benefits	\$ 247,111	\$ 247,111	\$ 263,600	\$ (16,489)
Supplies and contractual services	683,915	683,915	757,561	(73,646)
Total village hall administration	931,026	931,026	1,021,161	(90,135)
Village clerk:				
Salaries and benefits	19,377	19,377	21,652	(2,275)
Supplies and contractual services	4,950	4,950	1,195	3,755
Total village clerk department	24,327	24,327	22,847	1,480
Code enforcement department:				
Salaries and benefits	96,111	96,111	52,635	43,476
Supplies and contractual services	13,000	13,000	12,128	872
Total code enforcement department	109,111	109,111	64,763	44,348
Village treasurer:				
Supplies and contractual services	69,300	69,300	69,300	-
Total treasurer department	69,300	69,300	69,300	-
Liability insurance:				
Supplies and contractual services	222,603	222,603	257,205	(34,602)
Total liability insurance	222,603	222,603	257,205	(34,602)
Planning/zoning department:				
Supplies and contractual services	144,500	144,500	59,467	85,033
Total planning/zoning department	144,500	144,500	59,467	85,033
Human resource department:				
Salaries and benefits	98,182	98,182	103,212	(5,030)
Supplies and contractual services	2,700	2,700	264	2,436
Total human resource department	100,882	100,882	103,476	(2,594)
Village board:				
Salaries and benefits	68,000	68,000	45,148	22,852
Supplies and contractual services	5,000	5,000	228	4,772
Total village board	73,000	73,000	45,376	27,624
Total general government	\$ 1,674,749	\$ 1,674,749	\$ 1,643,595	\$ 31,154

Village of Roscoe, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
General Fund
Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Under/ Over</u>
Expenditures				
Current:				
Public works:				
Public works department:				
Salaries and benefits	\$ 573,985	\$ 573,985	\$ 594,848	\$ (20,863)
Supplies and contractual services	<u>740,604</u>	<u>740,604</u>	<u>399,798</u>	<u>340,806</u>
Total public works	<u>1,314,589</u>	<u>1,314,589</u>	<u>994,646</u>	<u>319,943</u>
Public safety:				
Police department:				
Salaries and benefits	2,927,974	2,927,974	2,623,463	304,511
Supplies and contractual services	<u>671,614</u>	<u>671,614</u>	<u>518,587</u>	<u>153,027</u>
Total public safety	<u>3,599,588</u>	<u>3,599,588</u>	<u>3,142,050</u>	<u>457,538</u>
Culture and recreation:				
Parks department:				
Salaries and benefits	185,913	185,913	120,545	65,368
Supplies and contractual services	<u>109,050</u>	<u>109,050</u>	<u>70,790</u>	<u>38,260</u>
Total culture and recreation	<u>294,963</u>	<u>294,963</u>	<u>191,335</u>	<u>103,628</u>
Total current	<u>6,883,889</u>	<u>6,883,889</u>	<u>5,971,626</u>	<u>912,263</u>
Capital outlay:				
General government:				
Village hall	310,500	310,500	130,241	180,259
Highway and streets:				
Public works department	244,000	244,000	91,297	152,703
Public safety:				
Police department	-	-	271,745	(271,745)
Culture and recreation				
Parks department	-	-	194,038	(194,038)
Lease right-of-use asset	<u>-</u>	<u>-</u>	<u>345,036</u>	<u>(345,036)</u>
Total capital outlay	<u>554,500</u>	<u>554,500</u>	<u>1,032,357</u>	<u>(477,857)</u>
Total expenditures	<u>7,438,389</u>	<u>7,438,389</u>	<u>7,003,983</u>	<u>434,406</u>
Excess of revenues over expenditures	<u>275,740</u>	<u>275,740</u>	<u>973,840</u>	<u>698,100</u>
Other Financing Sources (Uses)				
Transfers to other funds	(2,056,763)	(2,056,763)	(1,915,373)	141,390
Proceeds from leases	<u>-</u>	<u>-</u>	<u>345,036</u>	<u>345,036</u>
Total other financing sources (uses)	<u>(2,056,763)</u>	<u>(2,056,763)</u>	<u>(1,570,337)</u>	<u>486,426</u>
Net change in fund balance	<u>\$ (1,781,023)</u>	<u>\$ (1,781,023)</u>	(596,497)	<u>\$ 1,184,526</u>
			<u>6,141,752</u>	
			<u>\$ 5,545,255</u>	

Village of Roscoe, Illinois

Assessed Valuations and Property Tax Rates
Extensions and Collections

	Tax Years													
	2023		2022		2021		2020		2019		2018		2017	
Assessed Valuations	\$ 293,864,259		\$ 265,414,376		\$ 248,371,275		\$ 237,000,304		\$ 226,409,586		\$ 212,979,894		\$ 203,793,782	
Property tax rates (per \$100 of assessed valuation):	Maximum	Actual	Maximum	Actual	Maximum	Actual	Maximum	Actual	Maximum	Actual	Maximum	Actual	Maximum	Actual
Corporate	0.4375	0.2214	0.4375	0.2330	0.4375	0.2521	0.4375	0.2431	0.4375	0.2544	0.4375	0.2670	0.4375	0.2874
Police Pension		0.1592		0.1673		0.1430		0.1909		0.1823		0.1772		0.1534
Social Security		0.0037		0.0038		0.0041		0.0043		0.0045		0.0047		0.0050
Police Protection	0.6000	0.1590	0.6000	0.1673	0.6000	0.1812	0.6000	0.1710	0.6000	0.1789	0.6000	0.1879	0.6000	0.1963
Liability Insurance		0.0287		0.0302		0.0323		0.0211		0.0221		0.0235		0.0246
Total tax rate	0.5720		0.6016		0.6127		0.6304		0.6422		0.6603		0.6667	
Property tax extensions:														
Corporate	\$	650,615	\$	618,867	\$	626,086	\$	576,147	\$	575,986	\$	568,403	\$	585,884
Police Pension		467,832		445,159		354,963		452,434		412,745		377,232		312,716
Social Security		10,873		10,093		10,000		10,191		10,188		10,006		10,193
Police Protection		466,849		444,362		450,000		405,271		405,047		400,011		400,171
Liability Insurance		84,339		80,214		80,000		50,007		50,028		50,028		50,148
Total taxes extended	\$	1,680,508	\$	1,598,695	\$	1,521,049	\$	1,494,050	\$	1,453,994	\$	1,405,680	\$	1,359,112
Property tax collections:														
Corporate	\$	648,079	\$	620,590	\$	625,819	\$	575,947	\$	571,544	\$	564,432	\$	580,591
Police Pension		466,008		443,920		354,986		452,277		409,562		374,598		309,890
Social Security		10,830		10,065		10,177		10,187		10,110		9,936		10,101
Police Protection		465,422		443,126		449,814		405,129		401,924		397,218		396,554
Liability Insurance		84,010		79,990		80,183		49,990		49,651		49,679		49,696
Total levied taxes collected	\$	1,674,349	\$	1,597,691	\$	1,520,979	\$	1,493,530	\$	1,442,789	\$	1,395,863	\$	1,346,832
Percentage of Extensions Collected:	99.63 %		99.94 %		100.00 %		99.97 %		99.23 %		99.30 %		99.10 %	
Amounts Transferred From Other Taxing Districts	\$	44,278	\$	44,278	\$	44,278	\$	44,278	\$	41,431	\$	39,711	\$	36,845
Total Taxes Collected	\$	1,537,808	\$	1,537,808	\$	1,537,808	\$	1,537,808	\$	1,484,220	\$	1,435,574	\$	1,383,677

Village of Roscoe, Illinois

Schedule of Legal Debt Margin

December 31, 2024

	December 31,						
	2024	2023	2022	2021	2020	2019	2018
Assessed Valuations*	<u>\$ 293,864,259</u>	<u>\$ 265,414,376</u>	<u>\$ 248,371,273</u>	<u>\$ 237,000,304</u>	<u>\$ 226,409,586</u>	<u>\$ 212,979,894</u>	<u>\$ 203,793,782</u>
Statutory Debt Limitation (8 5/8 % of Assessed Valuation)	<u>\$ 25,345,792</u>	<u>\$ 22,891,990</u>	<u>\$ 21,422,022</u>	<u>\$ 20,441,276</u>	<u>\$ 19,527,827</u>	<u>\$ 18,369,516</u>	<u>\$ 17,577,214</u>
Bonds payable	-	-	-	-	-	-	-
Loan payable (includes unamortized loan payable discount)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>\$ 25,345,792</u>	<u>\$ 22,891,990</u>	<u>\$ 21,422,022</u>	<u>\$ 20,441,276</u>	<u>\$ 19,527,827</u>	<u>\$ 18,369,516</u>	<u>\$ 17,577,214</u>

* Assessed values are for the tax year one year earlier. For example, the assessed value for the year ended December 31, 2024 is the assessed value of tax year 2023.

Village of Roscoe

Detailed Schedule of Revenues and Other Financing Sources - Budget and Actual -
General Fund
Year Ended December 31, 2024

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Taxes				
Property	\$ 1,678,629	\$ 1,678,629	\$ 1,692,437	\$ 13,808
Sales	2,055,000	2,055,000	2,182,094	127,094
Total taxes	3,733,629	3,733,629	3,874,531	140,902
Intergovernmental				
State income tax	1,845,000	1,845,000	1,890,667	45,667
Local use tax	467,000	467,000	382,349	(84,651)
Video game tax	515,000	515,000	526,906	11,906
Personal property replacement	230,000	230,000	176,818	(53,182)
Cannabis use tax	18,000	18,000	17,535	(465)
Grants	20,000	20,000	-	(20,000)
Donations	35,000	35,000	3,135	(31,865)
Total intergovernmental	3,130,000	3,130,000	2,997,410	(132,590)
Licenses and Permits				
Liquor licenses	141,200	141,200	148,650	7,450
Employee registration liquor	7,000	7,000	2,013	(4,987)
Vending licenses	-	-	4,575	4,575
Permits	33,000	33,000	37,444	4,444
Other	4,100	4,100	13,231	9,131
Total licenses and permits	185,300	185,300	205,913	20,613
Fines, Forfeitures and Penalties:				
Cable franchise fees	45,000	45,000	31,512	(13,488)
Gas franchise fees	125,000	125,000	125,272	272
Design review fees	1,000	1,000	5,550	4,550
Inspection fees	-	-	951	951
Traffic fines	80,000	80,000	62,526	(17,474)
DUI fines	5,000	5,000	3,473	(1,527)
Parking citations	2,000	2,000	-	(2,000)
Drug fines	100	100	1,632	1,532
Police agency vehicles	410	410	-	(410)
Notice of violations	6,500	6,500	3,590	(2,910)
Administrative tow fees	40,000	40,000	55,340	15,340
Credit card fees	1,000	1,000	3,515	2,515
Total fines, forfeitures and penalties	306,010	306,010	293,360	(12,650)
Reimbursement				
Shared sidewalk repairs	2,500	2,500	-	(2,500)
Other reimbursements	-	-	75,550	75,550
Total reimbursements	2,500	2,500	75,550	73,050
Interest				
Interest	200,000	200,000	441,060	241,060
Total interest	200,000	200,000	441,060	241,060
Other:				
Sale of Assets	-	-	-	-
Miscellaneous	156,690	156,690	89,999	(66,691)
Total miscellaneous	156,690	156,690	89,999	(66,691)
Total revenues	7,714,129	7,714,129	7,977,823	263,694
Other Financing Sources				
Proceeds from leases	-	-	345,036	345,036
Total other financing sources	-	-	345,036	345,036
Total revenues and other financing sources	\$ 7,714,129	\$ 7,714,129	\$ 8,322,859	\$ 608,730

Village of Roscoe

Detailed Schedule of Revenues and Other Financing Sources - Budget and Actual -
General Fund
Year Ended December 31, 2024

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Expenditures				
General Government				
General /adminstration	\$ 1,153,629	\$ 1,153,629	\$ 1,278,366	\$ (124,737)
Clerk	24,327	24,327	22,847	1,480
Code enforcement dept	109,111	109,111	64,763	44,348
Treasurer	69,300	69,300	69,300	-
Planning/zoning	144,500	144,500	59,467	85,033
Human resources	100,882	100,882	103,476	(2,594)
Village board	73,000	73,000	45,376	27,624
Total general government	1,674,749	1,674,749	1,643,595	31,154
Public Safety				
Police department	3,599,588	3,599,588	3,132,978	466,610
Crossing guards	-	-	9,072	(9,072)
Total public safety	3,599,588	3,599,588	3,142,050	457,538
Public Works				
Highway adminstration	1,314,589	1,314,589	994,646	319,943
Total public works	1,314,589	1,314,589	994,646	319,943
Culture and Recreation				
Park department	294,963	294,963	191,335	103,628
Total culture and recreation	294,963	294,963	191,335	103,628
Capital Outlay				
Capital outlay	554,500	554,500	1,032,357	(477,857)
Total capital outlay	554,500	554,500	1,032,357	(477,857)
Total expenditures	7,438,389	7,438,389	7,003,983	434,406
Other Financing Uses				
Transfers out	2,056,763	2,056,763	1,915,373	141,390
Total other financing uses	2,056,763	2,056,763	1,915,373	141,390
Total expenditures and other financing uses	\$ 9,495,152	\$ 9,495,152	\$ 8,919,356	\$ 575,796

**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***

Independent Auditors' Report

To the Board of Trustees of
Village of Roscoe

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Roscoe (the Village), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated August 25, 2025.

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.

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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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*.

Purpose of This Report

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

Baker Tilly US, LLP

Milwaukee, Wisconsin
August 25, 2025