
**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED APRIL 30, 2025**

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS**

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UNION COUNTY, ILLINOIS**

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Village of Cobden
Cobden, Illinois

Report on Audit of the Financial Statements

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Cobden, Illinois, as of and for the year ended April 30, 2025, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Cobden, Illinois, as of April 30, 2025, and the respective changes in the modified cash basis financial position, and, where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

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 Village of Cobden, Illinois, 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.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the presentation of the financial statements in the circumstances. Management is also responsible 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.

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 and *Government 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 Village of Cobden's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village of Cobden'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.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Cobden's basic financial statements. The General Fund 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, the General Fund Schedules are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Information

Management is responsible for the other information included in the annual financial report. The other information comprises the Budgetary Comparison Schedules but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial 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 August 26, 2025 on our consideration of the Village of Cobden's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village of Cobden's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the Village of Cobden's internal control over financial reporting and compliance.



KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants

Marion, Illinois
August 26, 2025

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

Board of Trustees
Village of Cobden
Cobden, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Cobden, Illinois, as of and for the year ended April 30, 2025, and the related notes to the financial statements, which collectively comprise the Village of Cobden's basic financial statements and have issued our report thereon dated August 26, 2025. The report states that the basic financial statements were prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions were not modified with respect to that matter.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village of Cobden's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village of Cobden's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village of Cobden's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Responses as items 2025-001 and 2025-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village of Cobden's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Responses as item 2025-003.

Village of Cobden's Responses to Findings

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

Purpose of this Report

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



KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants

Marion, Illinois
August 26, 2025

BASIC FINANCIAL STATEMENTS

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS**

STATEMENT OF NET POSITION - MODIFIED CASH BASIS

APRIL 30, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 292,638	\$ 191,130	\$ 483,768
Noncurrent assets			
Capital assets not being depreciated			
Land	40,829	23,669	64,498
Construction in progress	112,550	137,135	249,685
Total capital assets not being depreciated	153,379	160,804	314,183
Other capital assets			
Equipment and vehicles	1,182,211	595,120	1,777,331
Buildings	338,607	1,246,764	1,585,371
Land improvements	131,647	-	131,647
Infrastructure	-	4,428,570	4,428,570
Less accumulated depreciation	(1,014,866)	(1,944,923)	(2,959,789)
Total other capital assets, net	637,599	4,325,531	4,963,130
Total noncurrent assets	790,978	4,486,335	5,277,313
Total Assets	1,083,616	4,677,465	5,761,081
LIABILITIES			
Current liabilities			
Utility deposits	-	7,679	7,679
Payroll liabilities	3,669	3,233	6,902
Due within one year:			
Bonds payable	-	42,165	42,165
Total Current Liabilities	3,669	53,077	56,746
Noncurrent Liabilities			
Due in more than one year:			
Bonds payable	-	1,758,614	1,758,614
Total Noncurrent Liabilities	-	1,758,614	1,758,614
Total Liabilities	3,669	1,811,691	1,815,360
NET POSITION			
Net investment in capital assets	790,978	2,685,556	3,476,534
Restricted for other purposes	131,625	-	131,625
Unrestricted	157,344	180,218	337,562
Total Net Position	\$ 1,079,947	\$ 2,865,774	\$ 3,945,721

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS**

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS

For the Year Ended April 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General government	\$ 38,719	\$ 12,530	\$ 5,733	\$ -	\$ (20,456)	\$ -	\$ (20,456)
Public safety	228,549	1,396	-	-	(227,153)	-	(227,153)
Public works and transportation	271,673	110,790	48,524	-	(112,359)	-	(112,359)
Social services	66,242	12,350	58,904	-	5,012	-	5,012
Culture and recreation	47,525	-	3,088	-	(44,437)	-	(44,437)
Total Governmental Activities	<u>652,708</u>	<u>137,066</u>	<u>116,249</u>	<u>-</u>	<u>(399,393)</u>	<u>-</u>	<u>(399,393)</u>
Business-type Activities:							
Water fund	372,123	386,818	-	222,161	-	236,856	236,856
Sewer fund	263,284	188,972	-	-	-	(74,312)	(74,312)
Gas fund	361,316	385,338	-	-	-	24,022	24,022
Total Business-type Activities	<u>996,723</u>	<u>961,128</u>	<u>-</u>	<u>222,161</u>	<u>-</u>	<u>186,566</u>	<u>186,566</u>
Total Primary Government	<u>\$ 1,649,431</u>	<u>\$ 1,098,194</u>	<u>\$ 116,249</u>	<u>\$ 222,161</u>	<u>(399,393)</u>	<u>186,566</u>	<u>(212,827)</u>
General Revenues and Transfers:							
Taxes							
Property tax					130,618	-	130,618
Utility tax					49,416	-	49,416
Intergovernmental revenue							
Sales and use tax					106,568	-	106,568
Telecommunications tax					8,447	-	8,447
State income tax					186,665	-	186,665
Replacement tax					6,422	-	6,422
Video gaming tax					8,604	-	8,604
Interest income					3,873	1,353	5,226
Other receipts and reimbursements					5,804	-	5,804
Transfers (to) from other funds					25,200	(25,200)	-
Total General Revenues and Transfers					<u>531,617</u>	<u>(23,847)</u>	<u>507,770</u>
Change in Net Position					<u>132,224</u>	<u>162,719</u>	<u>294,943</u>
Net Position, May 1, 2024					<u>947,723</u>	<u>2,703,055</u>	<u>3,650,778</u>
Net Position, April 30, 2025					<u>\$ 1,079,947</u>	<u>\$ 2,865,774</u>	<u>\$ 3,945,721</u>

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS**

BALANCE SHEET - MODIFIED CASH BASIS

GOVERNMENTAL FUNDS

APRIL 30, 2025

	General Fund	Nonmajor Funds	Total Governmental Funds
ASSETS			
Current assets			
Cash and cash equivalents	\$ 161,013	\$ 131,625	\$ 292,638
Total Assets	<u>\$ 161,013</u>	<u>\$ 131,625</u>	<u>\$ 292,638</u>
LIABILITIES AND FUND BALANCE			
Current liabilities			
Payroll liabilities	\$ 3,669	\$ -	\$ 3,669
Total Liabilities	<u>3,669</u>	<u>-</u>	<u>3,669</u>
Fund Balance			
Restricted	-	131,625	131,625
Unassigned	157,344	-	157,344
Total Fund Balances	<u>157,344</u>	<u>131,625</u>	<u>288,969</u>
Total Liabilities and Fund Balance	<u>\$ 161,013</u>	<u>\$ 131,625</u>	<u>\$ 292,638</u>

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS**

**RECONCILIATION OF THE BALANCE SHEET - MODIFIED CASH BASIS TO THE
STATEMENT OF NET POSITION - MODIFIED CASH BASIS**

APRIL 30, 2025

Total Fund Balances—Governmental Funds	\$	288,969
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Amounts reported for governmental activities in the Statement of Net Position -
Modified Cash Basis are different because:

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

		<u>790,978</u>
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Net Position of Governmental Activities	\$	<u><u>1,079,947</u></u>
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The accompanying notes are an integral part of these financial statements.

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS**

GOVERNMENTAL FUNDS

For the Year Ended April 30, 2025

	General Fund	Nonmajor Funds	Total Governmental Funds
Revenues			
Local taxes			
Property tax	\$ 60,213	\$ 70,405	\$ 130,618
Utility tax	49,416	-	49,416
	<u>109,629</u>	<u>70,405</u>	<u>180,034</u>
Intergovernmental revenues			
Sales and use tax	106,568	-	106,568
Telecommunications tax	8,447	-	8,447
State income tax	186,665	-	186,665
Replacement tax	6,422	-	6,422
Video gaming tax	8,604	-	8,604
Motor fuel tax	-	48,524	48,524
	<u>316,706</u>	<u>48,524</u>	<u>365,230</u>
Other local sources			
Fees and fines	137,066	-	137,066
Interest income	938	2,935	3,873
Donations	67,725	-	67,725
Miscellaneous	5,804	-	5,804
	<u>211,533</u>	<u>2,935</u>	<u>214,468</u>
Total Revenues	<u>637,868</u>	<u>121,864</u>	<u>759,732</u>
Expenditures			
Current			
General government	26,139	9,067	35,206
Public safety	173,389	-	173,389
Public works and transportation	220,058	46,983	267,041
Social services	64,841	-	64,841
Culture and recreation	41,045	-	41,045
Capital outlay	<u>26,285</u>	<u>18,480</u>	<u>44,765</u>
Total Expenditures	<u>551,757</u>	<u>74,530</u>	<u>626,287</u>
Excess (Deficiency) of Revenues over Expenditures	<u>86,111</u>	<u>47,334</u>	<u>133,445</u>
Other Financing Sources (Uses)			
Transfers (to) from other funds	30,000	(4,800)	25,200
	<u>30,000</u>	<u>(4,800)</u>	<u>25,200</u>
Excess (Deficiency) of Revenues over Expenditures and Other Financing Sources (Uses)	116,111	42,534	158,645
Fund Balance, May 1, 2024	<u>41,233</u>	<u>89,091</u>	<u>130,324</u>
Fund Balance, April 30, 2025	<u><u>\$ 157,344</u></u>	<u><u>\$ 131,625</u></u>	<u><u>\$ 288,969</u></u>

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - MODIFIED CASH BASIS TO THE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS**

For the Year Ended April 30, 2025

Net Change in Fund Balance - Total Governmental Funds	\$	158,645
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Amounts reported for *governmental activities* in the Statement of Activities -
Modified Cash Basis are different because:

Governmental funds report capital outlays as expenditures. However, in the
Statement of Activities - Modified Cash Basis, the cost of those assets is allocated
over their estimated useful lives as depreciation expense:

Capital asset purchases capitalized	\$	44,765	
Depreciation expense		<u>(71,186)</u>	<u>(26,421)</u>

Change in Net Position of Governmental Activities	\$	<u>132,224</u>
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The accompanying notes are an integral part of these financial statements.

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS**

STATEMENT OF NET POSITION - MODIFIED CASH BASIS

PROPRIETARY FUNDS

APRIL 30, 2025

	Enterprise Funds			
	Water Fund	Sewer Fund	Gas Fund	Total
ASSETS				
Current assets				
Cash and cash equivalents	\$ 62,732	\$ 40,473	\$ 87,925	\$ 191,130
Noncurrent assets				
Capital assets not being depreciated				
Land	13,669	10,000	-	23,669
Construction in progress	137,135	-	-	137,135
Total capital assets not being depreciated	150,804	10,000	-	160,804
Other capital assets				
Equipment and vehicles	316,300	128,134	150,686	595,120
Buildings	305,125	936,738	4,901	1,246,764
Infrastructure	1,580,533	2,801,881	46,156	4,428,570
Less accumulated depreciation	(429,463)	(1,354,647)	(160,813)	(1,944,923)
Total other capital assets, net	1,772,495	2,512,106	40,930	4,325,531
Total noncurrent assets	1,923,299	2,522,106	40,930	4,486,335
Total Assets	1,986,031	2,562,579	128,855	4,677,465
LIABILITIES				
Current Liabilities				
Payroll liabilities	3,233	-	-	3,233
Utility deposits	4,750	-	2,929	7,679
Current portion of bonds payable	14,165	28,000	-	42,165
Total current liabilities	22,148	28,000	2,929	53,077
Noncurrent Liabilities				
Bonds payable	634,614	1,124,000	-	1,758,614
Total noncurrent liabilities	634,614	1,124,000	-	1,758,614
Total Liabilities	656,762	1,152,000	2,929	1,811,691
NET POSITION				
Net investment in capital assets	1,274,520	1,370,106	40,930	2,685,556
Unrestricted	54,749	40,473	84,996	180,218
Total Net Position	\$ 1,329,269	\$ 1,410,579	\$ 125,926	\$ 2,865,774

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS**

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - MODIFIED CASH BASIS

PROPRIETARY FUNDS

For the Year Ended April 30, 2025

	Enterprise Funds			
	Water Fund	Sewer Fund	Gas Fund	Total
Operating Revenues				
Charges for services	\$ 386,818	\$ 188,972	\$ 385,338	\$ 961,128
Cost of services	-	-	(88,106)	(88,106)
Gross margin	<u>386,818</u>	<u>188,972</u>	<u>297,232</u>	<u>873,022</u>
Operating Expenses				
Salaries and benefits	201,832	62,700	168,782	433,314
Contractual expenses	88,593	72,467	84,229	245,289
Supplies / Commodities	24,463	12,749	16,461	53,673
Interest & service charge	2,540	25,075	-	27,615
Depreciation	54,695	90,293	3,738	148,726
	<u>372,123</u>	<u>263,284</u>	<u>273,210</u>	<u>908,617</u>
Operating Revenues over (under)				
Operating Expenditures	<u>14,695</u>	<u>(74,312)</u>	<u>24,022</u>	<u>(35,595)</u>
Non-Operating Items				
State grants	222,161	-	-	222,161
Interest income	780	471	102	1,353
	<u>222,941</u>	<u>471</u>	<u>102</u>	<u>223,514</u>
Income (Loss) before Transfers	237,636	(73,841)	24,124	187,919
Transfers (to) from other funds	<u>(45,000)</u>	<u>29,800</u>	<u>(10,000)</u>	<u>(25,200)</u>
Change in Net Position	192,636	(44,041)	14,124	162,719
Net Position, May 1, 2024	<u>1,136,633</u>	<u>1,454,620</u>	<u>111,802</u>	<u>2,703,055</u>
Net Position, April 30, 2025	<u>\$ 1,329,269</u>	<u>\$ 1,410,579</u>	<u>\$ 125,926</u>	<u>\$ 2,865,774</u>

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS**

**STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS
PROPRIETARY FUNDS**

For the Year Ended April 30, 2025

	Enterprise Funds			
	Water Fund	Sewer Fund	Gas Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 386,495	\$ 188,972	\$ 383,806	\$ 959,273
Payments to suppliers	(113,056)	(85,216)	(188,796)	(387,068)
Payments to employees	(198,288)	(62,373)	(168,782)	(429,443)
Net cash provided (used) by operating activities	<u>75,151</u>	<u>41,383</u>	<u>26,228</u>	<u>142,762</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
State grants	222,161	-	-	222,161
Transfers (to) from other funds	(45,000)	29,800	(10,000)	(25,200)
Net cash provided (used) by noncapital financing activities	<u>177,161</u>	<u>29,800</u>	<u>(10,000)</u>	<u>196,961</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Interest on capital debt	(2,540)	(25,075)	-	(27,615)
Purchases of capital assets	(593,742)	-	(9,920)	(603,662)
Proceeds from bonds payable	398,272	-	-	398,272
Interest paid on bonds	-	-	-	-
Retirement of bonds payable	(13,964)	(28,000)	-	(41,964)
Net cash provided (used) by capital and related financing activities	<u>(211,974)</u>	<u>(53,075)</u>	<u>(9,920)</u>	<u>(274,969)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest earned	780	471	102	1,353
Net cash provided (used) by investing activities	<u>780</u>	<u>471</u>	<u>102</u>	<u>1,353</u>
Net increase (decrease) in cash and cash equivalents	<u>41,118</u>	<u>18,579</u>	<u>6,410</u>	<u>66,107</u>
Cash and cash equivalents, May 1, 2024	<u>21,614</u>	<u>21,894</u>	<u>81,515</u>	<u>125,023</u>
Cash and cash equivalents, April 30, 2025	<u><u>\$ 62,732</u></u>	<u><u>\$ 40,473</u></u>	<u><u>\$ 87,925</u></u>	<u><u>\$ 191,130</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating revenues over (under) operating expenditures	\$ 14,695	\$ (74,312)	\$ 24,022	\$ (35,595)
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation expense	54,695	90,293	3,738	148,726
Interest on capital debt	2,540	25,075	-	27,615
Change in assets and liabilities:				
Payroll liabilities	3,544	327	-	3,871
Utility deposits	(323)	-	(1,532)	(1,855)
Net cash provided (used) by operating activities	<u><u>\$ 75,151</u></u>	<u><u>\$ 41,383</u></u>	<u><u>\$ 26,228</u></u>	<u><u>\$ 142,762</u></u>

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS**

**STATEMENT OF FIDUCIARY NET POSITION
MODIFIED CASH BASIS**

FIDUCIARY FUND

APRIL 30, 2025

	<u>Private-Purpose Trust Cemetery Perpetual Trust Fund</u>
ASSETS	
Current assets	
Cash and cash equivalents	\$ 168,940
Total Assets	<u>168,940</u>
LIABILITIES	<u>-</u>
NET POSITION	
Held for other purposes	<u>168,940</u>
Total Net Position	<u><u>\$ 168,940</u></u>

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
MODIFIED CASH BASIS**

FIDUCIARY FUND

For the Year Ended April 30, 2025

	Private-Purpose Trust
	Cemetery Perpetual Trust Fund
ADDITIONS	
Interest income	\$ 25,222
DEDUCTIONS	
Donation expense	<u>45,395</u>
Change in Net Position	(20,173)
Net Position, May 1, 2024	<u>189,113</u>
Net Position, April 30, 2025	<u><u>\$ 168,940</u></u>

The accompanying notes are an integral part of these statements.

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
For the year ended April 30, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Village of Cobden are in accordance with accounting principles generally accepted in the United States of America as established by the Governmental Accounting Standards Board (GASB), except as noted in Note 1B.

A. Reporting Entity

The Village of Cobden operates as a non-home-rule unit, and functions under a President - Trustee form of government, providing the following services: public safety, highways and streets, utilities, cemetery, park, and general administrative services. The Village, for financial purposes, includes all of the funds relevant to the operations of the Village of Cobden. The Village is considered to be a primary government pursuant to GASB Statement No. 14 since it is legally separate and fiscally independent. The Village has no component units which are legally separate entities from the Village for which the Village is financially accountable or whose relationship with the Village is such that exclusion would cause the Village's statements to be misleading or incomplete.

B. Measurement Focus and Basis of Accounting

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

Measurement Focus

In the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as defined below.

In the fund financial statements, the "current financial resources" measurement focus, or the "economic resources" measurement focus as applied to the modified cash basis of accounting is used as appropriate:

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

Basis of Accounting

In the government-wide Statement of Net Position, Statement of Activities, and the fund financial statements, the governmental activities and business-type activities are presented using a modified cash basis of accounting. This basis recognizes assets, liabilities, net position, revenues, and expenses when they result from cash transactions, with a provision for depreciation in the government-wide statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
For the year ended April 30, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus and Basis of Accounting (Concluded)

Basis of Accounting (Concluded)

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable and accrued expenses and liabilities) are *not recorded* in these financial statements.

C. Government-Wide and Fund Financial Statements

The Village of Cobden's government-wide financial statements include the Statement of Net Position – Modified Cash Basis and the Statement of Activities – Modified Cash Basis and display information about the reporting government as a whole. These statements focus on the sustainability of the Village as an entity and the change in aggregate financial position resulting from activities of the current fiscal period. The statements include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The Village's utility services are classified as business-type activities. All other services are classified as governmental activities.

All of the Village of Cobden's assets and liabilities, including capital assets, are included in the accompanying Statement of Net Position – Modified Cash Basis. The Statement of Activities – Modified Cash Basis demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges for services and 2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and proprietary funds are reported as separate columns in the fund financial statements.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities such as payables, receivables, and transfers. Any interfund activities between governmental funds and proprietary funds appear as due to/ due from on the governmental fund Balance Sheet – Modified Cash Basis and the proprietary fund Statement of Net Position – Modified Cash Basis and as other financing sources (uses) on the governmental fund Statement of Revenues, Expenses and Changes in Fund Balance – Modified Cash basis and the proprietary fund Statement of Revenues, Expenses and Changes in Net Position – Modified Cash Basis. All interfund transactions between governmental funds or proprietary funds are eliminated on the government-wide financial statements. Interfund activities between governmental funds and business-type funds remain as due to/ due from or as a transfer on the government-wide financial statements.

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
For the year ended April 30, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Government-Wide and Fund Financial Statements (Concluded)

The purpose of interfund borrowing and permanent transfers is to cover temporary or permanent shortfalls in cash flow within funds.

In the government-wide financial statements and the fund financial statements for the proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. For enterprise funds, GASB Statement Nos. 20 and 34 provide the Village the option of electing to apply FASB pronouncements issued after November 30, 1989. The Village has elected not to apply those pronouncements.

D. Fund Accounting

The Village uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Village uses governmental, proprietary, and fiduciary funds. Within each fund, the Village has created a number of sub-funds in order to separately report to management the various activities within each fund.

Governmental Funds

Governmental funds are those through which most governmental functions of the Village are typically reported. Governmental funds reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as a fund balance.

Governmental Fund Financial Statements include a Balance Sheet – Modified Cash Basis and a Statement of Revenues, Expenditures and Changes in Fund Balances – Modified Cash Basis for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances as well as the changes in fund balances as presented in these statements to the Net Position and changes in Net Position presented in the government-wide financial statements.

The governmental fund financial statements have been prepared in accordance with the modified cash basis of accounting as discussed in Note 1B above.

The Village reports the following types of governmental funds:

General Fund – The General Fund is established to account for resources devoted to financing the general services that the Village performs for its citizens. General tax revenues and other sources of revenue used to finance the fundamental operations of the Village are included in this fund. The fund is charged with all costs of operating the government for which a separate fund has not been established.

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
For the year ended April 30, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Fund Accounting (Continued)

Governmental Funds (Concluded)

Special Revenue Funds - Special Revenue Funds are established to account for the proceeds of specific revenue sources other than special assessments, expendable trusts or major capital projects that are legally restricted to expenditures for specific purposes.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in Net Position, financial position, and cash flows. Proprietary funds distinguish operating revenues and expenses from nonoperating items. The principal operating revenues of the Village's proprietary funds are charges to customers for utility services. Operating expenses include the cost of these services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Proprietary Fund Financial Statements include a Statement of Net Position – Modified Cash Basis, a Statement of Revenues, Expenses and Changes in Net Position – Modified Cash Basis, and a Statement of Cash Flows – Modified Cash Basis for each major proprietary fund and non-major funds aggregated.

The proprietary fund financial statements have been prepared in accordance with the modified cash basis of accounting as discussed in Note 1B above.

The Village reports the following type of proprietary fund:

Enterprise Funds - Enterprise Funds are established to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The purpose of the Village's Enterprise Funds is to provide utility services to the Village.

Fiduciary Funds

Trust Funds - The Trust Funds are established to account for assets held by the Village in a trustee capacity. These funds include the Cemetery Perpetual Trust Fund.

Major and Nonmajor Funds

As prescribed by GASB Statement No. 34, government and proprietary fund reporting focuses on the major fund, rather than on fund type. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures of an individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
For the year ended April 30, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Fund Accounting (Concluded)

Major and Nonmajor Funds (Concluded)

- b. Total assets, liabilities, revenues, or expenditures of an individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

Funds that do not meet the major fund determination requirements are reported in aggregate as nonmajor governmental funds and/or nonmajor proprietary funds. The Village has presented all major funds that have met the above criteria.

Major Funds

The Village reports on the following major governmental fund:

General Fund – This is the Village’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Village reports on the following major proprietary funds:

Water Fund – This fund accounts for the activities related to the water distribution system.

Sewer Fund – This fund accounts for the activities related to the sewage pumping station and sewage treatment lagoons.

Gas Fund – This fund accounts for the activities related to the gas distribution system.

Nonmajor Funds

The Village reports on the following nonmajor governmental funds:

Motor Fuel Tax Fund – This fund is a special revenue fund established to receive allotments of motor fuel taxes from the State of Illinois. This money is restricted to specific programs approved by the State.

Tax Increment Financing (TIF) Fund – This fund accounts for the activities related to the development or redevelopment of property within the TIF district.

The Village does not have any nonmajor proprietary funds.

E. Net Position

Equity is classified as Net Position in the government-wide financial statements and is displayed in three components:

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
For the year ended April 30, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Net Position (Concluded)

Net investment in capital assets – Consists of 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 Net Position – 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. When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources when they are needed.

Unrestricted Net Position – All other Net Position that does not meet the definition of "restricted" or "net investment in capital assets."

F. Governmental Fund Balances

Fund balance is the difference between assets and liabilities in a governmental fund. The following types of fund balances may be presented in the Governmental Funds Balance Sheet – Modified Cash Basis:

Nonspendable fund balance – The portion of a governmental fund's Net Position that are not available to be spent, either short term or long term, in either form or through legal restrictions. The Village of Cobden has no non-spendable fund balances.

Restricted fund balance – The portion of a governmental fund's Net Position with constraints placed on the use of resources which are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislations. The following funds have restricted fund balances: Motor Fuel Tax Fund (\$87,266) and Tax Increment Financing Fund (\$44,359).

Committed fund balance – The portion of a governmental fund's Net Position with self-imposed constraints or limitations that have been placed at the highest level of decision making. The Village of Cobden has no committed fund balances.

Assigned fund balance – The portion of a governmental fund's Net Position for which an intended use of resources has been denoted. The accounts presented with assigned fund balances are specified for a particular purpose by the Board of Trustees. The Village of Cobden has no assigned fund balances.

Unassigned fund balance – Available expendable financial resources in a governmental fund that are not designated for a specific purpose. The following General Fund accounts have unassigned fund balances: General Administration, Cemetery, Fire, Parks, Police, and Streets.

Unless specifically identified, expenditures act to reduce restricted fund balances first, then committed balances, next assigned balances, and finally unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
For the year ended April 30, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Cash and Cash Equivalents

For purposes of the statement of cash flows of the enterprise funds, the Village considers all cash and certificates of deposit to be cash and cash equivalents.

H. Capital Assets

The accounting treatment over fixed assets depends on whether the assets are used in the governmental fund operations or proprietary funds operations and whether they are reported in the government-wide or fund financial statements.

In the government-wide financial statements, fixed assets are accounted for as capital assets. All capital assets purchased or acquired with an original cost of \$500 or more are reported at historical cost or estimated historical cost. Contributed assets are recorded at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Equipment & Vehicles	5-10 years
Buildings	40-50 years
Land improvements	20 years
Infrastructure	30-50 years

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

GASB No. 34 required the Village to begin reporting and depreciating new infrastructure effective with the beginning of the year ended April 30, 2005. Infrastructure assets include roads, bridges, underground pipe, traffic signals, etc.

I. Encumbrances

The Village does not maintain information concerning encumbrances; therefore, no amounts for encumbrances are reported in the financial statements.

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
For the year ended April 30, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

J. Budgets and Budgetary Accounting

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

The Village President submits to the Board of Trustees a proposed operating budget for the fiscal year commencing May 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted at regular board meetings to obtain taxpayer comments. Prior to May 1 the budget is legally enacted through the passage of an ordinance.

The Village Treasurer is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Village Board.

K. Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting requires the use of management's estimates. Accordingly, actual results may differ from those estimates.

L. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations resulting from cash transactions are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bonds payable are reported net of any applicable bond premium or discount.

M. Date of Management's Review

Management of the Village of Cobden has evaluated subsequent events through August 26, 2025, the date which the financial statements were available to be issued.

NOTE 2: PROPERTY TAX

The Village's Property Tax Levy is due on the second Tuesday in December. The County Clerk (Union County, Illinois) calculates, extends, bills, and collects the Village's property taxes. The property taxes are payable in two installments.

VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
For the year ended April 30, 2025

NOTE 2: PROPERTY TAX (CONCLUDED)

The Village's property tax is levied each year on all taxable real property located in the Village on or before the last Tuesday in December. The 2023 levy was passed by the Board on June 17, 2024. Property taxes attach as an enforceable lien on property as of the January 1. The property taxes are typically due in July and September, and are distributed to the Village in August, September, and November. Taxes recorded in these financial statements are from the 2023 and prior tax levies for which payments were received during the year ended April 30, 2025.

The following are the tax rate limits permitted by Local Referendum and the actual rates levied per \$100.00 of assessed valuation:

Fund	Limit	2023 Payable 2024 Levy
Corporate	0.32000	0.23830
Police Protection	0.07500	0.07150
Fire Protection	0.07500	0.07150
Street Lighting	0.05000	0.04766
Parks	0.07500	0.07150
Social Security	As Needed	0.11393
Illinois Municipal Retirement Fund	As Needed	0.11393
Unemployment Insurance	As Needed	0.04621
School Crossing Guards	0.02000	0.01907
Prior Year Adjustment	As Needed	0.00166
		<u>0.79526</u>

NOTE 3: CASH AND CASH EQUIVALENTS

The Village is allowed to invest in securities as authorized by Illinois Compiled Statutes, Section 235/2.

At April 30, 2025, the carrying amount of the Village's cash deposits, including certificates of deposit, was \$652,708 which includes the Village's fiduciary fund and \$100 in petty cash maintained by various funds. The bank balance of these deposits was \$676,505. Of the total bank balance as of April 30, 2025, \$331,297 was insured by the Federal Deposit Insurance Corporation (FDIC) and \$345,208 was invested in the Illinois Funds Money Market Fund.

Custodial Credit Risk – Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned. To guard against custodial credit risk for deposits with financial institutions, the Village's investment policy requires that deposits with financial institutions in excess of FDIC limits be secured by some form of collateral with a written agreement and held at an independent, third-party institution, in the name of the Village.

Investments – The Village does not have a formal investment policy, as its only investments are internally pooled in the Illinois Funds Money Market Fund. At April 30, 2025, the Village had investments with carrying and fair values of \$345,208 invested in the Illinois Funds Money Market Fund. This amount is included in cash and cash equivalents in the financial statements.

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
For the year ended April 30, 2025**

NOTE 3: CASH AND CASH EQUIVALENTS (CONCLUDED)

Credit Risk – At April 30, 2025, the Illinois Funds Money Market Fund had earned Fitch’s highest investment grade rating of AAmmf for a government-managed money market fund. The pool is audited annually by an outside independent auditor and copies of the report are distributed to participants. Although not subject to direct regulatory oversight, the fund is administered by the Illinois State Treasurer in accordance with the provision of the Illinois

Interest Rate Risk – The Illinois Funds Money Market Fund, created by the Illinois General Assembly, enables custodians of public funds an investment option with a competitive rate of return on fully collateralized investments and immediate access to the funds. The investment policy of the Illinois Funds Money Market Fund states that, unless authorized specifically by the Treasurer, a minimum of 75% of its investments shall have less than one-year maturity and no investment shall exceed two years maturity.

Concentration of Credit Risk - Unless specifically authorized by the Treasurer, the Illinois Funds Money Market Fund's investment policy limits investment categories to not exceed 25% of the portfolio, with the exception of cash equivalents and U.S. Treasury securities. Further, certificates of deposit cannot exceed 10% of any single financial institution's total deposits.

NOTE 4: CAPITAL ASSETS

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

	Primary Government			
	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
<u>Capital Assets Not Being Depreciated:</u>				
Land	\$ 40,829	\$ -	\$ -	\$ 40,829
Construction in Progress	198,374	-	85,824	112,550
	<u>239,203</u>	<u>\$ -</u>	<u>\$ 85,824</u>	<u>153,379</u>
 <u>Other Capital Assets:</u>				
Equipment & Vehicles	1,247,512	\$ 26,285	\$ 91,586	1,182,211
Building	338,607	-	-	338,607
Land improvements	27,343	104,304	-	131,647
	<u>1,613,462</u>	<u>\$ 130,589</u>	<u>\$ 91,586</u>	<u>1,652,465</u>
 <u>Accumulated Depreciation:</u>				
Equipment & Vehicles	828,672	\$ 60,546	\$ 91,586	797,632
Building	201,239	7,694	-	208,933
Land improvements	5,355	2,946	-	8,301
	<u>1,035,266</u>	<u>\$ 71,186</u>	<u>\$ 91,586</u>	<u>1,014,866</u>
Other Capital Assets, Net	<u>578,196</u>			<u>637,599</u>
 Capital Assets, Net	<u>\$ 817,399</u>			<u>\$ 790,978</u>

VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
For the year ended April 30, 2025

NOTE 4: CAPITAL ASSETS (CONCLUDED)

	Primary Government			
	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
<u>Capital Assets Not</u>				
<u>Being Depreciated:</u>				
Land	\$ 23,669	\$ -	\$ -	\$ 23,669
Construction in Progress	1,005,201	25,000	893,066	137,135
	<u>1,028,870</u>	<u>\$ 25,000</u>	<u>\$ 893,066</u>	<u>160,804</u>
 <u>Other Capital Assets:</u>				
Equipment & Vehicles	587,341	\$ 17,729	\$ 9,950	595,120
Building	1,246,764	-	-	1,246,764
Infrastructure	2,974,571	1,453,999	-	4,428,570
	<u>4,808,676</u>	<u>\$ 1,471,728</u>	<u>\$ 9,950</u>	<u>6,270,454</u>
 <u>Accumulated Depreciation:</u>				
Equipment & Vehicles	401,745	\$ 31,933	\$ 9,950	423,728
Building	967,972	24,558	-	992,530
Infrastructure	436,430	92,235	-	528,664
	<u>1,806,147</u>	<u>\$ 148,726</u>	<u>\$ 9,950</u>	<u>1,944,923</u>
Other Capital Assets, Net	<u>3,002,429</u>			<u>4,325,531</u>
 Capital Assets, Net	<u>\$ 4,031,399</u>			<u>\$ 4,486,335</u>

Depreciation was charged to functions as follows:

Governmental Activities:

General Government	\$ 3,513
Public Safety	55,160
Public Works and Transportation	4,632
Social Services	1,401
Culture and Recreation	6,480
Total Depreciation Expense	<u>\$ 71,186</u>

Business-Type Activities:

Water Fund	\$ 54,695
Sewer Fund	90,293
Gas Fund	3,738
Total Depreciation Expense	<u>\$ 148,726</u>

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
For the year ended April 30, 2025**

NOTE 5: LONG-TERM DEBT AND SERVICE REQUIREMENTS

The following is a summary of changes in long-term debt for the year ended April 30, 2025:

	Business-Type Activities			
	2015 Sewerage System Revenue Bonds	IEPA Loan (L173513)	IEPA Loan (L175845)	Total
Balance, May 1, 2024	\$ 1,180,000	\$ -	\$ 264,471	\$ 1,444,471
Addition of New Debt	-	522,038	39,895	561,933
Debt Forgiven	-	163,661	-	163,661
Debt Retired	28,000	-	13,964	41,964
Balance, April 30, 2025	<u>\$ 1,152,000</u>	<u>\$ 358,377</u>	<u>\$ 290,402</u>	<u>\$ 1,800,779</u>

The Village had two loans with the IEPA (Illinois Environmental Protection Agency) during the year ended April 30, 2025 for the completion of a public water supply project. In accordance with Title 35 Ill. Adm. Code 662.250 (Loan Rules), a portion of each loan amount will be forgiven by the State of Illinois (State) pursuant to the principal forgiveness provisions contained in the Loan Rules; however, the State reserves the right to increase or decrease the amount forgiven. Any forgiven amount will be reported as State grant income in the financial statements as follows:

IEPA Loan (L173513) – Total available funds were \$851,694 with \$291,623 of the loan proceeds available to be forgiven. As of April 30, 2025, the Village of Cobden had drawn down the \$650,000 of the total principal and the entire \$291,623 was forgiven.

IEPA Loan (L175845) – Total available funds were \$828,261 with \$400,000 of the loan proceeds available to be forgiven. As of April 30, 2025, the Village of Cobden had only drawn down \$711,181 of the total principal and the entire \$400,000 was forgiven.

The following is a description of the debt issues and the debt service requirements to maturity:

Bonds

Sewerage System Revenue Bonds, Series 2015

Original Amount of Issuance: \$1,364,000

Principal Amount Payable: January 1

Maturity Date: January 1, 2054

Interest Rate: 2.5% Semi-Annual (paid on January 1 and July 1)

Fiscal Year	Principal	Interest	Total
2026	\$ 28,000	\$ 28,450	\$ 56,450
2027	28,000	27,750	55,750
2028	28,000	27,050	55,050
2029	28,000	26,350	54,350
2030	32,000	25,600	57,600
2031-2035	164,000	115,950	279,950
2036-2040	188,000	94,050	282,050
2041-2045	208,000	69,300	277,300
2046-2050	236,000	41,450	277,450
2051-2054	212,000	10,750	222,750
	<u>\$ 1,152,000</u>	<u>\$ 466,700</u>	<u>\$ 1,618,700</u>

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
For the year ended April 30, 2025**

NOTE 5: LONG-TERM DEBT AND SERVICE REQUIREMENTS (CONTINUED)

Bonds (Concluded)

There are certain restrictions and limitations imposed by the bond ordinances that provide for the issuance and retirement of the bonds. All monies are required to be segregated and restricted in separate reserve accounts. For the year ended April 30, 2025, the Village complied with all bond ordinance requirements.

IEPA Loan L173513

Illinois Environmental Protection Agency Loan

Original Amount of Issuance: \$851,694

Principal Amount Payable: Semi-Annual (paid on March 3 and September 3)

Maturity Date: March 3, 2045

Interest Rate: 1.0% Semi-Annual (paid on March 3 and September 3)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 14,976	\$ 4,918	\$ 19,894
2027	16,494	3,400	19,894
2028	16,660	3,234	19,894
2029	16,827	3,067	19,894
2030	16,996	2,898	19,894
2031-2035	87,576	11,894	99,470
2036-2040	92,065	7,405	99,470
2041-2045	96,783	2,687	99,470
	<u>\$ 358,377</u>	<u>\$ 39,503</u>	<u>\$ 397,880</u>

IEPA Loan L175845

Illinois Environmental Protection Agency Loan

Original Amount of Issuance: \$828,261

Principal Amount Payable: Semi-Annual (paid on March 15 and September 15)

Maturity Date: March 15, 2043

Interest Rate: 1.0% Semi-Annual (paid on March 15 and September 15)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 14,905	\$ 2,510	\$ 17,415
2027	15,156	2,260	17,416
2028	15,282	2,133	17,415
2029	15,409	2,006	17,415
2030	15,538	1,878	17,416
2031-2035	79,652	7,425	87,077
2036-2040	83,026	4,051	87,077
2041-2043	51,434	812	52,246
	<u>\$ 290,402</u>	<u>\$ 23,075</u>	<u>\$ 313,477</u>

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
For the year ended April 30, 2025**

NOTE 5: LONG-TERM DEBT AND SERVICE REQUIREMENTS (CONCLUDED)

Total future debt service requirements are as follows:

Fiscal Year	Principal	Interest	Total
2026	\$ 57,881	\$ 35,878	\$ 93,759
2027	59,650	33,410	93,060
2028	59,942	32,417	92,359
2029	60,236	31,423	91,659
2030	64,534	30,376	94,910
2031-2035	331,228	135,269	466,497
2036-2040	363,091	105,506	468,597
2041-2045	356,217	72,799	429,016
2046-2050	236,000	41,450	277,450
2051-2054	212,000	10,750	222,750
	<u>\$ 1,800,779</u>	<u>\$ 529,278</u>	<u>\$ 2,330,057</u>

NOTE 6: INTERFUND TRANSFERS

The following interfund transfers occurred during the year ended April 30, 2025 in order to meet operating costs:

Fund	Transfers In	Transfers Out
General	\$ 30,000	\$ -
Special Revenue – Tax Increment Financing	-	4,800
Proprietary		
Water	-	45,000
Sewer	29,800	-
Gas	-	10,000
	<u>\$ 59,800</u>	<u>\$ 59,800</u>

NOTE 7: PENSION AND RETIREMENT FUND COMMITMENTS

A. Illinois Municipal Retirement Fund - Defined Benefit Pension Plan

Plan Description:

The Village of Cobden's defined benefit pension plan for Regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Village's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. That report is available for download at www.imrf.org.

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
For the year ended April 30, 2025**

NOTE 7: PENSION AND RETIREMENT FUND COMMITMENTS (CONTINUED)

A. Illinois Municipal Retirement Fund - Defined Benefit Pension Plan (Continued)

Benefits Provided:

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

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

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

Employees Covered by Benefit Terms:

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

Retirees and beneficiaries currently receiving benefits	14
Inactive plan members entitled to but not yet receiving benefits	17
Active plan members	11
Total	<u><u>42</u></u>

Contributions:

As set by statute, the Village's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute required employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village of Cobden's annual contribution rate for calendar years 2024 and 2025 was 6.42% and 5.85%, respectively. The Village of Cobden also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
For the year ended April 30, 2025**

NOTE 7: PENSION AND RETIREMENT FUND COMMITMENTS (CONCLUDED)

A. Illinois Municipal Retirement Fund - Defined Benefit Pension Plan (Concluded)

For the calendar year December 31, 2025, the Village of Cobden's actual contributions for pension cost for the plan was \$31,167. The covered payroll for the calendar year 2024 (annual payroll of active employees covered by the plan) was \$485,469. For the year ending April 30, 2025, the Village paid \$28,871, the total required contribution for the current fiscal year.

B. Social Security

Employees not qualifying for coverage under the Illinois Municipal Retirement Fund are considered "non-participating employees." These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security. The Village paid \$35,423, the total required contribution for the current fiscal year.

NOTE 8: POSTEMPLOYMENT HEALTHCARE BENEFITS

COBRA Benefits – Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the Village provides healthcare benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium and, if applicable, a 2% administration fee, is paid in full by the insured each month. This program is offered for a duration of 18 months after termination date and is subject to extension. There is no cost to the Village under this program.

In addition to COBRA Benefits, in accordance with rules established through participation in the Illinois Municipal Retirement Fund, the Village offers health insurance coverage to retirees. The cost for retirees to purchase coverage is the same as the amount active employees pay. Expenditures for postemployment healthcare benefits are recognized on a pay-as-you-go basis. During the year, no expenses were recognized for postemployment healthcare.

Accounting standards require numerous disclosure about postemployment benefits, including amounts that can only be determined through an actuarial study. The Village has elected not to incur the cost of having an actuarial study completed and therefore the amounts that should be disclosed are not known.

NOTE 9: WATER, SEWER, AND GAS USAGE STATISTICS

At year end the system had the following number of users:

Water Consumers	470
Sewer Consumers	356
Gas Consumers	294

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
For the year ended April 30, 2025**

NOTE 10: OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

Accounting principles generally accepted in the United States of America require disclosure of certain information concerning individual funds including:

- A. There were no outstanding interfund loans as of April 30, 2025.
- B. There were no major funds that exceeds their budgets at April 30, 2025.

NOTE 11: RISK MANAGEMENT

The Village is exposed to various risks of loss including, but not limited to, general liability, property casualty, workers compensation and public official liability. To limit exposure to these risks, the Village participates in the Illinois Municipal League Risk Management Association. The Village's policy is to record any related expenditures in the year in which they are notified of the loss. During the year ended April 30, 2025, there were no significant reductions in coverage. There have been no significant settlement amounts which have exceeded insurance coverage during the past three years. The Village is not aware of any liabilities owed as of April 30, 2025.

SUPPLEMENTARY INFORMATION

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS**

**GENERAL FUND
BALANCE SHEET SCHEDULE - MODIFIED CASH BASIS**

APRIL 30, 2025

	<u>General Administration</u>	<u>Cemetery</u>	<u>Fire</u>	<u>Parks</u>	<u>Police</u>	<u>Streets</u>	<u>Total</u>
ASSETS							
Current assets							
Cash and cash equivalents	\$ 22,746	\$ 6,154	\$ 22,712	\$ 4,574	\$ 78,249	\$ 26,578	\$ 161,013
Total Assets	<u>\$ 22,746</u>	<u>\$ 6,154</u>	<u>\$ 22,712</u>	<u>\$ 4,574</u>	<u>\$ 78,249</u>	<u>\$ 26,578</u>	<u>\$ 161,013</u>
 LIABILITIES AND FUND BALANCE							
Current liabilities							
Payroll liabilities	\$ 3,234	\$ -	\$ -	\$ 21	\$ -	\$ 414	\$ 3,669
Total Liabilities	<u>3,234</u>	<u>-</u>	<u>-</u>	<u>21</u>	<u>-</u>	<u>414</u>	<u>3,669</u>
Fund Balance							
Unassigned	<u>19,512</u>	<u>6,154</u>	<u>22,712</u>	<u>4,553</u>	<u>78,249</u>	<u>26,164</u>	<u>157,344</u>
Total Liabilities and Fund Balance	<u>\$ 22,746</u>	<u>\$ 6,154</u>	<u>\$ 22,712</u>	<u>\$ 4,574</u>	<u>\$ 78,249</u>	<u>\$ 26,578</u>	<u>\$ 161,013</u>

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS**

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS**

For the Year Ended April 30, 2025

	General Administration	Cemetery	Fire	Parks	Police	Streets	Total
Revenues							
Local taxes							
Property tax	\$ 16,877	\$ -	\$ 5,021	\$ 5,021	\$ 22,362	\$ 10,932	\$ 60,213
Utility tax	-	-	3,500	12,804	9,923	23,189	49,416
	<u>16,877</u>	<u>-</u>	<u>8,521</u>	<u>17,825</u>	<u>32,285</u>	<u>34,121</u>	<u>109,629</u>
Intergovernmental revenues							
Sales and use tax	-	-	9,481	11,113	45,783	40,191	106,568
Telecommunications tax	-	-	2,987	3,196	728	1,536	8,447
State income tax	-	-	35,910	7,000	89,468	54,287	186,665
Replacement tax	-	-	-	750	2,750	2,922	6,422
Video gaming tax	-	-	-	-	8,604	-	8,604
	<u>-</u>	<u>-</u>	<u>48,378</u>	<u>22,059</u>	<u>147,333</u>	<u>98,936</u>	<u>316,706</u>
Other local sources							
Fees and fines	12,530	12,350	-	-	1,396	110,790	137,066
Interest income	306	-	-	-	632	-	938
Donations	5,733	58,904	-	3,088	-	-	67,725
Miscellaneous	3	-	-	625	5,076	100	5,804
	<u>18,572</u>	<u>71,254</u>	<u>-</u>	<u>3,713</u>	<u>7,104</u>	<u>110,890</u>	<u>211,533</u>
Total Revenues	<u>35,449</u>	<u>71,254</u>	<u>56,899</u>	<u>43,597</u>	<u>186,722</u>	<u>243,947</u>	<u>637,868</u>
Expenditures							
Current							
General government							
Salaries and benefits	9,625	-	-	-	-	-	9,625
Contractual services	8,263	-	-	-	-	-	8,263
Small equipment / Commodities	6,145	-	-	-	-	-	6,145
Other	2,106	-	-	-	-	-	2,106
	<u>26,139</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,139</u>
Public safety							
Salaries and benefits	-	-	-	-	100,426	-	100,426
Contractual services	-	-	29,551	-	32,715	-	62,266
Small equipment / Commodities	-	-	4,858	-	3,543	-	8,401
Other	-	-	-	-	2,296	-	2,296
	<u>-</u>	<u>-</u>	<u>34,409</u>	<u>-</u>	<u>138,980</u>	<u>-</u>	<u>173,389</u>
Public works and transportation							
Salaries and benefits	-	-	-	-	-	102,039	102,039
Contractual services	-	-	-	-	-	108,674	108,674
Small equipment / Commodities	-	-	-	-	-	9,248	9,248
Other	-	-	-	-	-	97	97
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>220,058</u>	<u>220,058</u>
Social services							
Salaries and benefits	-	47,975	-	-	-	-	47,975
Contractual services	-	13,743	-	-	-	-	13,743
Small equipment / Commodities	-	2,973	-	-	-	-	2,973
Other	-	150	-	-	-	-	150
	<u>-</u>	<u>64,841</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>64,841</u>
Culture and recreation							
Salaries and benefits	-	-	-	22,352	-	-	22,352
Contractual services	-	-	-	6,939	-	-	6,939
Small equipment / Commodities	-	-	-	11,754	-	-	11,754
	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,045</u>	<u>-</u>	<u>-</u>	<u>41,045</u>
Capital outlay	<u>-</u>	<u>1,350</u>	<u>-</u>	<u>1,000</u>	<u>15,000</u>	<u>8,935</u>	<u>26,285</u>
Total Expenditures	<u>26,139</u>	<u>66,191</u>	<u>34,409</u>	<u>42,045</u>	<u>153,980</u>	<u>228,993</u>	<u>551,757</u>
Excess (Deficiency) of Revenues over Expenditures	<u>9,310</u>	<u>5,063</u>	<u>22,490</u>	<u>1,552</u>	<u>32,742</u>	<u>14,954</u>	<u>86,111</u>
Other Financing Sources (Uses)							
Transfers (to) from other funds	-	-	-	-	30,000	-	30,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,000</u>	<u>-</u>	<u>30,000</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	<u>9,310</u>	<u>5,063</u>	<u>22,490</u>	<u>1,552</u>	<u>62,742</u>	<u>14,954</u>	<u>116,111</u>
Fund Balance, May 1, 2024	<u>10,202</u>	<u>1,091</u>	<u>222</u>	<u>3,001</u>	<u>15,507</u>	<u>11,210</u>	<u>41,233</u>
Fund Balance, April 30, 2025	<u>\$ 19,512</u>	<u>\$ 6,154</u>	<u>\$ 22,712</u>	<u>\$ 4,553</u>	<u>\$ 78,249</u>	<u>\$ 26,164</u>	<u>\$ 157,344</u>

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS**

**COMBINING BALANCE SHEET - MODIFIED CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS**

APRIL 30, 2025

	<u>Motor Fuel Tax Fund</u>	<u>Tax Increment Financing Fund</u>	<u>Total</u>
ASSETS			
Current assets			
Cash and cash equivalents	\$ 87,266	\$ 44,359	\$ 131,625
 Total Assets	 <u>\$ 87,266</u>	 <u>\$ 44,359</u>	 <u>\$ 131,625</u>
 LIABILITIES AND FUND BALANCE			
Liabilities	\$ -	\$ -	\$ -
 Fund Balance			
Restricted	 <u>87,266</u>	 <u>44,359</u>	 <u>131,625</u>
 Total Liabilities and Fund Balance	 <u>\$ 87,266</u>	 <u>\$ 44,359</u>	 <u>\$ 131,625</u>

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS**

For the Year Ended April 30, 2025

	Motor Fuel Tax Fund	Tax Increment Financing Fund	Total
Revenues			
Local taxes			
Property tax	\$ -	\$ 70,405	\$ 70,405
	<u>-</u>	<u>70,405</u>	<u>70,405</u>
Intergovernmental revenues			
Motor fuel tax	48,524	-	48,524
	<u>48,524</u>	<u>-</u>	<u>48,524</u>
Other local sources			
Interest income	2,317	618	2,935
	<u>2,317</u>	<u>618</u>	<u>2,935</u>
Total Revenues	<u>50,841</u>	<u>71,023</u>	<u>121,864</u>
Expenditures			
Current			
General government			
Contractual services	-	9,067	9,067
	<u>-</u>	<u>9,067</u>	<u>9,067</u>
Public works and transportation			
Salaries and benefits	15,314	-	15,314
Contractual services	31,669	-	31,669
	<u>46,983</u>	<u>-</u>	<u>46,983</u>
Capital outlay	<u>-</u>	<u>18,480</u>	<u>18,480</u>
Total Expenditures	<u>46,983</u>	<u>27,547</u>	<u>74,530</u>
Excess (Deficiency) of Revenues over Expenditures	3,858	43,476	47,334
Other Financing Sources (Uses)			
Transfers (to) from other funds	-	(4,800)	(4,800)
	<u>-</u>	<u>(4,800)</u>	<u>(4,800)</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	3,858	38,676	42,534
Fund Balance, May 1, 2024	<u>83,408</u>	<u>5,683</u>	<u>89,091</u>
Fund Balance, April 30, 2025	<u>\$ 87,266</u>	<u>\$ 44,359</u>	<u>\$ 131,625</u>

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS**

**BUDGETARY COMPARISON SCHEDULES - MODIFIED CASH BASIS - GENERAL FUND
GENERAL ADMINISTRATION**

For the Year Ended April 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Local taxes				
Property tax	\$ 16,925	\$ 16,925	\$ 16,877	\$ (48)
	16,925	16,925	16,877	(48)
Other local sources				
Fees and fines	13,610	13,610	12,530	(1,080)
Interest income	-	-	306	306
Donations	-	-	5,733	5,733
Miscellaneous	35	35	3	(32)
	13,645	13,645	18,572	4,927
Total Revenues	30,570	30,570	35,449	4,879
Expenditures				
Current				
General government				
Salaries and benefits	24,070	24,070	9,625	(14,445)
Contractual services	9,790	9,790	8,263	(1,527)
Small equipment / Commodities	5,500	5,500	6,145	645
Other	745	745	2,106	1,361
Total Expenditures	40,105	40,105	26,139	(13,966)
Excess (Deficiency) of Revenues over Expenditures	(9,535)	(9,535)	9,310	18,845
Other Financing Sources (Uses)				
Transfers (to) from other funds	9,600	9,600	-	(9,600)
	9,600	9,600	-	(9,600)
Excess (Deficiency) of Revenues over Expenditures and Other Financing Sources (Uses)	65	65	9,310	9,245
Fund Balance, May 1, 2024	10,202	10,202	10,202	-
Fund Balance, April 30, 2025	\$ 10,267	\$ 10,267	\$ 19,512	\$ 9,245

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS**

**BUDGETARY COMPARISON SCHEDULES - MODIFIED CASH BASIS - GENERAL FUND
CEMETERY**

For the Year Ended April 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Other local sources				
Fees and fines	\$ 20,480	\$ 20,480	\$ 12,350	\$ (8,130)
Donations	55,500	55,500	58,904	3,404
	<u>75,980</u>	<u>75,980</u>	<u>71,254</u>	<u>(4,726)</u>
 Total Revenues	 <u>75,980</u>	 <u>75,980</u>	 <u>71,254</u>	 <u>(4,726)</u>
 Expenditures				
Current				
Social services				
Salaries and benefits	55,660	55,660	47,975	(7,685)
Contractual services	12,985	12,985	13,743	758
Small equipment / Commodities	5,605	5,605	2,973	(2,632)
Other	-	-	150	150
Capital Outlay	<u>1,500</u>	<u>1,500</u>	<u>1,350</u>	<u>(150)</u>
 Total Expenditures	 <u>75,750</u>	 <u>75,750</u>	 <u>66,191</u>	 <u>(9,559)</u>
 Excess (Deficiency) of Revenues over Expenditures	 230	 230	 5,063	 4,833
 Other Financing Sources (Uses)				
Transfers (to) from other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Excess (Deficiency) of Revenues over Expenditures and Other Financing Sources (Uses)	 230	 230	 5,063	 4,833
 Fund Balance, May 1, 2024	 <u>1,091</u>	 <u>1,091</u>	 <u>1,091</u>	 <u>-</u>
 Fund Balance, April 30, 2025	 <u><u>\$ 1,321</u></u>	 <u><u>\$ 1,321</u></u>	 <u><u>\$ 6,154</u></u>	 <u><u>\$ 4,833</u></u>

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS**

**BUDGETARY COMPARISON SCHEDULES - MODIFIED CASH BASIS - GENERAL FUND
FIRE**

For the Year Ended April 30, 2025

	Budgeted Amount		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Local taxes				
Property tax	\$ 4,550	\$ 4,550	\$ 5,021	\$ 471
Utility tax	3,500	3,500	3,500	-
	<u>8,050</u>	<u>8,050</u>	<u>8,521</u>	<u>471</u>
Intergovernmental revenues				
Sales and use tax	8,975	8,975	9,481	506
Telecommunications tax	3,000	3,000	2,987	(13)
State income tax	18,610	18,610	35,910	17,300
	<u>30,585</u>	<u>30,585</u>	<u>48,378</u>	<u>17,793</u>
Other local sources				
Donations	10	10	-	(10)
	<u>10</u>	<u>10</u>	<u>-</u>	<u>(10)</u>
Total Revenues	<u>38,645</u>	<u>38,645</u>	<u>56,899</u>	<u>18,254</u>
Expenditures Disbursed				
Current				
Public safety				
Contractual services	15,790	15,790	29,551	13,761
Small equipment / Commodities	10,395	10,395	4,858	(5,537)
Capital outlay	<u>12,305</u>	<u>12,305</u>	<u>-</u>	<u>(12,305)</u>
Total Expenditures	<u>38,490</u>	<u>38,490</u>	<u>34,409</u>	<u>(4,081)</u>
Excess (Deficiency) of Revenues over Expenditures	155	155	22,490	22,335
Other Financing Sources (Uses)				
Transfers (to) from other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures and Other Financing Sources (Uses)	155	155	22,490	22,335
Fund Balance, May 1, 2024	<u>222</u>	<u>222</u>	<u>222</u>	<u>-</u>
Fund Balance, April 30, 2025	<u>\$ 377</u>	<u>\$ 377</u>	<u>\$ 22,712</u>	<u>\$ 22,335</u>

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS**

**BUDGETARY COMPARISON SCHEDULES - MODIFIED CASH BASIS - GENERAL FUND
PARKS**

For the Year Ended April 30, 2025

	Budgeted Amount		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Local taxes				
Property tax	\$ 4,550	\$ 4,550	\$ 5,021	\$ 471
Utility tax	2,900	2,900	12,804	9,904
	<u>7,450</u>	<u>7,450</u>	<u>17,825</u>	<u>10,375</u>
Intergovernmental revenues				
Sales and use tax	10,140	10,140	11,113	973
Telecommunications tax	2,845	2,845	3,196	351
State income tax	7,000	7,000	7,000	-
Replacement tax	750	750	750	-
	<u>20,735</u>	<u>20,735</u>	<u>22,059</u>	<u>1,324</u>
Other local sources				
Donations	5,000	5,000	3,088	(1,912)
Miscellaneous	5,000	5,000	625	(4,375)
	<u>10,000</u>	<u>10,000</u>	<u>3,713</u>	<u>(6,287)</u>
Total Revenues	<u>38,185</u>	<u>38,185</u>	<u>43,597</u>	<u>5,412</u>
Expenditures				
Current				
Culture and recreation				
Salaries and benefits	27,975	27,975	22,352	(5,623)
Contractual services	11,480	11,480	6,939	(4,541)
Small equipment / Commodities	4,730	4,730	11,754	7,024
Other	100	100	-	(100)
Capital outlay	<u>2,000</u>	<u>2,000</u>	<u>1,000</u>	<u>(1,000)</u>
Total Expenditures	<u>46,285</u>	<u>46,285</u>	<u>42,045</u>	<u>(4,240)</u>
Excess (Deficiency) of Revenues over Expenditures	(8,100)	(8,100)	1,552	9,652
Other Financing Sources (Uses)				
Transfers (to) from other funds	<u>8,100</u>	<u>8,100</u>	<u>-</u>	<u>(8,100)</u>
Excess (Deficiency) of Revenues over Expenditures and Other Financing Sources (Uses)	-	-	1,552	1,552
Fund Balance, May 1, 2024	<u>3,001</u>	<u>3,001</u>	<u>3,001</u>	<u>-</u>
Fund Balance, April 30, 2025	<u>\$ 3,001</u>	<u>\$ 3,001</u>	<u>\$ 4,553</u>	<u>\$ 1,552</u>

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS**

**BUDGETARY COMPARISON SCHEDULES - MODIFIED CASH BASIS - GENERAL FUND
POLICE**

For the Year Ended April 30, 2025

	Budgeted Amount		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Local taxes				
Property tax	\$ 20,860	\$ 20,860	\$ 22,362	\$ 1,502
Utility tax	20,000	20,000	9,923	(10,077)
	<u>40,860</u>	<u>40,860</u>	<u>32,285</u>	<u>(8,575)</u>
Intergovernmental revenues				
Sales and use tax	44,385	44,385	45,783	1,398
Telecommunications tax	5,000	5,000	728	(4,272)
State income tax	108,205	108,205	89,468	(18,737)
Replacement tax	6,240	6,240	2,750	(3,490)
Video gaming tax	-	-	8,604	8,604
	<u>163,830</u>	<u>163,830</u>	<u>147,333</u>	<u>(16,497)</u>
Other local sources				
Fees and fines	3,350	3,350	1,396	(1,954)
Interest	-	-	632	632
Donations	10	2,710	-	(2,710)
Miscellaneous	3,290	590	5,076	4,486
	<u>6,650</u>	<u>6,650</u>	<u>7,104</u>	<u>454</u>
Total Revenues	<u>211,340</u>	<u>211,340</u>	<u>186,722</u>	<u>(24,618)</u>
Expenditures				
Current				
Public safety				
Salaries and benefits	201,700	201,700	100,426	(101,274)
Contractual services	46,755	46,755	32,715	(14,040)
Small equipment / Commodities	9,600	9,600	3,543	(6,057)
Other	-	-	2,296	2,296
Capital outlay	1,000	1,000	15,000	14,000
Total Expenditures	<u>259,055</u>	<u>259,055</u>	<u>153,980</u>	<u>(105,075)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(47,715)</u>	<u>(47,715)</u>	<u>32,742</u>	<u>80,457</u>
Other Financing Sources (Uses)				
Transfers (to) from other funds	46,000	46,000	30,000	(16,000)
	<u>46,000</u>	<u>46,000</u>	<u>30,000</u>	<u>(16,000)</u>
Excess (Deficiency) of Revenues over Expenditures and Other Financing Sources (Uses)	<u>(1,715)</u>	<u>(1,715)</u>	<u>62,742</u>	<u>64,457</u>
Fund Balance, May 1, 2024	<u>15,507</u>	<u>15,507</u>	<u>15,507</u>	<u>-</u>
Fund Balance, April 30, 2025	<u>\$ 13,792</u>	<u>\$ 13,792</u>	<u>\$ 78,249</u>	<u>\$ 64,457</u>

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS**

**BUDGETARY COMPARISON SCHEDULES - MODIFIED CASH BASIS - GENERAL FUND
STREETS**

For the Year Ended April 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Local taxes				
Property tax	\$ 10,135	\$ 10,135	\$ 10,932	\$ 797
Utility tax	14,200	14,200	23,189	8,989
	<u>24,335</u>	<u>24,335</u>	<u>34,121</u>	<u>9,786</u>
Intergovernmental revenues				
Sales and use tax	47,300	47,300	40,191	(7,109)
Telecommunications tax	1,820	1,820	1,536	(284)
State income tax	41,000	41,000	54,287	13,287
Replacement tax	2,805	2,805	2,922	117
	<u>92,925</u>	<u>92,925</u>	<u>98,936</u>	<u>6,011</u>
Other local sources				
Fees and fines	112,700	112,700	110,790	(1,910)
Miscellaneous	19,000	19,000	100	(18,900)
	<u>131,700</u>	<u>131,700</u>	<u>110,890</u>	<u>(20,810)</u>
Total Revenues	<u>248,960</u>	<u>248,960</u>	<u>243,947</u>	<u>(5,013)</u>
Expenditures				
Current				
Public works and transportation				
Salaries and benefits	116,500	116,500	102,039	(14,461)
Contractual services	142,195	142,195	108,674	(33,521)
Small equipment / Commodities	15,700	15,700	9,248	(6,452)
Other	35	35	97	62
Capital outlay	<u>1,500</u>	<u>1,500</u>	<u>8,935</u>	<u>7,435</u>
Total Expenditures	<u>275,930</u>	<u>275,930</u>	<u>228,993</u>	<u>(46,937)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(26,970)</u>	<u>(26,970)</u>	<u>14,954</u>	<u>41,924</u>
Other Financing Sources (Uses)				
Transfers (to) from other funds	<u>27,000</u>	<u>27,000</u>	<u>-</u>	<u>(27,000)</u>
Excess (Deficiency) of Revenues over Expenditures and Other Financing Sources (Uses)	<u>30</u>	<u>30</u>	<u>14,954</u>	<u>14,924</u>
Fund Balance, May 1, 2024	<u>11,210</u>	<u>11,210</u>	<u>11,210</u>	<u>-</u>
Fund Balance, April 30, 2025	<u><u>\$ 11,240</u></u>	<u><u>\$ 11,240</u></u>	<u><u>\$ 26,164</u></u>	<u><u>\$ 14,924</u></u>

SCHEDULE OF FINDINGS AND RESPONSES

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND RESPONSES
For the year ended April 30, 2025**

Finding No. 2025-001 – Oversight for Drafting Financial Statements

Criteria/Specific Requirement:

The Village is required to maintain a system of controls over the preparation of financial statements, including footnotes and the schedule of expenditures of federal awards, in accordance with the modified cash basis of accounting. The Village's internal controls over the modified cash basis financial reporting should include adequately trained personnel with the knowledge, skills and experience to prepare modified cash basis financial statements and include all disclosures as required by the Governmental Accounting Standards Board (GASB).

GASB Statement No. 34, *Basic Financial Statements - Management's Discussion and Analysis - for State and Local Governments* (Statement), requires governments to present government-wide and fund financial statements as well as a summary reconciliation of the (a) total governmental funds balances to the net position of governmental activities in the Statement of Net Position, and (b) total change in governmental fund balances to the change in the net position of governmental activities in the Statement of Activities. In addition, the Statement requires information about the government's major and nonmajor funds in the aggregate, to be provided in the fund financial statements.

Condition:

The Village does not have sufficient internal controls over the financial reporting process. While the Village maintains controls over the processing of most accounting transactions, such as the governmental fund and proprietary fund financial statements, there are not sufficient controls over the preparation of modified cash basis financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect financial statement misstatements and disclosure omissions in a timely manner.

Effect:

The Village's management or employees, in the normal course of performing their assigned functions, may not prevent or detect financial statement misstatements and disclosure omissions in a timely manner.

Cause:

Lack of technical training. Prior auditing standards did not require an entity's accounting personnel or members of management to possess the level of technical expertise that is currently required by standards.

Recommendation:

As part of internal control over the preparation of financial statements, the Village should implement comprehensive preparation procedures to ensure that the financial statements are complete and accurate. These procedures should be performed by a properly trained individual possessing a thorough understanding of the applicable modified cash, GAAP, and GASB pronouncements, and knowledge of the Village's activities and operations. This could include providing additional training to the Village's current accounting personnel, as well as, trying to attract an individual with a higher level accounting background to serve as a Village Trustee.

Management's Response:

Management agrees with this finding.

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
For the year ended April 30, 2025**

Finding No. 2025-001 – Oversight for Drafting Financial Statements (Concluded)

Corrective Action Plan:

The Village accepts the degree of risk associated with this condition. The increased expense to seek additional accounting staff with the appropriate skills and expertise to draft the complete financial statements would take away from the funds available to provide services to the citizens of the Village.

Anticipated Date of Completion:

Not Applicable

Name of Contact Person:

Larry Hackethal, Village President

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
For the year ended April 30, 2025**

Finding No. 2025-002 – Inadequate Internal Controls

Criteria/Specific Requirement:

The Village is responsible for establishing and maintaining an internal control system over receipts and disbursements to prevent unintentional or intentional errors, misappropriations of assets, and fraud.

Condition:

The following deficiencies were noted during our review of internal control:

- a) Inadequate segregation of duties exist over cash/check receipts as almost all cash/check receipt process procedures are performed by the Village clerks with no review.
- b) The accounting software used for utility billings and payroll is not integrated with the general accounting software. Inadequate segregation of duties exist over utility revenue and payroll, as someone independent of recording utility billings and payroll does not reconcile the entries made into the general ledger accounting software.
- c) Journal entries are not reviewed and/or approved by anyone independent of the journal entry process.

Effect:

Risk of loss due to intentional or unintentional error.

Cause:

Management's oversight of internal controls.

Recommendation:

The Village should formally segregate duties between the Clerk and the Deputy Clerk and, where appropriate, members of the Board of Trustees, in order to allow for proper checks and balances of the day to day operations. In addition, the Village Treasurer should review and document approval on all journal entries. The Village should also have an individual independent of recording utility billings and payroll reconcile these entries into the general accounting software.

Management's Response:

Management agrees with this finding.

Corrective Action Plan:

The Village accepts the degree of risk associated with this condition. The increased expense to seek additional accounting staff with the appropriate skills and expertise to perform the procedures above would take away from the funds available to provide services to the citizens of the Village.

Anticipated Date of Completion:

Not Applicable

Name of Contact Person:

Larry Hackethal, Village President

**VILLAGE OF COBDEN
UNION COUNTY, ILLINOIS
SCHEDULE OF FINDINGS AND RESPONSES (CONCLUDED)
For the year ended April 30, 2025**

Finding No. 2025-003 – Economic Interest Statements

Criteria/Specific Requirement:

Chapter 5 section 420/4A-101 of the *Illinois Compiled Statutes* requires that certain persons employed by the Village or persons who are elected to hold an office of the Village file an economic interest statement annually with the County Clerk's office.

Condition:

The Village Clerk appropriately notified the County Clerk of those who are required to file. The County Clerk has the responsibility of notifying the individual and obtaining the economic interest statement from each by the filing due date. Based on the audit procedures performed, it was determined that four (4) of the twenty (20) Village employees and officials failed to file such statements with the County Clerk's office by year-end.

Effect:

Failure to file this statement subjects the individuals to potential fines and jeopardizes their elected office or position of employment with the Village.

Cause:

Failure to file is due to an apparent oversight by certain Village officials & personnel who are required to file.

Recommendation:

The Village, in conjunction with the County Clerk, should take the necessary steps to ensure that all economic interest statements are correctly and timely filed. One recommendation would be for the Village to consider having all applicable individuals sign the economic interest statements at the same time, such as at a board meeting, and then submit all of the forms together to ensure all filings are made in a timely manner.

Management's Response:

Management agrees with this finding.

Corrective Action Plan:

The Village will take the necessary steps to ensure that all economic interest statements are correctly and timely filed.

Anticipated Date of Completion:

April 30, 2026

Name of Contact Person:

Larry Hackethal, Village President