



COMPREHENSIVE ANNUAL FINANCIAL REPORT

**FISCAL YEAR ENDED
04.30.2021**

**ROCK RIVER WATER
RECLAMATION DISTRICT**
Rockford, Illinois

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
April 30, 2021

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ROCKFORD, ILLINOIS
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ROCKFORD, ILLINOIS
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INTRODUCTORY SECTION

LIST OF PRINCIPAL OFFICIALS

2020/2021 Board of Trustees

Mr. Richard T. Pollack, President

Mr. John F. Sweeney, Vice President

Mr. Ben Bernstein, Clerk/Treasurer

Mr. Donald Massier, Trustee

Mr. Elmer Jones, Trustee

2020/2021 Administration

Mr. Timothy Hanson, Executive Director

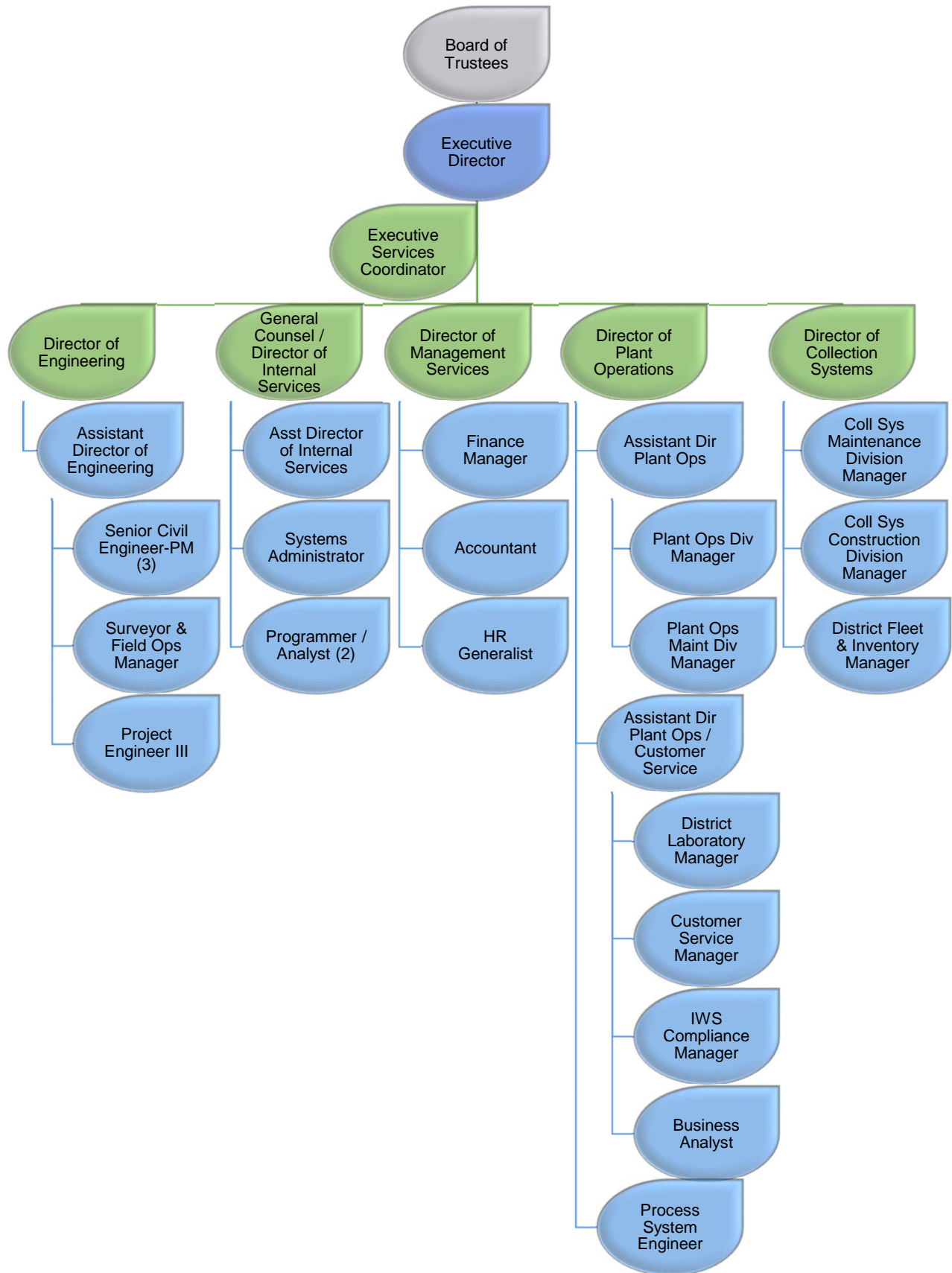
Mr. Christopher Baer, Director of Engineering

Ms. Julia Scott-Valdez, Director of Management Services

Mr. Ed Fitzgerald, General Counsel / Director of Internal Services

Mr. Greg Cassaro, Director of Plant Operations

Mr. Jim Reader, Director of Collection Systems





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Rock River Water Reclamation District
Illinois**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

April 30, 2020

Christopher P. Morill

Executive Director/CEO



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P.O. Box 7480
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Board of Trustees
Richard T. Pollack, President
John F. Sweeney, Vice President
Ben Bernstein, Clerk/Treasurer
Donald J. Massier, Trustee
Elmer Jones, Trustee
Timothy S. Hanson, Executive Director

September 9, 2021

Board of Trustees
Rock River Water Reclamation District

Dear Trustees:

State law requires that the Rock River Water Reclamation District (District) publish a complete set of financial statements presented in conformance with United States Generally Accepted Accounting Principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of independent licensed certified public accountants. Pursuant to that requirement, we hereby issue the Rock River Water Reclamation District's Comprehensive Annual Financial Report ("Annual Report") for the fiscal year ended April 30, 2021.

The Annual Report consists of management's representations concerning the finances of the District. Accordingly, management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh the benefits, the District's framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Sikich LLP, a firm of licensed certified public accountants, has audited the District's financial statements thereby providing reasonable assurance that the financial statements of the District for the fiscal year ended April 30, 2021 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by

management; and evaluating the overall financial statement presentation. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, Sikich LLP expresses no such opinion. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended April 30, 2021 are fairly presented in conformity with GAAP. The Independent Auditor's Report is presented as the first component of the Financial Section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This Letter of Transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the Independent Auditors' Report.

PROFILE OF THE DISTRICT

General

The Rock River Water Reclamation District (District) was originally incorporated as the Rockford Sanitary District in 1926 under the Sanitary District Act of 1917. The primary treatment plant was completed in 1931. A secondary treatment plant and additional treatment facilities were added in 1958. Use of vacuum filters began in 1968. In 1972, a bond issue was approved for expansion and a pre-treatment program was instituted that same year. A nitrifying secondary system was added in 1996. A solid treatment upgrade, including anaerobic solid digestion and centrifuge dewatering, was completed in 2002. Additionally, the District made several upgrades to the plant in 2019, including the installation of two new 3mm perforated influent bar screens and a new three-meter gravity belt thickener used for dewatering of primary sludge.

Service Area

The District covers approximately 103 square miles of Winnebago County and serves over 240,000 people in the communities of Rockford, Loves Park, Machesney Park, Roscoe, Cherry Valley, New Milford, Village of Winnebago, and a small part of Rockton and a number of unincorporated areas of Winnebago County.

Profile of District

The District cleanses the wastewater in accordance with the District's Illinois Environmental Protection Agency (IEPA) Permit before effluent is released back into the environment. This process safeguards public health and protects aquatic life in the waterway that receives the effluent. Staff regularly inspects and evaluates the health of the aquatic ecosystem in the receiving waterway to ensure compliance with state and federal water quality standards.

The District owns and maintains a majority of the wastewater collection sewers within the service area. The District's approximately 1,143-mile-long network of buried sewers conveys wastewater from residential, industrial and other business sites to the treatment plant in southeast Rockford. The collection facilities consist of gravity sewers, as well as approximately 33 pumping stations and pressure sewers. The gravity system consists of large and small diameter sewer lines. The largest gravity lines are interceptor and trunk sewers of diameters up to six feet that often follow rivers, creeks and drainage ways. Eight and ten-inch diameter lateral (neighborhood) sewers flow to larger interceptors and trunks.

Once the wastewater is collected, the District provides treatment at facilities located on Kishwaukee Street in Rockford. The District currently provides secondary wastewater treatment consisting of the following major treatment components:

- Raw wastewater pumping station with Parshall flume for recording the quantity of incoming wastewater to the treatment facility.
- Bar screen and primary settling tanks.
- Aeration tanks that provide for biological removal of contaminants from the wastewater.
- Final settling tanks followed by chlorine contact tanks and the discharge of the treated wastewater to the Rock River.
- Removal of solids from the wastewater to be thickened and pumped into heated anaerobic digesters where the wastes are stabilized and methane gas is produced. Those solids will be applied to farmland as a fertilizer and soil conditioner.
- The methane gas produced by the anaerobic digester is used as a fuel to operate generators that help produce heat for the anaerobic digester operation and electricity to operate the plant.

Governance

The District's governing body is the Rock River Water Reclamation District Board of Trustees, which is composed of five members. The Board determines District policy, approves the annual budget, levies taxes, authorizes the payment of bills, approves bids and contracts involving District business and adopts District ordinances.

Budgets

The general provisions that regulate the District's budget and appropriation procedures are set forth in Illinois statutes. The Executive Director is required to submit an operating, debt service and capital budget to the Board of Trustees on an annual basis.

FACTORS AFFECTING FINANCIAL CONDITION

The Board of Trustees, as well as the Executive Director and staff, are intent on maintaining the District's strong financial position, while continuing to provide high quality services to its constituents. The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the District operates.

Local Economy

The COVID-19 pandemic inflicted havoc on the District's coverage area as unemployment rates doubled. The unemployment rate in Rockford for 2020 was 11.4% as compared to 5.7% in 2019. Winnebago County unemployment rates are reported at 11.4%, the highest since 2013.

Despite the unemployment rates, property values continued to increase. After years of declining property values during and after the Great Recession of 2008, for the fifth consecutive year taxable valuations have increased. Taxable valuations in 2020 increased 5.3% following a 6.4% increase in the District's service area in 2019.

Long-Range Financial Planning

The District's operating budget utilizes a user charge stabilization fund and an equipment replacement fund to help stabilize user charge rates while improving customer service and implementing operational efficiencies. In addition, the District maintains long-range financial plans for its Operations and Maintenance (O&M) and Capital budgets. The District's ten-year financing plan for the capital budget seeks to accomplish the District's capital program needs within the following financing objectives:


- ✓ Utilizing existing revenue sources, provide, at a minimum, 20% cash financing for capital projects
- ✓ Maintain total outstanding debt at no more than 5.75% of the District's Equalized Assessed Valuation

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the Rock River Water Reclamation District for the fiscal year ended April 30, 2020. The District has received this prestigious award for the last three years. In order to be awarded the Certificate of Achievement, the District must publish an easily readable and efficiently organized financial report. This report satisfies both generally accepted accounting principles and other applicable requirements.

A Certificate of Achievement is valid for a period of one year. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program requirements and we are submitting it to GFOA to determine its eligibility for certification.

Preparation of this report would not have been possible without the efficient and dedicated service of the District's staff. Each staff member is sincerely appreciated for their contribution to the financial operations of the District, as well as to this report.



Timothy S. Hansen
Executive Director



Julia Scott-Valdez
Director of Management Services

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To The Board of Trustees
Rock River Water Reclamation District
Rockford, Illinois

We have audited the accompanying basic financial statements of the Rock River Water Reclamation District (the District), as of and for the year ended April 30, 2021, and the related notes to financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements 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 District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position, of Rock River Water Reclamation District, as of April 30, 2021, and the respective changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements as a whole. The accompanying introductory section, supplemental schedules, and statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 9, 2021 on our consideration of the District'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 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 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 District's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
September 9, 2021

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630.566.8400

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To The Board of Trustees
Rock River Water Reclamation District
Rockford, Illinois

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 basic financial statements the Rock River Water Reclamation District (the District) as of and for the year ended April 30, 2021, and the related notes to financial statements, and have issued our report thereon dated September 9, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sikich LLP

Naperville, Illinois
September 9, 2021

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

ROCK RIVER WATER RECLAMATION DISTRICT

Management Discussion and Analysis – Unaudited

Our discussion and analysis of the Rock River Water Reclamation District's financial performance provides an overview of the District's financial activities for the fiscal years ended April 30, 2021 and 2020. This information is presented in conjunction with the audited financial statements that follow this section.

Financial Highlights

- Total assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources by \$346.1 million at April 30, 2021. This is an increase of \$11.6 million, or 3.5%, as compared to April 30, 2020.
- The amount of unrestricted net position at April 30, 2021 totaled \$48.1 million, an increase of \$7.2 million or 17.6% as compared to the prior year.
- Total net investment in capital assets is \$288.0 million at April 30, 2021 as compared to \$283.1 million as of April 30, 2020.
- Operating income for 2021 was approximately \$4.6 million, as compared to \$4.0 million for fiscal year 2020.
- User fee rates per hundred cubic feet increased from \$4.213 in April 2020 to \$4.640 in April 2021.

Basic Financial Statements

The District is reported under one enterprise fund, and the basic financial statements of the District are prepared using proprietary fund (enterprise fund) accounting. This is the same basis of accounting used by private-sector business enterprises. Under this method of accounting, an economic resources measurement focus and an accrual basis of accounting is used. Revenues are recorded when earned and expenses are recorded when incurred. The basic financial statements include a statement of net position, a statement of revenues, expenses, and changes in net position, and a statement of cash flows. These are followed by notes to the financial statements. In addition to the basic financial statements, this report also contains required supplementary information, supplemental schedules and certain other supplemental information.

The statement of net position presents information on the assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference between assets/outflows and liabilities/inflows reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of revenues, expenses, and changes in net position reports operating and non-operating revenues and expenses of the District for the fiscal year with the difference - the income or loss before capital contributions - being combined with any capital contributions to determine the net change in position for the fiscal year. That change, combined with last year-end total net position, reconciles to the net position total at the end of this fiscal year.

ROCK RIVER WATER RECLAMATION DISTRICT

Management Discussion and Analysis – Unaudited

The statement of cash flows reports cash and cash equivalent activities for the fiscal year resulting from operating activities, non-capital financing, capital and related financing activities, and investment activities. The net result of these activities, added to the beginning of year cash and cash equivalents balance, reconciles to the cash and cash equivalent balance at the end of the current fiscal year. Contrary to the other basic financial statements, this statement is prepared on a cash basis.

Summary of Organization and Business

The Rock River Water Reclamation District (District) was originally incorporated as the Rockford Sanitary District in 1926 under the Sanitary District Act of 1917. Today the District covers approximately 103 square miles of Winnebago County and serves over 240,000 people in the communities of Rockford, Loves Park, Machesney Park, Roscoe, Cherry Valley, New Milford, Village of Winnebago, a small part of Rockton and a number of unincorporated areas of Winnebago County.

Financial Analysis

Net Position

The following schedule presents a summary of net position comparisons for the fiscal years ended April 30, 2021 and 2020 (amounts in millions).

Condensed Statement of Net Position (Balance Sheet) (In Millions of Dollars)

	FY 2021	FY 2020	Increase (Decrease)	
			Amount	%
Current assets	\$ 68.6	\$ 62.1	\$ 6.5	10.5%
Long-term note receivable	5.2	5.4	(0.2)	-3.7%
Net pension asset	0.8		0.8	
Capital assets, net	376.5	369.2	7.3	2.0%
Total Assets	451.1	436.7	14.4	3.3%
Deferred outflows of resources	3.5	2.7	0.8	29.6%
Total assets and deferred outflows	454.6	439.4	15.2	3.5%
Current liabilities	14.3	11.7	2.6	22.2%
Long-term debt, less current portion	82.0	84.3	(2.3)	-2.7%
Total Liabilities	96.3	96.0	0.3	0.3%
Deferred inflows of resources	12.2	8.9	3.3	37.1%
Total liabilities and deferred inflows	108.5	104.9	3.6	3.4%
Net investment in capital assets	288.0	283.1	4.9	1.7%
Restricted net position	10.0	10.5	(0.5)	-4.8%
Unrestricted net position	48.1	40.9	7.2	17.6%
Total net position	\$ 346.1	\$ 334.5	\$ 11.6	3.5%

ROCK RIVER WATER RECLAMATION DISTRICT

Management Discussion and Analysis – Unaudited

The District's net position at April 30, 2021 is \$346.1 million, an increase of \$11.6 million from the amount at April 30, 2020. The largest portion of the net position is reflected in the net investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment) totaling \$288.0 million. Capital assets are calculated based on the net book value of capital assets less any related debt used to acquire those assets still outstanding.

Restricted net position represents outside legal restrictions on the remainder of the net position of the District. The restricted net position of \$10.0 million declined slightly between April 30, 2020 and April 30, 2021. The restrictions of net position are for the purpose of public benefit and special assessments, as well as a debt service reserve.

The unrestricted net position at April 30, 2021 is \$48.1 million, an increase of \$7.2 million from the amount at April 30, 2020. The unrestricted amount includes an operating reserve equal to 25% of annual department operating expenses per the District's financial policies. A portion of the unrestricted amount represents resources available to meet the District's capital obligations in future years.

Revenue, expenses, and changes in net position

The schedule on the following page presents a summary of revenues, expenses, and changes in net position for the fiscal years ended April 30, 2021 and 2020 (amounts in millions).

The District's user charges were \$39.6 million in fiscal year 2021, which is a 3.9% increase from the prior year. In fiscal year 2021, the District had 76,000 customers with billable water usage estimated at 8.5 million units (100 cubic feet). The District independently sets user fees that are calculated based on the quantity and quality of wastewater treated.

The District's operating expenses are grouped into three categories, operations, administration and depreciation. Operations and administration include salaries, employee benefits, supplies, contractual services, and repair and maintenance expenses. Depreciation results from allocating the cost of capital assets to providing services over the asset's useful lives. Total operating expenses were \$36.8 million in fiscal year 2021. Operating expenses less depreciation were \$22.3 million, a decrease of \$1.7 million or 7.1% from fiscal year 2020.

Operating income for the District totaled approximately \$4.6 million in fiscal year 2021, approximately \$0.6 million more than the previous year. Operating income is primarily attributable to the growth in user fees. Operating expenses decreased at a higher percentage than operating revenues.

ROCK RIVER WATER RECLAMATION DISTRICT
Management Discussion and Analysis – Unaudited

Change in Net Position
(In Millions of Dollars)

	FY FY 2021	FY FY 2020	Increase (Decrease)	
			Amount	%
Operating revenues:				
User charges	\$ 39.6	\$ 38.1	\$ 1.5	3.9%
Collection charges and penalties	0.3	0.4	(0.1)	-25.0%
Operating contributions from property owners and other governments	0.5	2.8	-2.3	-82.1%
Other	1.0	1.3	(0.3)	-23.1%
Total operating revenues	41.4	42.6	(1.2)	-2.8%
Nonoperating revenues:				
Property taxes	5.1	5.1	-	0.0%
Replacement taxes	1.9	2.0	(0.1)	-5.0%
Investment income	0.4	0.9	(0.5)	-55.6%
Other nonoperating revenues	0.1	0.1	-	0.0%
Total nonoperating revenues	7.5	8.1	(0.6)	-7.4%
Total revenues	48.9	50.7	(1.8)	-3.6%
Operating expenses:				
Operations	16.4	18.2	(1.8)	-9.9%
Administration	5.9	5.8	0.1	1.7%
Depreciation	14.5	14.6	(0.1)	-0.7%
Total operating expenses	36.8	38.6	-1.8	-4.7%
Nonoperating expenses –				
Bond issuance costs	0.0	0.0	-	
Interest expense	1.7	2.2	(0.5)	-22.7%
Total nonoperating expenses	1.7	2.2	(0.5)	-22.7%
Total expenses	38.5	40.8	(2.3)	-5.6%
Income before contributions	10.4	9.9	0.5	5.1%
Capital contributions	1.2	1.0	0.2	20.0%
Change in net position	11.6	10.9	0.7	6.4%
Net position, beginning, as previously reported	334.5	323.6	10.9	3.4%
Restatement	-	-	-	
Net position, beginning, as restated	334.5	323.6	10.9	3.4%
Net position, ending	\$ 346.1	\$ 334.5	\$ 11.6	3.5%

ROCK RIVER WATER RECLAMATION DISTRICT
Management Discussion and Analysis – Unaudited

Non-operating revenues and expenses represent those revenues and expenses that are incidental to providing services or one-time revenues not correlated to user fees. In fiscal year 2021, non-operating revenues totaled \$7.5 million, a decrease of \$.6 million as compared to 2020. The primary non-operating expense is interest expense on outstanding bond and loan obligations.

Capital Assets

Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are stated at cost or at estimated historical cost for purchased or constructed capital assets and at acquisition value for contributed capital assets. The following table summarizes the capital asset activity of the District (in thousands).

Capital Assets (Net of Depreciation, in Thousands)			
	<u>FY 2021</u>	<u>FY 2020</u>	<u>Increase</u>
Land	\$ 6,504	\$ 6,042	\$ 462
Treatment plant	151,660	144,521	7,139
Sewers and lift stations	445,136	405,195	39,941
Machinery & equipment	26,551	24,483	2,068
Construction in progress	17,289	45,735	(28,446)
Sub-total	<u>647,140</u>	<u>625,976</u>	<u>21,164</u>
Accumulated depreciation	270,656	256,800	13,856
Net capital assets	<u>\$ 376,484</u>	<u>\$ 369,176</u>	<u>\$ 7,308</u>

The capital assets are comprised primarily of the treatment facility located along the Rock River, as well as transmission lines and lift stations. The primary treatment plant was completed in 1931 and a secondary treatment plant and additional treatment facilities were added in 1958. The plant has a design flow of 40 million gallons per day, with an average daily flow of 43.8 million gallons and peak wet weather design flow capacity of 80 million gallons per day.

During fiscal year 2021 several projects, including Cherry Valley Parallel Force Main, RAS Pump Replacement, Maintenance Building HVAC Replacement, North Main Sewer Rehab, West State Street Sewer Replacement-Phase 2, and the Primary Filtration project were not completed and are reported as construction in progress. Various other projects were finished and contributed to the capital asset value increasing by \$7.3 million.

More detailed information regarding the District's capital asset activity can be found in the Notes to Financial Statements, Note 3 Capital Assets. An additional Schedule of Capital Assets is located in the Required Supplementary Information.

ROCK RIVER WATER RECLAMATION DISTRICT
Management Discussion and Analysis – Unaudited

Long-Term Debt

As of April 30, 2021, the District had approximately \$83.8 million in long-term debt, including the current portion. The District made principal payments of \$6.3 million and borrowed an additional \$7.2 million in fiscal year 2021. Total debt increased by 1.2% compared to fiscal year 2020. IEPA Projects that result in additions to long-term debt include \$.8 million for Collection System Repairs and \$6.4 million for Cherry Valley Parallel Forcemain. Additional information regarding the District's long-term debt activity can be found in the Notes to Financial Statements, Note 4 Long-Term Liabilities.

Long-Term Debt					
(In Thousands)					
	<u>FY 2021</u>	<u>FY 2020</u>	<u>Dollar</u>	<u>Percent</u>	
			<u>Change</u>	<u>Change</u>	
IEPA Loans	\$ 59,857	\$ 55,549	\$ 4,308	7.8%	
Bonds Payable	23,905	27,185	(3,280)	-12.1%	
Capital Lease	58	133	(75)	-56.4%	
Total Long Term Debt	\$ 83,820	\$ 82,867	\$ 953	1.2%	

Economic Factors and Future Rates

The District's board considered many factors when setting the fiscal year 2021 user rates and property tax levy. One of the factors was the local economy. The District's population has declined in recent years with the unemployment rate in Winnebago County increasing dramatically between 2019 and 2020, mostly related to the pandemic. While the population and unemployment rate have declined, taxable property valuations in 2020 increased approximately 5.6%, following a 6.4% increase in 2019.

Beginning in 2020 and continuing through 2021, the world experienced an international pandemic due to COVID-19. Although the size and duration of the financial impact has not yet been determined, the District and Directors took steps in fiscal year 2021 to control expenditures and delay capital projects in anticipation of revenue reductions. The District experienced a sharp increase in receivables at the beginning of FY21 due to the economic impact of the health crisis. The District also deferred penalties for a period of nine months and began a hardship program to assist those in need while awaiting implementation of federal, state and local assistance programs.

The District aims to operate and maintain its system efficiently and effectively, as well as fund necessary capital improvements. The fiscal year 2022 budget for operating and maintenance expenditures is \$26.3 million, a 4.7% increase from the prior year. The planned outlay for capital projects is \$41.5 million, primarily for rehabilitation, upgrade and replacement of assets

ROCK RIVER WATER RECLAMATION DISTRICT

Management Discussion and Analysis – Unaudited

at the District's water reclamation facilities, as well as new sewer extensions. User charges are budgeted at \$43.8 million, an increase of approximately 10.2% from FY 2019/20 to cover capital project requirements due to unfunded mandates. The 2020 (collected 2021) property tax levy was \$5.2 million, increasing \$.1 million, with the rate declining to \$0.1789 from the prior year's \$0.1848.

The District is adopting a new name in FY22 and will officially be known as Four Rivers Sanitation Authority. The name change represents our mission of returning fresh, clean water to our environment. The new brand symbolizes drops of water becoming incrementally more pure before the water is discharged into the watershed that feeds into the Rock, Kishwaukee, Pecatonica and Sugar Rivers.

District Contact Information

This financial report is designed to provide citizens, customers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. Anyone having questions regarding this report or desiring additional information may contact Ms. Julia Scott-Valdez, Director of Management Services, Rock River Water Reclamation District, 3501 Kishwaukee Street, Rockford, Illinois 61109.

BASIC FINANCIAL STATEMENTS

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

BALANCE SHEET

April 30, 2021

**ASSETS AND DEFERRED
OUTFLOWS OF RESOURCES**

CURRENT ASSETS

Cash and cash equivalents	\$ 36,656,782
Investments	4,276,701
Restricted assets	
Cash and cash equivalents	109,440
Investments	4,313,134
Receivables	
Billed user charges, net of allowance for uncollectible amounts of \$260,000	6,333,237
Property taxes	5,241,045
Other	2,418,701
Estimated unbilled user charges	8,285,960
Accrued interest income	210,580
Long-term loans receivable, current portion	266,372
Prepaid expenses	549,516
	<hr/>
Total current assets	68,661,468

NONCURRENT ASSETS

Long-term loans receivable	5,178,199
Net pension asset	820,100
Capital assets not being depreciated	23,792,566
Capital assets being depreciated, net	352,691,999
	<hr/>
Net capital assets	376,484,565
	<hr/>
Total noncurrent assets	382,482,864
	<hr/>
Total assets	451,144,332

DEFERRED OUTFLOWS OF RESOURCES

Pension items - IMRF	3,106,473
OPEB items	269,408
Unamortized loss on refunding	104,388
	<hr/>
Total deferred outflows of resources	3,480,269

**TOTAL ASSETS AND DEFERRED
OUTFLOWS OF RESOURCES**

\$ 454,624,601

(This statement is continued on the following page.)

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

BALANCE SHEET (Continued)

April 30, 2021

**LIABILITIES, DEFERRED INFLOWS
OF RESOURCES, AND NET POSITION**

CURRENT LIABILITIES

Current portion of long-term debt	\$ 7,476,145
Accounts payable	5,582,057
Accrued expenses	
Salaries and wages	381,801
Pension contribution	189,884
Accrued interest	570,894
Other	131,967

Total current liabilities	<u>14,332,748</u>
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LONG-TERM LIABILITIES

Claims payable	232,177
Compensated absences	1,113,893
Long-term debt, net of current maturities	78,799,913
Total OPEB liability	<u>1,872,630</u>

Total long-term liabilities	<u>82,018,613</u>
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Total liabilities	<u>96,351,361</u>
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DEFERRED INFLOWS OF RESOURCES

Deferred revenue - property taxes	5,241,045
Unamortized gain on refunding	69,640
Pension items - IMRF	6,598,147
OPEB items	<u>263,224</u>

Total deferred inflows of resources	<u>12,172,056</u>
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NET POSITION

Net investment in capital assets	288,045,759
Restricted for	
Public benefit	2,461,771
Capital improvements	3,078,084
Debt service	4,422,574
Unrestricted	<u>48,092,996</u>

Total net position	<u>346,101,184</u>
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**TOTAL LIABILITIES, DEFERRED INFLOWS
OF RESOURCES, AND NET POSITION**

<u>\$ 454,624,601</u>

See accompanying notes to financial statements.

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

**STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION**

For the Year Ended April 30, 2021

OPERATING REVENUES

User charges	
Operation and maintenance	\$ 39,400,759
Inspection fees and other user charges	<u>182,862</u>
Total user charges	39,583,621
Collection charges and penalties	340,800
Operating contributions from property owners and other governments	476,000
Other	<u>1,029,304</u>
Total operating revenues	<u>41,429,725</u>

OPERATING EXPENSES

Operations	16,402,588
Administration	5,907,803
Depreciation	<u>14,487,819</u>
Total operating expenses	<u>36,798,210</u>

OPERATING INCOME	<u>4,631,515</u>
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NON-OPERATING REVENUES (EXPENSES)

Property taxes	5,105,882
Assessments	5,486
Illinois personal property replacement taxes	1,895,075
Investment income	383,203
Gain on sale of asset	124,257
Interest expense	<u>(1,741,942)</u>
Total non-operating revenues (expenses)	<u>5,771,961</u>

INCOME BEFORE CAPITAL CONTRIBUTIONS	10,403,476
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Capital contributions	<u>1,174,800</u>
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CHANGE IN NET POSITION	11,578,276
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NET POSITION, MAY 1	<u>334,522,908</u>
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NET POSITION, APRIL 30	<u><u>\$ 346,101,184</u></u>
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See accompanying notes to financial statements.

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

STATEMENT OF CASH FLOWS

For the Year Ended April 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES

Received from customers	\$ 40,346,602
Paid to suppliers for goods and services	(8,787,088)
Paid to employees for services - including benefits	<u>(14,068,691)</u>

Net cash from operating activities	<u>17,490,823</u>
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CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Tax proceeds received	<u>7,006,443</u>
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Net cash from noncapital financing activities	<u>7,006,443</u>
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**CASH FLOWS FROM CAPITAL AND RELATED
FINANCING ACTIVITIES**

Proceeds on disposal of capital assets	165,861
Acquisition and construction of capital assets	(19,051,012)
Interest paid and fiscal charges	(1,785,191)
Proceeds from issuance of bonds and drawdowns on IEPA loans	5,720,699
Principal payments on IEPA loans and bonds	(6,233,781)
Payments on capital lease obligation	<u>(74,904)</u>

Net cash from capital and related financing activities	<u>(21,258,328)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Interest income	217,327
Purchase of investments	(7,847,519)
Proceeds from sale of investments	<u>5,434,976</u>

Net cash from investing activities	<u>(2,195,216)</u>
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NET INCREASE IN CASH AND CASH EQUIVALENTS	1,043,722
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CASH AND CASH EQUIVALENTS, MAY 1	<u>35,722,500</u>
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CASH AND CASH EQUIVALENTS, APRIL 30	<u><u>\$ 36,766,222</u></u>
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Cash and cash equivalents	\$ 36,656,782
Restricted cash and cash equivalents	<u>109,440</u>

TOTAL CASH AND CASH EQUIVALENTS	<u><u>\$ 36,766,222</u></u>
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(This statement is continued on the following page.)

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

STATEMENT OF CASH FLOWS (Continued)

For the Year Ended April 30, 2021

RECONCILIATION OF OPERATING INCOME

TO NET CASH FLOWS FROM OPERATING ACTIVITIES

Operating income	\$ 4,631,515
Adjustments to reconcile operating income to net cash from operating activities	
Depreciation	14,487,819
Increase (decrease) in cash due to changes in assets and liabilities	
Receivables	
User charges	(902,867)
Other receivables	(180,256)
Prepaid expenses	63,939
Net pension liability - IMRF	(3,247,159)
Deferred outflows - pension items - IMRF	(697,653)
Deferred inflows - pension items - IMRF	2,902,356
Total OPEB liability	(360,659)
Deferred outflows - pension items - OPEB	(143,588)
Deferred inflows - pension items - OPEB	263,224
Accounts payable	915,775
Compensated absences	(270,599)
Accrued expenses and other liabilities	28,976

NET CASH FLOWS FROM OPERATING ACTIVITIES

\$ 17,490,823

**NONCASH CAPITAL AND RELATED
FINANCING ACTIVITIES**

Grant receivable	\$ 1,893,902
IEPA loan payable	(1,893,902)
Wastewater sewer extensions contributed by area developers and other governments	1,174,800
Cost of capital assets included in accounts payable	2,966,255

**TOTAL NONCASH CAPITAL AND RELATED
FINANCING ACTIVITIES**

\$ 4,141,055

See accompanying notes to financial statements.

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

April 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Rock River Water Reclamation District (the District) was organized in 1926 under the Sanitary Districts Sewage Disposal Act of 1917 to acquire, develop, and manage the sewage disposal system. The District encompasses an area which includes the entire City of Rockford, City of Loves Park, Village of Machesney Park, Village of New Milford, Village of Cherry Valley, Village of Roscoe, Village of Winnebago, and a number of unincorporated areas within Winnebago County. The accompanying financial statements are prepared in accordance with accounting principles generally accepted in the United States of America, as applied to governmental 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 following is a summary of the more significant accounting policies of the District:

a. Reporting Entity

The District is a separate autonomous taxing district governed by a five-member Board of Trustees, appointed by the Winnebago County Board Chairman with the advice and consent of the Winnebago County Board.

The District is considered to be a primary government as defined by GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, since it is legally separate and fiscally independent. These financial statements include all functions, programs, and activities under the control of the Board of Trustees of the District.

b. Fund Accounting

Governmental resources are allocated to and accounted for in individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the basic financial statements in this report, into a single fund.

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

The Enterprise Fund is used for the general operation, maintenance, and improvement of the sewage system. The Enterprise Fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

c. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows and all liabilities and deferred inflows associated with the operation of these funds are included on the statement of net position. Proprietary fund operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net position. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Non-operating revenue/expenses are incidental to the operations of these funds.

The accrual basis of accounting is utilized by proprietary funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

d. Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents represent cash in checking and money market accounts and any certificates of deposits, U.S. treasuries, or state and local obligations with an original maturity of three months or less. Any certificates of deposit, U.S. treasuries, or state and local obligations with maturity dates over three months are presented as investments.

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Investments

Investments with a maturity date of less than one year from the date of purchase are recorded at cost or amortized cost. Investments with a maturity date of greater than one year, at time of purchase, if any, are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

f. Capital Assets

Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are stated at cost, except for donated assets, which are stated at acquisition value on the date donated.

Depreciation of plant and equipment is provided on the straight-line basis over the estimated useful lives of the respective assets as follows:

	<u>Years</u>
Treatment plant	15-30
Sewers and lift stations	15-50
Machinery and equipment	3-15
Computer software	10

No depreciation is taken in the year of the capitalization and a full year is taken in the year of retirement.

g. Property Taxes

Property taxes are assessed as of January 1 on real property. The District must file its tax levy with the Winnebago County Clerk by the last Tuesday of December. Generally, in April of the subsequent year, the County Clerk calculates the tax rates using the equalized assessed value of the District, as determined by the Illinois Department of Revenue. These rates are then extended against the equalized assessed value of each parcel of property. The tax bills are normally mailed by May 1 with payments generally due in two equal installments around June 1 and September 1.

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Property Taxes (Continued)

Several of the District's levies are subject to tax rate limits. These tax limits and the District's tax rates for the 2020 tax levy are as follows:

	Limit Rate	2020 Rate
Corporate	0.1660	0.1369
Sewerage chlorination	0.0500	0.0299
Public benefit	0.0500	0.0127

The other tax levies of the District are not subject to tax rate limitations. The 2021 tax levy, which attached as an enforceable lien on property as of January 1, 2021, has not been recorded as a receivable as of April 30, 2021 as the tax has not yet been levied by the District and will not be levied until September 2021 and, therefore, the levy is not measurable at April 30, 2021.

h. User Charges

User charges are recognized as revenue when earned. As of April 30, 2021, there were approximately three months of earned but unbilled user charges due to billing practices of water districts that supply the District with consumption information.

i. Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid expenses.

j. Restricted Assets

Proceeds of general obligation alternate revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

k. Bond Issuance Costs, Bond Discounts, and Bond Premiums

Bond discounts, premiums, and gains/losses on refundings are deferred and amortized over the term of the bonds using the straight-line method. Bond discounts are presented as a reduction of the face amount of bonds payable; bond premiums are presented as an addition to the face amount of bonds payable. Bond issuance costs are expensed in the year they are incurred.

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Compensated Absences

District employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination, death, or retirement. Earned vacation pay and one-half of all unused sick leave is paid upon termination of employment. Compensated absences start to vest for employees at the end of their orientation period.

The District recognizes vacation expense as it is earned. Sick leave pay is recognized at the time the liability vests. An additional amount is accrued for salary-related payments directly and incrementally associated with payment made for compensated absences on termination.

m. Net Position

Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for a specific purpose, or externally imposed by outside entities. None of the net position has been restricted by enabling legislation adopted by the District. Net investment in capital assets represents the book value of capital assets less outstanding long-term debt principal issued to construct or acquire capital assets. If restricted or unrestricted funds are available for spending, the restricted funds are spent first.

n. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial 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) until then. In addition to liabilities, the statement of financial 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 resources (revenue) until that time.

o. Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

p. Postponement of Implementation of Certain Authoritative Guidance

In accordance with the provisions of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the District has delayed the implementation of GASB Statement No. 87, *Leases*, to April 30, 2023.

2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

The District's investment policy authorizes the District to invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments insured by the Federal Deposit Insurance Corporation (FDIC), obligations or securities guaranteed by the United States Government, direct obligations of any bank as defined by the Illinois Banking Act, certain short-term commercial paper rated within the highest classification established by at least two standard rating services, certain money market mutual funds, repurchase agreements, and the Illinois Public Treasurers' Investment Pool (The Illinois Funds).

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

It is the policy of the District to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity, and rate of return.

a. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy requires pledging of collateral, including a letter of credit issued by a Federal Home Loan Bank, or private insurance, for all bank balances in excess of FDIC coverage, at an amount not less than 105% of the fair market value of the funds secured, with collateral held by the District, an independent third party, or a Federal Reserve Bank in the District's name.

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

b. Investments

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses arising from rising interest rates, the District attempts to match its investments with anticipated cash flow requirements. The District's investment's policy limits the average maturity of the total portfolio to a maximum of five years. Investments in securities in excess of five years shall coincide as nearly as practicable with the expected use of the funds.

The following are the District's investment in debt securities as of April 30, 2021:

Investment Type	Investment Maturities (in Years)				
	Fair Value	Less than 1	1-5	6-10	Greater than 10
Negotiable certificates of deposit	\$ 495,448	\$ -	\$ 495,448	\$ -	\$ -
U.S. Treasury obligations	3,497,590	-	3,497,590	-	-
State and local obligations	1,368,797	-	1,368,797	-	-
TOTAL	\$ 5,361,835	\$ -	\$ 5,361,835	\$ -	\$ -

The District 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; and Level 3 inputs are significant unobservable inputs.

The District has the following recurring fair value measurements as of April 30, 2021: the negotiable certificates of deposit, U.S. Treasury obligations and state and local obligations are valued using quoted matrix pricing models (Level 2 inputs).

Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The District limits its exposure to credit risk by pre-qualifying all financial institutions and other intermediaries with which the District conducts business. The Illinois Funds are rated AAA by Fitch Ratings. The negotiable certificates of deposit, U.S. Treasury obligations and municipal bonds are not rated.

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

b. Investments (Continued)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the District will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the District's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the District's agent separate from where the investment was purchased or by the trust department of the bank where purchased, in the District's name. The Illinois Funds are not subject to custodial credit risk.

Concentration of credit risk is the risk that the District has a high percentage of its investments invested in one type of investment. The District limits its exposure to concentration of credit risk by established guidelines for diversification of the investment portfolio by limiting investments to certain investments categories and certain percentages of the portfolio.

3. CAPITAL ASSETS

Capital assets activity for the year ended April 30, 2021 was as follows:

	Balances May 1	Additions	Deletions	Transfers	Balances April 30
Capital assets not being depreciated					
Land	\$ 6,042,131	\$ 461,900	\$ -	\$ -	\$ 6,504,031
Construction in progress	45,735,352	16,581,075	21,755	(45,006,137)	17,288,535
Total capital assets not being depreciated	51,777,483	17,042,975	21,755	(45,006,137)	23,792,566
Capital assets being depreciated					
Treatment plant	144,520,925	698,861	-	6,440,601	151,660,387
Sewers and lift stations	405,194,838	2,097,426	-	37,844,090	445,136,354
Machinery and equipment	24,482,785	1,998,379	651,543	721,446	26,551,067
Total capital assets being depreciated	574,198,548	4,794,666	651,543	45,006,137	623,347,808
Less accumulated depreciation					
Treatment plant	77,568,350	4,731,793	-	-	82,300,143
Sewers and lift stations	161,358,177	7,847,735	-	-	169,205,912
Machinery and equipment	17,873,157	1,908,291	631,694	-	19,149,754
Total accumulated depreciation	256,799,684	14,487,819	631,694	-	270,655,809
Net capital assets being depreciated	317,398,864	(9,693,153)	19,849	45,006,137	352,691,999
TOTAL CAPITAL ASSETS, NET	\$ 369,176,347	\$ 7,349,822	\$ 41,604	\$ -	\$ 376,484,565

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM LIABILITIES

The District's long-term liabilities outstanding consisted of the following at April 30, 2021:

	Balances May 1	Additions	Deletions	Balances April 30	Due Within One Year
Illinois IEPA loans					
Sewer Lining Project	\$ 533,936	\$ -	\$ (66,823)	\$ 467,113	\$ 68,504
McDonald Creek Project	880,117	-	(108,888)	771,229	111,627
Clarifier/Voltage Switches Project	200,314	-	(26,744)	173,570	27,416
Rock River East Project	990,198	-	(94,304)	895,894	94,305
Point Repair/Lining Project	1,402,810	-	(119,732)	1,283,078	121,233
Fuller Creek Project	10,290,298	-	(577,597)	9,712,701	588,798
Main Line Repairs/Lining Project	1,670,027	-	(100,845)	1,569,182	102,800
Excess Flow	5,108,759	-	(269,389)	4,839,370	275,375
Sewer Lining	2,024,501	-	(106,753)	1,917,748	109,126
Fuller Creek Phase 3	17,044,569	-	(787,642)	16,256,927	801,487
Spring Creek Sanitary Sewer	8,368,795	93,830	(412,593)	8,050,032	422,403
Sanitary Sewer	3,559,069	-	(164,467)	3,394,602	167,358
Fuller Creek Phase 4 & 5	1,760,645	-	(78,782)	1,681,863	80,175
Collection System Repairs	1,715,457	796,822	(39,221)	2,473,058	106,493
Cherry Valley Forcemain	-	6,370,815	-	6,370,815	-
Total Illinois IEPA loans	55,549,495	7,261,467	(2,953,780)	59,857,182	3,077,100
Capital lease payable	132,654	-	(74,904)	57,750	57,750
Bonds payable					
General Obligation Alternate Bonds, Series 2013A	4,175,000	-	(1,365,000)	2,810,000	1,390,000
General Obligation Alternate Bonds, Series 2014	7,070,000	-	(390,000)	6,680,000	400,000
General Obligation Alternate Bonds, Series 2017	8,120,000	-	(840,000)	7,280,000	860,000
General Obligation Alternate Bonds, Series 2018	3,035,000	-	(275,000)	2,760,000	290,000
General Obligation Alternate Bonds, Series 2019	4,785,000	-	(410,000)	4,375,000	420,000
Total bonds payable	27,185,000	-	(3,280,000)	23,905,000	3,360,000
Bond premium (discounts)	1,899,904	-	(212,537)	1,687,367	212,536
Total OPEB liability	2,233,289	-	(153,575)	2,079,714	207,084
Compensated absences	1,946,167	359,028	(629,627)	1,675,568	561,675
Claims payable	299,267	-	(67,090)	232,177	-
TOTAL	\$ 89,245,776	\$ 7,620,495	\$ (7,371,513)	\$ 89,494,758	\$ 7,476,145

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM LIABILITIES (Continued)

The aggregate maturities of long-term debt are as follows:

Year Ending April 30,	Illinois EPA Loans		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2022	\$ 3,077,100	\$ 963,483	\$ 3,360,000	\$ 892,837
2023	3,136,216	907,747	3,440,000	800,652
2024	3,193,891	850,073	2,095,000	700,862
2025	3,252,679	791,285	2,170,000	627,462
2026	3,312,603	731,361	2,240,000	550,162
2027-2031	16,541,077	2,752,093	8,690,000	1,416,438
2032-2036	15,984,542	1,244,548	1,910,000	194,250
2037-2041	4,988,259	138,952	-	-
TOTAL	\$ 53,486,367	\$ 8,379,542	\$ 23,905,000	\$ 5,182,663

The total principal payments above for the Illinois EPA Loans does not agree to the long-term liabilities schedule presented as no repayment schedule has been determined for the Cherry Valley Forcemain loan.

The following is a schedule of future minimum lease payments under the capital lease and the present value of minimum lease payments:

Year Ending April 30,	
2022	\$ 58,513
Total minimum lease payments	58,513
Amount representing interest	(763)
PRESENT VALUE OF MINIMUM LEASE PAYMENTS	\$ 57,750

a. Illinois EPA Loans

Sewer Lining

The District began restoration of the sewer lines in various locations in October 2006 and was completed in April 2009.

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM LIABILITIES (Continued)

a. Illinois EPA Loans (Continued)

Sewer Lining (Continued)

In connection with this project, the District entered into a loan agreement with the Illinois Environmental Protection Agency (IEPA), which provided a long-term loan. At April 30, 2021, the outstanding balance on the loan was \$467,113.

The District paid principal and interest payments totaling \$79,756 during fiscal year 2021. The final repayment of the loan is due September 2027. Interest is at a rate of 2.50%.

McDonald Creek

The District began construction in December 2006 on a McDonald Creek project which was completed in March 2008.

In connection with this project, the District entered into a loan agreement with the IEPA, which provided a long-term loan. At April 30, 2021, the outstanding balance on the loan was \$771,229.

The District paid principal and interest payments totaling \$130,215 during fiscal year 2021. The final repayment of the loan is due September 2027. Interest is at a rate of 2.50%.

Clarifier/Voltage Switches

The District began construction in June 2007 on a Clarifier/Voltage Switches project which was completed in March 2008.

In connection with this project, the District entered into a loan agreement with the IEPA, which provided a long-term loan. At April 30, 2021, the outstanding balance on the loan was \$173,570.

The District paid principal and interest payments totaling \$31,585 during fiscal year 2021. The final repayment of the loan is due April 2027. Interest is at a rate of 2.50%.

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM LIABILITIES (Continued)

a. Illinois EPA Loans (Continued)

Rock River East

The District entered into a water revolving fund loan agreement with the IEPA in fiscal year 2010 for the restoration of the sewer lines at Rock River East Interceptor. The Rock River East Project was completed during fiscal year 2011. The District paid principal and interest payments totaling \$94,305 during fiscal year 2021. The loan calls for semiannual principal payments of \$47,152, beginning June 2011 through maturity at June 2030, and bears interest at 0%. As of April 30, 2021, the outstanding balance on the loan was \$895,894.

Point Repair/Lining

The District entered into a water revolving fund loan agreement with the IEPA in fiscal year 2011 for sewer lining and point repair improvements. The loan calls for semiannual principal and interest payments through maturity at February 2031 and bears interest at 1.25%. The total amount of loan disbursements to be made to the District under this agreement is \$3,175,564, of which \$820,169 is not required to be repaid. As of April 30, 2021, the outstanding balance on the loan was \$1,283,078.

The District paid principal and interest payments totaling \$136,894 during fiscal year 2021. The final repayment of the loan is due February 2031. Interest is at a rate of 1.25%.

Fuller Creek Project

The District entered into a water revolving fund loan agreement with the IEPA in fiscal year 2014 for new trunk sewer and new regional pumping station with two new force mains. The Fuller Creek Project was completed during fiscal year 2017. The loan calls for semiannual principal and interest payments through maturity at February 2035 and bears interest at 1.93%. As of April 30, 2021, the outstanding balance on the loan was \$9,712,701. The District paid principal and interest payments totaling \$773,426 during fiscal year 2021.

Main Line Repairs/Lining

The District entered into a water revolving fund loan agreement with the IEPA in fiscal year 2014 for lining and point repair on sanitary sewers throughout the District's collection system. The loan calls for semiannual principal and interest payments through maturity at July 2034 and bears interest at 1.93%. As of April 30, 2021, the outstanding balance on the loan was \$1,569,182. The District paid principal and interest payments totaling \$132,592 during fiscal year 2021.

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM LIABILITIES (Continued)

a. Illinois EPA Loans (Continued)

Excess Flow

The District entered into a water revolving fund loan agreement with the IEPA in fiscal year 2016 for a new excess flow storage basin and excess flow pump station. The loan calls for semiannual principal and interest payments through maturity at June 2036 and bears interest at 2.21%. As of April 30, 2021, the outstanding balance on the loan was \$4,839,370. The District paid principal and interest payments totaling \$380,812 during fiscal year 2021.

Sewer Lining

The District entered into a water revolving fund loan agreement with the IEPA in fiscal year 2016 for improvement of the sewer lines in various locations. The loan calls for semiannual principal and interest payments through maturity at July 2036 and bears interest at 2.21%. As of April 30, 2021, the outstanding balance on the loan was \$1,917,748. The District paid principal and interest payments totaling \$150,908 during fiscal year 2021.

Fuller Creek Phase 3

The District entered into a water revolving fund loan agreement with the IEPA in fiscal year 2017 for improvement of the Fuller Creek sanitary sewer. The loan calls for semiannual principal and interest payments through maturity at July 2038 and bears interest at 1.75%. As of April 30, 2021, the outstanding balance on the loan was \$16,256,927. The District paid principal and interest payments totaling \$1,082,492 during fiscal year 2021.

Spring Creek Sanitary Sewer

The District entered into a water revolving fund loan agreement with the IEPA in fiscal year 2017 for improvement of the Spring Creek sanitary sewer. The loan calls for semiannual principal and interest payments through maturity at July 2037 and bears interest at 1.75%. As of April 30, 2021, the outstanding balance on the loan was \$8,050,032. The District paid principal and interest payments totaling \$557,249 during fiscal year 2021.

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM LIABILITIES (Continued)

a. Illinois EPA Loans (Continued)

Sanitary Sewer

The District entered into a water revolving fund loan agreement with the IEPA in fiscal year 2018 for improvement of the District sanitary sewers. The loan calls for semiannual principal and interest payments through maturity at July 2038 and bears interest at 1.75%. As of April 30, 2021, the outstanding balance on the loan was \$3,394,602. The District paid principal and interest payments totaling \$226,035 during fiscal year 2021.

Fuller Creek Phase 4 and 5

The District entered into a water revolving fund loan agreement with the IEPA in fiscal year 2019 for improvement of the Fuller Creek sanitary sewer. The loan calls for semiannual principal and interest payments through maturity at March 2039 and bears interest at 1.76%. As of April 30, 2021, the outstanding balance on the loan was \$1,681,863. The District paid principal and interest payments totaling \$109,425 during fiscal year 2021.

Collection System Repairs

The District entered into a water revolving fund loan agreement with the IEPA in fiscal year 2020 for collection system repairs. The loan calls for semiannual principal and interest payments through maturity at September 2040 and bears interest at 1.84%. As of April 30, 2021, the outstanding balance on the loan was \$2,473,058. The District paid principal and interest payments totaling \$0 during fiscal year 2021.

Cherry Valley Forcemain

The District entered into a water revolving fund loan agreement with the IEPA in fiscal year 2020 for Cherry Valley Forcemain. The loan calls for semiannual principal and interest payments through maturity at August 2041 and bears interest at 2.00%. The total amount of loan disbursements to be made to the District under this agreement is \$7,456,306. As of April 30, 2021, the District has recorded \$6,370,815 in principal draws under this agreement. The Cherry Valley Forcemain project is still in the construction phase and, therefore, no repayment schedule has been determined as of April 30, 2021.

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM LIABILITIES (Continued)

b. Capital Lease Payable

During fiscal year 2017, the District entered into a capital lease payable for computer equipment, payable in monthly installments ranging from \$6,501 to \$7,582 including interest of 3.10% through February of 2022.

The cost of the assets acquired under capital lease is \$386,123.

c. General Obligation Alternate Bonds

Series 2013A

The District issued Series 2013A, General Obligation Alternate Bonds totaling \$9,700,000 on April 10, 2013, with interest ranging from 2% to 3% maturing at various amounts through December 15, 2022.

The debt was issued for the purpose of refinancing a portion of the outstanding obligations under certain loan agreements with the Environmental Protection Agency (EPA) entered into for the purpose of financing the costs of improvements to and extensions of the sewerage system.

Series 2014

The District issued Series 2014, General Obligation Alternate Bonds totaling \$9,350,000 on April 14, 2014, with interest ranging from 2% to 5% maturing at various amounts through December 15, 2033.

The debt was issued for the purpose of paying the costs of improving and extending the sewerage system of the District.

General Obligation Alternate Refunding Bonds, Series 2017

On April 27, 2017, the District issued \$9,140,000 General Obligation Alternate Refunding Bond, Series 2017 with interest ranging from 3.00% to 3.25% maturing at various amounts through December 15, 2028. The District passed an ordinance directing the execution of an escrow agreement in order to partially refund General Obligation Alternate Bond, Series 2007 issued by the District and outstanding in the principal amount of \$2,905,000 and to partially refund General Obligation Alternate Bond, Series 2008 issued by the District and outstanding in the principal amount of \$6,100,000.

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM LIABILITIES (Continued)

c. General Obligation Alternate Bonds (Continued)

General Obligation Refunding Alternate Bonds, Series 2018

The District issued General Obligation Refunding Alternate Bonds, Series 2018 totaling \$3,300,000 on September 27, 2018, with interest ranging from 3% to 5% maturing at various amounts through December 15, 2028. The District passed an ordinance directing the execution of an escrow agreement in order to partially refund General Obligation Alternate Bond, Series 2009 issued by the District and outstanding in the principal amount of \$3,540,000.

Advance Refunding - General Obligation Refunding Alternate Bonds, Series 2019

The District issued General Obligation Refunding Alternate Bonds, Series 2019 totaling \$4,785,000 on September 26, 2019, with interest ranging from 2% to 5% maturing at various amounts through December 15, 2029. The District passed an ordinance directing the execution of an escrow agreement in order to partially refund General Obligation Alternate Bond, Series 2010B issued by the District.

The General Obligation Alternate Bonds are to be paid from revenues of the system remaining after the payment of operation and maintenance costs of the system and any required monthly deposits and credits have been made as required by any ordinances adopted in the future authorizing the issuance of any future series of prior lien sewerage revenue bonds. These pledges will remain until all bonds are retired.

The amount of the pledges remaining as of April 30, 2021 is as follows:

Debt Issue	Pledged Revenue Source	Pledge Remaining	Commitment End Date
2013A	Revenues of the system	\$ 2,912,393	12/15/2022
2014	Revenues of the system	9,138,400	12/15/2033
2017	Revenues of the system	8,275,550	12/15/2028
2018	Revenues of the system	3,351,450	12/15/2028
2019	Revenues of the system	5,410,200	12/15/2029

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM LIABILITIES (Continued)

c. General Obligation Alternate Bonds (Continued)

A comparison of the pledged revenues collected and the related principal and interest expenditure for fiscal year 2021 is as follows:

Debt Issue	Pledged Revenue Source	Pledged Revenue Collected	Principal and Interest Paid	Commitment End Date
2013A	Revenues of the system	\$ 21,809,694	\$ 1,459,075	12/15/2022
2014	Revenues of the system	21,809,694	705,000	12/15/2033
2017	Revenues of the system	21,809,694	1,085,363	12/15/2028
2018	Revenues of the system	21,809,694	418,650	12/15/2028
2019	Revenues of the system	21,809,694	588,950	12/15/2029

During the year ended April 30, 2013, the District authorized the issuance of \$49,500,000 in General Obligation Alternate Bonds as Sewerage System Alternate Revenue Source. During the years ended April 30, 2013 and 2014, \$17,545,000 and \$9,350,000 of these bonds were issued, respectively. The remaining \$22,605,000 of the bonds authorized had not been issued as of April 30, 2021.

5. DEFINED BENEFIT PENSION PLAN

The District's defined benefit pension plan (the Plan), Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments, and death benefits to plan members and beneficiaries. IMRF is an agent multiple-employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the Plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and supplementary information for the Plan as a whole but not by individual employer. That report may be obtained at www.imrf.org.

Illinois Municipal Retirement Fund

Plan Administration

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The Plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

At December 31, 2020, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	143
Inactive employees entitled to but not yet receiving benefits	26
Active employees	<u>121</u>
 TOTAL	 <u><u>290</u></u>

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

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 members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The District is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the fiscal year ending April 30, 2021 was 10.94%. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees.

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Net Pension Liability

The District's net pension liability was measured as of December 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2020
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	3.85% to 13.75%
Interest rate	7.25%
Asset valuation method	Fair value

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.

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2020	\$ 68,966,462	\$ 66,539,403	\$ 2,427,059
Changes for the period			
Service cost	966,048	-	966,048
Interest	4,886,677	-	4,886,677
Difference between expected and actual experience	2,283,957	-	2,283,957
Changes in assumptions	(312,346)	-	(312,346)
Employer contributions	-	1,275,312	(1,275,312)
Employee contributions	-	486,287	(486,287)
Net investment income	-	9,711,129	(9,711,129)
Benefit payments and refunds	(4,094,101)	(4,094,101)	-
Other (net transfer)	-	(401,233)	401,233
Net changes	3,730,235	6,977,394	(3,247,159)
BALANCES AT DECEMBER 31, 2020	\$ 72,696,697	\$ 73,516,797	\$ (820,100)

There were changes in assumptions for the inflation rate, salary increases, and mortality rate since the last actuarial valuation.

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended April 30, 2021, the District recognized pension expense of \$397,548. At April 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 2,222,505	\$ 139,570
Changes in assumption	558,395	403,338
Net difference between projected and actual earnings on pension plan investments	-	6,055,239
Contributions subsequent to the measurement date	325,573	-
	<hr/>	<hr/>
TOTAL	\$ 3,106,473	\$ 6,598,147

\$325,573 reported as deferred outflows of resources related to pensions resulting from district contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending April 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending April 30,</u>	
2022	\$ (936,391)
2023	(73,944)
2024	(2,015,415)
2025	(791,497)
	<hr/>
TOTAL	\$ (3,817,247)

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the District calculated using the discount rate of 7.25% as well as what the District's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 7,147,926	\$ (820,100)	\$ (7,325,571)

6. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the District provides other postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions, and employer contributions are governed by the District and can be amended by the District through its personnel manual, except for the implicit subsidy which is governed by the State Legislature and ILCS. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Plan does not issue a separate report.

b. Benefits Provided

The District provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with ILCS, which creates an implicit subsidy of retiree health insurance. To be eligible for benefits, an employee must qualify for retirement under the District's retirement plan. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the retiree is no longer eligible to participate in the plan, but can purchase a Medicare supplement plan from the District's insurance provider.

The District will contribute the prevailing group premiums for health insurance if an employee retires between age 62 and 65 with at least 12 years of service at the District. Eligible retirees contribute at the same rate as active employees. All other retirees contribute 100% of the cost (blended) of coverage.

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Membership

At April 30, 2021, membership consisted of:

Retirees and beneficiaries currently receiving benefits	14
Active vested and nonvested plan members	<u>105</u>
TOTAL	<u>119</u>
Participating employers	<u><u>1</u></u>

d. Total OPEB Liability

The District's total OPEB liability of \$2,079,714 was based upon an actuarial valuation performed as of April 30, 2021.

e. Actuarial Assumptions and Other Inputs

The total OPEB liability at April 30, 2021, as determined by an actuarial valuation as of that date, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Actuarial cost method	Entry-age normal
Actuarial value of assets	Not applicable
Salary increases	3.50%
Discount rate	2.12%
Healthcare cost trend rates	7.25% Initial 4.00% Ultimate

The discount rate was based on the index rate for 20-year tax-exempt general obligation municipal bonds rated AA or better at April 30, 2021.

Mortality rates were based on the RP-2014 base rates projected to 2021 using scale MP2020.

The actuarial assumptions used in the April 30, 2021 valuation are based on 70% of current employees participation upon retirement and 100% of current employees eligible for 62/12 special benefit participation upon retirement. 50% of employees were assumed to have participating spouses. Females were assumed to be three years younger than males.

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

f. Changes in the Total OPEB Liability

	Total OPEB Liability
	<u>\$ 2,233,289</u>
BALANCES AT MAY 1, 2020	
Changes for the period	
Service cost	106,838
Interest	62,189
Differences between expected and actual experience	(285,600)
Assumption changes	170,082
Benefit payments	<u>(207,084)</u>
Net changes	<u>(153,575)</u>
BALANCES AT APRIL 30, 2021	<u>\$ 2,079,714</u>

There were changes in assumptions related to the discount rate.

g. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the District calculated using the discount rate of 2.12% as well as what the District total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.12%) or 1 percentage point higher (3.12%) than the current rate:

	1% Decrease (1.12%)	Current Discount Rate (2.12%)	1% Increase (3.12%)
Total OPEB liability	\$ 2,204,532	\$ 2,079,714	\$ 1,960,902

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

g. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the District calculated using the healthcare rate of 7.25% to 4.00% as well as what the District's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (6.25% to 3.00%) or 1 percentage point higher (8.25% to 5.00%) than the current rate:

	1% Decrease (6.25% to 3.00%)	Current Healthcare Rate (7.25% to 4.00%)	1% Increase (8.25% to 5.00%)
Total OPEB liability	\$ 1,897,408	\$ 2,079,714	\$ 2,299,351

h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended April 30, 2021, the District recognized OPEB expense of \$173,145. At April 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 263,224
Changes in assumptions	269,408	-
TOTAL	\$ 269,408	\$ 263,224

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

- h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Year Ending April 30,	
2022	\$ 4,118
2023	4,118
2024	4,118
2025	4,118
2026	4,118
Thereafter	<u>(14,406)</u>
TOTAL	<u>\$ 6,184</u>

7. COMMITMENTS AND CONTINGENCIES

- a. Commitments

The District has entered into certain agreements in connection with the construction of sewer and other various projects. Outstanding commitments at April 30, 2021 totaled approximately \$4,116,219.

- b. Pending Litigation

There are various other lawsuits pending or threatened against the District. The outcome and eventual liability of the District, if any, in these cases is not known at this time.

8. RISK MANAGEMENT

The District is exposed to various risks of losses related to torts and health claims; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is covered by commercial insurance for all programs. The District switched from a self-insured workers' compensation plan to a fully insured plan beginning May 1, 2020. There is a residual claims payable accrued for claims incurred prior to the change in plan that have not yet been settled.

ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. INTERGOVERNMENTAL AGREEMENT

On December 21, 2011, the Village of Winnebago (the Village) entered into an agreement with the District to construct a new sanitary sewer, pump/lift station and force main for the sanitary sewer system needed to connect the Village sanitary sewer system to the District sanitary sewer system. The agreement specifies that the District will finance all construction costs of the improvements. In return, the Village will pay the District 25.75% of the debt service payments related to the IEPA Fuller Creek Phase C loan. Additionally, the Village will pay the District 75% of the debt service payments related to the IEPA Fuller Creek Phase D and F loan.

The District shall own, operate, and maintain the sanitary sewer improvements. The receivable to be paid by the Village each year is as follows:

<u>Year Ending April 30,</u>	
2022	\$ 266,372
2023	271,060
2024	275,830
2025	280,685
2026	285,625
2027-2031	1,505,317
2032-2036	1,642,495
2037-2039	<u>917,187</u>
TOTAL RECEIVABLE	<u>\$ 5,444,571</u>

REQUIRED SUPPLEMENTARY INFORMATION

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN**

Last Three Fiscal Years

MEASUREMENT DATE APRIL 30,	2021	2020	2019
TOTAL OPEB LIABILITY			
Service cost	\$ 106,838	\$ 90,037	\$ 84,069
Interest	62,189	79,496	87,480
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(285,600)	-	-
Changes of assumptions	170,082	120,573	20,314
Benefit payments, including refunds of member contributions	(207,084)	(308,655)	(287,121)
Net change in total OPEB liability	(153,575)	(18,549)	(95,258)
Total OPEB liability - beginning	2,233,289	2,251,838	2,347,096
TOTAL OPEB LIABILITY - ENDING	\$ 2,079,714	\$ 2,233,289	\$ 2,251,838
Covered-employee payroll	\$ 7,338,958	\$ 7,426,040	\$ 7,174,918
Employer's total OPEB liability as a percentage of covered-employee payroll	28.34%	30.07%	31.38%

There were changes in assumptions related to the discount rate, mortality rates, and withdrawal, disability, and retirement rates in 2019. There were changes in assumptions related to the discount rate in 2020 and 2021.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Six Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 1,144,395	\$ 934,358	\$ 936,695	\$ 959,287	\$ 903,898	\$ 873,398
Contributions in relation to the actuarially determined contribution	1,144,395	934,358	936,695	959,287	903,898	873,398
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 10,457,513	\$ 9,887,698	\$ 9,447,903	\$ 9,127,736	\$ 8,363,961	\$ 7,634,596
Contributions as a percentage of covered payroll	10.94%	9.45%	9.91%	10.51%	10.81%	11.44%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 23 years until the remaining period reaches ten years (then ten-year rolling period); the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 3.35% to 14.25% compounded annually and price inflation of 2.50%.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Six Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2020	2019	2018
TOTAL PENSION LIABILITY			
Service cost	\$ 966,048	\$ 950,267	\$ 864,080
Interest	4,886,677	4,779,539	4,612,931
Changes of benefit terms	-	-	-
Differences between expected and actual experience	2,283,957	(252,186)	964,541
Changes of assumptions	(312,346)	-	1,717,049
Benefit payments, including refunds of member contributions	(4,094,101)	(3,921,405)	(3,644,125)
Net change in total pension liability	3,730,235	1,556,215	4,514,476
Total pension liability - beginning	68,966,462	67,410,247	62,895,771
TOTAL PENSION LIABILITY - ENDING	\$ 72,696,697	\$ 68,966,462	\$ 67,410,247
PLAN FIDUCIARY NET POSITION			
Contributions - employer	\$ 1,275,312	\$ 830,072	\$ 1,104,076
Contributions - member	486,287	436,368	419,326
Net investment income	9,711,129	11,276,440	(3,818,856)
Benefit payments, including refunds of member contributions	(4,094,101)	(3,921,405)	(3,644,125)
Other (net transfer)	(401,233)	(278,528)	1,063,719
Net change in plan fiduciary net position	6,977,394	8,342,947	(4,875,860)
Plan fiduciary net position - beginning	66,539,403	58,196,456	63,072,316
PLAN FIDUCIARY NET POSITION - ENDING	\$ 73,516,797	\$ 66,539,403	\$ 58,196,456
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ (820,100)	\$ 2,427,059	\$ 9,213,791
Plan fiduciary net position as a percentage of the total pension liability	101.13%	96.48%	86.33%
Covered payroll	\$ 10,806,360	\$ 9,697,090	\$ 9,318,346
Employer's net pension liability (asset) as a percentage of covered payroll	(7.59%)	25.03%	98.88%
Changes of assumptions			
2017 - Inflation, salary increases, retirement age and mortality rate			
2018 - Discount rate			
2020 - Inflation, salary increases, and mortality rate			

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

2017	2016	2015
\$ 874,280	\$ 828,881	\$ 816,520
4,494,054	4,294,310	4,120,053
-	-	-
1,598,197	690,650	292,148
(1,887,215)	(67,574)	65,513
(3,334,241)	(3,030,078)	(2,771,003)
1,745,075	2,716,189	2,523,231
61,150,696	58,434,507	55,911,276
\$ 62,895,771	\$ 61,150,696	\$ 58,434,507
\$ 1,018,170	\$ 959,118	\$ 873,398
402,935	366,170	346,821
9,945,965	3,638,819	269,400
(3,334,241)	(3,030,078)	(2,771,003)
(782,481)	242,688	271,228
7,250,348	2,176,717	(1,010,156)
55,821,968	53,645,251	54,655,407
\$ 63,072,316	\$ 55,821,968	\$ 53,645,251
\$ (176,545)	\$ 5,328,728	\$ 4,789,256
100.28%	91.29%	91.80%
\$ 8,830,460	\$ 8,137,119	\$ 7,634,596
(2.00%)	65.49%	62.73%

(See independent auditor's report.)

SUPPLEMENTAL SCHEDULES

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

COMBINING BALANCE SHEET

April 30, 2021

	General Operations	Public Benefit	Special Assessments	Eliminations	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
CURRENT ASSETS					
Cash and cash equivalents	\$ 32,300,191	\$ 1,995,544	\$ 2,361,047	\$ -	\$ 36,656,782
Investments	3,258,855	466,227	551,619	-	4,276,701
Restricted assets					
Cash and cash equivalents	109,440	-	-	-	109,440
Investments	4,313,134	-	-	-	4,313,134
Receivables					
Billed user charges (net of allowance for uncollectible amounts of \$225,000)	6,333,237	-	-	-	6,333,237
Property taxes	4,870,602	370,443	-	-	5,241,045
Other	2,036,808	-	381,893	-	2,418,701
Due from special assessments	182,797	-	-	(182,797)	-
Estimated unbilled user charges	8,285,960	-	-	-	8,285,960
Accrued interest income	210,580	-	-	-	210,580
Long-term loans receivable, current portion	266,372	-	-	-	266,372
Prepaid expenses	549,516	-	-	-	549,516
Total current assets	62,717,492	2,832,214	3,294,559	(182,797)	68,661,468
NONCURRENT ASSETS					
Long-term loans receivable	5,178,199	-	-	-	5,178,199
Net pension asset	820,100	-	-	-	820,100
Capital assets not being depreciated	23,039,182	-	753,384	-	23,792,566
Capital assets being depreciated, net	352,691,999	-	-	-	352,691,999
Net capital assets	375,731,181	-	753,384	-	376,484,565
Total noncurrent assets	381,729,480	-	753,384	-	382,482,864
Total assets	444,446,972	2,832,214	4,047,943	(182,797)	451,144,332
DEFERRED OUTFLOWS OF RESOURCES					
Pension items - IMRF	3,106,473	-	-	-	3,106,473
OPEB items	269,408	-	-	-	269,408
Unamortized loss on refunding	104,388	-	-	-	104,388
Total deferred outflows of resources	3,480,269	-	-	-	3,480,269
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
	\$ 447,927,241	\$ 2,832,214	\$ 4,047,943	\$ (182,797)	\$ 454,624,601

(This statement is continued on the following page.)

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

COMBINING BALANCE SHEET (Continued)

April 30, 2021

	General Operations	Public Benefit	Special Assessments	Eliminations	Total
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION					
CURRENT LIABILITIES					
Current portion of long-term debt	\$ 7,476,145	\$ -	\$ -	\$ -	\$ 7,476,145
Accounts payable	5,548,379	-	33,678	-	5,582,057
Accrued expenses					
Salaries and wages	381,801	-	-	-	381,801
Pension contribution	189,884	-	-	-	189,884
Accrued interest	570,894	-	-	-	570,894
Other	131,967	-	-	-	131,967
Due to general operations	-	-	182,797	(182,797)	-
Total current liabilities	14,299,070	-	216,475	(182,797)	14,332,748
LONG-TERM LIABILITIES					
Claims payable	232,177	-	-	-	232,177
Compensated absences	1,113,893	-	-	-	1,113,893
Long-term debt, net of current maturities	78,799,913	-	-	-	78,799,913
Total OPEB liability	1,872,630	-	-	-	1,872,630
Total long-term liabilities	82,018,613	-	-	-	82,018,613
Total liabilities	96,317,683	-	216,475	(182,797)	96,351,361
DEFERRED INFLOWS OF RESOURCES					
Deferred revenue - property taxes	4,870,602	370,443	-	-	5,241,045
Unamortized gain on refunding	69,640	-	-	-	69,640
Pension items - IMRF	6,598,147	-	-	-	6,598,147
OPEB items	263,224	-	-	-	263,224
Total deferred inflows of resources	11,801,613	370,443	-	-	12,172,056
NET POSITION					
Net investment in capital assets	287,292,375	-	753,384	-	288,045,759
Restricted for					
Public benefit	-	2,461,771	-	-	2,461,771
Capital improvements	-	-	3,078,084	-	3,078,084
Debt service	4,422,574	-	-	-	4,422,574
Unrestricted	48,092,996	-	-	-	48,092,996
Total net position	339,807,945	2,461,771	3,831,468	-	346,101,184
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 447,927,241	\$ 2,832,214	\$ 4,047,943	\$ (182,797)	\$ 454,624,601

(See independent auditor's report.)

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the Year Ended April 30, 2021

	General Operations	Public Benefit	Special Assessments	Eliminations	Total
OPERATING REVENUES					
User charges					
Operation and maintenance	\$ 39,400,759	\$ -	\$ -	\$ -	\$ 39,400,759
Inspection fees and other user charges	182,862	-	-	-	182,862
Total user charges	39,583,621	-	-	-	39,583,621
Collection charges and penalties	340,800	-	-	-	340,800
Operating contributions from property owners and other governments	-	-	476,000	-	476,000
Other	1,029,304	-	-	-	1,029,304
Total operating revenues	40,953,725	-	476,000	-	41,429,725
OPERATING EXPENSES					
Operations	16,402,588	-	-	-	16,402,588
Administration	5,895,164	-	12,639	-	5,907,803
Depreciation	14,487,819	-	-	-	14,487,819
Total operating expenses	36,785,571	-	12,639	-	36,798,210
OPERATING INCOME	4,168,154	-	463,361	-	4,631,515
NON-OPERATING REVENUES (EXPENSES)					
Property taxes	4,744,859	361,023	-	-	5,105,882
Assessments	5,486	-	-	-	5,486
Illinois personal property replacement taxes	1,895,075	-	-	-	1,895,075
Investment income	354,057	5,484	23,662	-	383,203
Gain on sale of asset	124,257	-	-	-	124,257
Interest expense and fiscal charges	(1,741,942)	-	-	-	(1,741,942)
Total non-operating revenues (expenses)	5,381,792	366,507	23,662	-	5,771,961
INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	9,549,946	366,507	487,023	-	10,403,476
Capital contributions	1,174,800	-	-	-	1,174,800
Transfers in	1,153,005	448,335	1,571,978	(3,173,318)	-
Transfers (out)	-	(2,012,480)	(1,160,838)	3,173,318	-
CHANGE IN NET POSITION	11,877,751	(1,197,638)	898,163	-	11,578,276
NET POSITION, MAY 1	327,930,194	3,659,409	2,933,305	-	334,522,908
NET POSITION, APRIL 30	\$ 339,807,945	\$ 2,461,771	\$ 3,831,468	\$ -	\$ 346,101,184

(See independent auditor's report.)

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

SCHEDULE OF CAPITAL ASSETS

For the Year Ended April 30, 2021

	Capital Assets					Accumulated Depreciation			
	April 30, 2020	Additions	Retirements	Transfers	April 30, 2021	April 30, 2020	Current	Retirements	April 30, 2021
							Year Depreciation		
TREATMENT PLANT									
Land	\$ 6,042,131	\$ 461,900	\$ -	\$ -	\$ 6,504,031	\$ -	\$ -	\$ -	\$ -
Buildings	18,608,135	48,494	-	1,166,249	19,822,878	8,327,079	537,489	-	8,864,568
Improvements	12,945,954	650,368	-	2,751,161	16,347,483	4,752,486	814,115	-	5,566,601
Aeration	26,684,996	-	-	-	26,684,996	21,741,984	702,563	-	22,444,547
Vacuum filter and incineration	16,198,042	-	-	-	16,198,042	12,507,157	263,635	-	12,770,792
Pumping equipment	18,136,482	-	-	2,442,155	20,578,637	7,501,450	879,423	-	8,380,873
Grit and sludge equipment	2,104,666	-	-	-	2,104,666	1,705,003	50,625	-	1,755,628
Primary settling equipment	4,254,863	-	-	40,938	4,295,801	3,630,732	100,580	-	3,731,312
Chlorination equipment	870,249	-	-	10,039	880,288	792,713	10,574	-	803,287
Biosolids	30,415,274	-	-	-	30,415,274	8,868,296	714,650	-	9,582,946
Miscellaneous equipment	805,485	-	-	30,059	835,544	664,023	11,177	-	675,200
Cogeneration	11,830,488	-	-	-	11,830,488	5,549,399	603,910	-	6,153,309
Engineering and other studies	1,666,291	-	-	-	1,666,291	1,528,028	43,052	-	1,571,080
Total treatment plant	150,563,056	1,160,762	-	6,440,601	158,164,419	77,568,350	4,731,793	-	82,300,143
SEWER AND LIFT STATIONS	405,194,838	2,097,426	-	37,844,090	445,136,354	161,358,177	7,847,735	-	169,205,912
MACHINERY AND EQUIPMENT									
Trucks and automobiles	12,697,571	783,297	543,614	-	12,937,254	9,001,224	1,122,527	523,765	9,599,986
Engineering equipment	179,084	-	-	-	179,084	179,084	-	-	179,084
Chemistry equipment	701,672	39,924	61,817	-	679,779	641,602	37,565	61,817	617,350
Supporting services equipment	652,862	-	46,112	136,919	743,669	648,822	2,749	46,112.00	605,459
Sewer maintenance equipment	3,034	-	-	-	3,034	3,035	-	-	3,035
Maintenance equipment	409,433	644,621	-	-	1,054,054	346,633	31,400	-	378,033
Office equipment	44,716	40,733	-	42,191	127,640	17,374	4,558	-	21,932
Computer hardware and software	9,794,413	489,803	-	542,336	10,826,552	7,035,383	709,492	-	7,744,875
Total machinery and equipment	24,482,785	1,998,378	651,543	721,446	26,551,066	17,873,157	1,908,291	631,694	19,149,754
CONSTRUCTION IN PROGRESS									
Special assessments	424,113	1,504,031	21,755	(1,153,005)	753,384	-	-	-	-
General operations	45,311,239	15,077,044	-	(43,853,132)	16,535,151	-	-	-	-
Total construction in progress	45,735,352	16,581,075	21,755	(45,006,137)	17,288,535	-	-	-	-
TOTAL CAPITAL ASSETS	\$ 625,976,031	\$ 21,837,641	\$ 673,298	\$ -	\$ 647,140,374	\$ 256,799,684	\$ 14,487,819	\$ 631,694	\$ 270,655,809

(See independent auditor's report.)

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

**SCHEDULE OF DEPARTMENTAL EXPENSES
GENERAL OPERATING SUBFUND**

For the Year Ended April 30, 2021

	Budget	Actual	Over (Under)
ADMINISTRATION			
General			
Personnel	\$ 303,402	\$ 280,580	\$ (22,822)
Operating cost	18,000	6,110	(11,890)
Contractual	539,800	594,298	54,498
Total general	861,202	880,988	19,786
Billing and collection			
Personnel	1,332,739	1,218,740	(113,999)
Operating cost	70,000	20,838	(49,162)
Contractual	515,505	459,921	(55,584)
Total billing and collection	1,918,244	1,699,499	(218,745)
Information processing			
Personnel	805,104	818,401	13,297
Operating cost	259,940	262,939	2,999
Contractual	1,618,130	1,713,849	95,719
Transfers	(197,757)	(273,666)	(75,909)
Total information processing	2,485,417	2,521,523	36,106
Legal			
Personnel	267,548	211,020	(56,528)
Operating cost	1,160	31	(1,129)
Contractual	66,510	96,452	29,942
Total legal	335,218	307,503	(27,715)
Human Resources			
Personnel	381,140	404,984	23,844
Operating cost	9,000	828	(8,172)
Contractual	150,300	79,839	(70,461)
Total legal	540,440	485,651	(54,789)
Total administration	6,140,521	5,895,164	(245,357)
ENGINEERING			
Personnel	2,726,146	2,348,252	(377,894)
Operating cost	25,750	13,622	(12,128)
Contractual	86,680	33,187	(53,493)
Transfers	(793,000)	(821,194)	(28,194)
Total engineering	2,045,576	1,573,867	(471,709)

(This schedule is continued on the following pages.)

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

SCHEDULE OF DEPARTMENTAL EXPENSES (Continued)
GENERAL OPERATING SUBFUND

For the Year Ended April 30, 2021

	Budget	Actual	Over (Under)
PLANT OPERATIONS CONTROL			
General			
Personnel	\$ 212,085	\$ 307,248	\$ 95,163
Operating cost	6,020	21,806	15,786
Contractual	77,775	8,280	(69,495)
Total general	295,880	337,334	41,454
Chemistry			
Personnel	552,037	514,194	(37,843)
Operating cost	168,300	143,506	(24,794)
Contractual	135,090	125,853	(9,237)
Total chemistry	855,427	783,553	(71,874)
Water surveillance			
Personnel	708,050	672,609	(35,441)
Operating cost	14,870	11,365	(3,505)
Contractual	25,546	2,674	(22,872)
Total water surveillance	748,466	686,648	(61,818)
Total plant operations control	1,899,773	1,807,535	(92,238)
COLLECTION SYSTEMS			
General			
Personnel	1,098,518	957,505	(141,013)
Operating cost	1,000	1,097	97
Contractual	50,525	12,883	(37,642)
Total general	1,150,043	971,485	(178,558)
Building and grounds			
Personnel	158,985	113,812	(45,173)
Operating cost	184,500	140,682	(43,818)
Contractual	540,756	521,042	(19,714)
Repair and maintenance	-	320	320
Total building and grounds	884,241	775,856	(108,385)
Sewer and lift stations			
Personnel	2,841,199	2,448,780	(392,419)
Operating cost	870,000	674,764	(195,236)
Contractual	943,655	544,107	(399,548)
Repair and maintenance	-	243	243
Total sewer and lift stations	4,654,854	3,667,894	(986,960)

(This schedule is continued on the following pages.)

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

SCHEDULE OF DEPARTMENTAL EXPENSES (Continued)
GENERAL OPERATING SUBFUND

For the Year Ended April 30, 2021

	Budget	Actual	Over (Under)
COLLECTION SYSTEMS (Continued)			
Trucks and automobiles			
Personnel	\$ 461,326	\$ 434,510	\$ (26,816)
Operating cost	615,900	410,928	(204,972)
Contractual	109,700	165,585	55,885
Repair and maintenance	-	2,150	2,150
	<hr/>	<hr/>	<hr/>
Total trucks and automobiles	1,186,926	1,013,173	(173,753)
	<hr/>	<hr/>	<hr/>
Total supporting services	7,876,064	6,428,408	(1,447,656)
	<hr/>	<hr/>	<hr/>
WASTEWATER TREATMENT			
General			
Personnel	2,230,047	1,953,412	(276,635)
Operating cost	29,500	7,747	(21,753)
Contractual	49,450	15,341	(34,109)
Real estate taxes	28,000	24,391	(3,609)
Transfers	(95,660)	(86,743)	8,917
	<hr/>	<hr/>	<hr/>
Total general	2,241,337	1,914,148	(327,189)
	<hr/>	<hr/>	<hr/>
Pumping station			
Operating cost	303,350	220,571	(82,779)
Contractual	408,334	605,503	197,169
	<hr/>	<hr/>	<hr/>
Total pumping station	711,684	826,074	114,390
	<hr/>	<hr/>	<hr/>
Grit and sludge removal			
Operating cost	59,000	36,496	(22,504)
Contractual	84,213	82,409	(1,804)
	<hr/>	<hr/>	<hr/>
Total grit and sludge removal	143,213	118,905	(24,308)
	<hr/>	<hr/>	<hr/>
Vacuum filter and solids disposal			
Operating cost	668,000	780,144	112,144
Contractual	740,937	862,262	121,325
Repair and maintenance	-	12,499	12,499
Agricultural land	25,780	23,795	(1,985)
	<hr/>	<hr/>	<hr/>
Total vacuum filter and solids disposal	1,434,717	1,678,700	243,983
	<hr/>	<hr/>	<hr/>
Aeration			
Operating cost	175,000	27,654	(147,346)
Contractual	374,858	372,173	(2,685)
	<hr/>	<hr/>	<hr/>
Total aeration	549,858	399,827	(150,031)
	<hr/>	<hr/>	<hr/>

(This schedule is continued on the following page.)

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

SCHEDULE OF DEPARTMENTAL EXPENSES (Continued)
GENERAL OPERATING SUBFUND

For the Year Ended April 30, 2021

	Budget	Actual	Over (Under)
WASTEWATER TREATMENT (Continued)			
Maintenance			
Personnel	\$ 1,221,813	\$ 1,258,941	\$ 37,128
Operating cost	599,500	424,239	(175,261)
Contractual	182,500	276,483	93,983
	<hr/>	<hr/>	<hr/>
Total maintenance	2,003,813	1,959,663	(44,150)
	<hr/>	<hr/>	<hr/>
Total wastewater treatment	7,084,622	6,897,317	(187,305)
	<hr/>	<hr/>	<hr/>
TOTAL DEPARTMENT EXPENSES	<u>\$ 25,046,556</u>	<u>\$ 22,602,291</u>	<u>\$ (2,444,265)</u>
SUMMARY			
Personnel	\$ 14,309,382	\$ 12,848,128	\$ (1,461,254)
Operating cost	3,983,130	3,118,624	(864,506)
Contractual	6,700,264	6,572,141	(128,123)
Repair and maintenance	-	15,212	15,212
Agricultural land	25,780	23,795	(1,985)
Real estate taxes	28,000	24,391	(3,609)
	<hr/>	<hr/>	<hr/>
Allocated departmental	25,046,556	22,602,291	(2,444,265)
	<hr/>	<hr/>	<hr/>
Vacation and sick pay adjustments not allocated to departments	60,000	(270,600)	(330,600)
OPEB expense	-	(33,939)	(33,939)
	<hr/>	<hr/>	<hr/>
TOTAL DEPARTMENTAL EXPENSES	<u>\$ 25,106,556</u>	<u>\$ 22,297,752</u>	<u>\$ (2,808,804)</u>
Operations		\$ 16,402,588	
Administration		<hr/> 5,895,164	
TOTAL DEPARTMENTAL EXPENSES		<u><u>\$ 22,297,752</u></u>	

(See independent auditor's report.)

STATISTICAL SECTION (Unaudited)

This part of the Rock River Water Reclamation District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	50-55
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, water reclamation charges.	56-60
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	61-64
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	65-72
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	73-75

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2012	2013	2014	2015
ASSETS				
Current assets	\$ 32,574,431	\$ 32,814,816	\$ 39,111,669	\$ 39,912,924
Other assets	371,198	-	-	-
Capital assets, net	305,413,729	307,028,144	325,617,263	329,187,064
Total assets	338,359,358	339,842,960	364,728,932	369,099,988
Deferred outflows of resources	-	-	-	-
Total deferred outflows of resources	-	-	-	-
Total assets and deferred outflows of resources	338,359,358	339,842,960	364,728,932	369,099,988
LIABILITIES				
Current Liabilities	13,389,398	9,143,935	11,744,320	10,416,775
Long-term debt, less current portion	52,345,651	48,602,454	64,943,631	63,940,043
Other liabilities	-	-	-	-
Total liabilities	65,735,049	57,746,389	76,687,951	74,356,818
Deferred inflows of resources	-	4,654,447.00	4,749,530	4,860,267
Total deferred inflows of resources	-	4,654,447.00	4,749,530	4,860,267
Total liabilities and deferred inflows of resources	65,735,049	62,400,836	81,437,481	79,217,085
NET POSITION				
Net investment in capital assets	250,716,820	255,729,921	257,294,832	260,413,331
Restricted net position	9,898,937	10,246,328	11,686,522	9,881,258
Unrestricted net position	12,008,552	11,465,875	14,310,097	19,588,314
Total net position	\$ 272,624,309	\$ 277,442,124	\$ 283,291,451	\$ 289,882,903

2016	2017	2018	2019	2020	2021
\$ 40,671,434	\$ 43,790,599	\$ 52,701,941	\$ 59,952,346	\$ 62,096,280	\$ 68,661,468
-	-	176,545	-	5,444,570	5,998,299
336,770,564	345,213,687	365,415,253	368,364,853	369,176,347	376,484,565
377,441,998	389,004,286	418,293,739	428,317,199	436,717,197	451,144,332
3,606,351.00	3,713,219	2,191,517	7,777,740	2,655,567	3,480,269
3,606,351.00	3,713,219	2,191,517	7,777,740	2,655,567	3,480,269
381,048,349	392,717,505	420,485,256	436,094,939	439,372,764	454,624,601
11,092,230	11,218,133	12,011,082	10,745,152	11,698,845	14,332,748
69,881,525	73,683,138	88,700,673	95,465,783	84,252,554	82,018,613
-	-	-	-	-	-
80,973,755	84,901,271	100,711,755	106,210,935	95,951,399	96,351,361
4,940,700	5,065,942	9,482,028	6,251,599	8,898,457	12,172,056
4,940,700	5,065,942	9,482,028	6,251,599	8,898,457	12,172,056
85,914,455	89,967,213	110,193,783	112,462,534	104,849,856	108,523,417
266,551,066	270,659,404	274,461,095	278,637,210	283,097,450	288,045,759
9,542,522	9,702,367	9,958,036	10,521,773	10,566,148	9,962,429
19,040,306	22,388,521	25,872,342	34,473,422	40,859,310	48,092,996
\$ 295,133,894	\$ 302,750,292	\$ 310,291,473	\$ 323,632,405	\$ 334,522,908	\$ 346,101,184

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2012	2013	2014	2015
OPERATING REVENUES				
User charges				
Operation and maintenance	\$ 23,941,818	\$ 26,616,372	\$ 27,467,382	\$ 28,703,404
Inspection fees and other user charges	140,529	149,659	123,639	256,869
Total user charges	24,082,347	26,766,031	27,591,021	28,960,273
Collection charges and penalties	254,646	372,459	372,964	310,713
Operating contributions from property owners and other government	-	-	-	-
Other	674,516	692,715	801,286	1,268,915
Total operating revenues	25,011,509	27,831,205	28,765,271	30,539,901
OPERATING EXPENSES				
Operations	14,049,842	13,929,286	14,402,443	14,635,601
Administration	3,706,304	4,050,456	4,186,334	4,191,715
Depreciation	9,662,120	10,320,057	10,762,949	10,953,242
Total operating expenses	27,418,266	28,299,799	29,351,726	29,780,558
OPERATING INCOME (LOSS)	(2,406,757)	(468,594)	(586,455)	759,343
NON-OPERATING REVENUES (EXPENSES)				
Property taxes	4,405,568	4,486,748	4,629,495	4,715,715
Assessments	-	-	-	-
Contrib. from property owners and other governments	1,789,486	1,194,454	1,388,177	287,299
Illinois personal property replacement taxes	1,540,371	1,527,188	1,747,717	1,705,217
Grant revenue	-	-	-	-
Investment income	148,077	158,773	100,998	142,857
Gain on sale of asset	59,082	7,952	56,306	31,208
Bond issuance costs	(26,029)	(189,601)	(119,160)	-
Interest expense	(1,708,082)	(1,830,972)	(1,521,245)	(1,792,273)
Total non-operating revenues (expenses)	6,208,473	5,354,542	6,282,288	5,090,023
INCOME BEFORE CAPITAL CONTRIBUTIONS	3,801,716	4,885,948	5,695,833	5,849,366
CAPITAL CONTRIBUTIONS	4,356,766	303,065	153,494	742,086
CHANGE IN NET POSITION	8,158,482	5,189,013	5,849,327	6,591,452
NET POSITION, MAY 1	264,465,827	272,624,309	277,442,124	283,291,451
Prior period adjustment	-	(371,198.00)	-	-
Change in accounting principle	-	-	-	-
NET POSITION, MAY 1, RESTATED	-	272,253,111.00	-	-
NET POSITION, APRIL 30	\$ 272,624,309	\$ 277,442,124	\$ 283,291,451	\$ 289,882,903

	2016	2017	2018	2019	2020	2021
\$	30,597,615	\$ 31,771,981	\$ 33,724,019	\$ 35,988,400	\$ 37,847,086	\$ 39,400,759
	233,911	204,845	257,550	281,146	224,062	182,862
	30,831,526	31,976,826	33,981,569	36,269,546	38,071,148	39,583,621
	459,657	427,272	417,564	589,828	451,854	340,800
	-	1,121,897.00	104,797	591,880	2,761,044	476,000
	816,152	934,071	1,686,141	1,411,070	1,349,780	1,029,304
	32,107,335	34,460,066	36,190,071	38,862,324	42,633,826	41,429,725
	14,609,380	15,156,571	15,843,489	16,525,679	18,247,786	16,402,588
	4,482,179	4,776,160	5,136,374	5,133,195	5,831,950	5,907,803
	12,898,464	11,966,603	13,279,911	13,980,211	14,572,992	14,487,819
	31,990,023	31,899,334	34,259,774	35,639,085	38,652,728	36,798,210
	117,312	2,560,732	1,930,297	3,223,239	3,981,098	4,631,515
	4,805,294	4,899,572	4,976,974	4,974,922	5,109,617	5,105,882
	6,613.00	6,387	6,162	14,965	5,724	5,486
	474,405	-	-	-	-	-
	1,518,683	1,814,742	1,688,093	1,526,641	2,009,891	1,895,075
	-	232,525.00	181,001	-	-	-
	142,620	178,459	244,377	642,560	859,787	383,203
	63,844	73,079	140,394	108,585	110,822	124,257
	-	(175,461.00)	-	(87,201.00)	-	-
	(1,874,634)	(2,045,837)	(1,787,652)	(2,149,101)	(2,162,436)	(1,741,942)
	5,136,825	4,983,466	5,449,349	5,031,371	5,933,405	5,771,961
	5,254,137	7,544,198	7,379,646	8,254,610	9,914,503	10,403,476
	948,326	72,200	161,535	2,604,000	976,000	1,174,800
	6,202,463	7,616,398	7,541,181	10,858,610	10,890,503	11,578,276
	289,882,903	295,133,894	302,750,292	310,291,473	323,632,405	334,522,908
	(951,472.00)	-	-	4,547,147.00	-	-
	-	-	-	(2,064,825.00)	-	-
	288,931,431.00	-	-	312,773,795.00	-	-
\$	295,133,894	\$ 302,750,292	\$ 310,291,473	\$ 323,632,405	\$ 334,522,908	\$ 346,101,184

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

NET POSITION BY SUB FUND

Last Ten Fiscal Years

Fiscal Year	2012	2013	2014	2015
GENERAL OPERATIONS				
Net investment in capital assets	\$ 249,094,016	\$ 255,420,159	\$ 257,040,999	\$ 260,256,470
Restricted - Debt Service	3,215,575	3,145,121	4,711,248	3,245,999
Unrestricted	12,008,552	11,465,875	14,310,097	19,588,314
Total general operations	264,318,143	270,031,155	276,062,344	283,090,783
PUBLIC BENEFIT				
Restricted	5,014,552	4,525,884	3,259,898	4,237,275
SPECIAL ASSESSMENTS				
Net investment in capital assets	1,622,804	309,762	253,833	156,861
Restricted	1,668,810	2,575,323	3,715,376	2,397,984
Total special assessments	3,291,614	2,885,085	3,969,209	2,554,845
TOTAL NET POSITION	\$ 272,624,309	\$ 277,442,124	\$ 283,291,451	\$ 289,882,903

2016	2017	2018	2019	2020	2021
\$ 264,232,539	\$ 270,171,724	\$ 274,451,889	\$ 278,171,424	\$ 282,673,337	\$ 287,292,375
3,969,895	3,995,100	4,026,840	4,322,824	4,397,547	4,422,574
19,040,306	22,388,521	25,872,342	34,706,146	40,859,310	48,092,996
287,242,740	296,555,345	304,351,071	317,200,394	327,930,194	339,807,945
2,479,564	3,187,776	3,539,437	3,713,640	3,659,409	2,461,771
2,318,527	487,680	9,206	233,062	424,113	753,384
3,093,063	2,519,491	2,391,759	2,485,309	2,509,192	3,078,084
5,411,590	3,007,171	2,400,965	2,718,371	2,933,305	3,831,468
\$ 295,133,894	\$ 302,750,292	\$ 310,291,473	\$ 323,632,405	\$ 334,522,908	\$ 346,101,184

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

SEWER USER RATE CHARGES AND CONNECTION FEES

Last Ten Fiscal Years

Fiscal Year ⁽¹⁾	Flow ⁽²⁾	Biochemical Oxygen Demand (BOD) ⁽³⁾	Total Suspended Solids (TSS) ⁽³⁾	Ammonia-N ⁽³⁾	Customer Service Charge ⁽⁴⁾	Average Household ⁽⁵⁾	Millions of Gallons of Sewage Treated
2012	1.04578	0.15164	0.61835	0.55854	2.74 \$	201.28	11,215
2013	1.17283	0.19849	0.59067	0.69635	3.54	217.64	9,666
2014	1.38110	0.22835	0.54599	0.79404	4.01	235.16	12,377
2015	1.46284	0.24082	0.61020	0.82518	4.46	253.88	11,778
2016	1.59279	0.24371	0.66576	0.79768	4.84	273.76	11,655
2017	1.66084	0.21484	0.74883	0.59641	5.14	286.88	11,646
2018	1.82179	0.23838	0.77960	0.52676	5.93	309.64	13,422
2019	2.03860	0.23931	0.76992	0.53405	6.31	328.24	15,856
2020	2.06874	0.27791	0.99772	0.73490	6.31	366.56	15,856
2021	2.06874	0.25171	1.12404	0.57051	6.54	380.04	12,994

Data Source

District Records

⁽¹⁾ Billing cycle from April 1 through March 31

⁽²⁾ Cents per 100 cubic feet

⁽³⁾ Cents per Pound

⁽⁴⁾ Quarterly

⁽⁵⁾ Dollars per Year

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

SIGNIFICANT INDUSTRIAL USERS

For the Current Year and Nine Years Ago

Customer	2021		2012	
	Amount	%	Amount	%
Dairy Brands Fluid LLC	\$ 1,137,758	2.87%	\$ 631,576	2.62%
Muller Pinehurst Dairy	469,588	1.19%	124,354	0.52%
Winnebago Reclamation	384,017	0.97%		0.00%
Aramark Uniform Services Inc	267,749	0.68%	111,757	0.46%
Mondelez Global LLC	248,207	0.63%	177,073	0.74%
Swedish American Hospital	198,976	0.50%	98,721	0.41%
Collins Aerospace	161,471	0.41%	137,014	0.57%
Winnebago County Justice Center	157,140	0.40%		0.00%
Evoqua Water Technologies LLC	147,854	0.37%		0.00%
Javon Bea Hospital	131,501	0.33%	145,527	0.60%
Great Oaks Apartments			132,316	0.55%
Beacon Hill Apartments			104,949	0.44%
Rockford Housing Authority			104,698	0.43%
Subtotal (10 largest)	3,304,260	8.35%	1,767,984	7.34%
Balance from other customers	36,279,361	91.65%	22,314,363	92.66%
Grand Totals	\$ 39,583,621	100.00%	\$ 24,082,347	100.00%

Data Source

District Records

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

ASSESSED AND ESTIMATED VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Other (Farm and Railway)	Total Taxable Assessed Value	Corporate Tax Rate	Public Benefit Tax Rate	Chlorination Tax Rate	Total Direct Tax Rate
2011	\$ 2,135,076,709	\$ 668,442,992	\$ 234,025,455	\$ 5,684,281	\$ 3,043,229,437	\$ 0.1173	\$ 0.0025	\$ 0.0271	\$ 0.1469
2012	1,945,614,542	611,366,303	221,244,170	6,005,511	2,784,230,526	0.1365	0.0001	0.0299	0.1665
2013	1,761,541,462	580,360,655	207,033,338	6,390,403	2,555,325,858	0.1120	0.0413	0.0323	0.1856
2014	1,645,180,987	557,179,504	207,773,127	7,024,810	2,417,158,428	0.1230	0.0437	0.0341	0.2008
2015	1,592,429,089	572,256,914	205,774,186	7,297,030	2,377,757,219	0.1289	0.0441	0.0345	0.2075
2016	1,606,374,398	581,722,910	209,231,098	8,080,105	2,405,408,511	0.1547	0.0197	0.0338	0.2082
2017	1,644,400,425	589,205,082	212,912,446	7,802,416	2,454,320,369	0.1554	0.0147	0.0339	0.2040
2018	1,756,635,120	617,526,864	221,409,561	8,681,497	2,604,253,042	0.1498	0.0139	0.0327	0.1964
2019	1,863,649,388	666,772,401	230,258,482	9,252,192	2,769,932,463	0.1409	0.0131	0.0308	0.1848
2020	1,971,083,267	693,498,724	242,185,968	10,103,485	2,916,871,444	0.1369	0.0127	0.0299	0.1795

Data Source

Winnebago County Clerk's Office

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

PROPERTY TAX INFORMATION

Last Ten Levy Years

Levy Year	Equalized Value of Taxable Property	Tax Rate Per \$1,000 Equalized Value	Corporate	Public Benefit	Chlorination	Total Tax Levies
2011	\$ 3,043,229,437	\$ 0.1469	\$ 3,569,708	\$ 76,081	\$ 824,715	\$ 4,470,504
2012	2,784,230,526	0.1665	3,800,475	2,784	832,485	4,635,744
2013	2,555,325,858	0.1856	2,861,965	1,055,350	825,370	4,742,685
2014	2,417,158,428	0.2008	2,973,105	1,056,298	824,251	4,853,654
2015	2,377,757,219	0.2075	3,064,929	1,048,591	820,326	4,933,846
2016	2,405,408,511	0.2082	3,721,167	473,865	813,028	5,008,061
2017	2,454,320,369	0.2040	3,814,014	360,785	832,015	5,006,814
2018	2,604,253,042	0.1964	3,901,171	361,991	851,591	5,114,753
2019	2,769,932,463	0.1848	3,902,835	362,861	853,139	5,118,835
2020	2,916,871,444	0.1795	3,993,197	370,443	872,145	5,235,784

Data Source

Winnebago County Clerk's Office

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

PRINCIPAL PROPERTY TAX PAYERS

Current Year and Nine Years Ago

Taxpayer	Rank	Tax Year 2019		Rank	Tax Year 2010	
		Assessed Valuation	Percentage of Total Assessed Valuation		Assessed Valuation	Percentage of Total Assessed Valuation
Lowes Home Centers Inc	1	\$ 12,709,842	0.31%	1	\$ 20,843,644	0.43%
Woodward Inc	2	10,422,791	0.25%			
CBL Cherryvale	3	9,348,466	0.22%	2	17,024,231	0.35%
Meijer Stores Limited Partnership	4	8,228,084	0.20%			
Forest Plaza LLC	5	7,509,397	0.18%	5	9,287,594	0.19%
Greater Rockford Airport Authority	6	6,815,909	0.16%	3	13,027,505	0.27%
Beloit Memorial Hospital Inc	7	6,666,000	0.16%	4	12,240,194	0.25%
Rock 39 LLC	8	6,151,162	0.15%			
Wesley Willows Corp	9	5,982,781	0.14%			
NM PCI L P	10	5,575,566	0.13%			
Two Star Property				6	6,193,624	0.13%
Petry Family Trust				7	5,902,355	0.12%
MB Rockford State LLC				8	4,745,542	0.10%
Wal-Mart Stores, Inc				9	4,737,691	0.10%
Edward Rose Associates Inc				10	4,679,382	0.10%
TOTALS		<u>\$ 79,409,998</u>	<u>1.91%</u>		<u>\$ 98,681,762</u>	<u>2.04%</u>

Note: The above figures represent the Assessed Valuation related to the 2019 tax levy collected by the District in fiscal year 2021.

Data Source

Winnebago County Clerk's Office

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

SCHEDULE OF OUTSTANDING DEBT

Last Ten Fiscal Years

Fiscal Year	Illinois EPA Loans	Capital Lease Payable	General Obligation Bonds	Total Debt
2012	\$ 27,401,910	\$ -	\$ 27,295,000	\$ 54,696,910
2013	7,208,692	142,363	43,660,000	51,011,055
2014	17,644,503	106,735	49,375,000	67,126,238
2015	20,920,681	66,957	45,325,000	66,312,638
2016	25,458,481	317,973	41,325,000	67,101,454
2017	31,644,522	552,431	37,420,000	69,616,953
2018	56,199,920	366,288	34,410,000	90,976,208
2019	56,691,177	205,231	31,005,000	87,901,408
2020	55,549,495	132,654	27,185,000	82,867,149
2021	59,857,182	57,750	23,905,000	83,819,932

Data Source

Notes to financial statements

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

PLEDGED REVENUE COVERAGE

Last Ten Fiscal Years

Fiscal Year	Operating Revenue	Less: Operating Expenses	Net Available Revenues	Principal	Interest	Coverage
2012	\$ 24,082,347	\$ 17,756,146	\$ 6,326,201	\$ 3,718,655	\$ 1,993,563	1.11
2013	26,766,031	17,979,742	8,786,289	3,906,668	1,907,677	1.51
2014	27,591,021	18,588,777	9,002,244	4,306,566	1,494,200	1.55
2015	28,960,273	18,827,316	10,132,957	4,777,910	1,778,076	1.55
2016	30,831,526	19,091,559	11,739,967	4,890,022	2,323,739	1.63
2017	31,976,826	19,932,731	12,044,095	5,527,024	2,089,887	1.58
2018	33,981,569	20,979,863	13,001,706	4,772,436	1,808,228	1.98
2019	36,269,546	21,658,874	14,610,672	6,154,526	2,219,624	1.74
2020	42,532,114	24,079,736	18,452,378	6,272,576	1,959,153	2.24
2021	41,429,725	22,310,391	19,119,334	6,494,850	1,857,083	2.29

Note: Operating expenses do not include depreciation or amortization. The District's existing debt consists of revolving loans to Illinois EPA, Capital Lease Payables, and General Obligation Bonds.

Data Source

District Records

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year	Business-Type Activities			Total Debt	Percentage of Personal Income	Per Capita
	Illinois EPA Loans	General Obligation Bonds	Capital Lease Payable			
2012	\$ 27,401,910	\$ 27,597,980	\$ -	\$ 54,999,890	53.58%	\$ 187.35
2013	7,208,692	44,245,843	142,363	51,596,898	49.18%	176.67
2014	17,644,503	50,558,269	106,735	68,309,507	63.71%	234.83
2015	20,920,681	46,427,262	66,957	67,414,900	60.97%	233.54
2016	25,458,481	42,346,256	317,973	68,122,710	59.55%	237.24
2017	31,644,522	38,550,937	552,431	70,747,890	61.65%	247.29
2018	56,199,920	35,438,506	366,288	92,004,714	77.51%	323.08
2019	56,691,177	32,211,909	205,231	89,108,317	71.71%	313.67
2020	55,549,495	29,084,904	132,654	84,767,053	67.82%	299.98
2021	59,857,182	25,592,367	57,750	85,507,299	N/A	N/A

N/A Not Available

Data Source

Notes to the financial statements and other supplementary information

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

LEGAL DEBT MARGIN CALCULATION FOR FISCAL YEAR 2021

Assessed Value	\$ 2,916,871,444
Debt Limit - State (5.75% of assessed value)	167,720,108
Debt Applicable to Limit	
General Obligation Bonds	23,905,000
IEPA Loans	59,857,182
Capital Lease	57,750
Total Amount Applicable to Debt Limit	83,819,932
Legal debt margin	\$ 83,900,176
Total Net Debt as % of Debt Limit	49.98%

Legal Debt Margin Information for the Last Ten Fiscal Years

Fiscal Year	Total Net Debt Limit	Debt	Legal Debt Margin	Total Net Debt as % of Debt Limit
2012	\$ 174,985,693	\$ 54,696,910	\$ 120,288,783	31.26%
2013	160,093,255	51,011,055	109,082,200	31.86%
2014	146,931,237	67,126,238	79,804,999	45.69%
2015	138,986,610	66,312,638	72,673,972	47.71%
2016	136,721,040	67,101,454	69,619,586	49.08%
2017	138,310,989	69,616,953	68,694,036	50.33%
2018	141,123,421	90,976,208	50,147,213	64.47%
2019	149,744,550	87,901,408	61,843,142	58.70%
2020	159,271,117	82,867,149	76,403,968	52.03%
2021	167,720,108	83,819,932	83,900,176	49.98%

Data Sources

Audit Financial Statements and Winnebago County Assessor's Office

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Calendar Years

Calendar Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income
2011	293,571	\$ 10,265,610	\$ 34,968
2012	292,049	10,492,070	35,926
2013	290,883	10,721,365	36,858
2014	288,670	11,056,726	38,302
2015	287,141	11,438,671	39,836
2016	286,088	11,475,722	40,113
2017	284,778	11,870,102	41,682
2018	284,081	12,426,271	43,742
2019	282,572	12,499,290	44,234
2020	N/A	N/A	N/A

N/A = Not Available

Data Source

Statistics are not compiled specifically for the District. Population figures were determined by staff through the use of available U.S. Department of Commerce, Bureau of Economic Analysis information for Winnebago County.

US Bureau of Economic Analysis, Per Capita Personal Income in Winnebago County
PCPI17202, retrieved from Federal Reserve Bank of St. Louis
<https://fred.stlouisfed.org/series/PCPI17201>, August 31, 2020

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

POPULATION TRENDS

April 30, 2021

	1990	2000	2010	2020 ⁽¹⁾	Change 2010 - 2020
City of Loves Park	15,462	20,044	23,996	23,397	-2.5%
City of Rockford	139,426	150,115	152,871	148,655	-2.8%
Village of Cherry Valley	1,615	2,191	3,162	2,877	-9.0%
Village of Machesney Park	19,033	20,759	23,499	22,950	-2.3%
Village of Roscoe	2,079	6,244	10,785	10,983	1.8%
Village of Winnebago	1,840	2,958	3,101	2,989	-3.6%
Winnebago County	252,913	278,418	295,266	285,350	-3.4%
State of Illinois	11,430,602	12,419,293	12,830,632	12,812,508	-0.1%

Data Sources

US Census Bureau, 1990 Census, 2000 Census, 2010 Census, and 2019 data.

⁽¹⁾ Data for Village of Cherry Valley and Village of Winnebago is not yet available for 2020, reporting 2019 ACS 5-year estimate.

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

MEDIAN HOME VALUES FOR OWNER-OCCUPIED UNITS

April 30, 2021

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
City of Loves Park	\$ 125,100	\$ 123,700	\$ 121,600	\$ 118,300	\$ 116,900	\$ 114,100	\$ 113,400	\$ 114,100	\$ 112,400	\$ 111,900
City of Rockford	109,100	109,500	106,600	102,200	97,700	94,200	91,400	89,500	89,700	91,600
Village of Cherry Valley	174,600	181,800	175,500	165,800	161,100	164,300	165,000	163,700	166,700	170,100
Village of Machesney Park	119,500	122,500	121,300	118,600	117,100	116,300	116,000	114,400	116,400	120,700
Village of Roscoe	168,800	174,100	172,000	165,400	162,800	157,600	153,900	153,600	158,200	163,000
Village of Winnebago	154,400	152,600	151,600	148,800	146,300	144,200	144,500	140,200	139,000	140,300
Winnebago County	128,100	129,200	127,500	123,400	119,400	117,700	116,200	115,900	117,000	120,400
State of Illinois	202,500	198,500	190,800	182,300	175,700	173,800	174,800	179,700	187,200	194,500
National	188,400	186,200	181,400	176,700	175,700	178,600	184,700	193,500	204,900	217,500

Data Sources

U.S. Census Bureau, American Community Survey Five-Year Estimates - Table ID CP04 & DP04

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

UNEMPLOYMENT RATES

Last Ten Calendar Years

Calendar Year	Winnebago County	City of Rockford	State of Illinois	National
2011	11.90%	13.70%	9.70%	8.90%
2012	10.50%	12.10%	9.00%	8.10%
2013	10.50%	12.10%	9.00%	7.40%
2014	8.30%	9.60%	7.10%	6.20%
2015	7.00%	8.20%	6.00%	5.30%
2016	6.70%	7.70%	5.80%	4.90%
2017	6.50%	7.60%	4.90%	4.40%
2018	5.60%	6.60%	4.30%	3.90%
2019	5.70%	6.80%	4.00%	3.70%
2020	11.40%	11.40%	9.50%	8.10%

Data Source

Illinois Department of Employment Security

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

	2020			2011		
		Number of	Percentage of the Total City		Number of	Percentage of the Total City
Employer	Rank	Employees	Employment	Rank	Employees	Employment
Rockford Public Schools	1	4,890	3.2%	1	4,800	3.3%
Mercyhealth	2	4,520	3.0%	4	2,500	1.7%
Fiat Chrysler Automobiles	3	3,749	2.5%	5	2,350	
SwedishAmerican Health System	4	3,375	2.2%	3	2,600	1.8%
United Parcel Service	5	2,203	1.5%	6	2,000	1.4%
OSF Healthcare	6	2,200	1.5%	7	2,000	1.4%
Collins Aerospace	7	2,200	1.5%			
Woodward	8	1,900	1.3%			
PCI - Packing Coordinators Inc	9	1,800	1.2%			
Wal-Mart Stores	10	1,470	1.0%	2	2,750	1.9%
Hamilton Sundstrand Corporation				8	2,000	1.4%
Winnebago County				9	1,600	1.1%
Harris Bank				10	1,600	1.1%
Totals		<u>28,307</u>	<u>18.7%</u>		<u>24,200</u>	<u>15.1%</u>
Total employment in the Rockford MSA		151,100			144,600	

Data Source

Statistics are not compiled specifically for the District. Employment figures were determined by staff through the use of available Rockford Area Economic and Development Council employment data (updated March 2020).

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

BUILDING PERMITS

Last Ten Calendar Years

Calendar Year	Building Permits ⁽¹⁾	Valuation ⁽²⁾
2011	168	\$ 23,902
2012	135	15,717
2013	96	15,171
2014	150	18,376
2015	134	19,067
2016	213	28,021
2017	235	32,032
2018	265	33,350
2019	300	44,335
2020	192	33,793

Data Source

Statistics are not compiled specifically for the District. Permit figures were determined by staff through the use of available U.S. Census Bureau data for the Rockford Metropolitan Area.

⁽¹⁾ New Privately Owned Housing Units Authorized

⁽²⁾ In Thousands of Dollars

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

OWNER-OCCUPIED UNITS

April 30, 2021

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
City of Loves Park	73.1%	71.7%	72.1%	71.2%	71.1%	69.1%	68.9%	67.8%	68.3%	68.7%
City of Rockford	60.5%	59.2%	57.0%	56.1%	55.8%	55.5%	54.4%	55.4%	54.9%	54.2%
Village of Cherry Valley	73.7%	73.3%	74.8%	76.0%	71.7%	69.8%	68.3%	67.6%	66.2%	70.5%
Village of Machesney Park	82.4%	81.2%	79.0%	79.7%	78.8%	78.0%	77.3%	77.9%	76.6%	77.9%
Village of Roscoe	69.6%	71.2%	67.5%	67.7%	67.8%	71.4%	71.6%	73.9%	75.4%	77.4%
Village of Winnebago	90.4%	86.9%	84.7%	81.9%	83.6%	83.6%	85.2%	86.0%	85.0%	85.2%
Winnebago County	70.1%	69.0%	67.6%	66.9%	66.5%	66.3%	65.5%	66.1%	65.7%	65.9%
State of Illinois	69.2%	68.7%	68.0%	67.5%	66.9%	66.4%	66.0%	66.1%	66.0%	66.1%
National	66.6%	66.1%	65.5%	64.9%	64.4%	63.9%	63.6%	63.8%	63.8%	64.0%

Data Sources

U.S. Census Bureau, American Community Survey Five-Year Estimates - Table ID DP04

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

MEDIAN HOUSEHOLD INCOME

April 30, 2021

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
City of Loves Park	\$ 49,503	\$ 51,515	\$ 50,901	\$ 50,469	\$ 50,593	\$ 50,917	\$ 50,284	\$ 52,212	\$ 53,106	\$ 59,059
City of Rockford	38,573	38,864	38,157	40,215	38,231	38,716	40,143	41,991	43,066	44,252
Village of Cherry Valley	57,955	58,265	61,588	60,833	60,448	56,250	58,750	56,438	60,250	63,603
Village of Machesney Park	54,422	52,346	55,365	53,688	54,395	54,655	56,563	56,488	60,353	63,662
Village of Roscoe	67,530	67,825	69,122	67,734	68,253	74,093	76,463	79,253	86,116	92,138
Village of Winnebago	80,518	79,375	78,782	71,343	73,380	70,417	73,719	79,267	82,763	83,005
Winnebago County	47,198	47,597	47,573	47,072	47,523	48,225	49,468	51,110	52,743	54,489
State of Illinois	55,735	56,576	56,853	56,797	57,166	57,574	59,196	61,229	63,575	65,886
National	51,914	52,762	53,046	53,046	53,482	53,889	55,322	57,652	60,293	62,843

Data Sources

U.S. Census Bureau, American Community Survey Five-Year Estimates - Table ID S1901

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

BUDGETED AUTHORIZED FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Department	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Administration	23	23	23	23	24	24	24	25	22.5	23.0
Legal	-	-	-	-	-	-	2	2	1.5	1.5
Engineering	18	18	18	18	19	19	18	19	18	17
Plant Operations	28	28	28	28	28	28	29	29	33	33
Laboratory	5	5	5	5	5	5	5	5	5	5
Collection Systems	37	37	37	37	37	37	37	38	37	37.5
Total	111	111	111	111	113	113	115	117	117	117

Data Source

District Records

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

OPERATING INDICATORS

Last Ten Calendar Years

Calendar Year	Non-Residential Connection Permits	Millions of Gallons of Influent Plant Flow ⁽¹⁾	Screenings ⁽²⁾	Grit ⁽²⁾	Biochemical Oxygen Demand (BOD) ⁽²⁾	Percent Removal	Total Suspended Solids (TSS) ⁽³⁾	Percent Removal	Ammonia Nitrogen (NH4-N) ⁽²⁾
2011	38	11,215	400,700	232,420	18,826,155	95.90%	8,395	97.40%	1,981,900
2012	41	9,666	875,180	220,520	18,301,998	96.70%	8,668	97.70%	1,970,335
2013	41	12,377	644,935	116,240	19,936,613	95.70%	10,821	97.00%	1,994,707
2014	48	11,778	475,060	92,920	18,146,077	96.20%	9,047	97.90%	2,066,971
2015	64	11,655	494,090	103,120	18,483,264	95.70%	8,452	96.50%	2,120,628
2016	68	11,646	274,124	142,980	17,868,833	96.30%	8,007	97.20%	1,977,897
2017	72	13,422	213,660	122,900	16,822,172	96.80%	8,187	97.70%	2,050,413
2018	71	14,370	259,800	161,260	17,378,522	96.20%	8,865	96.50%	1,866,082
2019	101	15,856	307,540	91,740	17,838,317	95.30%	8,870	96.10%	1,906,760
2020	71	12,994	334,180	78,900	17,111,631	96.20%	7,921	97.10%	1,959,247

Data Source

District Records

⁽¹⁾ Total per Year

⁽²⁾ Pounds per Year

⁽³⁾ Dry Tons per Year

**ROCK RIVER WATER RECLAMATION DISTRICT
ROCKFORD, ILLINOIS**

ANNEXATIONS AND SEWER EXTENSIONS

Last Ten Fiscal Years

Fiscal Year	Area Added to District ⁽¹⁾	Sanitary Sewers Built by the District and Others ⁽²⁾
2012	-	2.17
2013	521.37	2.08
2014	45.67	2.06
2015	226.01	1.78
2016	170.68	3.37
2017	182.30	2.99
2018	67.90	7.09
2019	1,574.00	1.89
2020	21.65	2.28
2021	46.00	1.68

Data Source

District Records

⁽¹⁾ Acres

⁽²⁾ Miles