



44 N. Walkup Ave.
Crystal Lake, IL 60014
T: 815-459-0700
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Accounting • Auditing • Consulting

Richmond Township, Illinois

Annual Financial Report

For the Year Ended March 31, 2022

RICHMOND TOWNSHIP, ILLINOIS

CONTENTS

Year Ended March 31, 2022

	<u>Pages</u>
Independent Auditor's Report	1-3
Required Supplementary Information:	
Management's Discussion and Analysis - Unaudited	4-12
Basic Financial Statements	
Government-wide Statement of Net Position	13
Government-wide Statement of Activities and Changes in Net Position	14
Governmental Fund Types - Balance Sheet	15
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	16
Governmental Fund Types - Statement of Revenues, Expenditures and Changes in Fund Balances	17
Reconciliation of the Governmental Funds to the Statement of Activities	18
Notes to the Basic Financial Statements	19-36
Required Supplementary Information:	
Town Fund – Schedule of Revenues and Expenditures – Budget and Actual	37-40
General Assistance Fund – Schedule of Revenues and Expenditures – Budget and Actual	41
Road & Bridge Fund - Schedule of Revenues and Expenditures – Budget and Actual	42-44
Permanent Road & Bridge Fund - Schedule of Revenues and Expenditures – Budget and Actual	45-46

RICHMOND TOWNSHIP, ILLINOIS

CONTENTS

Year Ended March 31, 2022

	<u>Pages</u>
Building & Equipment Fund - Schedule of Revenues and Expenditures – Budget and Actual	47
Multi-year Schedule of Changes in Net Pension Liability and Related Ratios	48
Multi-year Schedule of Pension Contributions	49
Notes to Required Supplementary Information	50-51



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INDEPENDENT AUDITOR'S REPORT

To the Township Supervisor and
the Members of the Richmond Township Board
Richmond, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Richmond Township, IL as of and for the year ended March 31, 2022, and the related notes to the financial statements, which collectively comprise Richmond Township's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Richmond Township, as of March 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Richmond 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Township's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Richmond 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 Richmond 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which

consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

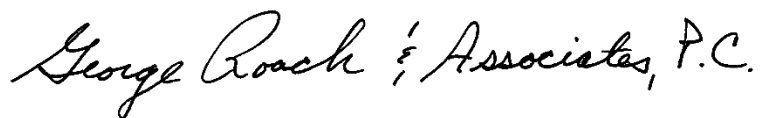
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Richmond Township's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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



George Roach & Associates, P.C.
Crystal Lake, Illinois
June 28, 2022

OTHER INFORMATION
MANAGEMENT DISCUSSION
AND ANALYSIS - UNAUDITED

RICHMOND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2022

As management of Richmond Township, Illinois (Township), we offer 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, 2022. The Management of the Township encourages the readers of this financial information presented in conjunction with the financial statements to obtain a better understanding of the Township's financial operations.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the Township exceeded its liabilities and deferred inflows at March 31, 2022 by \$3,544,933 (*net position*). Of this amount, \$382,383 (*unassigned net position*) may be used to meet the Township's ongoing obligations to citizens and creditors.
- The Township's total net position increased by \$290,167.
- At March 31, 2022, the Township's governmental funds reported combined ending fund balances of \$1,631,633, an increase of \$169,533 from the prior year.
- At March 31, 2022, the fund balance for the Town Fund was \$188,386, an increase of \$1,199 from the prior year.
- The Township's total net fixed assets increased by \$79,897 during the year ended March 31, 2022.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are 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. In addition to the basic financial statements, this report also contains required supplementary information and additional information.

Government-wide financial statements

The government-wide financial statements are prepared using the full accrual basis of accounting and are designed to provide readers with a broad overview of the Township's finances, in a manner similar to private-sector businesses.

RICHMOND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2022

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

The statement of net position presents financial information on all of the Township's assets and liabilities plus deferred inflows, with the difference between the two reported as net position.

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Township is improving or deteriorating.

The statement of activities presents information showing how the Township's net position changed during the most recent fiscal year.

Both of the government-wide financial statements distinguish functions of the Township that are principally supported by property taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover a portion of the costs through user fees and charges. The governmental activities of the Township include general government, services for youth and family, seniors, general assistance and mental health, and road and bridge projects.

Fund financial statements

All of the funds of the Township are governmental funds. The Fund financial statements are prepared using the modified accrual basis of accounting. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. The Fund financial statements report the Township's operations in more detail than the government-wide statements by providing information about the Township's five funds and one component unit (road and bridge).

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and government-wide activities.

Notes to the financial statements

Notes to the financial statements provide additional information that is essential to a full understanding of the information provided in the basic financial statements. Required supplementary information consists of more detailed data on budget to actual revenues and expenditures.

RICHMOND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2022

OVERVIEW OF THE FINANCIAL STATEMENTS (CONCLUDED)

Required Supplementary Information

In addition to the basic financial statements and the accompanying notes, this report also presents certain required supplementary information concerning Richmond Township's progress in funding its obligation to provide pension benefits to its employees. Additionally, required supplementary information regarding a statement of revenues, expenditures, and changes in fund balance - budget vs. actual for each major fund is presented in this section.

The Township adopts an annual budget for all funds except the Cemetery Fund and Motor Fuel Tax fund which is managed and administered by the county on behalf of the Township. A budgetary comparison statement has been provided for the Town Fund and other governmental funds to demonstrate compliance with the budget.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Township, assets and deferred outflows exceeded liabilities and deferred inflows by \$3,544,933 for the year ended March 31, 2022. A portion of the Township's net position reflects its investment in capital assets; \$1,719,303. The Township uses these capital assets to provide services, and consequently these assets are not available to liquidate liabilities or for other spending. The remaining net position balance is \$1,825,630, of which \$1,443,247 is restricted and \$382,383 is unassigned.

Richmond Township Net Position

	Governmental Activities	
	3/31/2022	3/31/2021
Current and Other Assets	\$ 2,878,328	\$ 2,595,385
Fixed Assets	1,719,303	1,640,006
Total Assets	\$ 4,597,631	\$ 4,235,391
Deferred Outflow	\$ 33,830	\$ 64,297
Liabilities	\$ -	\$ 90,557
Total Liabilities	-	90,557
Deferred Inflow	1,086,528	1,035,865
Net Position:		
Net Investment in Capital Assets	1,719,303	1,640,006
Restricted	1,443,247	1,274,913
Unassigned	382,383	339,847
Total Net Position	\$ 3,544,933	\$ 3,254,766

RICHMOND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2022

An additional portion of the Township's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unassigned net position (\$382,383) may be used to meet the Township's ongoing obligations to citizens and creditors.

Governmental activities

Governmental activities increased the Township's net position by \$290,167.

Key elements of the increase to net position by governmental activities is as follows:

	Richmond Township Changes in Net Position	
	Governmental Activities	
	<u>3/31/2022</u>	<u>3/31/2021</u>
Revenues		
Program Revenues		
Charges for Services	\$ 35,129	\$ 72,668
Operating Grants	3,587	14,163
General Revenues		
Property Taxes	863,381	841,696
Replacement Taxes	58,499	40,366
TOIRMA	3,235	3,235
Motor Fuel Taxes	85,817	116,991
Interest	2,061	14,865
Intergovernmental Agreements	5,949	202
Sale of Capital Assets	11,600	-
Other Income	25,922	42,512
Total Revenues	<u>1,095,180</u>	<u>1,146,698</u>
Expenses		
General Government	287,118	221,015
Community Assistance and Services	7,301	26,588
Assessor	28,780	69,439
Cemetery	38,295	35,398
Road and Bridge	435,400	331,279
Motor Fuel Tax Projects	8,119	94,776
Total Expenses	<u>805,013</u>	<u>778,495</u>
Increase/(Decrease) in Net Assets	290,167	368,203
Net Position - Beginning of Year	<u>3,254,766</u>	<u>2,886,563</u>
Net Position - End of Year	<u>\$3,544,933</u>	<u>\$3,254,766</u>

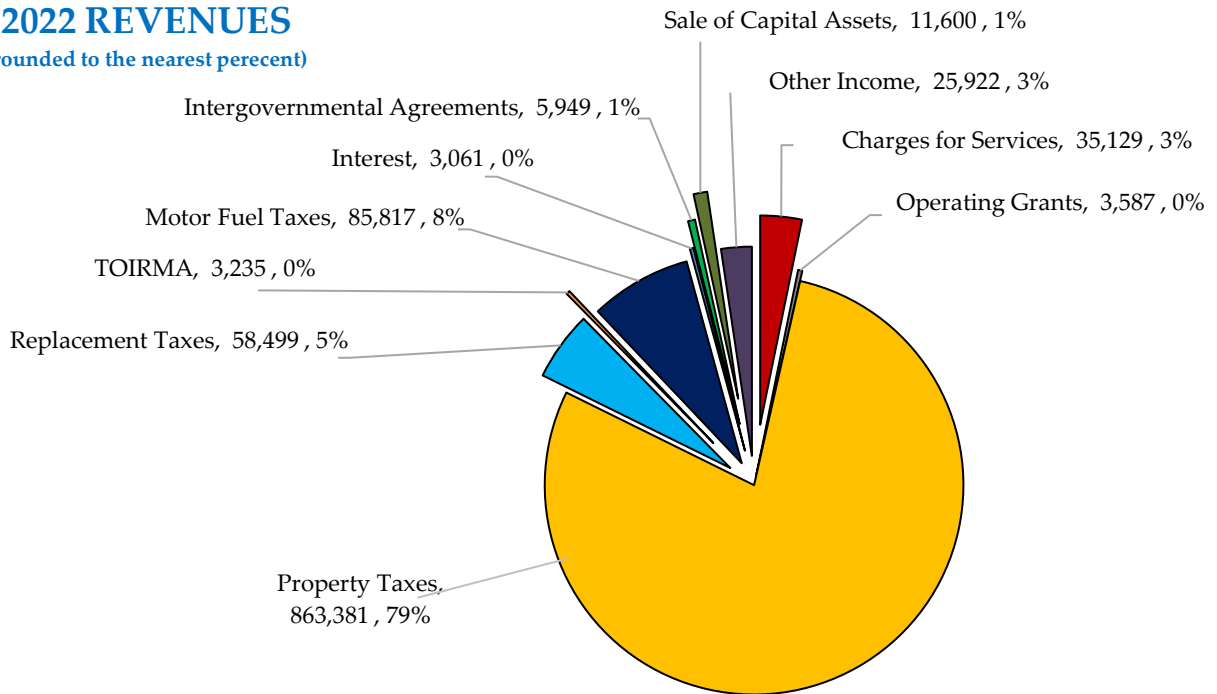
RICHMOND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2022

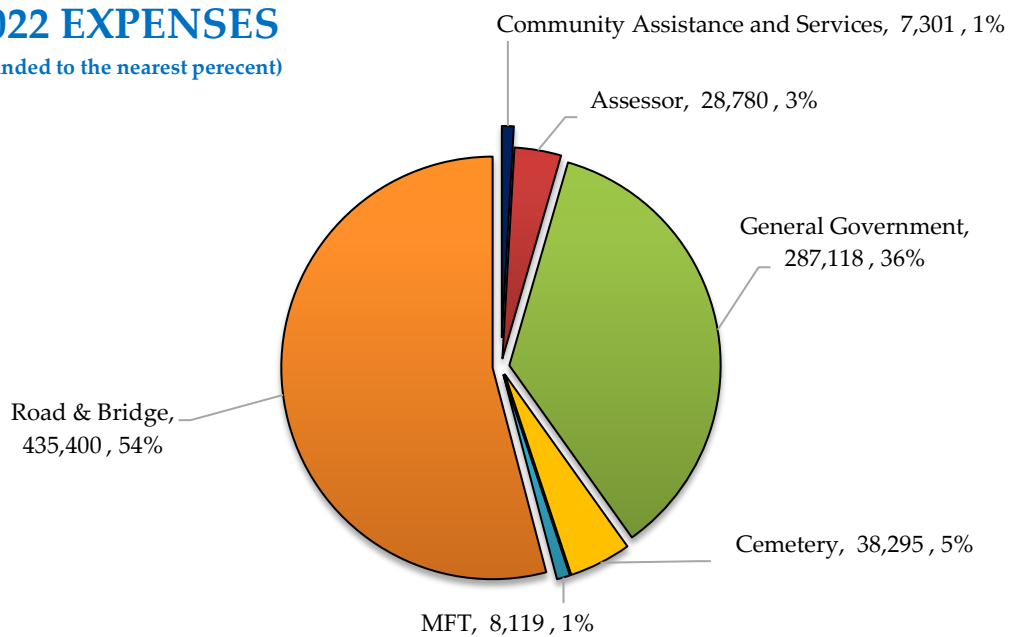
2022 REVENUES

(rounded to the nearest percent)



2022 EXPENSES

(rounded to the nearest percent)



RICHMOND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2022

FINANCIAL ANALYSIS OF THE TOWNSHIP'S FUNDS

As noted earlier, the Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds

The focus of the Township's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Township's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Township's net resources available for spending at the end of the fiscal year.

At March 31, 2022, the Township's governmental funds reported combined ending fund balances of \$1,631,633, an increase of \$169,533 in comparison with the prior year.

The Town Fund is the chief operating fund of the Township. At March 31, 2022, the fund balance of the Town Fund was \$188,386. This represents an increase of \$1,199, compared to the prior fiscal year.

Town Fund Budgetary Highlights

Expenditures in the Town Fund of \$317,626, were under revenues by \$1,199 and was \$104,424 less than the appropriation of \$422,050.

CAPITAL ASSETS

The Township's capital fixed assets for its governmental activities as of March 31, 2022, amount to \$1,719,303 (net of accumulated depreciation). This investment in fixed assets includes land, roads and improvements, buildings and improvements, vehicles, and other equipment.

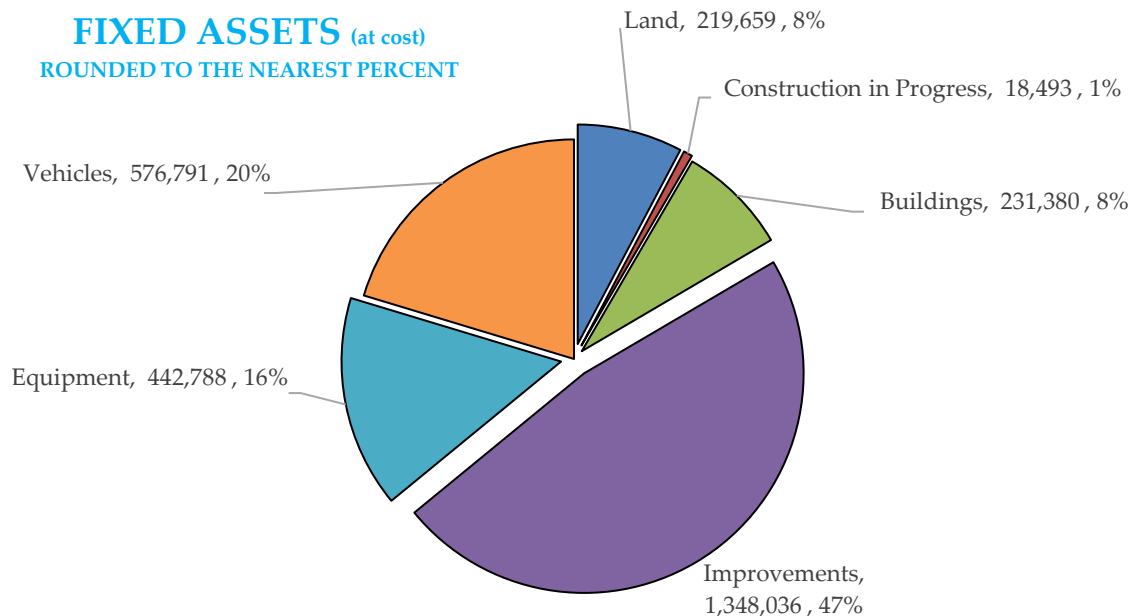
RICHMOND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2022

Major fixed asset events during the current fiscal year included the following:

Fixed Assets	Balance			Balance
	March 31, 2021	Increases	Decreases	March 31, 2022
Land	\$ 219,659	\$ -	\$ -	\$ 219,659
Construction in progress	-	18,493	-	18,493
Buildings	231,380	-	-	231,380
Improvements	1,179,467	168,569	-	1,348,036
Equipment	433,461	9,327	-	442,788
Vehicles	602,775	-	25,984	576,791
Total Fixed Assets	2,666,742	196,389	25,984	2,837,147
Less: Accumulated Depreciation	1,026,736	117,092	25,984	1,117,844
Fixed Assets (Net)	\$ 1,640,006	\$ 79,297	\$ -	\$ 1,719,303



ECONOMIC FACTORS AND PROPERTY TAXES

The equalized assessed valuation (EAV) of the Township for 2021 is \$254,571,188. That represents an increase in EAV of \$11,717,479 over the prior year's EAV. Taxes recorded in these financial statements are from the 2020 levy. A summary of the assessed valuations and extensions for tax years 2021, 2020, and 2019 is as follows:

RICHMOND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2022

ASSESSED VALUATIONS, EXTENDED TAX RATE PERCENTAGE ALLOCATIONS, EXTENDED TAX RATES AND TAX EXTENSTIONS

TAX LEVY YEAR	2021	2020	2019
Assessed Valuation			
McHenry County	\$ 254,571,188	\$ 242,853,709	\$ 234,404,488

Tax Rates and Percentage Allocations by Fund

Funds	Rate	Percentage	Rate	Percentage	Rate	Percentage
Corporate	0.115139	31.65	0.117934	31.67	0.118563	32.72
Public Assistance	0.002485	0.68	0.002546	0.68	0.002537	0.70
Road & Bridge	0.039720	10.92	0.040657	10.92	0.039735	10.97
Hard Road	0.175337	48.20	0.178535	47.94	0.180388	49.78
Equipment & Building	0.019463	5.35	0.020828	5.59	0.021137	5.83
Cemetery	0.011630	3.20	0.011900	3.20	-	-
Totals	0.363774	100.00	0.372400	100.00	0.36236	100.00

Property Tax Extensions

Funds	2021	2020	2019
Corporate	\$ 293,111	\$ 286,407	\$ 277,917
Public Assistance	6,326	6,183	5,947
Road & Bridge	101,116	98,737	93,141
Hard Road	446,357	433,579	422,837
Equipment & Building	49,547	50,582	49,546
Cemetery	29,607	28,900	-
Totals	\$ 926,064	\$ 904,388	\$ 849,388

RICHMOND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2022

Description of Current or Expected Conditions

Currently, management is not aware of any other significant changes in conditions that could have a significant effect on the financial position or results of activities of the Township in the near future. However, management continues to monitor items that may impact future receipts, especially noting a potential decline in state funds as well as losses due to the tax cap.

Requests for Information

This financial report is designed to provide a general overview of the Township's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Supervisor, Richmond Township, 7812 S. Route 31, Richmond, Illinois, 60071.

BASIC FINANCIAL STATEMENTS

RICHMOND TOWNSHIP, ILLINOIS

Government-wide Statement of Net Position

March 31, 2022

Assets	
Cash	\$ 1,447,549
Cash restricted	184,084
Property tax receivable	926,064
Net pension asset	320,631
Fixed assets, net of depreciation (\$1,143,828)	1,719,303
Total Assets	\$ 4,597,631
Deferred Outflow - Pension	\$ 33,830
Liabilities	
Total Liabilities	\$ -
Deferred Inflow - Pension	160,464
Deferred Inflow - Property taxes	926,064
Total Deferred Inflows	1,086,528
Net Position	
Net investment in capital assets	1,719,303
Restricted - general assistance	556
Restricted - cemetery	218,935
Restricted - general road & bridge	227,627
Restricted - permanent road & bridge	693,109
Restricted - equipment & building	118,936
Restricted - motor fuel tax	184,084
Unassigned	382,383
Total Net Position	\$ 3,544,933

The accompanying notes are an integral part of these financial statements.

RICHMOND TOWNSHIP, ILLINOIS

Government-wide Statement of Activities and Changes in Net Position

Year Ended March 31, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue & Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
General Government	\$ 287,118	\$ 2,046	\$ 1,587	\$ -	\$ (283,485)
General Assistance	7,301	-	-	-	(7,301)
Assessor	28,780	-	-	-	(28,780)
Cemetery	38,295	8,647	2,000	-	(27,648)
Road & Bridge	435,400	24,436	-	-	(410,964)
Motor Fuel Projects	8,119	-	-	-	(8,119)
Total Governmental Activities	\$ 805,013	\$ 35,129	\$ 3,587	\$ -	(766,297)
General Revenues:					
					863,381
					58,499
					3,235
					85,817
					5,949
					25,922
					11,600
					2,061
					<u>1,056,464</u>
					290,167
					<u>3,254,766</u>
					<u>\$ 3,544,933</u>

The accompanying notes are an integral part of these financial statements.

RICHMOND TOWNSHIP, ILLINOIS

Governmental Fund Types - Balance Sheet

March 31, 2022

Assets	Town Fund	General Assistance Fund	Cemetery Fund	General Road & Bridge Fund	Permanent Road & Bridge Fund	Equipment & Building Fund	Motor Fuel Tax Fund	Total
Cash	\$ 180,129	\$ 7,122	\$ 221,493	\$ 228,707	\$ 691,076	\$ 119,022	\$ -	\$ 1,447,549
Restricted cash	-	-	-	-	-	-	184,084	184,084
Total cash and investments	180,129	7,122	221,493	228,707	691,076	119,022	184,084	1,631,633
Due from other funds	8,257	-	-	-	2,033	-	-	10,290
Property taxes receivable, current levy, net of 1% allowance for loss	293,111	6,326	29,607	101,116	446,357	49,547	-	926,064
Total Assets	\$ 481,497	\$ 13,448	\$ 251,100	\$ 329,823	\$ 1,139,466	\$ 168,569	\$ 184,084	\$ 2,567,987
Liabilities								
Due to other funds	\$ -	\$ 6,566	\$ 2,558	\$ 1,080	-	\$ 86	\$ -	\$ 10,290
Total Liabilities	-	6,566	2,558	1,080	-	86	-	10,290
Deferred Inflows - Property Taxes	293,111	6,326	29,607	101,116	446,357	49,547	-	926,064
Total Liabilities & Deferred Inflows	293,111	12,892	32,165	102,196	446,357	49,633	-	936,354
Fund Balance								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	556	218,935	227,627	693,109	118,936	184,084	1,443,247
Committed	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	188,386	-	-	-	-	-	-	188,386
Total Fund Balance	188,386	556	218,935	227,627	693,109	118,936	184,084	1,631,633
Total Liabilities, Deferred Inflows & Fund Balance	\$ 481,497	\$ 13,448	\$ 251,100	\$ 329,823	\$ 1,139,466	\$ 168,569	\$ 184,084	\$ 2,567,987

The accompanying notes are an integral part of these financial statements.

RICHMOND TOWNSHIP, ILLINOIS

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

Year Ended March 31, 2022

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

Total Governmental Fund Balances	\$ 1,631,633
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Amount net of depreciation	
Capital assets net of accumulated depreciation	1,719,303
Pension liabilities, deferred pension outflows and deferred pension inflows are not recorded in the fund statements but are included	
Net pension asset	320,631
Deferred IMRF pension outflow	33,830
Deferred IMRF pension inflow	(160,464)
Total Net Position of Governmental Activities	\$ 3,544,933

The accompanying notes are an integral part of these financial statements.

RICHMOND TOWNSHIP, ILLINOIS

Governmental Fund Types - Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended March 31, 2022

	Town Fund	General Assistance Fund	Cemetery Fund	General Road & Bridge Fund	Permanent Road & Bridge Fund	Equipment & Building Fund	Motor Fuel Tax Fund	Total
Revenues								
Property taxes	\$ 285,183	\$ 6,156	\$ 28,776	\$ 61,172	\$ 431,728	\$ 50,366	\$ -	\$ 863,381
Replacement taxes	19,381	-	1,333	37,785	-	-	-	58,499
Motor fuel tax	-	-	-	-	-	-	85,817	85,817
Licenses, fees, and permits	2,046	-	8,647	24,062	-	-	-	34,755
Donation	1,587	-	2,000	-	-	-	-	3,587
Intergovernmental receipts	5,949	-	-	-	-	-	-	5,949
Fines	-	-	-	374	-	-	-	374
TOIRMA	1,165	-	-	2,070	-	-	-	3,235
Interest income	301	-	271	245	877	137	230	2,061
Sale/lease of equipment	-	-	-	-	11,600	-	-	11,600
Miscellaneous revenue	3,213	9	1,175	1,009	8,965	11,551	-	25,922
Total Revenues	318,825	6,165	42,202	126,717	453,170	62,054	86,047	1,095,180
Expenditures								
Administrative	229,599	-	-	49,777	-	9,671	-	289,047
Assessor	28,780	-	-	-	-	-	-	28,780
Transportation	40,754	-	-	-	-	-	-	40,754
General assistance/home relief	-	7,301	-	-	-	-	-	7,301
Operations and maintenance	-	-	38,295	11,828	287,700	-	8,119	345,942
Capital expenditures	18,493	-	-	-	168,569	26,761	-	213,823
Total Expenditures	317,626	7,301	38,295	61,605	456,269	36,432	8,119	925,647
Net Change in Fund Balance	1,199	(1,136)	3,907	65,112	(3,099)	25,622	77,928	169,533
Fund Balance								
Balance, beginning of year	187,187	1,692	215,028	162,515	696,208	93,314	106,156	1,462,100
Total Fund Balance	\$ 188,386	\$ 556	\$ 218,935	\$ 227,627	\$ 693,109	\$ 118,936	\$ 184,084	\$ 1,631,633

The accompanying notes are an integral part of these financial statements.

RICHMOND TOWNSHIP, ILLINOIS

Reconciliation of the Governmental Funds to the Statement of Activities

Year Ended March 31, 2022

RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION

Net Change in Fund Balance	\$ 169,533
 Governmental funds report capital outlays as expenditures; however for the Statement of Activities the amounts are capitalized and depreciated over their useful life. (amount shown is net of depreciation)	
Net capital asset additions	79,297
 Governmental funds do not report the changes of non-current pension liabilities, deferred outflows or deferred inflows.	
Pension revenue	<u>41,337</u>
Changes in Net Position Governmental Funds	<u><u>\$ 290,167</u></u>

The accompanying notes are an integral part of these financial statements.

NOTES TO THE BASIC
FINANCIAL STATEMENTS

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Richmond Township, Illinois (Township) conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the significant accounting policies:

In June 1999, GASB issued Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. Certain significant changes in the Statement include the following:

- A Management's Discussion and Analysis (MD&A) section providing an analysis of the Township's overall financial position and results of operations.
- A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements).

REPORTING ENTITY –

The Township is located near the Village of Richmond, Illinois and is governed by a board. The Township is primarily funded through a tax levy, operating grants, fines and fees, and charitable donations. Revenue is used to operate and staff the Township. The accompanying general purpose financial statements have been prepared in accordance with criteria established by the Governmental Accounting Standards Board for determining the various governmental organizations to be included in the reporting entity. Based on the significance of any operational or financial relationships with the Township, there are no component units to be included in these financial statements.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION –

The Township's basic financial statements include both government-wide (reporting the Township as a whole) and fund financial statements (reporting the Township's major funds).

The government-wide financial statements (i.e., the statement of net position and the statement of activities) are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The Statement of Net Position includes and recognizes all long-term assets and receivables as well as long-term debt and obligations. The Township's net position are reported in three parts – net investment in capital assets, restricted net position; and unassigned net position.

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Township considers revenue to be available if they are collected within 60 days of the end of the current fiscal period. 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, claims and judgements are recorded only when payment is due.

Primary sources of revenue are property taxes, state-shared revenue, and interest associated with the current fiscal period. All are considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be available only when cash is received by the Township.

Program revenues include rental income, bus rider fees, and permits are reported as charges for services in the government-wide financial statements. Transportation grants are reported as operating grants in the government-wide financial statements.

The following fund types are used by the Township:

Governmental Funds

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

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The General Assistance, Road & Bridge, Permanent Road & Bridge, Equipment & Building and Motor Fuel Tax Funds are all Special Revenue Funds.

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

THE TOWNSHIP REPORTS ALL THE FUNDS AS MAJOR GOVERNMENTAL FUNDS –

The Town Fund is the Township’s primary operating fund. It accounts for all financial resources of the Township, except those required to be accounted for in another fund, while the Township Road & Bridge Fund accounts for the resources associated with taxes levied specifically for the maintenance of the Township’s road and bridges.

FINANCIAL STATEMENT AMOUNTS –

Bank Deposits and Investments - The Township has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value. The Township maintains a cash and investment pool which is available for use by the Town and General Assistance Funds.

The Township's investment policies are governed by state statutes. All funds are deposited in federally insured banks and savings and loans. The cash and investments reflected in the combined balance sheet consist of demand accounts and deposits in the Illinois Funds.

Receivables and Payables - In general, outstanding balances between funds are reported as “due to/from other funds.” Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “advances to/from other funds.”

All trade and property taxes receivable are shown net of an allowance for uncollectible amounts. Property taxes are levied on December 1st based on the taxable valuation of the property as of the preceding December 31st. The 2020 levy was passed by the Board on November 11, 2020.

Capital Assets - Capital assets are defined by the Township as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost. Donated assets are reported at estimated fair market value at the date of donation. 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 basis over the following estimated useful lives:

Building and improvements	20-50 years
Equipment, furniture, and fixtures	5-20 years

Compensated Absences - (Vacation and Sick Leave) - It is the Township’s policy to permit employees to accumulate earned but unused sick and vacation pay benefits. There is no liability

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

for unpaid accumulated sick leave since the Township does not have a policy to pay any amounts when employees separate from service with the Township. A liability for these amounts is reported in the governmental fund - Town Fund only for employee terminations as of yearend.

Long-term Obligations - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. In the fund financial statements, debt issued is reported as another financing source and payments are reported as debt service expenditures.

The Township has a pension plan covering substantially all the full time employees. Employees are covered by the Illinois Municipal Retirement Fund.

The budget represents departmental appropriations as authorized by the Township's appropriation ordinance and includes revisions authorized by the Township Board to reflect changes in departmental programs. At March 31, 2022, unexpended appropriations of the budgetary funds (town fund and special revenue funds) automatically lapse. The budget is prepared on the modified accrual basis. The 2021-2022 appropriations ordinance was adopted June 17, 2021.

FUND BALANCE CLASSIFICATION –

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Township is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable –

This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The Township has not classified any items as being Nonspendable.

Restricted –

This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Debt service resources are to be used for future servicing of the revenue note and are restricted

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

through debt covenants. Infrastructure Projects are restricted by State Statute and County laws and are legally segregated for funding of infrastructure improvements.

Committed –

This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Township Board. These amounts cannot be used for any other purpose unless the Township Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Township did not have any committed resources as of March 31, 2022.

Assigned –

This classification includes amounts that are constrained by the Township's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Township Board or through the Township Board delegating this responsibility to the Township Supervisor through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the Town Fund.

Unassigned –

This classification includes the residual fund balance for the Town Fund and the amount established for Minimum Funding which represents the portion of the Town Fund balance that has been established by the board to be used for debt service or in emergency situations.

The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The Township would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

The classifications used in the government-wide financial statements are as follows:

Net Investment in Capital Assets – consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.

Restricted Net Position - This classification includes amounts for which constraints have been

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The Township's policy is to use restricted net position first, followed by unassigned, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

Unassigned Net Position – all other net position is reported in this category.

IMPLEMENTATION OF GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) PRONOUNCEMENTS

GASB Statement No. 68 – In June 2012, the GASB issued Statement No. 68, Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27. The requirements of this Statement will improve the decision-usefulness of information in employer and governmental nonemployer contributing entity financial reports and will enhance its value for assessing accountability and interperiod equity by requiring recognition of the entire net pension liability and a more comprehensive measure of pension expense. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2014, therefore, the Township implemented this Statement in fiscal year ending March 31, 2016.

NOTE – 2 CASH AND INVESTMENTS

The Township's investment policies are governed by state statutes whereby Township money must be deposited in FDIC insured banks located within the state. Permissible investments include demand accounts and certificates of deposits. The carrying cash balance of the Township is \$1,631,633 and the bank balance is \$1,674,726. Of the bank balance in the Township's name, \$250,000 is FDIC insured, \$1,197,549 is collateralized for the Township in the bank's trust department and the remaining \$184,064 is held by the county.

Interest Rate Risk – The Township limits its interest rate risk by having demand deposits.

Custodial Credit Risk – The Township limits its credit risk by holding its deposits in FDIC insured institutions with collateral backing its deposits.

Concentration of Credit Risk - The Township places no limit on the amount held in any one institution.

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT

IMRF PLAN DESCRIPTION

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

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:

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

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

EMPLOYEES COVERED BY BENEFIT TERMS

As of December 31, 2021, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	9
Inactive Plan Memebers entitled to but not yet receiving benefits	6
Active Plan Members	7
Total	<u>22</u>

CONTRIBUTIONS

As set by statute, the Township's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Township's annual contribution rate for calendar year 2021 was 2.77%. For the calendar year ended December 31, 2021, the Township contributed \$6,953 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, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

ACTUARIAL ASSUMPTIONS

The following are the methods and assumptions used to determine total pension liability at December 31, 2021:

- 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%.

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 2017 to 2019.
- The IMRF-specific rates for **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, 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, Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by 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, 2021:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Expected Real Rate of Return</u>
Domestic Equity	37%	4.50%
International Equity	18%	5.75%
Fixed Income	28%	2.00%
Real Estate	9%	5.90%
Alternative Investments	7%	4.30-8.10%
Cash Equivalents	1%	1.70%
Total	100%	

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

Executive Summary as of December 31, 2021

Actuarial Valuation Date	12/31/2021
Measurement Date of the Net Pension Liability	12/31/2021
Fiscal Year End	3/31/2022

Membership

Number of	
- Retirees and Beneficiaries	9
- Inactive, Non-Retired Members	6
- Active Members	7
- Total	22

Covered Valuation Payroll *	\$ 251,025
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Net Pension Liability

Total Pension Liability/(Asset)	\$ 928,495
Plan Fiduciary Net Position	1,249,126
Net Pension Liability/(Asset)	\$ (320,631)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	134.53%
Net Pension Liability as a Percentage of Covered Valuation Payroll	(127.73%)

Development of the Single Discount Rate as of December 31, 2021

Long-Term Expected Rate of Investment Return	7.25%
Long-Term Municipal Bond Rate**	1.84%
Last year ending December 31 in the 2022 to 2121 projection period for which projected benefit payments are fully funded	2121
Resulting Single Discount Rate based on the above development	7.25%
Single Discount Rate calculated using December 31, 2020 Measurement Date	7.25%

Total Pension Expense/(Income)	\$ (34,384)
---------------------------------------	-------------

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 11,692	\$ -
Changes in assumptions	-	389
Net difference between projected and actual earnings on pension plan investments	22,138	160,075
Total	<u>\$ 33,830</u>	<u>\$ 160,464</u>

* Does not necessarily represent Covered Employee Payroll as defined in GASB Statement No 68.

** Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index" as of December 29, 2021. In describing this index, Fidelity notes that the municipal curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax exempt securities.

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

NOTE 3 - ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

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 1.84%, and the resulting single discount rate is 7.25%.

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:

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

Schedule of Changes in Net Pension Liability and Related Ratios - Current Period Calendar Year Ended December 31, 2021

A. Total pension liability	
1. Service Cost	\$ 23,891
2. Interest on the Total Pension Liability	62,215
3. Changes of benefit terms	-
4. Difference between expected and actual experience of the Total Pension Liability	17,612
5. Changes of assumptions	-
6. Benefit payments, including refunds of employee contributions	(42,839)
7. Net change in total pension liability	60,879
8. Total pension liability – beginning	867,616
9. Total pension liability – ending	<u>\$ 928,495</u>
B. Plan fiduciary net position	
1. Contributions – employer	\$ 6,953
2. Contributions – employee	11,296
3. Net investment income	183,205
4. Benefit payments, including refunds of employee contributions	(42,839)
5. Other (Net Transfer)	3,055
6. Net change in plan fiduciary net position	161,670
7. Plan fiduciary net position – beginning	1,087,456
8. Plan fiduciary net position – ending	<u>\$ 1,249,126</u>
C. Net pension liability/(asset)	<u>\$ (320,631)</u>
D. Plan fiduciary net position as a percentage of the total pension liability	134.53%
E. Covered Valuation payroll*	\$ 251,025
F. Net pension liability as a percentage of covered valuation payroll	(127.73%)

Sensitivity of Net Pension Liability/(Asset) to the Single discount rate Assumption

	1% Decrease <u>6.25%</u>	Current Single Discount Rate <u>Assumption 7.25%</u>	1% Increase <u>8.25%</u>
Total Pension Liability	\$ 1,008,712	\$ 928,495	\$ 862,461
Plan Fiduciary Net Position	1,249,126	1,249,126	1,249,126
Net Pension Liability/(Asset)	<u>\$ (240,414)</u>	<u>\$ (320,631)</u>	<u>\$ (386,665)</u>

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

NOTE 3 - ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

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

For the year ended March 31, 2022, the Township recognized pension income of \$34,384. At March 31, 2022, the Township reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual	\$ 11,692	\$ -
Changes of assumptions	-	389
Net difference between projected and actual earnings on pension plan investments	<u>22,138</u>	<u>160,075</u>
Total Deferred Amounts to be recognized in pension expense in future periods	<u>33,830</u>	<u>160,464</u>
<i>Pension Contributions made subsequent to the Measurement Date</i>	6,374	-
Total Deferred Amounts Related to Pensions	<u><u>\$ 27,456</u></u>	<u><u>\$ 160,464</u></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:

Year Ending December 31	Net Deferred Outflows of Resources
2022	\$ (20,933)
2023	(50,780)
2024	(33,892)
2025	(21,029)
2026	-
Thereafter	-
Total	<u><u>\$ (126,634)</u></u>

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2021 Contribution Rate *

Valuation Date:

December 31, 2021

Notes

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

Methods and Assumptions Used to Determine 2021 Contribution Rates:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 22-year closed period Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 17 years for most employers (five employers were financed over 18 years; one employer was financed over 19 years; two employers were financed over 20 years; three employers were financed over 26 years; four employers were financed over 27 years and one employer was financed over 28 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	3.25%
Price Inflation	2.50%
Salary Increases	3.35% to 14.25% including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (based on 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

There were no benefit changes during the year

Notes

* Based on Valuation Assumptions used in the December 31, 2019 actuarial valuation.

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

NOTE 4 – CHANGES IN FIXED ASSETS

Fixed Assets	Balance	Increases	Decreases	Balance
	March 31, 2021			March 31, 2022
Land	\$ 219,659	\$ -	\$ -	\$ 219,659
Construction in progress	-	18,493	-	18,493
Buildings	231,380	-	-	231,380
Improvements	1,179,467	168,569	-	1,348,036
Equipment	433,461	9,327	-	442,788
Vehicles	602,775	-	25,984	576,791
Total Fixed Assets	2,666,742	196,389	25,984	2,837,147
Less: Accumulated Depreciation	1,026,736	117,092	25,984	1,117,844
Fixed Assets (Net)	\$ 1,640,006	\$ 79,297	\$ -	\$ 1,719,303

Depreciation by Governmental Activity

General Government	\$ 16,765
Road & Bridge	100,327
Total Governmental Activities	117,092

NOTE 5 – RISK MANAGEMENT

Significant losses are covered by commercial insurance for all major programs. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE 6 – FUND BALANCES

As of these financial statements, the Township has adopted GASB Statement No. 54, which redefined how fund balances of the governmental funds are presented in the financial statements. Fund balances are classified as follows:

Nonspendable –

Amounts that cannot be spent either because they are not in a 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 the Township Charter, Township Code, state or federal laws, or externally imposed conditions by grantors or creditors.

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

NOTE 6 – FUND BALANCES (CONCLUDED)

Committed –

Amounts that can be used only for specific purposes determined by a formal action by Township Board ordinance or resolution. This includes the budget reserve account.

Assigned –

Amounts that are designated by the Township manager for a specific purpose but are not spendable until a budget ordinance is passed by Township Board.

Unassigned –

All amounts not included in other spendable classifications.

The details of the fund balances are included in the Governmental Funds Balance Sheet. As discussed in Note 1, restricted funds are used first as appropriate. Assigned Funds are reduced to the extent that expenditure authority has been budgeted or the Assignment has been changed by the Township management. Decreases to fund balance first reduce Unassigned Fund balance; in the event that Unassigned Fund Balance becomes zero, then Assigned and Committed Fund Balances are used in that order.

NOTE 7 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

The Township has adopted GASB Statement No. 65, which redefined how certain financial statement elements are presented in the statement of financial position. The elements are classified as follows:

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The Township has \$33,830 for pension activities in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Township has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. Deferred inflows of resources \$926,064 reported in the governmental funds for unavailable revenues are from property taxes to be received in the following year and \$160,464 for pension activities.

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2022

NOTE 8 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the balance sheet date but before the financial statements are issued or available to be issued. There are two types of subsequent events: recognized (events that relate to conditions present at the balance sheet date) and non-recognized (events or conditions that did not exist at the balance sheet date but arose after that date).

There have been no other recognized or non-recognized subsequent events that have occurred between March 31, 2022 and the date of this audit report requiring disclosure in the financial statements.

NOTE 9 – CONTINGENCIES

The Organization is not aware of any pending litigation or potential non-disclosed liabilities that management believes would have a material adverse effect on the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

RICHMOND TOWNSHIP, ILLINOIS

Town Fund - Schedule of Revenues & Expenditures - Budget and Actual

Year Ended March 31, 2022

	Original Budget	Final Budget	Modified Accrual Basis
Revenues			
Property tax	\$ 282,000	\$ 282,000	\$ 285,183
Replacement tax	15,000	15,000	19,381
Bus rider fees	4,300	4,300	2,046
Donation	-	-	1,587
Intergovernmental receipts	6,000	6,000	5,949
Grants and donations	20,000	20,000	-
TOIRMA	1,200	1,200	1,165
Interest income	750	750	301
Miscellaneous revenue	1,300	1,300	3,213
Total Revenues	330,550	330,550	318,825
Expenditures			
General and Administrative Personnel			
Salaries	130,500	130,500	136,839
Hourly wages	25,000	25,000	29,898
IMRF	6,000	6,000	2,973
Health insurance	6,500	6,500	7,742
Social Security	10,000	10,000	11,206
Medicare	3,000	3,000	2,635
Payroll expense	650	650	3,775
Total Personnel	181,650	181,650	195,068
Contractual Services			
Maintenance - buildings	4,700	4,700	812
Maintenance - equipment	6,000	6,000	618
TOIRMA insurance	8,000	8,000	7,856
Accounting services	4,000	4,000	4,150
Legal services	1,500	1,500	180
Postage	600	600	358
Telephone	3,000	3,000	2,290
Publishing	500	500	530
Printing	400	400	120
Dues and memberships	1,200	1,200	826
Travel	1,000	1,000	-

Continued

RICHMOND TOWNSHIP, ILLINOIS

Town Fund - Schedule of Revenues & Expenditures - Budget and Actual

Year Ended March 31, 2022

	Original Budget	Final Budget	Modified Accrual Basis
General and Administrative			
Contractual Services			
Training	300	300	25
Office equipment	1,200	1,200	-
Software license	1,500	1,500	2,957
Utilities	5,600	5,600	1,366
Public communication	2,500	2,500	-
Total Contractual Services	42,000	42,000	22,088
Commodities			
Office supplies	2,000	2,000	1,565
Operating supplies	1,500	1,500	396
Total Commodities	3,500	3,500	1,961
Capital Expenditures			
Building	33,500	33,500	18,493
Total Capital Expenditures	33,500	33,500	18,493
Other Expenditures			
Community relations	7,500	7,500	3,193
Youth services	2,500	2,500	2,000
Misc. expense	2,000	2,000	4,270
Interfund operating transfer	10,000	10,000	
Other	250	250	70
Contingency	5,000	5,000	-
Storm siren maintenance	4,200	4,200	949
Total Other Expenditures	31,450	31,450	10,482
Reconciliation discrepancies	50	50	-
Total Administrative	292,150	292,150	248,092
Assessor Office			
Personnel			
Hourly wages	29,000	29,000	15,833
Social Security	2,000	2,000	982
Medicare	600	600	230

Continued

RICHMOND TOWNSHIP, ILLINOIS

Town Fund - Schedule of Revenues & Expenditures - Budget and Actual

Year Ended March 31, 2022

	Original Budget	Final Budget	Modified Accrual Basis
Personnel			
IMRF	\$ 1,000	\$ 1,000	\$ 25
Uniform allowance	300	300	171
Total Personnel	32,900	32,900	17,241
Contractual Services			
Legal services	250	250	-
Rental	-	-	315
Postage	150	150	110
Telephone	2,000	2,000	1,634
Publishing/publications	1,200	1,200	372
Dues and memberships	700	700	344
Travel	1,000	1,000	714
Training	1,300	1,300	1,865
Office equipment	4,000	4,000	-
PAMS/MLS fees	6,000	6,000	4,486
Total Contractual Services	16,600	16,600	9,840
Commodities			
Office supplies	1,500	1,500	61
Operating supplies	1,200	1,200	-
Gasoline	1,400	1,400	1,281
Total Commodities	4,100	4,100	1,342
Capital Expenditures			
Equipment	-	-	357
Vehicle	15,000	15,000	-
Total Capital Expenditures	15,000	15,000	357
Other Expenditures			
Miscellaneous Expenditures	500	500	-
Total Other Expenditures	500	500	-
Total Assessor Office	69,100	69,100	28,780
Transportation Personnel			
Hourly wages	30,000	30,000	29,808
Social Security	3,000	3,000	1,848

Continued

RICHMOND TOWNSHIP, ILLINOIS

Town Fund - Schedule of Revenues & Expenditures - Budget and Actual

Year Ended March 31, 2022

	Original Budget	Final Budget	Modified Accrual Basis
Personnel (concluded)			
Medicare	\$ 750	\$ 750	\$ 432
IMRF	1,200	1,200	387
Health insurance	6,000	6,000	2,909
Total Personnel	40,950	40,950	35,384
Contractual Services			
Maintenance - vehicles	4,000	4,000	1,336
Maintenance - buildings	-	-	198
TOIRMA insurance	4,200	4,200	-
Telephone	300	300	178
Printing, postage, newsletter	400	400	-
Training	-	-	20
Senior trip/transportation	1,000	1,000	704
Total Contractual Services	9,900	9,900	2,436
Commodities			
Operating supplies	50	50	316
Fuel	7,550	7,550	1,788
Community services	350	350	-
Miscellaneous	2,000	2,000	830
Total Commodities	9,950	9,950	2,934
Total Transportation	60,800	60,800	40,754
Operating transfers out/(in)	10,000	10,000	-
Total Expenditures Town Fund	422,050	422,050	317,626
Net Change in Fund Balance	\$ (422,050)	\$ (422,050)	\$ 1,199

Concluded

RICHMOND TOWNSHIP, ILLINOIS

General Assistance Fund - Schedule of Revenues & Expenditures - Budget and Actual

Year Ended March 31, 2022

	Original Budget	Final Budget	Modified Accrual Basis
Revenues			
Property tax	\$ 6,000	\$ 6,000	\$ 6,156
Replacement tax	200	200	-
Interfund operating transfer	10,000	10,000	-
Interest income	50	50	9
Total Revenues	16,250	16,250	6,165
Expenditures			
Home Relief			
Personnel			
General assistance	10,000	10,000	1,353
Emergency assistance	5,000	5,000	5,948
Total Home Relief	15,000	15,000	7,301
Total Expenditures General Assistance Fund	15,000	15,000	7,301
Net Change in Fund Balance	\$ 1,250	\$ 1,250	\$ (1,136)

RICHMOND TOWNSHIP, ILLINOIS

Road & Bridge Fund - Schedule of Revenues & Expenditures - Budget and Actual

Year Ended March 31, 2022

	Original Budget	Final Budget	Modified Accrual Basis
Revenues			
Property taxes	\$ 61,434	\$ 61,434	\$ 61,172
Replacement taxes	20,000	20,000	37,785
Licenses, fees, and permits	1,000	1,000	24,062
TOIRMA dividends	-	-	2,070
Fines	800	800	374
Interest income	1,000	1,000	245
Miscellaneous revenue	-	-	1,009
Total Revenues	84,234	84,234	126,717
Expenditures			
General and Administrative			
Personnel			
Salaries	25,000	25,000	21,437
Social Security	2,000	2,000	1,327
Medicare	500	500	313
Retirement contribution	2,000	2,000	-
Uniforms	1,000	1,000	228
Total Personnel	30,500	30,500	23,305
Contractual Services			
Accounting services	4,200	4,200	3,900
Legal services	2,000	2,000	-
Postage	100	100	16
Telephone	1,000	1,000	1,018
Publishing	1,000	1,000	216
Printing	1,000	1,000	-
Travel expenses	2,000	2,000	-
Training	750	750	-
Garbage disposal	500	500	-
Risk management - TOIRMA insurance	20,000	20,000	13,966
Total Contractual Services	32,550	32,550	19,116

Continued

RICHMOND TOWNSHIP, ILLINOIS

Road & Bridge Fund - Schedule of Revenues & Expenditures - Budget and Actual

Year Ended March 31, 2022

	Original Budget	Final Budget	Modified Accrual Basis
Commodities			
Office supplies	\$ 2,000	\$ 2,000	\$ 971
Operating supplies	-	-	849
Small tools	-	-	116
Total Commodities	2,000	2,000	1,936
Capital Expenditures			
Equipment	5,000	5,000	-
Total Capital Expenditures	5,000	5,000	-
Other Expenditures			
Municipal replacement tax	2,500	2,500	-
Culvert permit refunds	5,000	5,000	4,000
Miscellaneous expenditures	4,500	4,500	1,420
Total Other Expenditures	12,000	12,000	5,420
Total General and Administrative	82,050	82,050	49,777
Maintenance			
Contractual Services			
Maintenance - buildings	2,000	2,000	-
Maintenance - equipment	2,000	2,000	1,339
Maintenance - vehicles	5,000	5,000	-
Maintenance - road	100	100	-
Maintenance - bridge	1,000	1,000	-
Utilites	3,000	3,000	2,093
Street lighting	7,500	7,500	7,094
Total Contractual Services	20,600	20,600	10,526
Commodities			
Maintenance supplies - equipment	1,000	1,000	783
Maintenance supplies - vehicle	1,000	1,000	519
Maintenance supplies - snow removal	3,000	3,000	-
Maintenance supplies - bridge	500	500	-
Operating supplies	4,000	4,000	-
Small tools	2,000	2,000	-
Total Commodities	11,500	11,500	1,302

Continued

RICHMOND TOWNSHIP, ILLINOIS

Road & Bridge Fund - Schedule of Revenues & Expenditures - Budget and Actual

Year Ended March 31, 2022

	Original Budget	Final Budget	Modified Accrual Basis
Capital Expenditures			
Building	\$ 10,000	\$ 10,000	\$ -
Total Capital Expenditures	10,000	10,000	-
Other expenditures			
Contingencies	5,000	5,000	-
Total other expenditures	5,000	5,000	-
Total Maintenance Department	47,100	47,100	11,828
Total Expenditures Road and Bridge Fund	129,150	129,150	61,605
Net Change in Fund Balance	\$ (44,916)	\$ (44,916)	\$ 65,112

Concluded

RICHMOND TOWNSHIP, ILLINOIS

Permanent Road & Bridge Fund - Schedule of Revenues & Expenditures - Budget and Actual

Year Ended March 31, 2022

	Original Budget	Final Budget	Modified Accrual Basis
Revenues			
Property taxes	\$ 721,561	\$ 721,561	\$ 431,728
Replacement tax	433,579	433,579	-
Sale of capital asset	-	-	11,600
Interest income	5,000	5,000	877
Miscellaneous revenue	-	-	8,965
Total Revenues	1,160,140	1,160,140	453,170
General and Administrative			
Personnel			
Salaries	135,000	135,000	110,467
Health insurance	25,000	25,000	26,564
Social Security	8,000	8,000	6,364
Medicare	1,900	1,900	1,499
Retirement contribution	4,000	4,000	2,529
Total Personnel	173,900	173,900	147,423
Contractual Services			
Maintenance - equipment	15,000	15,000	8,226
Maintenance - road	220,000	220,000	168,569
Engineering services	15,000	15,000	-
Utilities	2,000	2,000	1,278
Rentals	5,000	5,000	4,000
Total Contractual Services	257,000	257,000	182,073
Commodities			
Maintenance supplies - equipment	20,000	20,000	17,699
Maintenance supplies - road	65,000	65,000	42,787
Maintenance supplies - snow removal	75,000	75,000	43,123
Maintenance supplies - signs	1,000	1,000	1,100
Operating supplies	2,000	2,000	1,499
Small tools	2,500	2,500	1,130
Gas/diesel/oil	30,000	30,000	19,109
Total Commodities	195,500	195,500	126,447

Continued

RICHMOND TOWNSHIP, ILLINOIS

Permanent Road & Bridge Fund - Schedule of Revenues & Expenditures - Budget and Actual

Year Ended March 31, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Modified Accrual Basis</u>
Capital Expenditures			
Equipment	\$ 75,000	\$ 75,000	\$ -
Total Capital Expenditures	<u>75,000</u>	<u>75,000</u>	<u>-</u>
Other Expenditures			
Miscellaneous expenditures	2,500	2,500	326
Total Other Expenditures	<u>2,500</u>	<u>2,500</u>	<u>326</u>
Total General and Administration	<u>703,900</u>	<u>703,900</u>	<u>456,269</u>
Net Change in Fund Balance	<u>\$ 1,864,040</u>	<u>\$ 1,864,040</u>	<u>\$ (3,099)</u>

Concluded

RICHMOND TOWNSHIP, ILLINOIS

Building & Equipment Fund - Schedule of Revenues & Expenditures - Budget and Actual

Year Ended March 31, 2022

	Original Budget	Final Budget	Modified Accrual Basis
Revenues			
Property taxes	\$ 50,582	\$ 50,582	\$ 50,366
Interest income	1,550	1,550	137
Miscellaneous revenue	10,000	10,000	11,551
Total Revenues	62,132	62,132	62,054
General and Administration			
Contractual Services			
Maintenance supplies - other/signs	2,200	2,200	4,765
Telephone	2,200	2,200	-
Garbage disposal	1,500	1,500	1,093
Utilities	5,000	5,000	3,813
Total Contractual Services	10,900	10,900	9,671
Capital Expenditures			
Building	25,000	25,000	-
Equipment	28,000	28,000	26,761
Vehicle	15,000	15,000	-
Reserve fund (truck)	75,000	75,000	-
Total Capital Expenditures	143,000	143,000	26,761
Total General and Administration	153,900	153,900	36,432
Net Change in Fund Balance	\$ (91,768)	\$ (91,768)	\$ 25,622

RICHMOND TOWNSHIP, ILLINOIS
Multi-year Schedule of Changes in Net Pension Liability and Related Ratios
Last 10 Calendar Years

(schedule to be built prospectively from 2015)

Calendar Year Ending	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Total Pension Liability										
Service Cost	\$ 23,891	\$ 24,950	\$ 27,058	\$ 22,236	\$ 21,572	\$ 23,095	\$ 24,898			
Interest on the Total Pension Liability	62,215	57,295	56,237	55,552	52,879	54,048	58,574			
Benefit Changes	-	-	-	-	-	-	-			
Difference between Expected and Actual Experience	17,612	38,054	(27,340)	(24,270)	11,209	(35,115)	(77,796)			
Assumption Changes	-	(7,451)	-	13,181	(17,011)	(525)	544			
Benefit Payments and Refunds	(42,839)	(46,058)	(34,561)	(33,681)	(33,006)	(81,585)	(47,809)			
Net Change in Total Pension Liability	60,879	66,790	21,394	33,018	35,643	(40,082)	(41,589)			
Total Pension Liability - Beginning	867,616	800,826	779,432	746,414	710,771	750,853	792,442			
Total Pension Liability - Ending (a)	\$ 928,495	\$ 867,616	\$ 800,826	\$ 779,432	\$ 746,414	\$ 710,771	\$ 750,853			
Plan Fiduciary Net Position										
Employer Contributions	6,953	10,965	12,743	16,134	16,006	15,275	18,335			
Employee Contributions	11,296	11,063	11,244	10,432	8,564	8,332	9,376			
Pension Plan Net Investment Income	183,205	133,809	152,469	(46,133)	133,311	50,024	4,045			
Benefit Payments and Refunds	(42,839)	(46,058)	(34,561)	(33,681)	(33,006)	(81,585)	(47,809)			
Other	3,055	14,026	4,508	12,369	(10,105)	13,775	(65,400)			
Net Change in Plan Fiduciary Net Position	161,670	123,805	146,403	(40,879)	114,770	5,821	(81,453)			
Plan Fiduciary Net Position - Beginning	1,087,456	963,651	817,248	858,127	743,357	737,536	818,989			
Plan Fiduciary Net Position - Ending (b)	\$ 1,249,126	\$ 1,087,456	\$ 963,651	\$ 817,248	\$ 858,127	\$ 743,357	\$ 737,536			
Net Pension Liability/(Asset) - Ending (a) - (b)	(320,631)	(219,840)	(162,825)	(37,816)	(111,713)	(32,586)	13,317			
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	134.53%	125.34%	120.33%	104.85%	114.97%	104.58%	98.23%			
Covered Valuation Payroll	\$ 251,025	\$ 245,850	\$ 249,866	\$ 231,827	\$ 190,321	\$ 185,147	\$ 208,354			
Net Pension Liability as a Percentage of Covered Valuation Payroll	(127.73%)	(89.42%)	(65.16%)	(16.31%)	(58.70%)	(17.60%)	6.39%			

RICHMOND TOWNSHIP, ILLINOIS
Multi-year Schedule of Pension Contributions
Last 10 Calendar Years

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2015	\$ 18,335	\$ 18,335	\$ -	\$ 208,354	8.80%
2016	\$ 15,275	\$ 15,275	\$ -	\$ 185,147	8.25%
2017	\$ 16,006	\$ 16,006	\$ -	\$ 190,321	8.41%
2018	\$ 16,135	\$ 16,134	\$ 1	\$ 231,827	6.96%
2019	\$ 12,743	\$ 12,743	\$ -	\$ 249,866	5.10%
2020	\$ 10,965	\$ 10,965	\$ -	\$ 245,850	4.46%
2021	\$ 6,953 *	\$ 6,953	\$ -	\$ 251,025	2.77%

* Estimated based on a contribution rate of 2.77% and covered valuation payroll of \$251,025.

NOTES TO REQUIRED
SUPPLEMENTARY INFORMATION

RICHMOND TOWNSHIP, ILLINOIS

Notes to Required Supplementary Information
Year Ended March 31, 2022

NOTE 1 - BUDGETARY INFORMATION

The accounting policies of Richmond Township include the preparation of financial statements on the modified accrual basis of accounting. The Township also prepares its budget on the modified accrual basis of accounting.

Under the modified accrual basis of accounting, revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. General capital assets acquisitions are reported as expenditures in the governmental funds. Proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures relating to compensated absences, debt service expenditures, and claims and judgments are recognized only when payment is due.

Budgets are adopted at the function level in the Town Fund and total Town Fund expenditures disbursed may not legally exceed the budgeted amount. Appropriations lapse at year end unless specifically carried over. There were no carryovers to the following year.

The Township procedures in establishing the budgetary data reflected in the Town Fund Financial Statements are presented below:

1. Prior to June 15th the Township Board receives a proposed operating budget (appropriation ordinance) for the fiscal year commencing on proceeding April 1st. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted at a public meeting to obtain taxpayers comments.
3. The budget is legally enacted through passage of an ordinance prior to June 30th.
4. The Township Treasurer, in conjunction with the Township Board, is authorized to expend the unexpended balance of any item or items of any general appropriation in making up any deficiency in any item or items of the same general appropriation.
5. The original budget was not amended during the fiscal year.
6. Formal budgetary integration is not employed as a management control device during the year for any fund.

RICHMOND TOWNSHIP, ILLINOIS

Notes to Required Supplementary Information
Year Ended March 31, 2022

NOTE 1 - BUDGETARY INFORMATION (CONCLUDED)

7. Budgetary comparisons presented in the accompanying financial statements are prepared on the modified accrual basis of accounting. All funds utilize the same basis of accounting for both budgetary purposes and actual results.
8. Expenditures cannot legally exceed appropriations at the fund level.
9. All appropriations lapse at year-end.
10. The budget for Town Fund and Road & Bridge Fund were adopted on June 17, 2021
11. The Motor Fuel Tax Fund is not required to adopt a budget and therefore is not included in the Budget and Actual Schedules.