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**TROY TOWNSHIP  
WILL COUNTY, ILLINOIS  
ANNUAL FINANCIAL REPORT  
MARCH 31, 2022**



**CERTIFIED PUBLIC ACCOUNTANTS**

*Prepared by:*

***Mack & Associates, P.C.  
Certified Public Accountants***

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## TROY TOWNSHIP

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***INDEPENDENT AUDITORS' REPORT***



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CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees  
Troy Township, Illinois

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities and each major fund of Troy Township, Illinois, 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 modified cash basis financial position of the governmental activities and each major fund of Troy Township, Illinois, as of March 31, 2022, and the respective changes in modified cash basis financial position for the year then ended in accordance with the modified cash basis of accounting as described in Note 1.

#### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Troy Township, Illinois, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### Emphasis of Matter - Basis of Accounting

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

#### Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1, this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Troy Township, 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.

### **Auditors' Responsibility 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 GAAS 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 GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 the 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.

### **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Troy Township, Illinois' basic financial statements. The other information, including the individual fund financial statements and notes to other information, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

### **Supplemental Information**

Management is responsible for the supplemental information included in the annual report. The supplemental information comprises the Road Fund consolidating schedule and IMRF supplemental schedules but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the supplemental information, and we do not express an opinion or any form of assurance thereon.

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

### **Report on Summarized Comparative Information**

We previously audited Troy Township, Illinois' March 31, 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 19, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Mack & Associates, P.C.*

Mack & Associates, P.C.  
Certified Public Accountants

Morris, Illinois  
July 18, 2022

## ***BASIC FINANCIAL STATEMENTS***

**Government-wide Financial Statement-**  
**Statement of Net Position - Modified Cash Basis**  
**March 31, 2022**

		Primary Government Total Governmental Activities	
		2022	2021
<u>Assets</u>			
Cash	\$	114,521	98,319
Short-term certificates of deposit and savings		2,262,506	1,912,023
Restricted cash		308,591	203,049
Capital assets:			
Land		25,000	25,000
Buildings		2,597,166	2,597,166
Transportation equipment		551,744	551,744
Machinery & equipment		945,718	887,269
Accumulated Depreciation		(2,198,054)	(2,033,093)
Total assets		4,607,192	4,241,477
<u>Liabilities</u>			
Current liabilities:			
Accrued liabilities		8,711	9,525
Long term liabilities:			
Due within one year		66,529	135,568
Due in more than one year		69,153	135,724
Total long term liabilities		135,682	271,292
Total liabilities		144,393	280,817
<u>Net Position</u>			
Net investment in capital assets		1,785,892	1,756,794
Restricted		335,590	238,848
Unrestricted		2,341,317	1,965,018
Total net position	\$	4,462,799	3,960,660

The Notes to Basic Financial Statements are an integral part of this statement.



**Government -wide Financial Statement- Statement of Activities-**  
**Modified Cash Basis**  
**For the Year Ended March 31, 2022**

Program Activities	Expenditures	Program Revenues		Net (Expenditure) Revenue And Changes in Net Position	
		Fees and Charges for Services	Operating Grants and Contributions	Governmental Activities	
				2022	2021
Governmental activities:					
General government	\$ 1,050,401	1,550	2,785	(1,046,066)	(920,802)
Road and bridges	795,297	10,394	-	(784,903)	(746,493)
Health and welfare	20,409	-	-	(20,409)	(7,763)
Unallocated depreciation expense	189,661	-	-	(189,661)	(196,614)
Unallocated interest expense	8,717	-	-	(8,717)	(15,565)
Total governmental activities	2,064,485	11,944	2,785	(2,049,756)	(1,887,237)
General revenues:					
Taxes:					
Property taxes				\$ 2,021,312	1,937,739
Replacement taxes				372,412	166,581
Motor Fuel Tax Allotment				105,542	121,998
Interest income				2,837	5,975
Miscellaneous				5,741	6,014
Total general revenues				2,507,844	2,238,307
Special items					
Sale of assets - equipment				44,051	3,082
Change in net position				502,139	354,152
Net position at beginning of year				3,960,660	3,606,508
Net position at end of year				\$ 4,462,799	3,960,660

The Notes to Basic Financial Statements are an integral part of this statement.

**Statement of Assets, Liabilities, and Fund Balance- Modified Cash Basis-  
Governmental Funds  
March 31, 2022**

	General Fund	Road & Bridge Fund	General Assistance Fund	Total Governmental Funds	
				2022	2021
<u>Assets</u>					
Cash	\$ 68,636	38,034	7,851	114,521	98,319
Cash - restricted for Motor Fuel Tax	-	308,591	-	308,591	203,049
Short-term certificates of deposit and savings	1,166,298	1,076,867	19,341	2,262,506	1,912,023
Total Assets	<u>\$ 1,234,934</u>	<u>1,423,492</u>	<u>27,192</u>	<u>2,685,618</u>	<u>2,213,391</u>
<u>Liabilities</u>					
Accrued Liabilities	\$ 5,651	2,867	193	8,711	9,525
Total Liabilities	<u>5,651</u>	<u>2,867</u>	<u>193</u>	<u>8,711</u>	<u>9,525</u>
<u>Fund Balances</u>					
Fund Balances:					
Unassigned	1,229,283	-	-	1,229,283	996,457
Assigned	-	1,112,034	-	1,112,034	968,561
Restricted	-	308,591	26,999	335,590	238,848
Total Fund Balances	<u>1,229,283</u>	<u>1,420,625</u>	<u>26,999</u>	<u>2,676,907</u>	<u>2,203,866</u>
Total Liabilities and Fund Balances	<u>\$ 1,234,934</u>	<u>1,423,492</u>	<u>27,192</u>	<u>2,685,618</u>	<u>2,213,391</u>

**Reconciliation to Statement of Net Position:**

Total fund balance - governmental funds \$ 2,676,907 2,203,866

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities of \$4,199,628 (net of accumulated depreciation of \$2,198,054) are not financial resources and, therefore, are not reported in the funds.

1,921,574 2,028,086

Some liabilities, including capital debt obligations payable, are not due and payable in the current period and therefore, are not reported in the funds

(135,682) (271,292)

Net position of governmental activities

\$ 4,462,799 3,960,660

The Notes to Basic Financial Statements are an integral part of this statement.

**Statement of Revenues Received, Expenditures Disbursed, and Changes in  
Fund Balances- Governmental Funds  
For the Year Ended March 31, 2022**

	General Fund	Road & Bridge Fund	General Assistance Fund	Total Governmental Funds	
				2022	2021
<b>Revenues Received:</b>					
Property taxes	\$ 1,219,957	781,266	20,089	2,021,312	1,937,739
Replacement taxes	81,600	290,812	-	372,412	166,581
State reimbursements & grants	2,785	7,296	-	10,081	16,435
Federal grant	-	-	-	-	10,000
Fines & permits	-	3,098	-	3,098	39,373
Interest income	1,449	1,378	10	2,837	5,975
Rental Income	1,550	-	-	1,550	300
Motor fuel tax	-	105,542	-	105,542	121,998
Miscellaneous	2,738	3,003	-	5,741	6,014
Total revenues received	1,310,079	1,192,395	20,099	2,522,573	2,304,415
<b>Expenditures Disbursed:</b>					
Current:					
Administration	605,201	37,040	53,899	696,140	620,045
Assessor	288,133	-	-	288,133	254,175
Road and bridge maintenance	-	608,338	-	608,338	755,836
Public assistance	20,409	-	-	20,409	7,763
Capital outlay	66,128	270,108	-	336,236	237,479
Debt service:					
Principal	71,713	63,897	-	135,610	206,333
Interest	669	8,048	-	8,717	15,565
Total Expenditures disbursed	1,052,253	987,431	53,899	2,093,583	2,097,196
Excess (deficiency) of revenues received over (under) expenditures disbursed	257,826	204,964	(33,800)	428,990	207,219
Other financing sources (uses)					
Sale of fixed assets - equipment	-	44,051	-	44,051	3,082
Transfer (out)	(25,000)	-	25,000	-	-
Total other financing sources (uses)	(25,000)	44,051	25,000	44,051	3,082
Net change in fund balance	232,826	249,015	(8,800)	473,041	210,301
Fund balances - beginning	996,457	1,171,610	35,799	2,203,866	1,993,565
Fund balances - ending	\$ 1,229,283	1,420,625	26,999	2,676,907	2,203,866

The Notes to Basic Financial Statements are an integral part of this statement.

**Statement of Revenues Received, Expenditures Disbursed, and Changes in  
Fund Balances- Governmental Funds  
For the Year Ended March 31, 2022**

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**Reconciliation to the Statement of Activities:**

Net Change in Fund Balances - total governmental funds	\$ 473,041	210,301
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Amount reported for governmental activities in the Statement of Activities are different because:

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:

Principal payments	135,610	206,333
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The change in fund balance must be increased by capital purchases and decreased by depreciation expense:

Capital asset purchases	83,149	135,429
Capital asset disposals, net	-	(1,297)
Depreciation	(189,661)	(196,614)
	<u>502,139</u>	<u>354,152</u>
Change in net position of governmental activities (Statement B)	\$ 502,139	354,152

***NOTES TO BASIC FINANCIAL STATEMENTS***

## TROY TOWNSHIP

### Notes to Basic Financial Statements For the Year Ended March 31, 2022

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#### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Troy Township (the Township) is an Illinois unit of local government. The Township maintains a general assistance fund which assists eligible residents within the Township's boundaries by subsidizing costs for shelter, food and medical supplies. Assessing property values within the Township and contributing to various community and senior programs are additional activities of the Township. The Township operates a road and bridge district which maintains the roads and bridges within the Township that are not under the jurisdiction of another governmental unit.

These financial statements are presented using the modified cash basis of accounting. This modified basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements.

##### *A. The Reporting Entity*

The Township follows the provisions of Governmental Accounting Standards Board Statement No. 39, "Determining Whether Certain Organizations Are Component Units – an amendment of Statement No. 14." As defined by generally accepted accounting principles established by GASB, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate, tax-exempt entities and meet all of the following criteria:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents.
2. The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.
3. The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

The Township, for financial purposes, includes all funds relevant to the operations of the Township. The accompanying financial statements present the Township's primary government over which the Township exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the Township.

The Township has determined that the Troy Road District fits the definition of a component unit. Although legally separate from the Township, the Road District's purpose is to construct and maintain roads solely within the Township. The Road District's funds have been blended with the Township on the accompanying financial statements.

##### *B. Government-wide and Fund Financial Statements*

###### Government-wide Financial Statements

The government-wide financial statements (i.e., The Statement of Net Position and Statement of Activities) report information on all of the non-fiduciary activities of the Township. The effect of inter-fund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

Notes to Basic Financial Statements  
For the Year Ended March 31, 2022

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

*B. Government-wide and Fund Financial Statements – (Continued)*

Government-wide Financial Statements – (Continued)

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

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into one major category: governmental. An emphasis is placed on major funds within the governmental category.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. The Township does not report any proprietary or fiduciary funds.

A fund is considered major if it is the primary operating fund of the Township or meets the following criteria:

- a. at least 10 percent of the corresponding total for all funds of total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at that category or type, and
- b. total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

All of the Township's funds are considered to be major funds. The funds reported by the Township are described below.

Governmental Funds Types – the focus of the governmental funds measurement (in the fund statements) is upon determination of financial position and changes in financial position rather than upon net income. The following is a description of the governmental funds of the Township:

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.

## TROY TOWNSHIP

### Notes to Basic Financial Statements For the Year Ended March 31, 2022

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#### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

##### B. *Government-wide and Fund Financial Statements – (Continued)*

Special Revenue Funds – These funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The major Special Revenue Funds of the Township are:

Road & Bridge Fund – The Road & Bridge Fund is the general operating fund of the Troy Township Road District, which is included in these financial statements as a component unit of the Township. Proceeds of this specific tax levy may be used for any necessary expenditures of the Road District. As such, the balance of the Road & Bridge Fund is reported as assigned for the Road District in the accompanying financial statements.

General Assistance Fund – The General Assistance Fund is used to account for the proceeds of specific revenue sources for the expenditures for relief within the Township and related administration.

##### C. *Measurement Focus and Basis of Accounting*

###### Measurement Focus

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

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

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

###### Basis of Accounting

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

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

If the Township utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis. All government-wide financials would be presented on the accrual basis of accounting.



## TROY TOWNSHIP

### Notes to Basic Financial Statements For the Year Ended March 31, 2022

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#### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

##### *D. Assets, Liabilities and Net Position*

###### Cash & Cash Equivalents and Investments

Cash Equivalents – The Township considers cash equivalents as cash on hand, demand deposits, money market accounts and short-term investments.

Investments – Statutes authorize the Township to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agency, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Public Treasurer's Investment Pool. At March 31, 2022, the Township has no investments other than the short-term investments reported as cash equivalents above.

###### Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental columns in the government-wide financial statements. All capital assets are reported at historical cost, or estimated historical cost if actual is unavailable. Estimated historical cost was used to value the majority of the assets acquired prior to February 1, 2004. Donated capital assets are reported at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation of all exhaustible capital assets arising from cash transactions are recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation.

Capitalization thresholds for the capital asset classes are disclosed below:

Equipment and vehicles	\$5,000
Buildings	\$10,000
Infrastructure	\$50,000

The range of estimated useful lives by type of asset is as follows:

Equipment and vehicles	5-7 years
Buildings	40 years
Infrastructure	40 years

In the fund financial statements, capital assets arising from cash transactions acquired for use in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

## TROY TOWNSHIP

### Notes to Basic Financial Statements For the Year Ended March 31, 2022

#### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

##### D. *Assets, Liabilities and Net Position – (Continued)*

###### Equity Classification

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

- a. Net Investment in Capital Assets—Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets. At March 31, 2022, net investment in capital assets consists of the following:

Capital assets, at cost	\$ 4,119,628
Less: Accumulated depreciation	2,198,054
Less: Outstanding obligations	<u>135,682</u>
Net investment in capital assets	<u>\$ 1,785,892</u>

- b. Restricted Net Position—Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted Net Position—All other net position that does not meet the definitions of “restricted” or “net investment in capital assets.”

When both restricted and unrestricted resources are available for use, it is the Township’s policy to use restricted resources first, then unrestricted resources as they are needed.

###### Reclassifications

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year’s presentation.

#### NOTE 2: PROPERTY TAXES

The Township’s property tax is levied each year on all taxable real property located within the Township during the month of December. The 2020 levy in the amount of \$2,721,065, adjusted to \$2,704,474 was received by the Township during the current fiscal year. The 2021 levy was passed by the Board on December 13, 2021 in the amount of \$2,838,347, adjusted to \$2,782,579 and will be received by the Township in the subsequent fiscal year. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments early in June and September.

The following are the tax rate limits and the actual levied per \$100 of assessed valuation:

	Limit	Actual		
		2021	2020	2019
Corporate	0.2500	0.0731	0.0731	0.0738
General Assistance	0.1000	0.0012	0.0012	0.0013
Road and Bridge	0.6600	0.0876	0.0876	0.0885
		<u>0.1619</u>	<u>0.1619</u>	<u>0.1636</u>

## TROY TOWNSHIP

### Notes to Basic Financial Statements For the Year Ended March 31, 2022

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#### NOTE 3: PERSONAL PROPERTY REPLACEMENT TAXES

The Township receives Personal Property Replacement Tax, which represents an additional State of Illinois income tax on corporations (certain utilities), trusts, partnerships, and subchapter S corporations and a new tax on the invested capital of public utilities providing gas, communications, electrical and waste services.

Revenues are collected by the State of Illinois under the replacement tax and are allocated and paid by the State eight times a year. The replacement tax law provides that monies received should be first applied toward payment of the proportionate share of the pension or retirement obligation which were previously levied on personal property. Remaining allocations are made at the discretion of the Board of Trustees.

#### NOTE 4: DEPOSITS

Illinois statute authorizes the Township to invest in obligations of the U.S. Treasury, U.S. Agencies and banks and savings and loan associations covered by the federal depository insurance. The Township may also invest in commercial paper of U.S. corporations with assets exceeding \$500,000,000 provided that (a) the obligations are rated with the three highest classifications by at least two standards rating services and they mature within 180 days from the date of purchase, and (b) no more than 25% of any fund is invested in such obligation at any one time and (c) such purchases do not exceed 10% of the corporation's outstanding obligations.

##### Custodial Credit Risk

Custodial credit risk is the risk that in the event of bank failure, the Township's deposits may not be returned to it. The Township's deposit policy for custodial credit risk requires that 105% of the deposit balance will be covered when collateralization is required.

The Township's deposits and short-term investments may be covered by federal depository insurance (FDIC) or by securities held by the pledging financial institution. The FDIC currently insures the first \$250,000 of the Township's deposits at each financial institution, for each account type. Deposit balances over \$250,000 may be collateralized with securities held by the pledging financial institution at the discretion of the Supervisor. At March 31, 2022, the carrying amount of the Township's deposits (excluding MFT restricted cash) was \$2,377,027 and the bank balance was \$2,378,697. At March 31, 2022, \$1,878,144 of the Township's uninsured deposits were collateralized with securities held by the pledging financial institution. The remaining balance of uninsured deposits, \$553, was uncollateralized and exposed to custodial credit risk as of March 31, 2022.

#### NOTE 5: MOTOR FUEL TAX

The Township received an allotment of Motor Fuel Tax Funds from the State of Illinois. The allotment is paid directly to the Will County Treasurer. The Treasurer holds the funds and makes payments on approved road projects. The Township reports these funds in its Road & Bridge Fund. The following is a summary of the activity of the Township's motor fuel tax allotment for the period ended March 31, 2022:

Balance, April 1, 2021	\$ 203,049
Allotments received	105,542
Less: disbursements	-
Balance, March 31, 2022	<u>\$ 308,591</u>

**TROY TOWNSHIP**

**Notes to Basic Financial Statements  
For the Year Ended March 31, 2022**

**NOTE 6: CAPITAL ASSETS**

A summary of changes in capital assets follows:

	2021	Additions	Deletions	2022
Capital Assets Not Being Depreciated				
Land	\$ 25,000	-	-	25,000
Capital Assets Being Depreciated				
Buildings	2,597,166	-	-	2,597,166
Transportation equipment	551,744	-	-	551,744
Machinery & equipment	887,269	83,149	(24,700)	945,718
Total Capital Assets Being Depreciated	4,036,179	83,149	(24,700)	4,094,628
Total Capital Assets, at Cost	4,061,179	83,149	(24,700)	4,119,628
Accumulated Depreciation:				
Buildings	(1,093,284)	(71,680)	-	(1,164,964)
Transportation equipment	(477,929)	(14,730)	-	(492,659)
Machinery & equipment	(461,880)	(103,251)	24,700	(540,431)
Total Accumulated Depreciation	(2,033,093)	(189,661)	24,700	(2,198,054)
Total Capital Assets, Net	\$ 2,028,086	(106,512)	-	1,921,574

Significant purchases for the year included the following:

2014 Vermeer Brush Chipper	\$ 36,000
Ferri-TM46H 15'3" Boom Mower	\$ 20,202
Truck 10-6 Overhaul Engine with New Components	\$ 19,947

Depreciation in the amount of \$189,661 was unallocated during the year ended March 31, 2022.

**NOTE 7: CHANGE IN LONG-TERM OBLIGATIONS**

A summary of the changes in long-term obligations is included below:

	Principal Outstanding 4/1/2021	Additions	Reductions	Principal Outstanding 3/31/2022	Amount Due in One Year
Note Payable-Community Center Addition	\$ 71,713	-	71,713	-	-
John Deere 525L Loader	84,905	-	27,087	57,818	28,323
International Plow Truck	114,674	-	36,810	77,864	38,206
Total Notes Payable	\$ 271,292	-	135,610	135,682	66,529

**TROY TOWNSHIP****Notes to Basic Financial Statements  
For the Year Ended March 31, 2022****NOTE 7: CHANGE IN LONG-TERM OBLIGATIONS – (Continued)**

The Township acquitted financing to fund the addition to the Community Center through Chase Bank during the fiscal year ended March 31, 2006. The loan proceeds were \$1,700,000. The loan bears an interest rate of 2.99%. The debt is being retired by semi-annual principal and interest payments of \$74,997 every August 1 and February 1. The maturity date of the loan is August 1, 2021. The loan was paid in full at the end of fiscal year March 31, 2022.

The Township acquired financing to purchase a new John Deere Loader through First Secure Community Bank during the fiscal year ended March 31, 2020. The loan proceeds were \$110,810. The loan bears an interest rate of 4.40%. The debt is being retired by an annual principal and interest payments of \$30,862 every April 17. The maturity of the loan is April 17, 2023. The annual requirements to amortize the debts, including interest, is as follows:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payable</u>
3/31/2023	\$ 28,323	2,539	30,862
3/31/2024	29,495	1,371	30,866
	<u>\$ 57,818</u>	<u>3,910</u>	<u>61,728</u>

The Township acquired financing to purchase a new International Plow Truck through First Secure Community Bank during the fiscal year ended March 31, 2020. The loan proceeds were \$150,125. The loan bears an interest rate of 3.70%. The debt is being retired by annual principal and interest payments of \$41,083 every March 24. The maturity date of the loan is March 24, 2024. The annual requirements to amortize the debts, including interest, is as follows:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payable</u>
3/31/2023	\$ 38,206	2,877	41,083
3/31/2024	39,658	1,568	41,226
	<u>\$ 77,864</u>	<u>4,445</u>	<u>82,309</u>

Principal and interest payments on the John Deere Loader and International Plow Truck will be made from the Road and Bridge Fund.

The aggregate debt service requires for all outstanding long-term obligations are summarized below:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payable</u>
3/31/2023	\$ 66,529	5,416	71,945
3/31/2024	69,153	2,939	72,092
	<u>\$ 135,682</u>	<u>8,355</u>	<u>144,037</u>

## TROY TOWNSHIP

### Notes to Basic Financial Statements For the Year Ended March 31, 2022

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#### NOTE 8: RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft or, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters; and net income losses. The Township participates in a public entity risk pool to administer property and liability coverage and employee compensation and liability insurance programs. The public entity risk pool does not transfer risk from the Township. There have been no significant reductions in insurance coverage or settlement amounts exceeding insurance coverage for the current year or the three prior years. TOIRMA issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Township Officials of Illinois Risk Management Association, P.O. Box 517, Astoria, IL 61501.

#### NOTE 9: 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](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 of the Township's employees participate in the regular plan.

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 in 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 services, 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.

**TROY TOWNSHIP****Notes to Basic Financial Statements  
For the Year Ended March 31, 2022****NOTE 9: ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF) – (Continued)**

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

Retirees and Beneficiaries currently receiving benefits	21
Inactive Plan Members entitled to but not yet receiving benefits	19
Active Plan Members	<u>18</u>
Total	<u>58</u>

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 and actual Township contributions for calendar year 2021 and the fiscal year ended March 31, 2022 are summarized below. 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.

Plan member required contribution rate		4.50%
Township required contribution rate for 2021		8.53%
Township required contribution rate for 2022		6.25%
Township actual contributions for 2021	\$	62,781
Township actual contributions for fiscal year 2022	\$	61,360

**NOTE 10: LEGAL DEBT MARGIN**

Legal debt margin is the percent of the Township's assessed valuation which is subject to debt limitation. The statutory debt limitation for the Township is 2.875%. The Township's legal debt margin limitation is as follows for the period ended March 31, 2022:

Assessed valuation (2021)	<u>\$ 1,718,702,508</u>
Statutory debt limitation (2.875%)	\$ 45,562,829
Amount of debt applicable to debt limitation	<u>135,682</u>
Legal Debt Margin	<u>\$ 45,427,147</u>

**NOTE 11: SUBSEQUENT EVENTS**

Management evaluated subsequent events through July 18, 2022, the date the financial statements were available to be issued. There were no other events that require or adjustments or disclosure in the Township's financial statements as of March 31, 2022.

## TROY TOWNSHIP

### Notes to Basic Financial Statements For the Year Ended March 31, 2022

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#### NOTE 12: INTERFUND ACTIVITY

The Board approved a \$25,000 transfer from the General Fund to the General Assistance Fund to cover operating expenditures during the year ended March 31, 2022.

#### NOTE 13: FUND BALANCE – GASB 54 PRESENTATION

According to Government Accounting Standards, fund balances are to be classified into five major classifications: Non-spendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance.

##### *A. Non-spendable Fund Balance*

The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts.

##### *B. Restricted Fund Balance*

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Restrictions may be imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The Township has several revenue sources within different funds that fall into this category.

1. Motor Fuel Tax. Receipts and related disbursements of these restricted funds are accounted for in the Road & Bridge Fund. Revenues received exceeded expenditures disbursed for this purpose, resulting in an increase in the restricted fund balance to \$308,591, accounted for in the Road and Bridge Fund.
2. General Assistance Levy. Cash disbursed and the related cash receipts of this restricted tax levy are accounted for in the General Assistance Fund. Expenditures disbursed exceeded revenues received for this purpose, resulting in a restricted fund balance of \$26,999.

##### *C. Committed Fund Balance*

The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority (the Board). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts. There were no committed fund balances as of March 31, 2022.

##### *D. Assigned Fund Balance*

The assigned fund balance classification refers to amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by the Board itself or the Supervisor when the Board has delegated the authority to assign amounts to be used for specific purposes.

At the direction of the Board of Trustees, unexpended funds in the Road & Bridge Fund are designated for use by the Troy Township Road District, a blended component unit of the Township. At March 31, 2022, \$1,112,034 of the Road & Bridge Fund Balance is considered assigned for this purpose.



TROY TOWNSHIP

Notes to Basic Financial Statements  
For the Year Ended March 31, 2022

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NOTE 13: FUND BALANCE – GASB 54 PRESENTATION – (Continued)

*E. Unassigned Fund Balance*

The unassigned fund balance classification is the residual classification for amounts in the General Fund for amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund. The unassigned fund balance was \$1,229,283.

*F. Expenditures of Fund Balance*

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

## ***OTHER INFORMATION***

**TROY TOWNSHIP  
TOWN FUND**

Schedule A-1

**Statement of Assets, Liabilities, and Fund Balance arising from Cash Transactions  
March 31, 2022**

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Assets

Cash in bank	\$	68,636
Short-term certificates of deposit and savings accounts		<u>1,166,298</u>
Total assets	\$	<u><u>1,234,934</u></u>

Liabilities and fund balance

Liabilities:		
Accrued liabilities	\$	5,651
Fund balance:		
Unassigned fund balance		<u>1,229,283</u>
Total liabilities and fund balance	\$	<u><u>1,234,934</u></u>

**TROY TOWNSHIP  
TOWN FUND**

Schedule A-2

**Statement of Revenues Received, Expenditures Disbursed, and Changes in  
Fund Balance-Budget and Actual  
For the Year Ended March 31, 2022  
(with comparative figures for March 31, 2021)**

	Original Budget	Final Budget	Year Ended March 31,	
			2022	2021
Revenues received:				
Property taxes	\$ 1,216,946	1,216,946	1,219,957	1,167,703
Replacement taxes	27,390	27,390	81,600	36,500
State grants and reimbursements	1,500	1,500	2,785	2,098
Federal grants	-	-	-	10,000
Rental income	500	500	1,550	300
Interest income	1,920	1,920	1,449	2,986
Miscellaneous income	1,500	1,500	2,738	3,106
Total revenues received	1,249,756	1,249,756	1,310,079	1,222,693
Expenditures disbursed:				
Administration:				
Personnel:				
Salaries	365,000	365,000	354,278	300,698
Illinois municipal retirement fund	29,300	29,300	26,194	26,134
Social security	28,000	28,000	26,461	23,896
Health insurance	78,000	73,300	51,424	52,724
State unemployment tax	900	900	866	612
Printed material	375	375	356	356
Insurance	16,400	16,400	15,629	15,776
Office supplies	3,600	3,600	3,071	1,849
Telephone services	3,900	3,900	3,218	3,612
Postage	500	500	478	520
Postage - newsletter	2,320	2,320	1,865	1,719
Printing & publishing	3,000	3,000	2,704	3,067
Mileage & travel	5,500	5,500	1,643	1,353
Dues	4,875	4,875	4,624	3,400
Training	5,000	5,000	626	45
Utilities	21,000	23,400	23,395	19,628
Maintenance - building	33,000	33,000	25,778	31,596
Maintenance - equipment	25,330	25,330	18,232	19,356
Legal assistance	2,500	2,500	1,584	2,438
Senior services - in house	2,700	2,700	1,152	298
Senior services - out of house	17,000	19,300	19,257	7,465
Other professional services	7,300	7,300	6,002	3,578
Accounting services	4,800	4,800	4,536	3,694
Capital outlay	68,000	68,000	63,451	52,500

**TROY TOWNSHIP  
TOWN FUND**

**Schedule A-2  
(Continued)**

**Statement of Revenues Received, Expenditures Disbursed, and Changes in  
Fund Balance-Budget and Actual  
For the Year Ended March 31, 2022  
(with comparative figures for March 31, 2021)**

	Original Budget	Final Budget	Year Ended March 31,	
			2022	2021
Expenditures disbursed (continued):				
Administration (continued):				
Community events	\$ 3,100	3,100	2,315	15
Mosquito management	27,500	27,500	26,648	19,830
Debt service - principal	72,000	72,000	71,713	144,977
Debt service - interest	1,500	1,500	669	4,976
Contingencies	4,000	4,000	3,274	2,749
Assessor:				
Personnel:				
Salaries	194,000	194,000	187,390	173,891
Illinois municipal retirement fund	16,500	16,500	14,721	15,337
Social security	15,000	15,000	13,886	13,083
Health insurance	60,000	60,000	40,385	25,585
Insurance- workmen's comp	2,500	2,500	2,101	2,009
Printed materials	1,500	1,500	1,400	1,400
Insurance	125	125	56	56
Office supplies	500	500	473	311
Telephone	2,750	2,750	2,614	2,491
Postage - newsletter	2,200	2,200	1,528	1,434
Printing & publishing	2,420	2,420	2,198	1,794
Mileage & travel	4,000	4,000	3,852	3,831
Dues	200	200	90	60
Training	6,000	6,000	4,836	4,016
Maintenance - vehicles	2,125	2,125	62	832
Maintenance - equipment	550	550	405	315
Other professional services	10,000	10,800	10,792	6,582
Accounting services	825	825	825	825
Capital outlay	9,000	8,080	2,677	6,480
Contingencies	400	520	519	323
Total expenditures disbursed	1,166,995	1,166,995	1,052,253	1,009,516
Excess (deficiency) of revenues received over (under) expenditures disbursed	82,761	82,761	257,826	213,177
Other Financing sources (uses):				
Transfer out	(35,000)	(35,000)	(25,000)	(25,000)
Net change in fund balance	\$ 47,761	47,761	232,826	188,177
Fund balance, beginning of year			996,457	808,280
Fund balance, end of year			1,229,283	996,457

**TROY TOWNSHIP  
ROAD AND BRIDGE FUND**

Schedule B-1

**Statement of Assets, Liabilities, and Fund Balance arising from Cash Transactions  
March 31, 2022**

<u>Assets</u>	
Cash in Bank	\$ 38,034
Short-term certificates of deposit and savings accounts	1,076,867
Cash restricted for Motor Fuel Tax	<u>308,591</u>
Total assets	<u>\$ 1,423,492</u>
<u>Liabilities and fund balance</u>	
Liabilities:	
Accrued Liabilities	<u>\$ 2,867</u>
Fund balance:	
Restricted fund balance	308,591
Assigned fund balance	<u>1,112,034</u>
Total fund balance	<u>1,420,625</u>
Total liabilities and fund balance	<u>\$ 1,423,492</u>

**TROY TOWNSHIP  
ROAD AND BRIDGE FUND**

Schedule B-2

**Statement of Revenues Received, Expenditures Disbursed, and Changes in  
Fund Balance-Budget and Actual  
For the Year Ended March 31, 2022  
(with comparative figures for March 31, 2021)**

	Original Budget	Final Budget	Year Ended March 31,	
			2022	2021
Revenues received:				
Property taxes	\$ 779,794	779,794	781,266	749,479
Replacement taxes	105,000	105,000	290,812	130,081
Motor fuel tax	-	-	105,542	121,998
State reimbursements	14,198	14,198	7,296	14,337
Fines & permits	1,560	1,560	3,098	39,373
Interest income	1,860	1,860	1,378	2,969
Rental Income	100	100	-	-
Miscellaneous and reimbursements	100	100	3,003	2,608
Total revenues received	902,612	902,612	1,192,395	1,060,845
Expenditures disbursed:				
Administration:				
Insurance	19,000	19,000	18,406	18,351
Office supply	750	750	638	482
Telephone service	6,000	6,000	5,448	5,502
Postage	500	500	359	220
Postage-newsletter	2,100	2,100	1,528	1,435
Printing & publishing	3,200	3,200	2,649	1,794
Mileage & travel	1,500	1,500	-	-
Dues	475	675	550	450
Training	750	750	50	25
Janitorial services	2,500	2,500	2,155	1,324
Legal services	4,000	4,000	303	-
Accounting services	4,600	4,600	3,808	3,612
Capital outlay	4,550	4,550	1,794	423
Other Professional Services	19,000	19,000	1,146	-
Replacement tax reimbursement	50,000	50,000	-	-
Maintenance:				
Personnel:				
Salaries	275,000	275,000	262,722	248,886
Illinois municipal retirement fund	23,000	23,000	18,082	16,023
Social security	21,050	21,050	19,617	17,442
Health insurance	63,000	63,000	39,326	23,875
State unemployment tax	1,000	1,000	821	644
Utilities	5,300	5,600	5,587	4,834
Utilities R&B street lights	28,000	28,000	18,178	20,858
Maintenance - roads	175,000	175,000	145,933	177,056
Maintenance - bridges	4,000	4,000	-	-
Maintenance - building	10,000	10,000	5,913	4,470
Maintenance - vehicles	50,000	50,000	17,042	23,274
Maintenance - equipment	36,500	36,500	31,941	24,866
Gas & Oil	62,000	62,000	42,851	28,347

**TROY TOWNSHIP  
ROAD AND BRIDGE FUND**

**Schedule B-2  
(Continued)**

**Statement of Revenues Received, Expenditures Disbursed, and Changes in  
Fund Balance-Budget and Actual  
For the Year Ended March 31, 2022  
(with comparative figures for March 31, 2021)**

	Original Budget	Final Budget	Year Ended March 31,	
			2022	2021
Expenditures disbursed - (Continued):				
Maintenance - (Continued):				
Capital Outlay:				
R&B equipment	\$ 350,000	350,000	91,775	92,881
R&B roads	235,000	235,000	146,441	83,980
Building	102,000	102,000	30,098	1,215
Debt Service Principal	65,000	65,000	63,897	61,356
Debt Service Interest	9,500	9,500	8,048	10,589
Contingencies	5,000	4,500	325	100
MFT Expenditures	-	-	-	165,161
Total expenditures disbursed	1,639,275	1,639,275	987,431	1,039,475
Excess (deficiency) of revenues received over (under) expenditures disbursed	(736,663)	(736,663)	204,964	21,370
Other financing sources (uses):				
Loan proceeds	150,000	150,000	-	-
Sale of assets - equipment	-	-	44,051	3,082
Total other financing sources (uses)	150,000	150,000	44,051	3,082
Net Change in Fund Balance	<u>\$ (586,663)</u>	<u>(586,663)</u>	249,015	24,452
Fund balance, beginning of year			1,171,610	1,147,158
Fund balance, end of year			<u>1,420,625</u>	<u>1,171,610</u>



TROY TOWNSHIP  
GENERAL ASSISTANCE FUND

Schedule B-3

Statement of Assets, Liabilities, and Fund Balance arising from Cash Transactions  
March 31, 2022

<u>Assets</u>	
Cash in Bank	\$ 7,851
Short-term certificates of deposit and savings accounts	<u>19,341</u>
Total Assets	<u>\$ 27,192</u>
<u>Liabilities and fund balance</u>	
Liabilities:	
Accrued liabilities	<u>\$ 193</u>
Fund balance:	
Restricted fund balance	<u>26,999</u>
Total liabilities and fund balance	<u>\$ 27,192</u>

**TROY TOWNSHIP**  
**GENERAL ASSISTANCE FUND**

Schedule B-4

**Statement of Revenues Received, Expenditures Disbursed, and Changes in  
Fund Balance-Budget and Actual  
For the Year Ended March 31, 2022  
(with comparative figures for March 31, 2021)**

	Original Budget	Final Budget	Year Ended March 31,	
			2022	2021
Revenues received:				
Property taxes	\$ 20,000	20,000	20,089	20,557
Interest income	25	25	10	20
Miscellaneous income	-	-	-	300
Total revenues received:	20,025	20,025	20,099	20,877
Expenditures disbursed:				
Administration:				
Personnel:				
Salaries	30,000	30,000	29,527	28,448
Illinois municipal retirement fund	2,700	2,700	2,363	2,501
Social security	2,300	2,300	2,104	2,057
Health insurance	14,800	14,733	7,679	4,478
State unemployment tax	60	60	59	60
Insurance	2,400	2,400	2,360	2,360
Postage-newsletter	2,200	2,200	1,600	1,474
Printing & publishing	2,420	2,420	2,311	2,197
Mileage & travel	1,285	1,285	60	-
Dues	50	50	25	25
Training	650	650	400	25
Maintenance - equipment	450	463	463	267
Other professional services	1,000	1,000	1,000	1,000
Accounting services	3,450	3,504	3,504	3,224
Other Expenditures:				
Contingencies	500	500	444	89
Home Relief:				
Contractual services:				
Utilities	2,000	2,000	-	-
Shelter/rent	5,000	5,000	-	-
Medical care	500	500	-	-
Commodities:				
Drugs	500	500	-	-
Fuel-Gasoline	500	500	-	-
Food	1,500	1,500	-	-
Clothing	500	500	-	-
Emergency assistance	2,500	2,500	-	-
Total expenditures disbursed:	77,265	77,265	53,899	48,205

**TROY TOWNSHIP  
GENERAL ASSISTANCE FUND**

**Schedule B-4  
(Continued)**

**Statement of Revenues Received, Expenditures Disbursed, and Changes in  
Fund Balance-Budget and Actual  
For the Year Ended March 31, 2022  
(with comparative figures for March 31, 2021)**

	Original Budget	Final Budget	Year Ended March 31,	
			2022	2021
Excess (deficiency) of revenues received over (under) expenditures disbursed	\$ (57,240)	(57,240)	(33,800)	(27,328)
Other financing sources (uses):				
Transfer in	35,000	35,000	25,000	25,000
Net change in fund balance	<u>\$ (22,240)</u>	<u>(22,240)</u>	(8,800)	(2,328)
Fund balance, beginning of year			<u>35,799</u>	<u>38,127</u>
Fund balance, end of year			<u><u>26,999</u></u>	<u><u>35,799</u></u>

***NOTES TO OTHER INFORMATION***

## TROY TOWNSHIP

### Notes to Other Information For the Year Ended March 31, 2022

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#### NOTE 1: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

##### Budgets and Budgetary Accounting

The Township adheres to the following procedures in establishing the budgetary data included in the financial statements:

1. Within the first three months of its fiscal year, the Township Board prepares the proposed combined annual budget and appropriation ordinance for the fiscal year commencing April 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to June 30, the annual budget and appropriations ordinance is legally adopted through passage of an ordinance.
4. The Township Board may transfer up to 10% of the total appropriation between various items within any fund.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund and the Special Revenue Funds.
6. The 2021-2022 budget and appropriation ordinances, formulated on the cash basis of accounting, were adopted by the Board on April 19, 2021 and were not amended; however, line transfers of appropriations were approved by the Board on March 21, 2022. Such transfers are reflected in the final budgeted amounts.

A summary of budget to actual comparisons for the major funds is disclosed below:

Description	Budget	Actual	Variance	Percent Variance
General Town Fund	\$ 1,166,995	1,052,253	114,742	10%
Road Fund*	1,639,275	987,431	651,844	40%
General Assistance	77,265	53,899	23,366	30%

\* The Township does not include appropriations for Motor Fuel Tax expenditures in its budget. Motor Fuel Tax expenditures have, therefore, been excluded from the "Actual" Road and Bridge expenditures included in the comparison above, as they are maintained by the County on behalf of the Township.

All funds operated within the confines of the approved budget for the year ended March 31, 2022.

***SUPPLEMENTAL INFORMATION***

**Consolidating Statement of Revenues Received, Expenditures Disbursed, and Changes in  
Fund Balance-Budget and Actual - Road and Bridge Fund  
For the Year Ended March 31, 2022  
(with comparative figures for March 31, 2021)**

	Road District	Motor Fuel Tax	Year Ended March 31,	
			2022	2021
Revenues received:				
Property taxes	\$ 781,266	-	781,266	749,479
Replacement taxes	290,812	-	290,812	130,081
Motor fuel tax allotments	-	105,542	105,542	121,998
State reimbursements	7,296	-	7,296	14,337
Fines & permits	3,098	-	3,098	39,373
Interest income	1,378	-	1,378	2,969
Miscellaneous and reimbursements	3,003	-	3,003	2,608
Total revenues received	1,086,853	105,542	1,192,395	1,060,845
Expenditures disbursed:				
Administration:				
Insurance	18,406	-	18,406	18,351
Office supply	638	-	638	482
Telephone service	5,448	-	5,448	5,502
Postage	359	-	359	220
Postage-newsletter	1,528	-	1,528	1,435
Printing & publishing	2,649	-	2,649	1,794
Mileage & travel	-	-	-	-
Dues	550	-	550	450
Training	50	-	50	25
Janitorial services	2,155	-	2,155	1,324
Accounting services	3,808	-	3,808	3,612
Capital outlay	1,794	-	1,794	423
Other Professional Services	1,146	-	1,146	-
Maintenance:				
Personnel:				
Salaries	262,722	-	262,722	248,886
Illinois municipal retirement fund	18,082	-	18,082	16,023
Social security	19,617	-	19,617	17,442
Health insurance	39,326	-	39,326	23,875
State unemployment tax	821	-	821	644
Utilities	5,587	-	5,587	4,834
Utilities R&B street lights	18,178	-	18,178	20,858
Maintenance - roads	145,933	-	145,933	177,056
Maintenance - building	5,913	-	5,913	4,470
Maintenance - vehicles	17,042	-	17,042	23,274
Maintenance - equipment	31,941	-	31,941	24,866
Gas & Oil	42,851	-	42,851	28,347

**TROY TOWNSHIP  
ROAD AND BRIDGE FUND**

**Schedule C-1  
(Continued)**

**Consolidating Statement of Revenues Received, Expenditures Disbursed, and Changes in  
Fund Balance-Budget and Actual - Road and Bridge Fund  
For the Year Ended March 31, 2022  
(with comparative figures for March 31, 2021)**

	Road District	Motor Fuel Tax	Year Ended March 31,	
			2022	2021
Expenditures disbursed - (Continued):				
Maintenance - (Continued):				
Capital Outlay:				
R&B equipment	91,775	-	91,775	92,881
R&B roads	146,441	-	146,441	83,980
Building	30,098	-	30,098	1,215
Debt Service Principal	63,897	-	63,897	61,356
Debt Service Interest	8,048	-	8,048	10,589
Contingencies	325	-	325	100
MFT Expenditures	-	-	-	165,161
Total expenditures disbursed	987,128	-	987,128	1,039,475
Excess (deficiency) of revenues received over (under) expenditures disbursed	99,725	105,542	205,267	21,370
Other financing sources (uses):				
Sale of assets - equipment	44,051	-	44,051	3,082
Total other financing sources (uses)	44,051	-	44,051	3,082
Net Change in Fund Balance	143,776	105,542	249,318	24,452
Fund balance, beginning of year	968,561	203,049	1,171,610	1,147,158
Fund balance, end of year	\$ 1,112,337	308,591	1,420,928	1,171,610



**Illinois Municipal Retirement Fund**  
**Schedule of Changes in the Employer's Net Pension Liability and Related Ratios**

Calendar Year Ending December 31,	2021	2020	2019	2018	2017	2016	2015
<b>TOTAL PENSION LIABILITY</b>							
Service Cost	\$ 62,375	60,733	65,081	56,120	64,841	63,251	58,949
Interest on Total Pension Liability	247,545	242,241	236,669	241,404	246,297	238,110	227,584
Benefit Changes	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	71,512	49,089	4,416	(126,650)	(38,174)	18,686	49,450
Assumption Changes	-	(46,800)	-	86,651	(123,769)	(11,652)	-
Benefit Changes, Assumption Changes, and Refunds	(235,409)	(230,438)	(223,834)	(208,808)	(211,352)	(214,200)	(180,260)
Net Change in Total Pension Liability	146,023	74,825	82,332	48,717	(62,157)	94,195	155,723
Total Pension Liability - Beginning	3,500,934	3,426,109	3,343,777	3,295,060	3,357,217	3,263,022	3,107,299
Total Pension Liability - Ending	\$ 3,646,957	3,500,934	3,426,109	3,343,777	3,295,060	3,357,217	3,263,022
<b>PLAN FIDUCIARY NET POSITION</b>							
Contributions - Employer	\$ 62,781	59,613	60,314	82,005	80,636	87,106	73,274
Contributions - Member	33,121	30,243	28,421	30,273	28,594	28,759	26,463
Pension Plan Net Investment Income	634,590	492,084	565,948	(189,821)	504,882	176,595	12,625
Benefit Payments and Refunds	(235,409)	(230,438)	(223,834)	(208,808)	(211,352)	(214,200)	(180,260)
Other	38,048	18,521	42,144	89,898	(41,213)	47,852	106,151
Net Change in Plan Fiduciary Net Position	533,131	370,023	472,993	(196,453)	361,547	126,112	38,253
Plan Net Position - Beginning	3,737,670	3,367,647	2,894,654	3,091,107	2,729,560	2,603,448	2,565,195
Plan Net Position - Ending	\$ 4,270,801	3,737,670	3,367,647	2,894,654	3,091,107	2,729,560	2,603,448
<b>EMPLOYER'S NET PENSION LIABILITY (ASSET)</b>	<b>\$ (623,844)</b>	<b>(236,736)</b>	<b>58,462</b>	<b>449,123</b>	<b>203,953</b>	<b>627,657</b>	<b>659,574</b>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	117.11%	106.76%	98.29%	86.57%	93.81%	81.30%	79.79%
Covered Valuation Payroll	\$ 736,013	672,067	631,568	672,719	635,424	639,076	588,067
Employer's Net Pension Liability as a Percentage of Covered Valuation Payroll	-84.76%	-35.23%	9.26%	66.76%	32.10%	98.21%	112.16%

**Notes to Schedule:**

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

**Illinois Municipal Retirement Fund  
Schedule of Employer Contributions**

Calendar Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contributions as a Percentage of Covered Valuation Payroll
2021	\$ 62,782	62,781	1	736,013	8.53%
2020	59,612	59,613	(1)	672,067	8.87%
2019	60,315	60,314	1	631,568	9.55%
2018	82,004	82,005	(1)	672,719	12.19%
2017	80,635	80,636	(1)	635,424	12.69%
2016	87,106	87,106	-	639,076	13.63%
2015	73,273	73,274	(1)	588,067	12.46%

**Note to Schedule**

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

**Methods and assumptions used to determine 2020 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): 22-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 17 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 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments 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.

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