



44 N. Walkup Ave.  
Crystal Lake, IL 60014  
T: 815-459-0700  
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Accounting • Auditing • Consulting

# Elgin Township, Illinois

Annual Financial Report  
For the Year Ended March 31, 2022

# ELGIN TOWNSHIP, ILLINOIS

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*Year Ended March 31, 2022*

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# ELGIN TOWNSHIP, ILLINOIS

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*Year Ended March 31, 2022*

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## INDEPENDENT AUDITOR'S REPORT

To the Township Supervisor and  
the Members of the Elgin Township Board  
Elgin, Illinois

### Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Elgin Township, Illinois, as of and for the year ended March 31, 2022, and the related notes to the financial statements, which collectively comprise Elgin Township's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Elgin Township, as of March 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Elgin Township, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation

and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### Auditor's Responsibilities for the Audit of the Financial Statements

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

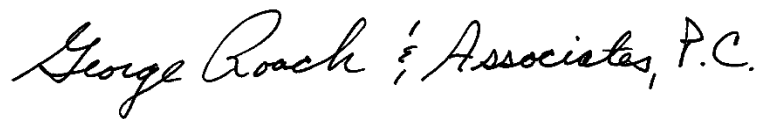
In performing an audit in accordance with generally accepted auditing standards, we:

- 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 Elgin Township'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 Elgin Township's ability to continue as a going concern for a reasonable period of time.

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

## Required Supplementary Information

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

A handwritten signature in black ink that reads "George Roach & Associates, P.C." in a cursive script.

George Roach & Associates, P.C.  
Crystal Lake, Illinois  
November 14, 2022

REQUIRED SUPPLEMENTARY INFORMATION

MANAGEMENT DISCUSSION  
AND ANALYSIS - UNAUDITED

## ELGIN TOWNSHIP, ILLINOIS

### MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2022

As management of Elgin Township, Illinois (Township), we offer readers of the Township's statements this narrative overview and analysis of the financial activities of the Township for the fiscal year ended March 31, 2022. The Management of the Township encourages the readers of this financial information presented in conjunction with the financial statements to obtain a better understanding of the Township's financial operations.

### FINANCIAL HIGHLIGHTS

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- The assets and deferred outflows of the Township exceeded its liabilities and deferred inflows at March 31, 2022 by \$7,503,199 (*net position*). Of this amount, \$2,164,147 (*unrestricted net position*) may be used to meet the Township's ongoing obligations to citizens and creditors.
- The Township's total net position increased by \$988,757.
- At March 31, 2022, the Township's governmental funds reported combined ending fund balances of \$2,774,730, an increase of \$265,618 from the prior year.
- At March 31, 2022, the fund balance for the Town Fund was \$2,129,290, an increase of \$306,578 from the prior year.
- The Township's total net fixed assets increased by \$294,497 during the year ended March 31, 2022.

### OVERVIEW OF THE FINANCIAL STATEMENTS

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This discussion and analysis are intended to serve as an introduction to the Township's basic financial statements. The Township's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic financial statements, this report also contains required supplementary information and additional information.

#### Government-wide financial statements

The government-wide financial statements are prepared using the full accrual basis of accounting and are designed to provide readers with a broad overview of the Township's finances, in a manner similar to private-sector businesses.



## ELGIN TOWNSHIP, ILLINOIS

### MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2022

#### OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

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The statement of net position presents financial information on all of the Township's assets and liabilities plus deferred inflows, with the difference between the two reported as net position.

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Township is improving or deteriorating.

The statement of activities presents information showing how the Township's net position changed during the most recent fiscal year.

Both of the government-wide financial statements distinguish functions of the Township that are principally supported by property taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover a portion of the costs through user fees and charges. The governmental activities of the Township include general government, services for youth and family, seniors, general assistance and mental health, and road and bridge projects.

#### Fund financial statements

All of the funds of the Township are governmental funds. The Fund financial statements are prepared using the modified accrual basis of accounting. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. The Fund financial statements report the Township's operations in more detail than the government-wide statements by providing information about the Township's two funds and one component unit (road and bridge).

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and government-wide activities.

#### Notes to the financial statements

Notes to the financial statements provide additional information that is essential to a full understanding of the information provided in the basic financial statements. Required supplementary information consists of more detailed data on budget to actual revenues and expenditures.

## ELGIN TOWNSHIP, ILLINOIS

### MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2022

## OVERVIEW OF THE FINANCIAL STATEMENTS (CONCLUDED)

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### Required Supplementary Information

In addition to the basic financial statements and the accompanying notes, this report also presents certain required supplementary information concerning Elgin Township's progress in funding its obligation to provide pension benefits to its employees. Additionally, required supplementary information regarding a statement of revenues, expenditures, and changes in fund balance - budget vs. actual for each major fund is presented in this section.

The Township adopts an annual budget for all funds except the Motor Fuel Tax fund which is managed and administered by the county on behalf of the Township. A budgetary comparison statement has been provided for the Town Fund and other governmental funds to demonstrate compliance with the budget.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

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As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Township, assets and deferred outflows exceeded liabilities and deferred inflows by \$7,503,199 for the year ended March 31, 2022. A portion of the Township's net position reflects its investment in capital assets; \$4,381,671. The Township uses these capital assets to provide services, and consequently these assets are not available to liquidate liabilities or for other spending. The remaining net position balance is \$3,121,528, of which \$957,381 is restricted and \$2,164,147 is unrestricted.

### Elgin Township Net Position

	<b>Governmental</b>
	<b>Activities</b>
	<u>3/31/2022</u>
Current and Other Assets	\$ 8,382,357
Fixed Assets	<u>4,381,671</u>
<b>Total Assets</b>	<b><u>\$ 12,764,028</u></b>
Liabilities	\$ 45,782
<b>Total Liabilities</b>	<b><u>45,782</u></b>
<b>Deferred Inflow</b>	<b><u>5,215,047</u></b>
<b>Net Position:</b>	
Net Investment in Capital Assets	4,381,671
Restricted	957,381
Unrestricted	<u>2,164,147</u>
<b>Total Net Position</b>	<b><u>\$ 7,503,199</u></b>

## ELGIN TOWNSHIP, ILLINOIS

### MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2022

An additional portion of the Township's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unassigned net position (\$2,164,147) may be used to meet the Township's ongoing obligations to citizens and creditors.

#### Governmental activities

Governmental activities increased the Township's net position by \$988,757.

Key elements of the increase to net position by governmental activities is as follows:

<b>Elgin Township Changes in Net Position</b>	
	<b>Governmental Activities</b>
	<u>3/31/2022</u>
<b>Revenues</b>	
Program Revenues	
Charges for Services	\$ 6,779
General Revenues	
Property Taxes	3,322,084
Replacement Taxes	413,064
TOIRMA Refunds	4,918
Interest	8,325
Other Income	19,775
<b>Total Revenues</b>	<u>3,774,945</u>
<b>Expenses</b>	
General Government	964,966
Community Assistance and Services	285,516
Assessor	406,232
Programming	471,304
Road and Bridge	498,287
Unallocated Depreciation	159,883
<b>Total Expenses</b>	<u>2,786,188</u>
<b>Increase/(Decrease) in Net Assets</b>	988,757
<b>Net Position - Beginning of Year</b>	6,514,442
<b>Net Position - End of Year</b>	<u><u>\$ 7,503,199</u></u>

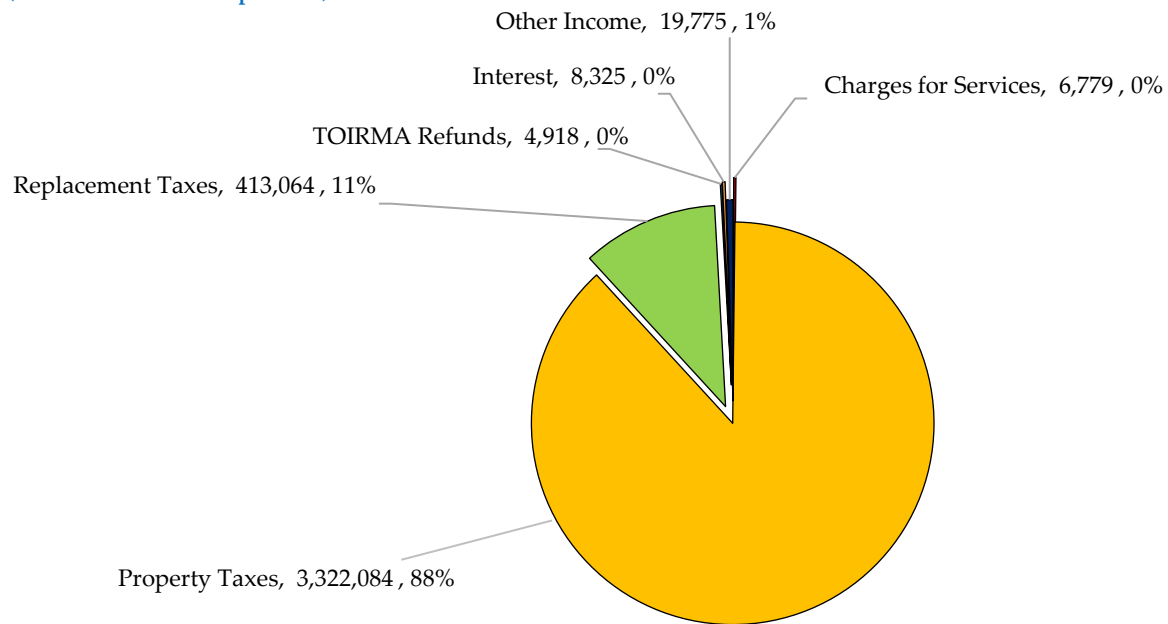
## ELGIN TOWNSHIP, ILLINOIS

### MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2022

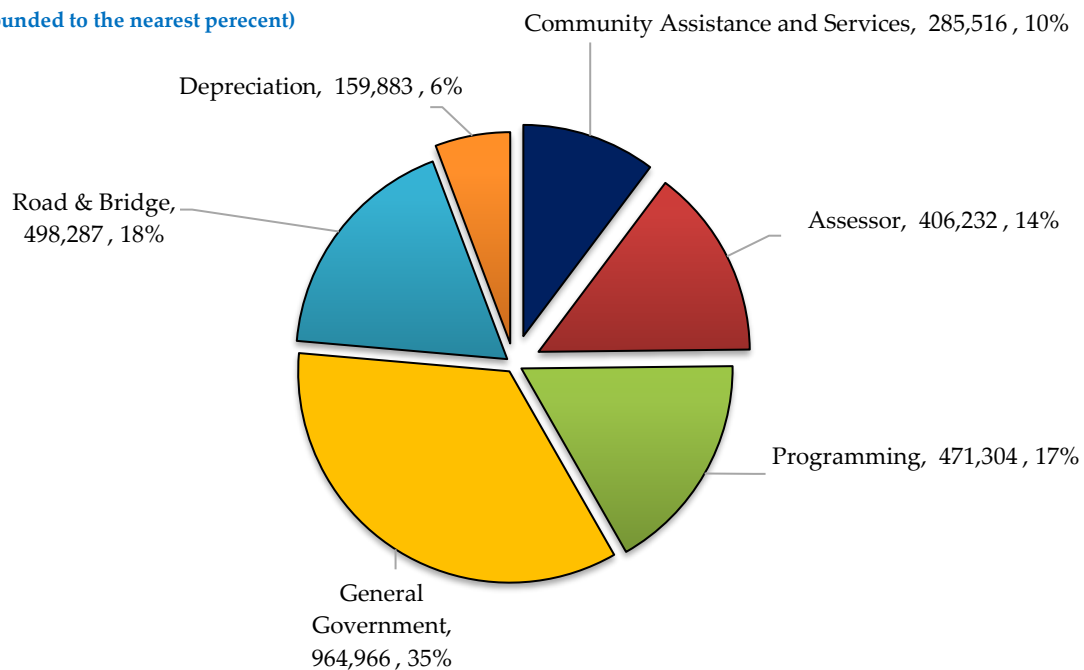
## 2022 REVENUES

(rounded to the nearest percent)



## 2022 EXPENSES

(rounded to the nearest percent)



## ELGIN TOWNSHIP, ILLINOIS

### MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2022

#### FINANCIAL ANALYSIS OF THE TOWNSHIP'S FUNDS

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As noted earlier, the Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

##### Governmental funds

The focus of the Township's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Township's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Township's net resources available for spending at the end of the fiscal year.

At March 31, 2022, the Township's governmental funds reported combined ending fund balances of \$2,774,730, an increase of \$265,618 in comparison with the prior year.

The Town Fund is the chief operating fund of the Township. At March 31, 2022, the fund balance of the Town Fund was \$2,129,290. This represents an increase of \$306,578, compared to the prior fiscal year.

##### Town Fund Budgetary Highlights

Expenditures in the Town Fund of \$2,201,353, were under revenues by \$306,578 and was \$516,831 less than the appropriation of \$2,718,184.

#### CAPITAL ASSETS

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The Township's capital fixed assets for its governmental activities as of March 31, 2022, amount to \$4,381,671 (net of accumulated depreciation). This investment in fixed assets includes land, roads and improvements, buildings and improvements, vehicles, and other equipment.

## ELGIN TOWNSHIP, ILLINOIS

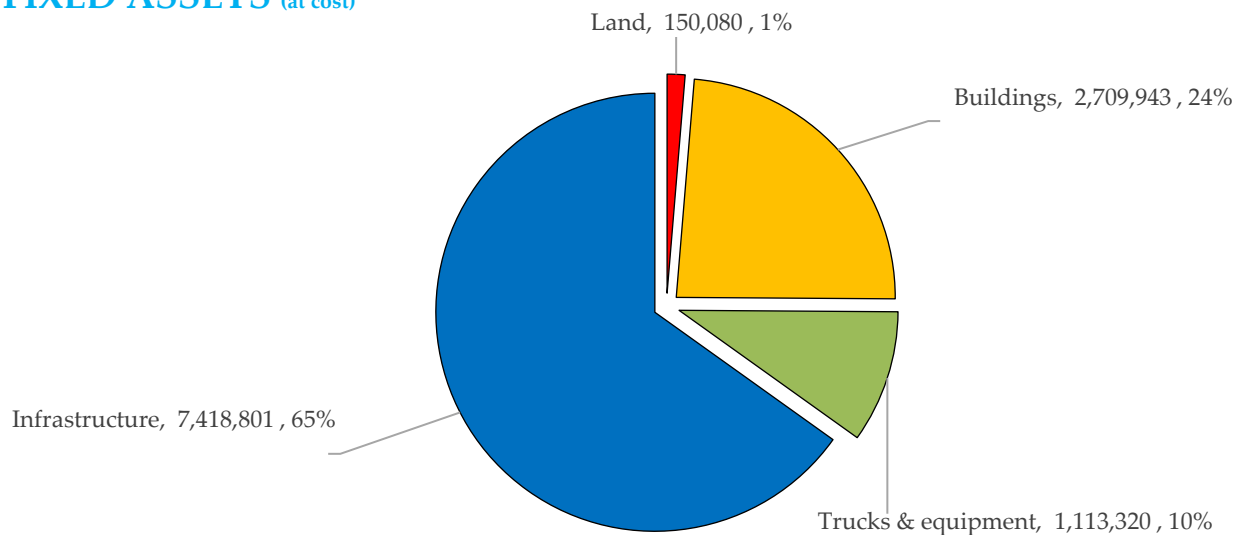
### MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2022

Major fixed asset events during the current fiscal year included the following:

	Balance April 1, 2021	Increases	Decreases	Balance March 31, 2022
<b>Fixed Assets</b>				
Land	\$ 150,080	\$ -	\$ -	\$ 150,080
Buildings	2,709,943	-	-	2,709,943
Trucks & equipment	1,113,320	-	-	1,113,320
Infrastructure	6,964,421	454,380	-	7,418,801
<b>Total Fixed Assets</b>	10,937,764	454,380	-	11,392,144
Less: Accumulated Depreciation	6,850,590	159,883	-	7,010,473
<b>Fixed Assets (Net)</b>	<u>\$ 4,087,174</u>	<u>\$ 294,497</u>	<u>\$ -</u>	<u>\$ 4,381,671</u>

### FIXED ASSETS (at cost)



### ECONOMIC FACTORS AND PROPERTY TAXES

The equalized assessed valuation (EAV) of the Township for 2021 is \$2,405,069,791. That represents an increase in EAV of \$130,419,141 over the prior year's EAV. Taxes recorded in these financial statements are from the 2020 levy. A summary of the assessed valuations and extensions for tax years 2021, 2020, and 2019 is as follows:

## ELGIN TOWNSHIP, ILLINOIS

### MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2022

TAX LEVY YEAR	2021	2020	2019
<b>Assessed Valuation</b>			
Kane County	\$ 2,405,069,791	\$ 2,274,650,650	\$ 2,232,405,557

#### Tax Rates and Percentage Allocations by Fund

Funds	Rate	Percentage	Rate	Percentage	Rate	Percentage
Corporate	0.074915	43.75%	0.077551	43.67%	0.081313	44.12%
IMRF Town Fund	0.003230	1.89%	0.003365	1.89%	0.003528	1.91%
Public Assistance	0.006458	3.77%	0.006728	3.79%	0.007054	3.83%
Senior Citizens Services	0.018467	10.78%	0.019231	10.83%	0.020163	10.94%
Road & Bridge	0.064211	37.50%	0.066567	37.49%	0.067991	36.89%
IMRF Road Fund	0.000893	0.52%	0.000926	0.52%	0.000945	0.51%
Liability Insurance	0.002346	1.37%	0.002431	1.37%	0.002482	1.35%
Social Security	0.000730	0.43%	0.000776	0.44%	0.000832	0.45%
<b>Totals</b>	<b>0.171250</b>	<b>100%</b>	<b>0.177575</b>	<b>100%</b>	<b>0.184308</b>	<b>100%</b>

#### Property Tax Extensions

Funds	2021	2020	2019
Corporate	\$ 1,811,042	\$ 1,764,014	\$ 1,764,010
IMRF Town Fund	77,684	76,542	76,537
Public Assistance	155,319	153,039	153,030
Senior Citizens Services	444,144	437,438	437,418
Road & Bridge	1,550,452	1,514,167	1,475,002
IMRF Road Fund	21,477	21,063	20,501
Liability Insurance	56,423	55,297	53,845
Social Security	17,557	17,651	18,049
<b>Totals</b>	<b>\$ 4,134,098</b>	<b>\$ 4,039,211</b>	<b>\$ 3,998,392</b>

## ELGIN TOWNSHIP, ILLINOIS

### MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

*Year Ended March 31, 2022*

#### Description of Current or Expected Conditions

Currently, management is not aware of any other significant changes in conditions that could have a significant effect on the financial position or results of activities of the Township in the near future. However, management continues to monitor items that may impact future receipts, especially noting a potential decline in state funds as well as losses due to the tax cap.

#### Requests for Information

This financial report is designed to provide a general overview of the Township's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Supervisor, Elgin Township, 1039 Lake Avenue, Woodstock, Illinois, 60098.



## BASIC FINANCIAL STATEMENTS

# ELGIN TOWNSHIP, ILLINOIS

## Government-wide Statement of Net Position

March 31, 2022

<b>Assets</b>	
Cash	\$ 2,628,361
Property tax receivable	4,102,909
Net pension asset	1,470,382
Due from other governments	180,705
Fixed assets, net of depreciation (\$7,010,473)	4,381,671
<b>Total Assets</b>	<b>\$ 12,764,028</b>

<b>Liabilities</b>	
<b>Current</b>	
Accounts payable	\$ 34,336
<b>Noncurrent</b>	
Compensated absences	11,446
<b>Total Liabilities</b>	<b>45,782</b>

<b>Deferred Inflow - Pension</b>	1,112,138
<b>Deferred Inflow - Property taxes</b>	4,102,909
<b>Total Deferred Inflows</b>	<b>5,215,047</b>

<b>Net Position</b>	
Net investment in capital assets	4,381,671
Restricted - general road & bridge	124,572
Restricted - permanent road & bridge	832,809
Unrestricted	2,164,147
<b>Total Net Position</b>	<b>\$ 7,503,199</b>

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

# ELGIN TOWNSHIP, ILLINOIS

## Government-wide Statement of Activities and Changes in Net Position

Year Ended March 31, 2022

Functions/Programs	Program Revenues			Net (Expense) Revenue & Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities</b>				
General Government	\$ 964,966	\$ 6,779	\$ -	\$ -
General Assistance	285,516	-	-	-
Assessor	406,232	-	-	-
Programming	471,304	-	-	-
Road & Bridge	498,287	-	-	-
Unallocated depreciation	159,883	-	-	-
<b>Total Governmental Activities</b>	<b>\$ 2,786,188</b>	<b>\$ 6,779</b>	<b>\$ -</b>	<b>\$ -</b>
<b>General Revenues:</b>				
Property tax				3,322,084
Replacement tax				413,064
TOIRMA refunds				4,918
Miscellaneous revenue				19,775
Investment income				8,325
<b>Total Revenues</b>				<b>3,768,166</b>
Changes in Net Position				988,757
Net Position Beginning of Year				6,514,442
<b>Total Net Position</b>				<b>\$ 7,503,199</b>

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

# ELGIN TOWNSHIP, ILLINOIS

## Governmental Fund Types - Balance Sheet

March 31, 2022

	Town Fund	General Assistance Fund	IMRF Fund	Permanent Road & Bridge Fund	Total
<b>Assets</b>					
Cash	\$ 2,144,492	\$ -	\$ 124,572	\$ 659,229	\$ 2,928,293
Due from other governmental units	-	-	-	180,705	180,705
Property taxes receivable, current levy, net of allowance for loss	2,232,635	153,766	76,907	1,639,601	4,102,909
<b>Total Assets</b>	<u>\$ 4,377,127</u>	<u>\$ 153,766</u>	<u>\$ 201,479</u>	<u>\$ 2,479,535</u>	<u>\$ 7,211,907</u>
<b>Liabilities</b>					
Bank coverdrafts	-	299,932	-	-	299,932
Accounts payable	15,202	12,009	-	7,125	34,336
<b>Total Liabilities</b>	<u>15,202</u>	<u>311,941</u>	<u>-</u>	<u>7,125</u>	<u>334,268</u>
<b>Deferred Inflows - Property Taxes</b>	<u>2,232,635</u>	<u>153,766</u>	<u>76,907</u>	<u>1,639,601</u>	<u>4,102,909</u>
<b>Total Liabilities &amp; Deferred Inflows</b>	<u>2,247,837</u>	<u>465,707</u>	<u>76,907</u>	<u>1,646,726</u>	<u>4,437,177</u>
<b>Fund Balance</b>					
Nonspendable	-	-	-	-	-
Restricted	-	-	124,572	832,809	957,381
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	2,129,290	(311,941)	-	-	1,817,349
<b>Total Fund Balance</b>	<u>2,129,290</u>	<u>(311,941)</u>	<u>124,572</u>	<u>832,809</u>	<u>2,774,730</u>
<b>Total Liabilities, Deferred Inflows &amp; Fund Balance</b>	<u>\$ 4,377,127</u>	<u>\$ 153,766</u>	<u>\$ 201,479</u>	<u>\$ 2,479,535</u>	<u>\$ 7,211,907</u>

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

## ELGIN TOWNSHIP, ILLINOIS

### *Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position*

*Year Ended March 31, 2022*

#### RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

<b>Total Governmental Fund Balances</b>	<b>\$ 2,774,730</b>
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Amount net of depreciation	
Capital assets net of accumulated depreciation	4,381,671
Pension liabilities, deferred pension outflows and deferred pension inflows are not recorded in the fund statements but are included	
Net pension asset/(liability)	1,470,382
Deferred IMRF pension inflow	(1,112,138)
Other employee benefit obligation accruals are not reported in funds.	<u>(11,446)</u>
<b>Total Net Position of Governmental Activities</b>	<b><u><u>\$ 7,503,199</u></u></b>

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

# ELGIN TOWNSHIP, ILLINOIS

## Governmental Fund Types - Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended March 31, 2022

	Town Fund	General Assistance Fund	IMRF Fund	General Road & Bridge Fund	Total
<b>Revenues</b>					
Property taxes	\$ 2,196,254	\$ 152,586	\$ 76,314	\$ 896,930	\$ 3,322,084
Replacement taxes	285,305	-	-	127,759	413,064
TOIRMA refunds	4,918	-	-	-	4,918
Passport income	6,349	-	-	430	6,779
Interest income	8,325	-	-	-	8,325
Miscellaneous revenue	6,780	6,058	-	6,937	19,775
<b>Total Revenues</b>	<b>2,507,931</b>	<b>158,644</b>	<b>76,314</b>	<b>1,032,056</b>	<b>3,774,945</b>
<b>Expenditures</b>					
Administrative	1,323,817	139,224	69,791	74,543	1,607,375
Assessor	406,232	-	-	-	406,232
Programming	471,304	-	-	-	471,304
Road maintenance	-	-	-	878,124	878,124
Home relief	-	145,092	-	-	145,092
Capital expenditures	-	1,200	-	-	1,200
<b>Total Expenditures</b>	<b>2,201,353</b>	<b>285,516</b>	<b>69,791</b>	<b>952,667</b>	<b>3,509,327</b>
<b>Net Change in Fund Balance</b>	<b>306,578</b>	<b>(126,872)</b>	<b>6,523</b>	<b>79,389</b>	<b>265,618</b>
<b>Fund Balance</b>					
Balance, beginning of year	1,822,712	(185,069)	118,049	753,420	2,509,112
<b>Total Fund Balance</b>	<b>\$ 2,129,290</b>	<b>\$ (311,941)</b>	<b>\$ 124,572</b>	<b>\$ 832,809</b>	<b>\$ 2,774,730</b>

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

# ELGIN TOWNSHIP, ILLINOIS

*Reconciliation of the Governmental Funds to the Statement of Activities*

*Year Ended March 31, 2022*

## RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION

<b>Net Change in Fund Balance</b>	<b>\$ 265,618</b>
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Governmental funds report capital outlays as expenditures;  
however for the Statement of Activities the amounts are  
capitalized and depreciation over their useful life.  
(amount shown is net of depreciation)

Net capital asset additions	294,497
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Governmental funds do not report the changes of non-current  
pension liabilities, deferred outflows or deferred inflows.

Pension (expense)/income	428,642
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<b>Changes in Net Position Governmental Funds</b>	<b><u>\$ 988,757</u></b>
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The accompanying notes are an integral part of these financial statements.

NOTES TO THE BASIC  
FINANCIAL STATEMENTS



# ELGIN TOWNSHIP, ILLINOIS

*Notes to the Basic Financial Statements*

*Year Ended March 31, 2022*

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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The accounting policies of Elgin Township, Illinois (Township) conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the significant accounting policies:

In June 1999, GASB issued Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. Certain significant changes in the Statement include the following:

- A Management's Discussion and Analysis (MD&A) section providing an analysis of the Township's overall financial position and results of operations.
- A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements).

## REPORTING ENTITY –

The Township is located in the City of Elgin, Illinois and is governed by a board. The Township is primarily funded through a tax levy, operating grants, fines and fees, and charitable donations. Revenue is used to operate and staff the Township. The accompanying general purpose financial statements have been prepared in accordance with criteria established by the Governmental Accounting Standards Board for determining the various governmental organizations to be included in the reporting entity. Based on the significance of any operational or financial relationships with the Township, there are no component units to be included in these financial statements.

## MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION –

The Township's basic financial statements include both government-wide (reporting the Township as a whole) and fund financial statements (reporting the Township's major funds).

The government-wide financial statements (i.e., the statement of net position and the statement of activities) are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

# ELGIN TOWNSHIP, ILLINOIS

*Notes to the Basic Financial Statements*

*Year Ended March 31, 2022*

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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The Statement of Net Position includes and recognizes all long-term assets and receivables as well as long-term debt and obligations. The Township's net position is reported in three parts – net investment in capital assets, restricted net position; and unassigned net position.

The Statement of Activities demonstrates the degree to which the direct expense of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes (1) charges to Township patrons who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meet the operational or capital requirements of a particular function or segment. Taxes and other items are not properly included among program revenues, and are reported instead as general revenue.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Township considers revenue to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgements are recorded only when payment is due.

Primary sources of revenue are property taxes, state-shared revenue, and interest associated with the current fiscal period. All are considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be available only when cash is received by the Township.

Program revenues include rental income, fees, and permits are reported as charges for services in the government-wide financial statements. Transportation grants are reported as operating grants in the government-wide financial statements unless specified by the grantor as capital grants.

The following fund types are used by the Township:

### Governmental Funds

**Town Fund** – The Town Fund is the general operating fund of the Township. It is used to account for all financial resources except those required to be accounted for in another fund.

**Special Revenue Funds** – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The General Assistance, Road & Bridge, Permanent Road & Bridge and Motor Fuel Tax Funds are all Special Revenue Funds.

# ELGIN TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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### THE TOWNSHIP REPORTS ALL THE FUNDS AS MAJOR GOVERNMENTAL FUNDS –

The Town Fund is the Township's primary operating fund. It accounts for all financial resources of the Township, except those required to be accounted for in another fund, while the Township Road & Bridge Fund accounts for the resources associated with taxes levied specifically for the maintenance of the Township's road and bridges.

### FINANCIAL STATEMENT AMOUNTS –

**Bank Deposits and Investments** - The Township has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value. The Township maintains a cash and investment pool which is available for use by the Town and General Assistance Funds.

The Township's investment policies are governed by state statutes. All funds are deposited in federally insured banks and savings and loans. The cash and investments reflected in the combined balance sheet consist of demand accounts and deposits in the Illinois Funds.

**Receivables and Payables** - In general, outstanding balances between funds are reported as "due to/from other funds." Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "advances to/from other funds."

All trade and property taxes receivable are shown net of an allowance for uncollectible amounts. Property taxes are levied on December 1st based on the taxable valuation of the property as of the preceding December 31st. The 2021 levy was passed by the Board on November 9, 2021.

**Capital Assets** - Capital assets are defined by the Township as assets with an initial cost of more than \$1,000 for General funds and \$10,000 for Road and Bridge funds and has an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost. Donated assets are reported at estimated fair market value at the date of donation. 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:

Building and improvements	10-50 years
Office equipment and furniture	5-10 years
Trucks and equipment	5-10 years
Infrastructure	50 years

# ELGIN TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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*Compensated Absences* - (Vacation and Sick Leave) - It is the Township's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. Accumulated vacation days only will be paid out by the Township when employees separate from service with the Township. A liability for these amounts is reported in the non-current liability portion of the government-wide Statement of Net Position.

*Long-term Obligations* - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. In the fund financial statements, debt issued is reported as another financing source and payments are reported as debt service expenditures.

The Township has a pension plan covering substantially all the full-time employees. Employees are covered by the Illinois Municipal Retirement Fund.

The budget represents departmental appropriations as authorized by the Township's appropriation ordinance and includes revisions authorized by the Township Board to reflect changes in departmental programs. At March 31, 2022, unexpended appropriations of the budgetary funds (town fund and special revenue funds) automatically lapse. The budget is prepared on the modified accrual basis. The 2021-2022 appropriations ordinance was adopted June 14, 2021 for the Town and June 14, 2021 for the Road & Bridge.

### FUND BALANCE CLASSIFICATION –

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Township is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

#### *Nonspendable* –

This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The Township has classified prepaid expenses as being Nonspendable.

#### *Restricted* –

This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

# ELGIN TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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Debt service resources are to be used for future servicing of the revenue note and are restricted through debt covenants. Infrastructure Projects are restricted by State Statute and County laws and are legally segregated for funding of infrastructure improvements.

### *Committed –*

This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Township Board. These amounts cannot be used for any other purpose unless the Township Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Township did not have any committed resources as of March 31, 2022.

### *Assigned –*

This classification includes amounts that are constrained by the Township's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Township Board or through the Township Board delegating this responsibility to the Township Supervisor through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the Town Fund.

### *Unassigned –*

This classification includes the residual fund balance for the Town Fund and the amount established for Minimum Funding which represents the portion of the Town Fund balance that has been established by the board to be used for debt service or in emergency situations.

The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The Township would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

The classifications used in the government-wide financial statements are as follows:

Net Investment in Capital Assets – consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.

Restricted Net Position - This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a

# ELGIN TOWNSHIP, ILLINOIS

*Notes to the Basic Financial Statements*

*Year Ended March 31, 2022*

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

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debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The Township's policy is to use restricted net position first, followed by unassigned, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

Unassigned Net Position – all other net position is reported in this category.

## IMPLEMENTATION OF GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) PRONOUNCEMENTS

GASB Statement No. 68 – In June 2012, the GASB issued Statement No. 68, Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27. The requirements of this Statement will improve the decision-usefulness of information in employer and governmental nonemployer contributing entity financial reports and will enhance its value for assessing accountability and interperiod equity by requiring recognition of the entire net pension liability and a more comprehensive measure of pension expense. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2014.

## NOTE – 2 CASH AND INVESTMENTS

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The Township's investment policies are governed by state statutes whereby Township money must be deposited in FDIC insured banks located within the state. Permissible investments include demand accounts and certificates of deposits. The carrying cash balance of the Township is \$2,628,361 and the bank balance is \$2,673,713. Of the bank balance in the Township's name, \$500,000 is FDIC insured, \$2,173,713 is collateralized for the Township in the bank's trust department.

Interest Rate Risk – The Township limits its interest rate risk by having demand deposits.

Custodial Credit Risk – The Township limits its credit risk by holding its deposits in FDIC insured institutions with collateral backing its deposits.

Concentration of Credit Risk - The Township places no limit on the amount held in any one institution.

# ELGIN TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

## NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT

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### IMRF PLAN DESCRIPTION

The Township'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 Township's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at [www.imrf.org](http://www.imrf.org).

### BENEFITS PROVIDED

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

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

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

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



# ELGIN TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

## NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

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### EMPLOYEES COVERED BY BENEFIT TERMS

As of December 31, 2021, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	35
Inactive Plan Members entitled to but not yet receiving benefits	11
Active Plan Members	14
<b>Total</b>	<b>60</b>

### CONTRIBUTIONS

As set by statute, the Township's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Township's annual contribution rate for calendar year 2021 was 10.5%. For the calendar year ended December, 2021, the Township contributed \$93,232 to the plan. The Township also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

### NET PENSION LIABILITY

The Township's net pension liability was measured as of December 31, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

### ACTUARIAL ASSUMPTIONS

The following are the methods and assumptions used to determine total pension liability at December 31, 2021:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.25%.
- **Salary Increases** were expected to be 2.85% to 13.75%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.



# ELGIN TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

## NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

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- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 2017 to 2019.
- For non-disabled retirees the Pub-2010 Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020.
- For **Disabled Retirees**, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- For **Active Members**, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both adjusted) tables, and future mortality improvements projected using scale MP-2020.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2021:

<b>Asset Class</b>	<b>Portfolio Target Percentage</b>	<b>Expected Real Rate of Return</b>
Domestic Equity	37%	4.50%
International Equity	18%	5.75%
Fixed Income	28%	2.00%
Real Estate	9%	5.90%
Alternative Investments	7%	4.30-8.10%
Cash Equivalents	1%	1.70%
Total	100%	

# ELGIN TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

## NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

### Executive Summary as of December 31, 2021

Actuarial Valuation Date	12/31/2021
Measurement Date of the Net Pension Liability	12/31/2021
Fiscal Year End	3/31/2022

#### Membership

Number of	
- Retirees and Beneficiaries	35
- Inactive, Non-Retired Members	11
- Active Members	14
- Total	60
Covered Valuation Payroll (1)	\$ 887,930

#### Net Pension Liability

Total Pension Liability/(Asset)	\$ 8,490,657
Plan Fiduciary Net Position	9,961,039
Net Pension Liability/(Asset)	\$ (1,470,382)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	117.32%
Net Pension Liability as a Percentage of Covered Valuation Payroll	(165.60%)

#### Development of the Single Discount Rate as of December 31, 2021

Long-Term Expected Rate of Investment Return	7.25%
Long-Term Municipal Bond Rate (2)	1.84%
Last year ending December 31 in the 2022 to 2121 projection period for which projected benefit payments are fully funded	2121
Resulting Single Discount Rate based on the above development	7.25%
Single Discount Rate calculated using December 31, 2020 Measurement Date	7.25%

<b>Total Pension Expense/(Income)</b>	<b>\$ (366,451)</b>
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#### Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 99,510	\$ 15,312
Changes in assumptions	-	23,115
Net difference between projected and actual earnings on pension plan investments	196,376	1,369,597
Total	\$ 295,886	\$ 1,408,024

(1) Does not necessarily represent Covered Employee Payroll as defined in GASB Statement Nos. 68.

(2) Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported to Fidelity Index's "20-Year Municipal Go AA Index" as of December 31, 2021. In describing this index, Fidelity notes that the municipal curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax exempt securities.

# ELGIN TOWNSHIP, ILLINOIS

*Notes to the Basic Financial Statements*

*Year Ended March 31, 2022*

## NOTE 3 - ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

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### SINGLE DISCOUNT RATE

A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 1.84%, and the resulting single discount rate is 7.25%.

### SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

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

# ELGIN TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

## NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

### Schedule of Changes in Net Pension Liability and Related Ratios - Current Period Calendar Year Ended December 31, 2021

#### A. Total pension liability

1. Service Cost	\$ 77,169
2. Interest on the Total Pension Liability	578,068
3. Changes of benefit terms	-
4. Difference between expected and actual experience of the Total Pension Liability	162,827
5. Changes of assumptions	-
6. Benefit payments, including refunds of employee contributions	(524,354)
7. Net change in total pension liability	293,710
8. Total pension liability – beginning	8,196,947
9. Total pension liability – ending	<u>\$ 8,490,657</u>

#### B. Plan fiduciary net position

1. Contributions – employer	\$ 93,232
2. Contributions – employee	39,957
3. Net investment income	1,483,314
4. Benefit payments, including refunds of employee contributions	(524,354)
5. Other (Net Transfer)	79,510
6. Net change in plan fiduciary net position	1,171,659
7. Plan fiduciary net position – beginning	8,789,380
8. Plan fiduciary net position – ending	<u>\$ 9,961,039</u>

#### C. Net pension liability/(asset)

\$ (1,470,382)

#### D. Plan fiduciary net position as a percentage of the total pension liability

117.32%

#### E. Covered Valuation payroll

\$ 887,930

#### F. Net pension liability as a percentage of covered valuation payroll

(165.60%)

*Does not necessarily represent Covered Employee Payroll as defined in GASB Statement No. 68.*

### Sensitivity of Net Pension Liability/(Asset) to the Single discount rate Assumption

	1% Decrease 6.25%	Current Single Discount Rate Assumption 7.25%	1% Increase 8.25%
Total Pension Liability	\$ 9,359,015	\$ 8,490,657	\$ 7,788,336
Plan Fiduciary Net Position	9,961,039	9,961,039	9,961,039
Net Pension Liability/(Asset)	<u>\$ (602,024)</u>	<u>\$ (1,470,382)</u>	<u>\$ (2,172,703)</u>

# ELGIN TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

## NOTE 3 - ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

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

For the year ended March 31, 2022, the Township recognized pension income of \$366,451. At March 31, 2022, the Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>Deferred Amounts Related to Pensions</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual	\$ 99,510	\$ 15,312
Changes of assumptions	-	23,115
Net difference between projected and actual earnings on pension plan investments	196,376	1,369,597
Total Deferred Amounts to be recognized in pension expense in future periods	295,886	1,408,024
<i>Pension Contributions made subsequent to the Measurement Date</i>	29,937	-
<b>Total Deferred Amounts Related to Pensions</b>	<b>\$ 265,949</b>	<b>\$ 1,408,024</b>

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

<b>Year Ending December 31</b>	<b>Net Deferred Outflows of Resources</b>
2022	\$ (232,272)
2023	(417,346)
2024	(291,043)
2025	(171,477)
2026	-
Thereafter	-
<b>Total</b>	<b>\$ (1,112,138)</b>

# ELGIN TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

## NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

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

#### Valuation Date:

December 31, 2021

Notes

Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior contributions are reported.

#### Methods and Assumptions Used to Determine 2021 Contribution Rates:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 23-year closed period Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 18 years for most employers (five employers were financed over 18 years; one employer was financed over 19 years; two employers were financed over 20 years; three employers were financed over 26 years; four employers were financed over 27 years and one employer was financed over 28 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	3.25%
Price Inflation	2.50%
Salary Increases	3.35% to 14.25% including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (based on 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
Other Information:	
Notes	

There were no benefit changes during the year

\* Based on Valuation Assumptions used in the December 31, 2019 actuarial valuation

# ELGIN TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

## NOTE 3 - ILLINOIS MUNICIPAL RETIREMENT (CONCLUDED)

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### SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE TOTAL PENSION LIABILITY

#### Methods and Assumptions Used to Determine Total Pension Liability:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Price Inflation	2.25%
Salary Increases	2.85% to 13.75%
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both adjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

#### Other Information:

Notes	There were no benefit changes during the year.
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A detailed description of the actuarial assumptions and methods can be found in the December 31, 2021 Illinois Municipal Retirement Fund annual actuarial valuation report.

# ELGIN TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

## NOTE 4 – CHANGES IN FIXED ASSETS

	Balance			Balance
Fixed Assets	April 1, 2021	Increases	Decreases	March 31, 2022
Land	\$ 150,080	\$ -	\$ -	\$ 150,080
Buildings	2,709,943	-	-	2,709,943
Trucks & equipment	1,113,320	-	-	1,113,320
Infrastructure	6,964,421	454,380	-	7,418,801
<b>Total Fixed Assets</b>	<b>10,937,764</b>	<b>454,380</b>	<b>-</b>	<b>11,392,144</b>
Less: Accumulated				
Depreciation	6,850,590	159,883	-	7,010,473
<b>Fixed Assets (Net)</b>	<b>\$ 4,087,174</b>	<b>\$ 294,497</b>	<b>\$ -</b>	<b>\$ 4,381,671</b>

Depreciation is unallocated to functions.

## NOTE 5 – RISK MANAGEMENT

Significant losses are covered by commercial insurance for all major programs. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

## NOTE 6 – FUND BALANCES

As of these financial statements, the Township has adopted GASB Statement No. 54, which redefined how fund balances of the governmental funds are presented in the financial statements. Fund balances are classified as follows:

***Nonspendable –***

Amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.

***Restricted –***

Amounts that can be spent only for specific purposes because of the Township Charter, Township Code, state or federal laws, or externally imposed conditions by grantors or creditors.

***Committed –***

Amounts that can be used only for specific purposes determined by a formal action by Township Board ordinance or resolution. This includes the budget reserve account.



# ELGIN TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

## NOTE 6 – FUND BALANCES (CONCLUDED)

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### *Assigned –*

Amounts that are designated by the Township manager for a specific purpose but are not spendable until a budget ordinance is passed by Township Board.

### *Unassigned –*

All amounts not included in other spendable classifications.

The details of the fund balances are included in the Governmental Funds Balance Sheet. As discussed in Note 1, restricted funds are used first as appropriate. Assigned Funds are reduced to the extent that expenditure authority has been budgeted or the Assignment has been changed by the Township management. Decreases to fund balance first reduce Unassigned Fund balance; in the event that Unassigned Fund Balance becomes zero, then Assigned and Committed Fund Balances are used in that order.

## NOTE 7 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

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The Township has adopted GASB Statement No. 65, which redefined how certain financial statement elements are presented in the statement of financial position. The elements are classified as follows:

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The Township has no items in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Township has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. Deferred inflows of resources \$5,215,047 consists of \$4,102,909 reported in the governmental funds for unavailable revenues are from property taxes to be received in the following year and \$1,112,138 for future IMRF pension activity.

## NOTE 10 – CONTINGENCIES

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The Organization is not aware of any pending litigation or potential non-disclosed liabilities that management believes would have a material adverse effect on the financial statements.

## REQUIRED SUPPLEMENTARY INFORMATION

**ELGIN TOWNSHIP, ILLINOIS***Town Fund - Schedule of Revenues & Expenditures - Budget and Actual**Year Ended March 31, 2022*

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Modified Accrual Basis</b>
<b>Revenues</b>			
Property tax	\$ 2,201,452	\$ 2,201,452	\$ 2,196,254
Replacement tax	120,000	120,000	285,305
Passport income	2,500	2,500	6,349
TOIRMA refunds	4,918	4,918	4,918
Interest income	4,600	4,600	8,325
Miscellaneous revenue	6,000	6,000	6,780
<b>Total Revenues</b>	<b>2,339,470</b>	<b>2,339,470</b>	<b>2,507,931</b>
<b>Expenditures</b>			
<b>General and Administrative</b>			
<b>Personnel</b>			
Salaries	450,000	450,000	406,387
FICA	34,000	34,000	20,865
Health insurance	110,000	110,000	102,703
Unemployment insurance	800	800	-
<b>Total Personnel</b>	<b>594,800</b>	<b>594,800</b>	<b>529,955</b>
<b>Contractual Services</b>			
Maintenance service - vehicles	1,000	1,000	-
Maintenance service - grounds	10,000	10,000	4,006
Maintenance service - building	20,000	20,000	12,804
Maintenance service - equipment	25,000	25,000	11,693
General insurance	35,000	35,000	29,124
Telephone/internet	9,600	9,600	8,080
Utilities	18,000	18,000	16,146
Training	500	500	1,000
Travel and meetings	10,000	10,000	5,284
Postage	4,000	4,000	5,366
Battery recycling	15,000	15,000	14,709
Publishing	2,200	2,200	516
Accounting services	15,000	15,000	14,540
Legal services	8,000	8,000	16,282
Printing	11,000	11,000	4,229
Dues	4,500	4,500	5,998
Contract payment -- Ride in Kane	1,000	1,000	1,876
<b>Total Contractual Services</b>	<b>189,800</b>	<b>189,800</b>	<b>153,739</b>

*Continued*

**ELGIN TOWNSHIP, ILLINOIS***Town Fund - Schedule of Revenues & Expenditures - Budget and Actual**Year Ended March 31, 2022*

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Modified Accrual Basis</b>
<b>General and Administrative (continued)</b>			
<b>Commodities</b>			
Office supplies	\$ 8,000	\$ 8,000	\$ 8,007
<b>Total Commodities</b>	<b>8,000</b>	<b>8,000</b>	<b>8,007</b>
<b>Capital Expenditures</b>			
Building	50,000	50,000	-
<b>Total Capital Expenditures</b>	<b>50,000</b>	<b>50,000</b>	<b>-</b>
<b>Other Expenditures</b>			
Social service agency grants	500,000	500,000	508,248
Community room supplies	10,000	10,000	4,398
Youth programs	125,000	125,000	117,970
Miscellaneous expense	500	500	-
Contingencies	50,000	50,000	1,500
<b>Total Other Expenditures</b>	<b>685,500</b>	<b>685,500</b>	<b>632,116</b>
<b>Total Administrative</b>	<b>1,528,100</b>	<b>1,528,100</b>	<b>1,323,817</b>
<b>Assessor Office</b>			
<b>Personnel</b>			
Salaries	370,010	370,010	249,393
FICA	26,000	26,000	13,798
Health Insurance	123,789	123,789	73,273
Unemployment insurance	800	800	-
<b>Total Personnel</b>	<b>520,599</b>	<b>520,599</b>	<b>336,464</b>
<b>Contractual Services</b>			
Maintenance services - equipment	40,085	40,085	35,898
Maintenance service - vehicles	3,000	3,000	959
Travel expenses	6,100	6,100	4,200
Training	4,500	4,500	6,108
Postage	400	400	390
Publications/subscriptions	600	600	482
Telephone	6,100	6,100	632
Other professional services	19,000	19,000	2,400
Publishing	200	200	-

*Continued*

**ELGIN TOWNSHIP, ILLINOIS***Town Fund - Schedule of Revenues & Expenditures - Budget and Actual**Year Ended March 31, 2022*

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Modified Accrual Basis</b>
<b>Assessor Office (continued)</b>			
<b>Contractual Services</b>			
Printing	\$ 500	\$ 500	\$ 198
Dues	2,000	2,000	910
<b>Total Contractual Services</b>	<b>82,485</b>	<b>82,485</b>	<b>52,177</b>
<b>Commodities</b>			
Office supplies	4,000	4,000	4,094
<b>Total Commodities</b>	<b>4,000</b>	<b>4,000</b>	<b>4,094</b>
<b>Capital Expenditures</b>			
Equipment & furniture	14,000	14,000	12,841
<b>Total Capital Expenditures</b>	<b>14,000</b>	<b>14,000</b>	<b>12,841</b>
<b>Other Expenditures</b>			
Contingencies	2,000	2,000	656
<b>Total Other Expenditures</b>	<b>2,000</b>	<b>2,000</b>	<b>656</b>
<b>Total Assessor Office</b>	<b>623,084</b>	<b>623,084</b>	<b>406,232</b>
<b>Programming</b>			
<b>Contractual Services</b>			
Elgin Township TRAID program	12,000	12,000	12,000
Senior utility assistance program	15,000	15,000	15,000
Prescription drug program	15,000	15,000	8,667
Miscellaneous	450,000	450,000	430,692
<b>Total Contractual Services</b>	<b>492,000</b>	<b>492,000</b>	<b>466,359</b>
<b>Other Expenditures</b>			
Contingencies	75,000	75,000	4,945
<b>Total Other Expenditures</b>	<b>75,000</b>	<b>75,000</b>	<b>4,945</b>
<b>Total Programming</b>	<b>567,000</b>	<b>567,000</b>	<b>471,304</b>
<b>Total Expenditures Town Fund</b>	<b>2,718,184</b>	<b>2,718,184</b>	<b>2,201,353</b>
<b>Net Change in Fund Balance</b>	<b>\$ (378,714)</b>	<b>\$ (378,714)</b>	<b>\$ 306,578</b>
			<i>Concluded</i>

**ELGIN TOWNSHIP, ILLINOIS***General Assistance Fund - Schedule of Revenues & Expenditures - Budget and Actual**Year Ended March 31, 2022*

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Modified Accrual Basis</b>
<b>Revenues</b>			
Property tax	\$ 153,039	\$ 153,039	\$ 152,586
Miscellaneous income	35,000	35,000	6,058
Interest income	500	500	-
<b>Total Revenues</b>	<b>188,539</b>	<b>188,539</b>	<b>158,644</b>
<b>Expenditures</b>			
<b>Administration</b>			
<b>Personnel</b>			
Salaries	105,000	105,000	101,736
FICA	8,000	8,000	5,480
Health insurance	27,000	27,000	26,071
Unemployment insurance	200	200	-
<b>Total Personnel</b>	<b>140,200</b>	<b>140,200</b>	<b>133,287</b>
<b>Contractual Services</b>			
Travel/training	400	400	361
Postage	-	-	582
Publication/subscriptions	400	400	265
<b>Total Contractual Services</b>	<b>800</b>	<b>800</b>	<b>1,208</b>
<b>Commodities</b>			
Office supplies	300	300	-
Miscellaneous	200	200	4,729
<b>Total Commodities</b>	<b>500</b>	<b>500</b>	<b>4,729</b>
<b>Capital Expenditures</b>			
Equipment & furniture	1,500	1,500	1,200
<b>Total Capital Expenditures</b>	<b>1,500</b>	<b>1,500</b>	<b>1,200</b>
<b>Total Administrative</b>	<b>143,000</b>	<b>143,000</b>	<b>140,424</b>

*Continued*

# ELGIN TOWNSHIP, ILLINOIS

## General Assistance Fund - Schedule of Revenues & Expenditures - Budget and Actual

Year Ended March 31, 2022

	Original Budget	Final Budget	Modified Accrual Basis
<b>Home Relief</b>			
<b>Contractual Services</b>			
Physician services	\$ 400	\$ 400	\$ -
Hospital service - in patient	400	400	-
Hospital service - out patient	400	400	-
Drugs	400	400	-
Dental services	1,000	1,000	-
Other medical services	400	400	-
Ambulance	400	400	-
Emergency assistance	110,000	110,000	40,268
Disaster relief	3,000	3,000	821
Funeral/burial services	1,000	1,000	500
Utility payment	20,000	20,000	11,998
Shelter	75,000	75,000	50,371
Workfare	5,000	5,000	2,100
Miscellaneous	6,400	6,400	-
<b>Total Contractual Services</b>	<b>223,800</b>	<b>223,800</b>	<b>106,058</b>
<b>Commodities</b>			
Food	60,000	60,000	37,244
Fuel	400	400	-
Clothing	-	-	1,790
<b>Total Commodities</b>	<b>60,400</b>	<b>60,400</b>	<b>39,034</b>
<b>Other Expenditures</b>			
Contingencies	3,000	3,000	-
<b>Total Other Expenditures</b>	<b>3,000</b>	<b>3,000</b>	<b>-</b>
<b>Total Home Relief</b>	<b>287,200</b>	<b>287,200</b>	<b>145,092</b>
<b>Total Expenditures General Assistance Fund</b>	<b>430,200</b>	<b>430,200</b>	<b>285,516</b>
<b>Net Change in Fund Balance</b>	<b>\$ (241,661)</b>	<b>\$ (241,661)</b>	<b>\$ (126,872)</b>

Concluded

# ELGIN TOWNSHIP, ILLINOIS

IMRF Fund - Schedule of Revenues & Expenditures - Budget and Actual

Year Ended March 31, 2022

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Modified Accrual Basis</b>
<b>Revenues</b>			
Property tax	\$ 76,542	\$ 76,542	\$ 76,314
Interest income	500	500	-
<b>Total Revenues</b>	<u>77,042</u>	<u>77,042</u>	<u>76,314</u>
<b>Expenditures</b>			
<b>General and Administrative</b>			
<b>Personnel</b>			
IMRF contribution	<u>75,000</u>	<u>75,000</u>	<u>69,791</u>
<b>Total Personnel</b>	<u>75,000</u>	<u>75,000</u>	<u>69,791</u>
<b>Total General and Administration</b>	<u>75,000</u>	<u>75,000</u>	<u>69,791</u>
<b>Net Change in Fund Balance</b>	<u>\$ 2,042</u>	<u>\$ 2,042</u>	<u>\$ 6,523</u>



**ELGIN TOWNSHIP, ILLINOIS***Road & Bridge Fund - Schedule of Revenues & Expenditures - Budget and Actual**Year Ended March 31, 2022*

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Modified Accrual Basis</b>
<b>Revenues</b>			
Property tax	\$ 899,452	\$ 899,452	\$ 896,930
Replacement tax	60,000	60,000	127,759
TOIRMA dividends	3,300	3,300	3,278
Interest income	5,020	5,020	430
Miscellaneous revenue	8,000	8,000	3,659
<b>Total Revenues</b>	<b>975,772</b>	<b>975,772</b>	<b>1,032,056</b>
<b>Expenditures</b>			
<b>General and Administrative</b>			
<b>Contractual Services</b>			
Travel	800	800	122
Legal services	2,800	2,800	2,321
Telephone	4,500	4,500	1,520
Publishing/printing	900	900	322
Postage	300	300	116
Training	600	600	-
Risk management - TOIRMA insurance	23,429	23,429	22,540
<b>Total Contractual Services</b>	<b>33,329</b>	<b>33,329</b>	<b>26,941</b>
<b>Commodities</b>			
Office supplies	500	500	19
<b>Total Commodities</b>	<b>500</b>	<b>500</b>	<b>19</b>
<b>Capital Expenditures</b>			
Equipment	1,200	1,200	-
<b>Total Capital Expenditures</b>	<b>1,200</b>	<b>1,200</b>	<b>-</b>
<b>Other Expenditures</b>			
Municipal replacement tax	25,000	25,000	47,227
Miscellaneous	1,500	1,500	356
<b>Total Other Expenditures</b>	<b>26,500</b>	<b>26,500</b>	<b>47,583</b>
<b>Total General and Administrative</b>	<b>61,529</b>	<b>61,529</b>	<b>74,543</b>

*Continued*

**ELGIN TOWNSHIP, ILLINOIS***Road & Bridge Fund - Schedule of Revenues & Expenditures - Budget and Actual**Year Ended March 31, 2022*

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Modified Accrual Basis</b>
<b>Maintenance</b>			
<b>Personnel</b>			
Salaries	\$ 220,000	\$ 220,000	\$ 173,528
Health insurance	68,500	68,500	47,580
Social Security and Medicare	20,000	20,000	13,655
IMRF contribution	23,000	23,000	4,268
Unemployment insurance	450	450	-
<b>Total personnel</b>	<b>331,950</b>	<b>331,950</b>	<b>239,031</b>
<b>Contractual Services</b>			
Maintenance - buildings	5,000	5,000	1,879
Maintenance - equipment	30,000	30,000	7,933
Maintenance - road	35,000	35,000	10,775
Maintenance - snow removal	150,000	150,000	95,893
Engineering services	30,000	30,000	5,237
Rental expense	5,000	5,000	2,801
Utilities	7,000	7,000	4,924
Street lighting	35,000	35,000	27,154
<b>Total Contractual Services</b>	<b>297,000</b>	<b>297,000</b>	<b>156,596</b>
<b>Commodities</b>			
Traffic signs	3,000	3,000	200
Operating supplies	1,500	1,500	-
Gas/diesel/oil	18,000	18,000	20,227
<b>Total Commodities</b>	<b>22,500</b>	<b>22,500</b>	<b>20,427</b>

*Continued*

# ELGIN TOWNSHIP, ILLINOIS

## Road & Bridge Fund - Schedule of Revenues & Expenditures - Budget and Actual

Year Ended March 31, 2022

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Modified Accrual Basis</b>
<b>Capital Expenditures</b>			
Building	\$ 50,000	\$ 50,000	\$ 2,770
Vehicle and equipment	75,000	75,000	-
Construction	762,132	762,132	454,380
<b>Total Capital Expenditures</b>	<b>887,132</b>	<b>887,132</b>	<b>457,150</b>
<b>Other Expenditures</b>			
Miscellaneous	10,000	10,000	4,920
Contingencies	10,000	10,000	-
<b>Total Other Expenditures</b>	<b>20,000</b>	<b>20,000</b>	<b>4,920</b>
<b>Total Maintenance Department</b>	<b>1,558,582</b>	<b>1,558,582</b>	<b>878,124</b>
<b>Total Expenditures Road and Bridge Fund</b>	<b>1,620,111</b>	<b>1,620,111</b>	<b>952,667</b>
<b>Net Change in Fund Balance</b>	<b>\$ (644,339)</b>	<b>\$ (644,339)</b>	<b>\$ 79,389</b>

*Concluded*

**ELGIN TOWNSHIP, ILLINOIS**  
**Multi-year Schedule of Changes in Net Pension Liability and Related Ratios**  
**Last 10 Calendar Years**  
*(schedule to be built prospectively from 2015)*

Calendar Year Ending	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Total Pension Liability</b>										
Service Cost	\$ 77,169	\$ 88,602	\$ 89,805	\$ 82,441	\$ 87,594	\$ 89,051	\$ 91,604			
Interest on the Total Pension Liability	578,068	576,061	538,294	524,233	539,953	504,263	488,528			
Benefit Changes	-	-	-	-	-	-	-			
Difference between Expected and Actual Experience	162,827	(51,272)	353,142	48,672	(194,517)	263,361	(36,870)			
Assumption Changes	-	(77,399)	-	200,323	(234,011)	(8,342)	7,745			
Benefit Payments and Refunds	(524,354)	(480,831)	(438,591)	(410,174)	(401,907)	(359,517)	(302,399)			
<b>Net Change in Total Pension Liability</b>	293,710	55,161	542,650	445,495	(202,888)	488,816	248,608			
<b>Total Pension Liability - Beginning</b>	8,196,947	8,141,786	7,599,136	7,153,641	7,356,529	6,867,713	6,619,105			
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 8,490,657</b>	<b>\$ 8,196,947</b>	<b>\$ 8,141,786</b>	<b>\$ 7,599,136</b>	<b>\$ 7,153,641</b>	<b>\$ 7,356,529</b>	<b>\$ 6,867,713</b>			
<b>Plan Fiduciary Net Position</b>										
Employer Contributions	93,232	79,192	60,672	108,887	81,089	89,274	92,380			
Employee Contributions	39,957	39,817	48,535	41,737	39,793	39,658	38,851			
Pension Plan Net Investment Income	1,483,314	1,162,233	1,302,141	(430,102)	1,209,933	412,226	32,598			
Benefit Payments and Refunds	(524,354)	(480,831)	(438,591)	(410,174)	(401,907)	(359,517)	(302,399)			
Other	79,510	46,294	102,727	139,856	(132,755)	(39,853)	12,529			
<b>Net Change in Plan Fiduciary Net Position</b>	1,171,659	846,705	1,075,484	(549,796)	796,153	141,788	(126,041)			
<b>Plan Fiduciary Net Position - Beginning</b>	8,789,380	7,942,675	6,867,191	7,416,987	6,620,834	6,479,046	6,605,087			
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 9,961,039</b>	<b>\$ 8,789,380</b>	<b>\$ 7,942,675</b>	<b>\$ 6,867,191</b>	<b>\$ 7,416,987</b>	<b>\$ 6,620,834</b>	<b>\$ 6,479,046</b>			
<b>Net Pension Liability/(Asset) - Ending (a) - (b)</b>	<b>(1,470,382)</b>	<b>(592,433)</b>	<b>199,111</b>	<b>731,945</b>	<b>(263,346)</b>	<b>735,695</b>	<b>388,667</b>			
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>										
Covered Valuation Payroll	117.32%	107.23%	97.55%	90.37%	103.68%	90.00%	94.34%			
<b>Net Pension Liability as a Percentage of Covered Valuation Payroll</b>										
	\$ 887,930	\$ 884,830	\$ 945,055	\$ 927,497	\$ 884,289	\$ 881,280	\$ 863,363			
	(165.60%)	(66.95%)	21.07%	78.92%	(29.78%)	83.48%	45.02%			

Does not necessarily represent Covered Employee Payroll as defined in GASB Statement No. 68.

**ELGIN TOWNSHIP, ILLINOIS**  
**Multi-year Schedule of Pension Contributions**  
**Last 10 Calendar Years**

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered		Actual Contribution as a % of Covered Valuation Payroll
				Valuation	Payroll	
2015	\$ 92,380	\$ 92,380	\$ -	\$ 863,363		10.70%
2016	\$ 89,274	\$ 89,274	\$ -	\$ 881,280		10.13%
2017	\$ 81,089	\$ 81,089	\$ -	\$ 884,289		9.17%
2018	\$ 108,888	\$ 108,887	\$ 1	\$ 927,497		11.74%
2019	\$ 60,673	\$ 60,672	\$ 1	\$ 945,055		6.42%
2020	\$ 79,192	\$ 79,192	\$ -	\$ 884,830		8.95%
2021	\$ 93,233 *	\$ 93,232	\$ 1	\$ 887,930		10.50%

\* Estimated based on a contribution rate of 10.50% and covered valuation payroll of \$887,930

NOTES TO REQUIRED  
SUPPLEMENTARY INFORMATION

# ELGIN TOWNSHIP, ILLINOIS

*Notes to Required Supplementary Information*  
*Year Ended March 31, 2022*

## NOTE 1 - BUDGETARY INFORMATION

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The accounting policies of Elgin Township include the preparation of financial statements on the modified accrual basis of accounting. The Township also prepares its budget on the modified accrual basis of accounting.

Under the modified accrual basis of accounting, revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. General capital assets acquisitions are reported as expenditures in the governmental funds. Proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures relating to compensated absences, debt service expenditures, and claims and judgments are recognized only when payment is due.

Budgets are adopted at the function level in the Town Fund and total Town Fund expenditures disbursed may not legally exceed the budgeted amount. Appropriations lapse at year end unless specifically carried over. There were no carryovers to the following year.

The Township procedures in establishing the budgetary data reflected in the Town Fund Financial Statements are presented below:

1. Prior to June 15th the Township Board receives a proposed operating budget (appropriation ordinance) for the fiscal year commencing on proceeding April 1st. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted at a public meeting to obtain taxpayers comments.
3. The budget is legally enacted through passage of an ordinance prior to June 30th.
4. The Township Treasurer, in conjunction with the Township Board, is authorized to expend the unexpended balance of any item or items of any general appropriation in making up any deficiency in any item or items of the same general appropriation.
5. The original budget was not amended during the fiscal year.

## ELGIN TOWNSHIP, ILLINOIS

*Notes to Required Supplementary Information*

*Year Ended March 31, 2022*

### NOTE 1 - BUDGETARY INFORMATION (CONCLUDED)

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6. Formal budgetary integration is not employed as a management control device during the year for any fund.
7. Budgetary comparisons presented in the accompanying financial statements are prepared on the modified accrual basis of accounting. All funds utilize the same basis of accounting for both budgetary purposes and actual results.
8. Expenditures cannot legally exceed appropriations at the fund level.
9. All appropriations lapse at year-end.
10. The budget for Town Fund was adopted on June 14, 2021 and Road & Bridge Fund was adopted on June 14, 2021.