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Moraine Township, Illinois

Annual Financial Report

For the Year Ended March 31, 2021

MORAINÉ TOWNSHIP, ILLINOIS

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Year Ended March 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Township Supervisor and
the Members of the Moraine Township Board of Trustees
Highland Park, 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 Moraine Township, Illinois as of and for the year ended March 31, 2021, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the

financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement 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 Moraine Township, Illinois as of March 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

George Roach & Associates, P.C.

George Roach & Associates, P.C.
Crystal Lake, Illinois
July 29, 2021

REQUIRED SUPPLEMENTARY INFORMATION

MANAGEMENT DISCUSSION
AND ANALYSIS - UNAUDITED

MORAINÉ TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Year Ended March 31, 2021

The following section of Moraine Township's annual financial report is intended to provide readers with a narrative overview and analysis of the financial activities of the Township for the fiscal year ended March 31, 2021. The Management of the Township encourages readers to consider the information presented herein to enhance their understanding of the Township's activities and financial operations.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Township's basic financial statements. The Township's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic financial statements, this report also contains required supplementary information.

Government-wide financial statements

The government-wide financial statements are prepared using the full accrual basis of accounting and are designed to provide readers with a broad overview of the Township's finances, in a manner similar to private-sector businesses. The statement of net position presents financial information on all of the Township's assets plus deferred outflows, liabilities plus deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Township is improving or deteriorating.

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

Both of the government-wide financial statements (pages 16 & 17) distinguish functions of the Township that are principally supported by property taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover a portion of the costs through user fees and charges. The governmental activities of the Township include general government, services for youth and family, seniors, transportation, cemeteries and assistance for residents in need.

Fund financial statements

The Town Fund and General Assistance Fund of the Township are governmental funds.

Moraine Township Charitable Fund, Inc. (also known as Community Chest), is a separate 501 (c) (3) entity that funds the Township Food Pantry and other resident assistance programs. The Community Chest Fund is encompassed within the General Assistance Fund of the Township due to the relationship it has with the Township.

MORAINÉ TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Year Ended March 31, 2021

OVERVIEW OF THE FINANCIAL STATEMENTS (CONCLUDED)

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

Both the governmental fund balance sheet (page 18) and the governmental fund statement of revenues, expenditures, and changes in fund balances (page 19) provide a reconciliation to facilitate this comparison between governmental funds and government-wide activities.

Notes to the financial statements

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

Required Supplementary Information

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

The Township adopts an annual budget for all funds, which is filed with the Lake County Clerk. A budgetary comparison statement has been provided for the Town Fund and General Assistance fund to demonstrate comparison with the budgeted appropriation (as amended April 2021 for the fiscal year ended March 31, 2021).

FINANCIAL HIGHLIGHTS

As of the close of the current fiscal year, the Township's governmental activities reported a combined ending net position of \$4,164,765, an increase of \$106,397 in comparison with the prior fiscal year.

Of this \$4,164,765 net position:

- \$2,448,432 is the Township's investment in net fixed assets, a decrease of \$57,936.

MORAINÉ TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Year Ended March 31, 2021

FINANCIAL HIGHLIGHTS (CONCLUDED)

- \$514,132 includes resources restricted for general assistance and community chest.

At March 31, 2021, the Township's governmental funds reported combined ending fund balances of \$1,500,247 (page 19), an increase of \$316,224 compared with the prior fiscal year. This increase is comprised of \$144,887 in the Town Fund, and \$171,337 in General Assistance (including Community Chest) (page 19).

The Town Fund increase is attributed to decreased expenses for the Township's Door-to-Door transportation program when the program was partially suspended during COVID-19, and a decrease in capital expenditures (prior year expenses included a roof replacement).

The increase in the General Assistance Fund is attributed to a surge in COVID-19 Community Chest donations.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Township, assets plus deferred outflows exceeded liabilities plus deferred inflows by \$4,164,765 for the year ended March 31, 2021. Of the Township's net position, \$2,448,432 reflects its investment in capital assets. Capital assets are not available to use as operating funds or other spending, or to liquidate liabilities.

The remaining net position balance is \$1,716,333, of which \$514,132 is restricted and \$1,202,201 is unrestricted.

MORAINÉ TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Year Ended March 31, 2021

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Moraine Township Net Position

	Governmental Activities	
	3/31/2020	3/31/2021
Current Assets	\$ 2,810,770	\$ 3,555,431
Fixed Assets	2,506,368	2,448,432
Total Assets	\$ 5,317,138	\$ 6,003,863
Deferred Outflows	\$ 138,584	\$ -
Total Liabilities	\$ 47,326	\$ 173,341
Deferred Inflows	1,350,028	1,665,757
Net Position:		
Net Investment in Capital Assets	2,506,368	2,448,432
Restricted	363,612	514,132
Unrestricted	1,188,388	1,202,201
Total Net Position	\$ 4,058,368	\$ 4,164,765

MORAINÉ TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Year Ended March 31, 2021

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Moraine Township Changes in Net Position

	Governmental Activities	
	3/31/2020	3/31/2021
Revenues		
Program Revenues:		
Charges for Services	\$ 17,354	\$ 4,665
Operating Grants	41,000	132,087
Monetary Donations	150,281	488,625
General Revenues:		
Property Taxes	1,337,851	1,333,796
Replacement Taxes	41,768	36,848
Reimbursements	20,744	-
Interest	16,876	4,847
Pension - GASB 68	253,818	-
Other Income	5,939	9,898
Total Revenues	<u>1,885,631</u>	<u>2,010,766</u>
Expenses		
General Government	331,717	413,700
Community Assistance and Services	89,006	518,326
Assessor	433,092	438,511
Transportation Services	188,693	113,701
Agency Grants	175,000	175,000
Cemeteries	15,853	35,304
GASB 68 Pension	-	151,891
Passport Processing	9,736	-
Depreciation - unallocated	49,548	57,936
Total Expenses	<u>1,292,645</u>	<u>1,904,369</u>
Increase/(Decrease) in Net Assets	<u>592,986</u>	<u>106,397</u>
Net Position - Beginning of Year	<u>3,465,382</u>	<u>4,058,368</u>
Net Position - End of Year	<u>\$4,058,368</u>	<u>\$4,164,765</u>

MORAINÉ TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
Year Ended March 31, 2021

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Governmental activities

Total Revenue: Total revenue increased by \$378,954 (not including GASB 68 pension items). Although charges for services decreased due to COVID-19 program reductions and suspensions, and property taxes decreased due to levy reductions, revenue decreases were more than offset by increased donations and grant revenue. The Township received a \$77,320 CARES grant for COVID-19 expenses such as remote working equipment and IT, HVAC retrofits, and safety improvements and supplies for the office and Food Pantry. The Township was also awarded a \$15,000 COVID-19 Housing Relief Program (CHRP) grant for resident rental assistance.

Donations from the public for resident food and other assistance increased by \$340,261 over the prior fiscal year.

Township revenue includes a generous grant from the Healthcare Foundation of Highland Park in the amount of \$40,000 to support the Township's Door-to-Door Paratransit Van program; this grant was unchanged from the prior fiscal year.

Total Expenses: Township expenditures fund the Township Assessor's office, transportation services for seniors and disabled residents, capital and maintenance expenses for two cemeteries, Emergency and General Assistance, Senior and Youth Services, and grants to local social service agencies that provide a safety net for the Township's most vulnerable residents. Expenses during the fiscal year increased \$277,985 over the prior fiscal year. While capital expenses decreased \$166,905, and transportation expenses decreased \$72,746 due to partial suspension of the program during COVID-19, expenditures for resident assistance programs increased \$429,320 to provide residents with food, utility and shelter assistance during the pandemic.

Net Position: Moraine Township's net position increased by \$106,397 during the fiscal year.

Moraine Township Financial highlights include:

- **Debt:** Moraine Township has no long-term or short-term debt.
- **Revenue:** increased primarily due to additional grant and donation income to provide COVID-19 relief to residents.
- **Levy:** The Township Board of Trustees reduced the property tax levy by 2.6% in December of 2020.

MORAINÉ TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Year Ended March 31, 2021

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

- Expenses: increased during the fiscal year by \$277,985 in comparison with the prior fiscal year.

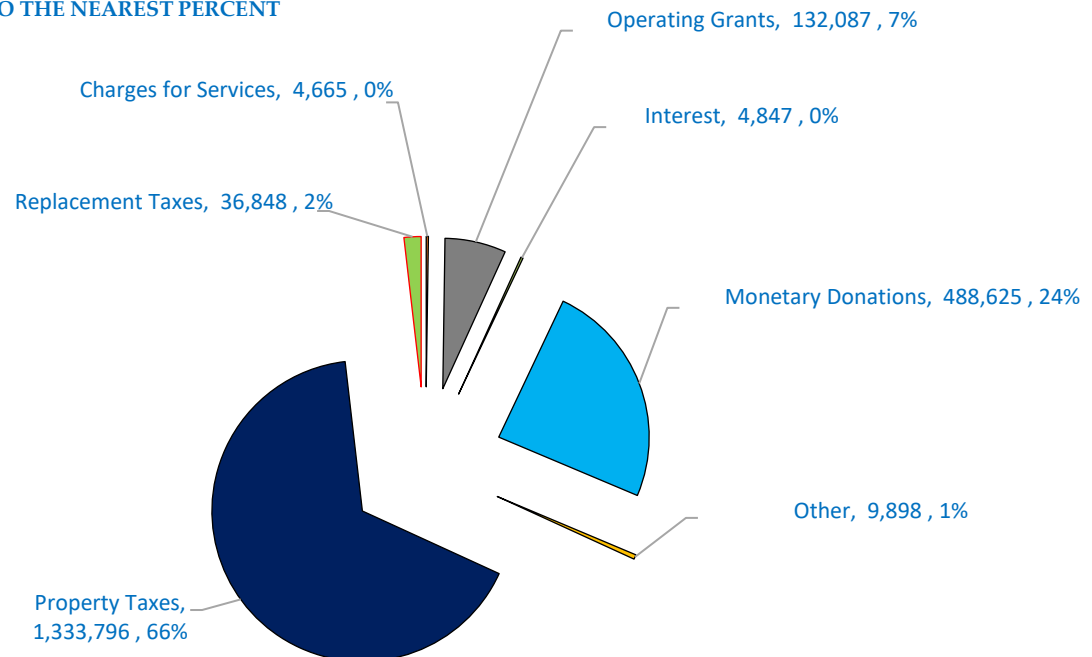
Town Fund expenses decreased by \$211,195, primarily due to capital expenditures and transportation expense reductions.

General Assistance Fund expenses increased by \$489,180 due to COVID-19 increased expense for food, shelter and utility assistance for residents.

- The actuarially-computed accrual required to comply with the Governmental Accounting Standards Board Statement No. 68 referenced above decreased the Township's change in net position by \$151,891.

2021 REVENUES

ROUNDED TO THE NEAREST PERCENT



MORAINÉ TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Year Ended March 31, 2021

FINANCIAL ANALYSIS OF THE TOWNSHIP'S FUNDS

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

Governmental funds

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

At March 31, 2021, the Township's governmental funds reported combined ending fund balances of \$1,500,247, an increase of \$316,224 in comparison with the prior year. The increase is attributed to COVID-19 increases in grants and donations, and decreases in expenses.

The Town Fund is the chief operating fund of the Township. At March 31, 2021, the fund balance of the Town Fund was \$965,298. This represents an increase of \$144,887 compared to the prior fiscal year.

Illinois statute allows Townships to transfer funds from Town Fund to the General Assistance Fund. During the fiscal year ended March 31, 2021, Moraine Township transferred \$200,000 from Town Fund to the General Assistance Fund.

TOWN FUND BUDGETARY HIGHLIGHTS

Expenditures in the Town Fund of \$888,748 were less than revenues by \$344,887; Town Fund expenditures were \$113,610 under the budgeted appropriations of \$1,002,358, and \$211,195 less than the prior fiscal year. The decrease from the prior year is primarily attributed to decreased expenses when non-essential services were suspended due to COVID-19, and a decrease in capital expenditures in comparison with the prior fiscal year (prior fiscal year included a roof replacement).

Town Fund: non-capital expenditures decreased by \$36,012 in comparison with the prior fiscal year, primarily due to the partial suspension of the Door-to-Door Van program during the pandemic, and termination of the taxi coupon program.

MORAINÉ TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Year Ended March 31, 2021

GENERAL ASSISTANCE FUND BUDGETARY HIGHLIGHTS

General Assistance: non-capital expenditures increased by \$496,602, due to a significant increase in resident assistance programs during COVID-19, an increase in costs to administer programs, and equipment and staff to remotely assist residents during the pandemic.

Total General Assistance non-capital expenditures of \$805,794 funded programs, services and administration of general assistance, emergency assistance, and other services to residents in need.

- The General Assistance Fund is used by the Township to provide assistance to income-qualified residents as set forth in the Illinois General Assistance Guidelines.

General and Emergency Assistance provides short-term emergency shelter, rental assistance, utility disconnections and reconnections, Alert One for low-income seniors living alone, job search assistance, and senior and youth services.

Blended into the General Assistance Fund is Moraine Township Charitable Fund, Inc. (also known as Community Chest), a separate 501 (c) (3) entity supporting the Township Food Pantry and providing supplemental emergency assistance to residents.

Community Chest: ended the fiscal year with a cash balance of \$224,323, due primarily to a significant increase in donations from the public to provide assistance to residents during the pandemic.

- Community Chest fiscal year expenses of \$451,356 are included in the General Assistance Fund.

Community Chest expenditures include Pantry food, supplies and equipment, gift cards distributed to residents, and rent and utility assistance. Other Community Chest expenditures include the holiday gift drive, PayPal fees, volunteer appreciation, and legal and accounting services.

- During COVID-19, the Township Food Pantry converted from shopping to drive-through distribution. Staff and trustees also delivered food to 35-50 households weekly to residents sheltering in place, ill, or unable to pick up food due to work schedules.

MORAINÉ TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Year Ended March 31, 2021

GENERAL ASSISTANCE FUND BUDGETARY HIGHLIGHTS (CONCLUDED)

In-kind donations from area businesses, community food drives, and food picked up from local stores were suspended during COVID-19, requiring the Township to purchase most of the food distributed. A generous community, and volunteers who worked during COVID-19 packing bags and loading food into cars, made it possible for Moraine Township to provide residents in need with fresh produce, eggs, cheese, bread, frozen meat, shelf-stable food and toiletries throughout the pandemic.

- The Township also facilitates volunteers who train with Centers for Medicare and Medicaid Services (CMS) to offer assistance enrolling residents for Medicaid or health insurance on the federal Marketplace. Volunteers worked remotely to enroll individuals and families who lost medical insurance due to job loss during the pandemic.
- The Township Volunteer Income Tax Assistance (VITA) program facilitates volunteers who train with the Internal Revenue Service (IRS) to offer free income tax preparation to low-income taxpayers. The program was re-structured during the pandemic, and prepared over 250 calendar year 2020 income tax returns remotely.

TOWNSHIP PROGRAM HIGHLIGHTS APRIL 1, 2020 THROUGH MARCH 31, 2021

During the fiscal year April 1, 2020 through March 31, 2021, Moraine Township responded to almost 35,000 resident inquiries or requests for services, assistance, or resource information. During the first few months of working remotely after the office closed for COVID-19, Township Staff remotely answered as many as 100 calls a day from residents needing help, services, or resources. (Services of the Assessor's Office are not included.)

Direct Services: Examples of direct services provided to residents include applications for Emergency and General Assistance, utility and housing assistance, Alert One monitoring service for low-income seniors living alone, van rides for senior and disabled residents, assistance enrolling for health insurance, free income tax preparation for low-income residents, cemetery inquiries and burials, voter and notary services, and almost 18,000 individual food pantry resident-visits (almost 7,000 household visits).

Emergency rent and utility assistance of \$83,700 was distributed to 80 Moraine Township households during the fiscal year.

MORAINÉ TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Year Ended March 31, 2021

TOWNSHIP PROGRAM HIGHLIGHTS APRIL 1, 2020 THROUGH MARCH 31, 2021 (CONTINUED)

Indirect Services: Examples of indirect services provided by Township staff include assisting residents applying for benefits such as Medicaid, LINK Cards (formerly Food Stamps), utility assistance, Benefit Access, RTA Passes, Share the Warmth, Salvation Army, Safe Link Phones, and responding to other resident inquiries. Township staff also connect residents with housing and other resources.

Starting in March 2020, the Township's Door-to-Door paratransit program was suspended for all residents except those needing thrice weekly dialysis, chemotherapy or other critical medical treatments. The program was partially resumed for other residents during the summer of 2020 to provide transportation to medical appointments delayed due to COVID-19.

CAPITAL ASSETS

The Township's capital fixed assets for its governmental activities as of March 31, 2021, amount to \$2,448,432 (net of accumulated depreciation and asset disposition). This investment in fixed assets includes land improvements, buildings, furniture and other equipment. The Township building, located at 800 Central Avenue in downtown Highland Park, serves as the Township office and Food Pantry.

There were no fix asset additions during the fiscal year.

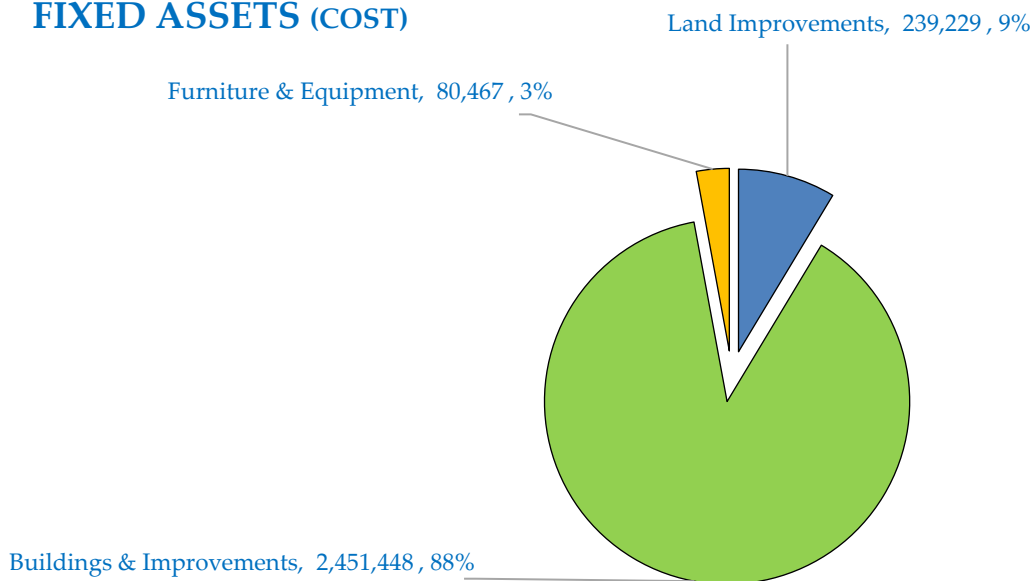
	Balance			Balance
Fixed Assets	April 1, 2020	Increases	Decreases	March 31, 2021
Land Improvements (Cemeteries)	\$ 239,229	\$ -	\$ -	\$ 239,229
Buildings & Improvements	2,451,448	-	-	2,451,448
Furniture & Equipment	80,467	-	-	80,467
Total Fixed Assets	2,771,144	-	-	2,771,144
Less: Accumulated Depreciation	264,776	57,936	-	322,712
Fixed Assets (Net)	\$ 2,506,368	\$ (57,936)	\$ -	\$ 2,448,432

MORAINÉ TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Year Ended March 31, 2021

FIXED ASSETS (COST)



ECONOMIC FACTORS AND PROPERTY TAXES

The equalized assessed valuation (EAV) of the Township for the 2020 levy is \$2,381,449,155. That represents a decrease in EAV of \$47,271,912 over the prior year's EAV.

Property tax revenue in the financial statements are from the 2019 property tax levy, passed in November, 2019, and collected in June and September 2020 during the fiscal year ended March 31, 2021.

Property tax receivable and deferred property tax amounts reported in these financial statements are from the 2020 levy passed in November, 2020, to be paid to the Township in June and September 2021, during the fiscal year ended March 31, 2022.

During the past eight years, the Township Board of Trustees has reduced the property tax levy by 5% in two separate years, and reduced the levy again by 2.6% in December of 2020. Moraine Township's property tax levy has not been raised in the last eight years for existing property owners (small increases capture tax for new construction that requires additional services).

A summary of the assessed valuations and extensions for tax years 2020, 2019, and 2018 is as follows:

MORAINÉ TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Year Ended March 31, 2021

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

Tax Levy Year	2020		2019		2018	
Assessed Valuation						
Collections from: Lake County						
Moraine Township	\$	2,381,449,155	\$	2,428,721,027	\$	2,468,286,963
Tax Rates and Percentage						
Allocations by Fund						
Funds	Rate	Percentage	Rate	Percentage	Rate	Percentage
Corporate	0.055219	100.00	0.045292	81.48	0.044566	81.78
General Assistance	0.000000	0.00	0.010294	18.52	0.009926	18.22
Totals	0.055219	100.00	0.055586	100.00	0.054492	100.00
Property Tax Extensions						
Funds	2020		2019		2018	
Corporate	\$	1,315,012	\$	1,100,016	\$	1,100,017
General Assistance		0		250,013		245,002
Totals	\$	1,315,012	\$	1,350,029	\$	1,345,019

DESCRIPTION OF CURRENT OR EXPECTED CONDITIONS

Currently, management is not aware of any other significant changes in conditions that could have a significant effect on the financial position or results of activities of the Township in the near future.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Township's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Supervisor, Moraine Township, 800 Central Avenue, Highland Park, Illinois, 60035.

BASIC FINANCIAL STATEMENTS

MORAINÉ TOWNSHIP, ILLINOIS

Government-wide Statement of Net Position

March 31, 2021

	Assets	Governmental Activities
Cash and cash equivalents		\$ 1,506,122
Property tax receivable		1,342,516
Accounts receivable		112,466
Prepaid items		27,496
Pension asset		566,831
Fixed assets - net		2,448,432
Total Assets		6,003,863
	Liabilities	
Accounts payable		31,580
Accrued payroll liabilities		1,761
Unearned grant revenue		140,000
Total Liabilities		173,341
	Deferred Inflows of Resources	
Unavailable property tax revenue		1,315,012
Deferred pension inflows		350,745
Total Deferred Inflows of Resources		1,665,757
	Net Position	
Net investment in capital assets		2,448,432
Restricted - general assistance		297,225
Restricted - community chest		216,907
Unrestricted		1,202,201
Total Net Position		\$ 4,164,765

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

MORAINÉ TOWNSHIP, ILLINOIS

Government-wide Statement of Activities

Year Ended March 31, 2021

Functions/Programs	Program Revenues			Net (Expense) Revenue & Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
Administration:				
Town	\$ 126,232	\$ -	\$ 61,083	\$ (65,149)
General Assistance	287,468	-	16,237	(271,231)
Assessor	438,511	-	-	(438,511)
Transportation	113,701	4,415	40,000	(69,286)
Cemeteries	35,304	250	-	(35,054)
Agency grants	175,000	-	-	(175,000)
Assistance programs	518,326	-	503,392	(14,934)
Pension expense - GASB 68	151,891	-	-	(151,891)
Depreciation - unallocated	57,936	-	-	(57,936)
Total Governmental Activities	\$ 1,904,369	\$ 4,665	\$ 620,712	\$ (1,278,992)
General Revenues:				
Property tax				1,333,796
Replacement tax				36,848
Investment income				4,847
Other income				9,898
Total Revenues				1,385,389
Change in Net Position				106,397
Net Position, Beginning				4,058,368
Total Net Position, Ending				\$ 4,164,765

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

MORAINÉ TOWNSHIP, ILLINOIS

Governmental Funds - Balance Sheet

March 31, 2021

	Town Fund	General Assistance Fund	Total
Assets			
Cash	\$ 984,085	\$ 522,037	\$ 1,506,122
Prepaid items	6,679	20,817	27,496
Interfund receivables	-	11,965	11,965
Accounts receivable	10,670	101,796	112,466
Property tax receivable, net	1,337,419	5,097	1,342,516
Total Assets	\$ 2,338,853	\$ 661,712	\$ 3,000,565
Liabilities			
Accrued payroll liabilities	\$ 1,160	\$ 601	\$ 1,761
Accounts payable	5,418	26,162	31,580
Interfund payables	11,965	-	11,965
Unearned grant revenue	40,000	100,000	140,000
Total Liabilities	58,543	126,763	185,306
Deferred Inflows of Resources			
Unavailable property tax revenue	1,315,012	-	1,315,012
Total Deferred Inflows of Resources	1,315,012	-	1,315,012
Fund Balance			
Nonspendable	6,679	20,817	27,496
Restricted	-	514,132	514,132
Committed	-	-	-
Assigned	-	-	-
Unassigned	958,619	-	958,619
Total Fund Balance	965,298	534,949	1,500,247
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 2,338,853	\$ 661,712	\$ 3,000,565

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

MORAINÉ TOWNSHIP, ILLINOIS

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

Year Ended March 31, 2021

	Town Fund	General Assistance Fund	Total
Revenues			
Property taxes	\$ 1,090,456	\$ 243,340	\$ 1,333,796
Replacement taxes	30,024	6,824	36,848
Van user fees	4,415	-	4,415
Cemetery revenue	250	-	250
Grants and donations	101,083	31,004	132,087
Interest income	4,719	128	4,847
Contributions - community chest	-	488,625	488,625
Miscellaneous revenue	2,688	7,210	9,898
Total Revenues	1,233,635	777,131	2,010,766
Expenditures			
Administrative	126,232	287,468	413,700
Assessor	438,511	-	438,511
Transportation	113,701	-	113,701
Assistance programs	-	518,326	518,326
Cemeteries	35,304	-	35,304
Agency grants	175,000	-	175,000
Total Expenditures	888,748	805,794	1,694,542
Operating Transfers In/(Out)	(200,000)	200,000	-
Net Changes in Fund Balance	144,887	171,337	316,224
Fund Balance			
Fund Balance, Beginning	820,411	363,612	1,184,023
Total Fund Balance, Ending	\$ 965,298	\$ 534,949	\$ 1,500,247

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

MORAINÉ TOWNSHIP, ILLINOIS

Reconciliations of the Governmental Fund Statements to the
Statement of Net Position and the Statement of Activities
Year Ended March 31, 2021

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

Total Fund Balances -Total Governmental Funds	\$ 1,500,247
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Capital assets net of depreciation	2,448,432
Deferred Outflows and Net Pension Assets/(Liabilities) are not reported in the funds	
Net pension assets/(liabilities)	566,831
Deferred pension inflows	(350,745)
Total Net Position of Governmental Activities	<u><u>\$ 4,164,765</u></u>

Reconciliation of the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance to Governmental Statement of Activities and Changes in Net Position

Net Change in Fund Balance	
Governmental Funds	\$ 316,224
Governmental funds report capital outlays as expenditures; however for the Statement of Activities the amounts are capitalized and depreciated over their useful life.	
Depreciation expense	(57,936)
Change in Deferred Outflows and Net Pension Assets/(Liabilities) are not reported in the funds	(151,891)
Changes in Net Position Governmental Funds	<u><u>\$ 106,397</u></u>

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

NOTES TO THE BASIC
FINANCIAL STATEMENTS

MORAINÉ TOWNSHIP, ILLINOIS

Notes to The Basic Financial Statements

Year Ended March 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

REPORTING ENTITY –

The Township is located in Highland Park, Illinois and is governed by a board of trustees. The Township is primarily funded through a tax levy, Illinois Replacement Tax, operating grants, user fees, and donations. Revenue is used to operate and staff Township services and provide direct assistance. The accompanying general purpose financial statements have been prepared in accordance with criteria established by the Governmental Accounting Standards Board for determining the various governmental organizations to be included in the reporting entity. Based on the significance of operational or financial relationships with the Township, the Moraine Township Charitable Fund, Inc., also known as the Community Chest, is a blended component unit and included in these financial statements.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION –

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

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

MORAINÉ TOWNSHIP, ILLINOIS

Notes to The Basic Financial Statements

Year Ended March 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Township considers revenue to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments are recorded only when payment is due. Moraine Township does not currently have long-term debt outstanding, claims or judgments pending.

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

Program revenues include fees for van riders, passport application and cemetery burials that are reported as charges for services in the government-wide financial statements. Transportation grants are reported as operating grants in the government-wide financial statements.

The following fund types are used by the Township:

Governmental Funds

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

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The General Assistance Fund is a Special Revenue Fund.

MORAINÉ TOWNSHIP, ILLINOIS

Notes to The Basic Financial Statements
Year Ended March 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

THE TOWNSHIP REPORTS ALL THE FUNDS AS MAJOR GOVERNMENTAL FUNDS –

The Town Fund and the General Assistance Fund are both considered major funds by the Township.

FINANCIAL STATEMENT AMOUNTS –

Bank Deposits and Investments - The Township has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value.

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

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

All trade and property taxes receivable are shown net of an allowance for uncollectible amounts. Property taxes are levied no later than the last Tuesday of December, based on the taxable valuation of the property as of the preceding January 1st. The 2020 levy was passed by the board on November 12, 2020.

Capital Assets - Capital assets are defined by the Township as assets with an initial cost of more than \$2,500 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost. Donated assets are reported at estimated fair market value at the date of donation. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Building and improvements	10-50 years
Equipment, furniture, and fixtures	5-20 years

Compensated Absences - (Vacation Leave) - It is the Township's policy to permit employees to accumulate up to five days of earned but unused vacation pay benefits with permission from their supervisor. There is no liability for unpaid accumulated vacation leave in the current year.

MORAINES TOWNSHIP, ILLINOIS

Notes to The Basic Financial Statements

Year Ended March 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A liability for these amounts is reported in the governmental fund - only for employee terminations as of year end.

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

The Township has a pension plan covering salaried employees and employees working in excess of 1,000 hours annually. Employees are covered by the Illinois Municipal Retirement Fund.

The budget represents departmental appropriations as authorized by the Township's appropriation ordinance and includes revisions authorized by the Township Board to reflect changes in departmental programs. At March 31, 2021, unexpended appropriations of the budgetary funds (general fund and special revenue funds) automatically lapse. The budget is prepared on the modified accrual basis. The 2020-2021 appropriations ordinance was adopted April 23, 2020 and amended on April 22, 2021.

FUND BALANCE CLASSIFICATION –

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

Nonspendable –

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

Restricted –

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

MORAINÉ TOWNSHIP, ILLINOIS

Notes to The Basic Financial Statements
Year Ended March 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Debt service resources are to be used for future servicing of the revenue note and are restricted through debt covenants. Infrastructure Projects are restricted by State Statute and County laws and are legally segregated for funding of infrastructure improvements.

Committed –

This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Township Board. These amounts cannot be used for any other purpose unless the Township Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Township did not have any committed resources as of March 31, 2021.

Assigned –

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

Unassigned –

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

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

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

EQUITY CLASSIFICATIONS USED IN THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

MORAINÉ TOWNSHIP, ILLINOIS

Notes to The Basic Financial Statements

Year Ended March 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

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

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

IMPLEMENTATION OF GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) PRONOUNCEMENTS

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

NOTE – 2 CASH AND INVESTMENTS

The Township's investment policies are governed by state statutes whereby Township money must be deposited in FDIC insured banks located within the state. Permissible investments include demand accounts and certificates of deposits. The carrying cash balance of the Township is \$1,506,122 and the bank balance is \$1,507,885. Of the bank balance in the Township's name, \$500,175 is FDIC insured, \$1,007,710 is collateralized for the Township in the bank's trust department.

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

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

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

MORAINÉ TOWNSHIP, ILLINOIS

Notes to The Basic Financial Statements

Year Ended March 31, 2021

NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT

IMRF PLAN DESCRIPTION

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

BENEFITS PROVIDED

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

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

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

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

MORAINÉ TOWNSHIP, ILLINOIS

Notes to The Basic Financial Statements

Year Ended March 31, 2021

NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

EMPLOYEES COVERED BY BENEFIT TERMS

As of December 31, 2020, the following employees were covered by the benefit terms:

	<u>IMRF</u>
Retirees and Beneficiaries currently receiving benefits	16
Inactive Plan Members entitled to but not yet receiving benefits	8
Active Plan Members	<u>5</u>
Total	29

CONTRIBUTIONS

As set by statute, the Township's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Township's annual contribution rate for calendar year 2020 was 7.24% and 2021 is 5.71%. For the fiscal year ended March 31, 2021, the Township contributed \$23,695 to the plan. The Township also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

NET PENSION LIABILITY

The Township's net pension liability was measured as of December 31, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

ACTUARIAL ASSUMPTIONS

The following are the methods and assumptions used to determine total pension liability at December 31, 2020:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.50%.
- **Salary Increases** were expected to be 3.35% 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.

MORAINÉ TOWNSHIP, ILLINOIS

Notes to The Basic Financial Statements

Year Ended March 31, 2021

NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

- 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.
- 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%	5.00%
International Equity	18%	6.00%
Fixed Income	28%	1.30%
Real Estate	9%	6.20%
Alternative Investments	7%	2.85-6.95%
Cash Equivalents	<u>1%</u>	0.70%
Total	100%	

MORAINÉ TOWNSHIP, ILLINOIS

Notes to The Basic Financial Statements

Year Ended March 31, 2021

NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

Executive Summary as of December 31, 2020

Actuarial Valuation Date	12/31/2020
Measurement Date of the Net Pension Liability	12/31/2020
Fiscal Year End	3/31/2021

Membership

Number of	
- Retirees and Beneficiaries	16
- Inactive, Non-Retired Members	8
- Active Members	5
- Total	<u>29</u>
Covered Valuation Payroll (1)	<u>\$ 343,661</u>

Net Pension Liability

Total Pension Liability/(Asset)	\$ 3,525,657
Plan Fiduciary Net Position	<u>4,092,488</u>
Net Pension Liability/(Asset)	\$ (566,831)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	116.08%
Net Pension Liability as a Percentage of Covered Valuation Payroll	-164.94%

Development of the Single Discount Rate as of December 31, 2020

Long-Term Expected Rate of Investment Return	7.25%
Long-Term Municipal Bond Rate (2)	2.00%
Last year ending December 31 in the 2021 to 2120 projection period for which projected benefit payments are fully funded	2120
Resulting Single Discount Rate based on the above development	7.25%
Single Discount Rate calculated using December 31, 2019 Measurement Date	7.25%

Total Pension Expense/(Income) \$ (100,396)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 15,038	\$ -
Changes in assumptions	-	13,084
Net difference between projected and actual earnings on pension plan investments	<u>201,050</u>	<u>553,833</u>
Total	<u>\$ 216,088</u>	<u>\$ 566,917</u>

(1) Does not necessarily represent Covered Employee Payroll as defined in GASB Statement Nos. 68. (2) Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index" as of December 31, 2020. In describing this index, Fidelity notes that the municipal curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax exempt securities.

MORAINÉ TOWNSHIP, ILLINOIS

Notes to The Basic Financial Statements

Year Ended March 31, 2021

NOTE 3 - ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

SINGLE DISCOUNT RATE

A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 2.00%, and the resulting single discount rate is 7.25%.

SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

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

MORAINÉ TOWNSHIP, ILLINOIS

Notes to The Basic Financial Statements

Year Ended March 31, 2021

NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

Schedule of Changes in Net Pension Liability and Related Ratios - Current Period

Calendar Year Ended December 31, 2020

A. Total pension liability

1. Service Cost	\$ 37,629
2. Interest on the Total Pension Liability	244,942
3. Changes of benefit terms	-
4. Difference between expected and actual experience of the Total Pension Liability	36,589
5. Changes of assumptions	(31,834)
6. Benefit payments, including refunds of employee contributions	(242,723)
7. Net change in total pension liability	44,603
8. Total pension liability – beginning	3,481,054
9. Total pension liability – ending	<u>\$ 3,525,657</u>

B. Plan fiduciary net position

1. Contributions – employer	\$ 24,881
2. Contributions – employee	15,465
3. Net investment income	554,811
4. Benefit payments, including refunds of employee contributions	(242,723)
5. Other (Net Transfer)	29,607
6. Net change in plan fiduciary net position	382,041
7. Plan fiduciary net position – beginning	3,710,447
8. Plan fiduciary net position – ending	<u>\$ 4,092,488</u>

C. Net pension liability/(asset)

\$ (566,831)

D. Plan fiduciary net position as a percentage

of the total pension liability 116.08%

E. Covered Valuation payroll

\$ 343,661

F. Net pension liability as a percentage

of covered valuation payroll -164.94%

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

	1% Decrease 6.25%	Current Single Discount Rate Assumption 7.25%	1% Increase 8.25%
Total Pension Liability	\$ 3,853,513	\$ 3,525,657	\$ 3,260,642
Plan Fiduciary Net Position	4,092,488	4,092,488	4,092,488
Net Pension Liability/(Asset)	<u>\$ (238,975)</u>	<u>\$ (566,831)</u>	<u>\$ (831,846)</u>

MORAINÉ TOWNSHIP, ILLINOIS

Notes to The Basic Financial Statements

Year Ended March 31, 2021

NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

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

For the year ended March 31, 2021, the Township recognized pension expense of \$23,695. At March 31, 2021, the Township reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual	\$ 15,038	\$ -
Changes of assumptions	-	13,084
Net difference between projected and actual earnings on pension plan investments	<u>201,050</u>	<u>553,749</u>
Total Deferred Amounts to be recognized in pension expense in future periods	<u>216,088</u>	<u>566,833</u>
Pension Contributions made subsequent To the measurement date	<u>9,512</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u><u>\$ 225,600</u></u>	<u><u>\$ 566,833</u></u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31	Net Deferred Outflows of Resources
2021	\$ (107,546)
2022	(42,130)
2023	(142,654)
2024	(58,415)
2025	-
Thereafter	-
Total	<u>\$ (350,745)</u>

MORAINÉ TOWNSHIP, ILLINOIS

Notes to The Basic Financial Statements

Year Ended March 31, 2021

NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

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

Valuation Date:

December 31, 2020

Notes

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

Methods and Assumptions Used to Determine 2020 Contribution Rates:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 23-year closed period Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 18 years for most employers (three employers were financed over 27 years and four others were financed over 28 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	3.25%
Price Inflation	2.50%
Salary Increases	3.35% to 14.25% including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (based on 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes

There were no benefit changes during the year

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

MORAINÉ TOWNSHIP, ILLINOIS

Notes to The Basic Financial Statements
Year Ended March 31, 2021

NOTE 3 - ILLINOIS MUNICIPAL RETIREMENT (CONCLUDED)

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

Methods and Assumptions Used to Determine Total Pension Liability:

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

Other Information:

Notes There were no benefit changes during the year.

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2020 Illinois Municipal Retirement Fund annual actuarial valuation report.

MORAINÉ TOWNSHIP, ILLINOIS

Notes to The Basic Financial Statements

Year Ended March 31, 2021

NOTE 4 – CHANGES IN FIXED ASSETS

	Balance			Balance
Fixed Assets	April 1, 2020	Increases	Decreases	March 31, 2021
Land Improvements	\$ 239,229	\$ -	\$ -	\$ 239,229
Buildings & Improvements	2,451,448	-	-	2,451,448
Equipment & Furniture	80,467	-	-	80,467
Total Fixed Assets	<u>2,771,144</u>	<u>-</u>	<u>-</u>	<u>2,771,144</u>
Less: Accumulated				
Depreciation	264,776	57,936	-	322,712
Fixed Assets (Net)	<u>\$ 2,506,368</u>	<u>\$ (57,936)</u>	<u>\$ -</u>	<u>\$ 2,448,432</u>

Depreciation by Governmental Activity

Unallocated	<u>\$ 57,936</u>
Total Governmental Activities	<u>\$ 57,936</u>

NOTE 5 – RISK MANAGEMENT

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

NOTE 6 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

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

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The Township has no deferred outflows in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred

MORAINÉ TOWNSHIP, ILLINOIS

Notes to The Basic Financial Statements

Year Ended March 31, 2021

NOTE 6 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (CONTINUED)

inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Township has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. Deferred inflows of resources (\$1,315,012) reported in the governmental funds for unavailable revenues are all from property taxes to be received in the following year and (\$350,745) of net Deferred pension activities.

NOTE 7 – BLENDED COMPONENT UNIT

The Community Chest Fund is a 501(c)3 legally separate entity that is encompassed within the General Assistance Fund of the Township due to the relationship that it has with the Township.

NOTE 8 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the balance sheet date but before the financial statements are issued or available to be issued. There are two types of subsequent events: recognized (events that relate to conditions present at the balance sheet date) and non-recognized (events or conditions that did not exist at the balance sheet date but arose after that date). There have been no other recognized or non-recognized subsequent events that have occurred between March 31, 2021 and the date of this audit report requiring disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

MORAINÉ TOWNSHIP, ILLINOIS

Town Fund - Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year Ended March 31, 2021

	Original Budget	Final Budget	Modified Accrual Basis
Revenues			
Property taxes	\$ 1,090,000	\$ 1,075,000	\$ 1,090,456
Replacement taxes	25,000	25,000	30,024
Cemetery revenue	1,000	500	250
Grants	40,000	101,083	101,083
Van user revenue	15,000	5,000	4,415
Passport revenue	2,500	-	-
Miscellaneous	1,000	-	2,688
Interest income	15,000	5,000	4,719
Total Revenues	1,189,500	1,211,583	1,233,635
Expenditures			
Administrative			
Personnel			
Salaries - officers & staff	73,125	88,000	83,384
Health insurance	225	150	100
Social security & medicare	6,125	7,000	6,612
Total Personnel	79,475	95,150	90,096
Contracual Services			
Accounting & auditing	3,500	2,275	1,998
Auto expense/mileage	500	-	-
COVID expenses	15,000	15,000	11,355
Legal services	5,000	2,500	2,502
Outside services	5,500	4,000	4,323
Printing/publishing	-	-	117
Postage	500	500	445
Facilities/rent	7,522	10,695	9,505
Special events	1,000	250	230
Telephone	550	1,100	1,035
Website	2,000	800	758
Workshops/dues/subscriptions	2,500	1,100	1,017
Miscellaneous expense	500	100	244
Equipment/computer	500	750	1,276
Contingencies, office of the Supervisor	25,000	25,000	-
Total Contracual Services	69,572	64,070	34,805
Commodities			
VITA supplies	-	750	-
Office supplies	1,500	500	1,331
Total Commodities	1,500	1,250	1,331

MORAINÉ TOWNSHIP, ILLINOIS

Town Fund - Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year Ended March 31, 2021

	Original Budget	Final Budget	Modified Accrual Basis
Administrative Expenditures (Continued)			
Total Administrative	\$ 150,547	\$ 160,470	\$ 126,232
Assessor Personnel			
Salaries/consulting	264,000	264,000	247,925
Social security & medicare	21,250	21,250	19,208
Health insurance	41,150	41,150	36,619
Municipal retirement	18,000	18,000	15,138
Total Personnel	344,400	344,400	318,890
Contractual Services			
Accounting & auditing	5,000	3,625	3,333
Auto expense/mileage	2,000	-	-
COVID expenses	15,000	20,000	18,084
Insurance	200	200	151
Legal services	750	750	357
Outside services	6,000	5,000	4,123
Postage	100	100	192
Printing/publishing/newsletter	500	-	-
Equipment/computer	10,000	10,000	8,142
Facilities/rent	22,578	22,578	15,594
Special events	1,500	1,500	50
Telephone	2,200	1,000	874
Website	1,500	100	36
Workshops/dues/subscriptions	5,000	2,500	4,193
Consulting	66,000	66,000	63,333
Miscellaneous expense	500	500	11
Contingencies, office of the Assessor	10,000	10,000	-
Total Contractual Services	148,828	143,853	118,473
Commodities			
Office supply/postage	1,500	1,500	1,148
Total Commodities	1,500	1,500	1,148
Total Assesor	494,728	489,753	438,511

MORAINÉ TOWNSHIP, ILLINOIS

Town Fund - Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year Ended March 31, 2021

	Original Budget	Final Budget	Modified Accrual Basis
Expenditures (Continued)			
Transportation			
Personnel			
Salaries	\$ 138,038	\$ 75,000	\$ 69,090
Health insurance	11,588	3,000	3,562
Social security & medicare	12,328	7,500	6,301
Municipal retirement	2,073	1,000	736
Total Personnel	164,027	86,500	79,689
Contractual Services			
Accounting & auditing	1,500	3,625	3,329
Auto expense/mileage	200	200	-
COVID expenses	-	7,500	6,853
Legal services	750	500	445
Outside services	3,000	3,000	2,743
Printing/publishing/newsletter	2,000	2,000	-
Postage	500	500	297
Website	1,100	500	295
Facilities/rent	8,985	8,500	7,444
Special events	500	150	125
Telephone	2,575	750	950
Van operations & maintenance	20,400	12,900	9,516
Equipment/computer	500	500	987
Miscellaneous expense	500	500	62
Contingencies, office of the Supervisor	1,000	1,000	-
Total Contractual Services	43,510	42,125	33,046
Commodities			
Office supply/postage	1,500	500	456
Total Commodities	1,500	500	456
Other Programs			
Taxi program	5,000	750	510
Total Other Programs	5,000	750	510
Total Transportation	214,037	129,875	113,701
Cemeteries			
Personnel			
Salaries	1,500	1,750	1,455
Health insurance	-	-	-
Social security & medicare	150	170	141
Municipal retirement	-	-	-
Total Personnel	1,650	1,920	1,596

MORAINÉ TOWNSHIP, ILLINOIS

Town Fund - Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year Ended March 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Modified Accrual Basis</u>
Cemeteries (continued)			
Contractual Services			
Auto expense/mileage	\$ 200	\$ 200	\$ -
Facilities/rent	-	400	-
Insurance	2,250	2,250	1,697
Legal services	150	150	-
Maintenance & operations	-	-	311
Miscellaneous	90	90	90
Outside services	12,000	15,000	15,023
Equipment/computer	750	750	-
Repairs	25,000	25,000	15,700
Utilities	500	500	325
Website	500	500	562
Workshops/dues/subscriptions	500	500	-
Total Contractual Services	<u>41,940</u>	<u>45,340</u>	<u>33,708</u>
Agency Grants			
Contractual Services			
Grants	250,000	175,000	175,000
Total Agency Grants	<u>250,000</u>	<u>175,000</u>	<u>175,000</u>
Passport Processing			
Personnel			
Salaries	7,888	-	-
Health insurance	2,713	-	-
Social security & medicare	623	-	-
Municipal retirement	628	-	-
Total Personnel	<u>11,852</u>	<u>-</u>	<u>-</u>
Contractual Services			
Auto expense/mileage	100	-	-
Newsletter	500	-	-
Postage	500	-	-
Website	500	-	-
Total Contractual Services	<u>1,600</u>	<u>-</u>	<u>-</u>
Commodities			
Total Passport Processing	<u>13,452</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>1,166,354</u>	<u>1,002,358</u>	<u>888,748</u>

MORAINÉ TOWNSHIP, ILLINOIS

Town Fund - Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year Ended March 31, 2021

	Original Budget	Final Budget	Modified Accrual Basis
Transfers (Concluded)			
Transfer in/(out)	\$ -	\$ (200,000)	\$ (200,000)
Net Change in Fund Balance	<u>\$ 23,146</u>	<u>\$ 9,225</u>	<u>\$ 144,887</u>

MORAINÉ TOWNSHIP, ILLINOIS

General Assistance Fund - Statement of Revenues, Expenditures and Changes in Fund Balances

- Budget and Actual

Year Ended March 31, 2021

	Original Budget	Final Budget	Modified Accrual Basis
Revenues			
Property taxes	\$ 245,000	\$ 240,000	\$ 243,340
Replacement taxes	5,500	5,500	6,824
Interest income	1,000	50	128
Reimbursements	21,000	-	-
Contributions - community chest	190,000	465,000	488,625
Grants	1,000	32,000	31,004
Miscellaneous	1,000	1,000	7,210
Total Revenues	464,500	743,550	777,131
Expenditures			
Administrative			
Personnel			
Salaries - officers & staff	129,450	145,000	152,348
Health insurance	31,825	40,000	36,853
Social security & medicare	12,375	12,375	11,717
Municipal retirement	7,100	7,500	7,821
Total Personnel	180,750	204,875	208,739
Contracual Services			
Accounting & auditing	5,000	4,975	4,659
Auto expense/mileage	1,000	100	83
Insurance	3,200	3,200	2,659
Legal services	7,500	1,000	1,046
Outside services	2,500	3,000	3,315
Printing/publishing/newsletter	5,000	-	-
Facilities	52,827	42,038	35,645
Special events	500	-	-
Telephone	1,375	1,375	1,297
Postage	400	400	236
Software & database programs	2,500	2,500	2,350
Website	2,600	500	198
Workshops/dues/subscriptions	2,000	100	65
Miscellaneous expense	500	-	122
COVID expenses	-	25,000	24,792
Equipment/computer	500	750	1,230
Contingencies, General Assistance	10,000	10,000	-
Total Contracual Services	97,402	94,938	77,697

MORAINÉ TOWNSHIP, ILLINOIS

General Assistance Fund - Statement of Revenues, Expenditures and Changes in Fund Balances

- Budget and Actual

Year Ended March 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Modified Accrual Basis</u>
Administrative Expenditures (Concluded)			
Commodities			
Office supplies	\$ 1,500	\$ 850	\$ 1,032
Total Commodities	<u>1,500</u>	<u>850</u>	<u>1,032</u>
Total Administrative	<u>279,652</u>	<u>300,663</u>	<u>287,468</u>
Assistance programs			
General assistance	10,000	10,000	-
Emergency assistance	65,000	25,000	21,110
Senior/youth services	18,500	19,500	12,134
Community chest	190,000	485,150	485,082
Total Assistance Programs	<u>283,500</u>	<u>539,650</u>	<u>518,326</u>
Total Expenditures	<u>563,152</u>	<u>840,313</u>	<u>805,794</u>
Transfers			
Transfer in/(out)	-	200,000	200,000
Total Transfers	<u>-</u>	<u>200,000</u>	<u>200,000</u>
Net Change in Fund Balance	<u>\$ (98,652)</u>	<u>\$ 103,237</u>	<u>\$ 171,337</u>

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

(Schedule to be built prospectively from 2015)

Calendar Year Ending	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total Pension Liability											
Service Cost	\$ 37,629	\$ 37,151	\$ 39,113	\$ 56,784	\$ 62,280	\$ 60,557					
Interest on the Total Pension Liability	244,942	239,112	235,238	247,276	244,772	215,742					
Benefit Changes	-	-	-	-	-	-					
Difference between Expected and Actual Experience	36,589	46,296	53,444	(44,863)	12,834	313,585					
Assumption Changes	(31,834)	-	72,937	(112,677)	(3,580)	3,497					
Benefit Payments and Refunds	(242,723)	(242,056)	(234,265)	(362,111)	(206,939)	(198,715)					
Net Change in Total Pension Liability	44,603	80,503	166,467	(215,591)	109,367	394,666					
Total Pension Liability - Beginning	3,481,054	3,400,551	3,234,084	3,449,675	3,340,308	2,945,642					
Total Pension Liability - Ending (a)	\$ 3,525,657	\$ 3,481,054	\$ 3,400,551	\$ 3,234,084	\$ 3,449,675	\$ 3,340,308					
Plan Fiduciary Net Position											
Employer Contributions	24,881	11,870	27,450	34,400	39,501	43,983					
Employee Contributions	15,465	15,090	15,421	19,744	22,247	23,387					
Pension Plan Net Investment Income	554,811	649,335	(238,769)	575,883	227,752	15,125					
Benefit Payments and Refunds	(242,723)	(242,056)	(234,265)	(362,111)	(206,939)	(198,715)					
Other	29,607	44,181	96,817	(87,363)	20,927	306,792					
Net Change in Plan Fiduciary Net Position	382,041	478,420	(333,346)	180,553	103,488	190,572					
Plan Fiduciary Net Position - Beginning	3,710,447	3,232,027	3,565,373	3,384,820	3,281,332	3,090,760					
Plan Fiduciary Net Position - Ending (b)	\$ 4,092,488	\$ 3,710,447	\$ 3,232,027	\$ 3,565,373	\$ 3,384,820	\$ 3,281,332					
Net Pension Liability/(Asset) - Ending (a) - (b)	(566,831)	(229,393)	168,524	(331,289)	64,855	58,976					
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	116.08%	106.59%	95.04%	110.24%	98.12%	98.23%					
Covered Valuation Payroll	\$ 343,661	\$ 335,339	\$ 342,684	\$ 438,016	\$ 494,388	\$ 511,428					
Net Pension Liability as a Percentage of Covered Valuation Payroll	(164.94%)	(68.41%)	49.18%	(75.63%)	13.12%	11.53%					

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

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2015	\$ 43,983	\$ 43,983	-	\$ 511,428	8.60%
2016	39,502	39,501	1	494,388	7.99%
2017	34,340	34,400	(60)	438,016	7.85%
2018	27,449	27,450	(1)	342,684	8.01%
2019	11,871	11,870	1	335,339	3.54%
2020	24,881 *	24,881	-	343,661	7.24%

* Estimated based on a contribution rate of 7.24% and covered valuation payroll of \$343,661.

NOTES TO REQUIRED
SUPPLEMENTARY INFORMATION

MORAINÉ TOWNSHIP, ILLINOIS

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

NOTE 1 - BUDGETARY INFORMATION

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

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

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

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

1. Prior to June 15th the Township Board receives a proposed operating budget (appropriation ordinance) for the fiscal year commencing on proceeding April 1st. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted at a public meeting to obtain taxpayers comments.
3. The budget is legally enacted through passage of an ordinance prior to June 30th.
4. The Township Treasurer, in conjunction with the Township Board, is authorized to expend the unexpensed balance of any item or items of any general appropriation in making up any deficiency in any item or items of the same general appropriation.
5. The budget was passed on April 23, 2020 and amended on April 22, 2021.

MORAINÉ TOWNSHIP, ILLINOIS

Notes to Required Supplementary Information
Year Ended March 31, 2021

NOTE 1 - BUDGETARY INFORMATION (CONCLUDED)

6. Formal budgetary integration is not employed as a management control device during the year for any fund.
7. Budgetary comparisons presented in the accompanying financial statements are prepared on the modified cash basis of accounting, which is comprehensive basis of accounting other than generally accepted accounting principles. All funds utilize the same basis of accounting for both budgetary purposes and actual results.
8. Expenditures cannot legally exceed appropriations at the fund level.
9. All appropriations lapse at year-end.
10. The appropriation ordinance for the Town Fund and General Assistance Fund was adopted on April 23, 2020 and amended on April 22, 2021.

NOTE 2 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS

No fund expenditures exceeded appropriations during the fiscal year ended March 31, 2021.