

**WARREN TOWNSHIP, ILLINOIS**  
**ANNUAL FINANCIAL REPORT**

---

**ROBERT W. DEPKE**



**WARREN  
TOWNSHIP  
CENTER**

**FOR THE FISCAL YEAR ENDED  
FEBRUARY 28, 2022**

**WARREN TOWNSHIP, ILLINOIS**

**TABLE OF CONTENTS**

---

---

**PAGE**

**FINANCIAL SECTION**

<b>INDEPENDENT AUDITORS' REPORT</b>	<a href="#"><u>1</u></a>
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	<a href="#"><u>4</u></a>
<b>BASIC FINANCIAL STATEMENTS</b>	
Government-Wide Financial Statements	
Statement of Net Position	<a href="#"><u>14</u></a>
Statement of Activities	<a href="#"><u>16</u></a>
Fund Financial Statements	
Balance Sheet - Governmental Funds	<a href="#"><u>17</u></a>
Reconciliation of Total Governmental Fund Balance to the Statement of Net Position	<a href="#"><u>18</u></a>
Statement of Revenues, Expenditures and Changes in Fund Balances	<a href="#"><u>19</u></a>
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	<a href="#"><u>20</u></a>
Notes to Financial Statements	<a href="#"><u>21</u></a>
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	<a href="#"><u>44</u></a>
Schedule of Changes in the Employer's Net Pension Liability/(Asset)	
Illinois Municipal Retirement Fund	<a href="#"><u>45</u></a>
Schedule of Changes in the Employer's Total OPEB Liability	
Retiree Benefits Plan	<a href="#"><u>47</u></a>
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund	<a href="#"><u>48</u></a>
Road and Bridge - Special Revenue Fund	<a href="#"><u>49</u></a>
Permanent Road - Special Revenue Fund	<a href="#"><u>50</u></a>
<b>OTHER SUPPLEMENTARY INFORMATION</b>	
Schedule of Expenditures - Budget and Actual	
General Fund	<a href="#"><u>54</u></a>
Road and Bridge - Special Revenue Fund	<a href="#"><u>60</u></a>
Permanent Road - Special Revenue Fund	<a href="#"><u>62</u></a>
Combining Balance Sheet - Nonmajor Governmental - Special Revenue Funds	<a href="#"><u>63</u></a>
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	
Nonmajor Governmental - Special Revenue Funds	<a href="#"><u>65</u></a>

**WARREN TOWNSHIP, ILLINOIS**

**TABLE OF CONTENTS**

---

---

**PAGE**

**FINANCIAL SECTION - Continued**

**OTHER SUPPLEMENTARY INFORMATION - Continued**

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Assistance - Special Revenue Fund	<a href="#">67</a>
Park Maintenance - Special Revenue Fund	<a href="#">68</a>
Illinois Municipal Retirement - Special Revenue Fund	<a href="#">69</a>
Social Security - Special Revenue Fund	<a href="#">70</a>
Town Insurance - Special Revenue Fund	<a href="#">71</a>
Equipment and Building - Special Revenue Fund	<a href="#">72</a>
Road Insurance - Special Revenue Fund	<a href="#">73</a>

**SUPPLEMENTAL SCHEDULE**

Assessed Valuations, Tax Rates, and Tax Extensions - Last Four Tax Levy Years	<a href="#">75</a>
---	--------------------

## **FINANCIAL SECTION**

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information
- Supplemental Schedule

## **INDEPENDENT AUDITORS' REPORT**

This section includes the opinion of the Township's independent auditing firm.



## **INDEPENDENT AUDITORS' REPORT**

August 4, 2022

Members of the Board of Trustees  
Warren Township  
Gurnee, Illinois

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Warren Township, Illinois, as of and for the year ended February 28, 2022, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Warren Township, Illinois, as of February 28, 2022, 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.

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

### **Auditor’s Responsibilities for the Audit of the Financial Statements - Continued**

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

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

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Warren Township, Illinois’ basic financial statements. The other supplementary information and supplemental schedule is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, other supplementary information and supplemental schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Lauterbach & Amen, LLP*  
LAUTERBACH & AMEN, LLP

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



# WARREN TOWNSHIP, ILLINOIS

## Management's Discussion and Analysis

February 28, 2022

---

---

Our discussion and analysis of Warren Township's financial performance provides an overview of the Township's financial activities for the year ended February 28, 2022. Please read it in conjunction with Township's financial statements, which can be found in the basic financial statement section of this report.

### FINANCIAL HIGHLIGHTS

- The Township's net position increased by \$2,635,527, or 16.9 percent as a result of this year's operations.
- During the year, government-wide revenues totaled \$14,645,892, while expenses totaled \$12,010,365, resulting in an increase to net position of \$2,635,527.
- The Township's net position totaled \$18,223,336 on February 28, 2022, which includes \$11,333,473 net investment in capital assets, \$4,572,162 subject to external restrictions, and \$2,317,701 unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors.
- The General Fund reported a deficit this year of \$5,996, resulting in ending fund balance of \$2,115,596, a decrease of (0.3) percent.

### USING THIS ANNUAL REPORT

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

#### Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Township's finances, in a manner similar to a private-sector business.

The Statement of Net Position reports information on all of the Township's assets/deferred outflows and liabilities/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 government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The Township's governmental activities are supported by taxes, intergovernmental revenues and other general revenues. Governmental activities as general government, parks and recreation, and highways and streets activities.

# WARREN TOWNSHIP, ILLINOIS

## Management's Discussion and Analysis

February 28, 2022

---

---

### USING THIS ANNUAL REPORT - Continued

#### Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Township, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Township are considered governmental funds.

#### Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, 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. Such information may be useful in evaluating the Township's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The Township maintains ten individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Road and Bridge, and Permanent Road Funds, which are considered major funds. Data from the other seven governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Budgetary comparison schedules are provided to demonstrate compliance with the budget.

#### Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

#### Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Township's I.M.R.F employee pension obligations, retiree benefits plan, and budgetary comparison schedules for the General Fund and major special revenue funds. Required supplementary information which can be found in the financial section of this report. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions.

# WARREN TOWNSHIP, ILLINOIS

## Management's Discussion and Analysis

February 28, 2022

---

---

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Township, assets exceeded liabilities by \$18,223,336 during the year.

	Net Position	
	2022	2021
Current and Other Assets	\$ 23,756,777	21,107,301
Capital Assets	11,333,473	16,085,118
Total Assets	35,090,250	37,192,419
Deferred Outflows	218,096	350,403
Total Assets/Deferred Outflows	5,019,053	4,549,115
Long-Term Liabilities	611,219	2,090,950
Other Liabilities	830,848	679,298
Total Liabilities	1,442,067	2,770,248
Deferred Inflows	15,642,943	14,674,154
Total Liabilities/Deferred Inflows	17,085,010	17,444,402
Net Position		
Net Investment in Capital Assets	11,333,473	14,459,949
Restricted	4,572,162	4,534,507
Unrestricted	2,317,701	1,103,964
Total Net Position	18,223,336	20,098,420

A large portion of the Township's net position, \$11,333,473 or 62.2 percent, reflects its investment in capital assets (for example, land, construction in progress, infrastructure, land improvements, buildings and equipment, furniture, and vehicles), less any related debt used to acquire those assets that is still outstanding. The Township uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Township's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$4,572,162 or 25.1 percent, of the Township's net position represents resources that are subject to external restrictions on how they may be used. The remaining 12.7 percent, or \$2,317,701, represents unrestricted net assets and may be used to meet the government's ongoing obligations to citizens and creditors.

**WARREN TOWNSHIP, ILLINOIS**

**Management's Discussion and Analysis**

**February 28, 2022**

---

---

**GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued**

	Change in Net Position	
	2022	2021
Revenues		
Program Revenues		
Charges for Services	\$ 162,565	25,416
Capital Grants and Contributions	74,600	135,830
Operating Grants and Contributions	246,051	142,950
General Revenues		
Property Taxes	12,460,285	12,098,833
Replacement Taxes	846,028	363,951
Interest Income	7,055	23,005
Miscellaneous	849,308	163,515
Total Revenues	<u>14,645,892</u>	<u>12,953,500</u>
Expenses		
General Government	4,731,348	7,122,025
Parks and Recreation	658,541	376,892
Highways and Streets	6,593,910	4,919,723
Interest on Long-Term Debt	26,566	52,372
Total Expenses	<u>12,010,365</u>	<u>12,471,012</u>
Change in Net Position	2,635,527	482,488
Net Position - Beginning as Restated	<u>15,587,809</u>	<u>19,615,932</u>
Net Position - Ending	<u>18,223,336</u>	<u>20,098,420</u>

Net position of the Township's governmental activities increased by \$2,635,527. Revenues for the current year of \$14,645,892 increased \$1,692,392, or 13.1 percent, due primarily to the Township collecting more property taxes in the current fiscal year and the sale of assets. Expenses for the current year of \$12,010,365 decreased \$460,647, or 3.7 percent. The decrease in expenses is mostly due to lower personnel expenditures and a reduction in depreciation expense as compared to the prior year.

Management’s Discussion and Analysis

February 28, 2022

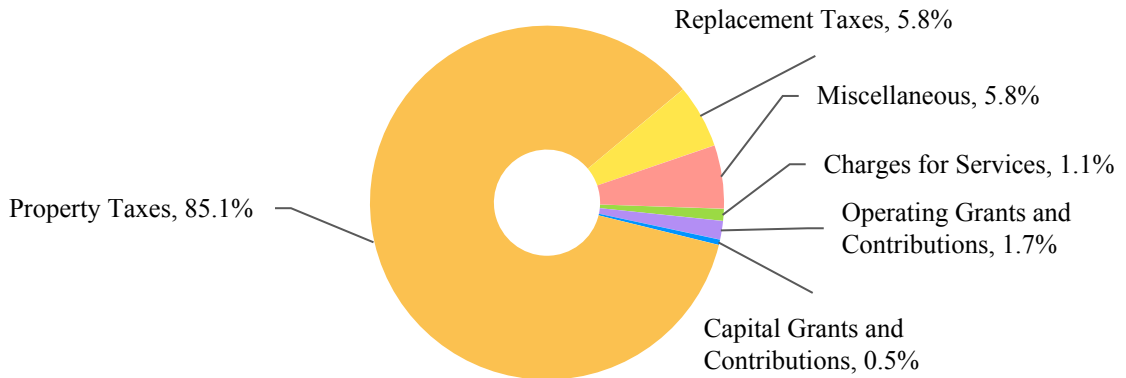
---

---

**GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued**

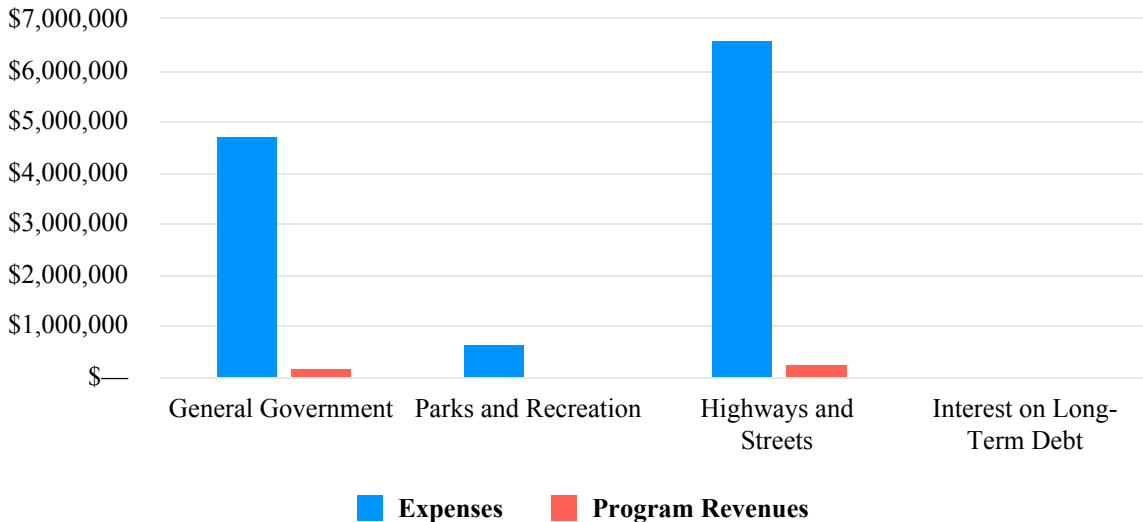
The following chart graphically illustrates the Township’s significant reliance on property taxes to fund operations.

**Revenue by Source - Governmental Activities**



The following ‘Expenses and Program Revenues’ Tables further illustrates the Township’s reliance on general revenues to fund operations. Only a small portion of revenues come from general government and highways and streets, parks and recreations, and highways and streets program revenues.

**Expenses and Program Revenues - Governmental Activities**



# WARREN TOWNSHIP, ILLINOIS

## Management's Discussion and Analysis

February 28, 2022

---

---

### FINANCIAL ANALYSIS OF THE GOVERNMENT'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 fund is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The Township's governmental funds reported combining ending fund balances of \$6,849,082, which is an increase of \$38,739, or 0.6 percent, from last year's total of \$6,810,343. Of the \$6,849,082 total, \$2,114,102, or approximately 30.9 percent, of the fund balance constitutes unassigned fund balance.

The General Fund is the chief operating fund of the Township. At February 28, 2022, unassigned fund balance in the General Fund was \$2,114,102, which represents 99.9 percent of the total fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents approximately 33.0 percent of total General Fund expenditures

As of the end of the current fiscal year, the General Fund reported ending fund balance of \$2,115,596, which is a decrease of \$5,996 from the previous year's fund balance of \$2,121,592. This is mainly due to a revenue received on the sale of assets offset by the early retirement of long-term debt.

The Road and Bridge Fund reported an ending fund balance of 1,397,165, a decrease from last year's \$1,633,326. This is due to and increase in personnel and maintenance costs that was larger than the increased revenue received from property taxes and replacement taxes.

The Permanent Road Fund reported an ending fund balance of 2,085,217, an increase from last year's \$1,883,367. This is due to higher wages, road contraction and engineering costs while property taxes stayed consistent.

#### GENERAL FUND BUDGETARY HIGHLIGHTS

The Township Board made no budget amendment to the General Fund budget once it was approved. Actual revenues of \$6,396,190 were \$168,873 higher than final budgeted revenues of \$6,227,317. This was mostly due to miscellaneous revenues that were higher than budgeted by \$52,231 due to the sale of assets in the current year, as well as replacement taxes being higher than budgeted by \$305,838.

Actual expenditures of \$6,402,186 were lower than budgeted by \$935,627 compared to the final budgeted expenditures of \$7,337,813. This was due primarily to the all departments' expenditures, except for debt service, coming in lower than budgeted due a delay in some building and technology improvements and reduced programming due to COVID-19.

**WARREN TOWNSHIP, ILLINOIS**

**Management's Discussion and Analysis**

**February 28, 2022**

---

---

**CAPITAL ASSETS**

The Township's investment in capital assets for its governmental activities as of February 28, 2022 were \$11,333,473 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, infrastructure, land improvements, buildings, equipment, furniture, and vehicles. The total decrease in the Township's investment in capital assets for the current fiscal year was \$241,034.

	<u>Capital Assets - Net of Depreciation</u>	
	<u>2022</u>	<u>2021</u>
Land	\$ 1,366,250	1,366,250
Construction in Progress	283,350	25,503
Infrastructure	861,333	919,439
Land Improvements	439,015	492,649
Buildings	6,218,088	6,624,075
Equipment, Furniture, and Vehicles	2,165,437	2,146,591
	<u>11,333,473</u>	<u>11,574,507</u>

This year's major additions included:

Construction in Progress	\$ 283,350
Equipment, Furniture, and Vehicles	<u>669,154</u>
Total	<u>952,504</u>

Additional information on the Township's capital assets can be found in Note 3 of this report.

**DEBT ADMINISTRATION**

The Township did not have any long-term debt outstanding at February 28, 2022, compared to a balance of \$1,625,169 and the end of the prior fiscal year. The Township's long-term debt outstanding is as follows:

	<u>Long-Term Debt Outstanding</u>	
	<u>2022</u>	<u>2021</u>
Debt Certificate	\$ —	<u>1,625,169</u>

Additional information on the Township's long-term debt can be found in the Note 3 to the financial statements.

## **WARREN TOWNSHIP, ILLINOIS**

### **Management's Discussion and Analysis**

**February 28, 2022**

---

---

#### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The 2021 Equalized Assessed Value increased 1.62% to 2,151,088,990 which resulted in budgeted property tax revenue of approximately \$12.8M for fiscal year 2023. The fiscal year 2023 budget includes over \$5M of street and building capital projects and a return to full programming as the impact of COVID-19 lessens.

Current inflation rates are a concern as they exceed the 5% maximum cost of living adjustment allowed under the Property Tax Extension Limitation Law when calculating the 2022 tax extension. Management and the Township's elected officials will continue to monitor the situation and evaluate options for this and the following years' budgetary position.

#### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of Warren Township's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Suzanne Simpson, Supervisor of Warren Township, 17801 W. Washington Street, Gurnee, Illinois 60031.



## **BASIC FINANCIAL STATEMENTS**

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**WARREN TOWNSHIP, ILLINOIS**

**Statement of Net Position**

**February 28, 2022**

---

---

**See Following Page**

**WARREN TOWNSHIP, ILLINOIS**

**Statement of Net Position**

**February 28, 2022**

---

---

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current Assets	
Cash and Investments	\$ 7,066,248
Receivables - Net of Allowances	13,210,601
Prepays	162,818
Total Current Assets	<u>20,439,667</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	1,649,600
Depreciable	27,703,811
Accumulated Depreciation	<u>(18,019,938)</u>
Total Capital Assets	11,333,473
Other Assets	
Net Pension Asset - IMRF	<u>3,317,110</u>
Total Noncurrent Assets	<u>14,650,583</u>
Total Assets	35,090,250
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Items - IMRF	<u>218,096</u>
Total Assets and Deferred Outflows of Resources	<u>35,308,346</u>

The notes to the financial statements are an integral part of this statement.

	Governmental Activities
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	\$ 712,149
Accrued Payroll	39,442
Retainage Payable	28,335
Current Portion of Long-Term Debt	50,922
Total Current Liabilities	<u>830,848</u>
Noncurrent Liabilities	
Compensated Absences Payable	203,687
Total OPEB Liability - RBP	407,532
Total Noncurrent Liabilities	<u>611,219</u>
Total Liabilities	<u>1,442,067</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Items - IMRF	2,832,284
Property Taxes	12,810,659
Total Deferred Inflows of Resources	<u>15,642,943</u>
Total Liabilities and Deferred Inflows of Resources	<u>17,085,010</u>
<b>NET POSITION</b>	
Investment in Capital Assets	11,333,473
Restricted	
Highways and Streets	3,942,289
Public Assistance	21,868
Parks and Recreation	47,975
Employee Benefits	370,005
Insurance	190,025
Unrestricted	<u>2,317,701</u>
Total Net Position	<u><u>18,223,336</u></u>

The notes to the financial statements are an integral part of this statement.

**WARREN TOWNSHIP, ILLINOIS**

**Statement of Activities**

**For the Fiscal Year Ended February 28, 2022**

	Expenses	Program Revenues			Net (Expenses)/ Revenues
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions	
Governmental Activities					
General Government	\$ 4,731,348	159,835	53,740	—	(4,517,773)
Parks and Recreation	658,541	2,380	—	—	(656,161)
Highways and Streets	6,593,910	350	20,860	246,051	(6,326,649)
Interest on Long-Term Debt	26,566	—	—	—	(26,566)
<b>Total Governmental Activities</b>	<b>12,010,365</b>	<b>162,565</b>	<b>74,600</b>	<b>246,051</b>	<b>(11,527,149)</b>
		General Revenues			
		Taxes			
		Property Tax			12,460,285
		Intergovernmental - Unrestricted			
		Replacement Tax			846,028
		Investment Income			7,055
		Miscellaneous			849,308
					<u>14,162,676</u>
		Change in Net Position			2,635,527
		Net Position - Beginning as Restated			<u>15,587,809</u>
		Net Position - Ending			<u><u>18,223,336</u></u>

The notes to the financial statements are an integral part of this statement.

**WARREN TOWNSHIP, ILLINOIS**

**Balance Sheet**

**February 28, 2022**

	General	Road and Bridge	Permanent Road	Nonmajor	Totals
<b>ASSETS</b>					
Cash and Investments	\$ 2,313,155	1,287,264	2,317,424	1,148,405	7,066,248
Receivables - Net of Allowances					
Taxes	5,334,904	1,082,594	4,222,604	2,566,362	13,206,464
Accounts	4,137	—	—	—	4,137
Prepays	1,494	43,607	—	117,717	162,818
Total Assets	<u>7,653,690</u>	<u>2,413,465</u>	<u>6,540,028</u>	<u>3,832,484</u>	<u>20,439,667</u>
<b>LIABILITIES</b>					
Accounts Payable	364,758	48,216	246,152	53,023	712,149
Accrued Payroll	10,179	8,270	19,650	1,343	39,442
Retainage Payable	28,335	—	—	—	28,335
Total Liabilities	<u>403,272</u>	<u>56,486</u>	<u>265,802</u>	<u>54,366</u>	<u>779,926</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property Taxes	5,134,822	959,814	4,189,009	2,527,014	12,810,659
Total Liabilities and Deferred Inflows of Resources	<u>5,538,094</u>	<u>1,016,300</u>	<u>4,454,811</u>	<u>2,581,380</u>	<u>13,590,585</u>
Fund Balances					
Nonspendable	1,494	43,607	—	117,717	162,818
Restricted	—	1,353,558	2,085,217	1,133,387	4,572,162
Unassigned	2,114,102	—	—	—	2,114,102
Total Fund Balances	<u>2,115,596</u>	<u>1,397,165</u>	<u>2,085,217</u>	<u>1,251,104</u>	<u>6,849,082</u>
<b>FUND BALANCES</b>					
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>7,653,690</u>	<u>2,413,465</u>	<u>6,540,028</u>	<u>3,832,484</u>	<u>20,439,667</u>

The notes to the financial statements are an integral part of this statement.

**WARREN TOWNSHIP, ILLINOIS**

**Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position  
February 28, 2022**

---

---

<b>Total Governmental Fund Balances</b>	\$ 6,849,082
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds.	11,333,473
A net pension asset is not considered to represent a financial resource and therefore is not reported in the funds. Net Pension Asset - IMRF	3,317,110
Deferred outflows (inflows) of resources related to the pensions not reported in the funds. Deferred Items - IMRF	(2,614,188)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Compensated Absences Payable Total OPEB Liability - RBP	(254,609) <u>(407,532)</u>
<b>Net Position of Governmental Activities</b>	<u><u>18,223,336</u></u>

The notes to the financial statements are an integral part of this statement.

**WARREN TOWNSHIP, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Fiscal Year Ended February 28, 2022**

	General	Road and Bridge	Permanent Road	Nonmajor	Totals
<b>Revenues</b>					
Taxes	\$ 4,897,426	1,008,032	4,386,584	2,168,243	12,460,285
Intergovernmental	511,078	306,646	266,818	82,137	1,166,679
Charges and Fees	159,835	—	350	2,380	162,565
Investment Income	2,320	1,349	2,173	1,213	7,055
Miscellaneous	825,531	543	1,103	22,131	849,308
<b>Total Revenues</b>	<b>6,396,190</b>	<b>1,316,570</b>	<b>4,657,028</b>	<b>2,276,104</b>	<b>14,645,892</b>
<b>Expenditures</b>					
General Government	4,422,408	—	—	942,154	5,364,562
Parks and Recreation	—	—	—	505,144	505,144
Highways and Streets	—	1,553,343	4,455,178	64,670	6,073,191
Capital Outlay	309,421	—	—	767,095	1,076,516
Debt Service					
Principal Retirement	1,625,169	—	—	—	1,625,169
Interest and Fiscal Charges	45,188	—	—	—	45,188
<b>Total Expenditures</b>	<b>6,402,186</b>	<b>1,553,343</b>	<b>4,455,178</b>	<b>2,279,063</b>	<b>14,689,770</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(5,996)</b>	<b>(236,773)</b>	<b>201,850</b>	<b>(2,959)</b>	<b>(43,878)</b>
<b>Other Financing Sources</b>					
Disposal of Capital Assets	—	612	—	82,005	82,617
<b>Net Change in Fund Balances</b>	<b>(5,996)</b>	<b>(236,161)</b>	<b>201,850</b>	<b>79,046</b>	<b>38,739</b>
<b>Fund Balances - Beginning</b>	<b>2,121,592</b>	<b>1,633,326</b>	<b>1,883,367</b>	<b>1,172,058</b>	<b>6,810,343</b>
<b>Fund Balances - Ending</b>	<b>2,115,596</b>	<b>1,397,165</b>	<b>2,085,217</b>	<b>1,251,104</b>	<b>6,849,082</b>

The notes to the financial statements are an integral part of this statement.



**WARREN TOWNSHIP, ILLINOIS**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities**

**For the Fiscal Year Ended February 28, 2022**

---

---

**Net Change in Fund Balances - Total Governmental Funds** \$ 38,739

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Outlays	952,504
Depreciation Expense	(1,188,378)
Disposals - Cost	(419,947)
Disposals - Accumulated Depreciation	414,787

An addition to a net pension asset is not considered to be an increase in a financial asset in the governmental funds.

Change in Net Pension Liability - IMRF	1,767,113
--	-----------

The net effect of deferred outflows (inflows) of resources related to the pensions not reported in the funds.

Change in Deferred Items - IMRF	(763,735)
---------------------------------	-----------

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.

Change in Compensated Absences	91,742
Change in Total OPEB Liability - RBP	98,911
Retirement of Debt	1,625,169

Changes to accrued interest on long-term debt in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

18,622
--------

**Changes in Net Position of Governmental Activities** 2,635,527

# **WARREN TOWNSHIP, ILLINOIS**

## **Notes to the Financial Statements**

**February 28, 2022**

---

---

### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Warren Township (the Township) of Illinois, incorporated in 1850, is a municipal corporation governed by an elected president and six-member Board of Trustees. The Township's major operations include general administrative, parks and recreations, and highways and streets services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Township's accounting policies established in GAAP and used by the Township are described below.

#### **REPORTING ENTITY**

In determining the financial reporting entity, the Township complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus - an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Township. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

#### **BASIS OF PRESENTATION**

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

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). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Township's parks and recreation, highways and streets, and general administrative services are classified as governmental activities. The Township's does not have any business-type activities.

In the government-wide Statement of Net Position, the governmental activities column is (a) presented on a consolidated basis by column, and (b) reported on a modified cash, economic resource basis, which recognizes some long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The Township's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Township first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Township's functions (general government and highways and streets, etc.). The functions are supported by general government revenues (property and personal property replacement taxes, certain intergovernmental revenues, interest income, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which 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 that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function) are normally covered by general revenue (property and replacement taxes, interest income, etc.).

# WARREN TOWNSHIP, ILLINOIS

## Notes to the Financial Statements

February 28, 2022

---

---

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### BASIS OF PRESENTATION - Continued

##### Government-Wide Statements - Continued

This government-wide focus is more on the sustainability of the Township as an entity and the change in the Township's net position resulting from the current year's activities.

##### Fund Financial Statements

The financial transactions of the Township are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the Township or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Township:

##### Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Township:

*General Fund* is the general operating fund of the Township. It accounts for all revenues and expenditures of the Township which are not accounted for in other funds. The General Fund is a major fund.

# WARREN TOWNSHIP, ILLINOIS

## Notes to the Financial Statements

February 28, 2022

---

---

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### BASIS OF PRESENTATION - Continued

##### Governmental Funds - Continued

*Special Revenue Funds* are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditures for specified purposes. The Township maintains two major special revenue funds. The Road and Bridge Fund is used to account for all financial resources relating to the Warren Road District. The Permanent Road Fund is used to account for taxes levied and expenditures incurred to construct and maintain roads within Warren Road District. Additionally, the Township maintains seven nonmajor special revenue funds.

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

##### Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental funds are presented using the economic resources measurement focus as defined below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

The accounting objectives of the “economic resources” measurement focus is the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported.

##### Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

# WARREN TOWNSHIP, ILLINOIS

## Notes to the Financial Statements

February 28, 2022

---

---

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

##### Basis of Accounting - Continued

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year end. The Township recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, intergovernmental, and charges and fees revenue. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

#### ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

##### Cash and Investments

For the purpose of the Statement of Net Position, cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent. For the purpose of the proprietary funds’ Statement of Cash Flows, cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Township categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the Township’s investments are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

##### Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

**WARREN TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements**

**February 28, 2022**

---

---

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued**

**Receivables**

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes and accounts.

**Prepays**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. Prepays are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$5,000 or more, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. 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 expenses as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Township as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Infrastructure	20 Years
Land Improvements	20 Years
Buildings	20 Years
Equipment, Furniture, and Vehicles	5 - 20 Years

**Deferred Outflows/Inflows of Resources**

Deferred outflow/inflow of resources represents an acquisition/reduction of net position that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

# WARREN TOWNSHIP, ILLINOIS

## Notes to the Financial Statements

February 28, 2022

---

---

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

##### Compensated Absences

The Township accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

##### Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

##### Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Investment in Capital Assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted - All other net position balances that do not meet the definition of “restricted” or “investment in capital assets.”

## **WARREN TOWNSHIP, ILLINOIS**

### **Notes to the Financial Statements**

**February 28, 2022**

---

---

#### **NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

##### **BUDGETARY INFORMATION**

The budget for all major Governmental Funds is prepared on the modified accrual basis of accounting, which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts.

For each fund, total fund disbursements may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year.

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

- Prior to March 1, the Supervisor submits to the Board a proposed operating budget for the fiscal year commencing on that date.
- A public hearing is conducted to obtain taxpayer comments.
- Prior to June 1, the budget is legally adopted through passage of a resolution.
- Formal Budgetary integration is employed as a management control device during the year.
- The Township Board may make transfers between the various items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget.
- The Township Board may amend the budget by the same procedures required of its original adoption.

#### **NOTE 3 - DETAIL NOTES ON ALL FUNDS**

##### **DEPOSITS AND INVESTMENTS**

The Township maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash and investments." In addition, investments may be separately held by several of the Township's funds.

Permitted Deposits and Investments - Statutes authorize the Township to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services.



# WARREN TOWNSHIP, ILLINOIS

## Notes to the Financial Statements

February 28, 2022

---

---

### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

#### DEPOSITS AND INVESTMENTS - Continued

##### Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration of Credit Risk

At year-end, the carrying amount of the Township's deposits totaled \$7,066,248 and the bank balances totaled \$6,911,496.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Township will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Township will minimize the credit risk that the market value of securities in the portfolio will fall due to changes in general interest rates by limiting investments to the safest types of securities, pre-qualifying the financial institutions and diversifying the investment portfolio.

*Custodial Credit Risk.* 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 or the Township will not be able to recover the collateral securities in the possession of an outside party. At year-end all of the bank balance of the deposits were covered by federal depository or equivalent insurance, and represents cash at paying agent for debt service payments.

For an investment, this is the risk that in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Township does not have an investment policy which addresses custodial credit risk.

*Concentration of Credit Risk.* Concentration of credit risk is the risk of loss attributed to the magnitude of the Township's investment in a single issuer. The Township does not have an investment policy which addresses concentration of credit risk. At year-end, the Township does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

**WARREN TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements**

**February 28, 2022**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**CAPITAL ASSETS**

Governmental capital asset activity for the year was as follows:

	Restated Beginning Balances	Increases	Decreases	Ending Balances
<b>Nondepreciable Capital Assets</b>				
Land	\$ 1,366,250	—	—	1,366,250
Construction in Progress	25,503	283,350	25,503	283,350
	<u>1,391,753</u>	<u>283,350</u>	<u>25,503</u>	<u>1,649,600</u>
<b>Depreciable Capital Assets</b>				
Infrastructure	1,072,689	—	—	1,072,689
Land Improvements	1,162,120	—	—	1,162,120
Buildings	15,513,051	—	—	15,513,051
Equipment, Furniture, and Vehicles	9,681,241	694,657	419,947	9,955,951
	<u>27,429,101</u>	<u>694,657</u>	<u>419,947</u>	<u>27,703,811</u>
<b>Less Accumulated Depreciation</b>				
Infrastructure	153,250	58,106	—	211,356
Land Improvements	669,471	53,634	—	723,105
Buildings	8,888,976	405,987	—	9,294,963
Equipment, Furniture, and Vehicles	7,534,650	670,651	414,787	7,790,514
	<u>17,246,347</u>	<u>1,188,378</u>	<u>414,787</u>	<u>18,019,938</u>
 Total Net Depreciable Capital Assets	 <u>10,182,754</u>	 <u>(493,721)</u>	 <u>5,160</u>	 <u>9,683,873</u>
 Total Net Capital Assets	 <u>11,574,507</u>	 <u>(210,371)</u>	 <u>30,663</u>	 <u>11,333,473</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 514,262
Parks and Recreation	153,397
Highways and Streets	<u>520,719</u>
	<u>1,188,378</u>

**WARREN TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements**

**February 28, 2022**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**PROPERTY TAXES**

Property taxes for 2020 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about June 1, and September 1. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience.

**LONG-TERM DEBT**

**Debt Certificate**

The Township issues debt certificates to provide funds for the acquisition and construction of major capital facilities Debt certificates currently outstanding are as follows:

Issue	Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
Debt Certificate of 2018, due in annual installments of \$387,013 to \$425,987 plus interest at 2.75% to 3.25% through December 1, 2031. The Township paid the remaining balance in full as of February 22, 2022.	General	\$ 1,625,169	—	1,625,169	—

**Long-Term Liabilities Activity**

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 346,351	91,742	183,484	254,609	50,922
Total OPEB Liability - RBP	506,443	—	98,911	407,532	—
Debt Certificates	1,625,169	—	1,625,169	—	—
	<u>2,477,963</u>	<u>91,742</u>	<u>1,907,564</u>	<u>662,141</u>	<u>50,922</u>

For the governmental activities, the compensated absences, the total OPEB liability, and the debt certificates are liquidated by the General Fund.

**WARREN TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements**

**February 28, 2022**

---

---

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT - Continued**

**Legal Debt Margin**

Chapter 50, Section 405/1 of the Illinois Compiled Statutes provides "...no county having a population of less than 500,000 and no township, school district or other municipal corporation having a population of less than 300,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 2.875% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the governmental unit's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

Assessed Valuation - 2020	<u>\$ 2,116,769,615</u>
Legal Debt Limit - 2.875% of Equalized Assessed Value	60,857,126
Amount of Debt Applicable to Limit Installment Contracts of 2018	<u>—</u>
Legal Debt Margin	<u>60,857,126</u>

**NET POSITION RESTATEMENT**

**Net Position Restatements**

Beginning net position was restated due to a correction in capital asset reporting. The following is a summary of the net position as originally reported and as restated:

Fund Equity	As Reported	As Restated	(Decrease)
Governmental Activities	\$ 20,098,420	15,587,809	(4,510,611)

**WARREN TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements**

**February 28, 2022**

---

---

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**FUND BALANCE CLASSIFICATIONS**

In the governmental funds financial statements, the Township considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Township first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

*Nonspendable Fund Balance.* Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

*Restricted Fund Balance.* Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

*Committed Fund Balance.* Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Trustees; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

*Assigned Fund Balance.* Consists of amounts that are constrained by the Board of Trustees' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Trustees itself or b) a body or official to which the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. The Township's highest level of decision-making authority is the Board of Trustees, who is authorized to assign amounts to a specific purpose.

*Unassigned Fund Balance.* Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

*Minimum Fund Balance Policy.* The Township has adopted targeted fund balances for several of its funds. The Township shall maintain a General Fund and Road and Bridge Fund balance equal to at least 25% of annually budgeted expenditures. All of funds balance should be equal to at least 25% of the annual expenditures occurring out of each fund.

**WARREN TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements**

**February 28, 2022**

---

---

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**FUND BALANCE CLASSIFICATIONS - Continued**

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Special Revenue		Nonmajor	Totals
		Road and Bridge	Permanent Road		
Fund Balances					
Nonspendable					
Prepays	\$ 1,494	43,607	—	117,717	162,818
Restricted					
Highways and Streets	—	1,353,558	2,085,217	503,514	3,942,289
Public Assistance	—	—	—	21,868	21,868
Parks and Recreation	—	—	—	47,975	47,975
Employee Benefits	—	—	—	370,005	370,005
Insurance	—	—	—	190,025	190,025
	—	1,353,558	2,085,217	1,133,387	4,572,162
Unassigned	2,114,102	—	—	—	2,114,102
Total Fund Balances	2,115,596	1,397,165	2,085,217	1,251,104	6,849,082

**NET POSITION CLASSIFICATIONS**

Net investment in capital assets was comprised of the following as of February 28, 2022:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	<u>\$ 11,333,473</u>

## **WARREN TOWNSHIP, ILLINOIS**

### **Notes to the Financial Statements**

**February 28, 2022**

---

---

#### **NOTE 4 - OTHER INFORMATION**

##### **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; natural disasters; and injuries to the Township's employees. The Township has purchased insurance from private insurance companies. Risks covered included certain types of liabilities and bonds. Premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

##### **CONTINGENT LIABILITIES**

###### **Litigation**

The Township is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Township's attorney the resolution of these matters will not have a material adverse effect on the financial condition of the Township.

###### **Grants**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Township expects such amounts, if any, to be immaterial.

###### **Financial Impact from COVID-19**

In March 2020, the World Health Organization declared the COVID-19 virus a public health emergency. As of the date of this report, the extent of the impact of COVID-19 on the Township's operations and financial position cannot be determined.

##### **EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN**

###### **Illinois Municipal Retirement Fund (IMRF)**

The Township contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois. IMRF provides retirement, disability, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at [www.imrf.org](http://www.imrf.org). The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

# WARREN TOWNSHIP, ILLINOIS

## Notes to the Financial Statements

February 28, 2022

---

---

### NOTE 4 - OTHER INFORMATION - Continued

#### EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

##### Illinois Municipal Retirement Fund (IMRF) - Continued

###### Plan Descriptions

*Plan Administration.* All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

*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).

IMRF provides two tiers of pension benefits. 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.



**WARREN TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements**

**February 28, 2022**

---

---

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Plan Descriptions - Continued**

*Plan Membership.* As of December 31, 2021, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	39
Inactive Plan Members Entitled to but not yet Receiving Benefits	50
Active Plan Members	<u>64</u>
Total	<u><u>153</u></u>

*Contributions.* As set by statute, the Township's Regular Plan Members are required to contribute 4.50% 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. For the fiscal year-ended February 28, 2022, the Township's contribution was 7.56% of covered payroll.

*Net Pension (Asset).* The Township's net pension (asset) was measured as of December 31, 2021. The total pension liability used to calculate the net pension (asset) was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation performed, as of December 31, 2021, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	2.25%
Inflation	2.25%

**WARREN TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements**

**February 28, 2022**

---

---

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Plan Descriptions - Continued**

*Actuarial Assumptions - Continued.* For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

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>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	25.00%	2.00%
Domestic Equities	39.00%	4.50%
International Equities	15.00%	5.75%
Real Estate	10.00%	5.90%
Blended	10.00%	4.30% - 8.10%
Cash and Cash Equivalents	1.00%	1.70%

**Discount Rate**

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Township contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

**WARREN TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements**

**February 28, 2022**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Discount Rate Sensitivity**

The following is a sensitivity analysis of the net pension (asset) to changes in the discount rate. The table below presents the net pension (asset) of the Township calculated using the discount rate as well as what the Township's net pension (asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension (Asset)	\$ (1,265,835)	(3,317,110)	(4,871,127)

**Changes in the Net Pension (Asset)**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension (Asset) (A) - (B)
Balances at December 31, 2020	\$ 16,965,064	18,515,061	(1,549,997)
Changes for the year:			
Service Cost	375,648	—	375,648
Interest on the Total Pension Liability	1,213,914	—	1,213,914
Difference Between Expected and Actual Experience of the Total Pension Liability	3,797	—	3,797
Change of Assumptions	—	—	—
Contributions - Employer	—	303,548	(303,548)
Contributions - Employees	—	172,036	(172,036)
Net Investment Income	—	3,046,221	(3,046,221)
Benefit Payments, Including Refunds of Member Contributions	(818,493)	(818,493)	—
Other (Net Transfer)	—	(161,333)	161,333
Net Changes	774,866	2,541,979	(1,767,113)
Balances at December 31, 2021	17,739,930	21,057,040	(3,317,110)

**WARREN TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements**

**February 28, 2022**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

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

For the year ended February 28, 2022, the Township recognized pension revenue of \$685,282. At February 28, 2022, the Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 62,075	(344,581)	(282,506)
Change in Assumptions	111,363	(146,107)	(34,744)
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	—	(2,341,596)	(2,341,596)
Total Pension Expense to be Recognized in Future Periods	173,438	(2,832,284)	(2,658,846)
Pension Contributions Made Subsequent to the Measurement Date	44,658	—	44,658
Total Deferred Amounts Related to IMRF	<u>218,096</u>	<u>(2,832,284)</u>	<u>(2,614,188)</u>

\$44,658 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended February 28, 2023. 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:

Fiscal Year	Net Deferred (Inflows) of Resources
2023	\$ (647,647)
2024	(970,674)
2025	(692,747)
2026	(347,778)
2027	—
Thereafter	—
Totals	<u>(2,658,846)</u>

**WARREN TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements**

**February 28, 2022**

---

---

**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS**

**General Information about the OPEB Plan**

*Plan Description.* The Township's defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general employees of the Township. RBP is a single-employer defined benefit OPEB plan administered by the Township. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Township Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

*Benefits Provided.* The Township's RBP provides one High Deductible Plan with varying deductibles depending upon "In Network or Out of Network" providers. The deductibles in the plan range from \$3,500 for single In-Network coverage to \$14,000 for family Out of Network coverage.

*Plan Membership.* As of February 28, 2022, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	—
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>34</u>
Total	<u><u>34</u></u>

**Total OPEB Liability**

The Township's total OPEB liability was measured as of February 28, 2022, and was determined by an actuarial valuation date of February 28, 2021.

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the February 28, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary Increases	2.50%
Discount Rate	2.51%
Healthcare Cost Trend Rates	The rate of 7.20% per year graded down to 5.00% per year in 0.24% increments.
Retirees' Share of Benefit-Related Costs	100% of Benefit-Related Costs

**WARREN TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements**

**February 28, 2022**

---

---

**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

**Total OPEB Liability - Continued**

*Actuarial Assumptions and Other Inputs - Continued.*

The discount rate was based on a combination of the Expected-Long Term Rate of Return on Plan Assets and the Municipal Bond Rate as of February 28, 2022.

Mortality rates were based on the PubG-2010(B) Improved Generationally using MP-2020 Improvement Rates, weighted per IMRF Experience Study dated December 14, 2020.

**Change in the Total OPEB Liability**

	<u>Total OPEB Liability</u>
Balance at February 28, 2021	<u>\$ 506,443</u>
Changes for the Year:	
Service Cost	7,579
Interest on the Total OPEB Liability	12,104
Changes of Benefit Terms	—
Difference Between Expected and Actual Experience	—
Changes of Assumptions or Other Inputs	(97,823)
Benefit Payments	<u>(20,771)</u>
Net Changes	<u>(98,911)</u>
Balance at February 28, 2022	<u><u>407,532</u></u>

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The discount rate used to measure the total pension liability was 2.51%, while the prior valuation used 2.44%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (1.51%)	Current Discount Rate (2.51%)	1% Increase (3.51%)
Total OPEB Liability \$	480,421	407,532	349,326

**WARREN TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements**

**February 28, 2022**

---

---

**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The following presents the total OPEB liability, calculated using a variable Healthcare Trend Rate, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability \$	344,206	407,532	486,011

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended February 28, 2022, the Township recognized OPEB revenue of \$78,140. Per GASB Statement No. 75, under the Alternative Measurement Method, changes in Total OPEB Liability are immediately recognized as expense, resulting in no deferred outflows of resources or deferred inflows of resources related to OPEB.

## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule Employer Contributions  
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)  
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Total OPEB Liability  
Retiree Benefit Plan
- Budgetary Comparison Schedules  
General Fund  
Road and Bridge - Special Revenue Fund  
Permanent Road - Special Revenue Fund

Notes to the Required Supplementary Information

Budgetary Information - Budgets are adopted on a basis consistent with generally accepted accounting principles.



**WARREN TOWNSHIP, ILLINOIS**

**Illinois Municipal Retirement Fund  
Schedule of Employer Contributions  
February 28, 2022**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 385,460	\$ 385,460	\$ —	\$ 3,643,295	10.58%
2017	405,449	405,449	—	3,872,497	10.47%
2018	359,903	359,903	—	3,729,582	9.65%
2019	387,955	387,955	—	3,934,635	9.86%
2020	290,678	290,678	—	3,992,822	7.28%
2021	318,096	318,096	—	3,898,237	8.16%
2022	293,268	293,268	—	3,880,626	7.56%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	22 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.50%
Salary Increases	3.35% - 14.25%
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015).

Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

**WARREN TOWNSHIP, ILLINOIS**

**Illinois Municipal Retirement Fund - Regular**

**Schedule of Changes in the Employer's Net Pension Liability/(Asset)**

**February 28, 2022**

	<u>12/31/2015</u>
Total Pension Liability	
Service Cost	\$ 430,993
Interest	980,115
Differences Between Expected and Actual Experience	(343,124)
Change of Assumptions	16,739
Benefit Payments, Including Refunds of Member Contributions	<u>(503,875)</u>
Net Change in Total Pension Liability	580,848
Total Pension Liability - Beginning	<u>13,104,643</u>
 Total Pension Liability - Ending	 <u><u>13,685,491</u></u>
 Plan Fiduciary Net Position	
Contributions - Employer	\$ 385,460
Contributions - Members	163,949
Net Investment Income	61,135
Benefit Payments, Including Refunds of Member Contributions	<u>(503,875)</u>
Other (Net Transfer)	<u>(72,307)</u>
Net Change in Plan Fiduciary Net Position	34,362
Plan Net Position - Beginning	<u>12,204,189</u>
 Plan Net Position - Ending	 <u><u>12,238,551</u></u>
 Employer's Net Pension Liability/(Asset)	 <u><u>\$ 1,446,940</u></u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	  89.43%
 Covered Payroll	 \$ 3,643,295
 Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	  39.72%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

*Changes of Assumptions.* Changes in assumptions related to the discount rate were made in 2015 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2015 and 2017.

12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021
414,754	430,303	395,919	422,161	409,548	375,648
1,019,234	1,095,804	1,092,164	1,132,390	1,198,975	1,213,914
169,441	(414,971)	(139,916)	139,508	(442,920)	3,797
(18,112)	(485,114)	443,519	—	(159,854)	—
(569,870)	(610,739)	(703,980)	(791,676)	(746,995)	(818,493)
1,015,447	15,283	1,087,706	902,383	258,754	774,866
13,685,491	14,700,938	14,716,221	15,803,927	16,706,310	16,965,064
14,700,938	14,716,221	15,803,927	16,706,310	16,965,064	17,739,930
405,449	359,903	387,955	290,678	318,096	303,548
177,534	167,832	177,058	179,677	175,421	172,036
838,133	2,273,007	(767,600)	2,616,702	2,364,411	3,046,221
(569,870)	(610,739)	(703,980)	(791,676)	(746,995)	(818,493)
(62,593)	(247,508)	126,383	188,269	(269,037)	(161,333)
788,653	1,942,495	(780,184)	2,483,650	1,841,896	2,541,979
12,238,551	13,027,204	14,969,699	14,189,515	16,673,165	18,515,061
13,027,204	14,969,699	14,189,515	16,673,165	18,515,061	21,057,040
1,673,734	(253,478)	1,614,412	33,145	(1,549,997)	(3,317,110)
88.61%	101.72%	89.78%	99.80%	109.14%	118.70%
3,872,497	3,729,582	3,934,635	3,992,822	3,898,237	3,823,015
43.22%	(6.80%)	41.03%	0.83%	(39.76%)	(86.77%)

**WARREN TOWNSHIP, ILLINOIS**

**Retiree Benefit Plan**

**Schedule of Changes in the Employer's Total OPEB Liability**

**February 28, 2022**

	<u>02/28/2021</u>	<u>02/28/2022</u>
Total OPEB Liability		
Service Cost	\$ 7,177	7,579
Interest	12,123	12,104
Changes in Benefit Terms	—	—
Differences Between Expected and Actual Experience	—	—
Change of Assumptions or Other Inputs	—	(97,823)
Benefit Payments	—	(20,771)
Other Changes	(19,376)	—
Net Change in Total OPEB Liability	(76)	(98,911)
Total OPEB Liability - Beginning	<u>506,519</u>	<u>506,443</u>
Total OPEB Liability - Ending	<u>506,443</u>	<u>407,532</u>
Covered-Employee Payroll	\$ 2,406,666	2,361,396
Total OPEB Liability as a Percentage of Covered-Employee Payroll	21.04%	17.26%

Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

*Changes of Assumptions.* Changes in assumptions related to the discount rate were made in 2021 and 2022.

**WARREN TOWNSHIP, ILLINOIS**

**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended February 28, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 4,914,017	4,914,017	4,897,426
Intergovernmental			
Replacement Taxes	156,500	156,500	462,338
Grants	10,400	10,400	13,218
Donations	2,500	2,500	9,950
Reimbursements	15,000	15,000	25,572
Charges and Fees	350,500	350,500	159,835
Investment Income	5,100	5,100	2,320
Miscellaneous	773,300	773,300	825,531
Total Revenues	<u>6,227,317</u>	<u>6,227,317</u>	<u>6,396,190</u>
Expenditures			
General Government	5,409,013	5,409,013	4,422,408
Capital Outlay	347,400	347,400	309,421
Debt Service			
Principal Retirement	1,536,700	1,536,700	1,625,169
Interest and Fiscal Charges	44,700	44,700	45,188
Total Expenditures	<u>7,337,813</u>	<u>7,337,813</u>	<u>6,402,186</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,110,496)	(1,110,496)	(5,996)
Other Financing (Uses)			
Transfers Out	<u>(20,000)</u>	<u>(20,000)</u>	—
Net Change in Fund Balance	<u>(1,130,496)</u>	<u>(1,130,496)</u>	(5,996)
Fund Balance - Beginning			<u>2,121,592</u>
Fund Balance - Ending			<u><u>2,115,596</u></u>

**WARREN TOWNSHIP, ILLINOIS**

**Road and Bridge - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Fiscal Year Ended February 28, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Tax	\$ 984,000	984,000	1,008,032
Intergovernmental			
Replacement Taxes	103,800	103,800	306,553
Reimbursements	500	500	93
Investment Income	1,900	1,900	1,349
Miscellaneous	500	500	543
Total Revenues	<u>1,090,700</u>	<u>1,090,700</u>	<u>1,316,570</u>
Expenditures			
Highways and Streets	2,266,480	2,266,480	1,553,343
Capital Outlay	25,000	25,000	—
Total Expenditures	<u>2,291,480</u>	<u>2,291,480</u>	<u>1,553,343</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,200,780)	(1,200,780)	(236,773)
Other Financing Sources			
Disposal of Capital Assets	1,000	1,000	612
Net Change in Fund Balance	<u>(1,199,780)</u>	<u>(1,199,780)</u>	(236,161)
Fund Balance - Beginning			<u>1,633,326</u>
Fund Balance - Ending			<u><u>1,397,165</u></u>

**WARREN TOWNSHIP, ILLINOIS**

**Permanent Road - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Fiscal Year Ended February 28, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Tax	\$ 4,400,000	4,400,000	4,386,584
Intergovernmental			
Motor Fuel Tax Allotments	140,000	140,000	162,158
Grants	83,894	83,894	83,893
Reimbursements	20,000	20,000	20,767
Charges and Fees	300	300	350
Investment Income	4,500	4,500	2,173
Miscellaneous	100	100	1,103
Total Revenues	<u>4,648,794</u>	<u>4,648,794</u>	<u>4,657,028</u>
Expenditures			
Highways and Streets	<u>5,635,000</u>	<u>5,635,000</u>	<u>4,455,178</u>
Net Change in Fund Balance	<u>(986,206)</u>	<u>(986,206)</u>	201,850
Fund Balance - Beginning			<u>1,883,367</u>
Fund Balance - Ending			<u><u>2,085,217</u></u>

## **OTHER SUPPLEMENTARY INFORMATION**

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules - Major Governmental Funds
- Combining Statements - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Nonmajor Governmental Funds



## **INDIVIDUAL DESCRIPTIONS**

---

### **GENERAL FUND**

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

---

### **SPECIAL REVENUE FUNDS**

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditure for specified purposes.

#### **Road and Bridge Fund**

The Road and Bridge Fund is used to account for all financial resources relating to the Warren Road District.

#### **Permanent Road Fund**

The Permanent Road Fund is used to account for taxes levied and expenditures incurred to construct and maintain roads within Warren Road District.

#### **General Assistance Fund**

The General Assistance Fund is used to account for taxes levied and expenditures incurred to provide benefits for needy residents.

#### **Park Maintenance Fund**

The Park Maintenance Fund is used to account for taxes levied and expenditures incurred to develop and maintain public parks in the Township.

#### **Illinois Municipal Retirement Fund**

The Illinois Municipal Retirement Fund (IMRF) Fund is used to account for the Township's participation in the Illinois Municipal Retirement Fund. Financing is provided by a specific annual property tax levy.

#### **Social Security Fund**

The Social Security Fund is used to account for taxes levied and expenditures incurred to provide retirement benefits for Township employees.

#### **Town Insurance Fund**

The Town Insurance Fund is used to account for taxes levied and expenditures incurred for liability insurance for the Township.

## **INDIVIDUAL DESCRIPTIONS**

---

### **SPECIAL REVENUE FUNDS - Continued**

#### **Equipment and Building Fund**

The Equipment and Building Fund is used to account for taxes levied and capital expenditures for the use of the Warren Road District.

#### **Road Insurance Fund**

The Road Insurance Fund is used to account for taxes levied and expenditures incurred for liability insurance for the Warren Road District.

**WARREN TOWNSHIP, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual**

**For the Fiscal Year Ended February 28, 2022**

	Budget		Actual
	Original	Final	
General Government			
Administration			
Personal Services			
Salaries	\$ 587,000	587,000	586,666
Taxes and Benefits	564,200	564,200	538,095
Other Employee Costs	9,025	9,025	8,332
	<u>1,160,225</u>	<u>1,160,225</u>	<u>1,133,093</u>
Contractual			
Administrative Services	394,268	394,268	306,025
Program Services	31,740	31,740	24,699
Utilities	135,200	135,200	154,933
Maintenance Service	2,500	2,500	4,359
	<u>563,708</u>	<u>563,708</u>	<u>490,016</u>
Commodities			
Administrative Supplies	146,500	146,500	46,671
Other Expenditures			
Miscellaneous	64,000	64,000	—
	<u>64,000</u>	<u>64,000</u>	<u>—</u>
Total Administration	<u>1,934,433</u>	<u>1,934,433</u>	<u>1,669,780</u>
Assessor			
Personal Services			
Salaries	462,500	462,500	420,208
Other Employee Costs	17,500	17,500	7,939
	<u>480,000</u>	<u>480,000</u>	<u>428,147</u>
Contractual			
Administrative Services	9,970	9,970	8,826
Program Services	3,600	3,600	3,083
Utilities	2,000	2,000	1,754
Maintenance Services	1,000	1,000	675
	<u>16,570</u>	<u>16,570</u>	<u>14,338</u>

**WARREN TOWNSHIP, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued**

**For the Fiscal Year Ended February 28, 2022**

	Budget		Actual
	Original	Final	
General Government - Continued			
Assessor - Continued			
Commodities			
Administrative Supplies	\$ 23,900	23,900	17,143
Maintenance Supplies	200	200	93
	<u>24,100</u>	<u>24,100</u>	<u>17,236</u>
Other Expenditures			
Miscellaneous	1,000	1,000	—
	<u>1,000</u>	<u>1,000</u>	<u>—</u>
Total Assessor	<u>521,670</u>	<u>521,670</u>	<u>459,721</u>
Youth and Family Services			
Personal Services			
Salaries	160,500	160,500	157,962
Other Employee Costs	6,500	6,500	2,147
	<u>167,000</u>	<u>167,000</u>	<u>160,109</u>
Contractual			
Administrative Services	8,180	8,180	3,650
Maintenance Services	1,800	1,800	833
	<u>9,980</u>	<u>9,980</u>	<u>4,483</u>
Commodities			
Administrative Supplies	29,200	29,200	17,043
Other Expenditures			
Miscellaneous	500	500	(34)
	<u>500</u>	<u>500</u>	<u>(34)</u>
Total Youth and Family Services	<u>206,680</u>	<u>206,680</u>	<u>181,601</u>
Counseling			
Personal Services			
Salaries	336,500	336,500	279,354
Other Employee Costs	7,000	7,000	1,269
	<u>343,500</u>	<u>343,500</u>	<u>280,623</u>

**WARREN TOWNSHIP, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued**

**For the Fiscal Year Ended February 28, 2022**

	Budget		Actual
	Original	Final	
General Government - Continued			
Counseling - Continued			
Contractual			
Administrative Services	\$ 21,550	21,550	5,253
Program Services	35,000	35,000	10,437
	<u>56,550</u>	<u>56,550</u>	<u>15,690</u>
Commodities			
Program Supplies	7,000	7,000	2,972
	<u>7,000</u>	<u>7,000</u>	<u>2,972</u>
Total Counseling	<u>407,050</u>	<u>407,050</u>	<u>299,285</u>
Warren Special Recreation			
Personal Services			
Salaries	156,200	156,200	129,066
	<u>156,200</u>	<u>156,200</u>	<u>129,066</u>
Contractual			
Community Support	42,000	42,000	26,103
Maintenance Services	13,260	13,260	11,480
Individual Support	25,250	25,250	13,912
Utilities	17,340	17,340	16,821
	<u>97,850</u>	<u>97,850</u>	<u>68,316</u>
Total Warren Special Recreation	<u>254,050</u>	<u>254,050</u>	<u>197,382</u>

**WARREN TOWNSHIP, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued**

**For the Fiscal Year Ended February 28, 2022**

	Budget		Actual
	Original	Final	
General Government - Continued			
Senior Services			
Personal Services			
Salaries	\$ 335,000	335,000	345,278
Other Employee Costs	3,000	3,000	332
	<u>338,000</u>	<u>338,000</u>	<u>345,610</u>
Contractual			
Administrative Services	18,500	18,500	21,275
Program Services	338,100	338,100	179,504
Transportation	70,000	70,000	42,631
Maintenance Services	3,200	3,200	1,337
	<u>429,800</u>	<u>429,800</u>	<u>244,747</u>
Commodities			
Administrative Supplies	33,500	33,500	9,937
Program Supplies	15,000	15,000	5,115
Capital	10,300	10,300	—
	<u>58,800</u>	<u>58,800</u>	<u>15,052</u>
Other Expenditures			
Miscellaneous	100	100	—
	<u>100</u>	<u>100</u>	<u>—</u>
Total Senior Services	<u>826,700</u>	<u>826,700</u>	<u>605,409</u>
Park City Teen Center			
Personal Services			
Salaries	48,500	48,500	—
Other Employee Costs	4,350	4,350	—
	<u>52,850</u>	<u>52,850</u>	<u>—</u>
Contractual			
Program Services	6,500	6,500	617
Utilities	250	250	—
Community Support	1,000	1,000	—
	<u>7,750</u>	<u>7,750</u>	<u>617</u>

**WARREN TOWNSHIP, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued**

**For the Fiscal Year Ended February 28, 2022**

	Budget		Actual
	Original	Final	
General Government - Continued			
Park City Teen Center - Continued			
Commodities			
Administrative Supplies	\$ 14,200	14,200	—
Program Supplies	5,500	5,500	—
	<u>19,700</u>	<u>19,700</u>	<u>—</u>
Other Expenditures			
Miscellaneous	50	50	—
	<u>50</u>	<u>50</u>	<u>—</u>
Total Park City Teen Center	<u>80,350</u>	<u>80,350</u>	<u>617</u>
Gurnee Teen Center			
Personal Services			
Salaries	191,000	191,000	163,938
Other Employee Costs	5,550	5,550	626
	<u>196,550</u>	<u>196,550</u>	<u>164,564</u>
Contractual			
Administrative Services	2,000	2,000	312
Program Services	5,300	5,300	3,306
Maintenance Services	900	900	775
	<u>8,200</u>	<u>8,200</u>	<u>4,393</u>
Commodities			
Administrative Supplies	13,150	13,150	8,832
Program Supplies	21,000	21,000	19,101
	<u>34,150</u>	<u>34,150</u>	<u>27,933</u>
Other Expenditures			
Miscellaneous	100	100	—
	<u>100</u>	<u>100</u>	<u>—</u>
Total Gurnee Teen Center	<u>239,000</u>	<u>239,000</u>	<u>196,890</u>

**WARREN TOWNSHIP, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued**

**For the Fiscal Year Ended February 28, 2022**

	Budget		Actual
	Original	Final	
General Government - Continued			
Maintenance			
Personal Services			
Salaries	\$ 378,000	378,000	388,299
Other Employee Costs	7,400	7,400	2,890
	<u>385,400</u>	<u>385,400</u>	<u>391,189</u>
Contractual			
Program Services	1,500	1,500	1,067
Maintenance Services	301,680	301,680	254,862
Construction and Remodeling	186,000	186,000	71,465
	<u>489,180</u>	<u>489,180</u>	<u>327,394</u>
Commodities			
Administrative Supplies	8,000	8,000	8,461
Maintenance Supplies	56,000	56,000	84,679
	<u>64,000</u>	<u>64,000</u>	<u>93,140</u>
Other Expenditures			
Miscellaneous	500	500	—
	<u>500</u>	<u>500</u>	<u>—</u>
Total Maintenance	<u>939,080</u>	<u>939,080</u>	<u>811,723</u>
Total General Government	<u>5,409,013</u>	<u>5,409,013</u>	<u>4,422,408</u>
Capital Outlay	<u>347,400</u>	<u>347,400</u>	<u>309,421</u>
Debt Service			
Principal Retirement	1,536,700	1,536,700	1,625,169
Interest and Fiscal Charges	44,700	44,700	45,188
Total Debt Service	<u>1,581,400</u>	<u>1,581,400</u>	<u>1,670,357</u>
Total Expenditures	<u>7,337,813</u>	<u>7,337,813</u>	<u>6,402,186</u>



**WARREN TOWNSHIP, ILLINOIS**

**Road and Bridge - Special Revenue Fund  
 Schedule of Expenditures - Budget and Actual  
 For the Fiscal Year Ended February 28, 2022**

	Budget		Actual
	Original	Final	
Highways and Streets			
Administration			
Personal Services			
Salaries	\$ 102,000	102,000	102,673
Taxes and Benefits	23,920	23,920	17,485
Other Employee Costs	5,800	5,800	2,486
	<u>131,720</u>	<u>131,720</u>	<u>122,644</u>
Contractual			
Administrative Services	89,000	89,000	47,010
Utilities	1,800	1,800	1,020
Maintenance Services	1,000	1,000	577
Community Support	12,000	12,000	476
	<u>103,800</u>	<u>103,800</u>	<u>49,083</u>
Commodities			
Administrative Supplies	19,000	19,000	13,189
Capital	10,000	10,000	—
	<u>29,000</u>	<u>29,000</u>	<u>13,189</u>
Other Expenditures			
Miscellaneous	391,000	391,000	—
	<u>391,000</u>	<u>391,000</u>	<u>—</u>
Total Administration	<u>655,520</u>	<u>655,520</u>	<u>184,916</u>
Maintenance			
Personal Services			
Salaries	406,000	406,000	400,558
Taxes and Benefits	493,000	493,000	521,635
Other Employee Costs	34,000	34,000	53,968
	<u>933,000</u>	<u>933,000</u>	<u>976,161</u>

**WARREN TOWNSHIP, ILLINOIS**

**Road and Bridge - Special Revenue Fund**  
**Schedule of Expenditures - Budget and Actual - Continued**  
**For the Fiscal Year Ended February 28, 2022**

	Budget		Actual
	Original	Final	
Highways and Streets - Continued			
Maintenance - Continued			
Contractual			
Administrative Services	\$ 4,000	4,000	816
Program Services	21,460	21,460	20,210
Utilities	34,000	34,000	33,807
Maintenance Services	200,000	200,000	222,292
	<u>259,460</u>	<u>259,460</u>	<u>277,125</u>
Commodities			
Maintenance Supplies	<u>117,500</u>	<u>117,500</u>	<u>115,141</u>
Other Expenditures			
Miscellaneous	<u>301,000</u>	<u>301,000</u>	<u>—</u>
Total Maintenance	<u>1,610,960</u>	<u>1,610,960</u>	<u>1,368,427</u>
Capital Outlay	<u>25,000</u>	<u>25,000</u>	<u>—</u>
Total Expenditures	<u>2,291,480</u>	<u>2,291,480</u>	<u>1,553,343</u>

**WARREN TOWNSHIP, ILLINOIS**

**Permanent Road - Special Revenue Fund  
 Schedule of Expenditures - Budget and Actual  
 For the Fiscal Year Ended February 28, 2022**

	Budget		Actual
	Original	Final	
Highways and Streets			
Administration			
Personal Services			
Salaries	\$ 1,130,000	1,130,000	1,077,011
IMRF and Social Security	175,000	175,000	154,415
	<u>1,305,000</u>	<u>1,305,000</u>	<u>1,231,426</u>
Contractual			
Professional Services	105,000	105,000	228,137
Road Construction	2,940,000	2,940,000	2,449,944
Maintenance Service - Roads	90,000	90,000	54,005
Street Lighting	105,000	105,000	102,870
Rentals	5,000	5,000	—
	<u>3,245,000</u>	<u>3,245,000</u>	<u>2,834,956</u>
Commodities			
Maintenance Supplies	405,000	405,000	230,256
Maintenance Supplies - MFT	299,000	299,000	158,540
	<u>704,000</u>	<u>704,000</u>	<u>388,796</u>
Other Expenditures			
Miscellaneous	381,000	381,000	—
	<u>381,000</u>	<u>381,000</u>	<u>—</u>
Total Administration	<u>5,635,000</u>	<u>5,635,000</u>	<u>4,455,178</u>

**WARREN TOWNSHIP, ILLINOIS**

**Nonmajor Governmental - Special Revenue Funds**

**Combining Balance Sheet**

**February 28, 2022**

---

---

	General Assistance	Park Maintenance
<b>ASSETS</b>		
Cash and Investments	\$ 22,232	75,691
Receivables - Net of Allowances		
Taxes	88,230	432,120
Prepays	—	—
Total Assets	110,462	507,811
<b>LIABILITIES</b>		
Accounts Payable	593	29,618
Accrued Payroll	—	—
Total Liabilities	593	29,618
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property Taxes	88,001	430,218
Total Liabilities and Deferred Inflows of Resources	88,594	459,836
Fund Balances		
Nonspendable	—	—
Restricted	21,868	47,975
Total Fund Balances	21,868	47,975
Total Liabilities, Deferred Inflows of Resources and Fund Balances	110,462	507,811

Illinois Municipal Retirement	Social Security	Town Insurance	Equipment and Building	Road Insurance	Totals
154,609	197,536	34,972	510,789	152,576	1,148,405
154,484	118,090	264,021	1,242,933	266,484	2,566,362
—	—	46,305	—	71,412	117,717
309,093	315,626	345,298	1,753,722	490,472	3,832,484
12,621	—	—	10,191	—	53,023
564	779	—	—	—	1,343
13,185	779	—	10,191	—	54,366
140,746	100,004	263,014	1,240,017	265,014	2,527,014
153,931	100,783	263,014	1,250,208	265,014	2,581,380
—	—	46,305	—	71,412	117,717
155,162	214,843	35,979	503,514	154,046	1,133,387
155,162	214,843	82,284	503,514	225,458	1,251,104
309,093	315,626	345,298	1,753,722	490,472	3,832,484

**WARREN TOWNSHIP, ILLINOIS**

**Nonmajor Governmental - Special Revenue Funds**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**

**For the Fiscal Year Ended February 28, 2022**

	General Assistance	Park Maintenance
Revenues		
Taxes	\$ 43,891	421,946
Intergovernmental	5,000	—
Charges and Fees	—	2,380
Investment Income	36	140
Miscellaneous	—	1,113
Total Revenues	<u>48,927</u>	<u>425,579</u>
Expenditures		
General Government	48,731	—
Parks and Recreation	—	505,144
Highways and Streets	—	—
Capital Outlay	—	76,795
Total Expenditures	<u>48,731</u>	<u>581,939</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	196	(156,360)
Other Financing Sources		
Disposal of Capital Assets	—	16,005
Net Change in Fund Balances	196	(140,355)
Fund Balances - Beginning	<u>21,672</u>	<u>188,330</u>
Fund Balances - Ending	<u><u>21,868</u></u>	<u><u>47,975</u></u>

Illinois Municipal Retirement	Social Security	Town Insurance	Equipment and Building	Road Insurance	Total
194,468	233,342	206,460	768,988	299,148	2,168,243
33,169	43,968	—	—	—	82,137
—	—	—	—	—	2,380
136	163	57	501	180	1,213
—	—	21,018	—	—	22,131
<u>227,773</u>	<u>277,473</u>	<u>227,535</u>	<u>769,489</u>	<u>299,328</u>	<u>2,276,104</u>
184,475	190,452	222,383	—	296,113	942,154
—	—	—	—	—	505,144
—	—	—	64,670	—	64,670
—	—	—	690,300	—	767,095
<u>184,475</u>	<u>190,452</u>	<u>222,383</u>	<u>754,970</u>	<u>296,113</u>	<u>2,279,063</u>
43,298	87,021	5,152	14,519	3,215	(2,959)
—	—	—	66,000	—	82,005
43,298	87,021	5,152	80,519	3,215	79,046
111,864	127,822	77,132	422,995	222,243	1,172,058
<u>155,162</u>	<u>214,843</u>	<u>82,284</u>	<u>503,514</u>	<u>225,458</u>	<u>1,251,104</u>

**WARREN TOWNSHIP, ILLINOIS**

**General Assistance - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Fiscal Year Ended February 28, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 44,008	44,008	43,891
Intergovernmental			
Grants	1,000	1,000	5,000
Reimbursements	100	100	—
Investment Income	100	100	36
Miscellaneous	100	100	—
Total Revenues	<u>45,308</u>	<u>45,308</u>	<u>48,927</u>
Expenditures			
General Government			
Administration			
Personal Services			
Salaries	28,900	28,900	28,623
Contractual			
Administrative Services	8,000	8,000	8,174
Training and Travel	250	250	68
Maintenance Services	300	300	—
Catastrophic Insurance	3,000	3,000	2,650
Commodities			
Administrative Supplies	3,500	3,500	272
Home Relief			
Contractual Services			
Individual Support	39,500	39,500	8,027
Other Expenditures			
Miscellaneous	500	500	917
Total Expenditures	<u>83,950</u>	<u>83,950</u>	<u>48,731</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(38,642)	(38,642)	196
Other Financing Sources			
Transfers In	20,000	20,000	—
Net Change in Fund Balance	<u>(18,642)</u>	<u>(18,642)</u>	196
Fund Balance - Beginning			<u>21,672</u>
Fund Balance - Ending			<u><u>21,868</u></u>



**WARREN TOWNSHIP, ILLINOIS**

**Park Maintenance - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Fiscal Year Ended February 28, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 423,354	423,354	421,946
Charges and Fees	6,100	6,100	2,380
Investment Income	470	470	140
Miscellaneous	500	500	1,113
Total Revenues	<u>430,424</u>	<u>430,424</u>	<u>425,579</u>
Expenditures			
Parks and Recreation			
Contractual			
Administrative Services	20,000	20,000	38,362
Program Services	2,000	2,000	616
Maintenance Services	315,000	315,000	308,613
Land Development	75,000	75,000	58,587
Commodities			
Administrative Supplies	2,000	2,000	—
Maintenance Supplies	64,000	64,000	98,966
Other Expenditures			
Miscellaneous	17,000	17,000	—
Capital Outlay	95,000	95,000	76,795
Total Expenditures	<u>590,000</u>	<u>590,000</u>	<u>581,939</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(159,576)	(159,576)	(156,360)
Other Financing Sources			
Disposal of Capital Assets	1,000	1,000	16,005
Net Change in Fund Balance	<u>(158,576)</u>	<u>(158,576)</u>	(140,355)
Fund Balance - Beginning			<u>188,330</u>
Fund Balance - Ending			<u><u>47,975</u></u>

**WARREN TOWNSHIP, ILLINOIS**

**Illinois Municipal Retirement - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Fiscal Year Ended February 28, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 195,017	195,017	194,468
Intergovernmental			
Replacement Taxes	11,300	11,300	33,169
Investment Income	240	240	136
Total Revenues	<u>206,557</u>	<u>206,557</u>	<u>227,773</u>
Expenditures			
General Government			
Personal Services			
Illinois Municipal Retirement	194,330	194,330	184,475
Other Expenditures			
Miscellaneous	65,000	65,000	—
Total Expenditures	<u>259,330</u>	<u>259,330</u>	<u>184,475</u>
Net Change in Fund Balance	<u>(52,773)</u>	<u>(52,773)</u>	43,298
Fund Balance - Beginning			<u>111,864</u>
Fund Balance - Ending			<u><u>155,162</u></u>

**WARREN TOWNSHIP, ILLINOIS**

**Social Security - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Fiscal Year Ended February 28, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 234,008	234,008	233,342
Intergovernmental			
Replacement Taxes	15,000	15,000	43,968
Investment Income	270	270	163
Miscellaneous	100	100	—
Total Revenues	<u>249,378</u>	<u>249,378</u>	<u>277,473</u>
Expenditures			
General Government			
Personal Services			
Social Security	195,400	195,400	190,452
Other Expenditures			
Miscellaneous	123,000	123,000	—
	<u>318,400</u>	<u>318,400</u>	<u>190,452</u>
Net Change in Fund Balance	<u>(69,022)</u>	<u>(69,022)</u>	87,021
Fund Balance - Beginning			<u>127,822</u>
Fund Balance - Ending			<u>214,843</u>

**WARREN TOWNSHIP, ILLINOIS**

**Town Insurance - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Fiscal Year Ended February 28, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 207,020	207,020	206,460
Investment Income	180	180	57
Miscellaneous	100	100	21,018
Total Revenues	<u>207,300</u>	<u>207,300</u>	<u>227,535</u>
Expenditures			
General Government			
Personal Services			
Taxes and Benefits	65,500	65,500	53,857
Contractual			
Insurance	150,000	150,000	168,526
Other Expenditures			
Miscellaneous	23,000	23,000	—
Total Expenditures	<u>238,500</u>	<u>238,500</u>	<u>222,383</u>
Net Change in Fund Balance	<u>(31,200)</u>	<u>(31,200)</u>	5,152
Fund Balance - Beginning			<u>77,132</u>
Fund Balance - Ending			<u>82,284</u>

**WARREN TOWNSHIP, ILLINOIS**

**Equipment and Building - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Fiscal Year Ended February 28, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 772,000	772,000	768,988
Intergovernmental			
Reimbursements	100	100	—
Investment Income	900	900	501
Miscellaneous	500	500	—
Total Revenues	<u>773,500</u>	<u>773,500</u>	<u>769,489</u>
Expenditures			
Highways and Streets			
Contractual			
Administrative Services	210,200	210,200	64,670
Other Expenditures			
Miscellaneous	1,000	1,000	—
Capital Outlay	951,000	951,000	690,300
Total Expenditures	<u>1,162,200</u>	<u>1,162,200</u>	<u>754,970</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(388,700)	(388,700)	14,519
Other Financing Sources			
Disposal of Capital Assets	170,000	170,000	66,000
Net Change in Fund Balance	<u>(218,700)</u>	<u>(218,700)</u>	80,519
Fund Balance - Beginning			<u>422,995</u>
Fund Balance - Ending			<u><u>503,514</u></u>

**WARREN TOWNSHIP, ILLINOIS**

**Road Insurance - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Fiscal Year Ended February 28, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 300,000	300,000	299,148
Investment Income	400	400	180
Miscellaneous	100	100	—
Total Revenues	<u>300,500</u>	<u>300,500</u>	<u>299,328</u>
Expenditures			
General Government			
Personal Services			
Workman's Compensation and Unemployment	175,000	175,000	169,830
Contractual			
Insurance	160,000	160,000	126,283
Other Expenditures			
Miscellaneous	117,000	117,000	—
Total Expenditures	<u>452,000</u>	<u>452,000</u>	<u>296,113</u>
Net Change in Fund Balance	<u>(151,500)</u>	<u>(151,500)</u>	3,215
Fund Balance - Beginning			<u>222,243</u>
Fund Balance - Ending			<u>225,458</u>

**SUPPLEMENTAL SCHEDULE**

**WARREN TOWNSHIP, ILLINOIS**

**Assessed Valuations, Tax Rates, and Tax Extensions - Last Four Tax Levy Years  
February 28, 2022**

Tax Year	2017	2018	2019	2020
Total Assessed Valuation	\$ 1,970,829,038	2,020,340,943	2,105,266,102	2,116,769,615
<b>Tax Rates</b>				
Corporate	0.2440	0.2340	0.2320	0.2321
Road and Bridge	0.0600	0.0750	0.0400	0.0751
Road Improvement	0.1520	0.1730	0.2090	0.2079
General Assistance	0.0010	0.0010	0.0010	0.0021
Park Maintenance	0.0200	0.0200	0.0200	0.0200
Illinois Municipal Retirement Fund	0.0100	0.0100	0.0080	0.0092
Social Security	0.0070	0.0090	0.0100	0.0111
Town Insurance	0.0060	0.0070	0.0070	0.0098
Equipment and Building	0.0750	0.0250	0.0260	0.0365
Road Insurance	0.0070	0.0100	0.0140	0.0142
Total Tax Rates	0.5820	0.5640	0.5670	0.6180
<b>Tax Extensions</b>				
Corporate	\$ 4,825,003	4,723,981	4,883,227	4,914,017
Road and Bridge*	1,179,060	1,530,004	998,951	983,853
Road Improvement	2,995,010	3,499,998	4,402,006	4,400,002
General Assistance	5,006	30,547	52,000	44,008
Park Maintenance	394,166	403,119	421,053	423,354
Illinois Municipal Retirement Fund	89,003	223,995	161,979	195,018
Social Security	132,006	177,992	209,979	234,009
Town Insurance	124,005	156,980	143,011	207,020
Equipment and Building	1,472,702	499,994	561,011	772,007
Road Insurance	150,020	219,995	300,000	300,010
Total Tax Extensions	11,365,981	11,466,605	12,133,217	12,473,298

\*Extensions for Road and Bridge are shown net, after deducting the portion of the taxes extended which are allocable to the underlying municipalities.