



Four Rivers
Sanitation Authority

ROCKFORD, IL



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended April 30, 2024

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED APRIL 30, 2024

Prepared by:

Four Rivers Sanitation Authority Finance Department
Timothy Hanson, Executive Director
Julia Scott-Valdez, Director of Management Services

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

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INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Authority including: Principal Officials, Organizational Chart, Letter of Transmittal, and Certificate of Achievement for Excellence in Financial Reporting.

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Principal Officials

April 30, 2024

BOARD OF TRUSTEES

Richard T. Pollack, President

Ben Bernsten, Vice President

Ginger Haas, Clerk/Treasurer

Elmer Jones, Trustee

Richard Mowris, Trustee

ADMINISTRATIVE OFFICERS

Timothy Hanson, Executive Director

Christopher Baer, Director of Engineering

Julia Scott-Valdez, Director of Management Services

Ed Fitzgerald, General Counsel/Director of Internal Services

Greg Cassaro, Director of Plant Operations

Jim Reader, Director of Collection Systems



September 13, 2024

Board of Trustees
Four Rivers Sanitation Authority

Dear Trustees and Customers of the Four Rivers Sanitation Authority:

State law requires that the Four Rivers Sanitation Authority (the Authority) 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 Four Rivers Sanitation Authority's Annual Comprehensive Financial Report ("Annual Report") for the fiscal year ended April 30, 2024.

The Annual Report consists of management's representations concerning the finances of the Authority. 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 Authority has established a comprehensive internal control framework that is designed both to protect the Authority's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Authority's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh the benefits, the Authority'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.

The independent auditing firm of Lauterbach & Amen, LLP has audited the Authority's financial statements. The purpose of the independent audit conducted by Lauterbach & Amen, LLP was to review and provide reasonable assurance that the Authority's financial statements for the fiscal year ending April 30, 2024 are free of material misstatements. 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 Authority's internal control over financial reporting. Accordingly, Lauterbach & Amen, 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 Authority's financial statements for the fiscal year ended April 30, 2024 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 Authority's MD&A can be found immediately following the Independent Auditors' Report.

PROFILE OF THE AUTHORITY

General

The Four Rivers Sanitation Authority (Authority) was originally incorporated as the Rockford Sanitary Authority in 1926 under the Sanitary Authority Act of 1917. The primary treatment plant was completed in 1931. A secondary treatment plant and additional treatment facilities were added in 1958. The 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 Authority 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 primary sludge.

Currently, the Authority has undertaken upgrades to accommodate our Nutrient Removal Facility Plan (NRFP). The NRFP encompasses necessary improvements over the next thirty years to the wastewater treatment plant to adapt to changes in regulations, replace aging infrastructure, and meet capacity requirements, while achieving goals for energy efficiency and nutrient recovery.

Service Area

The Authority covers approximately 105 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.

Authority Services

The Authority cleanses the wastewater in accordance with the Authority'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 Authority owns and maintains a majority of the wastewater collection sewers within the service area. The Authority's approximately 1,093-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 Authority provides treatment at facilities located on Kishwaukee Street in Rockford. The Authority 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, when seasonally required, 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 Authority's governing body is the Four Rivers Sanitation Authority Board of Trustees, which is composed of five members. The Board determines Authority policy, approves the annual budget, levies taxes, authorizes the payment of bills, approves bids and contracts involving Authority business, and adopts Authority ordinances.

Budgets

The general provisions that regulate the Authority'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 Authority'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 Authority operates.

Local Economy

The economic condition of the region continues to rebound post-pandemic. Supply chain issues and inflationary increases linger on for many municipalities, and unemployment rates have increased slightly in the local area. The unemployment rate in Rockford for 2023 increased to 7.2%, from 6.7% in 2022. Winnebago County unemployment rates have risen slightly to 6.2% in 2023, from 5.8% in 2022.

In contrast to the unemployment rates, property values in the area continue to increase. After years of declining property values during and after the recession of 2008, for the eighth consecutive year taxable valuations have increased. The Authority's 2023 rate setting equalized assessed value (EAV) increased 11.6% following an 8.9% increase in 2022.

Long-Range Financial Planning

The Authority'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 Authority maintains long-range financial plans for its Operations and Maintenance (O&M) and Capital budgets. The Authority's ten-year financing plan for the capital budget seeks to accomplish the Authority'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 Authority's Equalized Assessed Valuation

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the Four Rivers Sanitation Authority (Authority) for the fiscal year ending April 30, 2023. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for the preparation of state and local government financial reports.

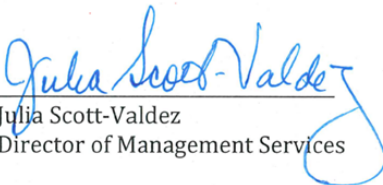
To be awarded the Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and other applicable requirements.

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

The preparation of this report would not have been possible without the efficient and dedicated service of the Authority's staff. Each staff member is sincerely appreciated for their contribution to the financial operations of the Authority, as well as to this report. We would also like to thank the Authority's Board of Trustees for their interest and support in planning and conducting the financial operations of the Authority in a responsible and progressive manner.



Timothy S. Hanson
Executive Director



Julia Scott-Valdez
Director of Management Services



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Four Rivers Sanitation Authority
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

April 30, 2023

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

This section includes:

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

Supplemental Schedules

INDEPENDENT AUDITOR'S REPORT

This section includes the opinion of the Authority's independent auditing firm.



INDEPENDENT AUDITOR'S REPORT

September 13, 2024

Members of the Board of Trustees
Four Rivers Sanitation Authority
Rockford, Illinois

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the basic financial statements and the aggregate remaining fund information of the Four Rivers Sanitation Authority (the Authority), Illinois, as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position and the aggregate remaining fund information of the Four Rivers Sanitation Authority, Illinois, as of April 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Four Rivers Sanitation Authority, Illinois' basic financial statements. The other supplementary information and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 13, 2024, on our consideration of the Authority'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 the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Management's Discussion and Analysis

April 30, 2024

Our discussion and analysis of the Four Rivers Sanitation Authority (the Authority) of Illinois' financial performance provides an overview of the Authority's financial activities for the fiscal year ended April 30, 2024. Please read it in conjunction with the transmittal letter, in the introductory section, and the Authority's financial statements, which can be found in the basic financial section of this report.

FINANCIAL HIGHLIGHTS

- The Authority's net position increased by \$21,077,922, or 5.5 percent as a result of this year's operations.
- During the year, revenues totaled \$62,012,595, while expenses totaled \$41,693,198, resulting in an increase to net position of \$20,319,397, prior to a capital grant of \$758,525.
- The Authority's net position totaled \$402,641,045 on April 30, 2024, which includes \$310,327,254 net investment in capital assets, \$11,442,313 in restricted, and \$80,871,478 unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position provide information about the activities of the Authority as a whole and present a longer-term view of the Authority's finances.

This report also contains other supplementary information in addition to the basic financial statements.

Entity-Wide Financial Statements

The entity-wide financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to private sector business.

The Statement of Net Position presents information on all of the Authority's assets and liabilities with the difference between the two reported as net position. Over time, increases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The Authority is unique to many governments, but not unique to other sanitary districts, since it is an entity with three subfunds, proprietary in nature.

Proprietary Funds

The Authority maintains one proprietary fund type: an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Authority utilizes enterprise funds to account for its sewerage operations.

Proprietary fund financial statements provide the same type of information as the entity-wide financial statements, only in more detail. For purposes of the audit, the General Operations subfund, Public Benefits subfund and Special Assessments subfund were combined in to one fund which is considered to be the major fund of the Authority.

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Management's Discussion and Analysis

April 30, 2024

USING THIS ANNUAL REPORT - Continued

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Authority's IMRF employee pension obligation and the Authority's other post-employment benefit obligation.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the Authority's financial position. The following tables show that in the case of the Authority, assets/deferred outflows exceeded liabilities/deferred inflows by \$402,641,045.

	Net Position	
	2024	2023
Current and Other Assets	\$ 106,026,766	95,275,832
Capital Assets	403,412,162	379,914,459
Total Assets	509,438,928	475,190,291
Deferred Outflows	6,280,275	7,607,068
Total Assets/Deferred Outflows	515,719,203	482,797,359
Long-Term Debt	93,302,172	82,987,965
Other Liabilities	12,301,653	11,164,258
Total Liabilities	105,603,825	94,152,223
Deferred Inflows	7,474,333	7,082,013
Total Liabilities/Deferred Inflows	113,078,158	101,234,236
Net Position		
Net Investment in Capital Assets	310,327,254	301,707,286
Restricted	11,442,313	10,653,177
Unrestricted	80,871,478	69,202,660
Total Net Position	402,641,045	381,563,123

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Management's Discussion and Analysis

April 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

A large portion of the Authority's net position, \$310,327,254 or 77.1 percent, reflects its net investment in capital assets (for example, land, construction in progress, treatment plant, sewers and lift stations, and machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The Authority uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Authority's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$11,442,313 or 2.8 percent, represents resources that are subject to external restrictions on how they may be used. The remaining 20.1 percent, or \$80,871,478, represents unrestricted net assets and may be used to meet the government's ongoing obligations to citizens and creditors.

	Change in Net Position	
	2024	2023
Revenues		
Program Revenues		
Charges for Services	\$ 49,021,665	46,669,158
General Revenues		
Property Taxes	5,309,669	5,328,970
Replacement Taxes	4,175,697	5,774,866
Investment Income	3,366,984	954,875
Miscellaneous	138,580	108,301
Total Revenues	<u>62,012,595</u>	<u>58,836,170</u>
Expenses		
Operating	40,099,636	43,155,516
Interest Expense	1,593,562	1,774,359
Total Expenses	<u>41,693,198</u>	<u>44,929,875</u>
Income Before Capital Grants	20,319,397	13,906,295
Capital Grants	<u>758,525</u>	<u>506,000</u>
Change in Net Position	21,077,922	14,412,295
Net Position - Beginning	<u>381,563,123</u>	<u>367,150,828</u>
Net Position - Ending	<u><u>402,641,045</u></u>	<u><u>381,563,123</u></u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Management's Discussion and Analysis

April 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Net position increased by 5.5 percent (\$402,641,045 in 2024 compared to \$381,563,123 in 2023). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, totaled \$80,871,478 at April 30, 2024.

The Authority's user charges were \$47,347,785 in fiscal year 2024, which is a 5.32 percent increase from the prior year. In fiscal year 2024, the Authority had 76,450 customers with billable water usage estimated at 8 million units (100 cubic feet). The Authority independently sets user fees that are calculated based on the quantity and quality of wastewater treated.

The Authority'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 \$40,099,636 in fiscal year 2024. Operating expenses less depreciation were \$23,085,812, a decrease of \$3,588,376 or 13.45 percent from fiscal year 2023.

Operating income for the Authority totaled approximately \$8,922,029 in fiscal year 2024, which is \$5,408,387 more than the previous year. The increase in operating income from fiscal year 2023, is largely related to delayed capital projects that are anticipated to be completed in the next fiscal year and an adjustment for IMRF GASB 68. The Authority's major on-site capital construction projects have faced delays, as have several other local FRSA construction projects that were planned in partnership with local water municipalities. Our aim when working in the public right of ways is to ensure minimal disruption to the community. If the local water projects are delayed, the Authority must also delay their start date. Coordinating the start dates, even those that are delayed, is sensible as it reduces costs and minimizes disruption in the public right of way.

CAPITAL ASSETS

The Authority's investment in capital assets as of April 30, 2024 was \$403,412,162 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, treatment plant, sewers and lift stations, and machinery and equipment.

	Capital Assets	
	Net of Depreciation	
	2024	2023
Land	\$ 7,650,405	7,415,792
Construction in Progress	51,033,056	18,885,032
Treatment Plant	60,233,251	64,482,949
Sewers and Lift Stations	277,106,860	283,015,780
Machinery and Equipment	7,388,590	6,114,906
Total	<u>403,412,162</u>	<u>379,914,459</u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Management's Discussion and Analysis

April 30, 2024

CAPITAL ASSETS - Continued

This year's major additions included:

Land	\$	234,613
Construction in Progress		32,148,024
Treatment Plant		1,789,878
Sewers and Lift Stations		3,303,538
Machinery and Equipment		3,035,474
		<u>40,511,527</u>

Additional information on the Authority's capital assets can be found in Note 3 of this report.

DEBT ADMINISTRATION

At year-end, the Authority had total outstanding debt of \$92,005,012 as compared to \$76,963,958 the previous year, an increase of 19.5 percent. The following is a comparative statement of outstanding debt:

	<u>Long-Term Debt Outstanding</u>	
	<u>2024</u>	<u>2023</u>
General Obligation Bonds	\$ 15,120,000	17,105,000
IEPA Loans Payable	76,885,012	59,858,958
Total	<u>92,005,012</u>	<u>76,963,958</u>

Additional information on the Authority's long-term debt can be found in Note 3 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Authority's Board of Trustees took several factors into account when determining the user rates and property tax levy for the fiscal year 2024. One of the considerations was the local economy. The population of the Authority has been decreasing in recent years, leading to a decline in wealth. Although the unemployment rate in Winnebago County slightly increased in 2023 after showing improvement in 2022, job opportunities in the metro area are mainly in the service industry, which generally pays lower wages. On the other hand, property valuations in the tax year 2023 increased by approximately 11.6%, following an 8.9% increase in 2022.

When establishing rates, the Board of Trustees must take into account the aging infrastructure of the Authority and its environmental responsibilities as defined by the Environmental Protection Agency (EPA). These factors have necessitated the modernization of our facilities, leading to extensive upgrades to the plant campus. Throughout the fiscal year 2024, the Authority and its staff remained committed to reducing expenses and seeking the best value for planned capital projects.

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Management's Discussion and Analysis

April 30, 2024

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES - Continued

Credit for maintaining a fair and equitable user rate can be attributed to the employees at Four Rivers Sanitation Authority. Daily, interdepartmental teams work together to ensure that the highest quality of service is offered to our residents. From the Executive Director to the management team to the newly hired Utility Tech, the Authority team focuses on ensuring that services are both efficient and cost-effective.

The Authority aims to operate and maintain its system efficiently and effectively, as well as fund necessary capital improvements. The fiscal year 2025 budget for operating and maintenance expenditures is \$31,052,927, an 8.9% increase from the prior year. The planned outlay for capital projects is \$84,377,508, primarily for rehabilitation, upgrade and replacement of assets at the Authority's water reclamation facilities, as well as new sewer extensions. Capital projects that were carried over comprise \$13,276,530 of the capital project outlay. User charges are budgeted at \$50,958,427, an increase of approximately 2.9% from fiscal year 2024 to cover capital project requirements due to unfunded mandates. The 2023 (collected FY 2025) property tax levy revenue remains flat, with the rate declining to \$0.1425 from the prior year's \$0.1593.

In June 2021, the formerly Rock River Water Reclamation District became Four Rivers Sanitation Authority. The name change represents the mission of returning fresh, clean water to our environment. The new brand signifies drops of water becoming incrementally purer before the water is discharged into the watershed that feeds into the Rock, Kishwaukee, Pecatonica and Sugar Rivers.

REQUESTS FOR INFORMATION

This financial report is designed to provide citizens, customers, and creditors with a general overview of the Authority's finances and to demonstrate the Authority'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, Four Rivers Sanitation Authority, 3501 Kishwaukee Street, Rockford, Illinois 61109.

BASIC FINANCIAL STATEMENTS

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Statement of Net Position

April 30, 2024

See Following Page

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Statement of Net Position

April 30, 2024

ASSETS	
Current Assets	
Cash and Investments	\$ 75,508,845
Receivables	
Taxes	5,315,031
Accounts	14,364,971
Accrued Interest	209,106
Other	267,232
Loans Receivable	325,766
Due from Other Governments	3,879,055
Prepays	936,028
Total Current Assets	<u>100,806,034</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	58,683,461
Depreciable	662,765,074
Accumulated Depreciation	<u>(318,036,373)</u>
	403,412,162
Other Assets	
Loans Receivable	<u>5,220,732</u>
Total Noncurrent Assets	<u>408,632,894</u>
Total Assets	<u>509,438,928</u>
DEFERRED OUTFLOW OF RESOURCES	
Deferred Items - IMRF	5,160,231
Deferred Items - RBP	1,065,274
Loss on Refunding	54,770
Total Deferred Outflows of Resources	<u>6,280,275</u>
Total Assets and Deferred Outflows of Resources	<u>515,719,203</u>

The notes to the financial statements are an integral part of this statement.

LIABILITIES

Current Liabilities	
Accounts Payable	\$ 4,811,415
Accrued Payroll	1,048,885
Accrued Interest	418,857
Current Portion of Long-Term Debt	6,022,496
Total Current Liabilities	<u>12,301,653</u>
Noncurrent Liabilities	
Compensated Absences	1,229,874
Net Pension Liability - IMRF	3,064,792
Total OPEB Liability - RBP	1,960,960
General Obligation Bonds Payable	13,516,199
IEPA Loans Payable	73,530,347
Total Noncurrent Liabilities	<u>93,302,172</u>
Total Liabilities	<u>105,603,825</u>

DEFERRED INFLOWS OF RESOURCES

Deferred Items - IMRF	607,888
Deferred Items - RBP	1,173,309
Gain on Refunding	378,104
Property Taxes	5,315,032
Total Deferred Inflows of Resources	<u>7,474,333</u>
Total Liabilities and Deferred Inflows of Resources	<u>113,078,158</u>

NET POSITION

Net Investment in Capital Assets	310,327,254
Restricted	
Debt Service	4,811,620
Public Benefit	3,656,531
Special Assessments	2,974,162
Unrestricted	<u>80,871,478</u>
Total Net Position	<u>402,641,045</u>

The notes to the financial statements are an integral part of this statement.

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

**Statement of Revenues, Expenses and Changes in Net Position
For the Fiscal Year Ended April 30, 2024**

Operating Revenues	
Charges for Services	\$ 47,347,785
Collection Charges and Penalties	909,231
Other	764,649
Total Operating Revenues	<u>49,021,665</u>
Operating Expenses	
Administration	3,734,824
Operations	19,350,988
Depreciation	17,013,824
Total Operating Expenses	<u>40,099,636</u>
Operating Income	<u>8,922,029</u>
Nonoperating Revenues (Expenses)	
Property Taxes	5,309,669
Replacement Taxes	4,175,697
Investment Income	3,366,984
Disposal of Capital Assets	138,580
Interest Expense	(1,593,562)
	<u>11,397,368</u>
Income before Contributions	20,319,397
Capital Contributions	<u>758,525</u>
Change in Net Position	21,077,922
Net Position - Beginning	<u>381,563,123</u>
Net Position - Ending	<u><u>402,641,045</u></u>

The notes to the financial statements are an integral part of this statement.

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Statement of Cash Flows

For the Fiscal Year Ended April 30, 2024

Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 56,671,778
Payments to Suppliers	(14,397,382)
Payments to Employees	(11,373,398)
	<u>30,900,998</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(39,753,002)
Disposal of Capital Assets	138,580
Debt Issuance	26,244,041
Payment on Debt Issuance	(11,366,306)
Interest and Fiscal Charges	(1,593,562)
	<u>(26,330,249)</u>
Cash Flows from Investing Activities	
Interest Received	<u>3,366,984</u>
Net Change in Cash and Cash Equivalents	7,937,733
Cash and Cash Equivalents - Beginning	<u>67,571,112</u>
Cash and Cash Equivalents - Ending	<u><u>75,508,845</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:	
Operating Income	8,922,029
Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by (Used in) Operating Activities:	
Depreciation Expense	17,013,824
Other Income	9,485,366
(Increase) Decrease in Current Assets	(1,458,612)
Increase (Decrease) in Current Liabilities	(3,061,609)
	<u>(3,061,609)</u>
Net Cash Provided by Operating Activities	<u><u>30,900,998</u></u>
Noncash Capital and Related Financing Activities	
Capital Contribution	<u><u>758,525</u></u>

The notes to the financial statements are integral part of this statement.

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Four Rivers Sanitation Authority (the Authority) of Illinois was organized in 1926 under the Sanitary Districts Sewage Disposal Act of 1917 to acquire, develop, and manage the sewage disposal system. The Authority 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 Authority 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 government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Authority's accounting policies established in GAAP and used by the Authority are described below.

REPORTING ENTITY

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government. Management has determined that there are no fiduciary component units that are required to be included in the financial statements of the Authority as pension trust funds and there are no discretely component units to include in the reporting entity.

BASIS OF PRESENTATION

In the Statement of Net Position, the Authority's activities are reported on a full accrual, economic resources basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term obligations/deferred inflows.

The Authority uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

The Authority utilizes a single proprietary fund. Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to outside parties.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Measurement Focus

All proprietary funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of Accounting

The Authority’s basic financial statements are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Authority are charges to customers for services. Operating expenses include the cost of services, administrative expenses, and depreciation and amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

For purpose of the Statement of Net Position, the Authority's cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent. For the purpose of the proprietary funds’ Statement of Cash Flows, cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the Authority's investments are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for business-type activities include user charges.

Prepays

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. Prepays are valued at cost, which approximates market.

Capital Assets

Capital assets purchased or acquired are reported at historical cost or estimated historical cost. For movable property, the Authority's capitalization policy includes all items with a unit cost of \$5,000 or more, depending on asset class, and an estimated useful life that is greater than one year. Renovations to buildings and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred. Donated capital assets are recorded at estimated acquisition value at the date of donation.

Depreciation has been provided using the straight-line method over the following estimated useful lives of the assets:

Treatment Plant	15 - 30 Years
Sewers and Lift Stations	15 - 50 Years
Machinery and Equipment	3 - 15 Years

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents a consumption/acquisition of net assets that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

Compensated Absences

The Authority 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.

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Compensated Absences - Continued

The Authority 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.

Long-Term Obligations

In the financial statements long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Loan premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Loans payable are reported net of the applicable loan premium or discount. Loan issuance costs are reported as expenses at the time of issuance.

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted - All other net position balances that do not meet the definition of "restricted" or "net investment in capital assets."

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

The general provisions that regulate the Authority'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.

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS

BUDGETARY INFORMATION - Continued

Budgeted amounts used for comparison in this report are obtained from the operating budget of the Authority, approved by Authority Board of Trustees, which is prepared in accordance with generally accepted accounting principles, except that depreciation expense is not part of the operating budget, and note principal payments are budgeted as expenses. The budget amounts included in the supplemental information are from the final adopted budget, including all amendments, which were not significant. The budget lapses at the end of the fiscal year.

DEPOSITS AND INVESTMENTS

The Authority maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash and investments." In addition, investments are separately held by several of the Authority's funds.

Permitted Deposits and Investments - Statutes authorize the Authority to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, the Illinois Funds, and IPRIME.

Illinois Funds is an investment pool management by the Illinois Public Treasurer's Office, which allows governments within the state to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

The Illinois Public Reserves Investment Management Trust (IPRIME) is an investment opportunity and cash management service for Illinois Municipal Treasurers acting on behalf of counties, townships, cities, towns, villages, special road districts, public water supply districts, fire protection districts, drainage districts, levee districts, sewer districts, housing authorities, and all other political corporations or subdivisions of the State of Illinois. Participation in IPRIME is voluntary. IPRIME is not registered with the SEC as an Investment Company. Investments in IPRIME are valued at the share price, the price for which the investment could be sold.

Deposits. At year-end, the carrying amount of the Authority's deposits totaled \$30,122,245 and the bank balances totaled \$31,048,304. In addition, the Authority also has \$33,671,102 invested in the Illinois Funds, which has an average maturity of less than one year, and \$11,715,498 invested in IPRIME, which also has an average maturity of less than one year.

Interest Rate Risk. 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 Authority attempts to match its investments with anticipated cash flow requirements. The Authority'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.

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper, corporate bonds and mutual funds to the top two ratings issued by nationally recognized statistical rating organizations. The Authority limits its exposure to credit risk by pre-qualifying all financial institutions and other intermediaries with which the Authority conducts business. The Illinois Funds rated AAmmf by Fitch. The IPRIME are rated AAAM or not rated by Standard & Poor's.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the Authority's investment in a single issuer. The Authority 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. At year-end, the Authority does not have any investments over 5 percent of the total cash and investment portfolio.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority's investment policy does not address custodial credit risk for deposits. At April 30, 2024, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance.

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

INTERFUND BALANCE

Interfund balances are advances in anticipation of receipts to cover temporary cash shortages. The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
General	Special Assessment	<u>\$ 52,593</u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

INTERGOVERNMENTAL AGREEMENT

On December 21, 2011, the Village of Winnebago (the Village) entered into an agreement with the Authority 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 Authority sanitary sewer system. The agreement specifies that the Authority will finance all construction costs of the improvements. In return, the Village will pay the Authority 25.75% of the debt service payments related to the IEPA Fuller Creek Phase C loan. Additionally, the Village will pay the Authority 75% of the debt service payments related to the IEPA Fuller Creek Phase D and F loan.

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

Fiscal Year	Amount
2025	\$ 325,766
2026	331,502
2027	337,341
2028	343,281
2029	349,325
2030 - 2034	1,841,099
2035 - 2039	1,869,647
2040 - 2042	<u>148,537</u>
	<u><u>5,546,498</u></u>

PROPERTY TAXES

Property taxes for 2023 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them in two fairly equal payments with a third lesser payment of any disputed taxes.

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS

The following is a summary of capital asset activity for the year:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 7,415,792	234,613	—	7,650,405
Construction in Progress	18,885,032	40,511,527	8,363,503	51,033,056
	<u>26,300,824</u>	<u>40,746,140</u>	<u>8,363,503</u>	<u>58,683,461</u>
Depreciable Capital Assets				
Treatment Plant	158,403,935	1,789,878	—	160,193,813
Sewers and Lift Stations	469,733,430	3,303,538	—	473,036,968
Machinery and Equipment	26,910,669	3,035,474	411,850	29,534,293
	<u>655,048,034</u>	<u>8,128,890</u>	<u>411,850</u>	<u>662,765,074</u>
Less Accumulated Depreciation				
Treatment Plant	93,920,986	6,039,576	—	99,960,562
Sewers and Lift Stations	186,717,650	9,212,458	—	195,930,108
Machinery and Equipment	20,795,763	1,761,790	411,850	22,145,703
	<u>301,434,399</u>	<u>17,013,824</u>	<u>411,850</u>	<u>318,036,373</u>
Total Net Depreciable Capital Assets	<u>353,613,635</u>	<u>(8,884,934)</u>	<u>—</u>	<u>344,728,701</u>
Total Net Capital Assets	<u>379,914,459</u>	<u>31,861,206</u>	<u>8,363,503</u>	<u>403,412,162</u>

Depreciation expense of \$17,013,824 was charged to operations during the fiscal year.

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT

General Obligation/Alternate Revenue Source Bonds

The Authority issues general obligation/alternate revenue source (ARS) bonds to provide funds for the acquisition, construction and maintenance of major capital facilities. General obligation/ARS bonds are direct obligations and pledge the full faith and credit of the Authority. General obligation/ARS bonds currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Bonds of 2014, due in annual installments of \$350,000 to \$670,000 plus interest at 2.00% to 5.00% through December 15, 2033.	\$ — 5,870,000	—	5,445,000 * 425,000	—
General Obligation (ARS) Bonds of 2017, due in annual installments of \$215,000 to \$1,025,000 plus interest at 3.00% to 3.25% through December 15, 2028.	5,540,000	—	915,000	4,625,000
General Obligation (ARS) Bonds of 2018, due in annual installments of \$265,000 to \$405,000 plus interest at 3.00% to 5.00% through December 15, 2028.	2,165,000	—	315,000	1,850,000
General Obligation (ARS) Bonds of 2019, due in annual installments of \$410,000 to \$600,000 plus interest at 2.00% to 5.00% through December 15, 2029.	3,530,000	—	440,000	3,090,000
General Obligation (ARS) Refunding Bonds of 2023, due in annual installments of \$480,000 to \$635,000 plus interest at 3.14% through December 15, 2033.	—	5,555,000	—	5,555,000
	<u>17,105,000</u>	<u>5,555,000</u>	<u>7,540,000</u>	<u>15,120,000</u>

*Refunded Amount

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Defeased Debt

On September 20, 2023, the Authority issued \$5,555,000 par value General Obligation (ARS) Refunding Bonds of 2023 to refund \$5,445,000 of the General Obligation (ARS) Bonds of 2014. The Authority defeased bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payment of the old bonds. Since the requirements that normally satisfy defeasance have been met, the financial statements reflect satisfaction of the original liability through the irrevocable transfer to an escrow agent of an amount computed to be adequate to meet the future debt service requirements of the issue. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's basic financial statements. Through this refunding, the Authority reduced its total debt service by \$468,241 and recognized an economic gain of \$393,563.

IEPA Loans Payable

The Authority has entered into loan agreements with the IEPA to provide low interest financing for waterworks and sewerage improvements. Final repayment schedule for the IEPA Loan Payable of 2022 (L17-5882) - Primary Filtration and IEPA Loan Payable of 2023 (L17-6127) - Nutrient Removal are not available at the time of the issuance of this report. IEPA loans currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Loan Payable of 2011 (L17-3202) - Rock River East, due in annual installments of \$94,305, non-interest bearing, through June 15, 2030.	\$ 707,284	—	94,305	612,979
IEPA Loan Payable of 2012 (L17-3199) - Point Repair Lining, due in annual installments of \$136,894 including interest at 1.25%, through February 6, 2031.	1,039,092	—	124,293	914,799
IEPA Loan Payable of 2015 (L17-4870) - Fuller Creek Project, due in annual installments of \$773,426 including interest at 1.93%, through February 8, 2035.	8,523,686	—	611,857	7,911,829

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

IEPA Loans Payable - Continued

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Loan Payable of 2015 (L17-4715) - Main Line Repairs/Lining, due in annual installments of \$132,592 including interest at 1.93%, through July 30, 2034.	\$ 1,361,588	—	106,826	1,254,762
IEPA Loan Payable of 2017 (L17-3201) - Excess Flow, due in annual installments of \$380,812 including interest at 2.21%, through February 13, 2036.	4,282,501	—	287,750	3,994,751
IEPA Loan Payable of 2017 (L17-5212) - Sewer Lining, due in annual installments of \$150,910 including interest at 2.21%, through March 20, 2036.	1,697,071	—	114,030	1,583,041
IEPA Loan Payable of 2018 (L17-5321) - Spring Creek Sanitary Sewer, due in annual installments of \$564,011 including interest at 1.75%, through July 2, 2037.	7,195,410	—	440,008	6,755,402
IEPA Loan Payable of 2018 (L17-5477) - Sanitary Sewer, due in annual installments of \$226,034 including interest at 1.75%, through July 14, 2038.	3,056,944	—	173,293	2,883,651
IEPA Loan Payable of 2019 (L17-5214) - Fuller Creek Phase 3, due in annual installments of \$1,082,492 including interest at 1.75%, through July 20, 2038.	14,639,866	—	829,909	13,809,957

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

IEPA Loans Payable - Continued

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Loan Payable of 2019 (L17-5306) - Fuller Creek Phase 4 and 5, due in annual installments of \$109,425 including interest at 1.76%, through March 30, 2039.	\$ 1,520,096	—	83,035	1,437,061
IEPA Loan Payable of 2021 (L17-5658) - Collection Systems Repairs, due in annual installments of \$151,510 including interest at 1.84%, through September 30, 2040.	2,258,104	—	110,466	2,147,638
IEPA Loan Payable of 2021 (L17-4667) - Cherry Valley Parallel Forcemain due in annual installments of \$458,942 including interest at 2.00%, through August 28, 2041.	7,067,592	—	319,178	6,748,414
IEPA Loan Payable of 2022 (L17-5882) - Primary Filtration due in annual installments including interest at 1.11%, through December 17, 2043.	6,509,724	12,565,497	—	19,075,221
IEPA Loan Payable of 2023 (L17-6127) - Nutrient Removal due in annual installments including interest at 1.04%, through November 7, 2044.	—	7,755,507	—	7,755,507
	<u>59,858,958</u>	<u>20,321,004</u>	<u>3,294,950</u>	<u>76,885,012</u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Debt Service Requirements to Maturity

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

Fiscal Year	General Obligation Bonds		IEPA Loans Payable*	
	Principal	Interest	Principal	Interest
2025	\$ 2,210,000	539,990	3,354,665	906,687
2026	2,280,000	466,318	3,415,507	845,845
2027	2,360,000	385,568	3,477,501	783,851
2028	2,465,000	297,046	3,540,664	720,688
2029	2,220,000	204,154	3,605,014	656,338
2030	1,160,000	123,730	3,670,583	590,769
2031	580,000	76,146	3,690,235	523,961
2032	595,000	57,934	3,573,834	456,319
2033	615,000	39,250	3,641,467	388,686
2034	635,000	19,936	3,710,388	319,765
2035	—	—	4,059,685	249,527
2036	—	—	2,947,226	176,908
2037	—	—	2,467,954	124,460
2038	—	—	2,230,510	79,899
2039	—	—	1,332,183	41,961
2040	—	—	586,933	23,519
2041	—	—	522,736	11,957
2042	—	—	227,199	2,269
Totals	<u>15,120,000</u>	<u>2,210,072</u>	<u>50,054,284</u>	<u>6,903,409</u>

*IEPA Loan Payable of 2022 (L17-5882) - Primary Filtration and IEPA Loan Payable of 2023 (L17-6127) - Nutrient Removal are not included due to final repayment schedule not being available.

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Long-Term Liability Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Compensated Absences	\$ 1,837,746	300,404	600,808	1,537,342	307,468
Net Pension Liability - IMRF	6,718,678	—	3,653,886	3,064,792	—
Total OPEB Liability - RPB	1,962,785	—	1,825	1,960,960	—
General Obligation Bonds	17,105,000	5,555,000	7,540,000	15,120,000	2,210,000
Plus: Unamortized Premium	1,262,295	—	505,733	756,562	150,363
IEPA Loans Payable	59,858,958	20,321,004	3,294,950	76,885,012	3,354,665
	<u>88,745,462</u>	<u>26,176,408</u>	<u>15,597,202</u>	<u>99,324,668</u>	<u>6,022,496</u>

Pledged Revenue

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, 2024 is as follows:

Debt Issue	Pledged Revenue Source	Pledge Remaining	Commitment End Date
General Obligation (ARS) Refunding Bonds of 2017	Revenues of the System	\$ 5,038,063	12/15/2028
General Obligation (ARS) Refunding Bonds of 2018	Revenues of the System	2,096,000	12/15/2028
General Obligation (ARS) Refunding Bonds of 2019	Revenues of the System	3,638,250	12/15/2029
General Obligation (ARS) Refunding Bonds of 2023	Revenues of the System	6,557,759	12/15/2033

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Pledged Revenue - Continued

A comparison of the pledged revenues collected and the related principal and interest expenditure for fiscal year 2024 is as follows:

Debt Issue	Pledged Revenue Source	Pledged Revenue Collected	Principal and Interest Paid	Commitment End Date
General Obligation (ARS) Bonds 2017	Revenues of the System	\$ 30,865,028	\$ 1,082,962	12/15/2028
General Obligation (ARS) Bonds 2018	Revenues of the System	30,865,028	415,150	12/15/2028
General Obligation (ARS) Bonds 2019	Revenues of the System	30,865,028	593,850	12/15/2029
General Obligation (ARS) Bonds 2023	Revenues of the System	30,865,028	41,184	12/15/2033

NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets was comprised of the following at year-end:

Capital Assets - Net of Accumulated Depreciation	\$ 403,412,162
Plus:	
Unamortized Loss on Refunding	54,770
Less Capital Related Debt:	
General Obligation Bonds	(15,120,000)
Unamortized Premium on Debt Issuance	(756,562)
Unamortized Gain on Refunding	(378,104)
IEPA Loans Payable	<u>(76,885,012)</u>
Net Investment in Capital Assets	<u><u>310,327,254</u></u>

NOTE 4 - OTHER INFORMATION

RISK MANAGEMENT

The Authority 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 Authority is covered by commercial insurance for all programs. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

COMMITMENTS

The Authority has entered into certain agreements in connection with the construction of sewer and other various projects. Outstanding commitments at April 30, 2024 totaled approximately \$69,950,549 of Illinois Environmental Protection Agency (IEPA) loans. The projects are still in the construction phase and, therefore, no repayment schedules have been determined.

IEPA Loan L17-5882 for Primary Filtration Phase 1 construction project, including interest at 1.11%, totals approximately \$20,391,399. First repayment is anticipated due March 1, 2025 with final repayment due September 1, 2044.

IEPA Loan L17-6127 for Aerobic Granular Sludge Phase 1 construction project, including interest at 1.04%, totals approximately \$49,559,150. First repayment is anticipated due June 1, 2025 with final repayment due December 1, 2044.

CONTINGENT LIABILITIES

Litigation

From time to time, the Authority is party to various pending claims and legal proceedings with respect to employment, civil rights, property taxes and other matters. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the Authority attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Authority's financial position or results of operations.

Grants

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

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund (IMRF)

The Authority contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions

Plan Administration. All 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.

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

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

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

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

Plan Membership. As of December 31, 2023, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	157
Inactive Plan Members Entitled to but not yet Receiving Benefits	36
Active Plan Members	<u>117</u>
Total	<u><u>310</u></u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Contributions. As set by statute, the Authority's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended April 30, 2024, the Authority's contribution was 5.72% of covered payroll.

Net Pension Liability. The Authority's net pension liability was measured as of December 31, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2023, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	2.75%
Inflation	2.25%

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions - Continued. For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

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

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	24.50%	4.75%
Domestic Equities	34.50%	5.00%
International Equities	18.00%	6.35%
Real Estate	10.50%	6.30%
Blended	11.50%	6.05% - 8.65%
Cash and Cash Equivalents	1.00%	3.80%

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. 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 Authority contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

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 Authority calculated using the discount rate as well as what the Authority's net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset) \$	10,830,794	3,064,792	(3,248,536)

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2022	\$ 74,376,591	67,657,913	6,718,678
Changes for the Year:			
Service Cost	941,964	—	941,964
Interest	5,247,315	—	5,247,315
Changes of Benefit Terms		—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	722,431	—	722,431
Changes of Assumptions	(125,579)	—	(125,579)
Contributions - Employer	—	603,461	(603,461)
Contributions - Employees	—	491,064	(491,064)
Net Investment Income	—	7,669,888	(7,669,888)
Benefit Payments, Including Refunds of Employee Contributions	(4,941,629)	(4,941,629)	—
Other (Net Transfer)	—	1,675,604	(1,675,604)
Net Changes	1,844,502	5,498,388	(3,653,886)
Balances at December 31, 2023	76,221,093	73,156,301	3,064,792

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

For the year ended April 30, 2024, the Authority recognized pension revenue of \$1,527,050. At April 30, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 791,810	(479,085)	312,725
Change in Assumptions	—	(128,803)	(128,803)
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	4,144,013	—	4,144,013
Total Expense to be Recognized in Future Periods	4,935,823	(607,888)	4,327,935
Contributions Subsequent to Measurement Date	224,408	—	224,408
Total Deferred Amounts Related to IMRF	<u>5,160,231</u>	<u>(607,888)</u>	<u>4,552,343</u>

\$224,408 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2025. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2025	\$ 500,739
2026	1,352,206
2027	3,005,108
2028	(530,118)
2029	—
Thereafter	—
Total	<u>4,327,935</u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan Description. The Authority’s defined benefit OPEB plan, Retiree Benefit Plan (RBP), provides OPEB for all permanent full-time general employees of the Authority. RBP is a single-employer defined benefit OPEB plan administered by the Authority. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Authority Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided. The Authority 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 Authority’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 Authority’s insurance provider.

The Authority 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 Authority. Eligible retirees contribute at the same rate as active employees. All other retirees contribute 100% of the cost (blended) of coverage.

Plan Membership. As of April 30, 2024, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	10
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>118</u>
Total	<u><u>128</u></u>

Total OPEB Liability

The Authority’s total OPEB liability was measured as of April 30, 2024, and was determined by an actuarial valuation as of April 30, 2024.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the April 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Total OPEB Liability - Continued

Actuarial Assumptions and Other Inputs - Continued.

Inflation	2.50%
Salary Increases	3.50%
Discount Rate	4.42%
Healthcare Cost Trend Rates	7.00% initial rate, decreasing to an ultimate rate of 4.50% for 2040 and later years
Retirees' Share of Benefit-Related Costs	100% of projected health insurance premiums for retirees

The discount rate was based on the S&P Municipal Bond 20 Year High-Grade Rate Index as of April 30, 2024.

Mortality rates were based on the PubG.H-2010(B) Mortality Table - General (below-median income) The Male table is adjusted by 108.0% and the Female table is adjusted by 106.4%. Future mortality improvements made using scale MP-2021.

Change in the Total OPEB Liability

	Total OPEB Liability
Balance at April 30, 2023	<u>\$ 1,962,785</u>
Changes for the Year:	
Service Cost	107,581
Interest on the Total OPEB Liability	75,467
Changes of Benefit Terms	—
Difference Between Expected and Actual Experience	457,562
Changes of Assumptions or Other Inputs	(362,674)
Benefit Payments	(279,761)
Other Changes	—
Net Changes	<u>(1,825)</u>
Balance at April 30, 2024	<u><u>1,960,960</u></u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The discount rate used to measure the total pension liability was 4.42%, while the prior valuation used 4.14%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (3.42%)	Current Discount Rate (4.42%)	1% Increase (5.42%)
Total OPEB Liability	\$ 2,094,160	1,960,960	1,842,609

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, calculated using a variable Healthcare Trend Rate, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 1,811,887	1,960,960	2,141,511

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

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

For the year ended April 30, 2024, the Authority recognized OPEB expense of \$169,036. At April 30, 2024, the Authority 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	Totals
Difference Between Expected and Actual Experience	\$ 623,538	(196,096)	427,442
Change in Assumptions	441,736	(977,213)	(535,477)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	—	—
Total Deferred Amounts Related to OPEB	<u>1,065,274</u>	<u>(1,173,309)</u>	<u>(108,035)</u>

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

Fiscal Year	Net Deferred (Inflows) of Resources
2025	\$ (14,014)
2026	(14,014)
2027	(14,014)
2028	(14,014)
2029	(14,014)
Thereafter	<u>(37,965)</u>
Total	<u>(108,035)</u>

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule Employer Contributions
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Total OPEB Liability
Retiree Benefit Plan

Notes to the Required Supplementary Information

Budgetary Information - Budgets are adopted on a basis consistent with generally accepted accounting principles.

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

**Illinois Municipal Retirement Fund
Schedule of Employer Contributions
April 30, 2024**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 873,398	\$ 873,398	\$ —	\$ 7,634,596	11.44%
2017	903,898	903,898	—	8,363,961	10.81%
2018	959,287	959,287	—	9,127,736	10.51%
2019	936,695	936,695	—	9,447,903	9.91%
2020	934,358	934,358	—	9,887,698	9.45%
2021	1,144,395	1,144,395	—	10,457,513	10.94%
2022	983,684	983,684	—	9,990,544	9.85%
2023	834,903	834,903	—	10,639,304	7.85%
2024	642,728	642,728	—	11,244,745	5.72%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	20 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.75% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Illinois Municipal Retirement Fund

Schedule of Changes in the Employer's Net Pension Liability/(Asset)

April 30, 2024

	2015	2016	2017
Total Pension Liability			
Service Cost	\$ 816,520	828,881	874,280
Interest	4,120,053	4,294,310	4,494,054
Change in Benefit Terms	—	—	—
Differences Between Expected and Actual Experience	292,148	690,650	1,598,197
Change of Assumptions	65,513	(67,574)	(1,887,215)
Benefit Payments, Including Refunds of Member Contributions	(2,771,003)	(3,030,078)	(3,334,241)
Net Change in Total Pension Liability	2,523,231	2,716,189	1,745,075
Total Pension Liability - Beginning	55,911,276	58,434,507	61,150,696
Total Pension Liability - Ending	58,434,507	61,150,696	62,895,771
Plan Fiduciary Net Position			
Contributions - Employer	\$ 873,398	959,118	1,018,170
Contributions - Members	346,821	366,170	402,935
Net Investment Income	269,400	3,638,819	9,945,965
Benefit Payments, Including Refunds of Member Contributions	(2,771,003)	(3,030,078)	(3,334,241)
Other (Net Transfer)	271,228	242,688	(782,481)
Net Change in Plan Fiduciary Net Position	(1,010,156)	2,176,717	7,250,348
Plan Net Position - Beginning	54,655,407	53,645,251	55,821,968
Plan Net Position - Ending	53,645,251	55,821,968	63,072,316
Employer's Net Pension Liability/(Asset)	\$ 4,789,256	5,328,728	(176,545)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	91.80%	91.29%	100.28%
Covered Payroll	\$ 7,634,596	8,137,119	8,830,460
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	62.73%	65.49%	(2.00%)

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2015 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2017.

2018	2019	2020	2021	2022	2023
864,080	950,267	966,048	1,014,964	902,617	941,964
4,612,931	4,779,539	4,886,677	5,140,416	5,199,196	5,247,315
—	—	—	—	—	—
964,541	(252,186)	2,283,957	(549,105)	(549,509)	722,431
1,717,049	—	(312,346)	—	—	(125,579)
(3,644,125)	(3,921,405)	(4,094,101)	(4,603,772)	(4,874,913)	(4,941,629)
4,514,476	1,556,215	3,730,235	1,002,503	677,391	1,844,502
62,895,771	67,410,247	68,966,462	72,696,697	73,699,200	74,376,591
67,410,247	68,966,462	72,696,697	73,699,200	74,376,591	76,221,093
1,104,076	830,072	1,275,312	1,273,692	956,675	603,461
419,326	436,368	486,287	441,516	466,279	491,064
(3,818,856)	11,276,440	9,711,129	12,765,547	(11,472,751)	7,669,888
(3,644,125)	(3,921,405)	(4,094,101)	(4,603,772)	(4,874,913)	(4,941,629)
1,063,719	(278,528)	(401,233)	372,963	(1,184,120)	1,675,604
(4,875,860)	8,342,947	6,977,394	10,249,946	(16,108,830)	5,498,388
63,072,316	58,196,456	66,539,403	73,516,797	83,766,743	67,657,913
58,196,456	66,539,403	73,516,797	83,766,743	67,657,913	73,156,301
9,213,791	2,427,059	(820,100)	(10,067,543)	6,718,678	3,064,792
86.33%	96.48%	101.13%	113.66%	90.97%	95.98%
9,318,346	9,697,090	10,806,360	9,811,462	10,342,435	10,912,503
98.88%	25.03%	(7.59%)	(102.61%)	64.96%	28.09%

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Retiree Benefit Plan

Schedule of Changes in the Employer's Total OPEB Liability

April 30, 2024

	<u>2019</u>
Total OPEB Liability	
Service Cost	\$ 84,069
Interest	87,480
Differences Between Expected and Actual Experience	—
Change of Assumptions or Other Inputs	20,314
Benefit Payments	<u>(287,121)</u>
Net Change in Total OPEB Liability	(95,258)
Total OPEB Liability - Beginning	<u>2,347,096</u>
Total OPEB Liability - Ending	<u><u>2,251,838</u></u>
Covered-Employee Payroll	\$ 7,174,918
Total OPEB Liability as a Percentage of Covered-Employee Payroll	31.38%

Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

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

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2019 to 2024.

2020	2021	2022	2023	2024
90,037	106,838	158,139	110,935	107,581
79,496	62,189	42,921	74,119	75,467
—	(285,600)	334,137	—	457,562
120,573	170,082	(582,167)	(24,488)	(362,674)
(308,655)	(207,084)	(110,384)	(120,141)	(279,761)
(18,549)	(153,575)	(157,354)	40,425	(1,825)
2,251,838	2,233,289	2,079,714	1,922,360	1,962,785
2,233,289	2,079,714	1,922,360	1,962,785	1,960,960
7,426,040	7,338,958	9,307,147	9,630,937	10,518,248
30.07%	28.34%	20.65%	20.38%	18.64%

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such schedules include:

Combining Schedules - by Subfund

Budgetary Comparison Schedules - General Operations Subfund

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Combining Schedule of Net Position - by Subfund

April 30, 2024

See Following Page

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Combining Schedule of Net Position - by Subfund

April 30, 2024

	General Operations	Public Benefit	Special Assessments	Eliminations	Totals
ASSETS					
Current Assets					
Cash and Investments	\$ 69,007,473	3,656,531	2,844,841	—	75,508,845
Receivables					
Taxes	4,935,654	379,377	—	—	5,315,031
Accrued Interest	209,106	—	—	—	209,106
Accounts	14,364,971	—	—	—	14,364,971
Other	85,318	—	181,914	—	267,232
Loans Receivable	325,766	—	—	—	325,766
Due from Other Governments	3,879,055	—	—	—	3,879,055
Due from Other Funds	52,593	—	—	(52,593)	—
Prepays	936,028	—	—	—	936,028
Total Current Assets	93,795,964	4,035,908	3,026,755	(52,593)	100,806,034
Noncurrent Assets					
Capital Assets					
Nondepreciable	58,683,461	—	—	—	58,683,461
Depreciable	662,765,074	—	—	—	662,765,074
Accumulated Depreciation	(318,036,373)	—	—	—	(318,036,373)
	403,412,162	—	—	—	403,412,162
Other Assets					
Loans Receivable	5,220,732	—	—	—	5,220,732
Total Noncurrent Assets	408,632,894	—	—	—	408,632,894
Total Assets	502,428,858	4,035,908	3,026,755	(52,593)	509,438,928
DEFERRED OUTFLOW OF RESOURCES					
Deferred Items - IMRF	5,160,231	—	—	—	5,160,231
Deferred Items - RBP	1,065,274	—	—	—	1,065,274
Loss on Refunding	54,770	—	—	—	54,770
Total Deferred Outflows of Resources	6,280,275	—	—	—	6,280,275
Total Assets and Deferred Outflows of Resources	508,709,133	4,035,908	3,026,755	(52,593)	515,719,203

	General Operations	Public Benefit	Special Assessments	Eliminations	Totals
LIABILITIES					
Current Liabilities					
Accounts Payable	\$ 4,811,415	—	—	—	4,811,415
Accrued Payroll	1,048,885	—	—	—	1,048,885
Accrued Interest	418,857	—	—	—	418,857
Due to Other Funds	—	—	52,593	(52,593)	—
Current Portion of Long-Term Debt	6,022,496	—	—	—	6,022,496
Total Current Liabilities	12,301,653	—	52,593	(52,593)	12,301,653
Noncurrent Liabilities					
Compensated Absences	1,229,874	—	—	—	1,229,874
Net Pension Liability - IMRF	3,064,792	—	—	—	3,064,792
Total OPEB Liability - RBP	1,960,960	—	—	—	1,960,960
General Obligation Bonds Payable - Net	13,516,199	—	—	—	13,516,199
IEPA Loans Payable	73,530,347	—	—	—	73,530,347
Total Noncurrent Liabilities	93,302,172	—	—	—	93,302,172
Total Liabilities	105,603,825	—	52,593	(52,593)	105,603,825
DEFERRED INFLOWS OF RESOURCES					
Deferred Items - IMRF	607,888	—	—	—	607,888
Deferred Items - RBP	1,173,309	—	—	—	1,173,309
Gain on Refunding	378,104	—	—	—	378,104
Property Taxes	4,935,655	379,377	—	—	5,315,032
Total Deferred Inflows of Resources	7,094,956	379,377	—	—	7,474,333
Total Liabilities and Deferred Inflows of Resources	112,698,781	379,377	52,593	(52,593)	113,078,158
NET POSITION					
Net Investment in Capital Assets	310,327,254	—	—	—	310,327,254
Restricted	4,811,620	3,656,531	2,974,162	—	11,442,313
Unrestricted	80,871,478	—	—	—	80,871,478
Total Net Position	396,010,352	3,656,531	2,974,162	—	402,641,045

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

**Combining Schedule of Revenues, Expenses, and Changes in Net Position - by Subfund
For the Fiscal Year Ended April 30, 2024**

	General Operations	Public Benefit	Special Assessments	Eliminations	Totals
Operating Revenues					
Charges for Services	\$ 47,347,785	—	—	—	47,347,785
Collection Charges and Penalties	909,231	—	—	—	909,231
Other	760,796	—	3,853	—	764,649
Total Operating Revenues	49,017,812	—	3,853	—	49,021,665
Operating Expenses					
Administration	3,734,824	—	—	—	3,734,824
Operations	19,350,988	—	—	—	19,350,988
Depreciation	17,013,824	—	—	—	17,013,824
Total Operating Expenses	40,099,636	—	—	—	40,099,636
Operating Income	8,918,176	—	3,853	—	8,922,029
Nonoperating Revenues (Expenses)					
Property Taxes	4,933,028	376,641	—	—	5,309,669
Replacement Taxes	4,175,697	—	—	—	4,175,697
Investment Income	3,104,714	140,558	121,712	—	3,366,984
Disposal of Capital Assets	138,580	—	—	—	138,580
Interest Expense	(1,593,562)	—	—	—	(1,593,562)
	10,758,457	517,199	121,712	—	11,397,368
Income before Contributions	19,676,633	517,199	125,565	—	20,319,397
Capital Contributions	758,525	—	—	—	758,525
Change in Net Position	20,435,158	517,199	125,565	—	21,077,922
Net Position - Beginning	375,575,194	3,139,332	2,848,597	—	381,563,123
Net Position - Ending	396,010,352	3,656,531	2,974,162	—	402,641,045

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

**Combining Schedule of Cash Flows - by Subfund
For the Fiscal Year Ended April 30, 2024**

	General Operations	Public Benefit	Special Assessments	Totals
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 56,618,368	(318)	53,728	56,671,778
Payments to Suppliers	(14,730,005)	376,959	(44,336)	(14,397,382)
Payments to Employees	(11,373,398)	—	—	(11,373,398)
	<u>30,514,965</u>	<u>376,641</u>	<u>9,392</u>	<u>30,900,998</u>
Cash Flows from Capital and Related Financing Activities				
Purchase of Capital Assets	(39,753,002)	—	—	(39,753,002)
Disposal of Capital Assets	138,580	—	—	138,580
Debt Issuance	26,244,041	—	—	26,244,041
Payment on Debt Issuance	(11,366,306)	—	—	(11,366,306)
Interest and Fiscal Charges	(1,593,562)	—	—	(1,593,562)
	<u>(26,330,249)</u>	<u>—</u>	<u>—</u>	<u>(26,330,249)</u>
Cash Flows from Investing Activities				
Interest Received	3,104,714	140,558	121,712	3,366,984
Net Change in Cash and Cash Equivalents	7,289,430	517,199	131,104	7,937,733
Cash and Cash Equivalents - Beginning	61,718,043	3,139,332	2,713,737	67,571,112
Cash and Cash Equivalents - Ending	<u>69,007,473</u>	<u>3,656,531</u>	<u>2,844,841</u>	<u>75,508,845</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:				
Operating Income	8,918,176	—	3,853	8,922,029
Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by (Used in) Operating Activities:				
Depreciation Expense	17,013,824	—	—	17,013,824
Other Income	9,108,725	376,641	—	9,485,366
(Increase) Decrease in Current Assets	(1,508,169)	(318)	49,875	(1,458,612)
Increase (Decrease) in Current Liabilities	(3,017,591)	318	(44,336)	(3,061,609)
Net Cash Provided by Operating Activities	<u>30,514,965</u>	<u>376,641</u>	<u>9,392</u>	<u>30,900,998</u>
Noncash Capital and Related Financing Activities				
Capital Contribution	<u>758,525</u>	<u>—</u>	<u>—</u>	<u>758,525</u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

General Operations Subfund- Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended April 30, 2024

	Budgeted Amounts		Actual Amounts
	Original	Final	
Operating Revenues			
Charges for Services			
Operations and Maintenance	\$ 49,456,124	49,456,124	47,053,317
Inspection Fees	175,000	175,000	294,468
Collection Charges and Penalties	480,000	480,000	909,231
Other	1,180,500	1,180,500	760,796
Total Operating Revenues	<u>51,291,624</u>	<u>51,291,624</u>	<u>49,017,812</u>
Operating Expenses			
Administration	6,974,185	6,974,185	3,734,824
Operations	21,531,169	21,531,169	19,350,988
Depreciation	—	—	17,013,824
Total Operating Expenses	<u>28,505,354</u>	<u>28,505,354</u>	<u>40,099,636</u>
Operating Income	<u>22,786,270</u>	<u>22,786,270</u>	<u>8,918,176</u>
Nonoperating Revenues (Expenses)			
Property Taxes	4,913,552	4,913,552	4,933,028
Replacement Taxes	5,000,000	5,000,000	4,175,697
Interest Income	125,000	125,000	3,104,714
Disposal of Capital Assets	—	—	138,580
Interest Expense	—	—	(1,593,562)
	<u>10,038,552</u>	<u>10,038,552</u>	<u>10,758,457</u>
Income before Contributions	<u>32,824,822</u>	<u>32,824,822</u>	<u>19,676,633</u>
Capital Contributions	—	—	758,525
Change in Net Position	<u><u>32,824,822</u></u>	<u><u>32,824,822</u></u>	<u>20,435,158</u>
Net Position - Beginning			<u>375,575,194</u>
Net Position - Ending			<u><u>396,010,352</u></u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

**General Operations Subfund - Enterprise Fund
Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended April 30, 2024**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Administration			
General			
Personnel	\$ 379,780	379,780	(2,198,820)
Operating Costs	7,500	7,500	2,725
Contractual	594,425	599,425	615,094
	<u>981,705</u>	<u>986,705</u>	<u>(1,581,001)</u>
Finance			
Personnel	750,050	750,050	733,656
Operating Costs	5,400	5,400	3,646
Contractual	345,380	345,380	342,961
	<u>1,100,830</u>	<u>1,100,830</u>	<u>1,080,263</u>
Customer Service			
Personnel	778,717	778,717	713,183
Operating Costs	61,050	61,050	60,499
Contractual	464,315	464,315	367,401
	<u>1,304,082</u>	<u>1,304,082</u>	<u>1,141,083</u>
Information Technology			
Personnel	478,442	478,442	349,520
Operating Costs	267,116	267,116	265,272
Contractual	1,963,408	1,963,408	1,742,169
	<u>2,708,966</u>	<u>2,708,966</u>	<u>2,356,961</u>
Legal			
Personnel	215,178	215,178	211,750
Operating Costs	1,360	1,360	129
Contractual	103,645	103,645	39,735
	<u>320,183</u>	<u>320,183</u>	<u>251,614</u>
Human Resources			
Personnel	364,394	364,394	360,860
Operating Costs	8,800	8,800	1,495
Contractual	185,225	180,225	123,549
	<u>558,419</u>	<u>553,419</u>	<u>485,904</u>
Total Administration	<u>6,974,185</u>	<u>6,974,185</u>	<u>3,734,824</u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

General Operations Subfund - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued

For the Fiscal Year Ended April 30, 2024

	Budgeted Amounts		Actual Amounts
	Original	Final	
Operations			
Engineering			
Personnel	\$ 1,845,665	1,845,665	1,704,839
Operating Costs	26,800	26,800	15,642
Contractual	99,690	99,690	54,229
Total Engineering	1,972,155	1,972,155	1,774,710
Plant Operations			
Plant Operations - Administration			
Personnel	233,142	233,142	235,085
Operating Costs	2,500	2,500	500
Contractual	166,500	166,500	156,496
	402,142	402,142	392,081
Laboratory			
Personnel	487,789	487,789	483,971
Operating Costs	213,000	228,000	220,806
Contractual	201,020	186,020	168,409
	901,809	901,809	873,186
Industrial Waste Surveillance			
Personnel	809,113	809,113	792,626
Operating Costs	50,670	50,670	41,083
Contractual	28,078	28,078	8,360
	887,861	887,861	842,069
Plant Operations			
Personnel	2,147,538	2,147,538	2,110,585
Operating Costs	12,250	12,250	8,865
Contractual	21,200	21,200	23,882
Real Estate Taxes	42,000	42,000	29,782
	2,222,988	2,222,988	2,173,114

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

General Operations Subfund - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued

For the Fiscal Year Ended April 30, 2024

	Budgeted Amounts		Actual Amounts
	Original	Final	
Operations - Continued			
Plant Operations - Continued			
Pumping			
Operating Costs	\$ 511,000	511,000	458,375
Contractual	467,000	467,000	435,814
	<u>978,000</u>	<u>978,000</u>	<u>894,189</u>
Screening, Grit and Primary Clarifier			
Operating Costs	63,500	63,500	32,592
Contractual	430,000	430,000	399,917
	<u>493,500</u>	<u>493,500</u>	<u>432,509</u>
Biosolids			
Operating Costs	1,213,000	1,213,000	834,759
Contractual	946,200	946,200	740,707
Agricultural Land	29,700	29,700	28,237
	<u>2,188,900</u>	<u>2,188,900</u>	<u>1,603,703</u>
Aeration			
Operating Costs	65,000	65,000	22,540
Contractual	425,000	425,000	376,160
	<u>490,000</u>	<u>490,000</u>	<u>398,700</u>
Plant and Lift Station Maintenance			
Personnel	1,369,004	1,369,004	1,203,312
Operating Costs	661,000	661,000	568,209
Contractual	636,625	636,625	571,864
	<u>2,666,629</u>	<u>2,666,629</u>	<u>2,343,385</u>
Total Plant Operations	<u>11,231,829</u>	<u>11,231,829</u>	<u>9,952,936</u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

General Operations Subfund - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued

For the Fiscal Year Ended April 30, 2024

	Budgeted Amounts		Actual Amounts
	Original	Final	
Operations - Continued			
Collection Systems			
Collection Systems			
Personnel	\$ 791,437	791,437	582,317
Contractual	37,820	37,820	29,394
	<u>829,257</u>	<u>829,257</u>	<u>611,711</u>
Building and Grounds			
Personnel	136,172	136,172	127,720
Operating Costs	164,500	174,500	137,501
Contractual	411,890	422,980	430,717
	<u>712,562</u>	<u>733,652</u>	<u>695,938</u>
Sewer Maintenance			
Personnel	3,329,590	3,329,590	3,231,121
Operating Costs	975,800	986,800	961,826
Contractual	989,375	967,285	839,267
	<u>5,294,765</u>	<u>5,283,675</u>	<u>5,032,214</u>
Vehicle Maintenance			
Personnel	564,371	564,371	558,854
Operating Costs	778,180	768,180	554,173
Contractual	148,050	148,050	170,452
	<u>1,490,601</u>	<u>1,480,601</u>	<u>1,283,479</u>
Total Collection Systems	<u>8,327,185</u>	<u>8,327,185</u>	<u>7,623,342</u>
Total Operations	<u>21,531,169</u>	<u>21,531,169</u>	<u>19,350,988</u>
Depreciation	—	—	17,013,824
Total Operating Expenses	<u>28,505,354</u>	<u>28,505,354</u>	<u>40,099,636</u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

**Public Benefit Subfund - Enterprise Fund
 Schedule of Operating Expenses - Budget and Actual
 For the Fiscal Year Ended April 30, 2024**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Operating Revenues			
Charges for Services	\$ —	—	—
Operating Expenses			
Administration	—	—	—
Operating Income	—	—	—
Nonoperating Revenues			
Property Taxes	372,158	372,158	376,641
Interest Income	—	—	140,558
	<u>372,158</u>	<u>372,158</u>	<u>517,199</u>
Change in Net Position	<u>372,158</u>	<u>372,158</u>	517,199
Net Position - Beginning			<u>3,139,332</u>
Net Position - Ending			<u><u>3,656,531</u></u>

SUPPLEMENTAL SCHEDULES

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

**Schedule of Capital Assets
For the Fiscal Year Ended April 30, 2024**

	Capital Assets			Accumulated Depreciation				
	Beginning Balance	Additions	Retirements	Ending Balance	Beginning Balance	Additions	Retirements	Ending Balance
Treatment Plant								
Land	\$ 7,415,792	234,613	—	7,650,405	—	—	—	—
Buildings	23,942,833	502,761	—	24,445,594	10,496,815	964,817	—	11,461,632
Improvements	17,314,562	846,335	—	18,160,897	7,660,812	1,062,148	—	8,722,960
Aeration	26,684,996	—	—	26,684,996	23,835,422	651,365	—	24,486,787
Vacuum Filter and Incineration	16,198,042	—	—	16,198,042	13,298,062	263,635	—	13,561,697
Pumping Equipment	20,578,637	—	—	20,578,637	11,107,842	1,362,715	—	12,470,557
Grit and Sludge Equipment	2,104,666	27,736	—	2,132,402	1,856,878	50,625	—	1,907,503
Primary Settling Equipment	4,310,051	24,744	—	4,334,795	3,934,145	74,468	—	4,008,613
Chlorination Equipment	880,288	98,816	—	979,104	828,451	12,582	—	841,033
Biosolids	30,569,524	—	—	30,569,524	10,998,997	716,524	—	11,715,521
Miscellaneous Equipment	2,035,314	289,486	—	2,324,800	948,892	256,823	—	1,205,715
Cogeneration	12,118,731	—	—	12,118,731	7,335,593	618,873	—	7,954,466
Engineering and Other Studies	1,666,291	—	—	1,666,291	1,619,077	5,001	—	1,624,078
Total Treatment Plant	165,819,727	2,024,491	—	167,844,218	93,920,986	6,039,576	—	99,960,562
Sewer and Lift Stations	469,733,430	3,303,538	—	473,036,968	186,717,650	9,212,458	—	195,930,108
Machinery and Equipment								
Trucks and Automobiles	11,766,869	1,228,109	411,850	12,583,128	9,400,398	865,619	411,850	9,854,167
Engineering Equipment	244,360	29,856	—	274,216	189,298	13,055	—	202,353
Chemistry Equipment	780,721	96,546	—	877,267	641,209	25,307	—	666,516
Supporting Services Equipment	780,093	60,789	—	840,882	632,537	41,722	—	674,259
Sewer Maintenance Equipment	177,469	358,262	—	535,731	37,922	34,887	—	72,809
Maintenance Equipment	1,054,054	—	—	1,054,054	667,281	128,924	—	796,205
Office Equipment	326,404	14,234	—	340,638	64,216	42,872	—	107,088
Computer Hardware and Software	11,780,699	1,247,678	—	13,028,377	9,162,902	609,404	—	9,772,306
Total Machinery and Equipment	26,910,669	3,035,474	411,850	29,534,293	20,795,763	1,761,790	411,850	22,145,703
Construction in Progress								
General Operations	18,885,032	40,511,527	8,363,503	51,033,056	—	—	—	—
Total Construction in Progress	18,885,032	40,511,527	8,363,503	51,033,056	—	—	—	—
Total	681,348,858	48,875,030	8,775,353	721,448,535	301,434,399	17,013,824	411,850	318,036,373

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Long-Term Debt Requirements

General Obligation (ARS) Refunding Bonds of 2017

April 30, 2024

Date of Issue	April 27, 2017
Date of Maturity	December 15, 2028
Authorized Issue	\$9,140,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 3.25%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 15	Amount	Dec. 15	Amount
2025	\$ 935,000	140,512	1,075,512	2024	70,256	2024	70,256
2026	965,000	112,462	1,077,462	2025	56,231	2025	56,231
2027	995,000	83,512	1,078,512	2026	41,756	2026	41,756
2028	1,025,000	53,662	1,078,662	2027	26,831	2027	26,831
2029	705,000	22,912	727,912	2028	11,456	2028	11,456
	<u>4,625,000</u>	<u>413,060</u>	<u>5,038,060</u>		<u>206,530</u>		<u>206,530</u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Long-Term Debt Requirements

General Obligation (ARS) Refunding Bonds of 2018

April 30, 2024

Date of Issue	September 27, 2018
Date of Maturity	December 15, 2028
Authorized Issue	\$3,300,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 5.00%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	JP Morgan Chase Bank, NA

PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun 15	Amount	Dec 15	Amount
2025	\$ 335,000	84,400	419,400	2024	42,200	2024	42,200
2026	350,000	67,650	417,650	2025	33,825	2025	33,825
2027	370,000	50,150	420,150	2026	25,075	2026	25,075
2028	390,000	31,650	421,650	2027	15,825	2027	15,825
2029	405,000	12,150	417,150	2028	6,075	2028	6,075
	<u>1,850,000</u>	<u>246,000</u>	<u>2,096,000</u>		<u>123,000</u>		<u>123,000</u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Long-Term Debt Requirements

General Obligation (ARS) Refunding Bonds of 2019

April 30, 2024

Date of Issue	September 26, 2019
Date of Maturity	December 15, 2029
Authorized Issue	\$4,785,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 5.00%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Amalgamated Bank of Chicago

PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun 15	Amount	Dec 15	Amount
2025	\$ 460,000	140,650	600,650	2024	70,325	2024	70,325
2026	465,000	126,850	591,850	2025	63,425	2025	63,425
2027	480,000	108,250	588,250	2026	54,125	2026	54,125
2028	520,000	84,250	604,250	2027	42,125	2027	42,125
2029	565,000	58,250	623,250	2028	29,125	2028	29,125
2030	600,000	30,000	630,000	2029	15,000	2029	15,000
	<u>3,090,000</u>	<u>548,250</u>	<u>3,638,250</u>		<u>274,125</u>		<u>274,125</u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Long-Term Debt Requirements

General Obligation (ARS) Refunding Bonds of 2023

April 30, 2024

Date of Issue	September 20, 2023
Date of Maturity	December 15, 2033
Authorized Issue	\$5,555,000
Denomination of Bonds	\$5,000 - \$100,000
Interest Rate	3.14%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	JP Morgan Chase Bank, NA

PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun 15	Amount	Dec 15	Amount
2025	\$ 480,000	174,428	654,428	2025	87,214	2025	87,214
2026	500,000	159,356	659,356	2026	79,678	2026	79,678
2027	515,000	143,656	658,656	2027	71,828	2027	71,828
2028	530,000	127,484	657,484	2028	63,742	2028	63,742
2029	545,000	110,842	655,842	2029	55,421	2029	55,421
2030	560,000	93,730	653,730	2030	46,865	2030	46,865
2031	580,000	76,146	656,146	2031	38,073	2031	38,073
2032	595,000	57,934	652,934	2032	28,967	2032	28,967
2033	615,000	39,250	654,250	2033	19,625	2033	19,625
2034	635,000	19,936	654,936	2034	9,968	2034	9,968
	<u>5,555,000</u>	<u>1,002,762</u>	<u>6,557,762</u>		<u>501,381</u>		<u>501,381</u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Long-Term Debt Requirements

IEPA Loan Payable of 2011 (L17-3202) - Rock River East

April 30, 2024

Date of Issue	August 12, 2011
Date of Maturity	June 15, 2030
Authorized Issue	\$1,838,940
Interest Rate	Non-Interest Bearing
Interest Date	Non-Interest Bearing
Principal Maturity Date	June 15 and December 15
Payable at	Illinois Environmental Protection Agency

PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		Totals
	Principal	Interest	
2025	\$ 94,305	—	94,305
2026	94,305	—	94,305
2027	94,305	—	94,305
2028	94,305	—	94,305
2029	94,305	—	94,305
2030	94,305	—	94,305
2031	47,149	—	47,149
	<u>612,979</u>	<u>—</u>	<u>612,979</u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Long-Term Debt Requirements

IEPA Loan Payable of 2012 (L17-3199) - Point Repair/Lining

April 30, 2024

Date of Issue	June 6, 2012
Date of Maturity	February 6, 2031
Authorized Issue	\$2,355,395
Interest Rate	1.25%
Interest Dates	August 6 and February 6
Principal Maturity Dates	August 6 and February 6
Payable at	Illinois Environmental Protection Agency

PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2025	\$ 125,852	11,042	136,894
2026	127,429	9,465	136,894
2027	129,027	7,867	136,894
2028	130,645	6,249	136,894
2029	132,283	4,611	136,894
2030	133,942	2,952	136,894
2031	135,621	1,273	136,894
	<u>914,799</u>	<u>43,459</u>	<u>958,258</u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Long-Term Debt Requirements

IEPA Loan Payable of 2015 (L17-4870) - Fuller Creek Project

April 30, 2024

Date of Issue	February 11, 2015
Date of Maturity	February 8, 2035
Authorized Issue	\$12,782,380
Interest Rate	1.93%
Interest Dates	August 8 and February 8
Principal Maturity Dates	August 8 and February 8
Payable at	Illinois Environmental Protection Agency

PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2025	\$ 623,722	149,704	773,426
2026	635,819	137,607	773,426
2027	648,149	125,277	773,426
2028	660,719	112,707	773,426
2029	673,532	99,894	773,426
2030	686,594	86,832	773,426
2031	699,909	73,517	773,426
2032	713,482	59,944	773,426
2033	727,319	46,107	773,426
2034	741,424	32,002	773,426
2035	1,101,159	17,623	1,118,782
	<u>7,911,828</u>	<u>941,214</u>	<u>8,853,042</u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Long-Term Debt Requirements

IEPA Loan Payable of 2015 (L17-4715) - Main Line Repairs/Lining

April 30, 2024

Date of Issue	January 28, 2015
Date of Maturity	July 30, 2034
Authorized Issue	\$2,184,160
Interest Rate	1.93%
Interest Dates	July 30 and January 30
Principal Maturity Dates	July 30 and January 30
Payable at	Illinois Environmental Protection Agency

PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2025	\$ 108,898	23,694	132,592
2026	111,009	21,583	132,592
2027	113,163	19,429	132,592
2028	115,358	17,234	132,592
2029	117,595	14,997	132,592
2030	119,875	12,717	132,592
2031	122,199	10,393	132,592
2032	124,570	8,022	132,592
2033	126,986	5,606	132,592
2034	129,448	3,144	132,592
2035	65,661	634	66,295
	<u>1,254,762</u>	<u>137,453</u>	<u>1,392,215</u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Long-Term Debt Requirements

IEPA Loan Payable of 2017 (L17-3201) - Excess Flow

April 30, 2024

Date of Issue	February 10, 2017
Date of Maturity	February 13, 2036
Authorized Issue	\$5,994,379
Interest Rate	2.21%
Interest Dates	August 13 and February 13
Principal Maturity Dates	August 13 and February 13
Payable at	Illinois Environmental Protection Agency

PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2025	\$ 294,144	86,668	380,812
2026	300,680	80,132	380,812
2027	307,363	73,449	380,812
2028	314,193	66,619	380,812
2029	321,175	59,637	380,812
2030	328,312	52,500	380,812
2031	335,608	45,204	380,812
2032	343,065	37,747	380,812
2033	350,689	30,123	380,812
2034	358,482	22,330	380,812
2035	366,448	14,364	380,812
2036	374,593	6,218	380,811
	<u>3,994,752</u>	<u>574,991</u>	<u>4,569,743</u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Long-Term Debt Requirements

IEPA Loan Payable of 2017 (L17-5212) - Sewer Lining

April 30, 2024

Date of Issue	March 17, 2017
Date of Maturity	March 20, 2036
Authorized Issue	\$2,376,399
Interest Rate	2.21%
Interest Dates	September 20 and March 20
Principal Maturity Dates	September 20 and March 20
Payable at	Illinois Environmental Protection Agency

PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2025	\$ 116,564	34,345	150,909
2026	119,154	31,755	150,909
2027	121,801	29,108	150,909
2028	124,508	26,401	150,909
2029	127,275	23,634	150,909
2030	130,103	20,806	150,909
2031	132,995	17,914	150,909
2032	135,951	14,958	150,909
2033	138,971	11,938	150,909
2034	142,059	8,850	150,909
2035	145,216	5,693	150,909
2036	148,444	2,465	150,909
	<u>1,583,041</u>	<u>227,867</u>	<u>1,810,908</u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Long-Term Debt Requirements

IEPA Loan Payable of 2018 (L17-5321) - Spring Creek Sanitary Sewer

April 30, 2024

Date of Issue	June 29, 2018
Date of Maturity	July 2, 2037
Authorized Issue	\$9,166,517
Interest Rate	1.75%
Interest Dates	July 2 and January 2
Principal Maturity Dates	July 2 and January 2
Payable at	Illinois Environmental Protection Agency

PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2025	\$ 447,742	116,269	564,011
2026	455,612	108,399	564,011
2027	463,620	100,391	564,011
2028	471,769	92,242	564,011
2029	480,061	83,950	564,011
2030	488,498	75,513	564,011
2031	497,085	66,926	564,011
2032	505,822	58,189	564,011
2033	514,712	49,299	564,011
2034	523,759	40,252	564,011
2035	532,965	31,046	564,011
2036	542,333	21,678	564,011
2037	551,865	12,146	564,011
2038	279,559	2,447	282,006
	<u>6,755,402</u>	<u>858,747</u>	<u>7,614,149</u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Long-Term Debt Requirements

IEPA Loan Payable of 2018 (L17-5477) - Sanitary Sewer

April 30, 2024

Date of Issue	December 6, 2018
Date of Maturity	July 14, 2038
Authorized Issue	\$3,761,294
Interest Rate	1.75%
Interest Dates	July 14 and January 14
Principal Maturity Dates	July 14 and January 14
Payable at	Illinois Environmental Protection Agency

PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2025	\$ 176,338	49,696	226,034
2026	179,438	46,596	226,034
2027	182,592	43,442	226,034
2028	185,801	40,233	226,034
2029	189,067	36,967	226,034
2030	192,390	33,644	226,034
2031	195,772	30,262	226,034
2032	199,213	26,821	226,034
2033	202,715	23,319	226,034
2034	206,277	19,757	226,034
2035	209,903	16,131	226,034
2036	213,592	12,442	226,034
2037	217,347	8,687	226,034
2038	221,167	4,867	226,034
2039	112,039	989	113,028
	<u>2,883,651</u>	<u>393,853</u>	<u>3,277,504</u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Long-Term Debt Requirements

IEPA Loan Payable of 2019 (L17-5214) - Fuller Creek Phase 3

April 30, 2024

Date of Issue	January 20, 2019
Date of Maturity	July 20, 2038
Authorized Issue	\$18,155,286
Interest Rate	1.75%
Interest Dates	July 20 and January 20
Principal Maturity Dates	July 20 and January 20
Payable at	Illinois Environmental Protection Agency

PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2025	\$ 844,496	237,996	1,082,492
2026	859,339	223,153	1,082,492
2027	874,444	208,048	1,082,492
2028	889,814	192,678	1,082,492
2029	905,453	177,039	1,082,492
2030	921,368	161,124	1,082,492
2031	937,562	144,930	1,082,492
2032	954,042	128,450	1,082,492
2033	970,810	111,682	1,082,492
2034	987,873	94,619	1,082,492
2035	1,005,237	77,255	1,082,492
2036	1,022,906	59,586	1,082,492
2037	1,040,884	41,608	1,082,492
2038	1,059,180	23,312	1,082,492
2039	536,549	4,691	541,240
	<u>13,809,957</u>	<u>1,886,171</u>	<u>15,696,128</u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Long-Term Debt Requirements

IEPA Loan Payable of 2019 (L17-5306) - Fuller Creek Phase 4 and 5

April 30, 2024

Date of Issue	June 5, 2019
Date of Maturity	March 30, 2039
Authorized Issue	\$1,833,116
Interest Rate	1.76%
Interest Dates	September 30 and March 30
Principal Maturity Dates	September 30 and March 30
Payable at	Illinois Environmental Protection Agency

PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2025	\$ 84,502	24,923	109,425
2026	85,996	23,429	109,425
2027	87,517	21,908	109,425
2028	89,064	20,361	109,425
2029	90,637	18,788	109,425
2030	92,240	17,185	109,425
2031	93,871	15,554	109,425
2032	95,530	13,895	109,425
2033	97,218	12,207	109,425
2034	98,937	10,488	109,425
2035	100,687	8,738	109,425
2036	102,467	6,958	109,425
2037	104,277	5,148	109,425
2038	106,121	3,304	109,425
2039	107,997	1,427	109,424
	<u>1,437,061</u>	<u>204,313</u>	<u>1,641,374</u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Long-Term Debt Requirements

IEPA Loan Payable of 2021 (L17-5658) - Collection Systems Repairs

April 30, 2024

Date of Issue	March 26, 2021
Date of Maturity	September 30, 2040
Authorized Issue	\$2,488,645
Interest Rate	1.84%
Interest Dates	September 30 and March 30
Principal Maturity Dates	September 30 and March 30
Payable at	Illinois Environmental Protection Agency

PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2025	\$ 112,509	39,001	151,510
2026	114,588	36,922	151,510
2027	116,706	34,804	151,510
2028	118,864	32,646	151,510
2029	121,060	30,450	151,510
2030	123,298	28,212	151,510
2031	125,577	25,933	151,510
2032	127,898	23,612	151,510
2033	130,263	21,247	151,510
2034	132,671	18,839	151,510
2035	135,123	16,387	151,510
2036	137,620	13,890	151,510
2037	140,164	11,346	151,510
2038	142,756	8,754	151,510
2039	145,394	6,116	151,510
2040	148,082	3,428	151,510
2041	75,065	686	75,751
	<u>2,147,638</u>	<u>352,273</u>	<u>2,499,911</u>

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Long-Term Debt Requirements

IEPA Loan Payable of 2021 (L17-4667) - Cherry Valley's Forcemain

April 30, 2024

Date of Issue	October 25, 2021
Date of Maturity	August 28, 2041
Authorized Issue	\$7,499,700
Interest Rate	2.00%
Interest Dates	August 28 and February 28
Principal Maturity Dates	August 28 and February 28
Payable at	Illinois Environmental Protection Agency

PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2025	\$ 325,593	133,349	458,942
2026	332,138	126,804	458,942
2027	338,814	120,128	458,942
2028	345,624	113,318	458,942
2029	352,571	106,371	458,942
2030	359,658	99,284	458,942
2031	366,887	92,055	458,942
2032	374,261	84,681	458,942
2033	381,784	77,158	458,942
2034	389,458	69,484	458,942
2035	397,286	61,656	458,942
2036	405,271	53,671	458,942
2037	413,417	45,525	458,942
2038	421,727	37,215	458,942
2039	430,204	28,738	458,942
2040	438,851	20,091	458,942
2041	447,671	11,271	458,942
2042	227,199	2,269	229,468
	<u>6,748,414</u>	<u>1,283,068</u>	<u>8,031,482</u>

STATISTICAL SECTION (Unaudited)

This part of the annual comprehensive 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 Authority's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the Authority's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the Authority's most significant local revenue sources.

Debt Capacity

These schedules present information to help the reader assess the affordability of the Authority's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Authority's financial report relates to the services the Authority provides and the activities it performs.

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Net Position by Component - Last Ten Fiscal Years
April 30, 2024 (Unaudited)

See Following Page

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Net Position by Component - Last Ten Fiscal Years
April 30, 2024 (Unaudited)

	2015	2016	2017
Net Investment in Capital Assets	\$ 260,413,331	266,551,066	270,659,404
Restricted Net Position	9,881,258	9,542,522	9,702,367
Unrestricted	19,588,314	19,040,306	22,388,521
Total Net Position	289,882,903	295,133,894	302,750,292

Data Source: Audited Financial Statements

2018	2019	2020	2021	2022	2023	2024
274,461,095	278,637,210	283,097,450	288,045,759	296,128,314	301,707,286	310,327,254
9,958,036	10,521,773	10,566,148	9,962,429	10,464,811	10,653,177	11,442,313
25,872,342	34,473,422	40,859,310	48,092,996	60,557,703	69,202,660	80,871,478
310,291,473	323,632,405	334,522,908	346,101,184	367,150,828	381,563,123	402,641,045

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

**Changes in Net Position - Last Ten Fiscal Years
April 30, 2024 (Unaudited)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Operating Revenues										
User Charges	\$ 28,703,404	30,597,615	31,771,981	33,724,019	35,988,400	37,847,086	39,400,759	44,192,894	44,734,558	47,053,317
Operation and Maintenance	256,869	233,911	204,845	257,550	281,146	224,062	182,862	202,617	222,696	294,468
Inspection Fees and Other User Charges	28,960,273	30,831,526	31,976,826	33,981,569	36,269,546	38,071,148	39,583,621	44,395,511	44,957,254	47,347,785
Total User Charges	310,713	459,657	427,272	417,564	589,828	451,854	340,800	724,279	807,234	909,231
Collection Charges and Penalties	—	—	1,121,897	104,797	591,880	2,761,044	476,000	96,900	—	—
Operating Contributions from Property Owners and Other Government	1,268,915	816,152	934,071	1,686,141	1,411,070	1,349,780	1,029,304	7,430,976	904,670	764,649
Other	30,539,901	32,107,335	34,460,066	36,190,071	38,862,324	42,633,826	41,429,725	52,647,666	46,669,158	49,021,665
Total Operating Revenues	14,635,601	14,609,380	15,156,571	15,843,489	16,525,679	18,247,786	16,402,588	16,940,185	18,625,112	19,350,988
Operating Expenses	4,191,715	4,482,179	4,776,160	5,136,374	5,133,195	5,831,950	5,907,803	6,010,112	8,049,076	3,734,824
Operations	10,953,242	12,898,464	11,966,603	13,279,911	13,980,211	14,572,992	14,487,819	16,181,888	16,481,328	17,013,824
Administration	29,780,558	31,990,023	31,899,334	34,259,774	35,639,085	38,652,728	36,798,210	39,132,185	43,155,516	40,099,636
Depreciation	759,343	117,312	2,560,732	1,930,297	3,223,239	3,981,098	4,631,515	13,515,481	3,513,642	8,922,029
Total Operating Expenses	4,715,715	4,805,294	4,899,572	4,976,974	4,974,922	5,109,617	5,105,882	5,224,863	5,328,970	5,309,669
Operating Income (Loss)	—	6,613	6,387	6,162	14,965	5,724	5,486	5,260	—	—
Nonoperating Revenues (Expenses)	287,299	474,405	—	—	—	—	—	—	—	—
Property Taxes	1,705,217	1,518,683	1,814,742	1,688,093	1,526,641	2,009,891	1,895,075	4,405,232	5,774,866	4,175,697
Assessments	—	—	—	—	—	—	—	—	—	—
Contrib. from Property Owners and Other Governments	—	—	—	—	—	—	—	—	—	—
Illinois Personal Property Replacement Taxes	142,857	142,620	178,459	244,377	642,560	859,787	383,203	(324,634)	954,875	3,366,984
Grant Revenue	—	—	—	—	—	—	—	—	—	—
Investment Income/(Loss)	—	—	—	—	—	—	—	—	—	—
Miscellaneous	31,208	63,844	73,079	140,394	108,585	110,822	124,257	2,375	108,301	138,580
Disposal of Capital Assets	—	—	(175,461)	—	(87,201)	—	—	—	—	—
Bond Issuance Costs	(1,792,273)	(1,874,634)	(2,045,837)	(1,787,652)	(2,149,101)	(2,162,436)	(1,741,942)	(1,977,183)	(1,774,359)	(1,593,562)
Interest Expense	5,090,023	5,136,825	4,983,466	5,449,349	5,031,371	5,933,405	5,771,961	7,362,163	10,392,653	11,397,368
Total Nonoperating Revenues (Expenses)	—	—	—	—	—	—	—	—	—	—

Data Source: Audited Financial Statements

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Income Before Capital Contributions	\$ 5,849,366	5,254,137	7,544,198	7,379,646	8,254,610	9,914,503	10,403,476	20,877,644	13,906,295	20,319,397
Capital Contributions	742,086	948,326	72,200	161,535	2,604,000	976,000	1,174,800	172,000	506,000	758,525
Change in Net Position	6,591,452	6,202,463	7,616,398	7,541,181	10,858,610	10,890,503	11,578,276	21,049,644	14,412,295	21,077,922
Net Position - Beginning	283,291,451	289,882,903	295,133,894	302,750,292	310,291,473	323,632,405	334,522,908	346,101,184	367,150,828	381,563,123
Prior Period Adjustment	—	(951,472)	—	—	4,547,147	—	—	—	—	—
Change in Accounting Principle	—	—	—	—	(2,064,825)	—	—	—	—	—
Net Position - Beginning as Restated	283,291,451	288,931,431	295,133,894	302,750,292	312,773,795	323,632,405	334,522,908	346,101,184	367,150,828	381,563,123
Net Position - Ending	289,882,903	295,133,894	302,750,292	310,291,473	323,632,405	334,522,908	346,101,184	367,150,828	381,563,123	402,641,045

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Net Position by Subfunds - Last Ten Fiscal Years
April 30, 2024 (Unaudited)

	2015	2016	2017
General Operations			
Net Investment in Capital Assets	\$ 260,256,470	264,232,539	270,171,724
Restricted	3,245,999	3,969,895	3,995,100
Unrestricted	19,588,314	19,040,306	22,388,521
Total General Operations	283,090,783	287,242,740	296,555,345
Public Benefit			
Restricted	4,237,275	2,479,564	3,187,776
Special Assessments			
Net Investment in Capital Assets	156,861	2,318,527	487,680
Restricted	2,397,984	3,093,063	2,519,491
Total Special Assessments	2,554,845	5,411,590	3,007,171
Total of All Subfunds	289,882,903	295,133,894	302,750,292

Data Source: Audited Financial Statements

2018	2019	2020	2021	2022	2023	2024
274,451,889	278,171,424	282,673,337	287,292,375	295,946,993	301,707,286	310,327,254
4,026,840	4,322,824	4,397,547	4,422,574	4,633,548	4,665,248	4,811,620
25,872,342	34,706,146	40,859,310	48,092,996	60,557,703	69,202,660	80,871,478
304,351,071	317,200,394	327,930,194	339,807,945	361,138,244	375,575,194	396,010,352
3,539,437	3,713,640	3,659,409	2,461,771	2,753,016	3,139,332	3,656,531
9,206	233,062	424,113	753,384	181,321	—	—
2,391,759	2,485,309	2,509,192	3,078,084	3,078,247	2,848,597	2,974,162
2,400,965	2,718,371	2,933,305	3,831,468	3,259,568	2,848,597	2,974,162
310,291,473	323,632,405	334,522,908	346,101,184	367,150,828	381,563,123	402,641,045

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

**Sewer User Rate Charges and Connection Fees - Last Ten Fiscal Years
April 30, 2024 (Unaudited)**

Fiscal Year (1)	Flow (2)	Biochemical Oxygen Demand (BOD) (3)	Total Suspended Solids (TSS) (3)	Ammonia-N (3)	Phosphorus (3)	Customer Service Charge (4)	Average Household (5)	Millions of Gallons of Sewage Treated
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	1.66080	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
2022	2.24352	0.30882	1.13016	0.77591	3.43952	7.33	419.04	10,074
2023	2.23862	0.34326	1.30459	0.73091	5.06904	8.57	456.32	10,512
2024	2.21346	0.42143	1.39726	0.88673	6.67694	8.29	481.16	11,169

Data Source:

(1) Billing Cycle from April 1 through March 31

(2) Rate per 100 Cubic Feet

(3) Rate per Pound

(4) Quarterly

(5) Dollars per Year

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

**Significant Industrial Users - Current Year and Nine Years Ago
April 30, 2024 (Unaudited)**

Customer	2024		2015	
	Amount	Percentage	Amount	Percentage
Dairy Brands Fluid LLC	\$ 772,495	1.63%	\$ 1,272,892	4.40%
Prairie Farms Dairy Inc.	329,560	0.70%		
Winnebago Reclamation	267,146	0.56%		
Aramark Uniform Services Inc	266,753	0.56%	113,520	0.39%
Swedish American Hospital	229,061	0.48%	185,200	0.64%
Winnebago County Facilities	227,567	0.48%	115,597	0.40%
Advanced Disposal	215,446	0.46%		
OSF St. Anthony Medical Center	206,341	0.44%	109,764	0.38%
Evoqua Water Technologies LLC	199,718	0.42%	109,998	0.38%
Javon Bea Hospital	184,466	0.39%	124,136	0.43%
Mondelez Global LLC			223,708	0.77%
Collins Aerospace			135,807	0.47%
Loves Park Water Department			125,727	0.43%
Subtotal	2,898,553	6.12%	2,516,349	8.69%
Balance from Other Customers	44,449,232	93.88%	26,443,924	91.31%
Total	47,347,785	100.00%	28,960,273	100.00%

Data Source: Authority Records

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

**Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years
April 30, 2024 (Unaudited)**

Tax 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
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
2021	2,093,987,660	724,347,886	252,191,753	10,761,782	3,081,289,081	0.1314	0.0122	0.0287	0.1723
2022	2,299,503,885	773,081,562	270,373,590	11,549,253	3,354,508,290	0.1216	0.0113	0.0264	0.1593
2023	2,619,112,860	916,814,582	381,490,635	12,589,095	3,930,007,172	0.1088	0.0101	0.0236	0.1425

Data Source: Winnebago County Clerk's Office

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

**Property Tax Information - Last Ten Levy Years
April 30, 2024 (Unaudited)**

Tax Levy Year	Equalized Value of Taxable Property	Tax Rate Per \$1,000 Equalized Value	Corporate	Public Benefit	Chlorination	Total Tax Levies
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
2021	3,081,289,081	0.1723	4,048,814	375,917	884,330	5,309,061
2022	3,354,508,290	0.1593	4,079,082	379,059	885,590	5,343,732
2023	3,930,007,172	0.1425	4,275,848	396,931	927,482	5,600,260

Data Source: Winnebago County Clerk's Office

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

**Principal Property Tax Payers - Current Tax Levy Year and Nine Tax Levy Years Ago
April 30, 2024 (Unaudited)**

Taxpayer	Tax Levy Year 2022			Tax Levy Year 2013		
	Assessed Valuation	Rank	Percentage of Total Assessed Value	Assessed Valuation	Rank	Percentage of Total Assessed Value
Lowes Home Centers Inc	\$ 14,619,426	1	0.29%	\$ 13,759,595	1	0.89%
Woodward Inc	12,282,322	2	0.24%			
CBL Cherryvale	10,654,811	3	0.21%	12,901,090	2	0.83%
Greater Rockford Airport Authority	9,530,401	4	0.19%	10,721,332	4	0.69%
Forest Plaza LLC	9,089,342	5	0.18%	6,536,961	7	0.42%
Swedish American Hospital	7,872,662	6	0.16%			
NM PCI L P	7,608,109	7	0.15%			
Wesley Willows Corp	7,605,791	8	0.15%			
Meijer Stores Limited Partnership	7,559,899	9	0.15%			
Interstate Boulevard Illinois Becknell	6,951,791	10	0.14%			
Beloit Memorial Hospital				10,865,940	3	0.70%
Petry Family Trust / Petry Jeffrey				8,350,571	5	0.54%
Menard				7,997,700	6	0.52%
Two Star Property Co Inc				4,641,091	8	0.30%
Anderson Rockford Properties, LLC				4,589,423	9	0.30%
Edward Rose Associates				4,302,884	10	0.28%
	<u>93,774,554</u>		<u>1.86%</u>	<u>84,666,587</u>		<u>5.47%</u>

Data Source: Winnebago County Clerk's Office

Note: The above figures represent the Assessed Valuation related to the 2022 tax levy collected by the Authority in fiscal year 2024.

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Schedule of Outstanding Debt - Last Ten Fiscal Years

April 30, 2024 (Unaudited)

Fiscal Year	General Obligation Bonds	Illinois EPA Loans	Capital Lease Payable	Total Debt
2015	\$ 46,427,262	\$ 20,920,681	\$ 66,957	\$ 67,414,900
2016	42,346,256	25,458,481	317,973	68,122,710
2017	38,550,937	31,644,522	552,431	70,747,890
2018	35,438,506	56,199,920	366,288	92,004,714
2019	32,211,909	56,691,177	205,231	89,108,317
2020	29,084,904	55,549,495	132,654	84,767,053
2021	25,592,367	59,857,182	57,750	85,507,299
2022	22,019,831	56,585,572	—	78,605,403
2023	18,367,295	59,858,958	—	78,226,253
2024	15,876,562	76,885,012	—	92,761,574

Data Source: Audited Financial Statements

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Pledged Revenue Coverage - Last Ten Fiscal Years

April 30, 2024 (Unaudited)

Fiscal Year	Operating Revenue	Less:	Net Available Revenues	Principal	Interest	Coverage
		Operating Expenses				
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
2022	53,608,320	23,910,951	29,697,369	7,818,244	1,892,354	3.06
2023	46,669,158	26,674,188	19,994,970	6,676,338	1,774,352	2.37
2024	49,021,665	23,085,812	25,935,853	10,834,950	1,593,562	2.09

Data Source: Authority Records

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

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

**Ratios of Outstanding Debt by Type - Last Ten Fiscal Years
April 30, 2024 (Unaudited)**

Fiscal Year	Business-Type Activities			Total Debt	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Illinois EPA Loans	Capital Lease Payable			
2015	\$ 46,427,262	\$ 20,920,681	\$ 66,957	\$ 67,414,900	60.97%	\$ 233.54
2016	42,346,256	25,458,481	317,973	68,122,710	59.55%	237.24
2017	38,550,937	31,644,522	552,431	70,747,890	61.65%	247.29
2018	35,438,506	56,199,920	366,288	92,004,714	77.51%	323.08
2019	32,211,909	56,691,177	205,231	89,108,317	71.71%	313.67
2020	29,084,904	55,549,495	132,654	84,767,053	67.82%	299.98
2021	25,592,367	59,857,182	57,750	85,507,299	63.21%	299.66
2022	22,019,831	56,585,572	—	78,605,403	54.97%	277.64
2023	18,367,295	59,858,958	—	78,226,253	55.53%	277.21
2024	15,876,562	76,885,012	—	92,761,574	N/A	N/A

Data Source: Audited Financial Statements

(1) See the schedule of Demographic and Economic Statistics for personal income and population data.

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

**Schedule of Legal Debt Margin Information - Last Ten Fiscal Years
April 30, 2024 (Unaudited)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Net Debt Limit	\$ 138,986,610	136,721,040	138,310,989	141,123,421	149,744,550	159,271,117	167,720,108	177,174,122	192,884,227	225,975,412
Debt Applicable to Limit	66,312,638	67,101,454	69,616,953	90,976,208	87,901,408	82,867,149	83,819,932	77,130,572	76,963,958	76,885,012
Legal Debt Margin	72,673,972	69,619,586	68,694,036	50,147,213	61,843,142	76,403,968	83,900,176	100,043,550	115,920,269	149,090,400
Total Net Debt as a Percentage of Debt Limit	47.71%	49.08%	50.33%	64.47%	58.70%	52.03%	49.98%	43.53%	39.90%	34.02%

Data Source: Audited Financial Statements and Winnebago County Assessor's Office

Legal Debt Margin Calculation for Fiscal Year 2024

Assessed Value	3,930,007,172
Debt Limit - State (5.75% of Assessed Value)	225,975,412
Debt Applicable to Limit IEPA Loans	76,885,012
Legal Debt Margin	149,090,400
Total Net Debt as % of Debt Limit	34.02%

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Demographic and Economic Statistics - Last Ten Calendar Years April 30, 2024 (Unaudited)

Calendar Year	Population	Personal Income (Thousands of Dollars)	Per Capita Personal Income
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	285,350	13,526,731	47,404
2021	283,119	14,300,207	50,510
2022	282,188	14,086,828	49,920
2023	280,922	N/A	N/A

N/A - Not Available

Data Source:

Statistics are not compiled specifically for the Authority. 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>, May 22, 2023

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Population Trends

April 30, 2024 (Unaudited)

	1990	2000	2010	2020	2023 (1)	Change 2020 - 2023
City of Loves Park	15,462	20,044	23,996	23,397	23,335	(0.3%)
City of Rockford	139,426	150,115	152,871	148,655	146,120	(1.7%)
Village of Cherry Valley	1,615	2,191	3,162	2,919	2,864	(1.9%)
Village of Machesney Park	19,033	20,759	23,499	22,950	22,630	(1.4%)
Village of Roscoe	2,079	6,244	10,785	10,983	10,843	(1.3%)
Village of Winnebago	1,840	2,958	3,101	2,929	2,875	(1.8%)
Winnebago County	252,913	278,418	295,266	285,350	280,922	(1.6%)
State of Illinois	11,430,602	12,419,293	12,830,632	12,812,508	12,549,689	(2.1%)

Data Source:

US Census Bureau, 1990 Census, 2000 Census, 2010 Census, 2020 Census, and 2023 QuickFacts

(1) Data for Village of Cherry Valley and Village of Winnebago is not yet available for 2023, reporting United States Census Bureau's Annual Estimates of Resident Population for Incorporated Places in Illinois

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

**Median Home Values for Owner-Occupied Units - Prior Last Ten Calendar Years
April 30, 2024 (Unaudited)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 (1)
City of Loves Park	\$ 118,300	116,900	114,100	113,400	114,100	112,400	111,900	115,500	121,500	138,900
City of Rockford	102,200	97,700	94,200	91,400	89,500	89,700	91,600	95,200	97,500	114,100
Village of Cherry Valley	165,800	161,100	164,300	165,000	163,700	166,700	170,100	171,600	176,100	209,500
Village of Machesney Park	118,600	117,100	116,300	116,000	114,400	116,400	120,700	128,000	127,400	151,900
Village of Roscoe	165,400	162,800	157,600	153,900	153,600	158,200	163,000	171,400	181,100	213,300
Village of Winnebago	148,800	146,300	144,200	144,500	140,200	139,000	140,300	139,100	147,500	166,700
Winnebago County	123,400	119,400	117,700	116,200	115,900	117,000	120,400	121,400	125,900	146,800
State of Illinois	182,300	175,700	173,800	174,800	179,700	187,200	194,500	202,100	212,600	239,100
National	176,700	175,700	178,600	184,700	193,500	204,900	217,500	229,800	244,900	281,900

Data Source:

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

(1) Information Not Yet Available for 2023

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Unemployment Rates - Last Ten Calendar Years

April 30, 2024 (Unaudited)

Calendar Year	Winnebago County	City of Rockford	State of Illinois	Nation
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%
2021	8.40%	10.30%	6.10%	5.30%
2022	5.80%	6.70%	4.60%	3.60%
2023	6.20%	7.20%	4.50%	3.60%

Data Source:

Illinois Department of Employment Security

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

**Principal Employers - Prior Calendar Year and Nine Calendar Years Ago
April 30, 2024 (Unaudited)**

Employer	2023 (1)			2014		
	Employees	Rank	Percentage of the Total Authority Employment	Employees	Rank	Percentage of the Total Authority Employment
Rockford Public Schools District Health System	4,075	1	2.30%	4,800	1	3.20%
Mercyhealth / Rockford Memorial Hospital	3,780	2	2.20%	2,600	3	1.80%
OSF Healthcare	3,000	3	1.70%	2,500	4	1.70%
Collins Aerospace	2,200	4	1.30%	2,000	5	1.30%
Woodward	2,000	5	1.10%	2,000	5	1.30%
UPS	2,000	6	1.10%			
Amazon	2,000	7	1.10%			
Wal-Mart Stores	1,535	8	0.90%			
Winnebago County	1,470	9	0.80%	1,611	7	1.10%
Stellantis (Chrysler Fiat Auto)	1,429	10	0.80%	1,401	10	0.90%
Harris Bank N.A.				2,714	2	1.80%
Rockford Park District				1,600	8	1.10%
				1,739	9	1.20%
Totals	<u>23,489</u>		<u>13.50%</u>	<u>22,965</u>		<u>15.50%</u>
Total Employment in the Rockford MSA	<u>174,579</u>			<u>148,400</u>		

Data Source:

Statistics are not compiled specifically for the Authority. Employment figures were determined by staff through the use of available Rockford Area Economic and Development Council employment data "2022 Quick Reference Guide: Major Employers in Our Region"

(1) Information Not Yet Available for 2023

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Building Permits - Last Ten Calendar Years

April 30, 2024 (Unaudited)

Calendar Year	Building Permits (1)	Valuation (2)
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
2021	280	46,339
2022	318	63,133
2023	200	46,921

Data Source:

Statistics are not compiled specifically for the Authority. 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

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

Owner-Occupied Units - Prior Last Ten Calendar Years

April 30, 2024 (Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 (1)
City of Loves Park	71.2%	71.1%	69.1%	68.9%	67.8%	68.3%	68.7%	68.5%	67.0%	63.2%
City of Rockford	56.1%	55.8%	55.5%	54.4%	55.4%	54.9%	54.2%	53.5%	53.8%	54.1%
Village of Cherry Valley	76.0%	71.7%	69.8%	68.3%	67.6%	66.2%	70.5%	74.7%	76.2%	76.8%
Village of Machesney Park	79.7%	78.8%	78.0%	77.3%	77.9%	76.6%	77.9%	78.1%	78.1%	80.6%
Village of Roscoe	67.7%	67.8%	71.4%	71.6%	73.9%	75.4%	77.4%	74.1%	72.6%	73.1%
Village of Winnebago	81.9%	83.6%	83.6%	85.2%	86.0%	85.0%	85.2%	86.6%	86.3%	88.2%
Winnebago County	66.9%	66.5%	66.3%	65.5%	66.1%	65.7%	65.9%	65.5%	65.8%	65.7%
State of Illinois	67.5%	66.9%	66.4%	66.0%	66.1%	66.0%	66.1%	66.3%	66.5%	66.7%
National	64.9%	64.4%	63.9%	63.6%	63.8%	63.8%	64.0%	64.4%	64.6%	64.8%

Data Source:

US Census Bureau, American Community Survey Five-Year Estimates - Table ID DP04

(1) Information Not Yet Available for 2023

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

**Median Household Income - Prior Last Ten Calendar Years
April 30, 2024 (Unaudited)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 (1)
City of Loves Park	\$ 50,469	50,593	50,917	50,284	52,212	53,106	59,059	57,096	57,894	56,370
City of Rockford	40,215	38,231	38,716	40,143	41,991	43,066	44,252	44,771	47,002	50,744
Village of Cherry Valley	60,833	60,448	56,250	58,750	56,438	60,250	63,603	68,397	69,358	78,125
Village of Machesney Park	53,688	54,395	54,655	56,563	56,488	60,353	63,662	64,263	65,442	71,098
Village of Roscoe	67,734	68,253	74,093	76,463	79,253	86,116	92,138	98,750	101,250	98,750
Village of Winnebago	71,343	73,380	70,417	73,719	79,267	82,763	83,005	83,611	85,300	82,708
Winnebago County	47,072	47,523	48,225	49,468	51,110	52,743	54,489	55,310	57,779	61,738
State of Illinois	56,797	57,166	57,574	59,196	61,229	63,575	65,886	68,428	72,563	78,433
National	53,046	53,482	53,889	55,322	57,652	60,293	62,843	64,994	69,021	75,149

Data Source:

US Census Bureau, American Community Survey Five-Year Estimates - Table ID DP03

(1) Information Not Yet Available for 2023

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

**Budgeted Authorized Full-Time Equivalent Employees - Last Ten Fiscal Years
April 30, 2024 (Unaudited)**

Department	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Administration	23.0	24.0	24.0	26.0	27.0	24.0	24.5	23.5	22.5	23.0
Engineering	18.0	19.0	19.0	18.0	19.0	18.0	17.0	17.0	17.0	17.0
Plant Operations	28.0	28.0	28.0	29.0	29.0	33.0	33.0	33.5	33.5	34.0
Laboratory	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	4.0
Collection Systems	37.0	37.0	37.0	37.0	38.0	37.0	37.5	38.0	40.0	40.0
Total	111.0	113.0	113.0	115.0	118.0	117.0	117.0	117.0	118.0	118.0

Data Source: Authority Records

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

**Operating Indicators - Last Ten Calendar Years
April 30, 2024 (Unaudited)**

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)		Ammonia Nitrogen (NH4-N) (2)	
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		94.20%	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
2021	94		10,074		340,180		121,700		17,900,768		96.60%		7,483		96.80%	2,058,929
2022	72		10,512		289,620		47,340		17,871,422		96.00%		6,862		96.50%	1,999,397
2023	77		11,169		199,321		84,580		15,087,896		95.50%		7,154		95.00%	2,015,129

Data Source: Authority Records

(1) Total per Year

(2) Pounds per Year

(3) Dry Tons per Year

FOUR RIVERS SANITATION AUTHORITY, ILLINOIS

**Annexations and Sewer Extensions - Last Ten Fiscal Years
April 30, 2024 (Unaudited)**

Fiscal Year	Area Added to Authority (1)	Sanitary Sewers Built by the Authority and Others (2)
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
2022	0.94	0.75
2023	62.82	0.65
2024	300.99	0.83

Data Source: Authority Records

(1) Acres

(2) Miles