

Richmond Township, Illinois

Annual Financial Report

For the Year Ended March 31, 2023

RICHMOND TOWNSHIP, ILLINOIS

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Year Ended March 31, 2023

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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

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Richmond Township, IL as of and for the year ended March 31, 2023, 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 and each major fund of Richmond Township, as of March 31, 2023, 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, budgetary comparison information and pension schedules 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.

GW & Associates, P.C.

GW & Associates, P.C.
Certified Public Accountants
Hillside, Illinois
August 8, 2023

REQUIRED SUPPLEMENTARY INFORMATION

MANAGEMENT DISCUSSION
AND ANALYSIS - UNAUDITED

RICHMOND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2023

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, 2023. 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, 2023 by \$3,888,839 (*net position*). Of this amount, \$308,025 (*unrestricted net position*) may be used to meet the Township's ongoing obligations to citizens and creditors.
- The Township's total net position increased by \$343,986.
- At March 31, 2023, the Township's governmental funds reported combined ending fund balances of \$1,834,041, an increase of \$202,408 from the prior year.
- At March 31, 2023, the fund balance for the Town Fund was \$211,563, an increase of \$23,177 from the prior year.
- The Township's total net capital assets increased by \$142,271 during the year ended March 31, 2023.

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.

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.

RICHMOND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2023

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, 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 six funds and one blended component unit (general 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.

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 Motor Fuel Tax fund which is managed and administered by the county on behalf of the Township. A budgetary comparison

RICHMOND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2023

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 \$3,888,839 for the year ended March 31, 2023. A portion of the Township's net position reflects its investment in capital assets; \$1,861,576. 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 \$2,019,146, of which \$1,719,238 is restricted and \$308,025 is unrestricted.

RICHMOND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2023

Richmond Township Net Position

	<u>Governmental Activities</u>	
	<u>3/31/2023</u>	<u>3/31/2022</u>
Current and Other Assets	\$ 2,902,180	\$ 2,878,328
Capital Assets	<u>1,861,576</u>	<u>1,719,303</u>
Total Assets	<u>\$ 4,763,756</u>	<u>\$ 4,597,631</u>
Deferred Outflow	<u>\$ 99,397</u>	<u>\$ 33,830</u>
Deferred Inflow	<u>974,314</u>	<u>1,086,528</u>
Net position		
Net investment in capital assets	1,861,576	1,719,303
Restricted	1,719,238	1,443,247
Unrestricted	<u>308,025</u>	<u>382,383</u>
Total Net Position	<u>\$ 3,888,839</u>	<u>\$ 3,544,933</u>

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 unrestricted net position \$299,908 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 \$335,869.

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

RICHMOND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2023

Richmond Township Changes in Net Position

	Governmental Activities	
	<u>3/31/2023</u>	<u>3/31/2022</u>
Revenues		
Charges for Services	\$ 23,710	\$ 35,129
Operating Grants	139,541	89,404
General Revenues		
Property Taxes	884,689	863,381
Replacement Taxes	95,947	58,499
TOIRMA	3,170	3,235
Interest	7,270	2,061
Intergovernmental Agreements	5,481	5,949
Sale of Capital Assets	-	11,600
Other Income	7,591	25,922
Total Revenues	<u>1,167,399</u>	<u>1,095,180</u>
Expenses		
General Government	305,816	287,118
Community Assistance and Services	9,947	7,301
Assessor	38,330	28,780
Cemetery	36,326	38,295
Road and Bridge	422,375	435,400
Motor Fuel Tax Projects	10,619	8,199
Total Expenses	<u>823,413</u>	<u>805,093</u>
Increased/(Decreased) in Net Assets	343,986	290,087
Net Position - Beginning of Year	<u>3,544,853</u>	<u>3,254,766</u>
Net Position - End of Year	<u>\$ 3,888,839</u>	<u>\$ 3,544,853</u>

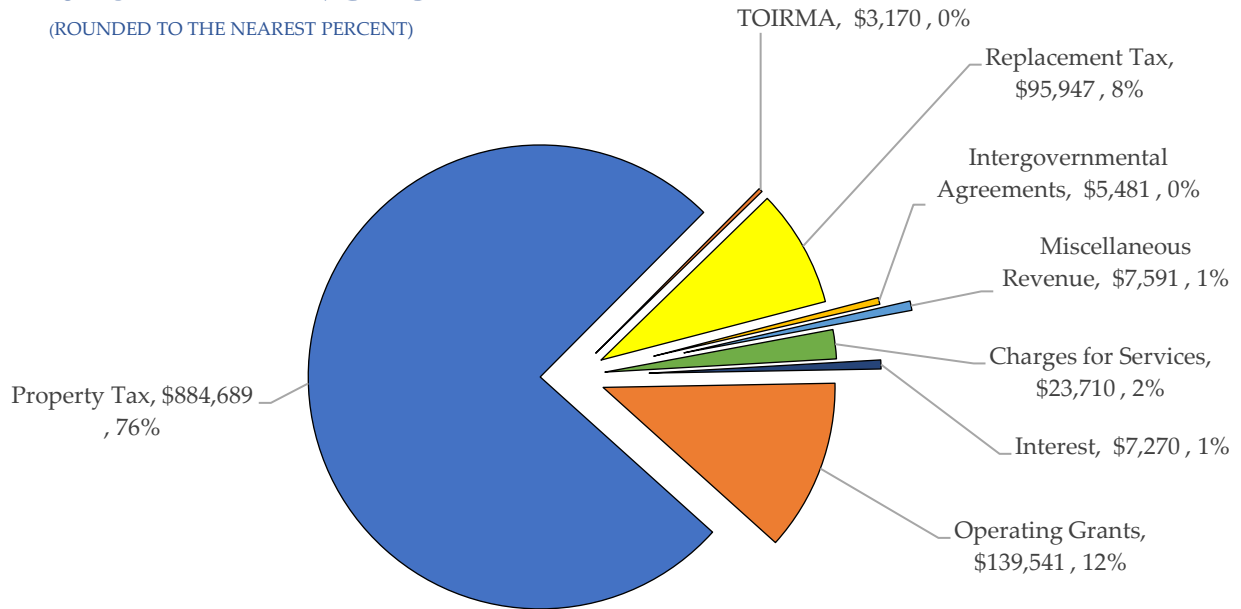
RICHMOND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2023

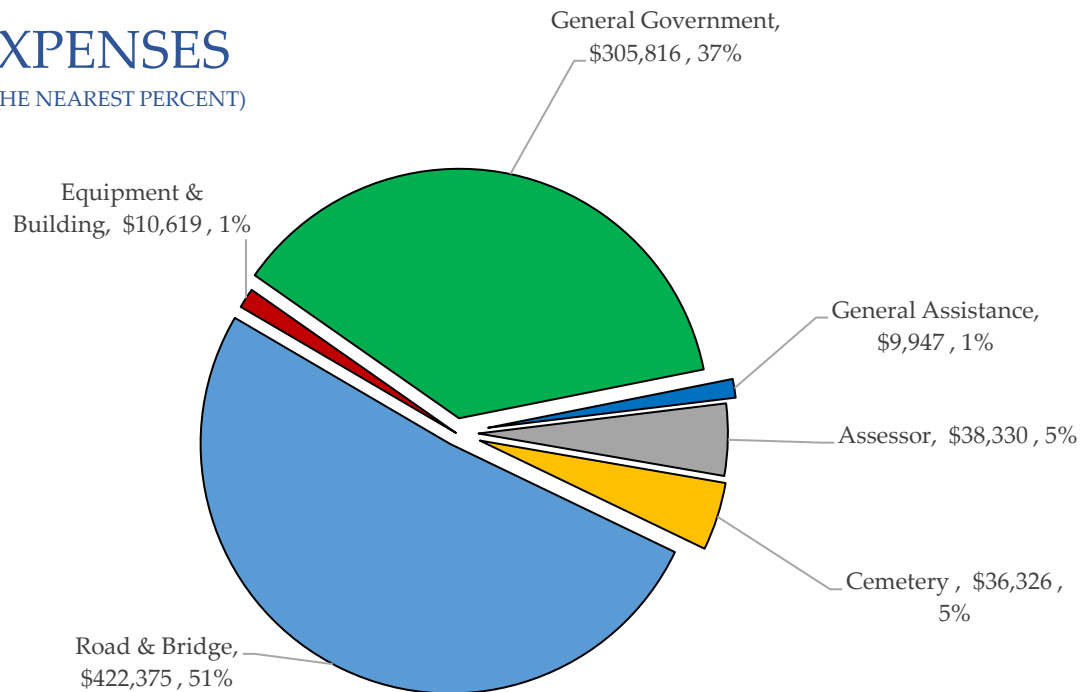
2023 REVENUES

(ROUNDED TO THE NEAREST PERCENT)



2023 EXPENSES

(ROUNDED TO THE NEAREST PERCENT)



RICHMOND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2023

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, unassigned 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, 2023, the Township's governmental funds reported combined ending fund balances of \$1,834,041, an increase of \$202,408 in comparison with the prior year.

The Town Fund is the chief operating fund of the Township. At March 31, 2023, the fund balance of the Town Fund was \$211,563. This represents an increase of \$23,177, compared to the prior fiscal year.

Town Fund Budgetary Highlights

Expenditures in the Town Fund of \$346,036, were under revenues by \$23,177 and was \$29,264 less than the appropriation of \$376,300.

CAPITAL ASSETS

The Township's capital fixed assets for its governmental activities as of March 31, 2023, amount to \$1,861,576 (net of accumulated depreciation). This investment in fixed assets includes land, roads and improvements, buildings and improvements, vehicles, and other equipment.

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

	Balance			Balance
Capital Assets	March 31, 2022	Increases	Decreases	March 31, 2023
Land	\$ 219,659	\$ -	\$ -	\$ 219,659
Construction in Progress	18,493	-	18,493	-
Buildings	231,380	-	-	231,380
Equipment	442,788	-	-	442,788
Improvements	1,348,038	235,295	-	1,583,333
Vehicles	576,791	47,555	-	624,546
Total Capital Assets	\$ 2,837,147	\$ 283,050	\$ 18,493	\$ 3,101,704
Less Accumulated Depreciation	1,117,842	(122,286)	-	1,240,130
Capital Assets (Net)	\$ 1,719,303	\$ 160,764	\$ 18,493	\$ 1,861,576

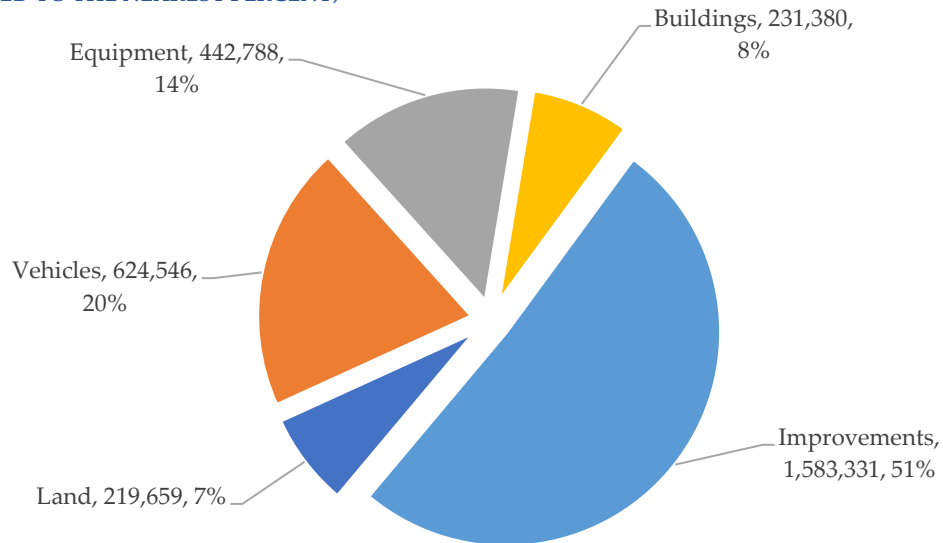
RICHMOND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2023

FIXED ASSETS (at cost)

(ROUNDED TO THE NEAREST PERCENT)



ECONOMIC FACTORS AND PROPERTY TAXES

The equalized assessed valuation (EAV) of the Township for 2022 is \$269,940,259. That represents an increase in EAV of \$15,369,071 over the prior year's EAV. Taxes recorded in these financial statements are from the 2021 levy. A summary of the assessed valuations and extensions for tax years 2022, 2021, and 2020 is as follows:

RICHMOND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2023

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

TAX LEVY YEAR	2022		2021		2020	
Assessed Valuation						
McHenry County	\$	269,940,259	\$	254,571,188	\$	242,853,709
Tax Rates and Percentage Allocations by Fund						
Funds	Rate	Percentage	Rate	Percentage	Rate	Percentage
Corporate	0.114232	31.65	0.115139	31.65	0.117934	31.67
Public Assistance	0.003705	1.03	0.002485	0.68	0.002546	0.68
Road & Bridge	0.035808	9.92	0.039720	10.92	0.040657	10.92
Hard Road	0.176692	48.95	0.175337	48.20	0.178535	47.94
Equipment & Building	0.019264	5.34	0.019463	5.35	0.020828	5.59
Cemetery	0.011241	3.11	0.011630	3.20	0.011900	3.20
Totals	0.360942	100.00	0.363774	100.00	0.3724	100.00
Property Tax Extensions						
Funds	2022		2021		2020	
Corporate	\$	308,339	\$	293,111	\$	286,407
Public Assistance		10,001		6,326		6,183
Road & Bridge		96,660		101,116		98,737
Hard Road		476,966		446,357		433,579
Equipment & Building		52,001		49,547		50,582
Cemetery		30,347		29,607		28,900
Totals	\$	974,314	\$	926,064	\$	904,388

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

For the Year Ended March 31, 2023

Assets	
Cash	\$ 1,536,072
Cash restricted	297,969
Property tax receivable	974,314
Net pension asset	93,825
Capital assets not being depreciated	219,659
Capital assets being depreciated, net of depreciation	1,641,917
Total Assets	\$ 4,763,756
Deferred Outflow - Pension	\$ 99,397
Deferred Inflow - Property taxes	974,314
Total Deferred Inflows	974,314
Net Position	
Net investment in capital assets	1,861,576
Restricted - pensions	93,825
Restricted - cemetery	225,261
Restricted - general road & bridge	298,407
Restricted - permanent road & bridge	652,119
Restricted - equipment & building	151,657
Restricted - motor fuel tax	297,969
Unrestricted	308,025
Total Net Position	\$ 3,888,839

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

RICHMOND TOWNSHIP, ILLINOIS

Government-wide Statement of Activities and Changes in Net Position

For the Year Ended March 31, 2023

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	\$ 305,816	\$ 4,195	\$ 32,650	\$ -	\$ (268,971)
General Assistance	9,947	-	-	-	(9,947)
Assessor	38,330	-	-	-	(38,330)
Cemetery	36,326	11,915	-	-	(24,411)
Road & Bridge	422,375	7,600	106,891	-	(307,884)
Equipment & Building	10,619	-	-	-	-
Total Governmental Activities	\$ 823,413	\$ 23,710	\$ 139,541	\$ -	(660,163)
General Revenues:					
					884,689
					95,947
					3,170
					5,481
					7,591
					7,270
					<u>1,004,148</u>
					343,986
					<u>3,544,853</u>
					<u>\$ 3,888,839</u>

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

RICHMOND TOWNSHIP, ILLINOIS

Governmental Fund Types - Balance Sheet

For the Year Ended March 31, 2023

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	\$ 194,746	\$ 8,155	\$ 226,649	\$ 302,544	\$ 648,222	\$ 155,756	\$ -	\$ 1,536,072
Restricted cash	-	-	-	-	-	-	297,969	297,969
Total cash and investments	194,746	8,155	226,649	302,544	648,222	155,756	297,969	1,834,041
Due from other funds	16,817	-	695	4,513	3,897	1,151	-	27,073
Property taxes receivable, current levy, net of 1% allowance for loss	308,339	10,001	30,347	96,660	476,966	52,001	-	974,314
Total Assets	\$ 519,902	\$ 18,156	\$ 257,691	\$ 403,717	\$ 1,129,085	\$ 208,908	\$ 297,969	\$ 2,835,428
Liabilities								
Due to other funds	\$ -	\$ 11,090	\$ 2,083	\$ 8,650	\$ -	\$ 5,250	\$ -	27,073
Total Liabilities	-	11,090	2,083	8,650	-	5,250	-	27,073
Deferred Inflows - Property Taxes	308,339	10,001	30,347	96,660	476,966	52,001	-	974,314
Total Liabilities & Deferred Inflows	308,339	21,091	32,430	105,310	476,966	57,251	-	1,001,387
Fund Balance								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	225,261	298,407	652,119	151,657	297,969	1,625,413
Committed	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	211,563	(2,935)	-	-	-	-	-	208,628
Total Fund Balance	211,563	(2,935)	225,261	298,407	652,119	151,657	297,969	1,834,041
Total Liabilities, Deferred Inflows & Fund Balance	\$ 519,902	\$ 18,156	\$ 257,691	\$ 403,717	\$ 1,129,085	\$ 208,908	\$ 297,969	\$ 2,835,428

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

For the Year Ended March 31, 2023

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

Total Governmental Fund Balances	\$ 1,834,041
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	1,861,576
Pension liabilities, deferred pension outflows and deferred pension inflows are not recorded in the fund statements but are included	
Net pension asset	93,825
Deferred IMRF pension outflow	99,397
Total Net Position of Governmental Activities	\$ 3,888,839

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

For the Year Ended March 31, 2023

	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 tax	\$ 294,465	\$ 5,441	\$ 29,426	\$ 62,274	\$ 445,413	\$ 47,670	\$ -	\$ 884,689
Replacement tax	29,521	-	1,205	65,221	-	-	-	95,947
Motor fuel tax	-	-	-	-	-	-	106,891	106,891
Licenses, fees, and permits	-	-	11,915	7,300	-	-	-	19,215
Donation	2,650	1,000	-	-	-	-	-	3,650
Intergovernmental receipts	5,481	-	-	-	-	-	-	5,481
Fines	-	-	-	300	-	-	-	300
Grants and donations	30,000	-	-	-	-	-	-	30,000
Bus rider fees	3,195	-	-	-	-	-	-	3,195
TOIRMA	1,141	-	-	2,029	-	-	-	3,170
Interest income	33	2	43	26	147	25	6,994	7,270
Miscellaneous revenue	2,727	13	63	1,934	2,854	-	-	7,591
Total Revenues	369,213	6,456	42,652	139,084	448,414	47,695	113,885	1,167,399
Expenditures								
Administrative	243,487	-	-	-	-	5,581	-	249,068
Assessor	38,330	-	-	-	-	-	-	38,330
Transportation	54,236	-	-	-	-	-	-	54,236
General assistance/home relief	-	9,947	-	-	-	-	-	9,947
Operations and maintenance	-	-	36,326	68,304	441,649	5,038	-	551,317
Capital expenditures	9,983	-	-	-	47,755	4,355	-	62,093
Total Expenditures	346,036	9,947	36,326	68,304	489,404	14,974	-	964,991
Over Expenditures	23,177	(3,491)	6,326	70,780	(40,990)	32,721	113,885	202,408
Net Change in Fund Balance	23,177	(3,491)	6,326	70,780	(40,990)	32,721	113,885	202,408
Fund Balance								
Balance, beginning of year	188,386	556	218,935	227,627	693,109	118,936	184,084	1,631,633
Total Fund Balance	\$ 211,563	\$ (2,935)	\$ 225,261	\$ 298,407	\$ 652,119	\$ 151,657	\$ 297,969	\$ 1,834,041

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

RICHMOND TOWNSHIP, ILLINOIS

Reconciliation of the Governmental Funds to the Statement of Activities

For the Year Ended March 31, 2023

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	\$ 202,408
 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	142,271
 Governmental funds do not report the changes of non-current pension liabilities, deferred outflows or deferred inflows.	
Pension revenue	<u>(693)</u>
Changes in Net Position Governmental Funds	<u><u>\$ 343,986</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, 2023

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 unrestricted net position.

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2023

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, 2023

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 2022 levy was passed by the Board on November 11, 2022.

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 acquisition 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, 2023

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 year-end.

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, 2023, unexpended appropriations of the budgetary funds (town fund and special revenue funds) automatically lapse. The budget is prepared on the modified accrual basis. The 2022-2023 appropriations ordinance was adopted June 17, 2022.

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, 2023

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, 2023.

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, 2023

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 unrestricted, but reserves the right to selectively spend unrestricted resources first to defer the use of these other classified funds.

Unrestricted 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 \$1,834,041 and the bank balance is \$1,867,909. 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, 2023

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, 2023

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, 2022, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	10
Inactive Plan Memebers entitled to but not yet receiving benefits	6
Active Plan Members	<u>6</u>
Total	22

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 2022 was 2.11%. For the calendar year ended December 31, 2022, the Township contributed \$6,098 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, 2022. 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, 2022:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.25%.
- **Salary Increases** were expected to be 2.85% to 13.75%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2023

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, 2022:

<u>Asset Class</u>	<u>Percentage</u>	<u>of Return</u>
Domestic Equity	35.50%	6.50%
International Equity	18.00%	7.60%
Fixed Income	25.50%	4.90%
Real Estate	10.50%	6.20%
Alternative Investments	9.50%	6.25-9.90%
Cash Equivalents	1.00%	4.00%
Total	100.00%	

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2023

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:

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

	1% Decrease 6.25%	Current Single Discount Rate Assumption 7.25%	1% Increase 8.25%
Total Pension Liability	\$ 1,065,157	\$ 984,917	\$ 918,653
Plan Fiduciary Net Position	1,078,742	1,078,742	1,078,742
Net Pension Liability/(Asset)	<u>\$ (13,585)</u>	<u>\$ (93,825)</u>	<u>\$ (160,089)</u>

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2023

NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

Schedule of Changes in Net Pension Liability and Related Ratios - Current Period Calendar Year Ended December 31, 2022

A. Total pension liability	
1. Service Cost	\$ 29,376
2. Interest on the Total Pension Liability	66,717
3. Changes of benefit terms	-
4. Difference between expected and actual experience of the Total Pension Liability	6,215
5. Changes of assumptions	-
6. Benefit payments, including refunds of employee contributions	(45,886)
7. Net change in total pension liability	56,422
8. Total pension liability – beginning	928,495
9. Total pension liability – ending	<u>\$ 984,917</u>
B. Plan fiduciary net position	
1. Contributions – employer	\$ 6,098
2. Contributions – employee	13,006
3. Net investment income	(151,795)
4. Benefit payments, including refunds of employee contributions	(45,886)
5. Other (Net Transfer)	8,193
6. Net change in plan fiduciary net position	(170,384)
7. Plan fiduciary net position – beginning	1,249,126
8. Plan fiduciary net position – ending	<u>\$ 1,078,742</u>
C. Net pension liability/(asset)	<u>\$ (93,825)</u>
D. Plan fiduciary net position as a percentage of the total pension liability	109.53%
E. Covered Valuation payroll*	\$ 289,016
F. Net pension liability as a percentage of covered valuation payroll	(32.46%)

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2023

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, 2023, the Township recognized pension income of \$14,990. At March 31, 2023, the Township reported deferred outflows of 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	\$ 5,431	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	85,849	-
Total Deferred Amounts to be recognized in pension expense in future periods	91,280	-
<i>Pension Contributions made subsequent to the Measurement Date</i>		
	8,117	-
Total Deferred Amounts Related to Pensions	\$ 99,397	\$ -

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 March 31	Net Deferred Outflows of Resources
2024	\$ 137
2025	15,500
2026	27,308
2027	48,335
2028	-
Thereafter	-
Total	\$ 91,280

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2023

NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2022 Contribution Rate *

Valuation Date:

December 31, 2022

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 2022 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): 21-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 16 years for most employers (five employers were financed over 17 years; one employer was financed over 18 years; two employers were financed over 19 years; three employers were financed over 25 years; four employers were financed over 26 years and one employer was financed over 27 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	2.75%
Price Inflation	2.25%
Salary Increases	2.85% to 13.75% including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	For non-disabled retirees, the Pub-201, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2020, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other Information:

Notes

There were no benefit changes during the year

* Based on Valuation Assumptions used in the December 31, 2020 actuarial valuation.

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2023

NOTE 3 - ILLINOIS MUNICIPAL RETIREMENT (CONCLUDED)

SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE TOTAL PENSION LIABILITY

Methods and Assumptions Used to Determine Total Pension Liability:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Price Inflation	2.25%
Salary Increases	2.85% to 13.75%
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other Information:

Notes There were no benefit changes during the year.

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2022 Illinois Municipal Retirement Fund annual actuarial valuation report.

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2023

NOTE 4 – CHANGES IN FIXED ASSETS

	Balance March 31, 2022	Increases	Decreases	Balance March 31, 2023
Capital Assets				
Capital Assets Not Being Depreciated				
Land	\$ 219,659	\$ -	\$ -	\$ 219,659
Construction in progress	18,493	-	18,493	-
Total Capital Assets Not Being Depreciated	238,152	-	18,493	219,659
Capital Assets Being Depreciated				
Buildings	231,380	-	-	231,380
Improvements	1,348,038	235,295	-	1,583,333
Equipment	442,788	-	-	442,788
Vehicles	576,791	47,755	-	624,546
Total Capital Assets Being Depreciated	2,598,997	283,050	-	2,882,047
Total Capital Assets	2,837,147	283,050	18,493	3,101,704
Less: Accumulated Depreciation				
Buildings	142,654	4,628	-	147,282
Improvements	270,771	52,753	-	323,524
Equipment	324,294	24,119	-	348,413
Vehicles	380,123	40,786	-	420,909
Total Accumulated Depreciation	1,117,842	122,286	-	1,240,128
Capital Assets (Net)	\$ 1,719,303	\$ 160,764	\$ 18,493	\$ 1,861,576
 Depreciation by Governmental Activity				
General Government	\$ 21,843			
Road & Bridge	100,443			
Total Governmental Activities	122,286			

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.

RICHMOND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2023

NOTE 6 – 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 \$99,397 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 \$974,314 reported in the governmental funds for unavailable revenues are from property taxes to be received in the following year.

NOTE 7 – 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, 2023 and the date of this audit report requiring disclosure in the financial statements.

NOTE 8 – 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

For the Year Ended March 31, 2023

	Original Budget	Final Budget	Modified Accrual Basis
Revenues			
Property tax	\$ 282,000	282,000	\$ 294,465
Replacement tax	17,000	17,000	29,521
Bus rider fees	3,500	3,500	3,195
Donation	200	200	2,650
Intergovernmental receipts	5,481	5,481	5,481
Grants and donations	30,000	30,000	30,000
TOIRMA	1,200	1,200	1,141
Interest income	450	450	33
Miscellaneous income	500	500	1,252
Miscellaneous income - refunds	500	500	1,475
Total Revenues	340,831	340,831	369,213
Expenditures			
General and Administrative			
Personnel			
Salaries	135,000	135,000	145,293
Hourly wages	35,000	35,000	25,446
IMRF	6,000	6,000	3,878
Health insurance	7,500	7,500	9,232
Social Security	13,000	13,000	11,318
Medicare	3,000	3,000	2,436
Payroll expense	650	650	-
Unemployment expense	-	-	540
Total Personnel	200,150	200,150	198,143
Contractual Services			
Maintenance - buildings	1,500	1,500	2,050
Maintenance - equipment	2,500	2,500	-
TOIRMA insurance	8,300	8,300	8,249
Accounting services	4,500	4,500	5,145
Legal services	1,500	1,500	450
Postage	500	500	647
Telephone	3,000	3,000	2,982

Continued

RICHMOND TOWNSHIP, ILLINOIS

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

For the Year Ended March 31, 2023

	Original Budget	Final Budget	Modified Accrual Basis
Contractual Services (Continued)			
Publishing	\$ 600	\$ 600	\$ 1,250
Printing	400	400	872
Dues and memberships	1,000	1,000	771
Travel	250	250	-
Training	100	100	72
Office equipment	250	250	307
Software license	3,000	3,000	2,777
Emergency Assistance	-	-	935
Utilities	2,500	2,500	1,630
Public communication	2,500	2,500	-
Total Contractual Services	32,400	32,400	28,137
Commodities			
Office supplies	1,500	1,500	2,938
Operating supplies	500	500	-
Total Commodities	2,000	2,000	2,938
Capital Expenditures			
Building	5,000	5,000	9,983
Total Capital Expenditures	5,000	5,000	9,983
Other Expenditures			
Community relations	7,500	7,500	5,126
Youth services	2,500	2,500	2,000
Miscellaneous expense	2,500	2,500	2,968
Other	250	250	-
Contingency	5,000	5,000	-
Storm siren maintenance	4,200	4,200	4,175
Total Other Expenditures	21,950	21,950	14,269
Reconciliation discrepancies	1,000	1,000	-
Total Administrative	262,500	262,500	253,470

Continued

RICHMOND TOWNSHIP, ILLINOIS

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

For the Year Ended March 31, 2023

Expenditures (Continued)	Original	Final	Modified
Assessor Office	Budget	Budget	Accrual
Personnel			Basis
Hourly wages	\$ 33,200	\$ 33,200	\$ 22,789
Social Security	1,500	1,500	1,413
Medicare contribution	500	500	330
Payroll expenses	-	-	50
IMRF	-	-	85
Total Personnel	35,200	35,200	24,667
Contractual Services			
Legal services	200	200	-
Postage	200	200	-
Telephone	2,200	2,200	2,047
Software license	1,000	1,000	-
Dues and memberships	500	500	300
Travel	1,000	1,000	544
Training	1,300	1,300	1,125
Office equipment	600	600	680
PAMS/MLS fees	6,000	6,000	5,725
Total Contractual Services	13,000	13,000	10,421
Commodities			
Office supplies	2,200	2,200	1,720
Gasoline	2,200	2,200	1,522
Total Commodities	4,400	4,400	3,242
Other Expenditures			
Other	500	500	-
Total Other Expenditures	500	500	-
Total Assessor Office	53,100	53,100	38,330
Transportation			
Personnel			
Hourly wages	40,000	40,000	41,859
Social Security	750	750	2,598
Medicare	150	150	608

Continued

RICHMOND TOWNSHIP, ILLINOIS

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

For the Year Ended March 31, 2023

	Original Budget	Final Budget	Modified Accrual Basis
Personnel (continued)			
IMRF	\$ 1,200	\$ 1,200	\$ 450
Total Personnel	46,100	46,100	45,515
Contractual Services			
Maintenance - vehicles	4,000	4,000	4,585
Maintenance - equip	250	250	-
Telephone	300	300	160
Printing, postage, newsletter	400	400	-
Training	50	50	-
Senior trip/transportation	1,000	1,000	431
Total Contractual Services	6,000	6,000	5,176
Commodities			
Operating supplies	250	250	-
Fuel	7,000	7,000	2,710
Community services	350	350	-
Miscellaneous	1,000	1,000	835
Total Commodities	8,600	8,600	3,545
Total Transportation	60,700	60,700	54,236
Operating transfers out/(in)	-	-	-
Total Expenditures Town Fund	376,300	376,300	346,036
Net Change in Fund Balance	\$ (35,469)	\$ (35,469)	\$ 23,177
			<i>Concluded</i>

RICHMOND TOWNSHIP, ILLINOIS

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

For the Year Ended March 31, 2023

	Original Budget	Final Budget	Modified Accrual Basis
Revenues			
Property tax	\$ 6,300	\$ 6,300	\$ 5,441
Donation	-	-	1,000
Interest income	20	20	2
Miscellaneous revenue	-	-	13
Total Revenues	6,320	6,320	6,456
Expenditures			
Home Relief			
Personnel			
General assistance	5,000	5,000	478
Emergency assistance	10,000	10,000	9,238
Total Home Relief	15,000	15,000	9,716
Commodities			
Operating supplies	-	-	73
Total commodities	-	-	73
Other Expenditures			
Miscellaneous expense	-	-	158
Total Other Expenditures	-	-	158
Total Expenditures General Assistance Fund	15,000	15,000	9,947
Net Change in Fund Balance	\$ (8,680)	\$ (8,680)	\$ (3,491)

concluded

RICHMOND TOWNSHIP, ILLINOIS

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

For the Year Ended March 31, 2023

	Original Budget	Final Budget	Modified Accrual Basis
Revenues			
Property tax	\$ 62,864	\$ 62,864	\$ 62,274
Replacement tax	20,000	20,000	65,221
Licenses, fees, and permits	2,000	2,000	7,300
TOIRMA refund	-	-	2,029
Fines	1,000	1,000	300
Interest income	300	300	26
Miscellaneous revenue	-	-	1,934
Total Revenues	86,164	86,164	139,084
Expenditures			
General and Administrative			
Personnel			
Salaries	43,000	43,000	29,493
Social Security	2,500	2,500	1,829
Medicare	1,000	1,000	428
Uniforms	2,000	2,000	362
Total Personnel	48,500	48,500	32,112
Contractual Services			
Maintenance - buildings	800	800	-
Maintenance - equipment	200	200	268
Maintenance - vehicles	5,000	5,000	-
Utilites	-	-	3,116
Street lighting	7,500	7,500	5,735
Accounting services	4,200	4,200	4,250
Legal services	2,000	2,000	-
Postage	50	50	-
Telephone	600	600	689
Publishing	300	300	1,056
Printing	2,000	2,000	-
Travel expenses	2,000	2,000	-

Continued

RICHMOND TOWNSHIP, ILLINOIS

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

For the Year Ended March 31, 2023

	Original Budget	Final Budget	Modified Accrual Basis
Contractual Services (Continued)			
Training	\$ 2,000	\$ 2,000	\$ 100
Risk management - TOIRMA insurance	15,000	15,000	14,664
Total Contractual Services	41,650	41,650	29,878
Maintenance supplies - equipment	800	800	909
Maintenance supplies - vehicle	1,000	1,000	308
Operating supplies	1,500	1,500	1,150
Small tools	500	500	-
Office supplies	2,000	2,000	1,218
Total Commodities	5,800	5,800	3,585
Other Expenditures			
Culvert permit refunds	-	-	965
Contingencies	5,000	5,000	-
Miscellaneous expenditures	2,000	2,000	1,764
Total Other Expenditures	7,000	7,000	2,729
Total General and Administrative	102,950	102,950	68,304
Net Change in Fund Balance	\$ (16,786)	\$ (16,786)	\$ 70,780

Concluded

RICHMOND TOWNSHIP, ILLINOIS

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

For the Year Ended March 31, 2023

	Original Budget	Final Budget	Modified Accrual Basis
Revenues			
Property taxes	\$ 446,357	\$ 446,357	\$ 445,413
Interest income	1,200	1,200	147
Miscellaneous revenue	-	-	2,854
Total Revenues	447,557	447,557	448,414
General and Administrative			
Personnel			
Salaries	146,000	146,000	117,139
Health insurance	30,000	30,000	23,781
Social Security	8,000	8,000	6,994
Medicare	1,800	1,800	1,636
Retirement contribution	3,500	3,500	2,697
Total Personnel	189,300	189,300	152,247
Contractual Services			
Maintenance - equipment	10,000	10,000	3,205
Maintenance - road	230,000	230,000	209,907
Engineering services	12,000	12,000	10,094
Street lights	-	-	11
Rentals	2,000	2,000	-
Total Contractual Services	254,000	254,000	223,217
Commodities			
Maintenance supplies - equipment	15,000	15,000	10,733
Maintenance supplies - road	50,000	50,000	13,252
Maintenance supplies - snow removal	45,000	45,000	20,293
Maintenance supplies - signs	1,000	1,000	440
Operating supplies	1,000	1,000	1,172
Small tools	2,500	2,500	240
Gas/diesel/oil	28,000	28,000	19,296
Total Commodities	142,500	142,500	65,426

Continued

RICHMOND TOWNSHIP, ILLINOIS*Permanent Road & Bridge Fund - Schedule of Revenues & Expenditures - Budget and Actual**For the Year Ended March 31, 2023*

	Original Budget	Final Budget	Modified Accrual Budget
General and Administrative (Continued)			
Capital Expenditures			
Equipment	\$ 50,000	\$ 50,000	\$ 47,755
Total Capital Expenditures	<u>50,000</u>	<u>50,000</u>	<u>47,755</u>
Other Expenditures			
Miscellaneous expenditures	<u>2,500</u>	<u>2,500</u>	<u>515</u>
Total Other Expenditures	<u>2,500</u>	<u>2,500</u>	<u>515</u>
Reconcillation discrepancies	<u>-</u>	<u>-</u>	<u>244</u>
Total General and Administration	<u>638,300</u>	<u>638,300</u>	<u>489,404</u>
Net Change in Fund Balance	<u>\$ (190,743)</u>	<u>\$ (190,743)</u>	<u>\$ (40,990)</u>

Concluded

RICHMOND TOWNSHIP, ILLINOIS

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

For the Year Ended March 31, 2023

	Original Budget	Final Budget	Modified Accrual Basis
Revenues			
Property taxes	\$ 49,547	\$ 49,547	\$ 47,670
Interest income	150	150	25
Total Revenues	49,697	49,697	47,695
General and Administration Expenditures			
Contractual Services			
Telephone	2,200	2,200	1,878
Garbage disposal	1,500	1,500	1,181
Utilities	2,500	2,500	2,522
Total Contractual Services	6,200	6,200	5,581
Commodities			
Sign supplies	4,500	4,500	2,262
Operating supplies	-	-	141
Gasoline	-	-	1,984
Maintenance supplies - Equip	-	-	651
Total Commodities	4,500	4,500	5,038
Capital Expenditures			
Building	10,000	10,000	957
Equipment	15,000	15,000	3,270
Vehicle	15,000	15,000	-
Reserve fund (truck)	75,000	75,000	-
Total Capital Expenditures	115,000	115,000	4,227
Other Expenditures			
Miscellaneous	-	-	128
Total Other Expenditures	-	-	128

Continued

RICHMOND TOWNSHIP, ILLINOIS

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

For the Year Ended March 31, 2023

	Original Budget	Final Budget	Modified Accrual Basis
Total General and Administration	\$ 125,700	\$ 125,700	\$ 14,974
Net Change in Fund Balance	\$ (76,003)	\$ (76,003)	\$ 32,721

Concluded

RICHMOND TOWNSHIP, ILLINOIS

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

For the Year Ended March 31, 2023

	Original Budget	Final Budget	Modified Accrual Basis
Revenues			
Property tax	\$ 80,000	\$ 80,000	\$ 29,426
Replacement tax	2,200	2,200	1,205
Staking fees	2,000	2,000	950
Grave sales	20,000	20,000	-
Perpetual care	2,000	2,000	690
Grave & cremains openings	20,000	20,000	10,275
Interest income	400	400	43
Donations	10,000	10,000	-
Miscellaneous income/refunds	-	-	63
Total Revenues	136,600	136,600	42,652
Expenditures			
Personnel			
Monthly payroll reimbursement	15,400	15,400	6,963
Payroll expenses	3,650	3,650	223
IMRF	-	-	79
Medicare	-	-	96
Social security	-	-	412
Total Personnel	19,050	19,050	7,773
Contractual services			
Postage	300	300	-
Office supplies	5,500	5,500	510
Office equipment/software	2,000	2,000	-
Staking fees	4,000	4,000	125
Miscellaneous	2,000	2,000	-
Total Contractual Services	13,800	13,800	635

Continued

RICHMOND TOWNSHIP, ILLINOIS

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

For the Year Ended March 31, 2023

Expenditures (Continued)	Original	Final	Accrual
Commodities	Budget	Budget	Basis
Mowing	\$ 20,000	\$ 20,000	\$ 17,020
Care, supplies, S-T repairs	2,000	2,000	3,125
Staking fees	1,000	1,000	-
Grave opening fees	23,000	23,000	7,640
Professional surveying	5,000	5,000	-
Fencing	22,000	22,000	-
Miscellaneous	-	-	133
Total commodities	<u>73,000</u>	<u>73,000</u>	<u>27,918</u>
Total Expenditures Cemetery Fund	<u>105,850</u>	<u>105,850</u>	<u>36,326</u>
Net Change in Fund Balance	<u>\$ 30,750</u>	<u>\$ 30,750</u>	<u>\$ 6,326</u>

Concluded

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 2014)

Calendar Year Ending	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Total Pension Liability										
Service Cost	\$ 29,376	\$ 23,891	\$ 24,950	\$ 27,058	\$ 22,236	\$ 21,572	\$ 23,095	\$ 24,898		
Interest on the Total Pension Liability	66,717	62,215	57,295	56,237	55,552	52,879	54,048	58,574		
Benefit Changes	-	-	-	-	-	-	-	-		
Difference between Expected and Actual Experience	6,215	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	(45,886)	(42,839)	(46,058)	(34,561)	(33,681)	(33,006)	(81,585)	(47,809)		
Net Change in Total Pension Liability	56,422	60,879	66,790	21,394	33,018	35,643	(40,082)	(41,589)		
Total Pension Liability - Beginning	928,495	867,616	800,826	779,432	746,414	710,771	750,853	792,442		
Total Pension Liability - Ending (a)	\$ 984,917	\$ 928,495	\$ 867,616	\$ 800,826	\$ 779,432	\$ 746,414	\$ 710,771	\$ 750,853		
Plan Fiduciary Net Position										
Employer Contributions	6,098	6,953	10,965	12,743	16,134	16,006	15,275	18,335		
Employee Contributions	13,006	11,296	11,063	11,244	10,432	8,564	8,332	9,376		
Pension Plan Net Investment Income	(151,795)	183,205	133,809	152,469	(46,133)	133,311	50,024	4,045		
Benefit Payments and Refunds	(45,886)	(42,839)	(46,058)	(34,561)	(33,681)	(33,006)	(81,585)	(47,809)		
Other	8,193	3,055	14,026	4,508	12,369	(10,105)	13,775	(65,400)		
Net Change in Plan Fiduciary Net Position	(170,384)	161,670	123,805	146,403	(40,879)	114,770	5,821	(81,453)		
Plan Fiduciary Net Position - Beginning	1,249,126	1,087,456	963,651	817,248	858,127	743,357	737,536	818,989		
Plan Fiduciary Net Position - Ending (b)	\$ 1,078,742	\$ 1,249,126	\$ 1,087,456	\$ 963,651	\$ 817,248	\$ 858,127	\$ 743,357	\$ 737,536		
Net Pension Liability/(Asset) - Ending (a) - (b)	(93,825)	(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	109.53%	134.53%	125.34%	120.33%	104.85%	114.97%	104.58%	98.23%		
Covered Valuation Payroll	\$ 289,016	\$ 251,025	\$ 245,850	\$ 249,866	\$ 231,827	\$ 190,321	\$ 185,147	\$ 208,354		
Net Pension Liability as a Percentage of Covered Valuation Payroll	(32.46%)	(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%
2022	\$ 6,098 *	\$ 6,098	\$ -	\$ 289,016	2.11%

* Estimated based on a contribution rate of 2.11% and covered valuation payroll of \$289,016.

NOTES TO REQUIRED
SUPPLEMENTARY INFORMATION

RICHMOND TOWNSHIP, ILLINOIS

Notes to Required Supplementary Information
Year Ended March 31, 2023

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 unexpensed 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, 2023*

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 budgets for Town Fund, General Assistance Fund, Road & Bridge Fund, Building & Equipment Fund and Cemetery Fund were adopted on June 17, 2022
11. The Motor Fuel Tax Fund is not required to adopt a budget and therefore is not included in the Budget and Actual Schedules.