

DEKALB TOWNSHIP
DEKALB COUNTY, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended March 31, 2022

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FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
DeKalb Township
DeKalb County, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of DeKalb Township, DeKalb County, Illinois (the Township) as of and for the year ended March 31, 2022, and the related notes to the financial statements, which collectively comprise the 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 and each major fund of DeKalb Township, DeKalb County, Illinois, as of March 31, 2022, and the respective changes in financial position 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 DeKalb Township, DeKalb County, 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.

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 DeKalb Township, DeKalb County, Illinois' 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 DeKalb Township, DeKalb County, Illinois' 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 DeKalb Township, DeKalb County, Illinois' 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 budgetary comparison information, multiyear schedule of changes in net pension liability/(asset) and related ratios-IMRF, and multiyear schedule of IMRF contributions 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.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Newkirk & Associates, Inc.

Plano, Illinois
November 4, 2022

DEKALB TOWNSHIP
DEKALB COUNTY, ILLINOIS
STATEMENT OF NET POSITION
March 31, 2022

	Governmental Activities
ASSETS	
Current Assets	
Cash and Investments	\$ 2,994,553
MFT Funds Held by DeKalb Co	343,732
Property Tax Receivable	2,443,197
Prepays	4,210
Total Current Assets	5,785,692
Noncurrent Assets	
Capital assets	
Land	314,638
Other Capital Assets	8,628,705
Accumulated Depreciation	(3,357,716)
Total Capital Assets	5,585,627
Other Assets	
Net Pension Asset - IMRF	527,906
Total Noncurrent Assets	6,113,533
Total Assets	11,899,225
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - IMRF	279,338
Total Assets and Deferred Outflows of Resources	\$ 12,178,563
 LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 20,729
Accrued Payroll	21,786
Compensated Absences (current portion)	18,120
Total Current Liabilities	60,635
 DEFERRED INFLOWS OF RESOURCES	
Property Taxes	2,443,197
Motor Fuel Taxes	343,732
Deferred Items - IMRF	633,666
Total Deferred Inflows of Resources	3,420,595
Total Liabilities and Deferred Inflows of Resources	3,481,230
 NET POSITION	
Net investment in capital assets	5,585,627
Restricted for:	
Social Services	380,754
Road and Bridge	1,349,464
Unrestricted	1,381,488
Total Net Position	8,697,333
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 12,178,563

See notes to financial statements.

DEKALB TOWNSHIP
DEKALB COUNTY, ILLINOIS
STATEMENT OF ACTIVITIES
For the Year Ended March 31, 2022

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes
Governmental activities:	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities Total
General government	\$ 557,005	\$ -	\$ -	\$ (557,005)
Public works	1,007,734	-	-	(1,007,734)
Social services	425,263	4,300	-	(420,963)
Total governmental activities:	1,990,002	4,300	-	(1,985,702)
General revenues:				
Taxes:				
Property taxes				\$ 2,173,355
Replacement taxes				180,399
Intergovernmental				92,419
Miscellaneous				26,340
Gain on sale of capital assets				7,387
Interest				1,294
Total general revenue				2,481,194
Change in net position				495,492
Net position, beginning				8,201,841
Net position, ending				\$ 8,697,333

See notes to financial statements.

DEKALB TOWNSHIP
DEKALB COUNTY, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
March 31, 2022

	General Town	General Assistance	Road and Bridge	Permanent Road	Building & Equipment	Special Bridge	Total Governmental Funds
ASSETS							
Cash and investments	\$ 1,232,279	\$ 388,602	\$ 295,052	\$ 737,525	\$ 10,384	\$ 330,711	\$ 2,994,553
MFT funds held by DeKalb Co	-	-	-	343,732	-	-	343,732
Receivables							
Property taxes	922,007	210,011	336,307	832,503	142,369	-	2,443,197
Due from other funds	173	-	-	-	-	-	173
Prepays	<u>1,937</u>	<u>-</u>	<u>2,273</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,210</u>
Total assets	<u>\$ 2,156,396</u>	<u>\$ 598,613</u>	<u>\$ 633,632</u>	<u>\$ 1,913,760</u>	<u>\$ 152,753</u>	<u>\$ 330,711</u>	<u>\$ 5,785,865</u>
LIABILITIES							
Accounts payable	\$ 4,180	\$ 1,231	\$ -	\$ 15,318	-	-	\$ 20,729
Accrued payroll	4,179	6,617	666	10,324	-	-	21,786
Due to other funds	<u>-</u>	<u>-</u>	<u>173</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>173</u>
Total liabilities	<u>8,359</u>	<u>7,848</u>	<u>839</u>	<u>25,642</u>	<u>-</u>	<u>-</u>	<u>42,688</u>
DEFERRED INFLOWS OF RESOURCES							
Property taxes	922,007	210,011	336,307	832,503	142,369	-	2,443,197
Motor fuel taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>343,732</u>	<u>-</u>	<u>-</u>	<u>343,732</u>
Total deferred inflows of resources	922,007	210,011	336,307	1,176,235	142,369	-	2,786,929
Total liabilities and deferred inflows of resources	<u>930,366</u>	<u>217,859</u>	<u>337,146</u>	<u>1,201,877</u>	<u>142,369</u>	<u>-</u>	<u>2,829,617</u>
FUND BALANCES							
Nonspendable	1,937		2,273				4,210
Restricted for:							
Social services	-	380,754	-	-	-	-	380,754
Road and bridge	-	-	294,213	711,883	10,384	330,711	1,347,191
Unassigned	<u>1,224,093</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,224,093</u>
Total fund balances	1,226,030	380,754	296,486	711,883	10,384	330,711	2,956,248
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 2,156,396</u>	<u>\$ 598,613</u>	<u>\$ 633,632</u>	<u>\$ 1,913,760</u>	<u>\$ 152,753</u>	<u>\$ 330,711</u>	<u>\$ 5,785,865</u>

See notes to financial statements.

DEKALB TOWNSHIP
DEKALB COUNTY, ILLINOIS

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

March 31, 2022

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 2,956,248
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities of \$8,943,343, net of accumulated depreciation of 3,357,716, are not financial resources and, therefore, are not reported in the funds	5,585,627
A net pension asset is not considered to represent a financial resource and therefore is not reported in the funds Net Pension Asset - IMRF	527,906
Deferred outflows (inflows) of resources related to pension are not reported in the funds Deferred Items - IMRF	(354,328)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds Compensated Absences	(18,120)
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 8,697,333</u>

See notes to financial statements.

DEKALB TOWNSHIP
DEKALB COUNTY, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
For the Year Ended March 31, 2022

REVENUES	General Town	General Assistance	Road and Bridge	Permanent Road	Building & Equipment	Special Bridge	Total Governmental Funds
Property Taxes	\$ 827,371	\$ 246,855	\$ 170,373	\$ 824,958	\$ 103,798	\$ -	\$ 2,173,355
Replacement Taxes	83,429	-	96,970	-	-	-	180,399
Intergovernmental	43,273	-	49,146	-	-	-	92,419
Cemetery	4,300	-	-	-	-	-	4,300
Miscellaneous	3,129	18,303	4,263	155	490	-	26,340
Interest	488	165	106	353	68	114	1,294
Total revenues	<u>961,990</u>	<u>265,323</u>	<u>320,858</u>	<u>825,466</u>	<u>104,356</u>	<u>114</u>	<u>2,478,107</u>
EXPENDITURES							
Current							
General Government	620,222	-	-	-	-	-	620,222
Public Works	-	-	214,307	521,889	224	11,332	747,752
Social Services	196,151	253,741	-	-	-	-	449,892
Capital Outlay	-	-	46,928	458,645	222,202	-	727,775
Total expenditures	<u>816,373</u>	<u>253,741</u>	<u>261,235</u>	<u>980,534</u>	<u>222,426</u>	<u>11,332</u>	<u>2,545,641</u>
Excess (deficiency) of revenue over expenditures	<u>145,617</u>	<u>11,582</u>	<u>59,623</u>	<u>(155,068)</u>	<u>(118,070)</u>	<u>(11,218)</u>	<u>(67,534)</u>
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	9,209	-	-	-	9,209
Transfers Out	(8,671)	-	-	(538)	-	-	(9,209)
Proceeds from Sale of Capital Assets	-	-	-	-	7,387	-	7,387
Total other financing sources (uses)	<u>(8,671)</u>	<u>-</u>	<u>9,209</u>	<u>(538)</u>	<u>7,387</u>	<u>-</u>	<u>7,387</u>
Net change in fund balance	136,946	11,582	68,832	(155,606)	(110,683)	(11,218)	(60,147)
FUND BALANCES, beginning	<u>1,089,084</u>	<u>369,172</u>	<u>227,654</u>	<u>867,489</u>	<u>121,067</u>	<u>341,929</u>	<u>3,016,395</u>
FUND BALANCES, ending	<u>\$ 1,226,030</u>	<u>\$ 380,754</u>	<u>\$ 296,486</u>	<u>\$ 711,883</u>	<u>\$ 10,384</u>	<u>\$ 330,711</u>	<u>\$ 2,956,248</u>

See notes to financial statements

DEKALB TOWNSHIP
DEKALB COUNTY, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES TO THE GOVERNMENTAL ACTIVITIES IN THE
STATEMENT OF ACTIVITIES
For the Year Ended March 31, 2022

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (60,147)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

Capital asset purchases capitalized	727,775
Depreciation expense	(350,826)
Capital asset disposals - cost	(7,200)
Capital asset disposals - accumulated depreciation	7,200

The net effect of deferred outflows (inflows) of resources related to the pensions not reported in the funds

Change to deferred items - IMRF	(163,874)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds

Change to compensated absences	910
Change to net pension liability/(asset) - IMRF	341,654

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ <u>495,492</u>
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See notes to financial statements.

DEKALB TOWNSHIP
DEKALB COUNTY, ILLINOIS

NOTES TO FINANCIAL STATEMENTS
March 31, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Township of Dekalb, Dekalb County, Illinois (the Township) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units (hereinafter referred to as GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the other significant accounting policies:

a. Reporting Entity

The Township is a municipal corporation governed by an elected supervisor and a board of trustees. As required by generally accepted accounting principles, these financial statements present the Township (the primary government) and its component units.

Based on the criteria of GASB Statement No 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*, the Township's Road District is reported as a blended component unit.

These standards require governments to include entities for which there is a financial benefit or burden between the primary government and the component unit or the primary government can impose its will on significant elements of the component unit's operations.

b. Fund Accounting

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

Funds are classified into the following categories: governmental and proprietary.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted or assigned for the acquisition or construction of capital assets (capital projects funds), the funds committed, restricted or assigned for the servicing of long-term debt (debt service funds) and the management of funds held in trust where the interest earnings can be used for governmental services (permanent fund). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds). The Township does not have any proprietary funds.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Township. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

c. Government-Wide and Fund Financial Statements (continued)

and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and standard revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

The Township reports the following major governmental funds:

The General (Town) Fund is the general operating fund of the Township and is used to account for all financial resources of the Township unless required to be accounted for in another fund.

The Road and Bridge Fund is used to account for revenues derived from taxes for road and bridge projects and expenditures for highway, bridge, and street construction and maintenance.

The General Assistance Fund is used to account for revenues derived from property taxes for general assistance and expenditures for general assistance of township residents.

The Permanent Road Fund is used to account for revenues derived from taxes for permanent road maintenance and expenditures related to the maintenance of roads.

The Building and Equipment Fund is used to account for revenues derived from taxes for maintaining building and equipment and expenditures related to the same.

The Special Bridge Fund is used for the repair and maintenance of bridges within the Township.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflows are incurred or economic asset used. Revenues, expenses, gains, losses, asset/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Township recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

c. Government-Wide and Fund Financial Statements (continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, personal property taxes, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

d. Appropriations

The Township prepares an appropriation ordinance, which includes all funds, and is prepared on a basis consistent with the modified accrual basis of accounting. The appropriation ordinance represents the legal spending limits for the Township. The appropriation ordinance was passed on April 13, 2021. The appropriations lapse at the end of each fiscal year. The Township does not utilize an encumbrance system.

The Township follows these procedures in establishing the appropriations data reflected in the financial statements:

1. Prior to March 31, the proposed appropriations for the year commencing April 1 are submitted by the Director to the Board of Trustees.
2. A public hearing is conducted to obtain comments on the proposed appropriations, prior to adoption.
3. Prior to July 1, the appropriations are legally enacted through passage of an ordinance.
4. The Board of Trustees may make transfers between the various items in a fund not exceeding in the aggregate 10% of the total of such fund as set forth in the appropriations.
5. The Township may amend its appropriations in accordance with Illinois statute.

e. Cash and cash equivalents

For purposes of the financial statements, cash and cash equivalents represent cash on hand, demand deposits, money market accounts, repurchase agreements, and all certificates of deposit.

f. Receivables

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

g. Prepaids

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both government-wide and fund financial statements. Prepaids are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

h. Capital Assets

Capital assets, which include land, buildings and improvements, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the Township as assets with a cost of more than the threshold for the asset class and an estimated useful life in excess of two years. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. General infrastructure assets acquired prior to May 1, 2004 are not reported in the basic financial statements.

General infrastructure assets such as roads and bridges acquired subsequent to May 1, 2004 will be recorded as capital assets when such assets are constructed or significantly improved.

Capital assets are depreciated in the government-wide statements, using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Life (in Years)</u>	<u>Capitalization Threshold</u>
Buildings and Improvements	7-40	10,000
Road Improvements	10-15	50,000
Vehicles and Equipment	5-7	2,500

In the governmental fund statements, capital assets arising from cash transactions are accounted for as current expenditures.

i. Deferred Outflows/Inflows of Resources

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

j. Motor Fuel Taxes and Deferred Inflows

The Township Highway Department receives a portion of motor fuel taxes from the State of Illinois Department of Transportation. In accordance with State statutes, this money is deposited with the County and recorded by the County in a Trust and Agency Fund. The Township, in conjunction with the County, utilizes these funds to finance repairs and maintenance of Township roads.

Motor fuel taxes spent in the current year are recorded as revenues and expenditures in the Permanent Road Fund. However, these amounts are not shown in the budgetary comparison schedules as they are not budgeted for by the Township. Taxes not yet received are recorded as accounts receivable and deferred inflows and are available for future periods to finance repairs and maintenance of Township roads.

k. Compensated Absences

The Township accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as "terminal leave" prior to retirement.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

k. Compensated Absences (continued)

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

l. Long-Term Obligations

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. The Township currently has no long-term debt.

Long-term debt in governmental funds is not reported as liabilities in the fund financial statements. Debt proceeds are reported as other financing sources, and payment of principal and interest is reported as expenditures.

m. Fund Balance/Net Position

Government-wide Statements

In the government-wide financial statements, equity is classified as net position and displayed in three components. Investment in Capital Assets, consists of capital assets, including restricted assets, net of accumulated depreciation. Restricted, consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Unrestricted, consists of all other net position balances that do not meet the definition of "restricted" or "investment in capital assets." None of the Township's net position is restricted as a result of enabling legislation adopted by the Township.

Fund Financial Statements

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the Township. Committed fund balance is constrained by formal actions of the Township's Board, which is considered the Township's highest level of decision making authority. Formal actions include resolutions and ordinances approved by the Board. Assigned fund balance represents amounts constrained by the Township's intent to use them for a specific purpose. The authority to assign fund balance remains with the Board. Any residual fund balance is reported as unassigned.

The Township's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the Township considers committed funds to be expended first followed by assigned and then unassigned funds.

The Township has not established fund balance reserve policies for their governmental funds.

n. Interfund Transactions

Interfund transfers, where repayment is not expected, are reported as transfers in and out. When repayment is required, interfund receivables and payables are reported. For the purposes of the Statement of Activities, all interfund transfers between individual governmental activities have been eliminated.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

o. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures (such as estimated useful lives of capital assets in determining depreciation). Actual results could differ from those estimates.

NOTE 2. PROPERTY TAXES

The Township’s property tax is levied each year on all taxable real property located in the Township on or before the last Tuesday in December. The 2021 levy was passed by the board on December 19, 2020. Property taxes attach as an enforceable lien on property as of January 1st. Tax bills are prepared and issued by Dekalb County and are payable in two installments in June and September. The Township receives significant distributions of tax receipts from the County approximately one month after the due dates. Taxes recorded in the fund financial statements are from the 2020 and prior tax levies.

The following are the tax rate limits permitted by the Illinois Compiled Statutes and by local referendum and the actual rates levied per \$100 of assessed valuation:

	2020 Levy		2021 Levy	
	Limit	Actual	Limit	Actual
Corporate	.25000	.12464	.25000	.12104
General Assistance	.00000	.03538	.00000	.02757
Road and Bridge	.66000	.04795	.66000	.04415
Permanent Road	.25000	.12160	.25000	.10929
Equipment and Building	.10000	.01530	.10000	.01869
Recapture revenue	.00000	<u>.00000</u>	.00000	<u>.00088</u>
		<u>.34487</u>		<u>.32162</u>

NOTE 3. DEPOSITS AND INVESTMENTS

The Township maintains a cash and investment pool that is available for use by all funds. Each fund type’s portion of this pool is displayed on the combined balance sheet as “cash and investments.”

The Township may invest in all investments allowed by Illinois Compiled Statutes. These include deposits/investments insured by the Federal Deposit Insurance Corporation (FDIC), obligations or securities guaranteed by the United States of America, direct obligations of any bank as defined by the Illinois Banking Act, certain money market mutual funds, and the Illinois Funds (a money market fund created by the State legislature under control of the State Treasurer that maintains a \$1 share value.).

Deposits and Custodial Credit Risk

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Township’s deposits may not be returned to it. At March 31, 2022 all of the Township’s deposits were insured or collateralized, and therefore is not exposed to custodial credit risk.

Investments

At March 31, 2022, the Township held no investments.

NOTE 4. CAPITAL ASSETS

Capital asset activity for the year ended March 31, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets not being depreciated				
Land	\$ 314,638	\$ -	\$ -	\$ 314,638
Capital assets being depreciated:				
Buildings and Improvements	989,481	-	-	989,481
Infrastructure	5,097,338	458,645	-	5,555,983
Machinery and Equipment	<u>1,821,311</u>	<u>269,130</u>	<u>7,200</u>	<u>2,083,241</u>
Total capital assets being depreciated	<u>7,908,130</u>	<u>727,775</u>	<u>7,200</u>	<u>8,628,705</u>
Less accumulated depreciation for:				
Buildings and Improvements	192,407	25,511	-	217,918
Infrastructure	1,664,361	150,569	-	1,814,930
Machinery and Equipment	<u>1,157,322</u>	<u>174,746</u>	<u>7,200</u>	<u>1,708,519</u>
Total accumulated depreciation	<u>3,014,090</u>	<u>350,826</u>	<u>7,200</u>	<u>4,011,946</u>
Total capital assets being depreciated, net	<u>4,894,040</u>	<u>376,949</u>	<u>-</u>	<u>5,270,989</u>
Capital Assets, Net	<u>\$ 5,208,678</u>	<u>\$ 376,949</u>	<u>\$ -</u>	<u>\$ 5,585,627</u>

Depreciation expense was charged to functions as follows:

General Government	\$ 28,799
Road & Bridge	<u>322,027</u>
	<u>\$ 350,826</u>

NOTE 5. LONG-TERM DEBT

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balances</u>	<u>Amount Due Within One Year</u>
Governmental Activities:					
Compensated Absences	\$ 19,030	\$ -	\$ 910	\$ 18,120	\$ 18,120
Net Pension Liability/(Asset) - IMRF	<u>(186,252)</u>	<u>-</u>	<u>341,654</u>	<u>(527,906)</u>	<u>-</u>
	<u>\$ (167,222)</u>	<u>\$ -</u>	<u>\$ 342,564</u>	<u>\$ (509,786)</u>	<u>\$ 18,120</u>

The compensated absences and the net pension liability/(asset) are liquidated by the General Fund, General Assistance Fund, Road and Bridge Fund, and Permanent Fund, .

NOTE 6. RETIREMENT FUND COMMITMENTS

Illinois Municipal Retirement Fund

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.

Plan Administration – All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

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
- ½ of the increase in the Consumer Price Index of the original pension amount

Employees Covered Benefit Terms – As of December 31, 2021, the following employees were covered by the benefit terms:

	<u>IMRF</u>
Retirees and Beneficiaries currently receiving benefits	7
Inactive Plan Members entitled to but not yet receiving benefits	5
Active Plan Members	<u>10</u>
Total	22

NOTE 6. RETIREMENT FUND COMMITMENTS (CONT.)

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 and 2022 was 7.85% and 6.59%, respectively. For the fiscal year ended March 31, 2022, the Township contributed \$49,403 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/(Asset) – The Township’s net pension liability/(asset) 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 total pension liability was determined by an actuarial valuation performed, as of December 31, 2021, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Inflation	2.25%

Retirement Age was from 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 nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active member, 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.

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 weighing 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:

NOTE 6. RETIREMENT FUND COMMITMENTS (CONT.)

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	39%	1.90%
International Equity	15%	3.15%
Fixed Income	25%	(0.60)%
Real Estate	10%	3.30%
Alternative Investments	10%	1.70-5.50%
Cash Equivalents	<u>1%</u>	(0.90)%
Total	100%	

Single Discount Rate – The discount rate used to measure the total pension liability was 7.25%, the same discount rate as in the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Township contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. The Single Discount rate reflects: (1) a long-term expected rate of return on pension plan investments (to the extent that the plan’s fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan’s projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%, the municipal bond rate is 1.84% (based on the daily rate closest to but not later than the measurement date of the “20-year Municipal GO AA Index” described on page 1), and the resulting Single Discount Rate is 7.25%.

Discount Rate Sensitivity – The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents the net pension liability/(asset) of the Township calculated using the discount rate as well as what the Township’s net pension/(asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	\$(108,911)	\$(527,906)	\$(857,081)

NOTE 6. RETIREMENT FUND COMMITMENTS (CONT.)

Changes in Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/(Asset) (A)-(B)
Balances at December 31, 2021	\$3,256,152	\$3,442,404	\$(186,252)
Changes for the Year:			
Service Cost	51,683	-	51,683
Interest on the Total Pension Liability	230,646	-	230,646
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	70,017	-	70,017
Changes of Assumptions	-	-	-
Contributions – Employer	-	49,312	(49,312)
Contributions – Employees	-	28,268	(28,268)
Net Investment Income	-	607,905	(607,905)
Benefit Payments, Including Refunds Of Employee Contributions	(201,338)	(201,338)	-
Other (Net Transfer)	-	8,515	(8,515)
Net Changes	151,008	492,662	(341,654)
Balances at December 31, 2021	\$3,407,160	\$3,935,066	\$(527,906)

At March 31, 2022, the Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
Difference Between Expected and Actual Experience	\$ 162,785	\$ (24,028)	\$ 138,757
Change in Assumptions	27,670	(34,367)	(6,697)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	78,073	(575,271)	(497,198)
Total Pension Expense to be Recognized in Future Periods	268,528	(633,666)	(365,138)
Pension Contributions Made Subsequent to Measurement Date	10,810	-	10,810
Total Deferred Amounts Related to IMRF	\$ 279,338	\$ (633,666)	\$ (345,073)

\$10,810 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended March 31, 2023.

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

Fiscal Year	Net Deferred Outflows/(Inflows) of Resources
2022	\$ 76,768
2023	145,227
2024	99,756
2025	53,433
2026	(10,046)
Thereafter	-
Total	\$ 365,138

NOTE 7. OTHER POST-EMPLOYMENT BENEFIT PLANS

The Township has evaluated its potential other post-employment benefits liability. Former employees who choose to retain their rights to health insurance through the Township are required to pay 100% of the current premium. However, there is minimal participation. As the Township provides no explicit benefit, and there is minimal participation, there is no material implicit subsidy to calculate in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other than Pensions*. Therefore, the Township has not recorded a liability as of March 31, 2022.

NOTE 8. RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; damage to and theft or destruction of assets; errors and omissions, injuries to employees; and natural disasters. Significant losses are covered by the Township’s participation in Township Officials of Illinois Risk Management Association. Estimated payments are made annually to the Association to cover claims. However, additional assessments could be required if the Association reflects a deficit. 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 9. LEGAL DEBT MARGIN

2021 Equalized Assessed Valuation	<u>\$ 761,737,225</u>
Statutory debt limitation (2.875% of 2021 equalized assessed valuation)	<u>21,899,945</u>
Legal debt margin	<u>\$ 21,899,945</u>

This limitation does not apply to any indebtedness of any township or road district for the construction, improvement, and repair of roads or bridges, or other road purposes and work incident thereto.

NOTE 10. CONTINGENCIES

From time to time, the Township is party to other pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and the Township’s legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Township’s financial position or results of operations.

NOTE 11. INTERFUND TRANSFERS

During the fiscal year the township had interfund transfers. Transfers will not be repaid. A description of the transfers for the fiscal year is below:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose</u>
General Town Fund	Road and Bridge Fund	\$8,671	Reimbursement for landscaping and maintenance for the cemetery
Permanent Road Fund	Road and Bridge Fund	\$538	Reimbursement for road maintenance

REQUIRED SUPPLEMENTARY INFORMATION

DEKALB TOWNSHIP
DEKALB COUNTY, ILLINOIS

March 31, 2022

REQUIRED SUPPLEMENTARY INFORMATION
ILLINOIS MUNICIPAL RETIREMENT FUND
DEFINED BENEFIT PENSION PLAN

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

Calendar Year Ended December 31,	2015	2016	2017	2018	2019	2020	2021
Total Pension Liability							
Service cost	\$ 48,783	\$ 54,348	\$ 53,639	\$ 52,203	\$ 58,565	\$ 56,788	\$ 51,683
Interest on the Total Pension Liability	186,900	195,932	202,894	199,622	217,224	222,083	230,646
Changes in Benefit Terms	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(5,216)	(37,091)	(58,275)	192,566	(2,528)	58,153	70,017
Changes in Assumptions	3,238	(3,312)	(90,262)	80,783	-	(16,169)	-
Benefit Payments, including Refunds of Employee Contributions	(110,716)	(114,440)	(125,922)	(175,889)	(211,668)	(199,046)	(201,338)
Net Change in Pension Liability	122,989	95,437	(17,926)	349,285	61,593	121,809	151,008
Total Pension Liability - Beginning	2,522,965	2,645,954	2,741,391	2,723,465	3,072,750	3,134,343	3,256,152
Total Pension Liability - Ending (A)	<u>\$ 2,645,954</u>	<u>\$ 2,741,391</u>	<u>\$ 2,723,465</u>	<u>\$ 3,072,750</u>	<u>\$ 3,134,343</u>	<u>\$ 3,256,152</u>	<u>\$ 3,407,160</u>
Plan Fiduciary Net Position							
Contributions - Employer	\$ 46,486	\$ 51,386	\$ 46,180	\$ 49,316	\$ 28,535	\$ 45,661	\$ 49,312
Contributions - Employees	24,573	24,470	23,941	27,031	27,854	30,708	28,268
Net Investment Income	12,217	169,476	455,598	(168,569)	542,626	462,240	607,905
Benefit Payments, including Refunds of Employee Contributions	(110,716)	(114,440)	(125,922)	(175,889)	(211,668)	(199,046)	(201,338)
Other (Net Transfer)	(8,711)	21,479	(34,577)	124,954	(111,468)	25,435	8,515
Net Change in Plan Fiduciary Net Position	(36,151)	152,371	365,220	(143,157)	275,879	364,998	492,662
Plan Fiduciary Net Position - Beginning	2,463,244	2,427,093	2,579,464	2,944,684	2,801,527	3,077,406	3,442,404
Plan Fiduciary Net Position - Ending (B)	<u>2,427,093</u>	<u>2,579,464</u>	<u>2,944,684</u>	<u>2,801,527</u>	<u>3,077,406</u>	<u>3,442,404</u>	<u>3,935,066</u>
Net Pension Liability/(Asset) (A) - (B)	<u>\$ 218,861</u>	<u>\$ 161,927</u>	<u>\$ (221,219)</u>	<u>\$ 271,223</u>	<u>\$ 56,937</u>	<u>\$ (186,252)</u>	<u>\$ (527,906)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	91.73%	94.09%	108.12%	91.17%	98.18%	105.72%	115.49%
Covered Valuation Payroll	\$ 536,798	\$ 543,776	\$ 532,030	\$ 600,693	\$ 618,982	\$ 622,084	\$ 628,177
Net Pension Liability as a Percentage of Covered Valuation Payroll	40.77%	29.78%	-41.58%	45.15%	9.20%	-29.94%	-84.04%

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

DEKALB TOWNSHIP
DEKALB COUNTY, ILLINOIS

March 31, 2022

REQUIRED SUPPLEMENTARY INFORMATION
ILLINOIS MUNICIPAL RETIREMENT FUND
DEFINED BENEFIT PENSION PLAN

Multiyear Schedule of Employer Contributions

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2015	\$ 46,487	\$ 46,486	\$ 1	\$ 536,798	8.66%
2016	51,387	51,386	1	543,776	9.45%
2017	46,180	46,180	-	532,030	8.68%
2018	49,317	49,316	1	600,693	8.21%
2019	28,535	28,535	-	618,982	4.61%
2020	45,661	45,661	-	622,084	7.34%
2021	49,312 *	49,312	-	628,177	7.85%

* Estimated based on contribution rate of 7.85% and covered valuation payroll of \$628,177.

Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	22-Year Closed Period
Asset Valuation Method	5-Year Smoothed Market; 20% corridor
Wage Growth	3.25%
Price Inflation	2.50%
Salary Increases	3.35% - 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	IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015).

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

DEKALB TOWNSHIP
DEKALB COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL TOWN FUND
For the Year Ended March 31, 2022

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Property Taxes	\$ 842,000	\$ 827,371	\$ (14,629)
Replacement Taxes	34,000	83,429	49,429
Interest	500	488	(12)
Intergovernmental	35,000	43,273	8,273
Cemetery	3,000	4,300	1,300
Miscellaneous	3,500	3,129	(371)
 Total revenues	 918,000	 961,990	 43,990
 EXPENDITURES			
GENERAL GOVERNMENT			
Administration			
Salaries	329,000	286,821	(42,179)
Health Insurance	79,000	48,679	(30,321)
Payroll Taxes	26,000	22,272	(3,728)
Retirement Contribution	33,000	18,759	(14,241)
Unemployment Insurance	2,000	42	(1,958)
Printing	7,000	547	(6,453)
Office Supplies	28,500	15,099	(13,401)
Internet	10,500	1,864	(8,636)
Building Maintenance	18,000	7,820	(10,180)
Insurance	16,000	9,683	(6,317)
Dues	6,000	6,990	990
Professional Fees	25,000	11,353	(13,647)
Legal Services	25,000	15,697	(9,303)
Postage	1,500	850	(650)
Travel/Training	9,000	2,291	(6,709)
Community Affairs	50,000	28,194	(21,806)
Utilities	23,000	14,709	(8,291)
Emergency Relief	10,000	-	(10,000)
Miscellaneous	2,000	347	(1,653)
Total administration	700,500	492,017	(208,483)

DEKALB TOWNSHIP
DEKALB COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (CONT.)
GENERAL TOWN FUND
For the Year Ended March 31, 2022

GENERAL GOVERNMENT (CONT.)	Original and Final Budget	Actual	Variance with Final Budget
Assessor			
Salaries	149,000	83,437	(65,563)
Health Insurance	50,000	16,507	(33,493)
Payroll Taxes	12,000	6,723	(5,277)
Retirement Contribution	12,000	6,672	(5,328)
Unemployment insurance	1,000	192	(808)
Equipment Maintenance	1,000	38	(962)
Postage	300	115	(185)
Telephone	4,500	1,818	(2,682)
Printing	800	-	(800)
Dues	350	-	(350)
Travel and Training	4,000	2,260	(1,740)
Legal Services	3,000	-	(3,000)
Appraisal Fee	2,700	-	(2,700)
Software Licensing	13,000	6,025	(6,975)
IT Services/Security	2,000	2,069	69
Office Supplies	1,700	-	(1,700)
Operating Supplies	1,400	113	(1,287)
Office Equipment	1,500	374	(1,126)
Office Furniture	2,000	-	(2,000)
Computer Hardware	2,800	1,095	(1,705)
Computer Software	1,000	-	(1,000)
Internet Access Fee	550	607	57
Website	1,200	128	(1,072)
Miscellaneous	700	32	(668)
Total Assessor	<u>268,500</u>	<u>128,205</u>	<u>(140,295)</u>
 Total General Government	 <u>969,000</u>	 <u>620,222</u>	 <u>(348,778)</u>

DEKALB TOWNSHIP
DEKALB COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (CONT.)
GENERAL TOWN FUND
For the Year Ended March 31, 2022

	Original and Final Budget	Actual	Variance with Final Budget
SOCIAL SERVICES			
Social Services	130,000	118,350	(11,650)
Cemeteries	206,800	70,301	(136,499)
Contingencies	50,000	7,500	(42,500)
Total Social Services	386,800	196,151	(190,649)
CAPITAL OUTLAY			
Equipment and buildings	50,000	-	(50,000)
Total Capital Outlay	50,000	-	(50,000)
Total expenditures	1,405,800	816,373	(589,427)
Excess (deficiency) of revenue over expenditures	(487,800)	145,617	633,417
OTHER FINANCING SOURCES (USES)			
Transfers Out	(17,000)	(8,671)	8,329
Total other financing sources (uses)	(17,000)	(8,671)	8,329
Net change in fund balance	\$ (504,800)	136,946	\$ 641,746
FUND BALANCE, beginning		1,089,084	
FUND BALANCE, ending		\$ 1,226,030	

DEKALB TOWNSHIP
DEKALB COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL ASSISTANCE FUND
For the Year Ended March 31, 2022

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Property Taxes	\$ 239,000	\$ 246,855	\$ 7,855
Interest	725	165	(560)
Miscellaneous	<u>10,500</u>	<u>18,303</u>	<u>7,803</u>
Total revenues	<u>250,225</u>	<u>265,323</u>	<u>15,098</u>
EXPENDITURES			
SOCIAL SERVICES			
Administration			
Salaries	158,600	91,316	(67,284)
Payroll Taxes	11,300	7,593	(3,707)
Health Insurance	40,000	28,915	(11,085)
IMRF	14,000	6,844	(7,156)
Workers' Compensation	2,500	-	(2,500)
Equipment Maintenance and Supplies	3,200	1,666	(1,534)
Publishing and Subscriptions	2,500	1,196	(1,304)
Postage	2,000	790	(1,210)
Legal	5,000	800	(4,200)
Travel and Training	1,000	1,024	24
Operating Supplies	7,500	2,630	(4,870)
Equipment	10,000	7,323	(2,677)
Visual GA	<u>5,000</u>	<u>2,800</u>	<u>(2,200)</u>
Total administration	<u>262,600</u>	<u>152,897</u>	<u>(109,703)</u>
Services			
Aid and Welfare Services	50,000	-	(50,000)
Food Pantry and Emergency Food Service	<u>50,000</u>	<u>36,000</u>	<u>(14,000)</u>
Total services	<u>100,000</u>	<u>36,000</u>	<u>(64,000)</u>
Home Relief			
M.A.C.I. - Medical Catastrophic	3,500	2,360	(1,140)
Flat Grant Expense	73,000	31,238	(41,762)
Emergency Assistance	65,000	29,724	(35,276)
Miscellaneous	<u>2,000</u>	<u>1,422</u>	<u>(578)</u>
Total home relief	<u>143,500</u>	<u>64,744</u>	<u>(78,756)</u>
Contingency	<u>25,000</u>	<u>100</u>	<u>24,900</u>
Total expenditures	<u>531,100</u>	<u>253,741</u>	<u>(227,559)</u>
Net change in fund balance	<u>\$ (280,875)</u>	11,582	<u>\$ 212,461</u>
FUND BALANCE, beginning		<u>369,172</u>	
FUND BALANCE, ending		<u>\$ 380,754</u>	

See notes to Required Supplementary Information

DEKALB TOWNSHIP
DEKALB COUNTY, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
ROAD AND BRIDGE FUND
For the Year Ended March 31, 2022

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Property Taxes	\$ 161,972	\$ 170,373	\$ 8,401
Replacement Tax	30,000	96,970	66,970
Intergovernmental	70,000	49,146	(20,854)
Interest	125	106	(19)
Miscellaneous	4,000	4,263	263
Total revenues	266,097	320,858	54,761
EXPENDITURES			
PUBLIC WORKS			
Salaries	54,000	26,340	(27,660)
Health Insurance	20,000	4,700	(15,300)
Payroll Taxes	4,280	2,423	(1,857)
Retirement Contribution	3,500	1,056	(2,444)
Travel	1,500	-	(1,500)
Postage	550	252	(298)
Printing	250	220	(30)
Legal	30,000	11,975	(18,025)
Professional Fees	9,500	4,590	(4,910)
Dues	500	285	(215)
Office Supplies	6,000	3,418	(2,582)
Computer Internet/Software	500	735	235
Training	1,800	327	(1,473)
Insurance	14,500	11,367	(3,133)
Maintenance - Buildings	95,000	33,260	(61,740)
Maintenance - Equipment	50,000	53,997	3,997
Maintenance - Grounds	15,000	8,240	(6,760)
Rentals	12,000	9,055	(2,945)
Gas and Oil	7,000	3,219	(3,781)
Repairs and Supplies	41,800	29,624	(12,176)
Miscellaneous	30,000	2,850	(27,150)
Utilities	4,200	6,374	2,174
Total Public Works	401,880	214,307	(187,573)
CAPITAL OUTLAY			
Equipment	40,000	46,928	6,928
Total Capital Outlay	40,000	46,928	6,928
Total expenditures	441,880	261,235	(180,645)
Excess (deficiency) of revenue over expenditures	(175,783)	59,623	235,406
OTHER FINANCING SOURCES (USES)			
Transfers In	45,000	9,209	(35,791)
Total other financing sources (uses)	45,000	9,209	(35,791)
Net change in fund balance	\$ (130,783)	68,832	\$ 199,615
FUND BALANCE, beginning		227,654	
FUND BALANCE, ending		\$ 296,486	

See notes to Required Supplementary Information

DEKALB TOWNSHIP
DEKALB COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PERMANENT ROAD FUND
For the Year Ended March 31, 2022

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Property Taxes	\$ 821,460	\$ 824,958	\$ 3,498
Interest	200	353	153
Miscellaneous	100	155	55
Other	2,500	-	(2,500)
Total revenues	824,260	825,466	1,206
EXPENDITURES			
PUBLIC WORKS			
Salaries	179,000	176,633	(2,367)
Health Insurance	54,000	45,492	(8,508)
Payroll Taxes	13,550	13,941	391
IMRF Contribution	14,000	16,072	2,072
Engineering and Inspection	75,000	57,853	(17,147)
Maintenance - Streets	1,291,500	170,008	(1,121,492)
Professional Fees	7,500	2,750	(4,750)
Rentals	15,000	5,113	(9,887)
Gas and Oil	32,000	27,694	(4,306)
Utilities	7,500	4,901	(2,599)
Other	85,000	1,432	(83,568)
Total Public Works	1,774,050	521,889	(1,252,161)
CAPITAL OUTLAY			
Infrastructure	-	458,645	458,645
Total Capital Outlay	-	458,645	458,645
Total expenditures	1,774,050	980,534	(793,516)
Excess (deficiency) of revenue over expenditures	(949,790)	(155,068)	794,722
OTHER FINANCING SOURCES (USES)			
Transfers Out	-	(538)	538
Total other financing sources (uses)	-	(538)	538
Net change in fund balance	\$ (949,790)	(155,606)	\$ 795,260
FUND BALANCE, beginning		867,489	
FUND BALANCE, ending		\$ 711,883	

DEKALB TOWNSHIP
DEKALB COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
BUILDING & EQUIPMENT FUND
For the Year Ended March 31, 2022

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Property Taxes	\$ 103,327	\$ 103,798	\$ 471
Interest	45	68	23
Miscellaneous	-	490	490
Total revenues	103,372	104,356	984
EXPENDITURES			
PUBLIC WORKS			
Contingencies	10,000	224	(9,776)
Total Public Works	10,000	224	(9,776)
CAPITAL OUTLAY			
Equipment	250,000	222,202	(27,798)
Total Capital Outlay	250,000	222,202	(27,798)
Total expenditures	260,000	222,426	(37,574)
Excess (deficiency) of revenue over expenditures	(156,628)	(118,070)	38,558
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of capital assets	5,000	7,387	2,387
Total other financing sources (uses)	5,000	7,387	2,387
Net change in fund balance	\$ (151,628)	(110,683)	\$ 40,945
FUND BALANCE, beginning		121,067	
FUND BALANCE, ending		\$ 10,384	

DEKALB TOWNSHIP
DEKALB COUNTY, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SPECIAL BRIDGE FUND
For the Year Ended March 31, 2022

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Interest	\$ 60	\$ 114	\$ 54
Miscellaneous	40	-	(40)
Total revenues	100	114	14
EXPENDITURES			
PUBLIC WORKS			
Contractual Services			
Professional Fees	50,000	-	(50,000)
Total Contractual Services	50,000	-	(50,000)
Maintenance			
Bridge Repairs	20,000	-	(20,000)
New Culverts/Drain Pipes	20,000	11,208	(8,792)
Bridge & Culvert Replacement	100,000	-	(100,000)
Manhole Repair & Replacement	30,000	-	(30,000)
Total Maintenance	170,000	11,208	(158,792)
Contingencies	20,000	124	19,876
Total expenditures	240,000	11,332	(188,916)
Net change in fund balance	\$ (239,900)	(11,218)	\$ (188,930)
FUND BALANCE, beginning		341,929	
FUND BALANCE, ending		\$ 330,711	

TOWNSHIP OF DEKALB
DEKALB COUNTY, ILLINOIS

NOTES TO SUPPLEMENTARY INFORMATION
March 31, 2022

1. LEGAL COMPLIANCE AND ACCOUNTABILITY

Budgets are adopted on a cash basis of accounting which is not consistent with generally accepted accounting principles (GAAP). Annual appropriated budgets are adopted (at the fund level) for all of the funds on the cash basis with a line item budget by fund. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level.

The Township adopted its annual budget and appropriation ordinance for the year ended March 31, 2022 at its April 13, 2021 meeting.

The line item budget is used by management for control purposes in the day-to-day operations. The Board of Trustee may make transfers between line items while retaining the total appropriation for the fund. The Board of Trustees also may increase the appropriation amount by following the same procedures as required for the original appropriation. The amounts shown on the financial statements reflect the original and final budget as adopted by the Board of Trustees.

Budget revenues are based on estimates approved by the Board of Trustees.

2. EXPENDITURES OVER APPROPRIATIONS

The Township operated within the legal confines of the Appropriation Ordinance during the fiscal year ended March 31, 2022, with no instances of overexpending the budgeted amounts in the individual funds.