

# Sycamore Township

Sycamore, Illinois

Financial Report

Year Ended March 31, 2020



# Sycamore Township, Illinois

Year Ended March 31, 2020

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## Table of Contents

<b>Independent Auditor's Report</b>	1 - 2
<b>Financial Statements</b>	
Statement of Net Position	3
Statement of Activities	4
Balance Sheet - Governmental Funds	5
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	6
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	7
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	8
Notes to Financial Statements	9 - 26
<b>Required Supplementary Information</b>	
Statement of Revenues, Expenditures and Changes in Fund Balance Compared with Budget:	
General Fund	27
Permanent Road Fund	28
Multiyear Schedule of Changes in Net Pension Liability and Related Ratios	29
Multiyear Schedule of IMRF Contributions	30
Notes to Required Supplementary Information	31 – 32
<b>Supplementary Information</b>	
Combining Balance Sheet - Nonmajor Governmental Funds	33
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	34
Schedule of Assessed Valuations, Tax Rates, Tax Extensions and Collections	35

## **Independent Auditor's Report**

To the Board of Trustees  
Sycamore Township  
Sycamore, Illinois

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Sycamore Township, Illinois, (the "Township") as of and for the year ended March 31, 2020, 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 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 aggregate remaining fund information of Sycamore Township, Illinois, as of March 31, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

Management has omitted the Management Discussion and Analysis information that accounting principles generally accepted in the United State of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Sycamore Township, Illinois financial statements. The additional nonmajor governmental fund statements and schedule of assessed valuations, tax rates, tax extensions and collections, are presented for purposes of additional analysis and are not a required part of the financial statements.

The additional nonmajor governmental fund statements and schedule of assessed valuations, tax rates, tax extensions and collections are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the nonmajor governmental fund statements and schedule of assessed valuations, tax rates, tax extensions and collections are fairly stated, in all material respects, in relation to the financial statements as a whole.

*Wipfli LLP*

Rockford, Illinois  
October 16, 2020

**Basic Financial Statements**

# Sycamore Township, Illinois

## Statement of Net Position

March 31, 2020

<b>ASSETS</b>	<b>Governmental Activities</b>
Current assets:	
Cash and cash equivalents	\$1,995,965
Certificates of deposit	174,420
Property taxes receivable	1,358,980
Due from other governments	48,855
Total current assets	3,578,220
Capital assets:	
Land	251,619
Depreciated, net of accumulated depreciation	542,798
Total capital assets	794,417
Total assets	4,372,637
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension related	41,091
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	105,493
Accrued compensated absences	6,000
Total current liabilities	111,493
Noncurrent liabilities:	
Net pension liability	32,383
Total noncurrent liabilities	32,383
Total liabilities	143,876
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension related	82,705
Property taxes	1,358,980
Total deferred inflows of resources	1,441,685
<b>NET POSITION</b>	
Net investment in capital assets	794,417
Restricted for road and bridge	378,304
Restricted for permanent road	654,260
Restricted for IMRF	156,115
Restricted for social security	96,083
Restricted for liability	121,023
Restricted for general assistance	288,307
Restricted for equipment and building	248,628
Unrestricted	91,030
Total net position	\$2,828,167

See Accompanying Notes to Financial Statements.

# Sycamore Township, Illinois

## Statement of Activities

For the Year ending March 31, 2020

<i>Functions/Programs</i>	Expenses	Program Revenue		Governmental Activities	Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions		
Governmental activities:					
General government	\$523,296	\$0	\$0		(\$523,296)
General assistance	16,838	0	0		(16,838)
Road and bridge	1,038,175	0	103,586		(934,589)
Total governmental activities	1,578,309	0	103,586		(1,474,723)
General revenues:					
Taxes:					
Property taxes					1,296,760
Replacement tax					63,840
Investment earnings					15,917
Gain on disposal of capital assets					0
Miscellaneous					8,258
Total general revenues					1,384,775
Change in net position					(89,948)
Net position - beginning					2,918,115
Net position - ending					\$2,828,167

See Accompanying Notes to Financial Statements.

# Sycamore Township, Illinois

Balance Sheet  
Governmental Funds  
March 31, 2020

	General Fund	Permanent Road Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$140,376	\$685,384	\$1,170,205	\$1,995,965
Certificates of deposit	56,165	0	118,255	174,420
Property taxes receivable	399,195	620,703	339,082	1,358,980
Due from other governments	0	48,855	0	48,855
Total assets	\$595,736	\$1,354,942	\$1,627,542	\$3,578,220
<b>LIABILITIES</b>				
Accounts payable	31,514	73,979	0	105,493
Accrued compensated absences	0	6,000	0	6,000
Total liabilities	31,514	79,979	0	111,493
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes	399,195	620,703	339,082	1,358,980
Total deferred inflows of resources	399,195	620,703	339,082	1,358,980
<b>FUND BALANCES</b>				
Restricted	0	654,260	1,288,460	1,942,720
Unassigned	165,027	0	0	165,027
Total fund balances	165,027	654,260	1,288,460	2,107,747
Total liabilities, deferred inflows of resources and fund balances	\$595,736	\$1,354,942	\$1,627,542	\$3,578,220

See Accompanying Notes to Financial Statements.



# Sycamore Township, Illinois

## Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position March 31, 2020

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Total fund balances - governmental funds	\$2,107,747
Amounts reported for governmental activities in the statement of net position are different because:	
Deferred outflows related to pensions	41,091
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The net book value of capital assets as reported	794,417
Liabilities applicable to the Township's governmental activities that are not due and payable from currently available resources are not reported as fund liabilities. Liabilities are reported in the statement of net position. Balances reported in the statement of net position that are not reported in the fund balance sheet are:	
Net pension liability	(32,383)
Deferred inflows of resources related to pensions	(82,705)
<hr/>	
Total net position of governmental activities	<hr/> <hr/> \$2,828,167

# Sycamore Township, Illinois

## Statement of Revenues, Expenditures, and Changes in Fund Balances

### Governmental Funds

For the Year ending March 31, 2020

	<b>General Fund</b>	<b>Permanent Road Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
Revenues:				
Property taxes	\$393,711	\$614,671	\$288,378	\$1,296,760
Replacement tax	25,646	0	38,194	63,840
Motor fuel tax	0	103,586	0	103,586
Interest	2,697	4,801	8,419	15,917
Miscellaneous	789	0	7,469	8,258
<b>Total revenues</b>	<b>422,843</b>	<b>723,058</b>	<b>342,460</b>	<b>1,488,361</b>
Expenditures:				
Current:				
General government	476,271	0	43,602	519,873
General assistance	0	0	16,838	16,838
Road and bridge	0	764,893	83,874	848,767
Capital outlay	0	0	45,987	45,987
<b>Total expenditures</b>	<b>476,271</b>	<b>764,893</b>	<b>190,301</b>	<b>1,431,465</b>
Net change in fund balances	(53,428)	(41,835)	152,159	56,896
Fund balances - beginning	218,455	696,095	1,136,301	2,050,851
<b>Fund balances - ending</b>	<b>\$165,027</b>	<b>\$654,260</b>	<b>\$1,288,460</b>	<b>\$2,107,747</b>

See Accompanying Notes to Financial Statements.

# Sycamore Township, Illinois

## Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year ending March 31, 2020

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Excess (deficiency) of revenues and other sources over (under) expenditures and other uses - Governmental funds	\$56,896
Amounts reported for governmental activities in the statement of activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives as depreciation expense. This is the amount by which capitalized fixed assets exceeds depreciation expense in the period	(141,617)
Expenses in the Statement of Activities that do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Pension related expenditures	(5,227)
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Change in net position - governmental activities	<u>(\$89,948)</u>

# Sycamore Township, Illinois

## Notes to Financial Statements

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### Note 1 Summary of Significant Accounting Policies

#### Introduction

The financial statements of Sycamore Township (the "Township") have been prepared in conformity with the accounting principles generally accepted in the United States (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the Township are described below.

#### Description of government-wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

#### Reporting entity

The Township is governed by an elected Board of Trustees (Board). The accompanying financial statements present the Township and its component units, entities for which the Township is considered to be financially accountable. In evaluating how to define the Township, for financial reporting purposes, the Township has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic - but not the only - criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters.

A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity is conducted within the geographic boundaries of the Township and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the Township is able to exercise oversight responsibilities.

# Sycamore Township, Illinois

## Notes to Financial Statements

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### **Note 1 Summary of Significant Accounting Policies (Continued)**

The Township is considered to be a primary government, since it is legally separate and financially independent. This report includes all of the funds of the Township. It includes all activities considered to be part of (controlled by or dependent on) the Township as set forth under the GAAP criteria.

Blended Component Unit - The Road District serves all the citizens of the Township and is governed by the Township Supervisor and Board of Trustees. The budget and appropriation ordinance is approved by the Township Board. The Road District is reported as a Special Revenue Fund.

#### **Basis of presentation – government-wide financial statements**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

#### **Basis of presentation – fund financial statements**

The fund financial statements provide information about the Township's funds and blended component units. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Township reports the following major governmental funds:

The *general fund* is the Township's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The *permanent road fund* accounts for all activity related to the management of roads.

During the course of operations, the Township has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column.

# Sycamore Township, Illinois

## Notes to Financial Statements

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### **Note 1 Summary of Significant Accounting Policies (Continued)**

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

#### **Measurement focus and basis of accounting**

The government-wide financial statements are reported using the economic resources measurement focus. The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Township gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Township considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

#### **Motor Fuel Taxes**

The Township Highway Department receives a portion of motor fuel taxes from the State of Illinois Department of Transportation. In accordance with state statutes, this money is deposited with the County and recorded by the County in a Trust and Agency Fund. The Township, in conjunction with the County, utilizes these funds to finance repairs and maintenance of Township roads and record it in the Permanent Road Fund of the Township. However, these amounts are not shown in the budgetary comparison schedules as they are not budgeted for by the Township.

# Sycamore Township, Illinois

## Notes to Financial Statements

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### **Note 1 Summary of Significant Accounting Policies (Continued)**

#### **Accumulated Unpaid Vacation and Sick Pay**

Township employees are granted vacation leave on a fiscal year. Elected officials do not have a formal written vacation policy. Full-time Road District employees earn three weeks of vacation per year and are credited with the three weeks on January 1<sup>st</sup> of each calendar year. Compensated absences are reported as an expense and liability as they accrue in the government wide and governmental fund financial statements. Balance at fiscal year ended March 31, 2020 is \$6,000.

#### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

#### **Budgetary information**

##### ***Budgetary basis of accounting***

Annual budgets are adopted on a basis consistent with the modified accrual basis of accounting.

The appropriated budget is prepared by fund, function, and department. The Township's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

##### ***Excess of expenditures over appropriations***

For the year ended March 31, 2020, no fund's expenditures exceeded appropriations. The Township does not budget for the Motor Fuel Tax as those funds are managed at the County level.

# Sycamore Township, Illinois

## Notes to Financial Statements

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### **Note 1 Summary of Significant Accounting Policies (Continued)**

#### **Assets, liabilities, and net position/fund balance**

##### **Cash and cash equivalents**

The Township's cash and cash equivalents are considered to be cash on hand and demand deposits with original maturities of three months or less from the date of acquisition.

In accordance with the Township's investment policy, the Township is authorized to invest in funds according to Illinois Compiled Statutes 30 ILCS 235 under the Public Fund Investment Act.

It is the policy of the Township to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting daily cash flow demands and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are safety (preservation of capital and protection of investment principal), liquidity and yield.

##### **Capital assets**

Capital assets, which include property, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial, individual cost of more than a certain dollar amount and an estimated useful life in excess of two years. Minimum capitalization costs are as follows: buildings, \$10,000; infrastructure assets, \$50,000 (roads, bridges, culverts, curbs, sidewalks, lighting systems, gutters, and drainage systems); and all other assets, \$2,500.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the Township chose to include all such items regardless of their acquisition date or amount. The Township was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

As the Township constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated or contributed capital assets are recorded at their acquisition value at the date of donation.



# Sycamore Township, Illinois

## Notes to Financial Statements

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### Note 1 Summary of Significant Accounting Policies (Continued)

#### Assets, liabilities, and net position/fund balance (Continued)

#### Capital assets (Continued)

Land and construction in progress are not depreciated. The other property, equipment, and infrastructure of the primary government are depreciated using the straight line method over the following estimated useful lives:

<u>Capital asset classes</u>	<u>Lives</u>
Buildings	40 years
Machinery and equipment	5 – 7 years
Office furniture and equipment	5 – 7 years
Road improvements	10 years
Infrastructure	40 years

#### Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

#### Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Illinois Municipal Retirement Fund (IMRF) and additions to/deductions from IMRF's fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

#### Net position flow assumption

Sometimes the Township will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted and unrestricted in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the Township's policy to consider restricted to have been depleted before unrestricted is applied.

# Sycamore Township, Illinois

## Notes to Financial Statements

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### **Note 1 Summary of Significant Accounting Policies (Continued)**

#### **Fund balance flow assumptions**

Sometimes the Township will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Township's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

#### **Fund balance policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Township itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Township's highest level of decision-making authority. The board of trustees is the highest level of decision-making authority for the Township that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the Township for specific purposes but do not meet the criteria to be classified as committed. The board of trustees (board) has authorized the township supervisor to assign fund balance. The board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

# Sycamore Township, Illinois

## Notes to Financial Statements

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### **Note 1 Summary of Significant Accounting Policies (Continued)**

#### **Revenues and expenditures/expenses**

##### *Program revenues*

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, other than motor fuel taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

##### *Property taxes*

Property tax receipts represent the receipts primarily generated by the 2018 property tax levy. The 2018 levy was passed by the Board on November 13, 2018.

The 2019 levy was passed by the Board on November 12, 2019. Property taxes attach as an enforceable lien on property as of January 1 and are generally payable in two installments in June and September. The Township receives significant distributions of tax receipts within one month of these due dates. Since the 2019 property tax levy is levied to finance the operation of fiscal year 2021, the 2019 property tax is recorded as a receivable and unavailable revenue.

### **Note 2 Stewardship, Compliance and Accountability**

#### **Deficit fund equity**

At March 31, 2020, no funds had a deficit fund balance.

### **Note 3 Deposits**

***Custodial credit risk-deposits.*** In the case of deposits, this is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. As of March 31, 2020, the Township's bank balances totaled \$2,196,722 and \$0 of that amount was exposed to custodial credit risk because it was insured by FDIC or collateralized with securities held by the pledging or financial institution's trust department or agent in the Township's name.

# Sycamore Township, Illinois

## Notes to Financial Statements

### Note 4 Capital Assets

The governmental activities capital assets activity for the year ended March 31, 2020 is as follows:

<b>Governmental activities</b>	<b>Balance April 1, 2019</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance March 31, 2020</b>
Capital assets not being depreciated:				
Land	\$251,619	\$0	\$0	\$251,619
Capital assets being depreciated:				
Auto/transport equipment	886,190	43,037	0	929,227
Building improvements	42,663	2,950	0	45,613
Buildings	294,585	0	0	294,585
Computers and software	16,626	0	0	16,626
Furniture and fixtures	13,633	0	0	13,633
Machinery and equipment	878,292	0	0	878,292
Road improvements	419,689	0	0	419,689
<b>Total capital assets being depreciated</b>	<b>2,551,678</b>	<b>45,987</b>	<b>0</b>	<b>2,597,665</b>
Less accumulated depreciation for:				
Auto/transport equipment	734,505	78,143	0	812,648
Building improvements	21,395	941	0	22,336
Buildings	144,803	6,585	0	151,388
Computers and software	16,626	0	0	16,626
Furniture and fixtures	13,633	0	0	13,633
Machinery and equipment	715,349	59,967	0	775,316
Road improvements	220,952	41,968	0	262,920
<b>Total accumulated depreciation</b>	<b>1,867,263</b>	<b>187,604</b>	<b>0</b>	<b>2,054,867</b>
<b>Total capital assets depreciated, net</b>	<b>\$936,034</b>	<b>(\$141,617)</b>	<b>\$0</b>	<b>\$794,417</b>

Depreciation expense was charged to function/programs of the primary government as follows:

**Governmental activities:**

Road and Bridge \$187,604

# Sycamore Township, Illinois

## Notes to Financial Statements

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### Note 5 Pension Plan

#### Plan Description

**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 an agent multi-employer public pension fund. A summary of IMRF’s pension benefits is provided in the “Benefits Provided” section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan’s fiduciary net position, and required supplementary information. The report is available for download at [www.imrf.org](http://www.imrf.org).

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

All three IMRF benefit plans have two tiers. Employees hired **before** January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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

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

# Sycamore Township, Illinois

## Notes to Financial Statements

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### Note 5 Pension Plan (Continued)

**Employees Covered by the Benefit Terms** - At the December 31, 2019 valuation date, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	5
Inactive plan members entitled to but not yet receiving benefits	6
Active plan members	5
<hr/>	
Total	16

**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 2019 was 7.29%. For the fiscal year ended March 31, 2020, the Township contributed \$24,789 to the plan. The Township also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

#### Net Pension Liability

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

#### Actuarial assumptions

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

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.50%.
- **Salary Increases** were expected to be 3.35% to 14.25%.
- 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 of the period 2014-2016.
- **Mortality** For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that was applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

# Sycamore Township, Illinois

## Notes to Financial Statements

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### Note 5 Pension Plan (Continued)

#### Actuarial assumptions (Continued)

- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2019:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	37%	5.75%
International Equity	18%	6.50%
Fixed Income	28%	3.25%
Real Estate	9%	5.20%
Alternative Investments	7%	3.60-7.60%
Cash Equivalents	1%	1.85%
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 that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 2.75%, and the resulting single discount rate is 7.25%.

# Sycamore Township, Illinois

## Notes to Financial Statements

### Note 5 Pension Plan (Continued)

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance January 1, 2019	\$1,744,843	\$1,570,390	\$174,453
Service costs	34,455	0	34,455
Interest on total pension liability	125,209	0	125,209
Difference between expected and actual experience	28,023	0	28,023
Changes in assumptions	0	0	-
Employer contributions	0	23,496	(23,496)
Employee contributions	0	14,504	(14,504)
Net investment income	0	284,372	(284,372)
Benefit payments – net of refunds	(70,088)	(70,088)	0
Administrative expense	0	0	0
Other changes (net transfer)	0	7,385	(7,385)
Net changes	117,599	259,669	(142,070)
Balances as of December 31, 2019	\$1,862,442	\$1,830,059	\$32,383

**Sensitivity of the Township’s proportionate share of the net pension liability to changes in the discount rate** - The following presents the Township’s proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the Township’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Township’s proportionate share of the Net Pension liability (asset)	\$240,923	\$32,383	\$(141,158)

**Pension plan fiduciary net position** - Detailed information about the pension plan’s fiduciary net position is available in the separately issued IMRF financial report which is publicly available at [www.imrf.org](http://www.imrf.org).



# Sycamore Township, Illinois

## Notes to Financial Statements

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### Note 5 Pension Plan (Continued)

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** - For the year ended March 31, 2020, the Township recognized pension expense (income) of \$30,016. At March 31, 2020, the Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<i>Deferred amounts to be recognized in pension expense in future periods:</i>	<b>Deferred Outflows Of Resources</b>	<b>Deferred Inflows Of Resources</b>
Differences between expected and actual experience	\$16,433	\$2,864
Changes in assumptions	17,494	7,646
Net difference between projected and actual earnings on pension plan investments	0	72,195
Total deferred amounts to be recognized in pension expense in future periods	33,927	82,705
Pension contributions made subsequent to the measurement date	7,164	0
<b>Total</b>	<b>\$41,091</b>	<b>\$82,705</b>

The Township reported \$7,164 as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability for the measurement period ending December 31, 2020.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in the years ended March 31 as follows:

<b>Net Deferred Inflows</b>	
2021	\$(5,179)
2022	(15,564)
2023	6,247
2024	(34,282)
Thereafter	0

# Sycamore Township, Illinois

## Notes to Financial Statements

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### **Note 6 Risk Management**

The Township is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In order to handle such risks of loss, the Township purchases insurance coverage through the Township Officials of Illinois Risk Management Association (TOIRMA). The deductibles in effect through these policies as of March 31, 2020 varied. There have been no settlements which have exceeded insurance coverage in the past three years. Potentially, the Township could be assessed additional premiums for its share of any losses of the pool. Historically, the Township has not been assessed any additional premiums.

### **Note 7 Fund Balances**

According to Government Accounting Standards, fund balances are to be classified into five major classifications; Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. Below are definitions of how these balances are reported.

#### ***Nonspendable Fund Balance***

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts. The Township has no balances that are nonspendable at year-end.

#### ***Restricted Fund Balance***

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Examples of these restrictions could be those imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The Township has the following balances that are restricted at year end:

Permanent Road	\$654,260
General Assistance	288,307
Pension Benefits	156,115
Road and Bridge	378,304
Building and Equipment	248,628
Liability	121,023
Social Security	96,083
<hr/>	
Total	\$1,942,720

#### ***Committed Fund Balance***

The Township commits fund balance by making motions or passing a resolution to adopt policy or to approve contracts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contract requirements. The Township has no balances that are committed at year end.

# Sycamore Township, Illinois

## Notes to Financial Statements

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### **Note 7 Fund Balances (Continued)**

#### ***Assigned Fund Balance***

The assigned fund balance classification refers to amounts that are constrained by the Township's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by the Township's Board of Trustees to assign amounts to be used for specific purposes. The Township has no balances that are assigned at year end.

#### ***Unassigned Fund Balance***

The unassigned fund balance classification is the residual classification for amounts in the General Fund for amounts that have not been restricted, committed, or assigned to specific purposes. The unassigned fund balance totaled \$165,027 at fiscal year end.

#### ***Expenditures of Fund Balance***

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

### **Note 8 Transfers**

There were no transfers during the fiscal year ending March 31, 2020.

### **Note 9 Contingencies**

From time to time, the Township is party to other pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Township's financial position or results of operations.

### **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 salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The plan was approved to comply with IRC Section 457 (g) which allows for the plan to hold its assets in trust. Under these requirements, the assets of the plan are not subject to the general creditors of the Township, the Township does not own the amount deferred by employees and, therefore, the liability and corresponding investment are not reflected in the financial statements.

# Sycamore Township, Illinois

## Notes to Financial Statements

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### **Note 11     Legal Debt Margin**

The Township is subject to a debt limitation of 2.875% of its assessed valuation of \$353,395,117. As of March 31, 2020 the Township had \$10,160,110 of remaining legal debt margin.

### **Note 12     Pending Accounting Pronouncements**

GASB Statement No. 84, *Fiduciary Activities* establishes criteria for identifying fiduciary activities of all state and local governments. This statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 87, *Leases*, improves accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, clarifies which liabilities governments should include when disclosing information related to debt. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. The requirements of this Statement are effective for reporting periods beginning after June 15, 2019.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, provides more relevant information about capital assets and the cost of borrowing for a reporting period. This Statement's objectives are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 90, *Majority Equity Interests* an amendment of GASB Statements No. 14 and No. 61, improves accounting and financial reporting by presenting majority equity interest in legally separate organizations that were previously reported inconsistently. This Statement defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

# Sycamore Township, Illinois

## Notes to Financial Statements

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### **Note 12 Pending Accounting Pronouncements (Continued)**

GASB Statement No. 91, *Conduit Debt Obligations*, clarifies the existing definition of a conduit debt obligation; establishes that a conduit debt obligation is not a liability of the issuer; establishes standards for accounting and financial reporting of additional commitments and voluntary commitments extended by the issuers and arrangements associated with conduit debt obligations; and improves required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.

GASB Statement No. 92, *Omnibus 2020*, improves the consistency of several practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, amends certain hedge accounting from GASB Statement No. 53 and variable lease payments in accordance with GASB Statement No. 87. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, provides more guidance for accounting and financial reporting for availability payments arrangements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

Management has not completed its assessment of these pending standards as to the effect, if any, they may have on the financial statements.

### **Note 13 Risks and Uncertainties**

Beginning in March 2020, the United States economy began suffering adverse effects from the COVID-19 Virus Crisis (CV19 Crisis). The long-term impact of the CV19 Crisis on the Township cannot be reasonably estimated at this time.

## **Required Supplementary Information**

# Sycamore Township, Illinois

## Statement of Revenues, Expenditures and Changes in Fund Balance

Compared with Budget

General Fund

Year Ended March 31, 2020

	Original and Final Budget	Actual	Over (Under) Budget
Revenues:			
Property taxes	\$394,220	\$393,711	(\$509)
Replacement tax	10,000	25,646	15,646
Interest	300	2,697	2,397
Miscellaneous	50	789	739
<b>Total revenues</b>	<b>404,570</b>	<b>422,843</b>	<b>18,273</b>
Expenditures:			
Personnel services:			
Salaries	280,000	237,420	(42,580)
Fringe benefits	128,000	106,955	(21,045)
General administrative and operating expenditures	174,450	125,896	(48,554)
Professional fees	7,500	6,000	(1,500)
<b>Total expenditures</b>	<b>589,950</b>	<b>476,271</b>	<b>(113,679)</b>
Net change in fund balance	<u>(\$185,380)</u>	<u>(53,428)</u>	<u>\$131,952</u>
Fund balance, beginning		218,455	
Fund balance, ending		<u>\$165,027</u>	

See Accompanying Notes to Required Supplementary Information.

# Sycamore Township, Illinois

Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Compared with Budget  
 Permanent Road  
 Year Ended March 31, 2020

	Original and Final Budget	Actual	Over (Under) Budget
Revenues:			
Property taxes	\$615,482	\$614,671	(\$811)
Motor fuel tax	0	103,586	103,586
Interest	2,000	4,801	2,801
<b>Total revenues</b>	<b>617,482</b>	<b>723,058</b>	<b>105,576</b>
Expenditures:			
Personnel services:			
Salaries	140,000	110,285	(29,715)
General administrative and operating expenditures	772,700	642,685	(130,015)
Professional fees	25,000	11,923	(13,077)
Contingency	30,000	0	(30,000)
Other	20,000	0	(20,000)
<b>Total expenditures</b>	<b>987,700</b>	<b>764,893</b>	<b>(222,807)</b>
Net change in fund balances	<u>(\$370,218)</u>	<u>(41,835)</u>	<u>\$328,383</u>
Fund balance, beginning		<u>696,095</u>	
Fund balance, ending		<u><u>\$654,260</u></u>	

See Accompanying Notes to Required Supplementary Information.



# Sycamore Township, Illinois

## Required Supplementary Information

### Multiyear Schedule of Changes in Net Pension Liability and Related Ratios - Illinois Municipal Retirement Fund (IMRF)

Last 10 Calendar Years

(schedule to be built prospectively from 2016)

Calendar year ending December 31,	2019	2018	2017	2016
Total pension liability:				
Service cost	\$34,455	\$34,458	\$36,152	\$35,969
Interest on the total pension liability	125,209	120,346	117,803	111,765
Benefit changes	0	0	0	0
Difference between expected and actual experience	28,023	(7,216)	4,282	(1,338)
Assumption changes	0	44,088	(55,301)	(5,392)
Benefit payments and refunds	(70,088)	(68,443)	(67,909)	(65,255)
Net change in total pension liability	117,599	123,233	35,027	75,749
Total pension liability - beginning	1,744,843	1,621,610	1,586,583	1,510,834
Total pension liability - ending (a)	\$1,862,442	\$1,744,843	\$1,621,610	\$1,586,583
Plan fiduciary net position:				
Employer contributions	\$23,496	\$29,116	\$30,926	\$32,500
Employee contributions	14,504	14,013	14,789	14,713
Pension plan net investment income	284,372	(78,988)	251,352	94,828
Benefit payments and refunds	(70,088)	(68,443)	(67,909)	(65,255)
Other	7,385	26,322	(22,492)	9,288
Net change in plan fiduciary net position	259,669	(77,980)	206,666	86,074
Plan fiduciary net position - beginning	1,570,390	1,648,370	1,441,704	1,355,630
Plan fiduciary net position - ending (b)	\$1,830,059	\$1,570,390	\$1,648,370	\$1,441,704
Net pension liability(asset) - Ending (a) - (b)	\$32,383	\$174,453	(\$26,760)	\$144,879
Plan fiduciary net position as a percentage of total pension liability	98.26%	90.00%	101.65%	90.87%
Covered valuation payroll	\$322,302	\$311,406	\$328,656	\$326,965
Net pension liability as a percentage of covered valuation payroll	10.05%	56.02%	-8.14%	44.31%

# Sycamore Township, Illinois

## Required Supplementary Information Multiyear Schedule of IMRF Contributions Last 10 Fiscal Years

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<b>Fiscal Year Ending March 31,</b>	<b>*Actuarially Determined Contribution</b>	<b>Actual Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered Valuation Payroll</b>	<b>Actual Contribution as a % of Covered Valuation Payroll</b>
2016	\$38,323	\$38,323	\$0	\$320,966	11.94%
2017	32,500	32,500	0	326,965	9.94%
2018	30,578	30,578	0	325,440	9.35%
2019	27,572	27,572	0	312,635	8.82%
2020	24,789	24,789	0	322,422	7.69%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

\*Estimated based on 8.88% 2020 calendar year contribution rate, 7.29% 2019 calendar year contribution rate, and covered valuation payroll of \$322,422.

The Township implemented GASB Statement No. 68 in 3/31/16

**Note 1 Budgets**

The term budget used throughout the financial statements represents the estimated revenues and appropriations set forth in the Township’s annual appropriation ordinance adopted for the fiscal year ended March 31, 2020.

Budgetary comparisons presented in the accompanying financial statements are prepared on the modified accrual basis method of accounting which is consistent with the basis used for the actual figures. No funds exceeded the budgeted appropriations during the year.

Unexpended budgeted amounts lapse at the end of each year. Spending control is established by the amount of expenditures budgeted for the fund, but management control is exercised at budgetary line item levels.

Budgeted amounts are as originally adopted, or as amended by the Board of Trustees.

**Note 2 Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2019 Contribution Rate for IMRF \***

**Valuation date:**

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

**Methods and Assumptions Used to Determine 2019 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): 24-year closed period.  Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.  SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 19 years for most employers (three employers were financed over 28 years and four others were financed over 29 years).



## **Supplementary Information**

# Sycamore Township, Illinois

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 March 31, 2020

<b>ASSETS</b>	<b>Total Nonmajor Governmental Funds</b>	<b>General Assistance Fund</b>	<b>Town IMRF Fund</b>	<b>Road and Bridge Fund</b>	<b>Building and Equipment Fund</b>	<b>Special Joint Bridge Fund</b>	<b>Insurance Fund</b>	<b>Social Security Fund</b>	<b>Road and Bridge IMRF Fund</b>
Cash and cash equivalents	\$1,170,205	\$170,052	\$54,905	\$69,759	\$248,628	\$308,545	\$121,023	\$96,083	\$101,210
Certificate of deposit	118,255	118,255	0	0	0	0	0	0	0
Property taxes receivable	339,082	20,002	30,003	120,013	100,011	40,004	12,015	7,033	10,001
<b>Total assets</b>	<b>\$1,627,542</b>	<b>\$308,309</b>	<b>\$84,908</b>	<b>\$189,772</b>	<b>\$348,639</b>	<b>\$348,549</b>	<b>\$133,038</b>	<b>\$103,116</b>	<b>\$111,211</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>									
Property taxes	\$339,082	\$20,002	\$30,003	\$120,013	\$100,011	\$40,004	\$12,015	\$7,033	\$10,001
<b>FUND BALANCE</b>									
Restricted	1,288,460	288,307	54,905	69,759	248,628	308,545	121,023	96,083	101,210
Total liabilities, deferred inflows of resources and fund balance	\$1,627,542	\$308,309	\$84,908	\$189,772	\$348,639	\$348,549	\$133,038	\$103,116	\$111,211

# Sycamore Township, Illinois

## Combining Statement of Revenues, Expenditures,

## and Changes in Fund Balances

## Nonmajor Governmental Funds

Year Ended March 31, 2020

	Total Nonmajor Governmental Funds	General Assistance Fund	Town IMRF Fund	Road and Bridge Fund	Building and Equipment Fund	Special Joint Bridge Fund	Insurance Fund	Social Security Fund	Road and Bridge IMRF Fund
Revenues:									
Property taxes	\$288,378	\$11,984	\$31,970	\$45,595	\$129,852	\$39,970	\$11,984	\$7,013	\$10,010
Replacement tax	38,194	0	0	38,194	0	0	0	0	0
Interest earnings	8,419	2,233	340	499	1,560	1,861	713	605	608
Miscellaneous	7,469	1,437	0	3,277	0	0	2,755	0	0
<b>Total revenues</b>	<b>342,460</b>	<b>15,654</b>	<b>32,310</b>	<b>87,565</b>	<b>131,412</b>	<b>41,831</b>	<b>15,452</b>	<b>7,618</b>	<b>10,618</b>
Expenditures:									
Current:									
General administrative and operating expenses	43,602	0	16,462	0	0	0	18,708	8,432	0
General assistance	16,838	16,838	0	0	0	0	0	0	0
Road and bridge	83,874	0	0	66,438	3,264	5,845	0	0	8,327
Capital outlay	45,987	0	0	0	45,987	0	0	0	0
<b>Total expenditures</b>	<b>190,301</b>	<b>16,838</b>	<b>16,462</b>	<b>66,438</b>	<b>49,251</b>	<b>5,845</b>	<b>18,708</b>	<b>8,432</b>	<b>8,327</b>
Excess (deficiency) of revenues over (under) expenditures	152,159	(1,184)	15,848	21,127	82,161	35,986	(3,256)	(814)	2,291
Net change in fund balances	152,159	(1,184)	15,848	21,127	82,161	35,986	(3,256)	(814)	2,291
Fund balance, beginning of year	1,136,301	289,491	39,057	48,632	166,467	272,559	124,279	96,897	98,919
<b>Fund balance, end of year</b>	<b>\$1,288,460</b>	<b>\$288,307</b>	<b>\$54,905</b>	<b>\$69,759</b>	<b>\$248,628</b>	<b>\$308,545</b>	<b>\$121,023</b>	<b>\$96,083</b>	<b>\$101,210</b>

# Sycamore Township, Illinois

## Schedule of Assessed Valuations, Tax Rates, Tax Extensions and Collections

March 31, 2020

	Tax Year		
	2019	2018	2017
<b>Assessed valuations</b>	\$353,395,117	\$340,916,931	\$323,471,491
<b>Tax rates:</b>			
General fund	0.11296	0.11564	0.11917
Permanent road	0.17564	0.18054	0.19036
General assistance	0.00566	0.00352	0.00310
Town IMRF	0.00849	0.00939	0.00990
Road and bridge	0.03396	0.02142	0.01855
Building and equipment	0.02830	0.03814	0.03092
Special joint bridge	0.01132	0.01174	0.01237
Insurance	0.00340	0.00352	0.00464
Social security	0.00199	0.00206	0.00464
IMRF	0.00283	0.00294	0.00619
	0.38455	0.38891	0.39984
<b>Tax extensions:</b>			
General fund	\$399,195	\$394,236	\$385,481
Permanent road	620,703	615,491	615,760
General assistance	20,002	12,000	10,028
Town IMRF	30,003	32,012	32,024
Road and bridge	120,013	73,024	60,004
Building and equipment	100,011	130,026	100,017
Special joint bridge	40,004	40,024	40,013
Insurance	12,015	12,000	15,009
Social security	7,033	7,023	15,009
IMRF	10,001	10,023	20,023
	\$1,358,980	\$1,325,859	\$1,293,368
<b>Collections:</b>			
General fund	\$0	\$393,711	\$387,876
Permanent road	0	614,671	619,585
General assistance	0	11,984	10,090
Town IMRF	0	31,970	32,223
Road and bridge	0	45,595	37,795
Building and equipment	0	129,852	100,638
Special joint bridge	0	39,970	40,262
Insurance	0	11,985	15,103
Social security	0	7,013	15,103
IMRF	0	10,010	20,147
	\$0	\$1,296,761	\$1,278,822
Percentage of extensions collected	N/A	97.81%	98.88%