

NEW LENOX TOWNSHIP, ILLINOIS

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
MARCH 31, 2020

Prepared By:

HEARNE & ASSOCIATES, P.C.

Certified Public Accountants &
Business Consultants

New Lenox Township, Illinois
Annual Financial Report
For the Year Ended March 31, 2020

Table of Contents

Independent Auditors' Report	1-2
Management's Discussion and Analysis	3-9
Basic Financial Statements:	
Township-wide Financial Statements:	
Statement of Net Position	10
Statement of Activities	11
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	12
Reconciliation of Governmental Fund Balance Sheet to the Statement of Net Position	13
Statement of Revenues, Expenditures, and Changes in Fund Balances	14
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits) of Governmental Funds to the Statement of Activities	15
Notes to the Financial Statements	16-31
Required Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) - Budget and Actual - Major Funds:	
General (Town Fund)	32
Debt Service Fund	33
General Road Fund	34
Equipment and Building Fund	35
Schedule of Changes in the Employer's Net Pension Liability and Related Ratios	36
Schedule of Employer Contributions - Illinois Municipal Retirement Fund - Last Ten Fiscal Years	37
Notes to the Required Supplementary Information	38-39
Other Supplementary Information:	
Nonmajor Governmental Funds:	
Combining Balance Sheet	40
Combining Statement of Revenues, Expenditures and Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) - Budget and Actual -NonMajor Funds:	41
General Assistance	42
Audit Fund	43
Insurance (Town) Fund	44
Insurance (General Road Fund)	45
Senior Housing Fund	46
Maplewood Cemetery Fund	47
Marshall Cemetery Fund	48
Other Schedule:	
Summary of Assessed Valuations, Tax Rates, Extensions and Collections	49



HEARNE & ASSOCIATES, P.C.

Certified Public Accountants & Business Consultants

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To the Honorable Supervisor
and Members of the Board of Trustees
New Lenox Township, Illinois

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of New Lenox Township as of and for the year ended March 31, 2020, and the related notes to the financial statements, which collectively comprises the Township's basic financial statements as listed in the table of contents.

Management's Responsibility 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; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Township's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the New Lenox Township as of March 31, 2020 and the respective changes in financial position thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The other schedule has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

September 10, 2020
Mokena, Illinois


Hearne & Associates, P.C.
Certified Public Accountants

New Lenox Township, Illinois

Management's Discussion and Analysis

March 31, 2020

As management of New Lenox Township, we offer the readers of the Township's statements, this narrative overview and analysis of the financial activities of the Township for the fiscal year ended March 31, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our basic financial statements and notes to the financial statements to enhance their understanding of the Township's financial performance.

FINANCIAL HIGHLIGHTS

The assets and deferred outflows of resources of the Township exceeded its deferred inflows of resources and liabilities at the close of the most recent fiscal year by \$14,327,396. This is an increase of \$433,168 or 3.12% compared to the prior year. Of the net position, \$276,619 (unrestricted) may be used to meet the Township's ongoing obligations to citizens and creditors.

During the year, the Township had government-wide expenses of \$3,364,426 and \$ 3,797,594 of revenues generated from tax and other Township programs. This is a decrease in expenses of \$157,884 (4.48%) and an increase in revenue of \$285,778 (8.14%) compared to the prior year. This is the result of decreased expenditures for the Town fund and the Senior Housing Fund during fiscal year ended March 31, 2020 and an increase in revenues in investment income and tax revenues.

At the end of the current fiscal year, unassigned fund balance for the general fund was \$1,541,154 or 157.77% of the total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

USING THE FINANCIAL SECTION OF THIS ANNUAL REPORT

The financial statement's focus is on the Township as a whole and on the major individual funds. Both perspectives allow the readers to address relevant questions, broaden the basis for comparison and enhance the reader's understanding of the statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Township's finances, in similar manner to a private sector business. The Township's annual report includes two government-wide financial statements, the Statement of Net Position, and the Statement of Activities.

The Statement of Net Position combines and consolidates governmental funds, current financial resources with capital assets and long-term obligations. It uses the accrual basis of accounting and economic resources measurement focus. The Statement of Net Position can be found on page 10 of this report.

The Statement of Activities is focused on both the growth and net costs of various activities. These activities are supported by the Township's general taxes and other resources. This is intended to summarize and simplify the users' analysis of the costs of various governmental services. The Statement of Activities can be found on page 11 of this report.

New Lenox Township, Illinois

Management's Discussion and Analysis

March 31, 2020

The governmental activities reflect the Township's basic services, which are general assistance, road and bridge, senior assistance and administration. Property taxes finance the majority of these services.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the Township can be combined into one category: governmental funds.

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus is on major funds rather than fund types.

The governmental fund presentation is presented on a sources and uses of liquid resources (cash & cash equivalents) basis. This is the manner in which the financial plan is usually developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of the Township. Funds are established for various purposes and the fund financial statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

The governmental funds total column requires reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement. The flow of current financial resources will reflect bond or loan proceeds and interfund transfers as other sources and uses as well as capital expenditures and bond or loan principal payments as expenditures. The reconciliations eliminate these transactions and incorporate the capital assets and long-term obligations into the governmental activities column in government-wide statements. The fund financial statements can be found on pages 12-15 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 16.

Other Information

In addition to the basic financial statements, this report also includes certain required supplementary information related to budgetary information and the Township's progress in funding its obligation to provide pension benefits to its employees.

New Lenox Township, Illinois

Management's Discussion and Analysis

March 31, 2020

GOVERNMENT -WIDE STATEMENTS & ANALYSIS

Statement of Net Position

The following chart reflects the condensed Statement of Net Position:

	<u>2020</u>	<u>2019</u>
Assets:		
Current Assets	\$ 9,857,631	\$ 9,491,312
Capital Assets	<u>10,716,521</u>	<u>10,778,777</u>
Total Assets	<u>20,574,152</u>	<u>20,270,089</u>
Deferred Outflows of Resources:		
Related to Pension	<u>412,169</u>	<u>639,850</u>
Liabilities:		
Current Liabilities	318,191	1,860,342
Noncurrent Liabilities	<u>2,661,122</u>	<u>1,661,399</u>
Total Liabilities	<u>2,979,313</u>	<u>3,521,741</u>
Deferred Inflows of Resources:		
Related to Pension	520,666	372,849
Unavailable Property Taxes	<u>3,158,946</u>	<u>3,121,121</u>
Total Deferred Inflows of Resources	<u>3,679,612</u>	<u>3,493,970</u>
Net Position:		
Net Investment in Capital Assets	8,956,437	8,862,378
Restricted	5,094,340	5,125,313
Unrestricted	<u>276,619</u>	<u>(93,463)</u>
Total Net Position	<u>\$ 14,327,396</u>	<u>\$ 13,894,228</u>

At the end of the fiscal year, the Township is able to report positive balances in all categories of net position, as well as for the Township as a whole.

The Township's net position of \$14,327,396 or 62.51%, reflect its investment in net capital assets (\$8,956,437). The Township uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Restricted net position is divided between Debt Service (\$448,569), Road and Bridge (\$3,386,265), Equipment and Building (\$351,673), General Assistance (\$121,769), Audit (\$5,236) Insurance (\$135,025), Senior Housing (\$71,738) and Cemeteries Funds (\$574,065). The remaining balance of unrestricted net position, \$276,619 may be used to meet the Township's ongoing obligations to citizens and creditors. The overall incremental increase in net position of \$433,168 is due to an increase in tax revenues and a decrease in general government expenses.

New Lenox Township, Illinois

Management's Discussion and Analysis
March 31, 2020

Statement of Activities

The following chart reflects the condensed Statement of Activities:

	<u>2020</u>	<u>2019</u>
Revenues		
Program Revenues		
Charges for Service	\$ 348,383	\$ 318,592
General Revenues		
Taxes	3,225,558	3,077,510
Interest Income	116,230	93,299
Other General Revenues	107,423	22,415
Total Revenues	<u>3,797,594</u>	<u>3,511,816</u>
Expenses:		
General Government	1,125,489	1,415,333
Welfare	-	7,842
Road and Bridge	2,006,889	1,856,061
Senior Housing	133,363	243,074
Interest on Long-Term Debt	98,685	-
Total Expenses	<u>3,364,426</u>	<u>3,522,310</u>
Changes in Net Position	433,168	(10,494)
Net Position, Beginning of Year	<u>13,894,228</u>	<u>13,904,722</u>
Net Position, End of Year	<u>\$ 14,327,396</u>	<u>\$ 13,894,228</u>

Fiscal year ended March 31, 2020, showed general revenues of \$3,449,211. Governmental activities are broken out by functional area for program revenues and expenses: General Government, Road and Bridge and Senior Housing. General revenues are separated by taxes and investment earnings. The taxes consist of property taxes, replacement taxes and the motor fuel tax. The overall increase in revenues is primarily due to the increased property tax revenue and interest received. Expenditures have decreased due to less expenses in the Town fund and the Equipment and Building fund.

There are seven basic impacts on revenues and expenses as reflected below:

Normal Impacts

Revenues

Economic Condition - which can reflect a declining, stable, or growing economic environment and have a substantial impact on tax revenues.

Increases/Decreases in Township approved rates - while certain tax rates are set by statute, the Township Board has the significant authority to impose and periodically increase/decrease service fees.

Changing Patterns in Intergovernmental and Grant Revenue - certain recurring service fees may experience significant changes periodically, while non-recurring (or one time) grants are less predictable and often distorting in their impact on a year-to-year comparison.

New Lenox Township, Illinois

Management's Discussion and Analysis
March 31, 2020

Expenses

Introduction of New Programs - within the functional expense categories (General Government, Culture and Recreation, Road and Bridge, General Assistance, etc.) individual programs may be added or deleted to meet changing community needs.

Increase in Authorized Personnel - changes in service demand may cause the Township Board to increase/decrease authorized staffing.

Salary Increases (annual adjustments and merit) - the ability to attract and retain human and intellectual resources requires the Township to strive to approach a competitive salary range position in the marketplace.

Inflation - while overall inflation appears to be reasonably modest, the Township is a major consumer of certain commodities such as supplies, fuels and parts. Some fluctuations may experience unusual commodity specific increases.

FINANCIAL ANALYSIS OF TOWNSHIP'S FUNDS

Governmental Funds

The Township's major funds are the General Fund, the Debt Service Fund, the Road and Bridge Fund, and Equipment and Building Fund. Generally speaking, a major fund meets the following criteria:

- Total assets, liabilities, revenues or expenditures of that individual government fund are at least 10% of the corresponding total (assets, liabilities and so forth) for all government funds, and;
- Total assets, liabilities, revenues or expenditures of the individual governmental fund are at least 5% of the corresponding total for all governmental and enterprise funds combined.

Budgetary Highlights

The Township operates under the Budget Ordinance process and is cash basis. The budget is adopted by the Township Board and filed at the Will County Courthouse preceding April 1st of the budgeted fiscal year. No major amendments or addendums were necessary during the fiscal year ended March 31, 2020.

Historically, the Township has taken a very conservative approach in developing their budgets. During fiscal year ended March 31, 2020, revenues and expenses versus budgeted amounts for the major funds showed the following variances:

<u>Fund</u>	<u>Budgeted Revenues</u>	<u>Actual Revenues</u>	<u>Variance</u>	<u>Budgeted Expenses</u>	<u>Actual Expenses</u>	<u>Variance</u>
General	\$ 1,288,320	\$ 1,329,145	\$ 40,825	\$ 1,470,490	\$ 976,787	\$ (493,703)
Debt Service	3,000	14,051	11,051	810,907	255,000	(555,907)
Road and Bridge	1,588,600	1,745,097	156,497	5,205,199	1,955,088	(3,250,111)
Equipment and Building	203,000	204,047	1,047	280,000	9,945	(270,055)

The General Fund revenues were over budget by \$40,825 due primarily to an increase in interest on investments. Expenses in the General Fund were under budget by \$493,703 due to a lower than expected personnel expense.

New Lenox Township, Illinois

Management's Discussion and Analysis
March 31, 2020

In the Debt Service Fund, revenues were over budget by \$11,051 due primarily to increase in interest revenues. Expenses were under budget by \$555,907 due to maintenance expenses being lower than expected.

In the Road and Bridge Fund, revenues were over budget by \$156,497 due to a high than expected income from taxes and interest received. Expenses were under budget by \$3,250,111 due to paving and other repair projects not occurring as expected.

Finally, in the Equipment and Building Fund, revenues were over budget by \$1,047 mainly due to higher than expected interest received. Expenses were \$270,055 under budget due to lower than expected expenses in capital outlay.

CAPITAL ASSETS

Governmental Activities Change in Capital Assets

At the end of fiscal year ended March 31, 2020, the Township had a combined total, capital assets of \$10,716,521 net of accumulated depreciation. The investment in capital assets includes land, buildings, equipment, vehicles and infrastructure. The infrastructure assets consist of roads and bridges.

	<u>Balance</u> <u>March 31, 2019</u>	<u>Net Additions/ Deletions</u>	<u>Balance</u> <u>March 31, 2020</u>
Non-depreciable Capital Assets			
Land	\$ 918,166	\$ -	\$ 918,166
Depreciable Capital Assets			
Land Improvement	93,575	-	93,575
Buildings and Improvements	7,076,855	69,246	7,146,101
Infrastructure	7,027,206	526,042	7,553,248
Road Equipment	1,193,106	(1,196)	1,191,910
Vehicles	924,745	-	924,745
Office Furniture and Equipment	142,579	17,700	160,279
Computer Equipment	77,438	3,746	81,184
Accumulated Depreciation	<u>(6,674,893)</u>	<u>(677,794)</u>	<u>(7,352,687)</u>
Total Capital Assets, Net	<u>\$ 10,778,777</u>	<u>\$ (62,256)</u>	<u>\$ 10,716,521</u>

For more detailed information, see Note 3 to the Basic Financial Statements.

New Lenox Township, Illinois

Management's Discussion and Analysis
March 31, 2020

DEBT ADMINISTRATION

The following is a summary of the components of long-term debt and related transactions of the Township for the year ended March 31, 2020.

	Balance Ending March 31, 2019	Issuances	Retirements	Balance Ending March 31, 2020	Due within a year
General Obligation Bonds	1,916,399	-	156,315	1,760,084	255,000
Net Pension Liability	1,549,260	-	416,507	1,132,753	-
Compensated Absences	-	23,285	-	23,285	-
Total	<u>\$ 3,465,659</u>	<u>\$ 23,285</u>	<u>\$ 572,822</u>	<u>\$ 2,916,122</u>	<u>\$ 255,000</u>

More detailed information can be found in Note 5 to the Basic Financial Statements.

FUTURE EVENTS

Management is not aware of any currently known facts, decisions, or conditions that would have a significant impact on the Township's financial position (net position) or results of operations (revenues, expenses, and other changes in net position) in the next fiscal year, except for the COVID-19 pandemic which may have a significant impact.

Contacting the Township's Financial Management

This financial report is designed to provide our citizens, customers, investors and creditors with a general knowledge of the Township's finances and to demonstrate the Township's accountability for the money it receives. Questions concerning this report or request for additional financial information should be directed to Michael Hickey, Supervisor, New Lenox Township, 1100 S. Cedar Road, New Lenox, IL 60451.

BASIC FINANCIAL STATEMENTS

New Lenox Township, Illinois
Statement of Net Position
March 31, 2020

	<u>Governmental Activities</u>
Assets	
Cash	\$ 5,022,826
Investments	1,660,580
Property Tax Receivable	3,158,946
Prepaid Expenses	15,279
Capital Assets not Being Depreciated	918,166
Capital Assets Being Depreciated, net	9,798,355
Total Assets	<u>20,574,152</u>
Deferred Outflows of Resources	
Related to Pensions	<u>412,169</u>
Liabilities	
Current Liabilities:	
Accounts Payable	221
Accrued Wages	10,335
Security Deposits	52,635
Current Portion of Bonds Payable	255,000
Long-term obligations, due in more than one year:	
Long-Term Bonds Payable	1,505,084
Net Pension Liability	1,132,753
Compensated Absences	23,285
Total Liabilities	<u>2,979,313</u>
Deferred Inflows of Resources	
Property Taxes	3,158,946
Related to Pensions	520,666
Total Deferred Inflows of Resources	<u>3,679,612</u>
Net Position	
Net Investment in Capital Assets	8,956,437
Restricted for:	
Debt Service	448,569
Road and Bridge	3,386,265
Equipment and Building	351,673
General Assistance	121,769
Audit	5,236
Insurance	135,025
Senior Housing	71,738
Cemeteries	574,065
Unrestricted	276,619
Total Net Position	<u>\$ 14,327,396</u>

See the accompanying notes to the financial statements

New Lenox Township
Statement of Activities -
Year Ended March 31, 2020

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense), Revenue and Change in Net Position</u>
		<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>	
Governmental Activities:				
General Government	1,125,489	102,801	-	(1,022,688)
Road and Bridge	2,006,889	4,616	-	(2,002,273)
Senior Housing	133,363	240,966	-	107,603
Interest on Long-term Debt	<u>98,685</u>	-	-	<u>(98,685)</u>
Total Governmental Activities	<u>\$ 3,364,426</u>	<u>\$ 348,383</u>	<u>\$ -</u>	<u>(3,016,043)</u>
General Revenues:				
Taxes:				
Property				3,120,333
Personal Property Replacement				105,225
Investment Income				116,230
Other General Revenues				<u>107,423</u>
Total General Revenues				<u>3,449,211</u>
Change in Net Position				433,168
Net Position, Beginning of Year				<u>13,894,228</u>
Net Position, End of Year				<u>\$ 14,327,396</u>

See Notes to the Basic Financial Statements

New Lenox Township, Illinois
Balance Sheet
Governmental Funds
March 31, 2020

	General	Debt Service	Road and Bridge Fund	Equipment and Building	Nonmajor Governmental Funds	Total
Assets						
Cash and Investments	\$ 1,423,683	\$ 565,006	\$ 3,483,428	\$ 274,161	\$ 937,128	\$ 6,683,406
Property Tax Receivable	1,238,656	-	1,581,498	200,822	137,970	3,158,946
Prepaid Expenses	-	-	-	-	15,279	15,279
Due From Other Funds	141,691	\$ -	-	77,512	16,832	236,035
Total Assets	<u>2,804,030</u>	<u>565,006</u>	<u>5,064,926</u>	<u>552,495</u>	<u>1,107,209</u>	<u>10,093,666</u>
Liabilities						
Accrued Expenses	\$ 4,585	\$ -	\$ 5,971	\$ -	\$ -	\$ 10,556
Security Deposits	19,635	-	33,000	-	-	52,635
Due To Other Funds	-	116,437	58,192	-	61,406	236,035
Total Liabilities	<u>24,220</u>	<u>116,437</u>	<u>97,163</u>	<u>-</u>	<u>61,406</u>	<u>299,226</u>
Deferred Inflows of Resources						
Deferred Revenues	1,238,656	-	1,581,498	200,822	137,970	3,158,946
Total Deferred Inflows of Resources	<u>1,238,656</u>	<u>-</u>	<u>1,581,498</u>	<u>200,822</u>	<u>137,970</u>	<u>3,158,946</u>
Total Liabilities and Deferred Inflows of Resources	<u>1,262,876</u>	<u>116,437</u>	<u>1,678,661</u>	<u>200,822</u>	<u>199,376</u>	<u>3,458,172</u>
Fund Balance						
Non-Spendable						
Restricted for:					15,279	15,279
Debt Service	-	448,569				448,569
Road and Bridge	-	-	3,386,265	-	-	3,386,265
Equipment and Building	-	-	-	351,673	-	351,673
General Assistance	-	-	-	-	121,769	121,769
Audit	-	-	-	-	5,235	5,235
Insurance	-	-	-	-	119,746	119,746
Senior Housing	-	-	-	-	71,738	71,738
Maplewood Cemetery	-	-	-	-	529,972	529,972
Marshall Cemetery	-	-	-	-	44,094	44,094
Unassigned	1,541,154	-	-	-	-	1,541,154
Total Fund Balance	<u>1,541,154</u>	<u>448,569</u>	<u>3,386,265</u>	<u>351,673</u>	<u>907,833</u>	<u>6,635,494</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 2,804,030</u>	<u>\$ 565,006</u>	<u>\$ 5,064,926</u>	<u>\$ 552,495</u>	<u>\$ 1,107,209</u>	<u>\$ 10,093,666</u>

See the accompanying notes to the financial statements

New Lenox Township, Illinois
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
March 31, 2020

Total Governmental Fund Balance \$ 6,635,494

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

Capital Assets used in governmental activities are not financial resources
and are not reported in the funds:

Capital Assets	\$	18,069,208
Accumulated Depreciation		<u>(7,352,687)</u>

Net Capital Assets 10,716,521

Some assets and deferred outflows of resources reported in the Statement of Net Position
do not require current financial resources and therefore are not reported as assets or
deferred outflows of resources in governmental funds.

Deferred Outflows of Resources Related to Pensions 412,169

Some liabilities and deferred inflows of resources reported in the Statement of Net Position
do not require current financial resources and therefore are not reported as liabilities or
deferred inflows of resources in governmental funds.

Compensated Absences	\$	(23,285)
Net Pension Liability		(1,132,753)
Deferred Inflows of Resources Related to Pensions		(520,666)
Long-Term Note Payable		(1,505,084)
Current Portion Note Payable		<u>(255,000)</u>

Total Long-term Liabilities and Deferred Inflows (3,436,788)

Net Position of Governmental Activities \$ 14,327,396

See the accompanying notes to the financial statements

New Lenox Township, Illinois
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended March 31, 2020

	<u>General Fund</u>	<u>Debt Service</u>	<u>Road and Bridge Fund</u>	<u>Equipment and Building</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues						
Property Taxes	\$ 1,207,489	\$ -	\$ 1,570,097	\$ 199,931	\$ 142,817	\$ 3,120,334
Replacement Taxes	42,029	-	63,196	-	-	105,225
Motor Fuel Taxes	-	-	6,346	-	-	6,346
Fines & Fees	24,180	-	4,616	-	38,521	67,317
Rentals	-	-	-	-	240,966	240,966
Cemetery Sales	-	-	-	-	40,100	40,100
Investment Income	24,097	14,051	55,178	4,116	18,787	116,229
Miscellaneous Revenue	31,350	-	45,664	-	24,063	101,077
Total Revenues	<u>1,329,145</u>	<u>14,051</u>	<u>1,745,097</u>	<u>204,047</u>	<u>505,254</u>	<u>3,797,594</u>
Expenditures						
Current:						
Personnel	767,991	-	608,634	-	31,700	1,408,325
Contractual Services	90,152	-	189,128	-	145,777	425,057
Commodities	27,857	-	193,828	-	-	221,685
Other Expenses	46,121	-	6,152	-	101,913	154,186
Debt Service						
Principal	-	156,315	-	-	-	156,315
Interest and Other Charges	-	98,685	-	-	-	98,685
Capital Outlay	44,666	-	957,346	9,945	-	1,011,957
Total Expenditures	<u>976,787</u>	<u>255,000</u>	<u>1,955,088</u>	<u>9,945</u>	<u>279,390</u>	<u>3,476,210</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>352,358</u>	<u>(240,949)</u>	<u>(209,991)</u>	<u>194,102</u>	<u>225,864</u>	<u>321,384</u>
Other Financing Sources (Uses)						
Transfers In	-	125,000	-	-	-	125,000
Transfers Out	-	-	-	-	(125,000)	(125,000)
Net Change in Fund Balance	352,358	(115,949)	(209,991)	194,102	100,864	321,384
Fund Balance, Beginning of Year	<u>1,188,796</u>	<u>564,518</u>	<u>3,596,256</u>	<u>157,571</u>	<u>806,969</u>	<u>6,314,110</u>
Fund Balance, End of Year	<u>\$ 1,541,154</u>	<u>\$ 448,569</u>	<u>\$ 3,386,265</u>	<u>\$ 351,673</u>	<u>\$ 907,833</u>	<u>\$ 6,635,494</u>

See the accompanying notes to the financial statements

New Lenox Township, Illinois
Reconciliation of Statement of Revenues, Expenditures and Changes in
Fund Balances (Deficits) of Governmental Funds to the Statement of Activities
Year Ended March 31, 2020

Net Change in Fund Balances - Total Government Funds	\$	321,384
Amounts reported for governmental activities in the Statement of Activities are different because: these costs are record as capital assets.		660,678
Governmental Funds allocate the cost of capital assets over their estimated useful lives as depreciation		(685,856)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported in the governmental funds.		
Change in Deferred Inflows and Deferred Outflows Related to Pensions and Net Pension Liability		41,009
Repayment of Bond Principal		156,315
Change in Compensated Absences		(23,285)
Loss on Sale of Disposition		(37,077)
		<hr/>
Net Change in Net Position of Governmental Activities.	\$	<u>433,168</u>

See the accompanying notes to the financial statements

New Lenox Township, Illinois

Notes to the Financial Statements

March 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of New Lenox Township, Illinois ("Township"), as reflected in the accompanying financial statements for the year ended March 31, 2020, conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the significant accounting policies:

Reporting Entity

The Township's reporting entity includes the Township's governing board and any related organizations for which the elected officials of the Township are financially accountable.

Financial accountability is defined as: (1) appointment of the voting majority of the component unit's board, and either (a) the ability to impose will by the primary government or (b) the possibility that the component unit will provide a financial benefit or impose a financial burden on the primary government or (2) fiscal dependency on the primary government.

Based on the foregoing criteria, the Township does not have any component units included in the Township's reporting entity. Also, the Township is not included as a component unit in any other governmental reporting entity, as defined by GASB pronouncements.

The Township operates under the Township form of government, with a Supervisor, Clerk, Assessor, Highway Commissioner, and four Trustees elected by the people. The Board of Trustees is the Township's legislative body, enacting the laws and establishing the policies which govern them in activities of the Township. The Township's budgetary operations are governed by the appropriation law and administered by the Township Supervisor.

Basis of Presentation

The Township's basic financial statements consist of Township-wide statements, including a statement of net position, statement of activities and fund financial statements, which provide a more detailed level of financial information. The Township-wide focus is more on the sustainability of the Township as an entity and the change in aggregate financial position resulting from activities of the fiscal period.

Township-wide Financial Statements - The statement of net position and the statement of activities display information about the township as a whole. In the Township-wide statement of net position, the governmental activities are presented on a consolidated basis. These statements include the financial activities of the primary government. The effect of interfund activity has been removed from these statements. The Township-wide statement of activities reflects both the direct expenses and net cost of each function of the Township's governmental activities.

Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program.

Revenues, which are not classified as program revenues, are presented as general revenues of the Township, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function is self-financing or draws from the general revenues of the Township.

New Lenox Township, Illinois

Notes to the Financial Statements

March 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Financial Statements - The financial transactions of the Township are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and presented as nonmajor funds.

Measurement Focus and Basis of Accounting

Township-wide Financial Statements - The Township-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or non-current) are included on the balance sheet and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized when earned, if measurable, and expenses are recognized as incurred, regardless of the timing of related cash flows.

The Township has reported two categories of program revenues in the statement of activities: (1) charges for services, and (2) program-specific operating grants and contributions. Program revenues are derived directly from the program itself or from external sources; they reduce the net cost of each function to be financed from the Township's general revenues. For identifying the function to which program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

Eliminations have been made in the Statement of Net Position to remove the "grossing-up" effect on assets, deferred outflows of resources, liabilities, and deferred inflows of resources within the governmental activities column for amounts reported in the individual funds as interfund receivables and payables and advances. Similarly, operating transfers between funds have been eliminated in the Statement of Activities.

Fund Financial Statements - Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Revenues from property taxes are recognized in the year that it becomes available. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Differences occur from the manner in which the governmental activities and the Township-wide financial statements are prepared due to the inclusion of capital assets and long-term debt activity. Governmental Fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the Township-wide statements and the statements for governmental funds.

New Lenox Township, Illinois

Notes to the Financial Statements

March 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Township reports the following major governmental funds:

General Fund - The General Fund (also known as the Town Fund) is used to account for and report all financial resources not reported in another fund.

Debt Service Fund - The Debt Service Fund is used to account for and report principal and interest payments due because of the debt incurred by the township.

Road and Bridge Fund - The Road and Bridge Fund is used to account for and report all revenues and expenditures applicable to the upkeep, repair, and administration of the Township's roads.

Equipment and Building Fund - The Equipment and Building Fund is used to account for and report all assets and liabilities applicable to the upkeep, repair, and administration of the Township's equipment and buildings.

Cash, Cash Equivalents, and Investments

The Township considers cash and investments with an original maturity of less than 90 days to be cash equivalents. Cash and cash equivalents consisted of checking and money market accounts at financial institutions. Investments are stated at fair value.

Short-term Interfund Receivable/Payables

During the course of operation, transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "Interfund Receivable" or "Interfund Payable" on the balance sheet.

Capital Assets

Capital Assets, which include property, equipment, and infrastructure assets (e.g. roads, bridges, and similar items), are reported in the applicable governmental columns in the township-wide financial statements. Capital Assets are defined by the Township as assets with a useful life of more than one year and an initial individual cost of more than \$2,500.

All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

All reported capital assets except land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Building	40 Years
Equipment	5-7 Years
Infrastructure	10-40 Years

New Lenox Township, Illinois

Notes to the Financial Statements

March 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property Taxes

Property taxes attach as an enforceable lien on January 1. They are levied in December (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County. The taxes are payable in two installments in the following year. The first installment is an estimate based on prior year's tax and is due on June 1. The second installment, adjusted to reflect any increase or decrease from the previous year, is due approximately on September 1.

Property taxes are considered to be measurable when they have been collected by Will County. The Township recognized property tax revenue in the fiscal year for which they were levied – intended to finance operations. Based on the historical tax collection cycle, the Township has intended to finance its operations with the 2018 property tax levy. The property tax revenue in the current fiscal year financial statements represents the collections from the 2018 tax levy and minimal amounts from prior year levies.

Compensated Absences

The liability for compensated absences, (unused vacation time of the Township at March 31, 2020, of \$23,285 is recorded in the Township-wide financial statements.

The Township-wide financial statements record unused vacation and sick leave as expenses and liabilities when earned by employees. The long-term portion of compensated absences will be paid from the fund from which the employee is paid.

Fund Equity: The Township's fund balances are required to be reported using five separate classifications as listed below. The Township may not necessarily utilize each classification in a given fiscal year.

Non-Spendable - amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, or laws or regulations or other governments.

Committed - amounts that can be used only for specific purposes determined by a formal action of the Board of Commissioners of the Township (the highest level of decision-making authority for the Township). Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board of Commissioners.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under the Township's adopted policy, only the Township may assign amounts for specific purposes.

Unassigned - all other spendable amounts; positive amounts that are reported only in the general fund.

New Lenox Township, Illinois

Notes to the Financial Statements

March 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

When an expenditure is incurred for which both restricted and unrestricted fund balance is available, the Township considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Township considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Township's Board of Trustees has provided otherwise in its commitment or assignment actions.

Net Position: Net Position represents the difference between the sum of assets and deferred outflows of resources and the sum of deferred inflows of resources and liabilities. Net Position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition construction or improvements of those assets. Net Positions are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Township or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

Cash and Cash Equivalents

The carrying amount of cash was \$5,022,826 at March 31, 2020, while the bank balances were \$5,061,696. Petty cash in the amount of \$400 is not included in the above carrying amount. As of March 31, 2020, total balances at banks were either insured by the Federal Deposit Insurance Corporation (FDIC) for \$250,000 or collateralized with securities of the U.S. Government or Local Governments.

Certificates of Deposit

Certificates of Deposit (greater than 90 days maturity) amounted to \$1,575,469 at March 31, 2020. In accordance with Township policy, certificates of deposit were collateralized with securities of the U.S. Government in an amount equal to 100% of the funds deposit. All investment collateral is held in safekeeping in the Township's name by financial institutions acting as the Township's agent. Collateral is priced to market semi-monthly and monitored regularly with additional collateral requested, as necessary.

New Lenox Township, Illinois

Notes to the Financial Statements

March 31, 2020

NOTE 2 - DEPOSITS AND INVESTMENTS (continued)

Investments

The investments which the Township may purchase are limited by Illinois law to the following: (1) securities which are fully guaranteed by the U.S. Government as to principal and interest; (2) certain U.S. Government Agency securities; (3) certificates of deposit or time deposits of banks and savings and loan associations which are insured by a Federal corporation; (4) short-term discount obligations of the Federal National Mortgage Association; (5) certain short-term obligations of corporations (commercial paper) rated in the highest classifications by at least two of the major rating services; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds and (8) money market mutual funds and certain other instruments. As of March 31, 2020, the Township had \$85,111 in U. S Agency securities.

Fair Value Measurement

The Township categorizes its fair value measurements with the fair value hierarchy established by Generally Accepted Accounting Principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The levels are as follows:

Level 1: Inputs are quoted prices in active markets for an identical asset or liability that a government can access at the measurement date.

Level 2: Inputs are quoted prices in inactive markets to similar assets or liabilities, or inputs that are observable or can be corroborated by observable market data.

Level 3: Inputs are significant unobservable inputs.

As of March 31, 2020, the Township's investments are measured using the market valuation method and the following valuation inputs:

	<u>Fair Value Measurement Using</u>			
	<u>3/31/2020</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
US Agencies	85,111	-	85,111	-
Certificates of Deposit	<u>1,575,469</u>	<u>-</u>	<u>1,575,469</u>	<u>-</u>
Total	<u>1,660,580</u>	<u>-</u>	<u>1,660,580</u>	<u>-</u>

The Township has investments in Certificates of Deposit (CDs) and Government National Mortgage Association (GNMA) bonds which mature within 90 days of the fiscal year end. The cash equivalent balance is \$450,535 at March 31, 2020. Maturities for investments made by the Township are as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities</u>			
		<u>Less Than 1 Year</u>	<u>1-5 Years</u>	<u>6-10 Year</u>	<u>More Than 10 Years</u>
CDs	1,575,469	\$ 839,882	\$ 735,587	\$ -	\$ -
U.S. Agencies	85,111	-	-	-	85,111
Total	<u>\$ 1,660,580</u>	<u>\$ 839,882</u>	<u>\$ 735,587</u>	<u>\$ -</u>	<u>\$ 85,111</u>

New Lenox Township, Illinois

Notes to the Financial Statements

March 31, 2020

NOTE 2 - DEPOSITS AND INVESTMENTS (continued)

Interest Rate Risk. The Township's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk. For an investment, custodial credit risk is 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 or collateral securities that are in possession of an outside party. The Township's investment policy requires that all amounts in excess of any insurance limits be collateralized by securities eligible for Township investment or any other high-quality, interest bearing security rated at least AA/Aa by one or more standard rating service to include Standard & Poor's, Moody's, or Fitch. The market value of the pledge securities shall equal or exceed the portion of the deposit requiring collateralization. Investments in the GNMA funds are not rated and receive interest between 2-5.5%. As of March 31, 2020, all cash and investments of the Township are either insured or collateralized.

Concentration of Credit Risk. The Township places no limit on the amount the Township may invest in any one issuer.

Reconciliation of Note 2 to Financial Statements:

<u>Per Statement of Net Position:</u>		<u>Per Note 2:</u>	
Certificates of Deposit	\$ 1,575,469	Cash and Equivalents	\$ 5,022,426
U.S. Agencies	<u>85,111</u>	Petty Cash	400
Total Investments	1,660,580	Certificates of Deposit	1,575,469
Cash Equivalents	<u>5,022,826</u>	U. S. Agencies	<u>85,111</u>
Total Cash and		Total per Note 2	<u>\$ 6,683,406</u>
Investments	<u>\$ 6,683,406</u>		

New Lenox Township, Illinois

Notes to the Financial Statements
March 31, 2020

NOTE 3 - CAPITAL ASSETS

A summary of changes in the Township's capital assets for the period ending March 31, 2020 follows:

	Balance March 31, 2019	Additions	Disposals	Balance March 31, 2020
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 918,166	\$ -	\$ -	\$ 918,166
Total Capital Assets Not Being Depreciated				
Capital Assets Being Depreciated				
Land Improvements	93,575	-	-	93,575
Buildings and Improvements	7,076,855	69,246	-	7,146,101
Infrastructure	7,027,206	526,042	-	7,553,248
Road Equipment	1,193,106	43,945	45,141	1,191,910
Vehicles	924,745	-	-	924,745
Office Furniture and Equipment	142,579	17,700	-	160,279
Computer Equipment	77,438	3,746	-	81,184
Total Capital Assets Being Depreciated, Gross	16,535,504	660,679	45,141	17,151,042
Accumulated Depreciation				
Land Improvements	(75,660)	(3,981)	-	(79,641)
Buildings and Improvements	(2,600,606)	(182,184)	-	(2,782,790)
Infrastructure	(2,132,875)	(346,283)	-	(2,479,158)
Road Equipment	(911,312)	(67,192)	(8,061)	(970,443)
Vehicles	(773,472)	(76,092)	-	(849,564)
Office Furniture and Equipment	(140,433)	(1,319)	-	(141,752)
Computer Equipment	(40,535)	(8,804)	-	(49,339)
Total Accumulated Depreciation	(6,674,893)	(685,855)	(8,061)	(7,352,687)
Capital Assets Being Depreciated, Net of Depreciation	9,860,611	(25,176)	37,080	9,798,355
Total Governmental Activities, Capital Assets, Net of Depreciation	\$ 10,778,777	\$ (25,176)	\$ 37,080	\$ 10,716,521

New Lenox Township, Illinois

Notes to the Financial Statements

March 31, 2020

NOTE 3 - CAPITAL ASSETS (continued)

Depreciation expense of \$685,855 was unallocated in the Governmental Activities. The depreciation by fund is as follows:

<u>Deprecation by Fund</u>	
General	\$ 39,921
Road	526,161
Senior Housing	113,596
Maplewood	6,177
Total	<u>\$ 685,855</u>

NOTE 4 - INTERFUND RECEIVABLES AND PAYABLES/ TRANSFERS

Interfund transfers recorded in the combined income statement at March 31, 2020, are as follows:

<u>Transfers In (Out)</u>	
Debt Service	\$ 125,000
Senior Housing	\$ (125,000)

Interfund receivables and payables recorded in the combined balance sheet as of March 31, 2020, are summarized as follows:

	<u>Due From</u>	<u>Due To</u>
General Fund	\$ 141,691	\$ -
Debt Service	-	116,437
Road and Bridge	-	58,192
Equipment and Building	77,512	-
General Assistance	-	321
Audit	-	36
Insurance	-	36,166
Insurance (Road)	-	24,883
Senior Housing	16,418	-
Maplewood Cemetery	414	-
Marshall Cemetery	-	-
Total Interfund Balance	<u>\$ 236,035</u>	<u>\$ 236,035</u>

New Lenox Township, Illinois

Notes to the Financial Statements
March 31, 2020

NOTE 5 - LONG-TERM LIABILITIES

Long Term Debt

The Township has outstanding General Obligation (Capital Appreciation) Limited Tax Debt Certificates, Series 2002; dated July 1, 2002 at an originally issued amount of \$1,380,893, with rates that range between 4.8% and 5.5% (interest accumulating and compounding semi-annually on December 15th and June 15th) with the total amount of principal and interest at maturity of \$3,620,000. The interest on the bonds is accreted and added to the bonds payable on the statement of net position. During the fiscal year ending March 31, 2020, the bond certificate in the amount of \$105,866 was retired. The accretion for the year ended March 31, 2020 was \$98,685 and the amount of accretion retired in the current year was \$149,134.

The following is a summary of changes to the Township's long-term liabilities for the fiscal year.

	Balance April 1, 2019	Issued	Retired	Balance March 31, 2020	Due Within One Year
2002 GO Bond	\$ 799,628	\$ -	\$ 105,866	\$ 693,762	\$ 99,766
2002 GO Bond Accretion	1,116,771	98,685	149,134	1,066,322	155,234
Net Pension Liability	1,549,260	-	416,507	1,132,753	-
Compensated Absences	-	23,285	-	23,285	-
Total Long-Term Liabilities	<u>\$ 3,465,659</u>	<u>\$ 121,970</u>	<u>\$ 671,507</u>	<u>\$ 2,916,122</u>	<u>\$ 255,000</u>

The legal debt margin for the Township at March 31, 2020 is computed as follows:

Assessed valuation -2019 tax year	<u>\$ 1,532,990,101</u>
Statutory Debt Limit (2.875% of assessed valuation)	44,073,465
Less Outstanding Debt	<u>1,760,084</u>
Legal Debt Margin	<u>\$ 42,313,381</u>

The bonds have maturity dates ranging from December 15, 2014 to December 15, 2027. Future debt service requirements for the certificates outstanding are as follows:

	Principal	Interest	Total
2021	\$ 99,766	\$ 155,234	\$ 255,000
2022	95,766	164,234	260,000
2023	93,536	176,464	270,000
2024	89,515	185,485	275,000
2025	85,557	194,443	280,000
2026-2028	<u>229,622</u>	<u>625,378</u>	<u>855,000</u>
Total	<u>\$ 693,762</u>	<u>\$ 1,501,238</u>	<u>\$ 2,195,000</u>

New Lenox Township, Illinois

Notes to the Financial Statements

March 31, 2020

NOTE 6 - DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund

Plan Description

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

Benefits Provided

The Township participates in the Regular Plan (RP).

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.

New Lenox Township, Illinois

Notes to the Financial Statements

March 31, 2020

NOTE 6 - DEFINED BENEFIT PENSION PLAN (continued)

Employees Covered by Benefit Terms

As of December 31, 2019, the following employees were covered by the benefit terms:

Retirees and Beneficiaries currently receiving benefits	16
Inactive Plan Members entitled to but not yet receiving benefits	7
Active Plan Members	<u>19</u>
Total	<u><u>42</u></u>

Contributions

As set by statute, the Township's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires Townships 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 2019 was 18.23%. For the calendar year 2019, the Township contributed \$149,566 to the plan. The Township also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The Township's net pension liability was measured as of December 31, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2019:

- 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 2.50%.
- Salary Increases were expected to be 3.35% to 14.25%, 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 2017 valuation according to an experience study from years 2014 to 2016.
- The IMRF-specific rates for Mortality (for non-disabled retirees) were developed from the MP-2017 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For Disabled Retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were

New Lenox Township, Illinois

Notes to the Financial Statements

March 31, 2020

NOTE 6 - DEFINED BENEFIT PENSION PLAN (continued)

developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.

- For Active Members, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2019:

<u>Asset Class</u>	Portfolio Target <u>Percentage</u>	Long-Term Expected Real <u>Rate of Return</u>
Domestic Equity	37.00%	5.75%
International Equity	18.00%	6.50%
Fixed Income	28.00%	3.25%
Real Estate	9.00%	5.20%
Alternative Investments	7.00%	3.6-7.6%
Cash Equivalents	<u>1.00%</u>	1.85%
Total	<u>100.00%</u>	

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 Township 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 2.75%, and the resulting single discount rate is 7.25%.

New Lenox Township, Illinois

Notes to the Financial Statements

March 31, 2020

NOTE 6 - DEFINED BENEFIT PENSION PLAN (continued)

Changes in the Net Pension Liability

Changes in the Net Pension Liability are derived from the changes in the total pension liability and changes in the plan net position. The Schedule of Changes in Net Pension Liability and Related Ratios, presented as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balances Beginning at 1/1/2019	\$ 4,921,299	\$ 3,372,039	\$ 1,549,260
Charges for the year:			
Service Cost	91,371	-	91,371
Interest	352,945	-	352,945
Actuarial Experience	(52,564)	-	(52,564)
Assumptions Changes	-	-	-
Plan Changes	-	-	-
Contributions - Employer	-	149,566	(149,566)
Contributions - Employee	-	39,720	(39,720)
Contributions - Other	-	585,805	(585,805)
Net Investment Income	-	-	-
Benefit Payments from Trust	(197,557)	(197,557)	-
Other (Net Transfer)	-	33,168	(33,168)
Net Changes	<u>194,195</u>	<u>610,702</u>	<u>(416,507)</u>
Balances Ending at 12/31/2019	<u>\$ 5,115,494</u>	<u>\$ 3,982,741</u>	<u>\$ 1,132,753</u>

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% Lower (6.25%)	Current (7.25%)	1% Higher (8.25%)
Total Pension Liability	\$ 5,624,442	\$ 5,115,494	\$ 4,689,416
Less: Plan Fiduciary Net Position	<u>3,982,741</u>	<u>3,982,741</u>	<u>3,982,741</u>
Net Pension Liability	<u>\$ 1,641,701</u>	<u>\$ 1,132,753</u>	<u>\$ 706,675</u>

New Lenox Township, Illinois

Notes to the Financial Statements

March 31, 2020

NOTE 6 - DEFINED BENEFIT PENSION PLAN (continued)

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

For the year ended March 31, 2020, the Township recognized pension expense of \$41,031. As of December 31, 2019, the Township reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 58,336	\$ 129,899
Changes of assumptions	55,756	31,458
Net difference between projected and actual earnings on pension plan investments	258,851	359,309
Contributions made subsequent to the measurement date	<u>39,226</u>	<u>-</u>
Total Deferred Amounts to be recognized in pension expense in future periods	<u>\$ 412,169</u>	<u>\$ 520,666</u>

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

<u>Year Ending December 31,</u>	<u>Net Deferred Outflows of Resources</u>
2020	\$ (32,938)
2021	(54,807)
2022	8,108
2023	<u>(68,086)</u>
Total	<u>\$ (147,723)</u>

NOTE 7 – CONTINGENCIES

The Township currently participates in various grant programs. Grant programs are subject to program compliance audits by the grantor agency. The Township's compliance with applicable grant requirements may be established at some future date. However, the Township believes that any noncompliance (if any) will not have a material effect on the financial statements.

NOTE 8 – RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. The township also purchased its employee health and accident insurance from commercial carriers. The Township did not have any significant reduction in insurance coverage from coverage in the prior year nor did settlements exceed insurance coverage during the past three fiscal years.

New Lenox Township, Illinois

Notes to the Financial Statements

March 31, 2020

NOTE 9 – UNCERTAINTY

The Township's operations may be affected by the recent and ongoing outbreak of coronavirus disease 2019 (COVID-2019) which was declared a pandemic by the World Health Organization in March of 2020. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. The ultimate disruption to the Township is uncertain at this time.

REQUIRED SUPPLEMENTARY INFORMATION

New Lenox Township

General (Town) Fund

Schedule of Revenues, Expenditures and Changes

in Fund Balance - Budget and Actual

Year Ended March 31, 2020

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance From Final Budget Over (Under)</u>
Revenues			
Taxes:			
Property	\$ 1,206,320	\$ 1,207,489	\$ 1,169
Personal Property Replacement	35,000	42,029	7,029
Fines, Forfeitures and Penalties	31,400	24,180	(7,220)
Other Income	10,600	31,350	20,750
Interest	5,000	24,097	19,097
Total Revenues	<u>1,288,320</u>	<u>1,329,145</u>	<u>40,825</u>
Expenditures			
Administrative:			
Personnel	357,100	327,403	(29,697)
Contractual	58,600	34,237	(24,363)
Commodities	27,500	12,791	(14,709)
Other	28,060	25,267	(2,793)
Assessor			
Personnel	192,100	164,322	(27,778)
Contractual	19,260	21,406	2,146
Commodities	1,240	9,093	7,853
Other	100	-	(100)
Services			
Personnel	93,282	85,580	(7,702)
Contractual	39,500	33,690	(5,810)
Other	57,150	43,394	(13,756)
Other Expenses			
Personnel	240,298	190,686	(49,612)
Contractual	11,500	820	(10,680)
Commodities	10,250	5,973	(4,277)
Other	86,750	2,659	(84,091)
Capital Outlay:			
Administrative	17,000	525	(16,475)
Assessor	9,300	13,815	4,515
Other	221,500	5,126	(216,374)
Total Expenditures	<u>1,470,490</u>	<u>976,787</u>	<u>(493,703)</u>
Net Change in Fund Balance	<u>\$ (182,170)</u>	352,358	<u>\$ 534,528</u>
Fund Balance, Beginning of Year		<u>1,188,796</u>	
Fund Balance, End of Year		<u>\$ 1,541,154</u>	

See Notes to the Required Supplementary Information

New Lenox Township

Debt Service Fund

Schedule of Revenues, Expenditures and Changes

in Fund Balance - Budget and Actual

Year Ended March 31, 2020

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance From Final Budget Over (Under)</u>
Revenues			
Interest	\$ 3,000	\$ 14,051	\$ 11,051
Total Revenues	<u>3,000</u>	<u>14,051</u>	<u>11,051</u>
Expenditures			
Debt Service: Principal	255,000	156,315	(98,685)
Debt Service: Interest and Fees	<u>-</u>	<u>98,685</u>	<u>98,685</u>
Total Expenditures	<u>255,000</u>	<u>255,000</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(252,000)</u>	<u>(240,949)</u>	<u>11,051</u>
Other Financing Sources (Uses)			
Transfers In	<u>-</u>	<u>125,000</u>	<u>125,000</u>
Net Change in Fund Balance	<u>\$ (252,000)</u>	<u>(115,949)</u>	<u>\$ 136,051</u>
Fund Balance, Beginning of Year		<u>564,518</u>	
Fund Balance, End of Year		<u>\$ 448,569</u>	

See Notes to the Required Supplementary Information

New Lenox Township

General Road Fund

Schedule of Revenues, Expenditures and Changes

in Fund Balance - Budget and Actual

Year Ended March 31, 2020

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance From Final Budget Over (Under)</u>
Revenues			
Taxes:			
Property	\$ 1,568,600	\$ 1,570,097	\$ 1,497
Personal Property Replacement	4,500	63,196	58,696
Fines, Forfeitures and Penalties	1,500	4,616	3,116
Fuel Reimbursement	6,500	6,346	(154)
Interest	3,500	55,178	51,678
Other Income	4,000	45,664	41,664
Total Revenues	<u>1,588,600</u>	<u>1,745,097</u>	<u>156,497</u>
Expenditures			
Administrative:			
Personnel	103,200	104,334	1,134
Contractual	50,000	33,194	(16,806)
Commodities	1,000	720	(280)
Other	7,499	5,728	(1,771)
Maintenance:			
Personnel	600,000	504,300	(95,700)
Contractual	327,000	155,934	(171,066)
Commodities	217,000	193,108	(23,892)
Other	10,000	424	(9,576)
Capital Outlay:			
Administrative	8,000	2,884	(5,116)
Maintenance Contractual	<u>3,881,500</u>	<u>954,462</u>	<u>(2,927,038)</u>
Total Expenditures	<u>5,205,199</u>	<u>1,955,088</u>	<u>(3,250,111)</u>
Net Change in Fund Balance	<u>\$ (3,616,599)</u>	(209,991)	<u>\$ 3,406,608</u>
Fund Balance, Beginning of Year		<u>3,596,256</u>	
Fund Balance, End of Year		<u>\$ 3,386,265</u>	

See Notes to the Required Supplementary Information

New Lenox Township

Equipment and Building Fund
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Year Ended March 31, 2020

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance From Final Budget Over (Under)</u>
Revenues			
Property Taxes	\$ 200,000	\$ 199,931	\$ (69)
Interest	3,000	4,116	1,116
Total Revenues	<u>203,000</u>	<u>204,047</u>	<u>1,047</u>
Expenditures			
Capital Outlay	280,000	9,945	(270,055)
Total Expenditures	<u>280,000</u>	<u>9,945</u>	<u>(270,055)</u>
Net Change in Fund Balance	<u>\$ (77,000)</u>	194,102	<u>\$ 271,102</u>
Fund Balance, Beginning of Year		<u>157,571</u>	
Fund Balance, End of Year		<u>\$ 351,673</u>	

See Notes to the Required Supplementary Information

New Lenox Township
Schedule of Changes in the Employer's Net Pension Liability and Related Ratios
Illinois Municipal Retirement Fund
Calendar Year Ended December 31,
(schedule to be built prospectively from 2014)

	2019	2018	2017	2016	2015
Total Pension Liability					
Service Cost	\$ 91,371	\$ 80,861	\$ 91,382	\$ 93,805	\$ 93,575
Interest	352,945	352,683	325,782	309,983	291,681
Differences Between Expected and Actual Experience	(52,564)	(204,014)	262,291	(66,082)	(43,201)
Changes of Assumptions	-	123,874	(141,435)	(51,707)	5,045
Benefit Payments, Including Refunds of Member Contributions	(197,557)	(188,239)	(159,902)	(100,089)	(89,054)
Net Change in Total Pension Liability	194,195	165,165	378,118	185,910	258,046
Total Pension Liability - Beginning	4,921,299	4,756,134	4,378,016	4,192,106	3,934,060
Total Pension Liability - Ending	<u>\$ 5,115,494</u>	<u>\$ 4,921,299</u>	<u>\$ 4,756,134</u>	<u>\$ 4,378,016</u>	<u>\$ 4,192,106</u>
Plan Fiduciary Net Position					
Contributions - Employer	\$ 149,566	\$ 133,993	\$ 130,017	\$ 144,542	\$ 141,541
Contributions - Employee	39,720	38,141	36,005	38,082	37,335
Net Investment Income	585,805	(157,571)	455,602	203,828	13,899
Benefit Payments, Including Refunds of Member Contributions	(197,557)	(188,239)	(159,902)	(100,089)	(89,054)
Transfer	33,168	(94,327)	11,079	10,049	32,309
Net Change in Plan Fiduciary Net Position	610,702	(268,003)	472,801	296,412	136,030
Plan Fiduciary Net Position - Beginning	3,372,039	3,640,042	3,167,241	2,870,829	2,734,799
Plan Fiduciary Net Position - Ending	<u>\$ 3,982,741</u>	<u>\$ 3,372,039</u>	<u>\$ 3,640,042</u>	<u>\$ 3,167,241</u>	<u>\$ 2,870,829</u>
Employer's Net Pension Liability	<u>\$ 1,132,753</u>	<u>\$ 1,549,260</u>	<u>\$ 1,116,092</u>	<u>\$ 1,210,775</u>	<u>\$ 1,321,277</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.86 %	68.52 %	76.53 %	72.34 %	68.48 %
Covered - Valuation Payroll	820,444	837,978	800,103	846,262	829,663
Employer's Net Pension Liability as a Percentage of Covered Payroll	138.07 %	184.88 %	139.49 %	143.07 %	159.25 %

See Notes to the Required Supplementary Information

New Lenox Township
Schedule of Employer Contributions - Illinois Municipal Retirement Fund
Last Ten Calendar Years
 (schedule to be built prospectively from 2014)

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2015	\$ 141,541	\$ 141,541	\$ -	\$ 829,663	17.06 %
2016	144,542	144,542	-	846,262	17.08 %
2017	130,017	130,017	-	800,103	16.25 %
2018	133,993	133,993	-	837,978	15.99 %
2019	149,567	149,566	1	820,444	18.23 %

See Notes to the Required Supplementary Information

New Lenox Township, Illinois

Notes to the Required Supplementary Information
March 31, 2020

I. Stewardship, Compliance and Accountability

The procedures used in establishing the budgetary data reflected in the financial statements are as follows:

1. The Township Supervisor submits to the Town Board, a proposed operating budget for the fiscal year commencing on April 1st. The operating budget (cash basis) includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through Board action.
4. Transfers up to 10% of the total budget may be made between the various items within any fund. The budget may be amended by Board action by the same procedure provided for in the original adoption of the budget.
5. Formal budgetary integration is employed as a management control device during the year for the governmental funds. The Township budgets and records activity on the cash basis of accounting. The original budget was not amended during the fiscal year.

The legal level of budgetary control has been established at the fund level. During the current year, budgets were adopted for all funds. No encumbrances are used.

The Township prepares its annual budget on a cash basis of accounting, which is an acceptable method under the Illinois Revised Statutes. Schedules in the supplemental information section present comparisons of the legally adopted budget with actual data on a budgetary basis.

II. Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2019 Contribution Rate

Valuation Date

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

Methods and Assumptions Used to Determine 2019 Contribution Rates

Actuarial Cost Method:	Aggregate entry age = normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	24-year closed period until remaining period reaches 15 years (then 15-year rolling period)
Asset Valuation Method:	5-year smoothed market; 20% corridor

New Lenox Township, Illinois

Notes to the Required Supplementary Information
March 31, 2020

Methods and Assumptions Used to Determine 2019 Contribution Rates (continued)

Wage Growth:	3.25%
Price Inflation:	2.50%
Salary Increases:	3.35% to 14.25%, including inflation
Investment Rate of Return:	7.50%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2017 valuation pursuant to an experience study period 2014-2016.
Mortality:	<p>For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.</p> <p>Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives.</p> <p>For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality table with adjustments to match current IMRF experience.</p>

Other Information

There were no benefit changes during the year.

OTHER SUPPLEMENTARY INFORMATION

New Lenox Township
 Combining Balance Sheet
 Nonmajor Governmental Funds
 March 31, 2020

	Special Revenue Funds						Total	
	General			Road and Bridge	Senior	Maplewood	Marshall	Nonmajor Governmental
	Assistance	Audit	Insurance	Insurance	Housing	Cemetery	Cemetery	Funds
Assets								
Cash and Investments	\$ 122,090	\$ 5,271	\$ 46,386	\$ 134,409	\$ 55,320	\$ 529,558	\$ 44,094	\$ 937,128
Property Taxes Receivable	21,462	13,797	45,990	56,721	-	-	-	137,970
Prepaid Expenses	-	-	7,069	8,210	-	-	-	15,279
Due from Other Funds	-	-	-	-	16,418	414	-	16,832
Total Assets	<u>\$ 143,552</u>	<u>\$ 19,068</u>	<u>\$ 99,445</u>	<u>\$ 199,340</u>	<u>\$ 71,738</u>	<u>\$ 529,972</u>	<u>\$ 44,094</u>	<u>\$ 1,107,209</u>
Liabilities and Fund Balances								
Liabilities:								
Due to Other Funds	321	36	36,166	24,883	-	-	-	61,406
Total Liabilities	<u>321</u>	<u>36</u>	<u>36,166</u>	<u>24,883</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>61,406</u>
Deferred Inflows of Resources:								
Unavailable Property Taxes	21,462	13,797	45,990	56,721	-	-	-	137,970
Total Deferred Inflows of Resources	<u>21,462</u>	<u>13,797</u>	<u>45,990</u>	<u>56,721</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>137,970</u>
Fund Balances								
Non-Spendable			7,069	8,210				15,279
Restricted for:								
General Assistance	121,769	-	-	-	-	-	-	121,769
Audit	-	5,235	-	-	-	-	-	5,235
Insurance	-	-	10,220	109,526	-	-	-	119,746
Senior Housing	-	-	-	-	71,738	-	-	71,738
Maplewood Cemetery	-	-	-	-	-	529,972	-	529,972
Marshall Cemetery	-	-	-	-	-	-	44,094	44,094
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balances	<u>121,769</u>	<u>5,235</u>	<u>17,289</u>	<u>117,736</u>	<u>71,738</u>	<u>529,972</u>	<u>44,094</u>	<u>907,833</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 143,552</u>	<u>\$ 19,068</u>	<u>\$ 99,445</u>	<u>\$ 199,340</u>	<u>\$ 71,738</u>	<u>\$ 529,972</u>	<u>\$ 44,094</u>	<u>\$ 1,107,209</u>

New Lenox Township
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended March 31, 2020

	<u>Special Revenue Funds</u>							
	<u>General Assistance</u>	<u>Audit</u>	<u>Insurance</u>	<u>Road and Bridge Insurance</u>	<u>Senior Housing</u>	<u>Maplewood Cemetery</u>	<u>Marshall Cemetery</u>	<u>Total Nonmajor Governmental Funds</u>
Revenues								
Property	\$ 20,575	\$ 12,859	\$ 45,008	\$ 64,375	\$ -	\$ -	\$ -	\$ 142,817
Fines, Forfeitures and Penalties	-	-	-	-	-	36,449	2,072	38,521
Cemetery Sales	-	-	-	-	-	35,400	4,700	40,100
Rental	-	-	-	-	240,966	-	-	240,966
Interest	2,234	111	550	1,771	684	12,658	779	18,787
Other Income	-	-	6,075	7,132	4,472	4,009	2,375	24,063
Total Revenues	<u>22,809</u>	<u>12,970</u>	<u>51,633</u>	<u>73,278</u>	<u>246,122</u>	<u>88,516</u>	<u>9,926</u>	<u>505,254</u>
Expenditures								
Current:								
Personnel	4,528	-	-	-	16,547	10,125	500	31,700
Contractual	296	10,750	34,947	41,857	57,425	502	-	145,777
Other	2,542	-	-	-	59,391	35,710	4,270	101,913
Debt Service:								
Total Expenditures	<u>7,366</u>	<u>10,750</u>	<u>34,947</u>	<u>41,857</u>	<u>133,363</u>	<u>46,337</u>	<u>4,770</u>	<u>279,390</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>15,443</u>	<u>2,220</u>	<u>16,686</u>	<u>31,421</u>	<u>112,759</u>	<u>42,179</u>	<u>5,156</u>	<u>225,864</u>
Other Financing Sources (Uses)								
Transfers In (Out)	-	-	-	-	(125,000)	-	-	(125,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(125,000)</u>	<u>-</u>	<u>-</u>	<u>(125,000)</u>
Net Change in Fund Balance	15,443	2,220	16,686	31,421	(12,241)	42,179	5,156	100,864
Fund Balance, Beginning of Year	<u>106,326</u>	<u>3,015</u>	<u>603</u>	<u>86,315</u>	<u>83,979</u>	<u>487,793</u>	<u>38,938</u>	<u>806,969</u>
Fund Balance, End of Year	<u>\$ 121,769</u>	<u>\$ 5,235</u>	<u>\$ 17,289</u>	<u>\$ 117,736</u>	<u>\$ 71,738</u>	<u>\$ 529,972</u>	<u>\$ 44,094</u>	<u>\$ 907,833</u>

New Lenox Township

General Assistance Fund

Schedule of Revenues, Expenditures and Changes

in Fund Balance - Budget and Actual

Year Ended March 31, 2020

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance From Final Budget Over (Under)</u>
Revenues			
Property	\$ 20,000	\$ 20,575	\$ 575
Interest	1,500	2,234	734
Total Revenues	<u>21,500</u>	<u>22,809</u>	<u>1,309</u>
Expenditures			
Personnel	12,000	4,528	(7,472)
Contractual	38,000	296	(37,704)
Commodities	3,200	-	(3,200)
Other	5,200	2,542	(2,658)
Total Expenditures	<u>58,400</u>	<u>7,366</u>	<u>(51,034)</u>
Net Change in Fund Balance	<u>\$ (36,900)</u>	15,443	<u>\$ 52,343</u>
Fund Balance, Beginning of Year		<u>106,326</u>	
Fund Balance, End of Year		<u>\$ 121,769</u>	

New Lenox Township

Audit Fund

Schedule of Revenues, Expenditures and Changes

in Fund Balance - Budget and Actual

Year Ended March 31, 2020

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance From Final Budget Over (Under)</u>
Revenues			
Property	\$ 13,000	\$ 12,859	\$ (141)
Interest	-	111	111
Total Revenues	<u>13,000</u>	<u>12,970</u>	<u>(30)</u>
Expenditures			
Contractual	<u>11,500</u>	<u>10,750</u>	<u>(750)</u>
Total Expenditures	<u>11,500</u>	<u>10,750</u>	<u>(750)</u>
Net Change in Fund Balance	<u>\$ 1,500</u>	2,220	<u>\$ 720</u>
Fund Balance, Beginning of Year		<u>3,015</u>	
Fund Balance, End of Year		<u>\$ 5,235</u>	

New Lenox Township

Insurance (Town) Fund

Schedule of Revenues, Expenditures and Changes

in Fund Balance - Budget and Actual

Year Ended March 31, 2020

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance From Final Budget Over (Under)</u>
Revenues			
Property	\$ 44,000	\$ 45,008	\$ 1,008
Interest	400	550	150
Other Income	<u>-</u>	<u>6,075</u>	<u>6,075</u>
Total Revenues	<u>44,400</u>	<u>51,633</u>	<u>7,233</u>
Expenditures			
Contractual	<u>44,000</u>	<u>34,947</u>	<u>(9,053)</u>
Total Expenditures	<u>44,000</u>	<u>34,947</u>	<u>(9,053)</u>
Net Change in Fund Balance	<u>\$ 400</u>	16,686	<u>\$ 16,286</u>
Fund Balance, Beginning of Year		<u>603</u>	
Fund Balance, End of Year		<u>\$ 17,289</u>	

New Lenox Township

Insurance (General Road) Fund
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Year Ended March 31, 2020

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance From Final Budget Over (Under)</u>
Revenues			
Property	\$ 64,000	\$ 64,375	\$ 375
Interest	1,000	1,771	771
Other Income	-	7,132	7,132
Total Revenues	<u>65,000</u>	<u>73,278</u>	<u>8,278</u>
Expenditures			
Contractual	<u>56,000</u>	<u>41,857</u>	<u>(14,143)</u>
Total Expenditures	<u>56,000</u>	<u>41,857</u>	<u>(14,143)</u>
Net Change in Fund Balance	<u>\$ 9,000</u>	31,421	<u>\$ 22,421</u>
Fund Balance, Beginning of Year		<u>86,315</u>	
Fund Balance, End of Year		<u>\$ 117,736</u>	

New Lenox Township

Senior Housing Fund

Schedule of Revenues, Expenditures and Changes

in Fund Balance - Budget and Actual

Year Ended March 31, 2020

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance From Final Budget Over (Under)</u>
Revenues			
Rental Income	236,333	240,966	4,633
Other Income	4,050	4,472	422
Interest	410	684	274
Total Revenues	<u>240,793</u>	<u>246,122</u>	<u>5,329</u>
Expenditures			
Personnel	34,983	16,547	(18,436)
Contractual	198,500	57,425	(141,075)
Other	50,000	59,391	9,391
Total Expenditures	<u>283,483</u>	<u>133,363</u>	<u>(150,120)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(42,690)</u>	<u>112,759</u>	<u>155,449</u>
Other Financing Sources (Uses)			
Transfers Out	<u>(125,000)</u>	<u>(125,000)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (167,690)</u>	<u>(12,241)</u>	<u>\$ 155,449</u>
Fund Balance, Beginning of Year		<u>83,979</u>	
Fund Balance, End of Year		<u>\$ 71,738</u>	

New Lenox Township

Maplewood Cemetery Fund

Schedule of Revenues, Expenditures and Changes

in Fund Balance - Budget and Actual

Year Ended March 31, 2020

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance From Final Budget Over (Under)</u>
Revenues			
Foundation/ Internment Fees	28,000	36,449	8,449
Cemetery Plot Sales	\$ 16,000	\$ 35,400	\$ 19,400
Interest	20,000	12,658	(7,342)
Other Income	100	4,009	3,909
Total Revenues	<u>64,100</u>	<u>88,516</u>	<u>24,416</u>
Expenditures			
Personnel	12,400	10,125	(2,275)
Contractual	2,000	502	(1,498)
Other	<u>456,255</u>	<u>35,710</u>	<u>(420,545)</u>
Total Expenditures	<u>470,655</u>	<u>46,337</u>	<u>(424,318)</u>
Net Change in Fund Balance	<u>\$ (406,555)</u>	42,179	<u>\$ 448,734</u>
Fund Balance, Beginning of Year		<u>487,793</u>	
Fund Balance, End of Year		<u>\$ 529,972</u>	

New Lenox Township

Marshall Cemetery Fund

Schedule of Revenues, Expenditures and Changes

in Fund Balance - Budget and Actual

Year Ended March 31, 2020

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance From Final Budget Over (Under)</u>
Revenues			
Fines, Forfeitures and Penalties	3,500	2,072	(1,428)
Cemetery Sales	7,000	4,700	(2,300)
Other Income	-	2,375	2,375
Interest	100	779	679
Total Revenues	<u>10,600</u>	<u>9,926</u>	<u>(674)</u>
Expenditures			
Personnel	3,000	500	(2,500)
Other	46,500	4,270	(42,230)
Total Expenditures	<u>49,500</u>	<u>4,770</u>	<u>(44,730)</u>
Net Change in Fund Balance	<u>\$ (38,900)</u>	5,156	<u>\$ 44,056</u>
Fund Balance, Beginning of Year		<u>38,938</u>	
Fund Balance, End of Year		<u>\$ 44,094</u>	

OTHER SCHEDULE

New Lenox Township
Comparison of Property Taxes Levied and Collected
for the Last Five Years Available

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Assessed Valuations					
Will County	\$ 1,532,990,101	\$ 1,465,081,097	\$ 1,407,884,270	\$ 1,358,252,155	\$ 1,302,219,391
	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>
Tax Rates					
Town Fund	0.0808	0.0824	0.0837	0.0850	0.0869
Audit Fund	0.0009	0.0009	0.0009	0.0008	0.0008
Insurance Fund	0.0030	0.0031	0.0031	0.0030	0.0031
General Assistance	0.0014	0.0014	0.0015	0.0015	0.0016
Road and Bridge Fund	0.1667	0.1727	0.1799	0.1806	0.1886
Road and Bridge Insurance Fund	0.0037	0.0044	0.0048	0.0059	0.0052
Equipment and Building Fund	0.0131	0.0137	0.0072	0.0081	0.0085
Total Rate	<u>0.2696</u>	<u>0.2786</u>	<u>0.2811</u>	<u>0.2849</u>	<u>0.2947</u>
Tax Extensions					
Town Fund	\$ 1,238,656	\$ 1,207,226	\$ 1,178,399	\$ 1,154,514	\$ 1,131,629
Audit Fund	13,797	13,186	12,671	10,866	10,418
Insurance Fund	45,990	45,418	43,644	40,748	40,369
General Assistance	21,460	20,511	21,118	20,373	20,835
Road and Bridge Fund	1,581,498	1,569,599	1,575,769	1,530,459	1,534,898
Road and Bridge Insurance Fund	56,721	64,464	67,578	80,137	67,715
Equipment and Building Fund	200,822	200,716	101,368	110,018	110,689
Total Extension	<u>\$ 3,158,946</u>	<u>\$ 3,121,120</u>	<u>\$ 3,000,547</u>	<u>\$ 2,947,115</u>	<u>\$ 2,916,553</u>
Tax Collections to Date	<u>\$ -</u>	<u>\$ 3,120,156</u>	<u>\$ 2,999,596</u>	<u>\$ 2,944,092</u>	<u>\$ 2,913,196</u>
Percent of Extension Collected	<u>-%</u>	<u>99.97%</u>	<u>99.97%</u>	<u>99.90%</u>	<u>99.88%</u>