

JOLIET TOWNSHIP  
JOLIET, ILLINOIS

ANNUAL FINANCIAL REPORT

MARCH 31, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
Joliet Township  
Joliet, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Joliet Township, Illinois (the Township) as of and for the year ended March 31, 2019, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 the Township as of March 31, 2019, and the respective changes in financial position thereof for the year then ended in accordance 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 budgetary comparison information on pages 3 through 8 and pages 34 through 48 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements 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 applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects, in relation to the basic financial statements as a whole.



Gassensmith & Michalesko, Ltd.  
Certified Public Accountants

Joliet, Illinois  
June 13, 2019

**JOLIET TOWNSHIP**  
Management's Discussion and Analysis  
For The Year Ended March 31, 2019  
(Unaudited)

**Introduction**

As management of the Joliet Township (hereafter referred to as the Township), we offer the readers of the Township's basic financial statements this narrative overview and analysis of the financial activities of the Township for the fiscal year ended March 31, 2019. Please read in conjunction with the Township's basic financial statements and notes to the financial statements for a better understanding of the Township's financial performance.

**Financial Highlights:**

- The Township's total expenditures exceeded revenues, on modified accrual basis of accounting, by \$233,555 for the year.
- The Township General Town Fund revenues exceeded expenditures by \$1,039,505.
- The Township General Assistance Fund's expenditures exceeded revenues by \$72,744.
- The Township Road and Bridge Fund's expenditures exceeded revenues by \$943,079.
- The Township Animal Control Fund's expenditures exceeded revenues by \$373,307.
- The Township General Town Fund ended the year with a fund balance of \$2,320,129, and overall the Township ended the year with a fund balance of \$4,845,870.

**Using This Annual Report**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 9 and 10) provide information about the activities of the Township as a whole and present a longer-term view of the Township's finances. Fund financial statements start on page 11. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Township's operations in more detail than the government-wide statements by providing information about the Township's significant funds.

**Reporting the Township As A Whole**

The analysis of the Township as a whole begins on page 4. One of the most important questions asked about the Township's finances is "Is the Township as a whole better off or worse off as a result of the current year's activities?" The Statement of Net Position and the Statement of Activities report information about the Township as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. These two statements report the Township's net position and changes in them. You can think of the Township's net position - the difference between assets and liabilities - as one

**JOLIET TOWNSHIP**  
Management's Discussion and Analysis  
For The Year Ended March 31, 2019  
(Unaudited)

**Reporting the Township As A Whole (continued)**

way to measure the Township's financial health, or financial position. Over time, increases or decreases in the Township's net assets are an indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the Township's property tax base, the quality of the programs provided and the condition of the Township's roads, to assess the overall health of the Township.

In the Statement of Net Position and the Statement of Activities, the Township reports governmental activities – all of the Township's basic services are reported here, including the assessor's office, general assistance, road department, senior services, animal control and general administration. Property taxes, personal property replacement tax and grants finance most of these activities.

Table 1  
Condensed Statement of Net Position

	Governmental Activities	
	March 31, 2019	March 31, 2018
Current Assets	\$ 8,562,879	\$ 8,773,866
Noncurrent Assets	<u>3,133,491</u>	<u>4,497,952</u>
Total assets	<u>11,696,370</u>	<u>13,271,818</u>
Deferred Outflows of Resources	<u>1,319,607</u>	<u>281,312</u>
Current liabilities	89,023	158,369
Long-Term liabilities	<u>46,923</u>	<u>46,720</u>
Total liabilities	<u>135,946</u>	<u>205,089</u>
Deferred Inflows of Resources	<u>4,299,089</u>	<u>4,542,322</u>
	<u>Net Position</u>	
Net investment in capital assets	2,973,001	3,136,064
Restricted	1,292,348	1,035,426
Unrestricted	<u>4,315,593</u>	<u>4,634,229</u>
Total net position	<u>\$ 8,580,942</u>	<u>\$ 8,805,719</u>

**JOLIET TOWNSHIP**  
Management's Discussion and Analysis  
For The Year Ended March 31, 2019  
(Unaudited)

**Reporting the Township As A Whole (continued)**

As seen in Table 1, Net Position of the Township decreased by approximately \$225 thousand (\$8,580,942 compared to \$8,805,719). Unrestricted Net Position—the part of net position that can be used to finance day-to-day operations without any constraints—decreased from \$4,634,229 to \$4,315,593.

Restricted net position of \$1,292,348 relate to amounts held in the Road and Bridge Fund for road and bridge projects.

**Significant Balances**

Current assets are comprised mainly of cash and investment, and taxes receivable. Cash and investments are major account balances and will continue to be since no major revenue is expected to be received until the collection of real estate taxes in June of each year. Another major asset is property taxes receivable of \$3,624,562, which is offset by a deferred inflow of resources of the same amount. Noncurrent assets represent capital assets which are discussed later.

As can be seen in Table 2, revenues were \$4,542,277 in 2019, the majority (75%) of which were related to property tax revenues. Expenses were \$4,767,054 in 2019, with road maintenance and general government making up most of the total. The Township's net position decreased from a year ago by \$224,777.

Table 2  
Condensed Statement of Activities

	Governmental Activities	
	<u>March 31, 2019</u>	<u>March 31, 2018</u>
Revenues		
Program Revenues		
Charges for services	\$ 103,202	\$ 110,511
Operating grants & contributions	192,978	191,813
General Revenues		
Property Taxes	3,411,902	3,527,533
Replacement Taxes	668,297	647,252
Investment Income	117,440	45,974
Other General Revenues	48,458	50,965
Total Revenues	<u>\$ 4,542,277</u>	<u>\$ 4,574,048</u>

**JOLIET TOWNSHIP**  
Management's Discussion and Analysis  
For The Year Ended March 31, 2019  
(Unaudited)

**Significant Balances (continued)**

	Governmental Activities	
	March 31, <u>2019</u>	March 31, <u>2018</u>
Program Expenses		
General Government	\$ 862,200	\$ 953,729
Assessor	417,385	432,140
General Assistance	254,418	503,928
Road and Bridge Maintenance	2,465,439	1,252,710
Animal Care	665,962	701,751
Senior Programs	<u>101,650</u>	<u>159,148</u>
Total Expenses	<u>4,767,054</u>	<u>4,003,406</u>
Excess (Deficiency) of Revenue		
Over Expenditures	<u>(224,777)</u>	<u>570,642</u>
Special Items		
Gain (Loss) on Sale of Assets	<u>-</u>	<u>11,555</u>
Change in Net Position	(224,777)	582,197
Beginning of Year Net Position	<u>8,805,719</u>	<u>8,223,522</u>
End Of Year Net Position	<u>\$ 8,580,942</u>	<u>\$ 8,805,719</u>

**Reporting The Township's Significant Funds**

The fund financial statements begin on page 11 and provide detailed information about the funds, not the Township as a whole. Four of the Township's funds are considered to be major funds. The funds are established by State law and by a vote of the Township constituents.

*Governmental funds* - All of the Township's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash.



**JOLIET TOWNSHIP**  
Management's Discussion and Analysis  
For The Year Ended March 31, 2019  
(Unaudited)

**Reporting The Township's Significant Funds (continued)**

The governmental fund statements provide a detailed short-term view of the Township's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Township's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation after each of the fund financial statements.

The Township maintained positive year end fund balances in each of its funds. The Township reported an end of the year fund balance of \$4,845,870 which is adequate to cover twelve months of Township expenditures. Property taxes continued to be the Township's main source of revenue. The Township recorded approximately \$3.4 million of property tax revenue in 2019.

The General Assistance Fund expenditures exceeded revenues by \$72,744 and the Road and Bridge Fund expenditures exceeded revenues in the amount of \$943,079 during the year. The Animal Control Fund expenditures exceeded revenues in the amount of \$373,307. The Animal Control Fund received a \$200,000 transfer from the General Town Fund to cover a majority of the expenditures in excess of the revenues in the funds. All of these funds remain in stable financial condition.

**Budgetary Highlights**

The budget is prepared on the modified accrual basis of accounting. During the year the Township managed to remain within budget on all funds.

The Township adopted transfers of appropriations within individual funds in 2019 to cover expenditure line items that were going to exceed the original budgeted amount. Detailed budget to actual schedules appear on pages 34 through 44 and page 49.

**Capital Assets**

At March 31, 2019, the Township had invested \$2,973,001 in capital assets as indicated in Table 3.

The Township's investment in capital assets as of March 31, 2019 is summarized in Table 3, refer to Note 3 for more information.

**JOLIET TOWNSHIP**  
Management's Discussion and Analysis  
For The Year Ended March 31, 2019  
(Unaudited)

**Capital Assets (continued)**

Table 3 - Capital Assets

	Governmental Activities	
	March 31, 2019	March 31, 2018
Land	\$ 41,146	\$ 41,146
Construction in Process	15,888	-
Infrastructure	913,953	945,003
Buildings	1,431,638	1,471,978
Office Equipment	30,050	66,264
Vehicle and Equipment	540,326	611,673
Total Capital Assets, net of accumulated depreciation	<u>\$ 2,973,001</u>	<u>\$ 3,136,064</u>

**Long-Term Debt**

The Township's long-term debt at year end consisted of compensated absences payable to employees of \$46,923. The amount will be expended from the various salary line items from the individual funds of the Township. More detailed information about the Township's long-term debt is presented in note 6 to the financial statements.

**Economic Factors And Next Year's Budget And Rates**

The Township's elected officials considered many factors when setting the March 31, 2019, fiscal year budget and its effect on tax rates. One of these factors is the economy. The Township's assessed valuation increased by \$86.5 million from tax year 2017 to 2018, which is continuing the trend from prior year. The Township's tax revenue is expected to increase approximately \$122 thousand for fiscal year 2020.

**Contacting the Township's Management**

This financial report is designed to provide the citizens, taxpayers, investors and creditors with a general overview of the Township's finances and to show the Township's accountability for the money it receives.

If you have any questions about this report or need additional financial information, contact the Township Supervisor at the Township office, 175 W. Jefferson St, Joliet, IL 60432-4107.

**JOLIET TOWNSHIP**  
Statement of Net Position  
For The Year Ended March 31, 2019

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 4,748,233
Investments	5,231
Prepaid Expenses	11,182
Receivables:	
Property Taxes	3,624,562
Replacement Taxes	162,063
Due From Local Governmental Units	11,608
Total Current Assets	8,562,879
Noncurrent Assets:	
Capital Assets:	
Land	41,146
Infrastructure	1,241,991
Buildings and Improvements	2,667,602
Office Equipment	307,249
Vehicle and Equipment	1,820,380
Construction in Process	15,888
Accumulated Depreciation	(3,121,255)
Total capital assets net of depreciation	2,973,001
Other Assets	7,757
Net Pension Asset	152,733
Total Noncurrent Assets	3,133,491
Total Assets	11,696,370
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows of resources	1,319,607
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts Payable	66,865
Payroll and Related Taxes Payable	22,158
Total Current Liabilities	89,023
Noncurrent Liabilities:	
Long-Term Obligations, Due Within One Year:	
Compensated Absences Payable	46,923
Total Liabilities	135,946
<b>DEFERRED INFLOWS</b>	
Deferred Inflows Related to Pensions	674,528
Deferred Inflows of Resources - Deferred Revenue	3,624,561
Total deferred inflows	4,299,089
<b>NET POSITION</b>	
Net Investment in Capital Assets	2,973,001
Restricted for Road Projects	1,292,348
Unrestricted Net Position	4,315,593
Total Net Position	\$ 8,580,942

The Notes to Financial Statements are an integral part of this statement.

**JOLIET TOWNSHIP**  
Statement of Activities  
For The Year Ended March 31, 2019

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>(Expense) Revenue And Changes In Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants And Contributions</u>	
Governmental Activities:				
General Government	\$ 862,200	\$ -	\$ -	\$ (862,200)
Assessor	417,385	-	-	(417,385)
General Assistance	254,418	-	-	(254,418)
Road and Bridge Maintenance	2,465,439	22,556	-	(2,442,883)
Animal Care	665,962	80,646	192,978	(392,338)
Senior Programs	<u>101,650</u>	<u>-</u>	<u>-</u>	<u>(101,650)</u>
<b>Total Governmental Activities</b>	<b><u>\$ 4,767,054</u></b>	<b><u>\$ 103,202</u></b>	<b><u>\$ 192,978</u></b>	<b><u>\$ (4,470,874)</u></b>

General Revenues:

Taxes:

Property Taxes	\$ 3,411,902
Replacement Taxes	668,297
Investment Earnings	117,440
Other General Revenues	<u>48,458</u>

Total General Revenues 4,246,097

Change in Net Position (224,777)

Net Position - Beginning of Year 8,805,719

Net Position - End of Year \$ 8,580,942

The Notes to Financial Statements are an integral part of this statement.

**JOLIET TOWNSHIP**

Balance Sheet  
Governmental Funds  
March 31, 2019

	General Town Fund	General Assistance Fund	Road And Bridge Fund	Animal Control Fund	Nonmajor Senior Citizens Fund	Total
<b>Assets</b>						
Cash And Cash Equivalents	\$ 2,305,315	\$ 659,071	\$ 1,220,610	\$ 381,996	\$ 181,241	\$ 4,748,233
Investments	1,064	1,024	1,095	1,024	1,024	5,231
Receivables:						
Property Taxes	2,482,395	54,873	953,691	-	133,603	3,624,562
Replacement Taxes	44,728	15,471	101,864	-	-	162,063
Due From Local Governmental Units	-	-	11,074	534	-	11,608
Other Assets	7,757	-	-	-	-	7,757
Total Assets	<u>\$ 4,841,259</u>	<u>\$ 730,439</u>	<u>\$ 2,288,334</u>	<u>\$ 383,554</u>	<u>\$ 315,868</u>	<u>\$ 8,559,454</u>
<b>Liabilities</b>						
Accounts Payable	\$ 17,269	\$ 1,647	\$ 41,603	\$ 6,346	\$ -	\$ 66,865
Payroll And Related Taxes Payable	21,466	-	692	-	-	22,158
Total Liabilities	<u>38,735</u>	<u>1,647</u>	<u>42,295</u>	<u>6,346</u>	<u>-</u>	<u>89,023</u>
<b>Deferred Inflows of Resources</b>						
Property taxes	<u>2,482,395</u>	<u>54,872</u>	<u>953,691</u>	<u>-</u>	<u>133,603</u>	<u>3,624,561</u>
<b>Fund Balances:</b>						
Restricted	-	673,920	1,292,348	377,208	182,265	2,525,741
Unassigned	2,320,129	-	-	-	-	2,320,129
Total Fund Balances	<u>2,320,129</u>	<u>673,920</u>	<u>1,292,348</u>	<u>377,208</u>	<u>182,265</u>	<u>4,845,870</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 4,841,259</u>	<u>\$ 730,439</u>	<u>\$ 2,288,334</u>	<u>\$ 383,554</u>	<u>\$ 315,868</u>	<u>\$ 8,559,454</u>

The Notes to Financial Statements are an integral part of this statement.

**JOLIET TOWNSHIP**  
 Reconciliation to Statement of Net Position  
 March 31, 2019

	<u>March 31,</u> <u>2019</u>
Reconciliation To Statement of Net Position:	
Fund Balances-total governmental funds	\$ 4,845,870
 <i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
Prepaid expenses are capitalized in the government-wide statements, but are recorded as expenditures in the fund financial statements:	11,182
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:	
Capital Assets	6,094,256
Accumulated Depreciation	<u>(3,121,255)</u>
Net Capital Assets	2,973,001
Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore are not reported in the funds:	
Deferred outflows of resources related to pensions	1,294,896
Deferred outflows of 2019 employers contributions	24,711
Deferred inflows of resources related to pensions	(674,528)
Some Liabilities reported in the statement of net position do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds, these consist of:	
Capital lease obligation	152,733
Net pension asset (liability)	(46,923)
Compensated absence	<u>(46,923)</u>
 Net Position of Governmental Activities (Page 9)	 <u>\$ 8,580,942</u>

The Notes to Financial Statements are an integral part of this statement.

**JOLIET TOWNSHIP**  
Statement Of Revenues, Expenditures And Change in Fund Balances  
Governmental Funds  
For the Year Ended March 31, 2019

	General Town Fund	General Assistance Fund	Road And Bridge Fund	Animal Control Fund	Nonmajor Senior Citizens Fund	Total
<b>Revenues</b>						
Property Taxes	\$ 2,175,034	\$ 95,604	\$ 930,289	\$ -	\$ 210,975	\$ 3,411,902
Personal Property						
Replacement Tax	184,521	63,723	420,053	-	-	668,297
Grants	-	-	-	-	-	-
Intergovernmental Revenue	-	4,647	-	188,331	-	192,978
Fees For Services	-	-	-	80,646	-	80,646
Rental Income	-	-	6,120	-	-	6,120
Road Fines	-	-	16,436	-	-	16,436
Interest Income	54,850	14,562	36,397	7,484	4,147	117,440
Miscellaneous	9,391	-	26,945	9,524	2,598	48,458
<b>Total Revenues</b>	<u>2,423,796</u>	<u>178,536</u>	<u>1,436,240</u>	<u>285,985</u>	<u>217,720</u>	<u>4,542,277</u>
<b>Expenditures</b>						
<b>Current:</b>						
General Government	946,241	-	-	-	-	946,241
Assessor	416,412	-	-	-	-	416,412
General Assistance	-	251,280	-	-	-	251,280
Road and Bridge						
Maintenance	-	-	2,359,146	-	-	2,359,146
Animal Care	-	-	-	626,775	-	626,775
Senior Programs	-	-	-	-	101,650	101,650
Capital Outlay	21,638	-	20,173	32,517	-	74,328
<b>Total Expenditures</b>	<u>1,384,291</u>	<u>251,280</u>	<u>2,379,319</u>	<u>659,292</u>	<u>101,650</u>	<u>4,775,832</u>
Excess (Deficiency) Of						
Revenue Over Expenditures	1,039,505	(72,744)	(943,079)	(373,307)	116,070	(233,555)
<b>Other Financing Sources (Uses)</b>						
Transfers In	-	-	1,200,000	200,000	-	1,400,000
Transfers Out	(1,400,000)	-	-	-	-	(1,400,000)
<b>Total Other Financing Sources (Uses)</b>	<u>(1,400,000)</u>	<u>-</u>	<u>1,200,000</u>	<u>200,000</u>	<u>-</u>	<u>-</u>
<b>Net Changes in Fund Balances</b>	<u>(360,495)</u>	<u>(72,744)</u>	<u>256,921</u>	<u>(173,307)</u>	<u>116,070</u>	<u>(233,555)</u>
<b>Fund Balances, Beginning of Year</b>	<u>2,680,624</u>	<u>746,664</u>	<u>1,035,427</u>	<u>550,515</u>	<u>66,195</u>	<u>5,079,425</u>
<b>Fund Balances, End of Year</b>	<u>\$ 2,320,129</u>	<u>\$ 673,920</u>	<u>\$ 1,292,348</u>	<u>\$ 377,208</u>	<u>\$ 182,265</u>	<u>\$ 4,845,870</u>

The Notes to Financial Statements are an integral part of this statement.

**JOLIET TOWNSHIP**  
 Reconciliation to Statement of Activities  
 March 31, 2019

	<u>March 31,</u> <u>2019</u>
Reconciliation To Statement of Activities:	
Net Change in Total Fund Balances	\$ (233,555)
 <i>Amounts reported for governmental activities in the statement of activities are different because:</i>	
 Decrease in the net pension asset is reported only in the statement of activities	 (1,209,155)
 Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	
Expenditures that resulted in new capital assets	74,328
Net book value of assets disposed	(37,599)
Depreciation Expense	(199,791)
 Changes in deferred outflows and inflows of resources related to pensions are reported only in the statement of activities	
Deferred outflows and inflows of resources related to pensions	1,379,486
 The net expenses reported in the statement of activities require the use of current financial resources as follows:	
Prepaid Insurance	1,712
Compensated Absences	<u>(203)</u>
 Change in Net Position of Governmental Activities (Page 10)	 <u>\$ (224,777)</u>

The Notes to Financial Statements are an integral part of this statement.



## JOLIET TOWNSHIP

### Notes To Basic Financial Statements March 31, 2019

#### **Note 1: Summary of Significant Accounting Policies**

Joliet Township, Illinois (the Township) is an Illinois unit of local government which was incorporated on November 6, 1849, under the provisions of the State of Illinois. The Township maintains a general assistance fund which assists eligible residents within the Township's boundaries by subsidizing costs for shelter, food and medical supplies. Assessing property values within the Township and contributing to various community programs are additional activities of the Township. The Township operates a road and bridge fund which maintains the roads and bridges within the Township that are not under the jurisdiction of another governmental unit. Joliet Township also provides an animal control center for the public safety of animals as well as ensuring the humane care and treatment of those animals handled by the center. The Senior Citizens funds maintained by the Township provide funding for senior programs in the Township.

The accounting policies and the presentation of the basic financial statements of the Township have been prepared in conformity with accounting principles generally accepted in the United States of America ("USGAAP"). USGAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

#### ***A. Reporting Entity***

As defined by accounting principles generally accepted in the United States of America established by GASB, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

1. Appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
2. Fiscal dependency on the primary government.

The accompanying financial statements present Joliet Township (the primary government) and its component unit. The financial data of the component unit is included in the Township's reporting entity because of its significance of its operational relationship with the Township.

## JOLIET TOWNSHIP

Notes To Basic Financial Statements  
March 31, 2019

### **Note 1: Summary of Significant Accounting Policies (continued)**

#### ***A. Reporting Entity (continued)***

##### *Blended Component Unit*

The "Road Township" of the Township is an Illinois local government, as such, it is a separate legal entity with its own management and budget authority. The members of the Township Board are elected by the citizens of the Township, to the Road and Bridge Board of Trustees at the same time they are elected to the Township Board; as a result, the operations of the Road Township (Road And Bridge Fund) as of and for the fiscal year ended March 31, 2019, are blended in the Township's basic financial statements as a special revenue fund. There are no other component units that are required to be included with these financial statements.

#### ***B. Basis of Presentation - Fund Accounting***

The Township's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

##### *Government-Wide Financial Statements*

The statement of net position and the statement of activities display information about the Township as a whole. In the government-wide statement of net assets, the governmental activities column is presented on a consolidated basis. Governmental activities normally are supported by taxes and intergovernmental revenues. The government-wide statement of activities reflects both the direct expenses and net cost of each function of the Township's governmental activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the Township. The comparison of direct expenses with program revenues identifies the extent to which each government function is self-financing or draws from the general revenues of the Township.

The Township has reported two categories of program revenues in the statement of activities (1) charges for services and (2) program-specific operating grants and contributions. Program revenues are derived directly from the program itself or from external sources, such as the State of

## JOLIET TOWNSHIP

### Notes To Basic Financial Statements March 31, 2019

#### **Note 1: Summary of Significant Accounting Policies (continued)**

##### ***B. Basis of Presentation - Fund Accounting (continued)***

Illinois; they reduce the net cost of each function to be financed from the Township's general revenues. For identifying the function to which a program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

The Township maintains a policy for the elimination of the effect on assets and liabilities in the statement of net assets within the governmental activities column for amounts reported in the individual funds as interfund receivables and payables, if any. Similarly, any transfers between funds have been eliminated in the statement of activities.

##### *Fund Financial Statements*

The financial transactions of the Township are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. Nonmajor funds are aggregated in a single column.

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

##### ***C. Basis of Accounting***

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

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

## JOLIET TOWNSHIP

### Notes To Basic Financial Statements March 31, 2019

#### **Note 1: Summary of Significant Accounting Policies (continued)**

##### ***C. Basis of Accounting (continued)***

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. The Township accounts for its financial position and results of operations in accordance with the cash basis of accounting applicable to governmental units, which is converted to the modified accrual basis for statement presentation. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose the Township considers all revenues to be available if they are collected within sixty days of the end of the current fiscal period.

Nonexchange transactions, in which the Township receives value without directly giving equal value in return, include taxes, grants, and donations. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Tax levy year 2017 and prior year property taxes are considered available to the extent that they have been collected by Will County and have been distributed to the Township within sixty days of year-end. Revenue from other taxes is recognized when collected by the state, prior to disbursement to the Township. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements in which the Township must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Township on a reimbursement basis. Revenue from nonexchange transactions must also be available before it can be recognized. Revenues considered to be susceptible to accrual include property taxes and replacement taxes.

Fines and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received.

Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures for debt service, prepaid expenses and other long-term obligations, which are recognized when paid.

##### ***D. Fund Presentation***

*Governmental Funds* - are those through which most governmental functions of the Township are financed. The Township's expendable financial resources are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The Township reports the following major governmental funds:

## JOLIET TOWNSHIP

### Notes To Basic Financial Statements March 31, 2019

#### **Note 1: Summary of Significant Accounting Policies (continued)**

##### **D. Fund Presentation (continued)**

- The General Fund - the Town Fund is the general operating fund of the Township and accounts for all financial resources except those required to be accounted for in another fund.
- The General Assistance Fund - a special revenue fund, used to account for the expenditures for relief provided within the Township and related administration.
- The Road and Bridge Fund (a blended component unit) - presented as a special revenue fund to account for various road and bridge maintenance, construction and repair projects.
- The Animal Control Fund - a special revenue fund, used to account for the expenditures for containment and care of stray animals.

##### **E. Fund Equity/Net Position**

###### *Fund Balance:*

In the fund financial statements, governmental funds now report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable* – includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The nonspendable in form criteria includes items that are not expected to be converted to cash such as prepaid items or inventories.
- Restricted* – refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, laws and regulations of other governments, or are imposed by law through enabling legislation. Special revenue funds are by definition restricted for those specified purposes.
- Committed* – refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Township's highest level of decision-making authority (the Board of Trustees). The Board commits fund balances by passing a resolution. Amounts committed cannot be used for any purpose unless the Township removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds. The Township did not have any committed resources as of March 31, 2019.
- Assigned* – refers to amounts that are constrained by the Township's intent to be used for a specific purpose, but are either restricted or committed. Intent may be expressed by the Board of Trustees, or the individual the Board of Trustees delegates the authority, to assign amounts to be used for specific purposes. The Township did not have any assigned resources as of March 31, 2019.

## JOLIET TOWNSHIP

### Notes To Basic Financial Statements March 31, 2019

#### **Note 1: Summary of Significant Accounting Policies (continued)**

##### ***E. Fund Equity/Net Position (continued)***

###### *Fund Balance (continued)*

- e. *Unassigned* – refers to all spendable amounts not contained in the other four classifications described above. In funds other than General Town Fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts have been restricted, committed or assigned.

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally they act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

###### *Net Position:*

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets net of accumulated depreciation. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Township or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

##### ***F. Investments***

The Township is allowed to invest in (1) savings accounts, money market accounts and certificates of deposits; (2) commercial paper issued by a U.S. corporation with more than \$500 million in assets and with a rating within the three highest classifications by at least two standard rating services and must mature not later than 180 days from the purchase date; (3) State Treasurer's Investment Pool (Illinois Funds); (4) money market mutual funds that are registered under the Investment Company Act of 1940; (5) repurchase agreements; (6) credit unions or (7) obligations of the United States or its agencies and instrumentalities.

The Township's investment policy requires all deposits be in insured accounts by an agency of the Federal Government or otherwise collateralized. Township investments not insured by an agency of the Federal Government must be collateralized at 105% of the deposit amount.

For fiscal year 2019, the Township invested in checking accounts, money market accounts, and a state treasurer's investment pool which were carried at cost. The Township records all interest revenue related to investment activities in the respective funds.

JOLIET TOWNSHIP

Notes To Basic Financial Statements  
March 31, 2019

**Note 1: Summary of Significant Accounting Policies (continued)**

**G. *Compensated Absences***

Earned vacation time is generally required to be used within one year of accrual. Upon termination any earned but unused vacation shall be liquidated in a cash payment to the terminating employee. Sick leave is not paid upon termination.

**H. *Capital Assets***

Capital assets used in governmental fund operations (general capital assets) are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the statement of net assets.

The Township defines capital assets, as assets with an initial individual cost of \$1,000 (\$25,000 for infrastructure) or more and an estimated useful life in excess of one year. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair value on the date received.

The Township's policy provides for depreciation using the straight-line method over the estimated useful lives of the assets as follows:

Buildings	50 years
Equipment	12 years
Transportation Equipment	5 - 7 years
Infrastructure	40 years
Land Improvements	20 years

**I. *Deferred Inflows/ Deferred Outflow of Resources***

In addition to assets, the statement of net position and the governmental funds balance sheet may report deferred outflows of resources. Deferred Outflows of resources represent a consumption of net position/fund balance that applies to a future period. At March 31, 2019, the Township has deferred outflows related to pension liabilities. In addition to liabilities, the Township may report deferred inflows of resources. Deferred inflows of resources represent the acquisition of resources that is applicable to a future reporting period. At March 31, 2019, the Township reported deferred inflows of resources related to property taxes levied for a future period and amounts related to pension liabilities.

## JOLIET TOWNSHIP

### Notes To Basic Financial Statements March 31, 2019

#### **Note 1: Summary of Significant Accounting Policies (continued)**

##### ***J. Property Taxes***

The Township budget anticipated that the 2017 property tax levy will be used to finance expenditures for the fiscal year ended March 31, 2019. The 2018 levy has been recognized as a receivable as of March 31, 2019 but recognition of revenue has been deferred to the fiscal year ended March 31, 2020 because the revenue is not considered available to finance expenditures for the fiscal year ended March 31, 2019.

Net property taxes receivable reflect the estimated collectible portion of the 2017 and 2016 levies uncollected as of March 31, 2019. An allowance of 2.0% of the taxes for the General Assistance, General Town, Senior Citizen Services and Road Bridge Levies extended for the fiscal year ended March 31, 2019 has been provided for anticipated tax collection losses.

Property taxes are levied before the last Tuesday in December and attach as an enforceable lien on property on January 1 and are payable in two installments on June 1 and September 1 subsequent to the year of levy.

All of the Township's governmental funds account for property taxes as described above.

##### ***K. Restricted Resources Policy***

For the government-wide financial statements, net position is reported as restricted when constraints placed on net position is either: (1) externally imposed by creditors, grantors, contributors or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available, it is the Township's policy to apply restricted resources first, then unrestricted resources as they are needed.

##### ***L. Use of Estimates***

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate the unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results could differ from those estimates.



JOLIET TOWNSHIP

Notes To Basic Financial Statements  
March 31, 2019

**Note 1: Summary of Significant Accounting Policies (continued)**

***M. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond the balance sheet date are recorded as prepaid assets. The cost of the related payment is recorded as an expenditure over the time the related services are provided.

**Note 2: Deposits and Investments**

The Township maintained all of its cash and investments at March 31, 2019 in checking accounts, money market accounts, and a state treasurer's investment pool, which were carried at cost.

All cash and investments of the Township are combined as deposits for note disclosure purposes. At March 31, 2019, the carrying amount of the Township's deposits was \$4,752,464, which excludes petty cash funds of \$1,000 held at the Township, and the bank balance was \$4,828,128.

Custodial Credit Risk -this is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. At March 31, 2019, all of the bank balances are insured or collateralized with securities held by the pledging financial institution's trust department or agent in the Township's name.

***Reconciliation of notes to financial statements:***

Cash - Carrying Amount of Township Deposits Per Note Above	\$4,752,464
Cash on Hand - Per Note Above	<u>1,000</u>
Total	<u>\$ 4,753,464</u>
Cash and Cash Equivalents Per Statement of Net Position	\$ 4,748,233
Investments Per Statement of Net Position	<u>5,231</u>
Total	<u>\$ 4,753,464</u>

JOLIET TOWNSHIP

Notes To Basic Financial Statements  
March 31, 2019

**Note 3: General Capital Assets**

A summary of changes in general capital assets is presented below:

	Balance 3/31/2018	Additions	Deletions	Balance 3/31/2019
<b>Capital Assets Not Being Depreciated:</b>				
Land	\$ 41,146	\$ -	\$ -	\$ 41,146
Construction in Process	-	15,888	-	15,888
<b>Capital Assets Being Depreciated:</b>				
Infrastructure	1,241,991	-	-	1,241,991
Buildings	2,669,201	22,784	(24,383)	2,667,602
Office Equipment	415,413	11,946	(120,110)	307,249
Vehicles and Equipment	1,845,135	23,709	(48,464)	1,820,380
<b>Total Capital Assets Being Depreciated</b>	<u>6,171,740</u>	<u>58,439</u>	<u>(192,957)</u>	<u>6,037,222</u>
<b>Less Accumulated Depreciation For:</b>				
Infrastructure	(296,988)	(31,050)	-	(328,038)
Buildings	(1,197,223)	(45,623)	(6,882)	(1,235,964)
Office Equipment	(349,149)	(31,117)	(103,067)	(277,199)
Vehicles and Equipment	(1,233,462)	(92,001)	(45,409)	(1,280,054)
<b>Total Accumulated Depreciation</b>	<u>(3,076,822)</u>	<u>(199,791)</u>	<u>(155,358)</u>	<u>(3,121,255)</u>
<b>Total Capital Assets Being Depreciated, Net</b>	<u>3,094,918</u>	<u>(141,352)</u>	<u>(348,315)</u>	<u>2,915,967</u>
<b>Capital Assets, Net</b>	<u>\$ 3,136,064</u>	<u>\$ (125,464)</u>	<u>\$ (348,315)</u>	<u>\$ 2,973,001</u>

Depreciation expense for the year of \$199,791 was charged to expense functions as follows:

General Government \$50,200; General Assistance \$3,138; Assessor \$973; Road and Bridge Maintenance \$106,293; and Animal Control \$39,187.

The public domain infrastructure in the Township consists of roads and bridges. Current year acquisitions have been capitalized to date.

JOLIET TOWNSHIP

Notes To Basic Financial Statements  
March 31, 2019

**Note 4: Motor Fuel Tax Allocations**

The Township is entitled to a portion of the State’s collections for Motor Fuel Tax. These funds, however, are not received directly by the Township, they are remitted to the County of Will who administers the funds. The funds can only be used for approved projects. The approval comes from two outside independent governmental units, one of which is the County of Will. Once there is an approved project, the County of Will supervises it and administers the payments directly to the vendors. The amounts relating to the Motor Fuel Tax generally have not been included in the Township’s financial statements due to the fact that they have no access to the funds and that other agencies must approve and administer the projects.

**Note 5: Tax Rates**

The following are the tax rates applicable to the various levies per \$100 of assessed valuation:

	Maximum Rate	Actual 2018 Rate	Actual 2017 Rate
Town	0.2500	0.2081	0.1987
General Assistance	0.1000	0.0046	0.0164
Senior Service	0.1500	0.0112	0.0187
Road and Bridge	0.6600	<u>0.1395</u>	<u>0.1437</u>
Total		<u>0.3634</u>	<u>0.3775</u>

**Note 6: General Long-Term Debt**

The following is a summary of changes in long-term debt for the year ended March 31, 2019:

	3/31/2018	Additions	Deletions	3/31/2019
Compensated Absences	46,720	46,923	(46,720)	46,923

## JOLIET TOWNSHIP

### Notes To Basic Financial Statements March 31, 2019

#### **Note 7: Retirement Fund Commitments**

##### ***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

JOLIET TOWNSHIP

Notes To Basic Financial Statements  
March 31, 2019

**Note 7: Retirement Fund Commitments: (continued)**

years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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

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

**Employees Covered by Benefit Terms**

At March 31, 2019, the following employees were covered by the benefit terms:

	Number of
Retirees and Beneficiaries	48
Inactive , Non-Retired Members	27
Active Members	33
Total	<u>108</u>
Covered Valuation Payroll	\$ 1,623,597

**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 2018 was 5.97%. For the fiscal year ended March 31, 2019, the Township contributed \$96,929 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.

JOLIET TOWNSHIP

Notes To Basic Financial Statements  
March 31, 2019

**Note 7: Retirement Fund Commitments: (continued)**

**Net Pension Liability**

The Township's net pension liability was measured as of December 31, 2018. 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, 2018:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.50%.
- **Salary Increases** were expected to be 3.39% to 14.25%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study from years 2014 to 2016.
- The IMRF-specific rates for **Mortality** (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For **Disabled Retirees**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.

JOLIET TOWNSHIP

Notes To Basic Financial Statements  
March 31, 2019

**Note 7: Retirement Fund Commitments: (continued)**

**Actuarial Assumptions** (continued)

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

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	37%	7.15%
International Equity	18%	7.25%
Fixed Income	28%	3.75%
Real Estate	9%	6.25%
Alternative Investments	7%	3.20-8.50%
Cash Equivalents	<u>1%</u>	2.50%
Total	100%	

**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:

JOLIET TOWNSHIP

Notes To Basic Financial Statements  
March 31, 2019

**Note 7: Retirement Fund Commitments: (continued)**

**Single Discount Rate (continued)**

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 3.71%, and the resulting single discount rate is 7.25%.

**Changes in the Net Pension Liability**

	<b>Total Pension Liability (A)</b>	<b>Plan Fiduciary Net Position (B)</b>	<b>Net Pension Liability (A) - (B)</b>
<b>Balances at December 31, 2017</b>	8,295,986	9,657,874	(1,361,888)
<b>Changes for the year:</b>			-
Service Cost	156,624	-	156,624
Interest on the Total Pension Liability	610,664	-	610,664
Changes of Benefit Terms	-	-	-
<b>Differences Between Expected and Actual</b>			
Experience of the Total Pension Liability	(14,507)	-	(14,507)
Changes of Assumptions	232,618	-	232,618
Contributions - Employer	-	96,929	(96,929)
Contributions - Employees	-	79,408	(79,408)
Net Investment Income	-	(539,795)	539,795
Benefit Payments, including Refunds of Employee Contributions	(464,217)	(464,217)	-
Other (Net Transfer)	-	139,702	(139,702)
Net Changes	<u>521,182</u>	<u>(687,973)</u>	<u>1,209,155</u>
<b>Balances at December 31, 2018</b>	<u>8,817,168</u>	<u>8,969,901</u>	<u>(152,733)</u>



JOLIET TOWNSHIP

Notes To Basic Financial Statements  
March 31, 2019

**Note 7: Retirement Fund Commitments: (continued)**

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	900,814	(152,763)	(1,020,067)

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

For the year ended March 31, 2019, the Township incurred pension expense of \$96,929. At March 31, 2019, the Township reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	-	25,086
Changes of assumptions	155,937	108,948
Net difference between projected and actual earnings on pension plan investments	1,138,959	540,494
Total deferred amounts to be recognized in pension expense in the future periods	1,294,896	674,528
Pension contribution made subsequent to the measurement date	24,711	-
Total deferred amounts related to pensions	1,319,607	674,528

JOLIET TOWNSHIP

Notes To Basic Financial Statements  
March 31, 2019

**Note 7: Retirement Fund Commitments: (continued)**

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 ended December 31:</b>	
2019	\$ 165,694
2020	128,893
2021	73,966
2022	251,715
2023	-

**Note 8: Interfund Transfers**

During the year the General Fund transferred \$1,200,000 to the Road & Bridge Fund for road maintenance and \$200,000 to the Animal Control Fund to help fund the cost of the animal control center. The transfers are not expected to be repaid.

**Note 9: Risk Management**

The Township is exposed to various risks of loss including but not limited to general liability, property casualty, worker's compensation and public officials liability. To limit exposure to these risks the Township has purchased insurance through the Township Officials of Illinois Risk Management Association. The Township is liable for various deductibles ranging from \$50 to \$60,000 depending on which coverage the liability occurs. There were no significant reductions in insurance coverage from the previous year. Settlements during the past three fiscal years did not exceed the insurance coverage.

**Note 10: Deferred Compensation Plan**

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Township employees, permits them to defer a portion of their salaries until future years. The Township does not make any contributions to the plan. The deferred compensation is not available to employees until termination, retirement or enforceable emergency. Deferred compensation is available to employees' beneficiaries in case of death.

JOLIET TOWNSHIP

Notes To Basic Financial Statements  
March 31, 2019

**Note 10: Deferred Compensation Plan (continued)**

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the participants and their beneficiaries. All assets of the Plan are held by an independent administrator.

**Note 11: Commitments and Contingencies**

*Litigation*

From time to time, the Township is involved in legal and administrative proceedings with respect to employment, civil rights, property tax protests and other matters. Although the Township is unable to predict the outcome of these matters, the Township believes that the final outcome of any actions will not have a material adverse effect on the results of operations or the financial position of the Township.

*Federal Grant Programs*

The Township currently participates in and in prior fiscal years has participated in various federal grant programs, principally FEMA and Community Development Block Grants. Federal grant programs are subject to program compliance audits by the grantor agencies. The Township's compliance with applicable grant requirements may be established at some future date; however, the Township believes that any noncompliance will not have a material effect on the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

(Unaudited)

**JOLIET TOWNSHIP**

Required Supplementary Information - Budgetary Comparison Information

General Town Fund

Schedule Of Revenues, Expenditures And Changes In Fund

Balance - Budget And Actual

For The Year Ended March 31, 2019

	<b>Original &amp; Final Budget</b>	<b>Actual On GAAP Basis</b>	<b>Variance From Final Budget Positive (Negative)</b>
<b>Revenues</b>			
Property Taxes	\$ 2,269,197	\$ 2,175,034	\$ (94,163)
Personal Property Replacement Tax	151,800	184,521	32,721
Interest Income	27,300	54,850	27,550
Miscellaneous	<u>9,500</u>	<u>9,391</u>	<u>(109)</u>
Total Revenues	<u>2,457,797</u>	<u>2,423,796</u>	<u>(34,001)</u>
<b>Expenditures</b>			
Town Administration			
Personnel Services			
Salaries	519,400	513,945	5,455
Health Insurance	116,700	77,461	39,239
Unemployment Insurance	2,040	850	1,190
Worker's Compensation	2,300	2,280	20
Social Security	40,900	39,908	992
IMRF Contribution	<u>24,700</u>	<u>23,987</u>	<u>713</u>
Total Personnel Services	<u>706,040</u>	<u>658,431</u>	<u>47,609</u>
Contractual Services			
Building Maintenance	50,000	27,357	22,643
Equipment Maintenance	6,000	4,523	1,477
Committee On Youth	100,000	25,000	75,000
Veteran Assistance	65,000	-	65,000
Community Grants	150,000	-	150,000
Audit	5,950	5,950	-
Consulting	16,000	15,960	40
Legal	64,000	59,813	4,187
Maintenance Grounds	3,500	1,294	2,206
Postage	2,500	629	1,871
Professional fees	64,000	16,141	47,859
Telephone	7,000	5,162	1,838
Publishing And Printing	2,000	1,269	731
Dues And Subscriptions	5,000	4,541	459
Travel Expenditures	18,000	15,115	2,885
Training	7,000	3,410	3,590
Utilities	23,700	22,260	1,440
General Insurance	12,000	11,494	506
Health And Safety	<u>94,000</u>	<u>72,439</u>	<u>21,561</u>
Total Contractual Services	<u>695,650</u>	<u>292,357</u>	<u>403,293</u>

**JOLIET TOWNSHIP**

Required Supplementary Information - Budgetary Comparison Information

General Town Fund

Schedule Of Revenues, Expenditures And Changes In Fund

Balance - Budget And Actual

For The Year Ended March 31, 2019

	<u>Original &amp; Final Budget</u>	<u>Actual On GAAP Basis</u>	<u>Variance From Final Budget Positive (Negative)</u>
<b>Expenditures (continued)</b>			
Commodities			
Office Supplies	\$ 12,000	\$ 5,555	\$ 6,445
Operating Supplies	2,000	787	1,213
Total Commodities	<u>14,000</u>	<u>6,342</u>	<u>7,658</u>
Capital Outlay			
Equipment	5,000	-	5,000
Improvements	1,000	-	1,000
Buildings	55,000	2,750	52,250
Total Capital Outlay	<u>61,000</u>	<u>2,750</u>	<u>58,250</u>
Miscellaneous	10,000	1,575	8,425
Total Town Administration	<u>1,486,690</u>	<u>961,455</u>	<u>525,235</u>
Assessor			
Personnel Services			
Salaries	282,100	276,511	5,589
Health Insurance	98,100	53,638	44,462
Unemployment Insurance	3,300	1,736	1,564
Worker's Compensation	2,150	2,135	15
Social Security	21,900	21,231	669
IMRF Contribution	14,600	14,108	492
Total Personnel Services	<u>422,150</u>	<u>369,359</u>	<u>52,791</u>
Contractual Services			
Equipment Maintenance	4,500	3,535	965
Appraisals	3,000	-	3,000
Computer Fees	9,700	2,870	6,830
Postage	300	300	-
Professional fees	5,250	210	5,040
Telephone	6,000	4,817	1,183
Publishing And Printing	500	-	500
Dues And Subscriptions	3,400	1,529	1,871
Travel Expenditures	4,500	4,484	16
Training	6,500	4,034	2,466
Total Contractual Services	<u>43,650</u>	<u>21,779</u>	<u>21,871</u>
Commodities			
Office Supplies	10,000	6,386	3,614

**JOLIET TOWNSHIP**

Required Supplementary Information - Budgetary Comparison Information

General Town Fund

Schedule Of Revenues, Expenditures And Changes In Fund

Balance - Budget And Actual

For The Year Ended March 31, 2019

	<u>Original &amp; Final Budget</u>	<u>Actual On GAAP Basis</u>	<u>Variance From Final Budget Positive (Negative)</u>
<b>Expenditures (continued)</b>			
Capital Outlay			
Equipment	\$ 33,000	\$ 18,888	\$ 14,112
Miscellaneous	1,000	-	1,000
Total Assessor	<u>509,800</u>	<u>416,412</u>	<u>93,388</u>
Cemetery			
Contractual Services			
Maintenance Grounds	10,000	6,424	3,576
Capital Outlay			
Equipment	1,000	-	1,000
Improvements	40,000	-	40,000
Total Capital Outlay	<u>41,000</u>	<u>-</u>	<u>41,000</u>
Miscellaneous	1,500	-	1,500
Total Cemetery	<u>52,500</u>	<u>6,424</u>	<u>46,076</u>
Contingency	<u>87,500</u>	<u>-</u>	<u>87,500</u>
Total Expenditures	<u>2,136,490</u>	<u>1,384,291</u>	<u>752,199</u>
Excess (Deficiency) Of Revenue Over Expenditures	321,307	1,039,505	718,198
Other Financing Uses			
Transfers Out	<u>(1,650,000)</u>	<u>(1,400,000)</u>	<u>(250,000)</u>
Net Change In Fund Balance	(1,328,693)	(360,495)	468,198
Fund Balance, Beginning Of Year		<u>2,680,624</u>	
Fund Balance, End Of Year		<u>\$ 2,320,129</u>	

**JOLIET TOWNSHIP**

Required Supplementary Information - Budgetary Comparison Information

General Assistance Fund

Schedule Of Revenues, Expenditures And Changes In Fund

Balance - Budget And Actual

For The Year Ended March 31, 2019

	<u>Original &amp; Final Budget</u>	<u>Actual On GAAP Basis</u>	<u>Variance From Final Budget Positive (Negative)</u>
<b>Revenues</b>			
Property Taxes	\$ 185,433	\$ 95,604	\$ (89,829)
Personal Property Replacement Tax	52,500	63,723	11,223
Interest Income	13,325	14,562	1,237
SSI Reimbursement	7,500	4,647	(2,853)
Miscellaneous	-	-	-
Total Revenues	<u>258,758</u>	<u>178,536</u>	<u>(80,222)</u>
<b>Expenditures</b>			
Administration			
Personnel Services			
Salaries	227,000	143,637	83,363
Health Insurance	84,000	37,072	46,928
Unemployment Insurance	2,900	1,520	1,380
Worker's Compensation	1,150	1,134	16
Social Security	17,600	10,811	6,789
IMRF Contribution	11,700	7,151	4,549
Total Personnel Services	<u>344,350</u>	<u>201,325</u>	<u>143,025</u>
Contractual Services			
Equipment Maintenance	8,000	7,139	861
Dues	500	200	
Professional Fees	1,000	-	1,000
Postage	1,000	1,000	-
Printing And Publishing Supplies	1,000	89	911
Travel Expenditures	3,000	137	2,863
Training	2,000	396	1,604
Catastrophic Insurance	3,200	3,175	25
Total Contractual Services	<u>19,700</u>	<u>12,136</u>	<u>7,264</u>
Commodities			
Office Supplies	<u>2,000</u>	<u>799</u>	<u>1,201</u>
Capital Outlay			
Equipment	<u>2,500</u>	<u>-</u>	<u>2,500</u>
Miscellaneous	<u>2,000</u>	<u>50</u>	<u>1,950</u>
Total Administration	<u>370,550</u>	<u>214,310</u>	<u>156,240</u>



**JOLIET TOWNSHIP**  
 Required Supplementary Information - Budgetary Comparison Information  
 General Assistance Fund  
 Schedule Of Revenues, Expenditures And Changes In Fund  
 Balance - Budget And Actual  
 For The Year Ended March 31, 2019

	<u>Original &amp; Final Budget</u>	<u>Actual On GAAP Basis</u>	<u>Variance From Final Budget Positive (Negative)</u>
<b>Expenditures (continued)</b>			
Home Relief			
Contractual Services			
Medical	\$ 120,000	\$ 612	\$ 119,388
Funeral And Burial Service	1,000	-	1,000
Rent	75,000	20,856	54,144
Utilities	16,000	9,925	6,075
Transient Transportation	<u>2,000</u>	<u>160</u>	<u>1,840</u>
Total Contractual Services	<u>214,000</u>	<u>31,553</u>	<u>182,447</u>
Commodities			
Food	<u>12,000</u>	<u>5,417</u>	<u>6,583</u>
Total Commodities	<u>12,000</u>	<u>5,417</u>	<u>6,583</u>
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>
Total Home Relief	<u>226,000</u>	<u>36,970</u>	<u>189,030</u>
Contingency	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Total Expenditures	<u>621,550</u>	<u>251,280</u>	<u>370,270</u>
Excess (Deficiency) Of Revenue Over Expenditures	(362,792)	(72,744)	290,048
Other Financing Uses			
Transfers	<u>-</u>	<u>-</u>	<u>-</u>
Net Change In Fund Balance	<u>\$ (362,792)</u>	<u>(72,744)</u>	<u>\$ 290,048</u>
Fund Balance, Beginning Of Year		<u>746,664</u>	
Fund Balance, End Of Year		<u>\$ 673,920</u>	

**JOLIET TOWNSHIP**  
Required Supplementary Information - Budgetary Comparison Information  
Road And Bridge Fund  
Schedule Of Revenues, Expenditures And Changes In Fund  
Balance - Budget And Actual  
For The Year Ended March 31, 2019

	<u>Original &amp; Final Budget</u>	<u>Actual On GAAP Basis</u>	<u>Variance From Final Budget Positive (Negative)</u>
<b>Revenues</b>			
Property Taxes	\$ 932,505	\$ 930,289	\$ (2,216)
Personal Property Replacement Tax	346,000	420,053	74,053
Rental Income	6,120	6,120	-
Road Fines	10,500	16,436	5,936
Interest Income	29,000	36,397	7,397
Grants	50,000	-	(50,000)
Miscellaneous	<u>20,000</u>	<u>26,945</u>	<u>6,945</u>
Total Revenues	<u>1,394,125</u>	<u>1,436,240</u>	<u>42,115</u>
<b>Expenditures</b>			
Administration			
Personnel Services			
Salaries	49,600	48,692	908
Health Insurance	22,625	11,784	10,841
Unemployment Insurance	140	68	72
Worker's Compensation	1,400	1,382	18
Social Security	3,800	3,660	140
IMRF Contribution	<u>2,500</u>	<u>2,402</u>	<u>98</u>
Total Personnel Services	<u>80,065</u>	<u>67,988</u>	<u>12,077</u>
Contractual Services			
Audit	3,850	3,850	-
Legal	20,000	-	20,000
Postage	1,500	556	944
Utilities	10,400	8,903	1,497
Printing And Publishing	2,500	2,114	386
General Insurance	14,000	13,955	45
Dues And Subscriptions	1,500	1,260	240
Training and Meetings	250	-	250
Telephone/Internet	4,000	2,840	1,160
Drug and Alcohol Testing	<u>1,000</u>	<u>630</u>	<u>370</u>
Total Contractual Services	<u>59,000</u>	<u>34,108</u>	<u>24,892</u>

**JOLIET TOWNSHIP**

Required Supplementary Information - Budgetary Comparison Information

Road And Bridge Fund

Schedule Of Revenues, Expenditures And Changes In Fund

Balance - Budget And Actual

For The Year Ended March 31, 2019

	<b>Original &amp; Final Budget</b>	<b>Actual On GAAP Basis</b>	<b>Variance From Final Budget Positive (Negative)</b>
<b>Expenditures (continued)</b>			
Commodities			
Office Supplies	\$ 1,000	\$ 973	\$ 27
Uniforms	3,000	2,246	754
Total Commodities	<u>4,000</u>	<u>3,219</u>	<u>781</u>
Capital Outlay			
Equipment	7,000	6,794	206
Municipal Replacement Tax	47,000	46,111	889
Total Administration	<u>197,065</u>	<u>158,220</u>	<u>38,845</u>
Maintenance			
Personnel Services			
Salaries	372,400	348,191	24,209
Health Insurance	102,400	72,147	30,253
Unemployment Insurance	560	361	199
Worker's Compensation	11,800	11,771	29
Social Security	28,500	25,607	2,893
IMRF Contribution	19,000	16,242	2,758
Total Personnel Services	<u>534,660</u>	<u>474,319</u>	<u>60,341</u>
Contractual Services			
Maintenance Service - Building	9,000	3,596	5,404
Maintenance Service - Equipment	61,825	41,653	20,172
Maintenance Service - Tree Removal	15,000	13,375	1,625
Maintenance Service - Sidewalks	5,000	-	5,000
Maintenance Service - Road/Drainage	1,576,000	1,516,752	59,248
Maintenance Service - Bridge	5,000	-	5,000
Environmental cleanup	70,000	1,290	68,710
Professional fees	1,000	-	1,000
Street Lights	66,500	57,488	9,012
Equipment Rental	5,000	274	4,726
Total Contractual Services	<u>1,814,325</u>	<u>1,634,428</u>	<u>179,897</u>

**JOLIET TOWNSHIP**

Required Supplementary Information - Budgetary Comparison Information

Road And Bridge Fund

Schedule Of Revenues, Expenditures And Changes In Fund

Balance - Budget And Actual

For The Year Ended March 31, 2019

	<u>Original &amp; Final Budget</u>	<u>Actual On GAAP Basis</u>	<u>Variance From Final Budget Positive (Negative)</u>
<b>Expenditures (continued)</b>			
Commodities			
Drainage, Flood Control	\$ 20,000	\$ 483	\$ 19,517
Operating Supplies/Materials	38,000	31,323	6,677
Small Tools	2,000	1,462	538
Snow Removal/Salt Supplies	52,000	50,539	1,461
Gasoline And Oil	20,000	14,944	5,056
Total Commodities	<u>132,000</u>	<u>98,751</u>	<u>33,249</u>
Capital Outlay			
Building	1,000	-	1,000
Equipment	13,175	13,379	(204)
Total Capital Outlay	<u>14,175</u>	<u>13,379</u>	<u>796</u>
Miscellaneous	2,000	222	1,778
Total Maintenance	<u>2,497,160</u>	<u>2,221,099</u>	<u>276,061</u>
Contingency	25,000	-	25,000
Total Expenditures	<u>2,719,225</u>	<u>2,379,319</u>	<u>339,906</u>
Excess (Deficiency) Of Revenue Over Expenditures	(1,325,100)	(943,079)	382,021
Other Financing Uses			
Transfers In	1,200,000	1,200,000	-
Net Change In Fund Balance	<u>\$ (125,100)</u>	256,921	<u>\$ 382,021</u>
Fund Balance, Beginning Of Year		<u>1,035,427</u>	
Fund Balance, End Of Year		<u>\$ 1,292,348</u>	

**JOLIET TOWNSHIP**

Required Supplementary Information - Budgetary Comparison Information

Animal Control Fund

Schedule Of Revenues, Expenditures And Changes In Fund

Balance - Budget And Actual

For The Year Ended March 31, 2019

	<u>Original &amp; Final Budget</u>	<u>Actual On GAAP Basis</u>	<u>Variance From Final Budget Positive (Negative)</u>
<b>Revenues</b>			
Intergovernmental Revenue	\$ 187,980	\$ 188,331	\$ 351
Fees for Services	94,700	80,646	(14,054)
Interest Income	10,750	7,484	(3,266)
Miscellaneous	<u>19,000</u>	<u>9,524</u>	<u>(9,476)</u>
Total Revenues	<u>312,430</u>	<u>285,985</u>	<u>(26,445)</u>
<b>Expenditures</b>			
Animal Control Center			
Personnel Services			
Salaries	405,000	365,241	39,759
Health Insurance	121,000	80,679	40,321
Unemployment Insurance	6,600	3,723	2,877
Worker's Compensation	1,850	1,849	1
Social Security	31,400	27,887	3,513
IMRF Contribution	<u>20,100</u>	<u>17,993</u>	<u>2,107</u>
Total Personnel Services	<u>585,950</u>	<u>497,372</u>	<u>88,578</u>
Contractual Services			
Building Maintenance	33,350	21,378	11,972
Service Equipment Maintenance	13,000	7,966	5,034
Service Grounds Maintenance	5,000	3,996	1,004
Professional Service	35,425	20,376	15,049
Postage	500	152	348
Telephone	10,000	9,314	686
Advertising	2,000	280	1,720
Publishing And Printing	1,000	821	179
Dues And Subscriptions	800	502	298
Travel Allowance	4,200	845	3,355
Conferences and Meetings	5,000	270	4,730
Utilities	17,500	14,809	2,691
Credit Card Fees	3,200	1,369	1,831
General Insurance	<u>6,100</u>	<u>6,056</u>	<u>44</u>
Total Contractual Services	<u>137,075</u>	<u>88,134</u>	<u>48,941</u>

**JOLIET TOWNSHIP**

Required Supplementary Information - Budgetary Comparison Information

Animal Control Fund

Schedule Of Revenues, Expenditures And Changes In Fund

Balance - Budget And Actual

For The Year Ended March 31, 2019

	<u>Original &amp; Final Budget</u>	<u>Actual On GAAP Basis</u>	<b>Variance From Final Budget Positive (Negative)</b>
<b>Expenditures (continued)</b>			
Commodities			
Office Supplies	\$ 6,000	\$ 2,371	\$ 3,629
Operating Supplies	6,300	2,536	3,764
Animal Care Supplies	15,750	7,432	8,318
Food And Drugs	22,000	19,919	2,081
Volunteer Supplies	1,000	571	429
Uniforms	3,500	1,285	2,215
Gas And Oil	8,000	6,426	1,574
Total Commodities	<u>62,550</u>	<u>40,540</u>	<u>22,010</u>
Capital Outlay			
Equipment	18,000	12,483	5,517
Capital Improvements	97,000	20,034	76,966
Total Capital Outlay	<u>115,000</u>	<u>32,517</u>	<u>82,483</u>
Miscellaneous	5,000	260	4,740
Contingency	10,000	-	10,000
Total Animal Control Center	<u>915,575</u>	<u>658,823</u>	<u>256,752</u>
Veterinary Services Escrow			
Contractual Services			
Refunds	2,000	469	1,531
Total Contractual Services	<u>2,000</u>	<u>469</u>	<u>1,531</u>
Total Veterinary Services Escrow	<u>2,000</u>	<u>469</u>	<u>1,531</u>
Total Expenditures	<u>917,575</u>	<u>659,292</u>	<u>258,283</u>

**JOLIET TOWNSHIP**

Required Supplementary Information - Budgetary Comparison Information

Animal Control Fund

Schedule Of Revenues, Expenditures And Changes In Fund

Balance - Budget And Actual

For The Year Ended March 31, 2019

	<b>Original &amp; Final Budget</b>	<b>Actual On GAAP Basis</b>	<b>Variance From Final Budget Positive (Negative)</b>
<b>Expenditures (continued)</b>			
Excess (Deficiency) Of Revenue Over Expenditures	\$ (605,145)	\$ (373,307)	\$ 231,838
Other Financing Sources (Uses) Transfers In	<u>450,000</u>	<u>200,000</u>	<u>250,000</u>
Net Change In Fund Balance	<u>\$ (155,145)</u>	<u>(173,307)</u>	<u>\$ 481,838</u>
Fund Balance, Beginning Of Year		<u>550,515</u>	
Fund Balance, End Of Year		<u>\$ 377,208</u>	

JOLIET TOWNSHIP  
Notes to the Required Supplementary Information  
March 31, 2019

**Legal Compliance and Accountability – Budgets**

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

1. The Supervisor and Accountant will submit a proposed budget for the fiscal year commencing April 1, to the Board at a regular or special meeting that will be held prior to June 1. The budget includes proposed expenditures and the means of financing them.
2. A public meeting is held to permit a review of the budget.
3. The budget is available for public inspection for at least 30 days prior to passage by the Board.
4. The budget is legally enacted through passage of an appropriation ordinance.
5. Formal budgetary integration is employed as a management control device during the year for the General and Special Revenue Funds through an internal reporting basis. Unexpended appropriations lapse at March 31 each year.
6. Estimated revenues included in the combined financial statements are based on estimated cash collections for the period.

The budget and the accounting records are maintained on the modified accrual basis of accounting as provided by GAAP.

Line item budget transfers cannot exceed 10% of each individual budget. Budgetary expenditure changes increasing the total budget can only be made after the complete hearing process, and where additional revenue is expected to become available to cover these expenditures. The budget was adopted by the Board on June 12, 2018. However, line transfers of appropriations that did not exceed 10% of the original budget have been done, and such transfers are included in the budget numbers.



JOLIET TOWNSHIP

SCHEDULES OF OTHER INFORMATION - IMRF  
 MULTITYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Calendar year ending December 31,	Last 10 Calendar Years									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
	(schedule to be built prospectively from 2014)									
<b>Total Pension Liability</b>										
Service Cost	156,624	166,373	173,579	161,058						
Interest on the Total Pension Liability	610,664	610,423	601,367	576,510						
Benefit Changes	-	-	-	-						
Difference between Expected and Actual Experience	(14,507)	(29,917)	(221,275)	16,475						
Assumption Changes	232,618	(287,042)	-	-						
Benefit Payments and Refunds	<u>(464,217)</u>	<u>(439,287)</u>	<u>(419,341)</u>	<u>(438,420)</u>						
<b>Net Change in Total Pension Liability</b>	521,182	20,550	134,330	315,623						
<b>Total Pension Liability - Beginning</b>	<u>8,295,986</u>	<u>8,275,436</u>	<u>8,141,106</u>	<u>7,825,483</u>						
<b>Total Pension Liability - Ending (a)</b>	<u>8,817,168</u>	<u>8,295,986</u>	<u>8,275,436</u>	<u>8,141,106</u>						
<b>Plan Fiduciary Net Position</b>										
Employer Contributions	96,929	100,961	108,898	117,970						
Employee Contributions	79,408	73,469	72,065	71,353						
Pension Plan Net Investment Income	(539,795)	1,524,944	570,672	41,952						
Benefit payments and Refunds	(464,217)	(439,287)	(419,341)	(438,420)						
Other	<u>139,702</u>	<u>(112,482)</u>	<u>(89,191)</u>	<u>(40,577)</u>						
<b>Net Change in Plan Fiduciary Net Position</b>	(687,973)	1,147,605	243,103	(247,722)						
<b>Plan Fiduciary Net Position - Beginning</b>	<u>9,657,874</u>	<u>8,510,269</u>	<u>8,267,166</u>	<u>8,514,888</u>						
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>8,969,901</u>	<u>9,657,874</u>	<u>8,510,269</u>	<u>8,267,166</u>						
<b>Net Pension Liability (Asset) - Ending (a) - (b)</b>	(152,733)	(1,361,888)	(234,833)	(126,060)						
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	101.73%	116.42%	102.84%	101.55%						
<b>Current Valuation Payroll</b>	1,623,597	1,570,171	1,601,445	1,585,614						
<b>Net Pension Liability as a Percentage of Covered Valuation Payroll</b>	-9.41%	-86.74%	-14.66%	-7.95%						

JOLIET TOWNSHIP

MULTIYEAR SCHEDULE OF CONTRIBUTIONS - IMRF

LAST 10 CALENDAR YEARS

<u>Calendar Year Ending December 31,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Valuation Payroll</u>	<u>Actual Contribution as a % of Covered Valuation Payroll</u>
2015	117,970	117,970	-	1,585,614	7.44%
2016	108,898	108,898	-	1,601,445	6.80%
2017	100,962	100,961	1	1,570,171	6.43%
2018	96,929	96,929	-	1,623,597	5.97%

(schedule to be built prospectively from 2015)

JOLIET TOWNSHIP

NOTES TO SCHEDULE OF CONTRIBUTIONS - IMRF

SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS  
USED IN THE CALCULATION OF THE 2018 CONTRIBUTION RATE\*

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**Valuation Date**

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

**Methods and Assumptions Used to Determine 2018 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): 25-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 20 years for most employers (two employers were financed over 29 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	3.50%
Price Inflation	2.75%
Salary Increases	3.75% to 14.50% including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality	For non-disabled retirees , an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). 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, 2016 actuarial valuation.

**JOLIET TOWNSHIP**

Senior Citizen's Fund

Schedule Of Revenues, Expenditures And Changes In Fund

Balance - Budget And Actual

For The Year Ended March 31, 2019

	<b>Original &amp; Final Budget</b>	<b>Actual On GAAP Basis</b>	<b>Variance From Final Budget Positive (Negative)</b>
<b>Revenues</b>			
Property Taxes	\$ 211,439	\$ 210,975	\$ (464)
Interest Income	4,900	4,147	(753)
Miscellaneous Revenues	-	2,598	2,598
Total Revenues	<u>216,339</u>	<u>217,720</u>	<u>1,381</u>
<b>Expenditures</b>			
Contractual Services			
Audit	400	400	-
Printing And Publishing	500	-	500
Senior Programs	<u>130,000</u>	<u>100,750</u>	<u>29,250</u>
Total Contractual Services	<u>130,900</u>	<u>101,150</u>	<u>29,750</u>
Seniors Grant	<u>80,000</u>	<u>500</u>	<u>79,500</u>
Miscellaneous Expenditures	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Contingency	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Total Expenditures	<u>213,900</u>	<u>101,650</u>	<u>112,250</u>
Excess (Deficiency) Of Revenue Over Expenditures	2,439	116,070	113,631
Other Financing Sources (Uses)			
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Net Change In Fund Balance	<u>\$ 2,439</u>	<u>\$ 116,070</u>	<u>\$ 113,631</u>
Fund Balance, Beginning Of Year		<u>66,195</u>	
Fund Balance, End Of Year		<u>\$ 182,265</u>	

**JOLIET TOWNSHIP**  
Schedule of Assessed Valuations, Tax Rates  
Extensions And Collections  
Last Four Tax Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Assessed Valuations</b>	\$1,217,230,258	\$1,130,690,807	\$1,058,516,594	\$1,011,992,830
<b>Tax Rates</b>				
General Town Fund	0.2081	0.1987	0.1995	0.2086
General Assistance Fund	0.0046	0.0164	0.0375	0.0392
Road And Bridge Fund	0.1395	0.1437	0.1481	0.1530
Senior Citizen Fund	<u>0.0112</u>	<u>0.0187</u>	<u>0.0126</u>	<u>0.0131</u>
	<u>0.3634</u>	<u>0.3775</u>	<u>0.3977</u>	<u>0.4139</u>
<b>Tax Extensions</b>				
General Town Fund	\$ 2,533,056	\$ 2,246,683	\$ 2,111,741	\$ 2,111,017
General Assistance Fund	55,992	185,433	396,944	396,701
Road And Bridge Fund	973,154	932,505	900,381	890,838
Senior Citizen Fund	<u>136,330</u>	<u>211,439</u>	<u>133,373</u>	<u>132,571</u>
	<u>\$ 3,698,532</u>	<u>\$ 3,576,060</u>	<u>\$ 3,542,439</u>	<u>\$ 3,531,127</u>
<b>Tax Collections</b>	<u>\$ -</u>	<u>\$ 3,567,483</u>	<u>\$ 3,527,530</u>	<u>\$ 3,512,050</u>
<b>Percentage Of Extensions Collected</b>				
During Fiscal Year	<u>0.00%</u>	<u>99.76%</u>	<u>99.58%</u>	<u>99.46%</u>

Note - Tax rates are per \$100 assessed valuation

**JOLIET TOWNSHIP**

Schedule of Investments Owned  
March 31, 2019

<u>Bank</u>	<u>Cost</u>	<u>Interest Rate</u>
<b>GENERAL TOWN FUND</b>		
Illinois Funds		
LGIP	<u>1,064</u>	Variable
Total	<u>1,064</u>	
<b>GENERAL ASSISTANCE FUND</b>		
Illinois Funds		
LGIP	<u>1,024</u>	Variable
Total	<u>1,024</u>	
<b>ROAD AND BRIDGE FUND</b>		
Illinois Funds		
LGIP	<u>1,095</u>	Variable
Total	<u>1,095</u>	
<b>ANIMAL CONTROL FUND</b>		
Illinois Funds		
LGIP	<u>1,024</u>	Variable
Total	<u>1,024</u>	
<b>SENIOR CITIZEN'S FUND</b>		
Illinois Funds		
LGIP	<u>1,024</u>	Variable
	<u>1,024</u>	
Total All Funds	<u>\$ 5,231</u>	