

# Elk Grove Township

Elk Grove Village, IL

Annual Financial Report

Year Ended March 31, 2023



**WIPFLI**

**ELK GROVE TOWNSHIP**

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*Independent Auditor's Report*

Board of Trustees  
Elk Grove Township  
Elk Grove Village, Illinois

**Opinions**

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, and each major fund of Elk Grove Township (the Township), as of and for the year ended March 31, 2023, 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, the business-type activities, and each major fund of Elk Grove Township, as of March 31, 2023, and the respective changes in modified cash basis financial position and, where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

**Basis for Opinions**

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

**Basis of Accounting**

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

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting as described in Note 1, and for 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 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 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

Management is responsible for the other supplementary information included in the annual report. The other supplementary information as listed in the table of contents does not include the basic financial statements and the auditor's report thereon. Our opinions on the basic financial statements do not cover the other supplementary 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 supplementary information and consider whether a material inconsistency exists between the other supplementary information and the basic financial statements, or the other supplementary information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



Wipfli LLP  
Aurora, Illinois  
August 15, 2023

**ELK GROVE TOWNSHIP**

Statement of Net Position - Modified Cash Basis

March 31, 2023

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	Governmental Activities	Business-type Activities	Total Primary Government
<b>Assets</b>			
Cash and Cash Equivalents	\$ 4,515,355	\$ 728,117	\$ 5,243,472
Capital Assets Not Being Depreciated	276,287	-	276,287
Capital Assets Being Depreciated (Net of Accumulated Depreciation)	1,655,829	206,788	1,862,617
<b>Total Assets</b>	<b>6,447,471</b>	<b>934,905</b>	<b>7,382,376</b>
<b>Liabilities</b>			
Noncurrent Liabilities			
Due Within One Year	70,673	-	70,673
<b>Total Liabilities</b>	<b>70,673</b>	<b>-</b>	<b>70,673</b>
<b>Net Position</b>			
Investment in Capital Assets	1,911,310	206,788	2,118,098
Restricted	1,834,470	-	1,834,470
Unrestricted	2,631,018	728,117	3,359,135
<b>Total Net Position</b>	<b>\$ 6,376,798</b>	<b>\$ 934,905</b>	<b>\$ 7,311,703</b>

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*See Accompanying Notes to Financial Statements*

**ELK GROVE TOWNSHIP**

Statement of Activities - Modified Cash Basis

For the Year Ended March 31, 2023

Function/Program	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	
<b>Governmental Activities</b>						
General Government	\$ 1,978,421	\$ 39,546	\$ -	\$ (1,938,875)	\$ -	\$ (1,938,875)
Assessor	230,992	-	-	(230,992)	-	(230,992)
Youth Division	554,064	-	-	(554,064)	-	(554,064)
Social Services Division	561,145	-	-	(561,145)	-	(561,145)
Construction and Maintenance of Roads	167,454	-	-	(167,454)	-	(167,454)
General Assistance	111,872	-	-	(111,872)	-	(111,872)
Food Pantry	5,465	-	44,496	39,031	-	39,031
Depreciation Expense - Unallocated	84,449	-	-	(84,449)	-	(84,449)
<b>Total Governmental Activities</b>	<b>3,693,862</b>	<b>39,546</b>	<b>44,496</b>	<b>(3,609,820)</b>	<b>-</b>	<b>(3,609,820)</b>
<b>Business-Type Activities</b>						
Sewer	44,555	94,637	-	-	50,082	50,082
<b>Total Primary Government</b>	<b>\$ 3,738,417</b>	<b>\$ 134,183</b>	<b>\$ 44,496</b>	<b>(3,609,820)</b>	<b>50,082</b>	<b>(3,559,738)</b>
<b>General Revenues</b>						
Property Taxes				2,292,195	-	2,292,195
Personal Property Replacement Taxes				976,775	-	976,775
Interest Income				16,540	775	17,315
Miscellaneous Income				269,852	-	269,852
Gain on Sale of Capital Assets				20,217	-	20,217
<b>Total General Revenues</b>				<b>3,575,579</b>	<b>775</b>	<b>3,576,354</b>
<b>Change in Net Position</b>				<b>(34,241)</b>	<b>50,857</b>	<b>16,616</b>
<b>Net Position, Beginning</b>				<b>6,411,039</b>	<b>884,048</b>	<b>7,295,087</b>
<b>Net Position, Ending</b>				<b>\$ 6,376,798</b>	<b>\$ 934,905</b>	<b>\$ 7,311,703</b>

See Accompanying Notes to Financial Statements

**ELK GROVE TOWNSHIP**

Statement of Assets, Liabilities, and Fund Balances Arising from Cash Transactions

Modified Cash Basis

Governmental Funds

March 31, 2023

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	General (Town) Fund	General Assistance Fund	Road and Bridge Fund	Total
<b>Assets</b>				
Cash and Cash Equivalents	\$ 2,181,147	\$ 1,834,470	\$ 499,738	\$ 4,515,355
Due from other funds	155,619	-	-	155,619
Total Assets	<u>\$ 2,336,766</u>	<u>\$ 1,834,470</u>	<u>\$ 499,738</u>	<u>\$ 4,670,974</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Due to other funds	\$ -	\$ -	\$ 155,619	\$ 155,619
<b>Fund Balances</b>				
Restricted				
General Assistance	-	1,834,470	-	1,834,470
Unassigned	2,336,766	-	344,119	2,680,885
Total Fund Balances	<u>2,336,766</u>	<u>1,834,470</u>	<u>344,119</u>	<u>4,515,355</u>
Total Liabilities and Fund Balances	<u>\$ 2,336,766</u>	<u>\$ 1,834,470</u>	<u>\$ 499,738</u>	<u>\$ 4,670,974</u>

*See Accompanying Notes to Financial Statements*



**ELK GROVE TOWNSHIP**

Reconciliation of Fund Balances Arising from Cash Transactions of Governmental Funds  
to the Governmental Activities in the Statement of Net Position

Modified Cash Basis

March 31, 2023

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Total Fund Balance \$ 4,515,355

Amounts reported for governmental activities in the statement of net position are different because:

Capital and infrastructure assets used in governmental activities are not financial resources and therefore, are not reported in the funds. The cost of these assets is \$3,392,872 and the accumulated depreciation is \$1,460,756.

Capital Assets, Net of Accumulated Depreciation 1,932,116

Some liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.

Bank Loan (20,806)  
Compensated Absences (49,867)

Net Position of Governmental Activities \$ 6,376,798

**ELK GROVE TOWNSHIP**

Statement of Revenues Collected, Expenditures Paid, and Changes in Fund Balances -

Modified Cash Basis

Governmental Funds

For the Year Ended March 31, 2023

	General (Town) Fund	General Assistance Fund	Road and Bridge Fund	Total
<b>Revenues</b>				
Property Taxes	\$ 1,733,401	\$ 358,280	\$ 200,514	\$ 2,292,195
Personal Property Replacement Taxes	658,185	-	318,590	976,775
Interest Income	6,420	6,905	3,215	16,540
Passport Fees	19,866	-	-	19,866
Advertising	5,399	-	-	5,399
Rental	1,770	-	-	1,770
LIHEAP	-	12,511	-	12,511
Donations	-	44,496	-	44,496
Miscellaneous	265,316	25	4,511	269,852
Interest from other funds	20,458	-	-	20,458
<b>Total Revenues</b>	<b>2,710,815</b>	<b>422,217</b>	<b>526,830</b>	<b>3,659,862</b>
<b>Expenditures</b>				
Current				
General Government	1,442,594	322,316	226,013	1,990,923
Assessor	230,992	-	-	230,992
Youth Services	485,545	-	-	485,545
Social Services Division	556,346	-	-	556,346
Construction and Maintenance of Roads	-	-	90,625	90,625
General Assistance	-	111,872	-	111,872
Food Pantry	-	5,465	-	5,465
Capital Outlay	285,282	-	-	285,282
Debt Service				
Principal	339,513	-	-	339,513
Interest	10,511	-	-	10,511
<b>Total Expenditures</b>	<b>3,350,783</b>	<b>439,653</b>	<b>316,638</b>	<b>4,107,074</b>
Excess (Deficiency) of Revenues Over Expenditures	(639,968)	(17,436)	210,192	(447,212)
<b>Other Financing Sources</b>				
Sale of Capital Assets	-	-	100,000	100,000
<b>Net Change in Fund Balance</b>	<b>(639,968)</b>	<b>(17,436)</b>	<b>310,192</b>	<b>(347,212)</b>
Fund Balance (Deficit), Beginning of Year	2,976,734	1,851,906	33,927	4,862,567
<b>Fund Balance (Deficit), End of Year</b>	<b>\$ 2,336,766</b>	<b>\$ 1,834,470</b>	<b>\$ 344,119</b>	<b>\$ 4,515,355</b>

See Accompanying Notes to Financial Statements

**ELK GROVE TOWNSHIP**

Reconciliation of the Governmental Funds Statement of Revenues Collected,  
Expenditures Paid, and Changes in Fund Balances – Modified Cash Basis –  
to the Governmental Activities in the Statement of Activities  
For the Year Ended March 31, 2023

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Total Net Change in Fund Balance - Governmental Funds \$ (347,212)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.

Depreciation Expense	(131,970)	
Disposals of Capital Assets	(182,409)	
Capital Outlays	<u>285,282</u>	(29,097)

The issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.

Retirement of debt	339,513
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Some expenses reported on the statement of activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds. This activity consists of:

Compensated Absences	<u>2,555</u>
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Change in Net Position of Governmental Activities	<u><u>\$ (34,241)</u></u>
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**ELK GROVE TOWNSHIP**

Statement of Net Position - Modified Cash Basis - Proprietary Funds

Sewer Fund

March 31, 2023

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**Assets**

## Current Assets

Cash and Cash Equivalents \$ 728,117Total Current Assets 728,117

## Capital Assets

Sewer Systems 804,906Less: Accumulated Depreciation (598,118)Total Net Capital Assets 206,788**Total Assets**\$ 934,905**Net Position**Investment in Capital Assets 206,788Unrestricted 728,117**Total Net Position**\$ 934,905*See Accompanying Notes to Financial Statements*

**ELK GROVE TOWNSHIP**

Statement of Revenues Collected, Expenses Paid, and Changes in Net Position -

Modified Cash Basis

Proprietary Funds - Sewer Fund

For the Year Ended March 31, 2023

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<b>Operating Revenue</b>	
Maintenance Fees	\$ 94,637
	<u>94,637</u>
<b>Operating Expenses</b>	
Accounting Services	1,295
Legal Services	-
Engineering	24,405
Chemical Testing	1,075
Office Supplies	1,482
Maintenance and Capital Expenses	-
Staff Salaries	1,621
Employer FICA/Medicare	84
Employer IMRF	105
	<u>30,067</u>
Total Operating Expenses Before Depreciation	30,067
Depreciation	<u>14,488</u>
Total Operating Expenses	<u>44,555</u>
Net Operating Income	50,082
Non-operating Revenues	
Interest	<u>775</u>
Change in Net Position	50,857
Total Net Position, Beginning of Year	<u>884,048</u>
<b>Total Net Position, End of Year</b>	<u><u>\$ 934,905</u></u>

*See Accompanying Notes to Financial Statements*

**ELK GROVE TOWNSHIP**

Statement of Cash Flows - Modified Cash Basis - Proprietary Funds

Sewer Fund

For the Year Ended March 31, 2023

**Cash Flows from Operating Activities**

Receipts from Customers	\$ 94,637
Payments to Suppliers	(28,257)
Payments to Employees	<u>(1,810)</u>

Net Cash Used for Operating Activities 64,570

**Cash Flows from Investing Activities**

Interest	<u>775</u>
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Net Cash Provided by Investing Activities 775

Net Increase in Cash and Cash Equivalents 65,345

Cash and Cash Equivalents - Beginning of Year 662,772

**Cash and Cash Equivalents - End of Year** \$ 728,117

**Reconciliation of Operating Loss to Net Cash****Used by Operating Activities**

Operating Income	\$ 50,082
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation	<u>14,488</u>

**Net Cash Used for Operating Activities** \$ 64,570

*See Accompanying Notes to Financial Statements*

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Elk Grove Township's (the Township) accounting policies conform to the prescribed basis of accounting that demonstrated compliance with the modified cash basis of accounting and budget laws for governments of this type within the State of Illinois. The Governmental Accounting Standards Board, (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Township's accounting policies are described below.

### **a. Principles Used to Determine the Scope of the Reporting Entity**

The Township includes all funds of its governmental operations that are controlled by or dependent upon the Township as determined on a basis of financial accountability. Financial accountability includes appointment of the organization's governing body, imposition of will and fiscal dependency. The accompanying financial statements include only those funds of the Township as there are no other organizations for which it has financial accountability.

### **b. Fund Accounting**

The accounts of the Township are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Funds are classified into the following categories: Governmental and Proprietary

Governmental funds are those through which most governmental functions of the Township are financed. The acquisition, use, and balances of the Township's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenue and expenses.

The following are the Township's governmental and proprietary funds:

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

#### **Special Revenue Funds**

**General Assistance Fund** – The General Assistance Fund is used to account for revenues received and expenditures disbursed for general and emergency assistance needs of Township residents. The Township has elected to report this fund as major.

**Road and Bridge Fund** – The General Road Fund is used to account for revenues received and expenditures disbursed for the maintenance and repair of Township roads.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Proprietary Funds**

**Sewer Fund** – The Sewer Fund is used to account for the operations of the sewer division.

The Township reports the following funds as major governmental funds:

General Town Fund  
General Assistance Fund  
Road and Bridge Fund

**c. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the Township. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds and proprietary funds.

**d. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the modified cash basis of accounting. Revenues and additions are recognized and recorded when cash is received and expenditures and deductions are recorded upon disbursement of cash.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified cash basis of accounting.

The modified cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions.

Operating income reported in proprietary fund financial statements including revenues and expenses are related to the primary, continuing operations of the fund. Principal operating revenues for the proprietary fund are charges to customers for services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.



**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**e. Deposits and Investments**

The Township's cash and cash equivalent balances are maintained in a shared checking account for all funds. Accounting records are used to determine the portion of the bank account balance attributable to each fund. In the event of an overdraft of a fund account, cash is borrowed from another fund in the form of an interfund loan. Interfund loans resulting from an overdraft are not approved by the Township Board and are therefore unauthorized. State statutes authorize the Township to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the State Treasurers Investment Pool known as the Illinois Funds.

**f. Capital Assets**

Capital assets purchased or acquired with an original cost of \$500 or more are reported at historical cost or estimated historical cost if purchased or constructed. Contributed assets are reported at acquisition value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line half-year basis over the following estimated useful lives:

	<u>Useful Lives</u>
Land Improvements	20 years
Buildings	15-40 years
Equipment	5-15 years
Vehicles	8 years
Sewer System	50 years

Depreciation is not provided on construction in progress until the project is completed and placed in service.

**g. Compensated Absences**

The Township accrues accumulated unpaid vacation when earned (or estimated to be earned) by the employee. The accrual for governmental funds is reported only as a general long-term obligation in the government-wide statement of net position and represents a reconciling item between the fund and government-wide presentations.

Vacation benefits are granted to employees in varying amounts to specified maximums depending on tenure with the Township. Employees accrue vacation time each year however, time accrued in the current year can only be carried over to future years with special approval. Upon termination, employees are paid both the amount of their accrued vacation for the current year and approved hours carried over from prior years.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**h. Property Taxes**

The Township must file its tax levy ordinance by the last Tuesday in December of each year. The Township’s property tax is levied each year on all taxable real property located in the Township. The levy becomes an enforceable lien against the property as of January 1 in the year in which the levy is adopted. The property tax levies for the Township and Road District were adopted on September 27, 2022.

Property taxes are collected by the Cook County Treasurer who remits to the Township its share of collections. Taxes levied in one year become due and payable in two installments on March 1 and September 1 during the following year. The installments are based on the current levy, assessment and equalization. The 2021 levy, adopted on September 27, 2021, is the source of revenue in fiscal year 2023.

Following are the tax rates applicable per \$100 of equalized assessed valuation as it pertains to the 2021 and 2022 tax levies (note: as of the issuance of this report, the 2022 tax rates were not yet available from Cook County):

	Maximum Percent	Actual Percent	
		2021	2022
Town Fund	0.2500	0.0579	Not Available
General Assistance	None	0.0115	Not Available
Road and Bridge	0.1650	0.0139	Not Available
		0.0833	Not Available

Property taxes are based on the assessed valuations of the Township’s real property as equalized by the State of Illinois. The EAV of real property totaled \$4,056,150,608 for the 2021 tax levy and has yet to be published for the 2022 tax levy.

**i. Personal Property Replacement Tax**

During fiscal year 2023, the two installments of 2022 and six installments of 2023 Personal Property Replacement taxes were received in the Special Revenue Fund (Road and Bridge) and General Town funds totaling \$318,590 and \$658,185, respectively. In accordance with State Statute, \$124,696 of Special Revenue Funds (Road and Bridge) Personal Property Tax was remitted to the villages within the Township, leaving a balance of \$193,894 in that fund.

**2. CASH AND INVESTMENTS**

**a. Custodial Credit Risk – Deposits**

At March 31, 2023 the carrying amount of the Township’s deposits totaled \$5,243,472, and the bank balances totaled \$5,454,173. Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. To limit their exposure, the Township’s investment policy requires all securities to be held only in insured financial institutions. At March 31, 2023 the Township’s deposits and bank balance were entirely insured or collateralized.

**3. CAPITAL ASSETS**

	<b>Balance March 31, 2022</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance March 31, 2023</b>
<b>Governmental Activities</b>				
Capital assets, not being depreciated:				
Construction In Progress	\$ -	\$ 276,287	\$ -	\$ 276,287
Capital assets, being depreciated:				
Land Improvements	-	-	-	-
Buildings	2,000,000	-	-	2,000,000
Equipment	740,323	8,995	249,386	499,932
Vehicles	758,490	-	141,837	616,653
Total capital assets being depreciated	<u>3,498,813</u>	<u>8,995</u>	<u>391,223</u>	<u>3,116,585</u>
Accumulated depreciation for:				
Land Improvements	-	-	-	-
Buildings	450,000	100,000	-	550,000
Equipment	480,205	20,627	146,760	354,072
Vehicles	607,395	11,343	62,054	556,684
Total accumulated depreciation	<u>1,537,600</u>	<u>131,970</u>	<u>208,814</u>	<u>1,460,756</u>
Net capital assets being depreciated	<u>1,961,213</u>	<u>(122,975)</u>	<u>182,409</u>	<u>1,655,829</u>
<b>Net Governmental Activities Capital Assets</b>	<u><u>\$ 1,961,213</u></u>	<u><u>\$ 153,312</u></u>	<u><u>\$ 182,409</u></u>	<u><u>\$ 1,932,116</u></u>
<b>Business Type Activities</b>				
Capital assets, being depreciated:				
Sewer system	\$ 804,906	\$ -	\$ -	\$ 804,906
Accumulated depreciation for:				
Sewer system	583,630	14,488	-	598,118
<b>Net Business Type Activities Capital Assets</b>	<u><u>\$ 221,276</u></u>	<u><u>\$ (14,488)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 206,788</u></u>

Total depreciation expense for governmental activities of \$131,970 was charged to the Youth Service Division (\$21,686), Social Services Division (\$1,519), Construction and Maintenance of Roads (\$24,316), with the remaining portion (\$84,449) unallocated. Depreciation expense for business-type activities of \$14,488 was charged to the Sewer Fund.

**4. LONG TERM LIABILITIES**

Long term liability activity for the year ended March 31, 2023 was as follows:

	<b>Balance March 31, 2022</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance March 31, 2023</b>	<b>Amounts Due Within One Year</b>
<b>Governmental Activities</b>					
Long Term Liabilities Outstanding					
Bank Loan	\$ 317,509	\$ -	\$ 317,509	\$ -	\$ -
Bus Loan	42,810	-	22,004	20,806	20,806
Compensated Absences	52,422	7,710	10,265	49,867	49,867
<b>Total</b>	<b>\$ 412,741</b>	<b>\$ 7,710</b>	<b>\$ 349,778</b>	<b>\$ 70,673</b>	<b>\$ 70,673</b>

On October 28, 2019, the Township borrowed \$400,000 to pay for construction costs. The loan bears an interest rate of 3.09% and is repaid in 59 monthly installments of \$3,887 with the 60<sup>th</sup> payment of \$219,524 due on October 28, 2024. The Township repaid this loan early in 2023.

On January 20, 2022, the Township borrowed \$71,400 to purchase a bus. The loan bears an interest rate of 4.49% and is repaid in 36 monthly installments of \$2,124 with the 36<sup>th</sup> payment of \$2,124 due in December, 2023.

The following is a repayment schedule for the debt:

	Year Ending March 31,	Principal	Interest
2024	\$ 20,806	\$ 286	
<b>Total</b>	<b>\$ 20,806</b>	<b>\$ 286</b>	

**5. RETIREMENT FUND COMMITMENTS**

**a. 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 agent multiple-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

**5. RETIREMENT FUND COMMITMENTS (Continued)**

the General Assembly of the State of Illinois. IMRF issues a publicly available Annual Comprehensive 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).

Due to the Township preparing its financial statements on the modified cash basis of accounting, pension liabilities and deferred inflows and outflows referred to throughout this note disclosure are not recognized in the actual financial statements.

**b. Benefits Provided**

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

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

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

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

**c. Employees Covered by Benefit Terms**

As of December 31, 2022, the following employees were covered by the benefit terms:

Retirees and Beneficiaries	28
Inactive, Non-Retired Members	19
Active Members	23
Total	70

**5. RETIREMENT FUND COMMITMENTS (Continued)**

**d. Contributions**

As set by statute, the Township's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Township's annual contribution rate for calendar year 2022 was 7.30%. For the fiscal year ended March 31, 2023, the Township contributed \$76,665 to the plan. The Township also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**e. Net Pension Liability**

The Township's net pension liability was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

**f. Actuarial Assumptions**

The following are the methods and assumptions used to determine total pension liability at December 31, 2022:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.25%.
- Salary Increases were expected to be 2.85% to 13.75%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.
- Projected Retirement Age was from the experience-based table of rates, specific to the type of eligibility condition, last updated for the 2020 valuation pursuant to an experience study from years 2017 to 2019.
- For Non-Disabled Retirees, the Pub-2010, Amount-Weighted, below-median income, General Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables were used 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 were used, and future mortality improvements projected using scale MP-2020.
- For Active Members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables were used, and future mortality improvements projected using scale MP-2020.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

**5. RETIREMENT FUND COMMITMENTS (Continued)**

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equities	35.5%	6.50%
International Equities	18.0%	7.60%
Fixed Income	25.5%	4.90%
Real Estate	10.5%	6.20%
Alternatives	9.5%	6.25 - 9.90%
Cash Equivalents	1.0%	4.00%
	<u>100.0%</u>	

**g. Single Discount Rate**

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

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 4.05%, and the resulting single discount rate is 7.25%.

**h. Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability/(asset)	\$ 1,169,138	\$ 398,884	\$ (214,216)

**5. RETIREMENT FUND COMMITMENTS (Continued)**

**i. Changes in the Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/(Asset) (A) - (B)
Balances at December 31, 2021	\$ 7,055,530	\$ 8,377,713	\$ (1,322,183)
Changes for the year:			
Service Cost	100,652	-	100,652
Interest on the Total Pension Liability	502,240	-	502,240
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	315,410	-	315,410
Changes of Assumptions	-	-	-
Contributions - Employer	-	87,950	(87,950)
Contributions - Employees	-	54,327	(54,327)
Net Investment Income	-	(1,023,820)	1,023,820
Benefit Payments, including Refunds of Employee Contributions	(356,821)	(356,821)	-
Other (Net Transfer)	-	78,778	(78,778)
Net Changes	561,481	(1,159,586)	1,721,067
Balances at December 31, 2022	\$ 7,617,011	\$ 7,218,127	\$ 398,884

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

For the year ended December 31, 2022, the Township disclosed pension expense of \$161,437. At December 31, 2022, the Township disclosed deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:



**5. RETIREMENT FUND COMMITMENTS (Continued)**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 211,395	\$ 9,980
Changes in assumptions	-	915
Net difference between projected and actual earnings on pension plan investments	<u>617,821</u>	<u>-</u>
 Total deferred amounts to be recognized in pension expense in future periods	 829,216	 10,895
 Contributions subsequent to the measurement date	 <u>10,142</u>	 <u>-</u>
 Total	 <u>\$ 839,358</u>	 <u>\$ 10,895</u>

\$10,142 reported as deferred outflows of resources related to pensions resulting from Township contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended March 31, 2024. Other amounts disclosed as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31	Net Deferred Outflows of Resources
2023	\$ 102,661
2024	202,924
2025	187,481
2026	325,255
2027	-
Thereafter	<u>-</u>
Total	<u>\$ 818,321</u>

**6. CONTINGENCIES**

The Township is a defendant in various tax objection cases. Due to the tax objection process, it is not determinable what potential liability there will be for the Township and no provision for settlement costs have been included within the financial statements. With regard to other pending or unasserted matters, the eventual outcome and related liability, if any, is not determinable. Accordingly, there also has been no provision for settlement costs made within the accompanying financial statements.

## **7. FUND BALANCE REPORTING**

According to Government Accounting Standards, fund balances are to be classified in to five major classifications: Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance and Unassigned Fund Balance.

### **a. Nonspendable Fund Balance**

The nonspendable 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. Due to the cash basis nature of the Township all such items are expensed at the time of purchase, so there is nothing to report for this classification.

### **b. Restricted Fund Balance**

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Things such as restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special Revenue Funds are by definition restricted for those specified purposes.

### **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 of Trustees). 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.

### **d. Assigned Fund Balance**

The assigned fund balance classification refers to the amounts that are constrained by the government’s intent to be used for a specific purpose, but are neither restricted nor committed. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

### **e. Unassigned Fund Balance**

The unassigned fund balance classification is the residual classification for amounts in the general operating funds for amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund and for funds with negative fund balances.

### **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.

## **8. 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; illnesses of employees; and natural disasters. The Township is a member of a public entity risk pool which is described below that provides insurance coverage for those risks.

### **a. Public Entity Risk Pool**

The Township is a member of the Illinois Counties Risk Management Trust (ICRMT), a joint risk management pool of local governmental units through which property, general liability, automobile liability, crime, excess property, excess liability, and boiler and machinery coverage is provided in excess of specified limits for the members, acting as a single insurable unit.

The relationship between the Township and ICRMT is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Township is contractually obligated to make all annual and supplementary contributions for ICRMT, to report claims on a timely basis, cooperate with ICRMT, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by ICRMT. Members have a contractual obligation to fund any deficit of ICRMT attributable to a membership year during which they were a member.

ICRMT is responsible for administering the self-insurance program and purchasing excess insurance according to the direction of the Board of Directors. ICRMT also provides its members with risk management services, including the defense of and settlement of claims, and establishes reasonable and necessary loss of reduction and prevention procedures to be followed by the members.

During the year ended March 31, 2023, there were no significant reductions in insurance coverage. Also, there have been no settlement amounts that have exceeded insurance coverage for the last three fiscal years. The Township is insured under a retrospectively-rated policy for workers' compensation coverage, whereas the initial premium may be adjusted based on actual experience. Adjustments in premiums are recorded when paid or received. During the year ended March 31, 2023, there were no significant adjustments in premiums based on actual experience.

**ELK GROVE TOWNSHIP**

## Schedule of Changes in the Employer's Net Pension Liability and Related Ratios

Illinois Municipal Retirement Fund

Last Eight Calendar Years

	<u>2022</u>	<u>2021</u>
<b>TOTAL PENSION LIABILITY</b>		
Service Cost	\$ 100,652	\$ 94,446
Interest	502,240	487,753
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	315,410	(34,602)
Changes of Assumptions	-	-
Benefit Payments, Including Refunds of Member Contributions	<u>(356,821)</u>	<u>(344,939)</u>
Net Change in Total Pension Liability	561,481	202,658
Total Pension Liability - Beginning	<u>7,055,530</u>	<u>6,852,872</u>
<b>TOTAL PENSION LIABILITY - ENDING</b>	<u><u>\$ 7,617,011</u></u>	<u><u>\$ 7,055,530</u></u>
<b>PLAN FIDUCIARY NET POSITION</b>		
Contributions - Employer	\$ 87,950	\$ 67,621
Contributions - Member	54,327	44,292
Net Investment Income	(1,023,820)	1,213,986
Benefit Payments, Including Refunds of Member Contributions	(356,821)	(344,939)
Other (Net Transfer)	<u>78,778</u>	<u>74,693</u>
Net Change in Plan Fiduciary Net Position	(1,159,586)	1,055,653
Plan Net Position - Beginning	<u>8,377,713</u>	<u>7,322,060</u>
<b>PLAN NET POSITION - ENDING</b>	<u><u>\$ 7,218,127</u></u>	<u><u>\$ 8,377,713</u></u>
<b>EMPLOYER'S NET PENSION LIABILITY (ASSET)</b>	<u><u>\$ 398,884</u></u>	<u><u>\$ (1,322,183)</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	94.76%	118.74%
Covered Payroll	\$ 1,165,201	\$ 984,276
Employer's Net Pension Liability as a Percentage of Covered Payroll	34.23%	-134.33%

Note: Information prior to calendar year 2015 is not available

2020	2019	2018	2017	2016	2015
\$ 116,470	\$ 115,399	\$ 100,663	\$ 110,033	\$ 105,162	\$ 101,075
451,154	442,801	424,009	422,832	407,641	399,106
-	-	-	-	-	-
260,245	(239,423)	(47,832)	(167,352)	(119,349)	(184,829)
(26,463)	-	159,432	(150,104)	(13,693)	13,433
(226,223)	(181,978)	(197,012)	(193,042)	(195,325)	(209,668)
575,183	136,799	439,260	22,367	184,436	119,117
6,277,689	6,140,890	5,701,630	5,679,263	5,494,827	5,375,710
<u>\$ 6,852,872</u>	<u>\$ 6,277,689</u>	<u>\$ 6,140,890</u>	<u>\$ 5,701,630</u>	<u>\$ 5,679,263</u>	<u>\$ 5,494,827</u>
\$ 82,187	\$ 72,798	\$ 103,965	\$ 111,068	\$ 131,296	\$ 111,862
89,542	52,499	48,208	45,760	45,437	40,327
842,957	1,022,598	(253,350)	890,243	347,467	26,107
(226,223)	(181,978)	(197,012)	(193,042)	(195,325)	(209,668)
(41,337)	(223,074)	98,334	(91,354)	(74,795)	(203,618)
747,126	742,843	(199,855)	762,675	254,080	(234,990)
6,574,934	5,832,091	6,031,946	5,269,271	5,015,191	5,250,181
<u>\$ 7,322,060</u>	<u>\$ 6,574,934</u>	<u>\$ 5,832,091</u>	<u>\$ 6,031,946</u>	<u>\$ 5,269,271</u>	<u>\$ 5,015,191</u>
<u>\$ (469,188)</u>	<u>\$ (297,245)</u>	<u>\$ 308,799</u>	<u>\$ (330,316)</u>	<u>\$ 409,992</u>	<u>\$ 479,636</u>
106.85%	104.73%	94.97%	105.79%	92.78%	91.27%
\$ 1,198,065	\$ 1,166,635	\$ 1,071,280	\$ 1,016,877	\$ 1,009,708	\$ 896,150
-39.16%	-25.48%	28.83%	-32.48%	40.61%	53.52%

**ELK GROVE TOWNSHIP**  
 Schedule of Employer Contributions  
 Illinois Municipal Retirement Fund  
 Last Eight Fiscal Years

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2023	\$ 76,665	\$ 76,665	\$ -	\$ 1,182,447	6.48%
2022	73,694	73,694	-	1,056,796	6.97%
2021	75,867	75,867	-	1,105,610	6.86%
2020	75,265	75,265	-	1,166,635	6.45%
2019	102,414	103,965	(1,551)	1,071,280	9.70%
2018	104,535	111,068	(6,533)	1,016,877	10.92%
2017	111,068	131,296	(20,228)	1,009,708	13.00%
2016	98,845	111,862	(13,017)	896,150	12.48%

**Notes to Schedule**

Valuation date Actuarially determined contribution rates are calculated as of December 31 of each year, which is 3 months prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	21-year closed period
Asset valuation method	5-year smoothed market; 20% corridor
Wage Growth	2.75%
Inflation	2.25%
Salary increases	2.85% to 13.75% 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 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Note: Information prior to fiscal year 2015 is not available

**ELK GROVE TOWNSHIP**

Schedule of Revenues Collected, Expenditures Paid, and Changes in Fund Balances -  
 Modified Cash Basis - Budget and Actual - General and Major Special Revenue Funds  
 For the Year Ended March 31, 2023

	General (Town) Fund		
	Original and Final Budget	Actual	Over (Under) Budget
<b>Revenues</b>			
Taxes	\$ 2,393,471	\$ 2,391,586	\$ (1,885)
Charges for Services	-	-	-
Interest	33,000	26,878	(6,122)
Other	17,500	292,351	274,851
Total Revenues	<u>2,443,971</u>	<u>2,710,815</u>	<u>266,844</u>
<b>Expenditures</b>			
Administration	1,788,100	2,077,900	289,800
Assessors	248,300	230,992	(17,308)
Building & Equipment	-	-	-
Home Relief	-	-	-
Road Division	-	-	-
Social Services	784,550	556,346	(228,204)
Youth Services	523,400	485,545	(37,855)
Total Expenditures	<u>3,344,350</u>	<u>3,350,783</u>	<u>6,433</u>
Excess (Deficiency) of Revenues Over Expenditures	(900,379)	(639,968)	260,411
<b>Other Financing Sources</b>			
Sale of Capital Assets	-	-	-
Net Change in Fund Balance	<u>\$ (900,379)</u>	<u>(639,968)</u>	<u>\$ 260,411</u>
Fund Balance, Beginning of Year		<u>2,976,734</u>	
<b>Fund Balance, End of Year</b>		<u><u>\$ 2,336,766</u></u>	

General Assistance Fund			Road and Bridge Fund			
Original and Final Budget	Actual	Over (Under) Budget	Original Budget	Final Budget	Actual	Over (Under) Budget
\$ 442,714	\$ 358,280	\$ (84,434)	\$ 370,000	\$ 370,000	\$ 519,104	\$ 149,104
1,000	-	(1,000)	-	-	-	-
3,000	6,905	3,905	-	-	3,215	3,215
5,000	57,032	52,032	4,000	4,000	4,511	511
451,714	422,217	(29,497)	374,000	374,000	526,830	152,830
399,700	327,761	(71,939)	137,700	241,002	226,013	(14,989)
-	-	-	-	-	-	-
-	-	-	16,250	26,076	16,614	(9,462)
286,100	111,892	(174,208)	-	-	-	-
-	-	-	88,000	114,090	74,011	(40,079)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
685,800	439,653	(246,147)	241,950	381,168	316,638	(64,530)
(234,086)	(17,436)	216,650	132,050	(7,168)	210,192	217,360
-	-	-	-	-	100,000	100,000
<u>\$ (234,086)</u>	<u>(17,436)</u>	<u>\$ 216,650</u>	<u>\$ 132,050</u>	<u>\$ (7,168)</u>	<u>310,192</u>	<u>\$ 317,360</u>
	<u>1,851,906</u>				<u>33,927</u>	
	<u>\$ 1,834,470</u>				<u>\$ 344,119</u>	



## **ELK GROVE TOWNSHIP**

Notes to Other Supplementary Information

March 31, 2023

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### **Budgets and Budgetary Accounting**

The budgets for all Governmental and Proprietary Fund types are prepared on the modified cash basis of accounting, which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. This is an acceptable method in accordance with the Illinois Revised Statutes. The General Town and General Assistance Fund budgets were adopted on March 14, 2022, and the Road District budget was adopted on March 14, 2022 and amended on June 26, 2023.

The level of control (level at which expenditures may not legally exceed the budget) is the fund. The budget lapses at the end of each fiscal year.

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

1. In January, the Supervisor submits to the Board of Trustees a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayers comments.
3. Formal budgetary integration is employed as a management control device during the year for all Governmental Funds.
4. The Board of Trustees may make transfers between the various items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget.
5. The Board of Trustees may amend the budget (in other ways) by the same procedures required of its original adoption.

**ELK GROVE TOWNSHIP**

Schedule of Revenues Collected, Expenditures Paid, and Changes in Fund Balance -  
 Modified Cash Basis  
 Budget and Actual - General (Town) Fund  
 For the Year Ended March 31, 2023

	Original Budget	Final Budget	Actual
<b>Revenues</b>			
Property Taxes	\$ 2,228,471	\$ 2,228,471	\$ 1,733,401
Personal Property Replacement Taxes	165,000	165,000	658,185
Interest Income	5,000	5,000	6,420
Advertising	4,000	4,000	5,399
Town Hall Rental Income	1,500	1,500	1,770
Passport Fees	10,000	10,000	19,866
Miscellaneous Income	2,000	2,000	265,316
Interest from Road and Bridge Fund	28,000	28,000	20,458
	<hr/>		
Total Revenues	2,443,971	2,443,971	2,710,815
<b>Expenditures</b>			
Administration			
Contractual Services			
Telephone	5,000	5,000	3,804
Utilities	25,000	25,000	20,927
Travel Expense	2,000	2,000	788
Training	2,000	2,000	1,377
Community Recognition	1,000	1,000	100
Passport Services	3,500	3,500	3,667
Employee Appreciation	3,100	3,100	11,110
Community Outreach	5,000	5,000	3,705
Building and Janitorial Maintenance	75,000	75,000	84,956
IT/Copier Expenses	12,000	12,000	10,190
Rental	2,000	2,000	1,242
General Insurance/Off Bond	45,000	45,000	34,165
Publications/Newsletter	60,000	60,000	60,309
Accounting Services	35,000	35,000	17,278
Legal Services	40,000	40,000	20,974
Dues/Subscriptions	12,000	12,000	11,286
Public Relations	15,000	15,000	6,750
Security System	15,000	15,000	22,540
Weed Enforcement	1,000	1,000	-
DTS-Taxi Service	5,000	5,000	2,600
Job Counselor	10,000	10,000	5,923
Professional Services	45,000	45,000	49,737
Engineering Services	5,000	5,000	150
Lightning Detection System	3,000	3,000	-
	<hr/>		
Total Contractual Services	426,600	426,600	373,578

(Continued)

**ELK GROVE TOWNSHIP**

Schedule of Revenues Collected, Expenditures Paid, and Changes in Fund Balance -  
 Modified Cash Basis  
 Budget and Actual - General (Town) Fund  
 For the Year Ended March 31, 2023

	Original Budget	Final Budget	Actual
<b>Expenditures (continued)</b>			
Commodities			
Office Supplies	\$ 10,000	\$ 10,000	\$ 9,876
Maintenance Supplies	3,000	3,000	1,848
Postage	2,000	2,000	1,136
Miscellaneous	5,000	5,000	2,554
Total Commodities	20,000	20,000	15,414
Capital Outlay			
Equipment	6,500	6,500	10,641
Challenge Course/Bike Safety	450,000	450,000	282,831
Building & Permanent Improvements	150,000	150,000	295,475
Lincoln/Martha/Storm Sewer	3,000	3,000	1,571
Landscaping	8,000	8,000	5,313
Food Pantry Truck	1,500	1,500	887
Total Capital Outlay	619,000	619,000	596,718
Debt Service			
Principal	-	-	339,513
Interest	-	-	10,511
Total Debt Service	-	-	350,024
Salaries & Benefits			
Staff Salaries - TF Admin	425,000	425,000	466,542
Supervisors Salary	24,000	24,000	24,000
Clerk Salary	15,000	15,000	15,000
Assessors Salary	28,000	28,000	27,000
Trustees Salaries	15,000	15,000	7,404
Road District Treas Salary	1,000	1,000	1,000
Employee Insurance	125,000	125,000	103,368
Employer FICA/W/H/TF	40,000	40,000	51,166
Employer IMRF/TF	35,000	35,000	31,460
Unemployment Compensations	4,500	4,500	4,867
Workmens Compensations	10,000	10,000	10,359
Total Salaries & Benefits	722,500	722,500	742,166
Total Administration	1,788,100	1,788,100	2,077,900

(Continued)

**ELK GROVE TOWNSHIP**

Schedule of Revenues Collected, Expenditures Paid, and Changes in Fund Balance -  
 Modified Cash Basis  
 Budget and Actual - General (Town) Fund  
 For the Year Ended March 31, 2023

	Original Budget	Final Budget	Actual
<b>Expenditures (continued)</b>			
Assessors			
Contractual Services			
Equipment Maintenance	\$ 5,000	\$ 5,000	\$ 2,933
Telephone	1,500	1,500	1,100
Utilities	6,000	6,000	3,138
Travel Expense	3,000	3,000	1,704
Training	3,500	3,500	1,490
Print/Publishing	2,500	2,500	884
Professional Services	2,500	2,500	4,206
Audit	1,000	1,000	647
Dues	1,000	1,000	1,311
Office Supplies	2,000	2,000	1,318
Miscellaneous Expenses	500	500	-
Equipment	3,000	3,000	2,928
Postage	1,000	1,000	600
Sidwell Maps	1,000	1,000	1,245
Total Contractual Services	<u>33,500</u>	<u>33,500</u>	<u>23,504</u>
Salaries & Benefits			
Staff Salaries/Assessors	161,000	161,000	159,083
Employee Insurance	29,000	29,000	29,106
Employer FICA/W/H/Assessors	12,700	12,700	9,254
Employer IMRF/Assessors	12,100	12,100	10,045
Total Salaries & Benefits	<u>214,800</u>	<u>214,800</u>	<u>207,488</u>
Total Assessors	<u>248,300</u>	<u>248,300</u>	<u>230,992</u>
Social Services			
Agencies			
Salvation Army	10,000	10,000	10,000
A Caring Place	11,250	11,250	11,250
Alexian Brothers Foundation	24,000	24,000	24,000
Connections of Illinois	5,000	5,000	5,000
Community Connection Center	10,000	10,000	10,000
NW Suburban Day Care	10,000	10,000	10,000
Search, Inc	5,000	5,000	5,000
Connections to Care	4,500	4,500	4,500
Access to Care	8,000	8,000	8,000
Shelter, Inc	35,000	35,000	35,000
Clearbrook	29,400	29,400	29,400
Family Forward	11,000	11,000	11,000

(Continued)

**ELK GROVE TOWNSHIP**

Schedule of Revenues Collected, Expenditures Paid, and Changes in Fund Balance -  
 Modified Cash Basis  
 Budget and Actual - General (Town) Fund  
 For the Year Ended March 31, 2023

	Original Budget	Final Budget	Actual
<b>Expenditures (continued)</b>			
Children's Advocacy	9,000	9,000	9,000
Mobile Dental Clinic	40,000	40,000	40,000
NW Compass	15,000	15,000	15,000
Life Span	25,000	25,000	25,000
Kenneth Young Center	160,000	160,000	160,000
Little City	20,000	20,000	20,000
Hopeful Beginnings	5,000	5,000	5,000
Journeys the Road Home	20,000	20,000	18,750
Special Leisure Service Found	10,000	10,000	9,000
Hands On Suburban Chicago	8,000	8,000	9,250
Community Education	3,000	3,000	3,000
Wings	6,000	6,000	6,000
Center For Enriched Living	15,000	15,000	15,000
Elyssa's Mission	4,400	4,400	4,400
Kan-Win	5,000	5,000	5,000
Center For Concern	5,000	5,000	5,000
<b>Total Agencies</b>	<b>513,550</b>	<b>513,550</b>	<b>512,550</b>
<b>Bike Safety</b>			
Bike Safety Supplies	5,000	5,000	-
Bike Safety Bus	10,000	10,000	-
Bike Safety/Staff Salaries	36,000	36,000	11,210
Bike Safety/FICA W/H	3,000	3,000	857
Bike Safety/IMRF	-	-	818
<b>Total Bike Safety</b>	<b>54,000</b>	<b>54,000</b>	<b>12,885</b>
<b>Senior Services</b>			
Senior Bus/Gasoline	20,000	20,000	17,457
Senior Bus/Telephone	2,000	2,000	1,601
Senior Bus/Equipment	5,000	5,000	22
Senior Bus/Bus Maintenance	25,000	25,000	11,831
Senior Bus/New Bus	165,000	165,000	-
<b>Total Senior Services</b>	<b>217,000</b>	<b>217,000</b>	<b>30,911</b>
<b>Total Social Services</b>	<b>784,550</b>	<b>784,550</b>	<b>556,346</b>

(Continued)

**ELK GROVE TOWNSHIP**

Schedule of Revenues Collected, Expenditures Paid, and Changes in Fund Balance -  
 Modified Cash Basis  
 Budget and Actual - General (Town) Fund  
 For the Year Ended March 31, 2023

	Original Budget	Final Budget	Actual
<b>Expenditures (continued)</b>			
Youth Services			
Commodities			
Utilities	\$ 5,000	\$ 5,000	\$ 3,801
Program Expenses	10,500	10,500	9,891
Challenge Program Expenses	5,900	5,900	4,766
Josselyn Center	70,000	70,000	58,300
Total Commodities	<u>91,400</u>	<u>91,400</u>	<u>76,758</u>
Salaries & Benefits			
Challenge Staff Salaries	40,000	40,000	25,811
Staff Salaries/YS	295,000	295,000	293,754
Employee Insurance	50,000	50,000	54,662
Employer FICA W/H/Youth Services	25,500	25,500	15,663
Employer IMRF/Youth Services	21,500	21,500	18,897
Total Salaries & Benefits	<u>432,000</u>	<u>432,000</u>	<u>408,787</u>
Total Youth Services	<u>523,400</u>	<u>523,400</u>	<u>485,545</u>
Total Expenditures	<u>3,344,350</u>	<u>3,344,350</u>	<u>3,350,783</u>
Net Change in Fund Balance	<u>\$ (900,379)</u>	<u>\$ (900,379)</u>	(639,968)
Fund Balance, Beginning of Year			<u>2,976,734</u>
<b>Fund Balance, End of Year</b>			<u><u>\$ 2,336,766</u></u>

**ELK GROVE TOWNSHIP**

Schedule of Revenues Collected, Expenditures Paid, and Changes in Fund Balance -  
 Modified Cash Basis  
 Budget and Actual - General Assistance Fund  
 For the Year Ended March 31, 2023

	Original Budget	Final Budget	Actual
<b>Revenues</b>			
Property Taxes	\$ 442,714	\$ 442,714	\$ 358,280
SSI Income	1,000	1,000	-
Interest Income	3,000	3,000	6,905
Miscellaneous Income	1,000	1,000	25
LIHEAP	4,000	4,000	12,511
Herb Linneweh Donations	-	-	44,496
	<hr/>		
Total Revenues	451,714	451,714	422,217
<hr/>			
<b>Expenditures</b>			
Administration			
Contractual Services			
Building Maintenance	1,000	1,000	-
Equipment Maintenance	3,500	3,500	2,347
General Insurance	4,000	4,000	3,175
Telephone	1,200	1,200	1,000
Utilities	7,000	7,000	6,962
Travel	2,000	2,000	1,668
Training	3,000	3,000	1,725
Printing/Publishing	1,000	1,000	-
Audit	3,000	3,000	2,586
Legal	5,000	5,000	-
Dues/Subscriptions	1,000	1,000	230
Professional Services	2,000	2,000	-
Postage	1,000	1,000	600
	<hr/>		
Total Contractual Services	34,700	34,700	20,293
<hr/>			
Commodities			
Office Supplies	1,500	1,500	1,404
Miscellaneous Expenses	500	500	172
	<hr/>		
Total Commodities	2,000	2,000	1,576
<hr/>			
Capital Outlay			
Equipment	5,000	5,000	6,644
	<hr/>		
Total Capital Outlay	5,000	5,000	6,644
<hr/>			
Salaries and Benefits			
Staff Salaries/GA	275,000	275,000	229,630
Employee Insurance	40,000	40,000	35,159
Employer FICA/MEDICARE/GA	21,000	21,000	12,811
Employer IMRF/GA	20,000	20,000	14,598

(Continued)

**ELK GROVE TOWNSHIP**

Schedule of Revenues Collected, Expenditures Paid, and Changes in Fund Balance -  
 Modified Cash Basis  
 Budget and Actual - General Assistance Fund  
 For the Year Ended March 31, 2023

	Original Budget	Final Budget	Actual
<b>Expenditures (Continued)</b>			
Unemployment/Workmens Compensation	\$ 2,000	\$ 2,000	\$ 1,605
Total Salaries & Benefites	358,000	358,000	293,803
Herb Linneweh Expenditures	-	-	5,445
Total Administration	399,700	399,700	327,761
Home Relief			
Food	34,000	34,000	20
GA Rent	78,000	78,000	36,778
EA Rent	100,000	100,000	59,232
Travel/Gasoline	19,000	19,000	1,054
Utilities	19,000	19,000	1,123
Clothing/Laundry	5,000	5,000	94
EA Utilities	12,000	12,000	979
Program Expenses	1,000	1,000	610
Food Pantry Supplies	8,000	8,000	5,992
Employment Center	10,000	10,000	5,923
Miscellaneous Client Expenses	100	100	87
Total Home Relief	286,100	286,100	111,892
Total Expenditures	685,800	685,800	439,653
Net Change in Fund Balance	<u>\$ (234,086)</u>	<u>\$ (234,086)</u>	(17,436)
Fund Balance, Beginning of Year			<u>1,851,906</u>
<b>Fund Balance, End of Year</b>			<u><b>\$ 1,834,470</b></u>



**ELK GROVE TOWNSHIP**

Schedule of Revenues Collected, Expenditures Paid, and Changes in Fund Balance -

Modified Cash Basis

Budget and Actual - Road and Bridge Fund

For the Year Ended March 31, 2023

	Original Budget	Final Budget	Actual
<b>Revenues</b>			
Property Taxes	\$ 270,000	\$ 270,000	\$ 200,514
Personal Property Replacement Taxes	100,000	100,000	318,590
Interest Income	-	-	3,215
Miscellaneous Income	4,000	4,000	4,511
<b>Total Revenues</b>	<b>374,000</b>	<b>374,000</b>	<b>526,830</b>
<b>Expenditures</b>			
Administration			
Contractual Services			
General Insurance/Off Bonding	25,000	25,000	20,990
Telephone	2,000	2,000	633
Utilities	20,000	20,827	20,827
Printing/Publishing	500	500	-
Accounting Services	1,500	1,500	1,293
Legal Services	5,000	9,596	9,596
Dues & Subscriptions	500	500	-
Interest to Town Fund	28,000	28,000	20,458
<b>Total Contractual Services</b>	<b>82,500</b>	<b>87,923</b>	<b>73,797</b>
Commodities			
Office Supplies	500	500	75
Personal Property Replacement Tax	40,000	124,697	124,696
<b>Total Commodities</b>	<b>40,500</b>	<b>125,197</b>	<b>124,771</b>
Salaries & Benefits			
Salaries/Road & Bridge	12,000	16,635	16,634
Employee Insurance	-	-	-
Employer IMRF/R&B	-	-	300
Employer FICA/Medicare/R&B	1,700	1,700	964
Unemployment Compensation	1,000	9,547	9,547
<b>Total Salaries &amp; Benefits</b>	<b>14,700</b>	<b>27,882</b>	<b>27,445</b>
<b>Total Administration</b>	<b>137,700</b>	<b>241,002</b>	<b>226,013</b>
Road Division			
Contractual Services			
Road Maintenance	10,000	10,000	7,470
Rental	2,000	2,000	-
Curb & Sidewalk Repair	10,000	10,000	-
Plowing & Salting	10,000	22,840	22,839

(Continued)

**ELK GROVE TOWNSHIP**

Schedule of Revenues Collected, Expenditures Paid, and Changes in Fund Balance -  
 Modified Cash Basis  
 Budget and Actual - Road and Bridge Fund  
 For the Year Ended March 31, 2023

	Original Budget	Final Budget	Actual
<b>Expenditures (continued)</b>			
Tree Service	25,000	38,250	38,250
Engineering	15,000	15,000	4,650
Total Contractual Services	<u>72,000</u>	<u>98,090</u>	<u>73,209</u>
Commodities			
Gasoline and Oil	1,000	1,000	636
Salt	6,000	6,000	-
Street Lighting	-	-	-
Street Signs and Posts	7,000	7,000	-
Materials	2,000	2,000	166
Total Commodities	<u>16,000</u>	<u>16,000</u>	<u>802</u>
Total Road Division	<u>88,000</u>	<u>114,090</u>	<u>74,011</u>
Building & Equipment Division			
Vehicle Maintenance	3,750	12,727	12,727
Equipment	10,000	10,000	539
Equipment Maintenance	2,500	3,349	3,348
Total Building & Equipment Division	<u>16,250</u>	<u>26,076</u>	<u>16,614</u>
Total Expenditures	<u>241,950</u>	<u>381,168</u>	<u>316,638</u>
Excess (Deficiency) of Revenues Over Expenditures	132,050	(7,168)	210,192
<b>Other Financing Sources</b>			
Sale of Capital Assets	-	-	100,000
Net Change in Fund Balance	<u>\$ 132,050</u>	<u>\$ (7,168)</u>	310,192
Fund Balance, Beginning of Year			<u>33,927</u>
<b>Fund Balance, End of Year</b>			<u><u>\$ 344,119</u></u>