



44 N. Walkup Ave.  
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Accounting • Auditing • Consulting

# Richmond Township, Illinois

Annual Financial Report

For the Year Ended March 31, 2021

# RICHMOND TOWNSHIP, ILLINOIS

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*Year Ended March 31, 2021*

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# RICHMOND TOWNSHIP, ILLINOIS

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## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Richmond Township, Illinois as of and for the year ended March 31, 2021, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the accompanying 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.

### Auditor's Responsibility

Our responsibility is to express opinions 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 of 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 auditor's 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 entity'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 entity'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 opinions.

## Opinions

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, Illinois as of March 31, 2021, and the respective changes in financial position and, where applicable, cash flows 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 and other required supplementary information 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 purposes of forming opinions on the financial statements as a whole that collectively comprise Richmond Township's basic financial statements. The individual fund financial statements and schedules and other information listed as

schedules and other supplementary information in the accompanying table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The individual fund financial statements and schedules and other information listed as schedules and other supplementary information in the accompanying table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures, 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 financials statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual financial statements and schedules and other information listed as schedules and other supplementary information are fairly stated in all material respects, in relation to the basic financial statements as a whole.

*George Roach & Associates, P.C.*

George Roach & Associates, P.C.  
Crystal Lake, Illinois  
June 3, 2021

REQUIRED SUPPLEMENTARY INFORMATION –  
MANAGEMENT DISCUSSION AND ANALYSIS -  
UNAUDITED

## RICHMOND TOWNSHIP, ILLINOIS

### MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2021

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, 2021. 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

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- The assets and deferred outflows of the Township exceeded its liabilities and deferred inflows at March 31, 2021 by \$3,254,766 (*net position*). Of this amount, \$339,847 (*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 \$368,203.
- At March 31, 2021, the Township's governmental funds reported combined ending fund balances of \$1,462,100, an increase of \$169,603 from the prior year.
- At March 31, 2021, the fund balance for the Town Fund was \$187,187, a decrease of \$14,484 from the prior year.
- The Township's total net fixed assets increased by \$105,043 during the year ended March 31, 2021.

### OVERVIEW OF THE FINANCIAL STATEMENTS

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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, 2021*

#### **OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

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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, 2021

#### OVERVIEW OF THE FINANCIAL STATEMENTS (CONCLUDED)

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##### 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

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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 \$3,254,766 for the year ended March 31, 2021. A portion of the Township's net position reflects its investment in capital assets; \$1,640,006. 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 \$1,614,760, of which \$1,274,913 is restricted and \$339,847 is unassigned.

##### Richmond Township Net Position

	Governmental Activities	
	3/31/2020	3/31/2021
Current and Other Assets	\$ 2,132,505	\$ 2,595,385
Fixed Assets	1,534,963	1,640,006
<b>Total Assets</b>	<b>\$ 3,667,468</b>	<b>\$ 4,235,391</b>
<b>Deferred Outflow</b>	<b>\$ 69,445</b>	<b>\$ 64,297</b>
Liabilities	\$ 58,294	\$ 90,557
<b>Total Liabilities</b>	<b>58,294</b>	<b>90,557</b>
<b>Deferred Inflow</b>	<b>975,556</b>	<b>1,035,865</b>
<b>Net Position:</b>		
Net Investment in Capital Assets	1,487,963	1,640,006
Restricted	1,090,826	1,274,913
Unassigned	307,774	339,847
<b>Total Net Position</b>	<b>\$ 2,886,563</b>	<b>\$ 3,254,766</b>

## RICHMOND TOWNSHIP, ILLINOIS

### MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2021

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 (\$339,847) 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 \$368,203.

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

	<b>Richmond Township Changes in Net Position</b>	
	<b>Governmental Activities</b>	
	<u>3/31/2020</u>	<u>3/31/2021</u>
<b>Revenues</b>		
Program Revenues		
Charges for Services	\$ 11,135	\$ 72,668
Operating Grants	22,798	14,163
General Revenues		
Property Taxes	791,632	841,696
Replacement Taxes	32,245	40,366
TOIRMA	3,235	3,235
Motor Fuel Taxes	64,183	116,991
Interest	13,886	14,865
Intergovernmental Agreements	6,131	202
Other Income	17,816	42,512
<b>Total Revenues</b>	<u>963,061</u>	<u>1,146,698</u>
<b>Expenses</b>		
General Government	308,131	221,015
Community Assistance and Services	10,263	26,588
Assessor	53,739	69,439
Cemetery	-	35,398
Road and Bridge	472,019	331,279
Motor Fuel Tax Projects	25,917	94,776
<b>Total Expenses</b>	<u>870,069</u>	<u>778,495</u>
<b>Increase/(Decrease) in Net Assets</b>	92,992	368,203
<b>Net Position - Beginning of Year</b>	<u>2,793,571</u>	<u>2,886,563</u>
<b>Net Position - End of Year</b>	<u>\$2,886,563</u>	<u>\$3,254,766</u>

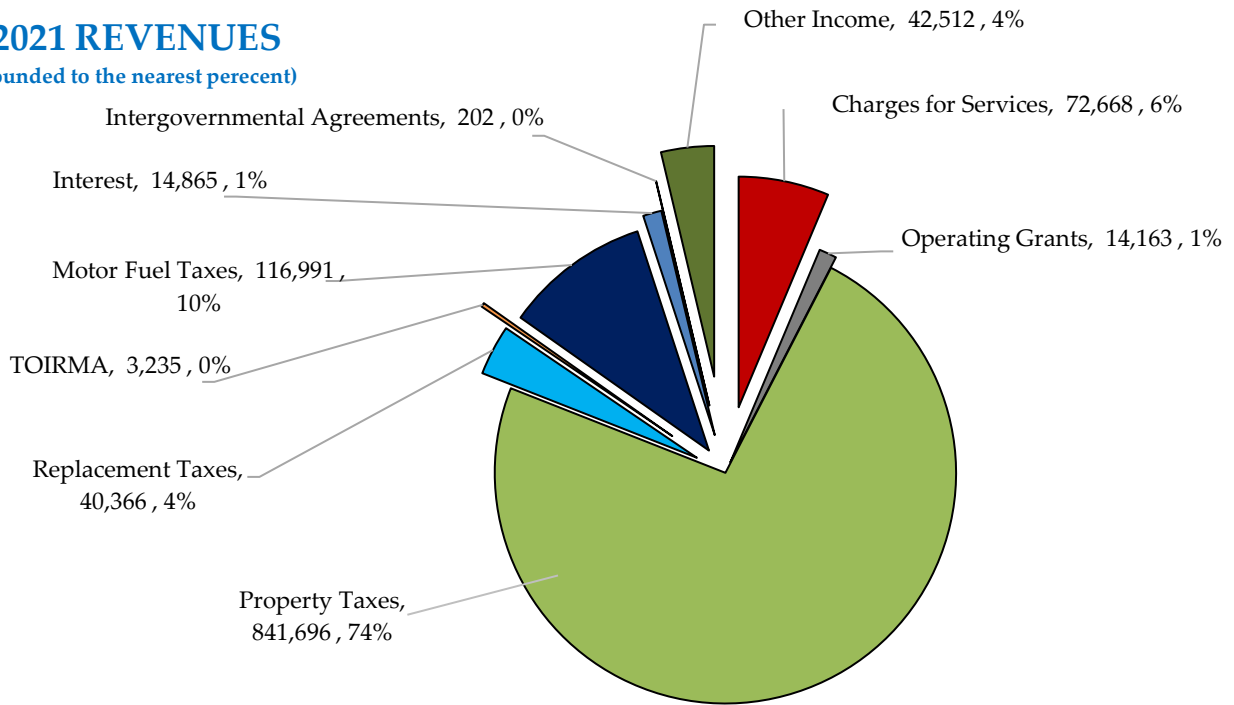
# RICHMOND TOWNSHIP, ILLINOIS

## MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2021

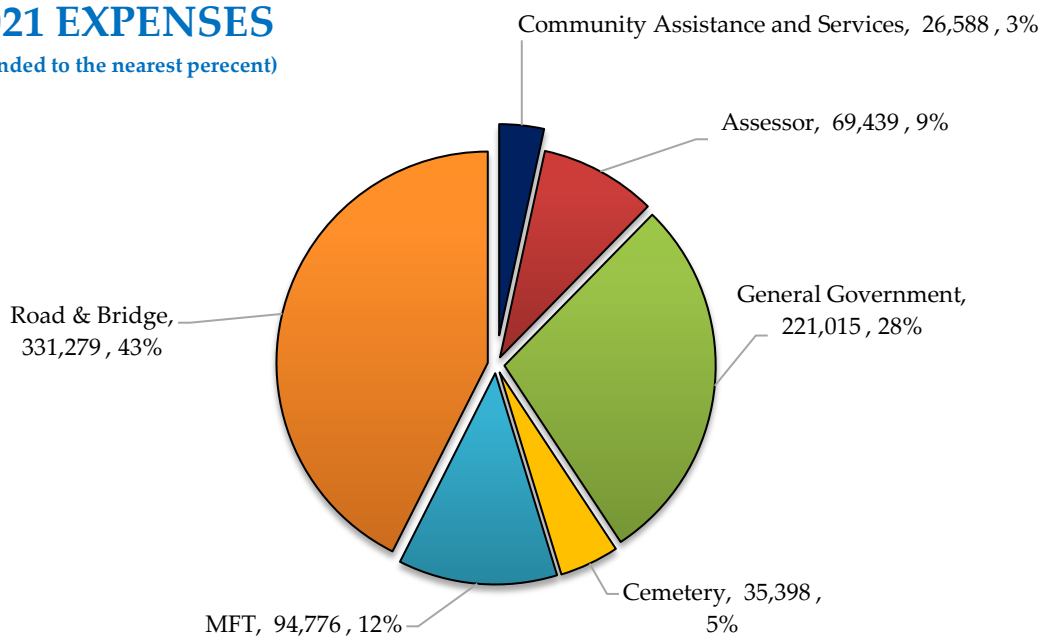
### 2021 REVENUES

(rounded to the nearest percent)



### 2021 EXPENSES

(rounded to the nearest percent)



## RICHMOND TOWNSHIP, ILLINOIS

### MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2021

#### FINANCIAL ANALYSIS OF THE TOWNSHIP'S FUNDS

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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, 2021, the Township's governmental funds reported combined ending fund balances of \$1,462,100, an increase of \$169,603 in comparison with the prior year.

The Town Fund is the chief operating fund of the Township. At March 31, 2021, the fund balance of the Town Fund was \$187,187. This represents a decrease of \$14,484, compared to the prior fiscal year.

##### Town Fund Budgetary Highlights

Expenditures in the Town Fund of \$329,246, were under revenues by \$14,484 and was \$69,454 less than the appropriation of \$398,700.

#### CAPITAL ASSETS

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The Township's capital fixed assets for its governmental activities as of March 31, 2021, amount to \$1,640,006 (net of accumulated depreciation). This investment in fixed assets includes land, roads and improvements, buildings and improvements, vehicles, and other equipment.

## RICHMOND TOWNSHIP, ILLINOIS

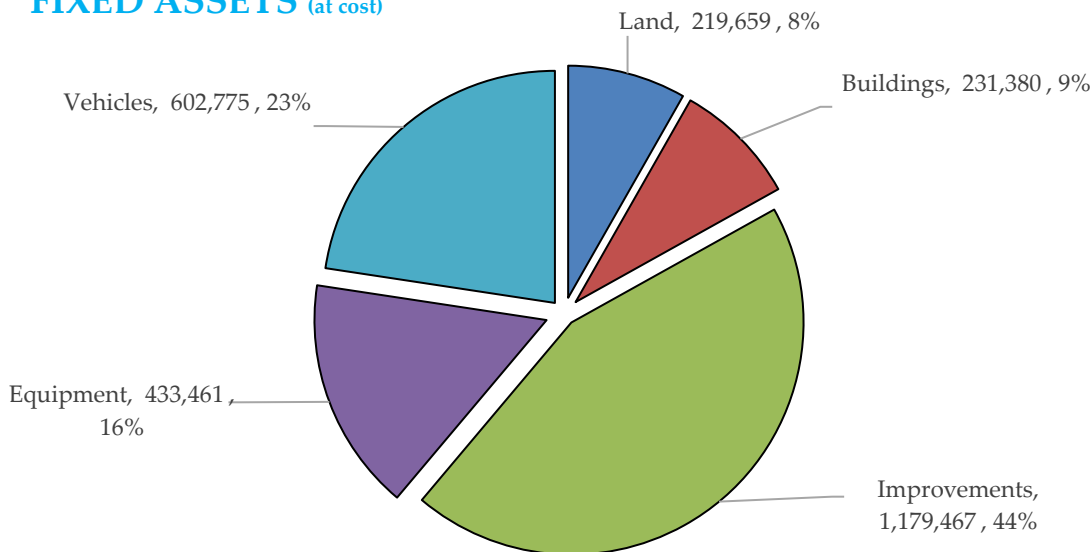
### MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2021

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

Fixed Assets	Balance			Balance
	March 31, 2020	Increases	Decreases	March 31, 2021
Land	\$ 219,659	\$ -	\$ -	\$ 219,659
Buildings	231,380	-	-	231,380
Improvements	1,008,444	171,023	-	1,179,467
Equipment	433,461	-	-	433,461
Vehicles	559,089	43,686	-	602,775
<b>Total Fixed Assets</b>	<b>2,452,033</b>	<b>214,709</b>	<b>-</b>	<b>2,666,742</b>
Less: Accumulated Depreciation	917,070	109,666	-	1,026,736
<b>Fixed Assets (Net)</b>	<b>\$ 1,534,963</b>	<b>\$ 105,043</b>	<b>\$ -</b>	<b>\$ 1,640,006</b>

### FIXED ASSETS (at cost)



### ECONOMIC FACTORS AND PROPERTY TAXES

The equalized assessed valuation (EAV) of the Township for 2020 is \$242,853,709. That represents an increase in EAV of \$8,449,221 over the prior year's EAV. Taxes recorded in these financial statements are from the 2019 levy. A summary of the assessed valuations and extensions for tax years 2020, 2019, and 2018 is as follows:

## RICHMOND TOWNSHIP, ILLINOIS

### MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2021

#### ASSESSED VALUATIONS, EXTENDED TAX RATE PERCENTAGE ALLOCATIONS, EXTENDED TAX RATES AND TAX EXTENSIONS

TAX LEVY YEAR	2020	2019	2018
<b>Assessed Valuation</b>			
McHenry County	\$ 242,853,709	\$ 234,404,488	\$ 221,821,561

#### Tax Rates and Percentage Allocations by Fund

Funds	Rate	Percentage	Rate	Percentage	Rate	Percentage
Corporate	0.117934	31.67	0.118563	32.72	0.122169	32.69
Public Assistance	0.002546	0.68	0.002537	0.70	0.002708	0.72
Road & Bridge	0.040657	10.92	0.039735	10.97	0.041913	11.22
Hard Road	0.178535	47.94	0.180388	49.78	0.184581	49.40
Equipment & Building	0.020828	5.59	0.021137	5.83	0.022296	5.97
Cemetery	0.0119	3.20				
<b>Totals</b>	0.372400	100.00	0.362360	100.00	0.373667	100.00

#### Property Tax Extensions

Funds	2020	2019	2018
Corporate	\$ 286,407	\$ 277,917	\$ 270,997
Public Assistance	6,183	5,947	6,007
Road & Bridge	98,737	93,141	92,972
Hard Road	433,579	422,837	409,441
Equipment & Building	50,582	49,546	49,457
Cemetery	28,900		
<b>Totals</b>	\$ 904,388	\$ 849,388	\$ 828,874

## **RICHMOND TOWNSHIP, ILLINOIS**

### *MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED*

*Year Ended March 31, 2021*

#### 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, 2021

<b>Assets</b>	
Cash	\$ 1,365,001
Cash restricted	106,156
Property tax receivable	904,388
Net pension asset	219,840
Fixed assets, net of depreciation (\$917,070)	1,640,006
<b>Total Assets</b>	<b>\$ 4,235,391</b>
<b>Deferred Outflow - Pension</b>	<b>\$ 64,297</b>
<b>Liabilities</b>	
<b>Current</b>	
Accounts payable	\$ 7,059
Accrued payroll	1,025
Payroll tax accruals	973
<b>Total Liabilities</b>	<b>9,057</b>
<b>Deferred Inflow - Pension</b>	131,477
<b>Deferred Inflow - Property taxes</b>	904,388
<b>Total Deferred Inflows</b>	<b>1,035,865</b>
<b>Net Position</b>	
Net investment in capital assets	1,640,006
Restricted - general assistance	1,692
Restricted - cemetery	215,028
Restricted - general road & bridge	162,515
Restricted - permanent road & bridge	696,208
Restricted - equipment & building	93,314
Restricted - motor fuel tax	106,156
Unassigned	339,847
<b>Total Net Position</b>	<b>\$ 3,254,766</b>

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, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue & Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental Activities</b>					
General Government	\$ 221,015	\$ -	\$ 14,163	\$ -	\$ (206,852)
General Assistance	26,588	-	-	-	(26,588)
Assessor	69,439	-	-	-	(69,439)
Cemetery	35,398	35,758	-	-	360
Road & Bridge	331,279	36,910	-	-	(294,369)
Motor Fuel Projects	94,776	-	-	-	(94,776)
<b>Total Governmental Activities</b>	<b>\$ 778,495</b>	<b>\$ 72,668</b>	<b>\$ 14,163</b>	<b>\$ -</b>	<b>(691,664)</b>
<b>General Revenues:</b>					
					841,696
					40,366
					3,235
					116,991
					202
					42,512
					14,865
					<u>1,059,867</u>
					368,203
					<u>2,886,563</u>
					<u>\$ 3,254,766</u>

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

# RICHMOND TOWNSHIP, ILLINOIS

## Governmental Fund Types - Balance Sheet

March 31, 2021

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	\$ 189,202	\$ 5,728	\$ 215,878	\$ 164,010	\$ 696,869	\$ 93,314	\$ -	\$ 1,365,001
Restricted cash	-	-	-	-	-	-	106,156	106,156
Total cash and investments	189,202	5,728	215,878	164,010	696,869	93,314	106,156	1,471,157
Due from other funds	4,351	-	-	-	-	-	-	4,351
Property taxes receivable, current levy, net of 1% allowance for loss	286,407	6,183	28,900	98,737	433,579	50,582	-	904,388
<b>Total Assets</b>	<b>\$ 479,960</b>	<b>\$ 11,911</b>	<b>\$ 244,778</b>	<b>\$ 262,747</b>	<b>\$ 1,130,448</b>	<b>\$ 143,896</b>	<b>\$ 106,156</b>	<b>\$ 2,379,896</b>
<b>Liabilities</b>								
Accounts payable	\$ 5,159	\$ -	\$ 850	\$ 1,050	\$ -	\$ -	\$ -	\$ 7,059
Accrued payroll	302	-	-	121	602	-	-	1,025
Payroll taxes payable	905	-	-	9	59	-	-	973
Due to General Fund	-	4,036	-	315	-	-	-	4,351
<b>Total Liabilities</b>	<b>6,366</b>	<b>4,036</b>	<b>850</b>	<b>1,495</b>	<b>661</b>	<b>-</b>	<b>-</b>	<b>13,408</b>
<b>Deferred Inflows - Property Taxes</b>	<b>286,407</b>	<b>6,183</b>	<b>28,900</b>	<b>98,737</b>	<b>433,579</b>	<b>50,582</b>	<b>-</b>	<b>904,388</b>
<b>Total Liabilities &amp; Deferred Inflows</b>	<b>292,773</b>	<b>10,219</b>	<b>29,750</b>	<b>100,232</b>	<b>434,240</b>	<b>50,582</b>	<b>-</b>	<b>917,796</b>
<b>Fund Balance</b>								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	1,692	215,028	162,515	696,208	93,314	106,156	1,274,913
Committed	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	187,187	-	-	-	-	-	-	187,187
<b>Total Fund Balance</b>	<b>187,187</b>	<b>1,692</b>	<b>215,028</b>	<b>162,515</b>	<b>696,208</b>	<b>93,314</b>	<b>106,156</b>	<b>1,462,100</b>
<b>Total Liabilities, Deferred Inflows &amp; Fund Balance</b>	<b>\$ 479,960</b>	<b>\$ 11,911</b>	<b>\$ 244,778</b>	<b>\$ 262,747</b>	<b>\$ 1,130,448</b>	<b>\$ 143,896</b>	<b>\$ 106,156</b>	<b>\$ 2,379,896</b>

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, 2021*

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

<b>Total Governmental Fund Balances</b>	\$ 1,462,100
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	1,640,006
Pension liabilities, deferred pension outflows and deferred pension inflows are not recorded in the fund statements but are included	
Net pension asset	219,840
Deferred IMRF pension outflow	64,297
Deferred IMRF pension inflow	(131,477)
<b>Total Net Position of Governmental Activities</b>	<u>\$ 3,254,766</u>

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, 2021

	Town Fund	General Assistance Fund	Cemetery Fund	General Road & Bridge Fund	Permanent Road & Bridge Fund	Equipment & Building Fund	Motor Fuel Tax Fund	Total
<b>Revenues</b>								
Property taxes	\$ 277,731	\$ 5,943	\$ 28,016	\$ 57,932	\$ 422,560	\$ 49,514	\$ -	\$ 841,696
Replacement taxes	14,958	165	516	24,727	-	-	-	40,366
Motor fuel tax	-	-	-	-	-	-	116,991	116,991
Licenses, fees, and permits	-	-	35,758	35,515	-	-	-	71,273
Donation	102	100	-	-	-	-	-	202
Fines	-	-	800	1,395	-	-	-	2,195
Grants and donations	14,163	-	-	-	-	-	-	14,163
TOIRMA	1,165	-	-	2,070	-	-	-	3,235
Interest income	601	11,424	153	373	1,859	318	137	14,865
Miscellaneous revenue	6,042	13	2,483	1,512	31,999	463	-	42,512
<b>Total Revenues</b>	<b>314,762</b>	<b>17,645</b>	<b>67,726</b>	<b>123,524</b>	<b>456,418</b>	<b>50,295</b>	<b>117,128</b>	<b>1,147,498</b>
<b>Expenditures</b>								
Administrative	220,702	-	-	75,896	-	7,361	-	303,959
Assessor	69,439	-	-	-	-	-	-	69,439
Transportation	30,105	-	-	-	-	-	-	30,105
General assistance/home relief	-	26,588	-	-	-	-	-	26,588
Operations and maintenance	-	-	35,398	15,291	324,714	-	94,776	470,179
Capital expenditures	-	-	-	-	5,406	71,419	-	76,825
<b>Total Expenditures</b>	<b>320,246</b>	<b>26,588</b>	<b>35,398</b>	<b>91,187</b>	<b>330,120</b>	<b>78,780</b>	<b>94,776</b>	<b>977,095</b>
<b>Operating Transfers in/(out)</b>	<b>9,000</b>	<b>(9,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>(14,484)</b>	<b>57</b>	<b>32,328</b>	<b>32,337</b>	<b>126,298</b>	<b>(28,485)</b>	<b>22,352</b>	<b>170,403</b>
<b>Fund Balance</b>								
Balance, beginning of year	201,671	1,635	183,500	130,178	569,910	121,799	83,804	1,292,497
<b>Total Fund Balance</b>	<b>\$ 187,187</b>	<b>\$ 1,692</b>	<b>\$ 215,828</b>	<b>\$ 162,515</b>	<b>\$ 696,208</b>	<b>\$ 93,314</b>	<b>\$ 106,156</b>	<b>\$ 1,462,900</b>

# **RICHMOND TOWNSHIP, ILLINOIS**

*Reconciliation of the Governmental Funds to the Statement of Activities*

*Year Ended March 31, 2021*

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

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<b>Net Change in Fund Balance</b>	<b>\$ 170,403</b>
 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	105,043
 Governmental funds report the payment of debt as a expenditure; however the Statement of Activities records the payment as a reduction in the debt liability.	
Debt payments	47,000
 Governmental funds do not report the changes of non-current pension liabilities, deferred outflows or deferred inflows.	
Pension expense	<u>46,557</u>
<b>Changes in Net Position Governmental Funds</b>	<b><u><u>\$ 369,003</u></u></b>

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, 2021*

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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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, 2021*

## 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, 2021

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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### 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, 2021

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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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, 2021, unexpended appropriations of the budgetary funds (town fund and special revenue funds) automatically lapse. The budget is prepared on the modified accrual basis. The 2020-2021 appropriations ordinance was adopted July 15, 2020.

### 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, 2021

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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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, 2021.

### *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, 2021

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

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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

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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 \$1,471,157 and the bank balance is \$1,504,021. Of the bank balance in the Township's name, \$250,000 is FDIC insured, \$1,254,021 is collateralized for the Township in the bank's trust department and the remaining \$106,156 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, 2021

## NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT

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### 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](http://www.imrf.org).

### BENEFITS PROVIDED

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

All 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, 2021

## NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

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- 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, 2020, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	8
Inactive Plan Memebers entitled to but not yet receiving benefits	7
Active Plan Members	<u>6</u>
<b>Total</b>	<b>21</b>

### 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 2020 was 4.46%. For the calendar year ended December 31, 2020, the Township contributed \$10,965 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, 2020. 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, 2020:

- 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, 2021

## NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

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- **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, 2020:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Expected Real Rate of Return</u>
Domestic Equity	37%	5.00%
International Equity	18%	6.00%
Fixed Income	28%	1.30%
Real Estate	9%	6.20%
Alternative Investments	7%	2.85-6.95%
Cash Equivalents	1%	0.70%
Total	100%	

# RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2021

## NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

### Executive Summary as of December 31, 2020

Actuarial Valuation Date	12/31/2020	
Measurement Date of the Net Pension Liability	12/31/2020	
Fiscal Year End	3/31/2021	
<b>Membership</b>		
Number of		
- Retirees and Beneficiaries	8	
- Inactive, Non-Retired Members	7	
- Active Members	6	
- Total	21	
Covered Valuation Payroll *	\$ 245,850	
<b>Net Pension Liability</b>		
Total Pension Liability/(Asset)	\$ 867,616	
Plan Fiduciary Net Position	1,087,456	
Net Pension Liability/(Asset)	\$ (219,840)	
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	125.34%	
Net Pension Liability as a Percentage of Covered Valuation Payroll	(89.42%)	
<b>Development of the Single Discount Rate as of December 31, 2020</b>		
Long-Term Expected Rate of Investment Return	7.25%	
Long-Term Municipal Bond Rate**	2.00%	
Last year ending December 31 in the 2021 to 2120 projection period for which projected benefit payments are fully funded	2120	
Resulting Single Discount Rate based on the above development	7.25%	
Single Discount Rate calculated using December 31, 2019 Measurement Date	7.25%	
<b>Total Pension Expense/(Income)</b>	\$ (35,592)	
<b>Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses</b>		
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ 20,021	\$ 4,398
Changes in assumptions	-	3,920
Net difference between projected and actual earnings on pension plan investments	44,276	123,159
Total	<u>\$ 64,297</u>	<u>\$ 131,477</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, 2020. 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, 2021*

## NOTE 3 - ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

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### 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 2.00%, 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, 2021

## NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

### Schedule of Changes in Net Pension Liability and Related Ratios - Current Period Calendar Year Ended December 31, 2020

<b>A. Total pension liability</b>	
1. Service Cost	\$ 24,950
2. Interest on the Total Pension Liability	57,295
3. Changes of benefit terms	-
4. Difference between expected and actual experience of the Total Pension Liability	38,054
5. Changes of assumptions	(7,451)
6. Benefit payments, including refunds of employee contributions	(46,058)
7. Net change in total pension liability	66,790
8. Total pension liability – beginning	800,826
9. Total pension liability – ending	<u>\$ 867,616</u>
<b>B. Plan fiduciary net position</b>	
1. Contributions – employer	\$ 10,965
2. Contributions – employee	11,063
3. Net investment income	133,809
4. Benefit payments, including refunds of employee contributions	(46,058)
5. Other (Net Transfer)	14,026
6. Net change in plan fiduciary net position	123,805
7. Plan fiduciary net position – beginning	963,651
8. Plan fiduciary net position – ending	<u>\$ 1,087,456</u>
<b>C. Net pension liability/(asset)</b>	<u>\$ (219,840)</u>
<b>D. Plan fiduciary net position as a percentage of the total pension liability</b>	125.34%
<b>E. Covered Valuation payroll</b>	\$ 245,850
<b>F. Net pension liability as a percentage of covered valuation payroll</b>	(89.42%)

### 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	\$ 941,413	\$ 867,616	\$ 806,797
Plan Fiduciary Net Position	1,087,456	1,087,456	1,087,456
Net Pension Liability/(Asset)	<u>\$ (146,043)</u>	<u>\$ (219,840)</u>	<u>\$ (280,659)</u>

# RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2021

## 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, 2021, the Township recognized pension income of \$35,592. At March 31, 2021, the Township reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

<b>Deferred Amounts Related to Pensions</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual	\$ 20,021	\$ 4,398
Changes of assumptions	-	3,920
Net difference between projected and actual earnings on pension plan investments	<u>44,276</u>	<u>123,159</u>
Total Deferred Amounts to be recognized in pension expense in future periods	<u>64,297</u>	<u>131,477</u>
<i>Pension Contributions made subsequent to the Measurement Date</i>	4,764	-
<b>Total Deferred Amounts Related to Pensions</b>	<b><u>\$ 59,533</u></b>	<b><u>\$ 131,477</u></b>

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:

<b>Year Ending December 31</b>	<b>Net Deferred Outflows of Resources</b>
2021	\$ (14,958)
2022	(7,812)
2023	(31,547)
2024	(12,863)
2025	-
Thereafter	-
<b>Total</b>	<b><u>\$ (67,180)</u></b>

# RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2021

## NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

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### Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2020 Contribution Rate\*

#### Valuation Date: December 31, 2020

Notes 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 2020 Contribution Rates:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 23-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 19 years for most employers (three employers were financed over 27 years and four others were 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, IMRF specific mortality rates were 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, IMRF specific mortality rates were used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, IMRF specific mortality rates were used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

#### Other Information:

Notes There were no benefit changes during the year

\* Based on Valuation Assumptions used in the December 31, 2018 actuarial valuation



# RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2021

## NOTE 4 – CHANGES IN FIXED ASSETS

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	Balance			Balance
Fixed Assets	March 31, 2020	Increases	Decreases	March 31, 2021
Land	\$ 219,659	\$ -	\$ -	\$ 219,659
Buildings	231,380	-	-	231,380
Improvements	1,008,444	171,023	-	1,179,467
Equipment	433,461	-	-	433,461
Vehicles	559,089	43,686	-	602,775
<b>Total Fixed Assets</b>	<b>2,452,033</b>	<b>214,709</b>	<b>-</b>	<b>2,666,742</b>
Less: Accumulated Depreciation	917,070	109,666	-	1,026,736
<b>Fixed Assets (Net)</b>	<b>\$ 1,534,963</b>	<b>\$ 105,043</b>	<b>\$ -</b>	<b>\$ 1,640,006</b>

### Depreciation by Governmental Activity

General Government	\$ 16,765
Road & Bridge	92,901
<b>Total Governmental Activities</b>	<b>109,666</b>

## NOTE 5 – RISK MANAGEMENT

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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, 2021

## NOTE 6 – FUND BALANCES (CONCLUDED)

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### *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 no items 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 \$849,389 reported in the governmental funds for unavailable revenues are from property taxes to be received in the following year.

# RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2021

## NOTE 8 – LONG-TERM DEBT

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Long-term liability activity for the year ended March 31, 2020 was as follows:

Governmental Activities:	Balance			Balance	Amounts Due Within One Year
	April 1, 2020	Additions	Retirements		
Long-Term Debt					
First National Bank loan	\$ 47,000	\$ -	\$ 47,000	\$ -	\$ -
<b>Total Long-Term Debt</b>	<b>\$ 47,000</b>	<b>\$ -</b>	<b>\$ 47,000</b>	<b>\$ -</b>	<b>\$ -</b>

The township entered into a loan agreement with an original amount of \$97,000 and an interest rate of 3.75%.

## NOTE 9 – SUBSEQUENT EVENTS

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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, 2021 and the date of this audit report requiring disclosure in the financial statements.

## NOTE 10 – CONTINGENCIES

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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, 2021*

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Modified Accrual Basis</b>
<b>Revenues</b>			
Property tax	\$ 282,000	\$ 282,000	\$ 277,731
Replacement tax	8,500	8,500	14,958
Bus rider fees	4,300	4,300	-
Donation	-	-	102
Intergovernmental receipts	6,200	6,200	-
Grants and donations	60,000	60,000	14,163
TOIRMA	3,800	3,800	1,165
Interest income	3,000	3,000	601
Rentals	1,200	1,200	-
Miscellaneous revenue	1,000	1,000	6,042
<b>Total Revenues</b>	<b>370,000</b>	<b>370,000</b>	<b>314,762</b>
<b>Expenditures</b>			
<b>General and Administrative</b>			
<b>Personnel</b>			
Salaries	150,500	150,500	161,278
Health insurance	6,500	6,500	7,403
Social Security	10,000	10,000	9,614
Medicare	3,800	3,800	2,304
Retirement contribution	10,000	10,000	4,597
Payroll expense	600	600	-
<b>Total Personnel</b>	<b>181,400</b>	<b>181,400</b>	<b>185,196</b>
<b>Contractual Services</b>			
Maintenance - buildings	1,500	1,500	3,499
Maintenance - equipment	6,150	6,150	80
TOIRMA insurance	4,000	4,000	7,702
Accounting services	7,000	7,000	3,800
Legal services	1,500	1,500	230
Postage	400	400	520
Telephone	2,500	2,500	2,685
Publishing	500	500	359
Printing	200	200	-
Dues and memberships	800	800	1,012
Travel	1,400	1,400	-

*Continued*

# RICHMOND TOWNSHIP, ILLINOIS

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

*Year Ended March 31, 2021*

	Original Budget	Final Budget	Modified Accrual Basis
<b>General and Administrative</b>			
<b>Contractual Services</b>			
Training	\$ 300	\$ 300	\$ 127
Utilities	4,500	4,500	5,466
Public communication	2,500	2,500	777
Contract transportation - McRide	2,750	2,750	-
<b>Total Contractual Services</b>	36,000	36,000	26,257
<b>Commodities</b>			
Office supplies	2,000	2,000	2,609
Operating supplies	1,500	1,500	1,036
Community Services	-	-	500
<b>Total Commodities</b>	3,500	3,500	4,145
<b>Capital Expenditures</b>			
Building	1,500	1,500	-
Equipment	10,500	10,500	-
<b>Total Capital Expenditures</b>	12,000	12,000	-
<b>Other Expenditures</b>			
Community relations	6,000	6,000	225
Youth services	2,500	2,500	-
Misc. expense	2,000	2,000	-
Other	250	250	-
Contingency	10,000	10,000	-
Jr. Trustee	1,000	1,000	880
Storm siren maintenance	1,800	1,800	3,999
<b>Total Other Expenditures</b>	23,550	23,550	5,104
<b>Total Administrative</b>	256,450	256,450	220,702
<b>Assessor Office</b>			
<b>Personnel</b>			
Salaries	29,000	29,000	19,459
Social Security	2,000	2,000	1,206
Medicare	600	600	282

*Continued*

# RICHMOND TOWNSHIP, ILLINOIS

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

*Year Ended March 31, 2021*

	Original Budget	Final Budget	Modified Accrual Basis
<b>Personnel</b>			
Retirement contribution	\$ 1,000	\$ 1,000	\$ 381
Uniform allowance	300	300	-
<b>Total Personnel</b>	32,900	32,900	21,328
<b>Contractual Services</b>			
Legal services	250	250	-
Postage	150	150	179
Telephone	2,000	2,000	2,128
Publishing/publications	1,200	1,200	2,704
Dues and memberships	700	700	323
Travel	1,000	1,000	-
Training	1,300	1,300	(360)
Office equipment	4,000	4,000	-
PAMS/MLS fees	6,000	6,000	11,925
<b>Total Contractual Services</b>	16,600	16,600	16,899
<b>Commodities</b>			
Office supplies	1,500	1,500	1,968
Operating supplies	1,200	1,200	667
Gasoline	1,400	1,400	904
<b>Total Commodities</b>	4,100	4,100	3,539
<b>Capital Expenditures</b>			
Equipment	-	-	4,060
<b>Total Capital Expenditures</b>	-	-	4,060
<b>Other Expenditures</b>			
Miscellaneous Expenditures	500	500	23,613
<b>Total Other Expenditures</b>	500	500	23,613
<b>Total Assessor Office</b>	54,100	54,100	69,439
<b>Transportation Personnel</b>			
Salaries	41,000	41,000	7,148
Social Security	3,000	3,000	435

*Continued*

# RICHMOND TOWNSHIP, ILLINOIS

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

*Year Ended March 31, 2021*

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Modified Accrual Basis</b>
<b>Personnel (concluded)</b>			
Medicare	\$ 750	\$ 750	\$ 112
Retirement contribution	1,200	1,200	1,095
Health insurance	6,000	6,000	2,987
<b>Total Personnel</b>	51,950	51,950	11,777
<b>Contractual Services</b>			
Maintenance - vehicles	4,000	4,000	3,075
TOIRMA insurance	4,200	4,200	-
Telephone	300	300	135
Printing, postage, newsletter	400	400	-
Vehicle lease	4,700	4,700	1,864
Senior trip/transportation	1,000	1,000	-
<b>Total Contractual Services</b>	14,600	14,600	5,074
<b>Commodities</b>			
Operating supplies	50	50	-
Fuel	7,550	7,550	352
Miscellaneous	2,000	2,000	436
<b>Total Commodities</b>	9,600	9,600	788
<b>Capital Expenditures</b>			
Vehicle	12,000	12,000	12,466
<b>Total Capital Expenditures</b>	12,000	12,000	12,466
<b>Total Transportation</b>	88,150	88,150	30,105
Operating transfers out/(in)	10,000	10,000	9,000
<b>Total Expenditures Town Fund</b>	398,700	398,700	329,246
<b>Net Change in Fund Balance</b>	\$ (398,700)	\$ (398,700)	\$ (14,484)

*Concluded*

# RICHMOND TOWNSHIP, ILLINOIS

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

Year Ended March 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Modified Accrual Basis</u>
<b>Revenues</b>			
Property tax	\$ 10,000	\$ 10,000	\$ 5,943
Replacement tax	-	-	165
Donation	-	-	100
Miscellaneous revenue	-	-	11,424
Interest income	60	60	13
<b>Total Revenues</b>	<u>10,060</u>	<u>10,060</u>	<u>17,645</u>
<b>Expenditures</b>			
<b>Home Relief</b>			
General assistance	3,000	3,000	22,587
Emergency assistance	10,000	10,000	3,836
Miscellaneous expenditures	-	-	165
<b>Total Home Relief</b>	<u>13,000</u>	<u>13,000</u>	<u>26,588</u>
<b>Other Expenditures</b>			
Contingencies	15,000	15,000	-
<b>Total Other Expenditures</b>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Operating transfers out/(in)	<u>(10,000)</u>	<u>(10,000)</u>	<u>(9,000)</u>
<b>Total Expenditures General Assistance Fund</b>	<u>18,000</u>	<u>18,000</u>	<u>17,588</u>
<b>Net Change in Fund Balance</b>	<u>\$ (7,940)</u>	<u>\$ (7,940)</u>	<u>\$ 57</u>



**RICHMOND TOWNSHIP, ILLINOIS***Road & Bridge Fund - Schedule of Revenues & Expenditures - Budget and Actual**Year Ended March 31, 2021*

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Modified Accrual Basis</b>
<b>Revenues</b>			
Property taxes	\$ 57,970	\$ 57,970	\$ 57,932
Replacement taxes	20,000	20,000	24,727
Licenses, fees, and permits	1,000	1,000	35,515
TOIRMA dividends	-	-	2,070
Fines	800	800	1,395
Interest income	1,000	1,000	373
Miscellaneous revenue	-	-	1,512
<b>Total Revenues</b>	<b>80,770</b>	<b>80,770</b>	<b>123,524</b>
<b>Expenditures</b>			
<b>General and Administrative</b>			
<b>Personnel</b>			
Salaries	25,000	25,000	24,735
Social Security	2,000	2,000	1,531
Medicare	500	500	361
Retirement contribution	2,000	2,000	-
Uniforms	1,000	1,000	-
<b>Total Personnel</b>	<b>30,500</b>	<b>30,500</b>	<b>26,627</b>
<b>Contractual Services</b>			
Accounting services	4,000	4,000	3,800
Legal services	2,000	2,000	246
Postage	100	100	56
Telephone	1,000	1,000	718
Publishing	1,000	1,000	-
Printing	1,000	1,000	-
Dues	-	-	100
Rental	-	-	2,115
Travel expenses	2,000	2,000	-
Training	750	750	-
Garbage disposal	1,000	1,000	-
Risk management - TOIRMA insurance	20,000	20,000	13,692
<b>Total Contractual Services</b>	<b>32,850</b>	<b>32,850</b>	<b>20,727</b>

*Continued*

# RICHMOND TOWNSHIP, ILLINOIS

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

Year Ended March 31, 2021

	Original Budget	Final Budget	Modified Accrual Basis
<b>Commodities</b>			
Office supplies	\$ 2,000	\$ 2,000	\$ 399
Small tools	-	-	209
<b>Total Commodities</b>	<b>2,000</b>	<b>2,000</b>	<b>608</b>
<b>Capital Expenditures</b>			
Equipment	5,000	5,000	2,228
<b>Total Capital Expenditures</b>	<b>5,000</b>	<b>5,000</b>	<b>2,228</b>
<b>Other Expenditures</b>			
Municipal replacement tax	2,500	2,500	683
Culvert permit refunds	5,000	5,000	3,150
Miscellaneous expenditures	4,500	4,500	21,873
<b>Total Other Expenditures</b>	<b>12,000</b>	<b>12,000</b>	<b>25,706</b>
<b>Total General and Administrative</b>	<b>82,350</b>	<b>82,350</b>	<b>75,896</b>
<b>Maintenance</b>			
<b>Contractual Services</b>			
Maintenance - buildings	2,000	2,000	353
Maintenance - equipment	2,000	2,000	2,811
Maintenance - vehicles	5,000	5,000	30
Maintenance - road	100	100	-
Maintenance - bridge	50,000	50,000	-
Utilites	3,000	3,000	2,834
Street lighting	7,100	7,100	7,923
<b>Total Contractual Services</b>	<b>69,200</b>	<b>69,200</b>	<b>13,951</b>
<b>Commodities</b>			
Maintenance supplies - equipment	1,000	1,000	859
Maintenance supplies - vehicle	1,000	1,000	481
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	-
<b>Total Commodities</b>	<b>11,500</b>	<b>11,500</b>	<b>1,340</b>

*Continued*

# RICHMOND TOWNSHIP, ILLINOIS

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

Year Ended March 31, 2021

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Modified Accrual Basis</b>
<b>Capital Expenditures</b>			
Building	\$ 10,000	\$ 10,000	\$ -
<b>Total Capital Expenditures</b>	<b>10,000</b>	<b>10,000</b>	<b>-</b>
<b>Other expenditures</b>			
Contingencies	5,000	5,000	-
<b>Total other expenditures</b>	<b>5,000</b>	<b>5,000</b>	<b>-</b>
<b>Total Maintenance Department</b>	<b>95,700</b>	<b>95,700</b>	<b>15,291</b>
<b>Total Expenditures Road and Bridge Fund</b>	<b>178,050</b>	<b>178,050</b>	<b>91,187</b>
<b>Net Change in Fund Balance</b>	<b>\$ (97,280)</b>	<b>\$ (97,280)</b>	<b>\$ 32,337</b>

*Concluded*

# RICHMOND TOWNSHIP, ILLINOIS

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

Year Ended March 31, 2021

	Original Budget	Final Budget	Modified Accrual Basis
<b>Revenues</b>			
Property taxes	\$ 422,838	\$ 422,838	\$ 422,560
Interest income	6,500	6,500	1,859
Miscellaneous revenue	-	-	31,999
<b>Total Revenues</b>	429,338	429,338	456,418
<b>General and Administrative</b>			
<b>Personnel</b>			
Salaries	135,000	135,000	109,722
Health insurance	30,000	30,000	18,317
Social Security	8,000	8,000	6,802
Medicare	1,900	1,900	1,592
Retirement contribution	6,000	6,000	3,773
<b>Total Personnel</b>	180,900	180,900	140,206
<b>Contractual Services</b>			
Maintenance - equipment	15,000	15,000	8,349
Maintenance - road	140,000	140,000	76,248
Engineering services	10,000	10,000	-
Utilities	2,000	2,000	38
Rentals	5,000	5,000	3,800
<b>Total Contractual Services</b>	172,000	172,000	88,435
<b>Commodities</b>			
Maintenance supplies - equipment	15,000	15,000	17,033
Maintenance supplies - road	90,000	90,000	25,236
Maintenance supplies - snow removal	75,000	75,000	37,361
Maintenance supplies - signs	1,000	1,000	75
Operating supplies	2,500	2,500	739
Small tools	2,500	2,500	672
Gas/diesel/oil	30,000	30,000	14,698
<b>Total Commodities</b>	216,000	216,000	95,814

*Continued*

# **RICHMOND TOWNSHIP, ILLINOIS**

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

*Year Ended March 31, 2021*

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Modified Accrual Basis</b>
<b>Capital Expenditures</b>			
Equipment	\$ 75,000	\$ 75,000	\$ 5,406
<b>Total Capital Expenditures</b>	<b>75,000</b>	<b>75,000</b>	<b>5,406</b>
<b>Other Expenditures</b>			
Miscellaneous expenditures	2,500	2,500	259
<b>Total Other Expenditures</b>	<b>2,500</b>	<b>2,500</b>	<b>259</b>
<b>Total General and Administration</b>	<b>646,400</b>	<b>646,400</b>	<b>330,120</b>
<b>Net Change in Fund Balance</b>	<b>\$ 1,075,738</b>	<b>\$ 1,075,738</b>	<b>\$ 126,298</b>

*Concluded*

# RICHMOND TOWNSHIP, ILLINOIS

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

Year Ended March 31, 2021

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Modified Accrual Basis</b>
<b>Revenues</b>			
Property taxes	\$ 49,546	\$ 49,546	\$ 49,514
Interest income	1,550	1,550	318
Miscellaneous revenue	7,000	7,000	463
<b>Total Revenues</b>	<b>58,096</b>	<b>58,096</b>	<b>50,295</b>
<b>General and Administration</b>			
<b>Contractual Services</b>			
Maintenance supplies - other/signs	2,000	2,000	2,275
Telephone	2,000	2,000	-
Garbage disposal	1,500	1,500	1,078
Utilities	3,000	3,000	4,008
<b>Total Contractual Services</b>	<b>8,500</b>	<b>8,500</b>	<b>7,361</b>
<b>Capital Expenditures</b>			
Equipment	28,000	28,000	27,733
Vehicle	75,000	75,000	43,686
<b>Total Capital Expenditures</b>	<b>123,000</b>	<b>123,000</b>	<b>71,419</b>
<b>Total General and Administration</b>	<b>131,500</b>	<b>131,500</b>	<b>78,780</b>
<b>Net Change in Fund Balance</b>	<b>\$ (73,404)</b>	<b>\$ (73,404)</b>	<b>\$ (28,485)</b>

**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	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Total Pension Liability</b>										
Service Cost	\$ 24,950	\$ 27,058	\$ 22,236	\$ 21,572	\$ 23,095	\$ 24,898				
Interest on the Total Pension Liability	57,295	56,237	55,552	52,879	54,048	58,574				
Benefit Changes	-	-	-	-	-	-				
Difference between Expected and Actual Experience	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	(46,058)	(34,561)	(33,681)	(33,006)	(81,585)	(47,809)				
<b>Net Change in Total Pension Liability</b>	<b>66,790</b>	<b>21,394</b>	<b>33,018</b>	<b>35,643</b>	<b>(40,082)</b>	<b>(41,589)</b>				
<b>Total Pension Liability - Beginning</b>	<b>800,826</b>	<b>779,432</b>	<b>746,414</b>	<b>710,771</b>	<b>750,853</b>	<b>792,442</b>				
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 867,616</b>	<b>\$ 800,826</b>	<b>\$ 779,432</b>	<b>\$ 746,414</b>	<b>\$ 710,771</b>	<b>\$ 750,853</b>				
<b>Plan Fiduciary Net Position</b>										
Employer Contributions	10,965	12,743	16,134	16,006	15,275	18,335				
Employee Contributions	11,063	11,244	10,432	8,564	8,332	9,376				
Pension Plan Net Investment Income	133,809	152,469	(46,133)	133,311	50,024	4,045				
Benefit Payments and Refunds	(46,058)	(34,561)	(33,681)	(33,006)	(81,585)	(47,809)				
Other	14,026	4,508	12,369	(10,105)	13,775	(65,400)				
<b>Net Change in Plan Fiduciary Net Position</b>	<b>123,805</b>	<b>146,403</b>	<b>(40,879)</b>	<b>114,770</b>	<b>5,821</b>	<b>(81,453)</b>				
<b>Plan Fiduciary Net Position - Beginning</b>	<b>963,651</b>	<b>817,248</b>	<b>858,127</b>	<b>743,357</b>	<b>737,536</b>	<b>818,989</b>				
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 1,087,456</b>	<b>\$ 963,651</b>	<b>\$ 817,248</b>	<b>\$ 858,127</b>	<b>\$ 743,357</b>	<b>\$ 737,536</b>				
<b>Net Pension Liability/(Asset) - Ending (a) - (b)</b>	<b>(219,840)</b>	<b>(162,825)</b>	<b>(37,816)</b>	<b>(111,713)</b>	<b>(32,586)</b>	<b>13,317</b>				
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	<b>125.34%</b>	<b>120.33%</b>	<b>104.85%</b>	<b>114.97%</b>	<b>104.58%</b>	<b>98.23%</b>				
<b>Covered Valuation Payroll</b>	<b>\$ 245,850</b>	<b>\$ 249,866</b>	<b>\$ 231,827</b>	<b>\$ 190,321</b>	<b>\$ 185,147</b>	<b>\$ 208,354</b>				
<b>Net Pension Liability as a Percentage of Covered Valuation Payroll</b>	<b>(89.42%)</b>	<b>(65.16%)</b>	<b>(16.31%)</b>	<b>(58.70%)</b>	<b>(17.60%)</b>	<b>6.39%</b>				

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

<b>Calendar Year Ending December 31,</b>	<b>Actuarially Determined Contribution</b>	<b>Actual Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered Valuation Payroll</b>	<b>Actual Contribution as a % of Covered Valuation Payroll</b>
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%

\* Estimated based on a contribution rate of 4.46% and covered valuation payroll of \$245,850.



NOTES TO REQUIRED  
SUPPLEMENTARY INFORMATION

# RICHMOND TOWNSHIP, ILLINOIS

*Notes to Required Supplementary Information*  
*Year Ended March 31, 2021*

## NOTE 1 - BUDGETARY INFORMATION

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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, 2021*

### **NOTE 1 - BUDGETARY INFORMATION (CONCLUDED)**

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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 July 10, 2020
11. The Motor Fuel Tax Fund is not required to adopt a budget and therefore is not included in the Budget and Actual Schedules.