



DECATUR TOWNSHIP, ILLINOIS

ANNUAL FINANCIAL STATEMENTS

March 31, 2022

SIKICH.COM

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Decatur Township
Decatur, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Decatur 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 financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Decatur Township as of March 31, 2022, and the respective changes in financial position on a modified cash basis and cash basis, thereof for the year 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 (GAAS). Our responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township and to meet our 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 these financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 government regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Decatur Township's basic financial statements. The accompanying financial information listed as supplementary information in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The information in the supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The Township has not presented information related to the Retiree Health Plan, in accordance with Governmental Accounting Standards Board Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Such missing information, although not a requirement for the modified cash basis of accounting, 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 opinion on the basic financial statements is not affected by this missing information.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Schedule of Changes in the Employer's Net Pension Liability and Related Ratios – IMRF, Schedule of Employer Contributions – IMRF and the Schedule of Assessed Valuations and Taxes Extended and Collected but does not include the basic financial statements or our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or form any 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 misstatement of the other information exists, we are required to describe it in our report.

Sikich LLP

Decatur, Illinois
November 29, 2022

FINANCIAL STATEMENTS

DECATUR TOWNSHIP, ILLINOIS

STATEMENT OF NET POSITION - MODIFIED CASH BASIS

March 31, 2022

	<u>Governmental Activities</u>
ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 4,091,229
Investments	613,140
Inventory	<u>1,114</u>
Total current assets	<u>4,705,483</u>
NONCURRENT ASSETS	
Capital assets, being depreciated	2,638,197
Less: accumulated depreciation	<u>(1,176,915)</u>
Total noncurrent assets	<u>1,461,282</u>
Total assets	<u>6,166,765</u>
LIABILITIES	
Deposit	12,504
Other Current Liabilities	<u>325</u>
Total liabilities	<u>12,829</u>
NET POSITION	
Net investment in capital assets	1,461,282
Restricted for:	
Nonexpendable - corpus of permanent fund	477,182
Cemetery	769,326
Public assistance	1,346,512
Insurance	80,496
Employee retirement	133,980
Transportation and public works	172,139
Unrestricted	<u>1,713,019</u>
TOTAL NET POSITION	<u><u>6,153,936</u></u>

See accompanying notes to financial statements.

DECATUR TOWNSHIP, ILLINOIS

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS

Year Ended March 31, 2022

FUNCTIONS/PROGRAMS	Expenses Paid	Program Revenues			Net (Expense)
		Charges for Services	Operating	Capital	Revenue and
			Grants and Contributions	Grants and Contributions	Changes in
					Governmental
					Activities
Governmental activities					
General government	\$ 1,375,885	\$ -	\$ -	\$ -	\$ (1,375,885)
Transportation and public works	22,394	13,551	-	-	(8,843)
Public assistance	40,306	-	-	-	(40,306)
Cemetery maintenance	225,198	108,736	-	-	(116,462)
TOTAL PRIMARY GOVERNMENT	\$ 1,663,783	\$ 122,287	\$ -	\$ -	(1,541,496)
		General revenues collected			
		Property taxes			1,570,734
		Personal property replacement tax			571,630
		Miscellaneous			2,962
		Investment income (loss)			50,805
		Total general revenues collected			2,196,131
		Change in net position			654,634
		NET POSITION, BEGINNING OF YEAR			5,499,302
		NET POSITION, END OF YEAR			\$ 6,153,936

See accompanying notes to financial statements.

DECATUR TOWNSHIP, ILLINOIS

STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES - CASH BASIS -

GOVERNMENTAL FUNDS

March 31, 2022

	Town Fund	Cemetery Fund	General Assistance Fund	Cemetery Trust Fund	Nonmajor Governmental Fund	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 1,724,409	\$ 593,918	\$ 1,346,512	\$ 39,775	\$ 386,615	\$ 4,091,229
Investments	-	-	-	613,140	-	613,140
Inventory	-	-	1,114	-	-	1,114
TOTAL ASSETS	<u>\$ 1,724,409</u>	<u>\$ 593,918</u>	<u>\$ 1,347,626</u>	<u>\$ 652,915</u>	<u>\$ 386,615</u>	<u>\$ 4,705,483</u>
LIABILITIES AND FUND BALANCES						
LIABILITIES						
LCFS security deposit	\$ 12,504	\$ -	\$ -	\$ -	\$ -	\$ 12,504
Other current liabilities	-	325	-	-	-	325
Total liabilities	<u>12,504</u>	<u>325</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,829</u>
FUND BALANCES						
Nonspendable						
Corpus of permanent fund	-	-	-	477,182	-	477,182
Inventory	-	-	1,114	-	-	1,114
Restricted for						
Cemetery	-	593,593	-	175,733	-	769,326
Public assistance	-	-	1,346,512	-	-	1,346,512
Insurance	-	-	-	-	80,496	80,496
Employee retirement	-	-	-	-	133,980	133,980
Transportation and public works	-	-	-	-	172,139	172,139
Unrestricted						
Unassigned	1,711,905	-	-	-	-	1,711,905
Total fund balances	<u>1,711,905</u>	<u>593,593</u>	<u>1,347,626</u>	<u>652,915</u>	<u>386,615</u>	<u>4,692,654</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,724,409</u>	<u>\$ 593,918</u>	<u>\$ 1,347,626</u>	<u>\$ 652,915</u>	<u>\$ 386,615</u>	<u>\$ 4,705,483</u>

See accompanying notes to financial statements.

DECATUR TOWNSHIP, ILLINOIS

**RECONCILIATION OF THE STATEMENT OF ASSETS, LIABILITIES AND FUND
BALANCES - CASH BASIS - GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION - MODIFIED CASH BASIS**

March 31, 2022

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 4,692,654
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets of \$ 2,638,197 net of accumulated depreciation of \$(1,176,915), are not current financial resources and, therefore, are not reported in the governmental funds financial statements.	<u>1,461,282</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 6,153,936</u></u>

See accompanying notes to financial statements.

DECATUR TOWNSHIP, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - CASH BASIS
GOVERNMENTAL FUNDS

Year Ended March 31, 2022

	Town Fund	Cemetery Fund	General Assistance Fund	Cemetery Trust Fund	Nonmajor Governmental Fund	Total Governmental Funds
REVENUES						
Property taxes	\$ 691,095	\$ 228,449	\$ 441,114	\$ -	\$ 210,076	\$ 1,570,734
Personal property replacement taxes	514,028	-	-	-	57,602	571,630
Service fees	-	108,736	-	-	13,551	122,287
Investment income (loss)	2,737	814	1,931	35,871	9,452	50,805
Miscellaneous income	2,758	204	-	-	-	2,962
Total revenues	1,210,618	338,203	443,045	35,871	290,681	2,318,418
EXPENDITURES						
Current						
General government	843,086	101,179	130,463	23,804	193,726	1,292,258
Transportation and public works	-	-	-	-	22,394	22,394
Public assistance	-	-	40,306	-	-	40,306
Cemetery maintenance	-	238,476	-	-	-	238,476
Total expenditures	843,086	339,655	170,769	23,804	216,120	1,593,434
NET CHANGE IN FUND BALANCE	367,532	(1,452)	272,276	12,066	74,561	724,983
FUND BALANCE, BEGINNING OF YEAR	1,344,373	595,045	1,075,350	640,849	312,054	3,967,671
FUND BALANCE, END OF YEAR	\$ 1,711,905	\$ 593,593	\$ 1,347,626	\$ 652,915	\$ 386,615	\$ 4,692,654

See accompanying notes to financial statements.

DECATUR TOWNSHIP, ILLINOIS

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

March 31, 2022

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	724,983
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures.

However, they are capitalized and depreciated in the statement of activities. This is the amount by which depreciation \$(104,003) exceeded capital outlays of \$33,654

(70,349)

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 654,634</u></u>
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See accompanying notes to financial statements.

DECATUR TOWNSHIP, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Decatur Township (Township) have been prepared in conformity with the accounting principles generally accepted in the United States of America as applied to governmental activities (herein after referred to as generally accepted accounting principles (GAAP)), except as described in Note 1(e). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the Township are described as follows:

a. Reporting Entity

The Decatur Township is a body corporate and politic established under Illinois Compiled Statutes (ILCS) governed by an elected Board of Trustees and an elected Supervisor. These financial statements include all functions, programs, and activities under control of the Board of Trustees of the Township. The Township is considered to be a primary government as defined by GASB Statement No. 14 since it is legally separate and fiscally independent.

The Township's financial statements include the accounts of all Township operations. The criteria for including organizations within the Township's reporting entity, as set forth in GASB No. 61, "The Financial Reporting Entity; Omnibus" is financial accountability. Financial accountability is defined as appointment of a voting majority of the component unit's board and either (1) the Township is able to influence the programs or services performed or provided by the organization; or (2) the Township is legally entitled to or can otherwise access the organization's resources; or (3) the Township is legally obligated or has otherwise assumed responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the Township is obligated for the debt of the organization.

The Road District (District) provides services for the citizens of the Township. The Township Board approves the budget and levies taxes on behalf of the District.

b. Government-wide Financial Statements

The basic financial statements include both government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

The statement of net position and statement of activities report information on all of the activities of the primary government. The effect of interfund activity has been removed from these statements. Governmental activities are normally financed through taxes and intergovernmental revenues.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Government-wide Financial Statements (Continued)

The statement of net position presents the reporting entity's assets and liabilities, with the difference reported as net position.

The statement of activities demonstrates the degree to which the direct expenses of a given function or activity is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or activity. Program revenues include: (1) charges to customers who purchase, use or directly benefit from goods or services, provided by a given function or activity and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or activity.

Taxes and other items not properly included among program revenues are reported instead as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing or draws from the general revenues of the Township.

c. Fund Financial Statements

During the year, the Township segregates transactions related to certain functions or activities into separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Township at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds, if any, are aggregated and presented in a single column.

The Township uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Township uses governmental funds to account for all of its activities.

Governmental Funds

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

The Township reports the following major governmental funds:

DECATUR TOWNSHIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Fund Financial Statements (Continued)

Town Fund – The Town Fund accounts for all activities of the Township, except those accounted for in other funds.

General Assistance Fund – The General Assistance Fund accounts for a Township-wide property tax levy and grants received from the State of Illinois used to provide general assistance in the Township to persons needing assistance as provided in the Illinois Public Aid Code.

Cemetery Fund – The Cemetery Fund accounts for a Township-wide property tax levy and for sales of cemetery lots located in the Township's cemeteries. Proceeds from these revenues are used to maintain and operate the Township's cemeteries.

Cemetery Trust Fund – The Cemetery Trust Fund accounts for a permanent care fund, the earnings of which are used to maintain the Township cemetery. The principal is to remain intact in perpetuity.

Additional governmental fund types which are combined as nonmajor funds are as follows:

Road and Bridge Fund – The Road and Bridge Fund accounts for revenues collected from the Road and Bridge portion of the property tax levies and the personal property replacement tax collected by the State of Illinois. Expenditures are related to constructing and maintaining the Township's roads and highways.

Insurance Fund – The Insurance Fund accounts for a Township-wide property tax levy used to pay for the Township's liability insurance.

Illinois Municipal Retirement Fund – The Illinois Municipal Retirement Fund accounts for a property tax levy which is legally restricted for the payment of Illinois Municipal Retirement Fund (IMRF) expenses.

Social Security Fund – The Social Security Fund accounts for revenues collected from property taxes restricted to paying the Township's portion of Social Security.

d. Measurement Focus

In the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as defined in Note 1(e).

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus (Continued)

In the fund financial statements, all government funds utilize a “current financial resources” measurement focus, as applied to the cash basis of accounting. 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.

e. Basis of Accounting

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

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.

The governmental fund financial statements are presented using a cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. This basis recognizes assets, liabilities, fund equity, revenues and expenditures when they result from cash transactions.

f. Interfund Activity

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as “due to/from other funds.” All other interfund transactions are treated as transfers, which are reported as other financing sources/uses in governmental funds. Interfund balances within governmental activities are eliminated on the government-wide statement of net position.

g. Investments

The Township has adopted a formal investment policy that states, the Township will use investments approved for governmental units as set forth in the most current issue of the Illinois Compiled Statutes including Securities Exchange Commission registered and AAA rated by Moody’s and Standard and Poor’s money market mutual funds consisting of U.S. Government Treasuries. Investments in the permanent fund are stated at fair market value.

DECATUR TOWNSHIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Inventories

The inventory recorded in the General Assistance Fund is recorded at cost. Cost is determined under the first-in, first-out method. Inventory costs are recorded as expenditures when consumed.

i. Capital Assets

The Township's modified cash basis of accounting reports capital assets resulting from cash transactions and reports depreciation where appropriate. The accounting treatment over the property, plant, and equipment (capital assets) depends on whether they are reported in the government-wide or fund financial statements.

Government-wide Statements

In the government-wide financial statements, capital assets arising from cash transactions are accounted for as assets in the statement of net position. All capital assets are recorded at historical cost or estimated historical cost, if purchased or constructed. Contributed capital assets are recorded at acquisition value as of the date of donation.

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

The costs of routine maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements costing \$5,000 or greater are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Depreciation of all exhaustible capital assets arising from cash transactions is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is computed using the straight-line method over the assets' estimated useful lives. The range of estimated useful lives by type of asset is as follows:

Machinery & Equipment	5 – 20 years
Land Improvements	20 years
Buildings	20 – 40 years
Infrastructure	20 – 50 years
Software	4 years

The Township has a formally adopted capitalization policy.

The District has elected to report only those infrastructure capital assets that were acquired or constructed after May 1, 2004.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Capital Assets (Continued)

Fund Financial Statements

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.

j. Fund Balance/Net Position

Government-wide Statements

Equity is classified as net position and displayed in three components:

- a. Net investments 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.
- b. Restricted net position – Consists of net position with constraints placed on their 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 definition of “restricted” or “net investment in capital assets”.

The Township has adopted a formal policy regarding the utilization of restricted net position prior to the utilization of unrestricted net position when an expenditure is incurred for a purpose which qualifies for the use of the restricted assets.

Fund Financial Statements

Fund balance is the difference between assets and liabilities and is displayed in five components:

- a. Non-spendable – Amounts that cannot be spent because they are either not spendable form or legally or contractually require to be maintained intact.
- b. Restricted – Resources that are subject to constraints imposed by external parties or enabling legislation.
- c. Committed – Amounts constrained for specific purposes by the Township Board of Trustees through formal action (ordinance).

DECATUR TOWNSHIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Fund Balance/Net Position (Continued)

Fund Financial Statements (Continued)

- d. Assigned – Amounts constrained by the Township Supervisor to be used for specific purposes, but are neither restricted nor committed.
- e. Unassigned – The residual classification for the town fund. This fund balance that has not been reported in any other fund that can report a positive unassigned fund balance. Other governmental funds would report deficit fund balances as unassigned.

The Township has not adopted a policy regarding which fund balance category to use first when an expenditure is incurred. The Township has adopted a policy to maintain an unrestricted fund balance of no less than two months of operating revenues or operating expenditures. Committed funds would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

k. Compensated Absences

The Township does not report accrued vacation leave or sick leave under the modified cash basis of accounting. Such amounts are reported as expenditures when paid. The Township's policy is that all vacation earned must be used within one year of earning it or it is lost.

l. Use of Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

m. Long-term Debt

All long-term debt arising from cash transactions to be repaid from governmental resources is reported as liabilities in the government-wide statements. Long-term debt arising from cash basis transactions of governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payments of principal and interest is reported as expenditures.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Postponement of Implementation of Certain Authoritative Guidance

In accordance with the provisions of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the Township has delayed the implementation of GASB Statement No. 87, *Leases* to March 31, 2023. No new accounting policies were adopted, and the application of existing policies was not changed during the year ended March 31, 2022.

2. PROPERTY TAXES

The Township's property tax is levied and attached as an enforceable lien on January 1 of each year on property values assessed as of the same date. The 2021 tax levy was filed and published on December 7, 2021. The 2020 tax levy is recorded as revenue in the year ended March 31, 2022.

Taxes levied in one year become due and payable in two installments during the following year. The first installment is due no later than June 1 and second installment is due no later than September 1. Property taxes are collected by the Macon County Treasurer who remits to each taxing unit its respective share of the collections.

3. DEPOSITS AND INVESTMENTS

The Township's investment policy stipulates they follow the Illinois Compiled Statutes (ILCS), which authorize the Township to invest funds in interest-bearing depository accounts in federally insured and/or state chartered banks and savings and loan associations, or other financial institutions as designated by ordinances, and to invest available funds in direct obligations of, or obligations guaranteed by, the United States Treasury or agencies of the United States, money market mutual funds whose portfolios consist of governmental securities, The Illinois Funds, and annuities.

The deposits and investments of the Cemetery Trust fund are held separately from those of other funds. The Cemetery Trust fund does not have a written investment policy.

DECATUR TOWNSHIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. DEPOSITS AND INVESTMENTS (Continued)

Deposits with Financial Institutions

- (a) Deposits - Separate cash accounts are not maintained for all of the Townships funds; instead, the individual funds maintain their balances in a common bank account, with accounting records being maintained to show the portion of the common account balance attributable to each participating fund. Occasionally, certain funds participating in the common bank account will incur overdrafts (deficits) in the account. The overdrafts result from expenditures that have been approved by the Board of Trustees. Separate investment accounts are maintained for all of the Townships funds. These investment accounts are used to reimburse overdrafts in the common bank account for the corresponding fund.
- (b) Custodial credit risk - Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Township's deposits may not be returned to them. At March 31, 2022, there were no bank balances exposed to custodial credit risk due to the fact that all balances were either insured or collateralized with collateral held by a third party institution in the name of the District.

Investments

- (a) Interest rate risk – The risk that changes in interest rates will adversely affect the fair value of an investment. The Township's investment policy requires investing to achieve the highest rate available while maintaining safety of principal.

As of March 31, 2022, the Township (Cemetery Trust) had the following investment balances subject to interest rate risk (using the segmented time distribution method):

	Fair Value	March 31, 2022 Investment Maturities (in Years)			No Maturity
		Less than 1	1-5	6-10	
Investments:					
Mutual Funds, fixed	\$ 185,829	\$ -	\$ -	\$ -	\$ 185,829
	<u>\$ 185,829</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 185,829</u>

- (b) Custodial credit risk – The risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments that is in the possession of an outside party. The trustee of the Greenwood Cemetery Trust is the counterparty to these transactions. The District does not have a policy that specifically addresses custodial credit risk for investments.

DECATUR TOWNSHIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. DEPOSITS AND INVESTMENTS (Continued)

- (c) Foreign currency risk – The risk that changes in exchange rates will adversely affect the investment. As of March 31, 2022, the Township had no investments in common stocks of foreign companies.
- (d) Credit risk – The risk that an issuer of an investment will not fulfill its obligations. Credit risk is mitigated by limiting investments to those specified in the Board-approved policy; and diversifying the investment portfolio so that the failure of any one issuer or backer will not place an undue financial burden on the Township. Board policy requires the Township to use investments approved for governmental units as set forth in the most current issue of the Illinois Compiled Statutes including Securities Exchange Commission registered and AAA rated by Moody’s and Standard & Poor’s money market mutual funds consisting of U.S. Government Treasuries. U.S. Treasuries are federal government securities that do not require the disclosure of credit risk.

The Township (Cemetery Trust) has mutual funds, municipal bonds, corporate bonds, and U.S. government agencies as follows as of March 31, 2022:

	March 31, 2022	
	Amount	Rating
<i>Mutual Funds, equity:</i>		
Consumer Discretionary Funds	\$ 23,071	n/a
Consumer Staple Funds	13,181	n/a
Energy Funds	19,448	n/a
Financial Funds	27,135	n/a
Healthcare Funds	24,848	n/a
Industrial Funds	16,315	n/a
Information Technology Funds	52,002	n/a
Materials Funds	6,411	n/a
Communications Services Funds	22,238	n/a
Utilities Funds	3,915	n/a
Mid Cap Funds	20,028	n/a
Small Cap Funds	24,102	n/a
International Equity Funds	79,798	n/a
Global Real Estate Fund	10,217	n/a
Emerging Markets Equity Funds	45,984	n/a
Alternative Asset Funds	34,389	n/a
Miscellaneous Funds	4,229	n/a
	<u>\$ 427,311</u>	
<i>Mutual Funds, fixed income:</i>		
Vanguard Short Term Treasury Index Fund	\$ 44,037	not rated
Vanguard Short Term Corporate Bond Index Fund	49,040	not rated
Vanguard Intermediate Term Corporate Bond Index Fund	39,578	not rated
Vanguard Intermediate Term Treasury Index Fund	44,124	not rated
Federate Institutional High Yield Bond Fund	9,050	not rated
	<u>185,829</u>	
Total	<u>\$ 613,140</u>	

DECATUR TOWNSHIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. DEPOSITS AND INVESTMENTS (Continued)

- (e) Concentration of credit risk – Concentration of credit risk is the risk of loss attributed to the magnitude of the Township’s investment in a single insurer. The Township’s investment policy states that investments shall not exceed 65 percent of any financial institution’s capital and surplus. At March 31, 2022, none of the Township’s investments exceeded 65% of any financial institution’s capital and surplus.

The Township has the following recurring fair value measurement as of March 31, 2022:

	<u>3/31/2022</u>	<u>Level 1</u>
Investments by fair value level		
Mutual Funds, equity	\$ 427,311	\$ 427,311
Mutual Funds, fixed	185,829	185,829
Total investment by fair value level	<u>\$ 613,040</u>	<u>\$ 613,040</u>

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities.

4. CAPITAL ASSETS

Capital asset activity, resulting from modified cash basis transactions, for the year ending March 31, 2022, consists of the following:

	Balances April 1	Additions	Retirements	Balances March 31
Governmental Activities				
Capital Assets being depreciated:				
Buildings and Improvements	\$ 2,292,976	\$ 7,418	\$ -	\$ 2,300,394
Machinery and Equipment	311,567	26,236	-	337,803
Total capital assets being depreciated	<u>2,604,543</u>	<u>33,654</u>	<u>-</u>	<u>2,638,197</u>
Less accumulated depreciation for:				
Buildings and Improvements	(859,317)	(82,789)	-	(942,106)
Machinery and Equipment	(213,595)	(21,214)	-	(234,809)
Total accumulated depreciation	<u>(1,072,912)</u>	<u>(104,003)</u>	<u>-</u>	<u>(1,176,915)</u>
Total capital assets, net of accumulated depreciation	<u>\$ 1,531,631</u>	<u>\$ (70,349)</u>	<u>\$ -</u>	<u>\$ 1,461,282</u>

Depreciation expense was charged to functions/programs of the primary government in the following manner:

Governmental Activities:	
General government	\$ 83,627
Cemetery	<u>20,376</u>
Total Depreciation Expense – Governmental Activities	<u>\$ 104,003</u>

5. RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employee's health, and natural disasters.

The Township has joined together with other townships in the State of Illinois to form the Township Officials of Illinois Risk Management Association (TOIRMA), a public entity risk pool currently operating as a common risk management and insurance program for its member townships. The Township pays an annual premium to TOIRMA for its general insurance coverage which includes workers' compensation, comprehensive general liability, inland marine, automobile physical damage, and property loss. Each area of coverage is subject to limitations that would be comparable to commercial insurance coverage. The agreement for formation of TOIRMA provides that TOIRMA will be self-sustaining through member contributions and will reinsure through commercial companies for claims in excess of \$15 million for each insured event. Settled claims from these risks have not exceeded commercial insurance coverage during the fiscal year or the prior two fiscal years.

The Township participates in the Local Government Health Plan for health insurance. Settled claims have not exceeded commercial insurance coverage during the fiscal year or the prior two fiscal years.

6. RETIREMENT PLAN

The Township contributes to a defined benefit pension plan: the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system. The benefits, benefit levels, employee contributions and employer contributions for the plan is governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Plan Administration

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

DECATUR TOWNSHIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RETIREMENT PLAN (Continued)

Illinois Municipal Retirement Fund

Plan Membership

At December 31, 2021, IMRF membership consisted of :

Inactive employees or their beneficiaries currently receiving benefits	35
Inactive employees entitled to but not yet receiving benefits	14
Active employees	<u>13</u>
TOTAL	<u><u>62</u></u>

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Contributions

Participating members are required to contribute 4.5% of their annual salary to IMRF. The Township is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the fiscal year 2022 was 9.87% of covered payroll.

Net Pension Liability

Actuarial Assumptions

The Township's net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions. Since the Township presents its government-wide financial statements on the modified cash basis of accounting, no liability has been recorded.

DECATUR TOWNSHIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RETIREMENT PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Net Pension Liability (Continued)

Actuarial valuation date	December 31, 2021
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	2.85% to 13.75%
Interest rate	7.25%
Cost of living adjustments	2.50%
Asset valuation method	Market Value

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 projecting using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projections of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

DECATUR TOWNSHIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RETIREMENT PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
Balances at January 1, 2021	<u>\$ 5,214,795</u>	<u>\$ 5,389,324</u>	<u>\$ (174,529)</u>
Changes for the period:			
Service cost	63,344	-	63,344
Interest	366,244	-	366,244
Difference between expected and actual experience	(154,274)	-	(154,274)
Changes in assumptions	-	-	-
Employer contributions	-	77,877	(77,877)
Employee contributions	-	28,148	(28,148)
Net investment income	-	954,596	(954,596)
Benefit payments and refunds	(389,664)	(389,664)	-
Administrative expense	-	-	-
Other (net transfer)	-	(230,397)	230,397
Net changes	<u>(114,350)</u>	<u>440,560</u>	<u>(554,910)</u>
BALANCES AT			
DECEMBER 31, 2021	<u>\$ 5,100,445</u>	<u>\$ 5,829,884</u>	<u>\$ (729,439)</u>

Since the Township presents its government-wide financial statements on the modified cash basis of accounting, no liability (asset) has been recorded.

DECATUR TOWNSHIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RETIREMENT PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended March 31, 2022, the Township incurred pension expense of \$73,688. At March 31, 2022, the Township deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Outflows of Resources
Difference between expected and actual experience	\$ 5,915	\$ 81,882	\$ (75,967)
Changes in assumption	-	3,078	(3,078)
Net difference between projected and actual earnings on pension plan investments	<u>153,805</u>	<u>928,437</u>	<u>(774,632)</u>
TOTAL	<u>\$ 159,720</u>	<u>\$ 1,013,397</u>	<u>\$ (853,677)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be amortized as follows:

Year Ending March 31,

2023	\$ (224,158)
2024	(317,898)
2025	(195,121)
2026	(116,500)
2027	-
Thereafter	<u>-</u>
TOTAL	<u>\$ (853,677)</u>

The net pension liability, deferred outflows of resources and deferred inflows of resources are not reported on the Township's financial statements as the Township reports on the modified cash basis of accounting as discussed in Note 1e.

DECATUR TOWNSHIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RETIREMENT PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Township calculated using the discount rate of 7.25% as well as what the Township's net pension liability would be if it were calculated using a discount rate that is 1 (one) percentage point lower (6.25%) or 1 (one) percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ (197,187)	\$ (729,439)	\$ (1,152,969)

7. DEFERRED COMPENSATION PLAN

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 and administered by Nationwide Retirement Solutions. Participants authorize the Township to withhold funds from their salaries, which are invested within a range of options, in individual accounts at Nationwide Retirement Solutions. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The Township made no contributions to the Plan. All assets of the Plan are held in trust by the plan administrator for the exclusive benefit of the participants and their beneficiaries. The Township does not take an active role in managing the plan assets. Therefore, in accordance with GASB Statement No. 32, the deferred compensation plan is not reported in the Township's financial statements.

8. OTHER POSTEMPLOYMENT BENEFITS

Retiree's Health Plan

The Township is legally required to provide postemployment healthcare benefits to former employees and retirees. Former employees, who are not retirees, are provided healthcare benefits mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). Former employees, who are qualified under COBRA, may apply for coverage by the Township's health plan. The cost is 100% funded on a monthly pay-as-you-go basis by the former employee based upon the actual cost of the health plan for the chosen level for coverage.

8. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Illinois Compiled Statutes (ILCS) mandate that the Township must offer its retirees a health insurance plan equivalent to that offered to active employees. ILCS enable a government to make the health plan benefits supplemental to Medicare and to offer these supplemental benefits at a different retiree contribution rate than regular benefits provided by the group plan. ILCS does not presently require the government to pay any portion of the cost of the plan for retired employees. Retired employees covered under the Township's plan are required to pay 100% of the cost of their insurance based on the rates paid by the Township. Retired employees must be covered under the Township's health insurance plan at the time of retirement to receive this benefit and must continue coverage with the Township's plan to maintain this benefit. The Township did not consider the effects of implementing GASB 75. In addition, the total OPEB liability, deferred outflows of resources and deferred inflows of resources would not be reported on the Township's financial statements as the Township reports on the modified cash basis of accounting as discussed in Note 1e. Therefore, the Township has not recorded any postemployment benefit liability as of March 31, 2022.

SUPPLEMENTARY INFORMATION

DECATUR TOWNSHIP, ILLINOIS

COMBINING STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES - CASH BASIS

NONMAJOR GOVERNMENTAL FUNDS

March 31, 2022

	Special Revenue				Total Nonmajor Governmental Funds
	Insurance Fund	Social Security Fund	Illinois Municipal Retirement Fund	Road & Bridge Fund	
ASSETS					
Cash and cash equivalents	\$ 80,496	\$ 16,082	\$ 117,898	\$ 172,139	\$ 386,615
TOTAL ASSETS	\$ 80,496	\$ 16,082	\$ 117,898	\$ 172,139	\$ 386,615
LIABILITIES AND FUND BALANCES					
LIABILITIES					
None	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES					
Restricted for					
Insurance	80,496	-	-	-	80,496
Employee retirement	-	16,082	117,898	-	133,980
Transportation and public works	-	-	-	172,139	172,139
Total fund balance	80,496	16,082	117,898	172,139	386,615
TOTAL LIABILITIES AND FUND BALANCES	\$ 80,496	\$ 16,082	\$ 117,898	\$ 172,139	\$ 386,615

See accompanying Independent Auditor's Report.

DECATUR TOWNSHIP, ILLINOIS

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

Year Ended March 31, 2022

	<u>Special Revenue</u>				Total Nonmajor Governmental Funds
	Insurance Fund	Social Security Fund	Illinois Municipal Retirement Fund	Road & Bridge Fund	
REVENUES					
Property taxes	\$ 30,880	\$ 54,867	\$ 80,238	\$ 44,091	\$ 210,076
Personal property replacement taxes	-	-	-	57,602	57,602
Licenses, permits, fees, fines, and service charges	-	-	-	13,551	13,551
Investment income	9,218	-	-	234	9,452
 Total revenues	<u>40,098</u>	<u>54,867</u>	<u>80,238</u>	<u>115,478</u>	<u>290,681</u>
EXPENDITURES					
General government	31,461	53,345	73,688	35,232	193,726
Transportation and public works	-	-	-	22,394	22,394
 Total expenditures	<u>31,461</u>	<u>53,345</u>	<u>73,688</u>	<u>57,626</u>	<u>216,120</u>
 NET CHANGE IN FUND BALANCE	8,637	1,522	6,550	57,852	74,561
 FUND BALANCE, BEGINNING OF YEAR	<u>71,859</u>	<u>14,560</u>	<u>111,348</u>	<u>114,287</u>	<u>312,054</u>
 FUND BALANCE, END OF YEAR	<u>\$ 80,496</u>	<u>\$ 16,082</u>	<u>\$ 117,898</u>	<u>\$ 172,139</u>	<u>\$ 386,615</u>

See accompanying Independent Auditor's Report.

DECATUR TOWNSHIP, ILLINOIS

STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - CASH BASIS - BUDGET AND ACTUAL

TOWN FUND

For the Year Ended March 31, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
REVENUES COLLECTED				
Property taxes	\$ 697,615	\$ 697,615	\$ 691,095	\$ (6,520)
Personal property replacement taxes	220,000	220,000	514,028	294,028
Investment income	3,000	3,000	2,737	(263)
Miscellaneous	2,400	2,400	2,758	358
Grants	20,000	20,000	-	(20,000)
Total revenues collected	<u>943,015</u>	<u>943,015</u>	<u>1,210,618</u>	<u>267,603</u>
EXPENDITURES PAID				
General government				
Salaries	550,600	550,600	444,748	(105,852)
Utilities	33,700	33,700	31,934	(1,766)
Office expenses	87,600	86,600	53,454	(33,146)
Professional fees	50,000	50,000	39,418	(10,582)
Repairs and maintenance	295,050	295,050	23,683	(271,367)
Assessor	68,000	68,000	54,154	(13,846)
Insurance	162,700	163,700	142,710	(20,990)
Professional development	18,000	18,000	9,001	(8,999)
Mileage	9,750	9,750	3,339	(6,411)
Security	500	500	435	(65)
Donations and social services	68,000	68,000	23,487	(44,513)
Miscellaneous	210,000	210,000	16,723	(193,277)
Total expenditures paid	<u>1,553,900</u>	<u>1,553,900</u>	<u>843,086</u>	<u>(710,814)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (610,885)</u>	<u>\$ (610,885)</u>	367,532	<u>\$ 978,417</u>
FUND BALANCE, BEGINNING OF YEAR			<u>1,344,373</u>	
FUND BALANCE, END OF YEAR			<u>\$ 1,711,905</u>	

See accompanying Independent Auditor's Report.

DECATUR TOWNSHIP, ILLINOIS

STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - CASH BASIS - BUDGET AND ACTUAL

CEMETERY FUND

For the Year Ended March 31, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
REVENUES COLLECTED				
Property taxes	\$ 230,571	\$ 230,571	\$ 228,449	\$ (2,122)
Cemetery service fees	80,000	80,000	108,736	28,736
Investment income	7,100	7,100	814	(6,286)
Miscellaneous	250	250	204	(46)
Total revenues collected	<u>317,921</u>	<u>317,921</u>	<u>338,203</u>	<u>20,282</u>
EXPENDITURES PAID				
General government				
Utilities	10,650	10,850	9,248	(1,602)
Office expenses	3,300	3,350	2,751	(599)
Insurance	85,533	85,533	69,401	(16,132)
Legal fees	5,000	13,500	13,445	(55)
Security	350	350	272	(78)
Professional development	1,000	1,000	-	(1,000)
Miscellaneous	9,450	9,450	6,062	(3,388)
Total general government	<u>115,283</u>	<u>124,033</u>	<u>101,179</u>	<u>(22,854)</u>
Cemetery maintenance				-
Salaries	170,000	170,000	153,970	(16,030)
Fuel and oil	8,000	8,400	8,374	(26)
Maintenance - equipment	50,000	55,000	54,924	(76)
Uniform allowance	1,500	1,500	1,314	(186)
Maintenance - cemetery	172,500	158,350	19,894	(138,456)
Total cemetery maintenance	<u>402,000</u>	<u>393,250</u>	<u>238,476</u>	<u>(154,774)</u>
Total expenditures paid	<u>517,283</u>	<u>517,283</u>	<u>339,655</u>	<u>(177,628)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (199,362)</u>	<u>\$ (199,362)</u>	(1,452)	<u>\$ 197,910</u>
FUND BALANCE, BEGINNING OF YEAR			<u>595,045</u>	
FUND BALANCE, END OF YEAR			<u>\$ 593,593</u>	

See accompanying Independent Auditor's Report.

DECATUR TOWNSHIP, ILLINOIS

STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - CASH BASIS - BUDGET AND ACTUAL

GENERAL ASSISTANCE FUND

For the Year Ended March 31, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
REVENUES COLLECTED				
Property taxes	\$ 445,278	\$ 445,278	\$ 441,114	\$ (4,164)
Investment income	1,500	1,500	1,931	431
Miscellaneous	250	250	-	(250)
Total revenues collected	<u>447,028</u>	<u>447,028</u>	<u>443,045</u>	<u>(3,983)</u>
EXPENDITURES PAID				
General government				
Salaries	95,000	95,000	93,370	(1,630)
Utilities	1,700	1,700	1,634	(66)
Office expenses	23,350	23,350	9,948	(13,402)
Mileage	400	400	-	(400)
Legal Fees	20,000	20,000	536	(19,464)
Professional Development	1,000	1,000	-	(1,000)
Insurance	26,900	26,900	24,975	(1,925)
Total general government	<u>168,350</u>	<u>168,350</u>	<u>130,463</u>	<u>(37,887)</u>
Public assistance	<u>102,000</u>	<u>102,000</u>	<u>40,306</u>	<u>(61,694)</u>
Total expenditures paid	<u>270,350</u>	<u>270,350</u>	<u>170,769</u>	<u>(99,581)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 176,678</u>	<u>\$ 176,678</u>	272,276	<u>\$ 95,598</u>
FUND BALANCE, BEGINNING OF YEAR			<u>1,075,350</u>	
FUND BALANCE, END OF YEAR			<u>\$ 1,347,626</u>	

See accompanying Independent Auditor's Report.

DECATUR TOWNSHIP, ILLINOIS

STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - CASH BASIS - BUDGET AND ACTUAL

INSURANCE FUND

For the Year Ended March 31, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
REVENUES COLLECTED				
Property taxes	\$ 31,173	\$ 31,173	\$ 30,880	\$ (293)
Investment income	100	100	9,218	9,118
Total revenues collected	<u>31,273</u>	<u>31,273</u>	<u>40,098</u>	<u>8,825</u>
EXPENDITURES PAID				
General government				
General insurance	<u>31,000</u>	<u>31,000</u>	<u>31,461</u>	<u>461</u>
Total expenditures paid	<u>31,000</u>	<u>31,000</u>	<u>31,461</u>	<u>461</u>
NET CHANGE IN FUND BALANCE	<u>\$ 273</u>	<u>\$ 273</u>	8,637	<u>\$ 8,364</u>
FUND BALANCE, BEGINNING OF YEAR			<u>71,859</u>	
FUND BALANCE, END OF YEAR			<u>\$ 80,496</u>	

See accompanying Independent Auditor's Report.

DECATUR TOWNSHIP, ILLINOIS

STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - CASH BASIS - BUDGET AND ACTUAL

SOCIAL SECURITY FUND

For the Year Ended March 31, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
REVENUES COLLECTED				
Property taxes	\$ 55,383	\$ 55,383	\$ 54,867	\$ (516)
Total revenues collected	<u>55,383</u>	<u>55,383</u>	<u>54,867</u>	<u>(516)</u>
EXPENDITURES PAID				
General government				
Payroll taxes	<u>68,100</u>	<u>68,100</u>	<u>53,345</u>	<u>(14,755)</u>
Total expenditures paid	<u>68,100</u>	<u>68,100</u>	<u>53,345</u>	<u>(14,755)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (12,717)</u>	<u>\$ (12,717)</u>	1,522	<u>\$ 14,239</u>
FUND BALANCE, BEGINNING OF YEAR			<u>14,560</u>	
FUND BALANCE, END OF YEAR			<u>\$ 16,082</u>	

See accompanying Independent Auditor's Report.

DECATUR TOWNSHIP, ILLINOIS

STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - CASH BASIS - BUDGET AND ACTUAL

ILLINOIS MUNICIPAL RETIREMENT FUND

For the Year Ended March 31, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
REVENUES COLLECTED				
Property taxes	\$ 80,976	\$ 80,976	\$ 80,238	\$ (738)
Total revenues collected	<u>80,976</u>	<u>80,976</u>	<u>80,238</u>	<u>(738)</u>
EXPENDITURES PAID				
General government				
IMRF	96,400	96,400	73,688	(22,712)
Total expenditures paid	<u>96,400</u>	<u>96,400</u>	<u>73,688</u>	<u>(22,712)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (15,424)</u>	<u>\$ (15,424)</u>	6,550	<u>\$ 21,974</u>
FUND BALANCE, BEGINNING OF YEAR			<u>111,348</u>	
FUND BALANCE, END OF YEAR			<u>\$ 117,898</u>	

See accompanying Independent Auditor's Report.

DECATUR TOWNSHIP, ILLINOIS

STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - CASH BASIS - BUDGET AND ACTUAL

ROAD & BRIDGE FUND

For the Year Ended March 31, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
REVENUES COLLECTED				
Property taxes	\$ 44,360	\$ 44,360	\$ 44,091	\$ (269)
Replacement taxes	24,000	24,000	57,602	33,602
Licenses, permits, fees, fines, and service charges	5,000	5,000	13,551	8,551
Investment income	250	250	234	(16)
Total revenues collected	<u>73,610</u>	<u>73,610</u>	<u>115,478</u>	<u>41,868</u>
EXPENDITURES PAID				
General government				
Mileage	1,000	1,000	516	(484)
Legal fees	2,000	2,000	-	(2,000)
Accounting and auditing fees	500	500	-	(500)
Office expenditures	275	275	55	(220)
Miscellaneous	99,197	84,197	6,267	(77,930)
Intergovernmental	14,000	29,000	28,394	(606)
Transportation and public works				
Street maintenance	63,500	63,500	18,446	(45,054)
Street lighting	6,000	6,000	3,948	(2,052)
Total expenditures paid	<u>186,472</u>	<u>186,472</u>	<u>57,626</u>	<u>(128,846)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (112,862)</u>	<u>\$ (112,862)</u>	57,852	<u>170,714</u>
FUND BALANCE, BEGINNING OF YEAR			<u>114,287</u>	
FUND BALANCE, END OF YEAR			<u>\$ 172,139</u>	

See accompanying Independent Auditor's Report.

DECATUR TOWNSHIP, ILLINOIS

NOTES TO SUPPLEMENTARY INFORMATION

March 31, 2022

1. BUDGETS AND BUDGETARY ACCOUNTING

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

- a. Annually the expenditure budget for each governmental fund, except the Cemetery Trust Fund, is legally enacted through passage of an appropriation ordinance. The appropriation ordinance is prepared on the cash basis.
- b. The Board must approve the Township appropriation ordinance on or before June 30 of the fiscal year of the Township.
- c. Except as to expenditures pending adoption of the appropriation ordinance for the new year, prior unexpended appropriations lapse.
- d. The Township Board determines any amendments that may be made to the expenditure budget, and evaluation and financial control are determined at the fund level, which is the legal level of budgetary control. There was one amendment to the budget during the fiscal year ended March 31, 2022.

2. EXCESS OVER BUDGET

The following budgeted funds had an excess of expenditures over budget for the year ended March 31, 2022:

	<u>Budget</u>	<u>Expenditures</u>
Insurance Fund	\$ 31,000	\$ 31,461

See accompanying Independent Auditor's Report.

OTHER INFORMATION

DECATUR TOWNSHIP, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Seven Years

Measurement Date December 31,	2021	2020	2019	2018	2017	2016	2015
TOTAL PENSION LIABILITY							
Service cost	63,344	64,305	66,249	65,972	67,793	58,008	72,130
Interest	366,244	360,314	353,229	397,872	405,339	399,664	375,460
Changes of benefit terms				-	-	-	-
Differences between expected and actual experience	(154,274)	102,965	76,604	(619,763)	22,586	33,965	294,795
Changes of assumptions	-	(53,580)	-	119,738	(191,254)	(16,722)	16,630
Benefit payments, including refunds of member contributions	(389,664)	(393,802)	(400,976)	(392,623)	(413,587)	(437,511)	(378,141)
Net change in total pension liability	(114,350)	80,202	95,106	(428,804)	(109,123)	37,404	380,874
TOTAL PENSION LIABILITY - BEGINNING	<u>5,214,795</u>	<u>5,134,593</u>	<u>5,039,487</u>	<u>5,468,291</u>	<u>5,577,414</u>	<u>5,540,010</u>	<u>5,159,136</u>
TOTAL PENSION LIABILITY - ENDING	<u>\$ 5,100,445</u>	<u>\$ 5,214,795</u>	<u>\$ 5,134,593</u>	<u>\$ 5,039,487</u>	<u>\$ 5,468,291</u>	<u>\$ 5,577,414</u>	<u>\$ 5,540,010</u>
PLAN FIDUCIARY NET POSITION							
Contributions - employer	77,877	76,382	53,643	76,856	110,494	56,560	71,956
Contributions - member	28,148	27,215	28,089	29,017	28,678	26,905	39,244
Net investment income	954,596	739,052	869,356	(384,769)	965,584	337,108	25,426
Benefit payments, including refunds of member contributions	(389,664)	(393,802)	(400,976)	(392,623)	(413,587)	(437,511)	(378,141)
Administrative expense				-	-	-	-
Other income (expense)	(230,397)	47,358	10,179	(524,656)	(168,420)	7,069	38,934
Net change in plan fiduciary net position	440,560	496,205	560,291	(1,196,175)	522,749	(9,869)	(202,581)
PLAN FIDUCIARY NET POSITION - BEGINNING	<u>5,389,324</u>	<u>4,893,119</u>	<u>4,332,828</u>	<u>5,529,003</u>	<u>5,006,254</u>	<u>5,016,123</u>	<u>5,218,704</u>
PLAN FIDUCIARY NET POSITION - ENDING	<u>\$ 5,829,884</u>	<u>\$ 5,389,324</u>	<u>\$ 4,893,119</u>	<u>\$ 4,332,828</u>	<u>\$ 5,529,003</u>	<u>\$ 5,006,254</u>	<u>\$ 5,016,123</u>
EMPLOYER'S NET PENSION LIABILITY (ASSET)	<u>\$ (729,439)</u>	<u>\$ (174,529)</u>	<u>\$ 241,474</u>	<u>\$ 706,659</u>	<u>\$ (60,712)</u>	<u>\$ 571,160</u>	<u>\$ 523,887</u>
Plan fiduciary net position as a percentage of the total pension liability	114.30%	103.35%	95.30%	85.98%	101.11%	89.76%	90.54%
Covered-employee payroll	\$ 625,517	\$ 604,769	\$ 621,687	\$ 643,615	\$ 637,303	\$ 597,889	\$ 750,326
Employer's net pension liability (asset) as a percentage of covered-employee payroll	(116.61%)	(28.86%)	38.84%	109.80%	(9.53%)	95.53%	69.82%

These schedules are intended to present information for a ten-year period. As updated information becomes available, additional years will be presented.

2020 - Changes in assumptions related to inflation rates, salary increases, retirement age and mortality rates.

2018 - Change in assumptions relate to investment rate of return, which changed from 7.50% to 7.25%.

2017 - Change in assumptions relate to price inflation rate, salary increases, retirement age experience study, and mortality. Price inflation rate changed from 2.75% to 2.50%; salary increases changed from 3.75% - 14.75% to 3.39% - 14.25%; retirement age experience study change from 2011-2013 to 2014-2016; and mortality changed from MP-2014 (base year 2012) projection scale to the MP-2017 (base year 2015) projection scale.

DECATUR TOWNSHIP, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Seven Years

Fiscal Year Ending March 31,	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 73,688	\$ 80,177	\$ 57,991	\$ 71,521	\$ 77,612	\$ 62,032	\$ 67,603
Contributions in relation to the actuarially determined contribution	\$ 73,688	\$ 80,177	\$ 57,991	\$ 71,521	\$ 77,612	\$ 62,032	\$ 67,603
CONTRIBUTION DEFICIENCY (EXCESS)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 746,242	\$ 736,013	\$ 719,612	\$ 643,615	\$ 637,303	\$ 597,889	\$ 750,326
Contributions as a percentage of covered payroll	9.87%	10.89%	8.06%	11.11%	12.18%	10.38%	9.01%

Notes to Schedule:

The information presented was determined as part of the actuarial valuations as of December 31, 2021. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of payroll, closed and the amortization period was 22 years; the asset valuation method was 5-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 3.35% to 14.25% compounded annually and postretirement benefit increases of 3.25% compounded annually.

These schedules are intended to present information for a ten-year period. As updated information becomes available, additional years will be presented.

DECATUR TOWNSHIP, ILLINOIS

**SCHEDULE OF ASSESSED VALUATIONS AND TAXES
EXTENDED AND COLLECTED**

Last Three Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Assessed Valuations	<u>\$ 489,132,560</u>	<u>\$ 467,403,087</u>	<u>\$ 461,141,803</u>
Tax Rates			
Town - Corporate	0.14263	0.14926	0.15128
IMRF	0.01656	0.01733	0.01756
Road and Bridge	0.01158	0.01818	0.01842
Public Assist	0.09104	0.09527	0.09656
Cemetery	0.04715	0.04934	0.05000
Liability Insurance	0.00638	0.00667	0.00676
Social Security	0.01133	0.01185	0.01201
TOTALS	<u>0.32667</u>	<u>0.34790</u>	<u>0.35259</u>
Tax Extensions			
Town - Corporate	\$ 697,679	\$ 697,645	\$ 697,616
IMRF	81,000	81,001	80,977
Road and Bridge	56,641	84,974	84,942
Public Assist	445,306	445,295	445,279
Cemetery	230,626	230,616	230,571
Liability Insurance	31,207	31,176	31,173
Social Security	55,419	55,387	55,383
TOTALS	<u>\$ 1,597,878</u>	<u>\$ 1,626,094</u>	<u>\$ 1,625,941</u>
Collections			
Town - Corporate		\$ 691,095	\$ 693,105
IMRF		80,238	80,454
Road and Bridge		44,091	44,358
Public Assist		441,114	442,402
Cemetery		228,449	229,083
Liability Insurance		30,880	30,972
Social Security		54,867	55,024
TOTALS		<u>\$ 1,570,734</u>	<u>\$ 1,575,398</u>
Percentage of Extensions Collected		96.60%	96.89%