

LAKE VILLA TOWNSHIP

LAKE COUNTY, ILLINOIS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED MARCH 31, 2018

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INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Lake Villa Township
Lake County, Illinois

We have audited the accompanying financial statements of Lake Villa Township, Lake County, Illinois, as of and for the year ended March 31, 2018, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation on the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to error or fraud.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including assessment of the risk of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting, estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position – modified cash basis of the governmental activities and each major fund of the Lake Villa Township, Lake County, Illinois, as of March 31, 2018, and the respective changes in financial position – modified cash basis, thereof for the year ended in accordance with the basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Disclaimer of Opinion on Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lake Villa Township, Lake County, Illinois basic financial statements. The management's discussion and analysis, budgetary comparison information, and comparative tax data on pages 3 through 7, 25 through 39 and page 40 which are the responsibility of management, are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.



EVOY, KAMSCHULTE, JACOBS & CO. LLP
Waukegan, Illinois
September 11, 2018

LAKE VILLA TOWNSHIP

SUPPLEMENTARY INFORMATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

LAKE VILLA TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2018

As management of Lake Villa Township (Township), we offer readers of the Township's statements this narrative overview and analysis of the financial activities of the Township for the fiscal year ended March 31, 2018. We encourage readers to consider the information presented here in conjunction with additional information found in the Notes to the Financial Statements.

FINANCIAL HIGHLIGHTS

- The assets of the Township exceeded its liabilities at March 31, 2018 by \$14,321,903 (net position). Of this amount \$1,938,438 (unrestricted net position) may be used to meet the Township's ongoing obligations to citizens and creditors.
- The Township's total net position increased by \$119,413.
- At March 31, 2018, the Township's governmental funds reported combined ending fund balances of \$4,851,585, an increase of \$207,502 in comparison with the prior year. Approximately 40% of this total amount, \$1,938,438, is available for spending at the Township's discretion (unreserved fund balance).
- At March 31, 2018, the unassigned fund balance for the General Fund was \$1,938,438 or 159.2% of total General Fund expenditures.

Our discussion and analysis of the Lake Villa Township's financial performance provides an overview of the Township's financial activities for the fiscal year ended March 31, 2018.

Please read it in conjunction with the Township's financial statements, which begin on page 8.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position – Modified Cash Basis and the Statement of Activities – Modified Cash Basis (on pages 8 and 9) provide information about the activities of the Township as a whole, and present a longer-term view of the Township's finances. Fund financial statements start on page 10. For the 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.

LAKE VILLA TOWNSHIP

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

REPORTING THE TOWNSHIP AS A WHOLE

Our analysis of the Township as a whole begins on page 5. One of the most important questions asked about the Township's finances is, "Is the Township as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Township as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the modified cash basis of accounting.

These two statements report the Township's net position and changes in them. You can think of the Township's net position - the difference between assets and liabilities - as one way to measure the Township's financial health, or financial position. Over time, increases or decreases in the Township's net position are one indicator of its financial health.

In the Statement of Net Position and Statement of Activities, we report the Township's Governmental activities. All of the Township's services are reported here, including general government, public assistance, and highways and streets. Property taxes, interest income, and direct fees finance most of these activities.

REPORTING THE TOWNSHIP'S MOST SIGNIFICANT FUNDS

Our analysis of the Township's major funds begins on page 8. The fund financial statements begin on page 10 and provide detailed information about the most significant funds—not the Township as a whole. Some funds are required to be established by State law.

Governmental funds—All of the Township's services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. The Township maintains its accounting records for all funds on the cash basis of accounting. Accordingly, revenues are recognized and recorded when cash is received. In the same manner, expenditures are recognized and recorded upon the disbursement of cash. Cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions. The governmental fund statements provide a detailed short-term view of the Township's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more funds that can be spent in the near future to finance the Township's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation in the financial statements.

LAKE VILLA TOWNSHIP

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

THE TOWNSHIP AS A WHOLE

A condensed statement of net position and statement of activities is presented below:

Table 1 - Net Position

	Governmental Activities	
	2018	2017
Current and Other Assets	\$ 4,851,585	\$ 4,644,083
Capital Assets	9,470,318	9,558,407
Total Assets	<u>\$ 14,321,903</u>	<u>\$ 14,202,490</u>
Short-Term Liabilities	\$ -	\$ -
Long-Term Liabilities	-	-
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>
Net Investment in Capital Assets, Net of Related Debt	\$ 9,470,318	\$ 9,558,407
Restricted	2,913,147	3,048,131
Unrestricted	1,938,438	1,595,952
Total Net Position	<u><u>\$ 14,321,903</u></u>	<u><u>\$ 14,202,490</u></u>

Table 2 - Change in Net Position

Cash Receipts		
Program Receipts		
Charges for Services	\$ 166,037	\$ 140,448
Grants	-	-
General Receipts		
Property Taxes	4,210,564	4,173,035
Replacement Taxes	25,981	27,971
Unrestricted Investment Earnings	49,097	9,686
Other	21,919	31,546
Total Cash Receipts	<u>\$ 4,473,598</u>	<u>\$ 4,382,686</u>
Cash Disbursements		
Functions/Programs		
General Government	\$ 838,907	\$ 919,790
Culture and Recreation	198,527	155,527
Assessor	356,263	383,391
Highways and Streets	2,640,925	2,369,741
Community Assistance and Services	28,155	26,483
Depreciation Expense - Unallocated	291,408	269,458
Total Cash Disbursement	<u>\$ 4,354,185</u>	<u>\$ 4,124,390</u>
Increase (Decrease) in Net Position	\$ 119,413	\$ 258,296
Net Position - Beginning of Year	<u>14,202,490</u>	<u>13,944,194</u>
Net Position - End of Year	<u><u>\$ 14,321,903</u></u>	<u><u>\$ 14,202,490</u></u>

LAKE VILLA TOWNSHIP

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

The net position of the Township's governmental activities increased by \$119,413. Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements – was \$1,938,438 at March 31, 2018. Lake Villa continues to invest a substantial amount in facilities and infrastructure.

THE TOWNSHIP'S FUNDS

As the Township completed the year, its Governmental Funds (as presented in the Statement of Assets, Liabilities and Fund Balances Arising from Cash Transactions on page 10) reported a combined fund balance of \$4,851,585, which is above last year's total of \$4,644,083.

GENERAL FUND BUDGETARY HIGHLIGHTS

The April 1, 2017 to March 31, 2018 budget, which was not amended, was approved by the Board of Trustees on June 12, 2018. The budget is a general guide for the financial activity of the District.

General Fund actual direct receipts were \$12,317 less than the budgeted.

The General fund actual direct expenditures were less than the budgeted amount due to an overestimation of expenditures based on past years and projections.

CAPITAL ASSETS

At the end of March 31, 2018, the Township had \$9,470,318 invested in capital assets, including land and land improvements. (See table)

	<u>Governmental Activities</u>	
	<u>2018</u>	<u>2017</u>
Land	\$ 4,728,339	\$ 4,728,339
Land Improvements	1,168,252	1,077,830
Buildings	1,818,298	1,827,873
Vehicles and Equipment	743,061	863,298
Infrastructure	1,012,368	1,061,067
	<u>\$ 9,470,318</u>	<u>\$ 9,558,407</u>

For the Fiscal year ending March 31, 2019, the Township has budgeted \$805,000 and the Road District has budgeted \$1,900,000 for capital expenditures.

LAKE VILLA TOWNSHIP

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

FACTORS AFFECTING THE TOWNSHIP'S FUTURE

The Township will continue to fix the remaining drainage/flooding problems within the Township, budgeting \$250,000 a year, for the next few years. The Township will also spend \$50,000 a year paving some of the remaining gravel lots.

The Road District will also spend about \$300,000 a year on drainage issues and about \$400,000 on paving projects.

CONTACTING THE TOWNSHIP'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors and creditors with an overview of the Township's finances and to show the Township's accountability for the money it receives. If you have questions about this report or need additional information, contact Daniel Venturi, Supervisor of Lake Villa Township, Lake Villa, IL 60046 (847) 356-2116

LAKE VILLA TOWNSHIP

BASIC FINANCIAL STATEMENTS

LAKE VILLA TOWNSHIP

GOVERNMENT-WIDE FINANCIAL STATEMENTS

LAKE VILLA TOWNSHIP
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
MARCH 31, 2018

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Current Assets	
Cash and Cash Equivalents	\$ 4,851,585
Noncurrent Assets	
Capital Assets	
Land	\$ 4,728,339
Land Improvements	1,632,795
Buildings	2,524,995
Equipment & Vehicles	2,296,178
Infrastructure	1,369,958
Less: Accumulated Depreciation	(3,081,947)
Total Noncurrent Assets	<u>\$ 9,470,318</u>
<u>TOTAL ASSETS</u>	<u>\$ 14,321,903</u>
 <u>LIABILITIES</u>	 <u>\$ -</u>
 <u>NET POSITION</u>	
Net Investment In Capital Assets	\$ 9,470,318
Restricted for:	
Equipment and Building	139,817
Social Security	384,397
Illinois Municipal Retirement	217,094
Liability Insurance	415,210
Park Maintenance	342,617
Permanent Road	1,190,214
Highway and Roads	185,296
General Assistance	38,502
Unrestricted	<u>1,938,438</u>
<u>TOTAL NET POSITION</u>	<u>\$ 14,321,903</u>

The accompanying Notes are an integral part of these Financial Statements.

LAKE VILLA TOWNSHIP
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED MARCH 31, 2018

<u>FUNCTION/PROGRAMS</u>	<u>Program Receipts</u>			<u>Net (Expenditures)</u> <u>Revenues and</u> <u>Change In Net Position</u>
<u>Governmental Activities</u>	<u>Charges for</u> <u>Services</u>	<u>Operating</u> <u>Grants and</u> <u>Contributions</u>	<u>Capital</u> <u>Grants and</u> <u>Contributions</u>	<u>Governmental</u> <u>Activities</u> <u>Total</u>
General Government	\$ 838,907	\$ 4,953	\$ -	\$ (833,954)
Culture and Recreation	198,527	161,084	-	(37,443)
Assessor	356,263	-	-	(356,263)
Highways and Streets	2,640,925	-	-	(2,640,925)
Community Assistance and Services	28,155	-	-	(28,155)
Depreciation Expense - Unallocated	291,408	-	-	(291,408)
<u>Total Governmental Activities</u>	<u>\$ 4,354,185</u>	<u>\$ 166,037</u>	<u>\$ -</u>	<u>\$ (4,188,148)</u>

General Receipts:
Property Taxes
Replacement Taxes
Unrestricted Investment Earnings
Other

	\$ 4,210,564
	25,981
	49,097
	21,919
	<u>\$ 4,307,561</u>

Total General Receipts

Change in Net Position

	\$ 119,413
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Net Position - Beginning

	<u>14,202,490</u>
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Net Position - Ending

	<u>\$ 14,321,903</u>
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The accompanying Notes are an integral part of these Financial Statements.

LAKE VILLA TOWNSHIP

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES ARISING FROM CASH TRANSACTIONS

GOVERNMENTAL FUNDS

MARCH 31, 2018

LAKE VILLA TOWNSHIP
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES ARISING FROM CASH TRANSACTIONS
GOVERNMENTAL FUNDS
MARCH 31, 2018

	General Fund	General Assistance Fund	Park and Recreation Fund	General IMRF Fund	General FICA Fund	Road And Bridge Fund	Permanent Fund	Equipment and Building Fund	Insurance Fund	Road IMRF Fund	Road FICA Fund	Total Funds
ASSETS												
Cash and Cash Equivalents	\$ 1,938,438	\$ 38,502	\$ 342,617	\$ 90,536	\$ 66,072	\$ 212,602	\$ 1,190,214	\$ 112,511	\$ 415,210	\$ 126,558	\$ 318,325	\$ 4,851,585
Due from Other Funds	-	-	-	-	-	-	-	27,306	-	-	-	27,306
TOTAL ASSETS	<u>\$ 1,938,438</u>	<u>\$ 38,502</u>	<u>\$ 342,617</u>	<u>\$ 90,536</u>	<u>\$ 66,072</u>	<u>\$ 212,602</u>	<u>\$ 1,190,214</u>	<u>\$ 139,817</u>	<u>\$ 415,210</u>	<u>\$ 126,558</u>	<u>\$ 318,325</u>	<u>\$ 4,878,891</u>
LIABILITIES AND FUND BALANCES												
LIABILITIES												
Liabilities												
Due to Other Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,306	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,306
FUND BALANCES												
Restricted												
Equipment and Building	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 139,817	\$ -	\$ -	\$ -	\$ 139,817
Social Security	-	-	-	-	66,072	-	-	-	-	-	318,325	384,397
Community Assistance	-	38,502	-	-	-	-	-	-	-	-	-	38,502
Illinois Municipal Retirement	-	-	-	90,536	-	-	-	-	-	126,558	-	217,094
Liability Insurance	-	-	-	-	-	-	-	-	415,210	-	-	415,210
Park Maintenance	-	-	342,617	-	-	-	1,190,214	-	-	-	-	342,617
Permanent Road	-	-	-	-	-	-	-	-	-	-	-	1,190,214
Road and Bridge	-	-	-	-	-	185,296	-	-	-	-	-	185,296
Unassigned	1,938,438	-	-	-	-	-	-	-	-	-	-	1,938,438
TOTAL FUND BALANCES	<u>\$ 1,938,438</u>	<u>\$ 38,502</u>	<u>\$ 342,617</u>	<u>\$ 90,536</u>	<u>\$ 66,072</u>	<u>\$ 185,296</u>	<u>\$ 1,190,214</u>	<u>\$ 139,817</u>	<u>\$ 415,210</u>	<u>\$ 126,558</u>	<u>\$ 318,325</u>	<u>\$ 4,851,585</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,938,438</u>	<u>\$ 38,502</u>	<u>\$ 342,617</u>	<u>\$ 90,536</u>	<u>\$ 66,072</u>	<u>\$ 212,602</u>	<u>\$ 1,190,214</u>	<u>\$ 139,817</u>	<u>\$ 415,210</u>	<u>\$ 126,558</u>	<u>\$ 318,325</u>	<u>\$ 4,878,891</u>

Amounts reported for governmental activities are different because:
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Net Position of Governmental Activities

9,470,318
\$ 14,321,903

The accompanying Notes are an integral part of these Financial Statements.

LAKE VILLA TOWNSHIP

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED MARCH 31, 2018

LAKE VILLA TOWNSHIP
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED MARCH 31, 2018

	General Fund	General Assistance Fund	Park and Recreation Fund	General IMRF Fund	General FICA Fund	General Road Fund	Permanent Fund	Equipment and Building Fund	Insurance Fund	Road IMRF Fund	Road FICA Fund	Total Governmental Funds
CASH RECEIPTS												
Property Taxes	\$1,414,537	\$ 3,891	\$ 182,357	\$ 79,237	\$ 55,413	\$ 117,664	\$2,033,561	\$ 119,908	\$ 83,459	\$ 83,459	\$ 57,078	\$ 4,210,564
State Replacement Tax	721	-	-	14,728	1,000	9,532	-	-	-	-	-	25,981
Launch Fees	-	-	9,900	-	-	-	-	-	-	-	-	9,900
Passport Fees	3,850	-	-	-	-	-	-	-	-	-	-	3,850
Rentals	-	-	17,620	-	-	-	-	-	-	-	-	17,620
Shelter Fees	-	-	15,040	-	-	-	-	-	-	-	-	15,040
Camp Peacock	196,144	-	-	-	-	-	-	-	-	-	-	196,144
Town Transit	1,103	-	-	-	-	-	-	-	-	-	-	1,103
Vending	717	-	-	-	-	-	-	-	-	-	-	717
Interest	9,653	9	-	8,294	5,688	10,129	15,283	-	-	-	41	49,097
Other	3,332	-	-	-	-	-	-	-	250	-	-	3,582
TOTAL CASH RECEIPTS	\$1,570,057	\$ 3,900	\$ 204,917	\$ 102,259	\$ 62,101	\$ 137,325	\$ 2,048,844	\$ 119,908	\$ 83,709	\$ 83,459	\$ 57,119	\$ 4,473,596
CASH DISBURSEMENTS												
Current												
General Government	\$ 698,509	-	-	\$ 80,035	\$ 60,363	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 838,907
Culture and Recreation	-	-	198,527	-	-	-	-	-	-	-	-	198,527
Assessor	356,263	-	-	-	-	-	-	-	-	-	-	356,263
Highway and Streets	-	-	-	-	-	118,188	2,298,556	47,300	46,085	80,267	50,519	2,640,925
Community Assistance and Services	-	28,155	-	-	-	-	-	-	-	-	-	28,155
Capital Outlay	162,799	-	-	-	-	-	-	40,520	-	-	-	203,319
TOTAL CASH DISBURSEMENTS	\$1,217,571	\$ 28,155	\$ 198,527	\$ 80,035	\$ 60,363	\$ 118,188	\$ 2,298,556	\$ 87,820	\$ 46,085	\$ 80,267	\$ 50,519	\$ 4,266,096
CASH RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 352,486	\$ (24,255)	\$ 6,390	\$ 22,224	\$ 1,738	\$ 19,137	\$ (249,712)	\$ 32,088	\$ 37,614	\$ 3,192	\$ 6,600	\$ 207,502
OTHER FINANCING SOURCES (USES)												
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	(10,000)	-	-	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000
TOTAL OTHER FINANCING SOURCES (USES)	\$ (10,000)	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (10,000)
EXCESS OF RECEIPTS AND OTHER FINANCING SOURCES OVER (UNDER) DISBURSEMENTS AND OTHER FINANCING (USES)	\$ 342,486	\$ (24,255)	\$ 6,390	\$ 32,224	\$ 1,738	\$ 19,137	\$ (249,712)	\$ 32,088	\$ 37,614	\$ 3,192	\$ 6,600	\$ 207,502
FUND BALANCE - APRIL 1, 2017	1,595,952	62,757	336,227	56,312	64,334	166,159	1,439,925	107,729	377,596	123,366	311,725	4,644,083
FUND BALANCE - MARCH 31, 2018	\$1,938,438	\$ 38,502	\$ 342,617	\$ 90,536	\$ 66,072	\$ 185,296	\$ 1,190,214	\$ 139,817	\$ 415,210	\$ 126,558	\$ 318,325	\$ 4,851,585

The accompanying Notes are an integral part of these Financial Statements.

LAKE VILLA TOWNSHIP

RECONCILIATION OF GOVERNMENTAL FUND STATEMENTS OF CASH RECEIPTS,

DISBURSEMENTS AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES -

MODIFIED CASH BASIS

FOR THE YEAR ENDED MARCH 31, 2018

Excess of Receipts Over (Under) Expenditures Governmental Funds	\$ 207,502
Amounts Reported for governmental activities in the Statement of Activities - Modified Cash Basis are difference because:	
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities - Modified Cash Basis, the cost of those assets is allocated over their estimated useful life as depreciation expense. This is the amount by which capital outlay, \$203,319, is than than depreciation expense, \$291,408, in the period.	<u>(88,089)</u>
Change in Net Assets of Governmental Activities	<u>\$ 119,413</u>

The accompanying Notes are an integral part of these Financial Statements.

LAKE VILLA TOWNSHIP

NOTES TO FINANCIAL STATEMENTS

LAKE VILLA TOWNSHIP

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

1. SIGNIFICANT ACCOUNTING POLICIES

Lake Villa Township (Township) was incorporated in 1913. The Township's major operations include general government, culture and recreation, assessor, highways and streets and community assistance and services.

A. Reporting Entity

A reporting entity consists of the primary government and its component units. Generally Accepted Accounting Principles require that legally separate organizations for which the elected officials of the primary government are financially accountable be included in the primary government's basic financial statements as component units. Lake Villa Township has determined that the Township Road District fits the definition of a component unit. The Road District's purpose is to construct and maintain roads within the Township. It is recorded in the Township's financial statements as Special Revenue Fund.

New Accounting Standards

During Fiscal year 2018 the Township considered the following Governmental Accounting Standards Board Statements (GASB) Statements.

GASB No. 67, Financial Reporting for Pension Plans

GASB No. 68, Accounting and Financial Reporting for Pensions

GASB No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date-An Amendment of GASB Statement No. 68

B. Basis of Presentation and Basis of Accounting

Basis of Presentation

Government-Wide Financial Statements: The Statement of Net Position - Modified Cash Basis and the Statement of Activities - Modified Cash Basis display information about the financial activities of the overall Township. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and the business-type activities of the Township. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. The Township has no business-type activities.

The Statement of Activities - Modified Cash Basis present a comparison between direct expenses and program receipts for each function of the Township's governmental activities.

Direct expenses are those that are specifically associated with a program or function and, therefore are clearly identifiable to a particular function. Indirect expenses-expenses of the Township related to the administration and support of the Township's programs, such as personnel and accounting-are not allocated to programs.

Program receipts include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Receipts that are not classified as program receipts, including all taxes are presented as general receipts.

Governmental Fund Financial Statements: The fund financial statements provide information about the Township's funds. Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. The Township maintains individual funds as prescribed by State Statute. The Township reports all its funds as major governmental funds.

LAKE VILLA TOWNSHIP

NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Basis of Presentation and Basis of Accounting (Continued)

Basis of Presentation (Continued)

The Township reports the following major governmental funds:

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

Special Revenue Fund. These funds included the General Assistance, IMRF, Social Security and Road and Bridge Funds, which are used to account for the proceeds of specific revenue sources (other than those that are accounted for in the Capital Projects Fund or that are legally restricted to cash disbursements or specific purposes).

Basis of Accounting

The government-wide financial statements are reported using the modified cash basis of accounting. The cash basis of accounting is modified to account for: recording of depreciation on fixed assets, recognition of the net depreciated value of fixed assets, and, recognition of long-term liabilities. Non-exchange transactions, in which the Township gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. Receipts from property taxes, grants, entitlements and donations are recognized when received consistent with the cash basis of accounting.

The governmental fund financial statements, and all other financial statements, are reported using the cash basis of accounting. Accordingly, revenues are recognized and recorded in the accounts when cash is received. In the same manner, expenditures are recognized and recorded upon the disbursement of cash. Assets of a fund are only recorded when a right to receive cash exists which arises from a previous cash transaction. Liabilities of a fund, similarly, result from previous cash transactions. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources.

C. Investments

Investments are stated at cost, which approximates market value. Gains or losses, if any, on the sale of investments are recognized upon realization. The institutions in which investments are made must be approved by the Township Board.

D. Capital Assets

Capital Assets are reported at actual or estimated historical cost. Contributed assets are reported at estimated fair value at the time received.

Depreciation methods, and estimated useful life of capital assets reported in the Township-wide statements is as follows:

	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>	<u>Threshold</u>
Land Improvements	Straight Line	20 Years	10,000
Buildings	Straight Line	50 Years	25,000
Equipment	Straight Line	5-12 Years	10,000
Infrastructure	Straight Line	40 Years	250,000

Depreciation is used to allocate the actual or estimated historical cost of all capital assets over their estimated useful lives.

LAKE VILLA TOWNSHIP

NOTES TO FINANCIAL STATEMENTS
(Continued)

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Compensated Absences

Vacation benefits are granted to employees in varying amounts to specified maximums depending on tenure with the Township. Newly hired employees do not accrue vacation time during their first year of employment. Employees accrue vacation time each year; however, time accrued in the current year can only be carried over to future years with the approval of the department head and Board of Trustees. Upon termination, employees are paid both the amount of their accrued vacation for the current year and approved hours carried over from prior years. At March 31, 2018 the total amount of compensated absences for all employees was \$141,064.

F. Government-Wide Net Assets

Government-Wide net assets are divided into three components:

1. Invested in capital assets, net of related debt – consist of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.
2. Restricted net assets – consist of net assets that are restricted by the Township's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
3. Unrestricted – all other net assets are reported in this category.

G. Budgets and Budgetary Accounting Statements

The budget for all major Governmental Funds is prepared on the modified cash basis of accounting, which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. This is an acceptable method in accordance with Chapter 105, Section 5/17-1 of Illinois Compiles Statues. The April 1, 2017 to March 31, 2018 budget was passed on June 12, 2017.

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.

1. Prior to April 1, the Supervisor submits to the Board a proposed operating budget for the fiscal year commencing on that date.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to July 1, the budget is legally adopted through passage of a resolution.
4. Formal Budgetary integration is employed as a management control device during the year.
5. 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 as reported on pages 23 through 37.
6. The Township Board may amend the budget by the same procedures required of its original adoption.

LAKE VILLA TOWNSHIP

NOTES TO FINANCIAL STATEMENTS
(Continued)

2. CASH AND INVESTMENTS

The Township is allowed to invest in securities as authorized by the State of Illinois Statutes, including Securities of the Federal Government, in Federally Insured Savings and Loans Associations, in Federally Insured Banks as defined in the Illinois Banking Act, or in Pool Funds provided by the Illinois Treasurer's Office.

Custodial credit risk for deposits 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 collateral securities in the possession of an outside party. The Township's policy requires deposits to be at least 100 percent secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance (FDIC). The Township's Board of Trustees approves and designates a list of authorized depository institutions based on evaluation of solicited responses and certificates provided by financial institutions.

At March 31, 2018, the carrying amount of the Township's deposits was \$3,528,719. At year end, the Township's bank balance was \$3,564,828. As of March 31, 2018, \$ -0 - of the combined entity's bank balance of \$3,564,828 was exposed to custodial credit risk.

3. INVESTMENTS

The Township is allowed to invest in securities as authorized by the Illinois Compiled Statutes, Chapter 30, Act 235/Articles 2 and 6

As of March 31, 2018, the Township had the following investments:

	<u>Fair Value</u>
External Investment Pools:	
Illinois Funds – The Money Market Fund	<u>\$1,322,866</u>

The fair value of investments in the Illinois Funds is the same as the value if pool shares. The Illinois Fund is not SEC-registered, but does have regulatory oversight through the State of Illinois.

Interest Rate Risk. The Township's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. State law limits investments based on credit risk. The Township's investment policy further limits its investment choices to ensure that capital loss, whether from credit or market risk, is avoided. As of March 31, 2017, the Township's investments were rated as follows:

<u>Investment</u>	<u>Credit Rating</u>	<u>Rating Source</u>
Illinois Funds – The Money Market Fund	AAAm	Standard & Poor

LAKE VILLA TOWNSHIP

NOTES TO FINANCIAL STATEMENTS
(Continued)

4. RETIREMENT FUND COMMITMENTS

ILLINOIS MUNICIPAL RETIREMENT FUND

Plan Description

The Township's defined benefit pension plan provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The Township's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund that acts as a common investment and administrative agent for local governments and school districts in Illinois. A summary of IMRF's pension benefits is provided in the *Benefits Provided* section of this note. Details of all benefits are available from IMRF. Benefits are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. That report may be obtained on-line at www.imrf.org or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Benefits Provided

The Township's IMRF members participate in IMRF's "Regular Plan". IMRF's regular plan has two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased 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 10 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 consecutive 96 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
- ½ of the increase in the Consumer Price Index (CPI) of the original pension amount.

Employees Covered by the Benefit Terms

As of December 31, 2017, the following employees were covered by the benefit terms:

Retirees and Beneficiaries currently receiving benefits	<u>21</u>
Inactive Plan Members entitled to but not yet receiving benefits	6
Active Plan Members	<u>23</u>
Total	<u><u>50</u></u>

LAKE VILLA TOWNSHIP

NOTES TO FINANCIAL STATEMENTS

(Continued)

4. RETIREMENT FUND COMMITMENTS (Continued)

ILLINOIS MUNICIPAL RETIREMENT FUND

Contributions

As set by statute, employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The statute requires the Township to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Township's annual contribution rate for calendar year 2017 was 11.88 percent. The Township's actual contribution for calendar year 2017 was \$156,168. The Township also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The Township's net pension liability was measured as of December 31, 2017. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2017; The Actuarial Cost Method used was Entry Age Normal; the Asset Valuation Method used was Market Value of Assets; the Inflation Rate was assumed to be 2.50%; Salary Increases were expected to be 3.39% to 14.25% including inflation; the Investment Rate of Return was assumed to be 7.50%; the Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study from years 2014 to 2016; the IMRF-specific Rates for Mortality (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuity Mortality Table with adjustments to match current IMRF experience; for Disabled Retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives; for Active Members, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience; the Long-Term Expected Rate of Return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	38%	7.60%
International Equity	17%	7.80%
Fixed Income	27%	3.00%
Real Estate	8%	6.15%
Alternative Investments	9%	5.25-8.5%
Cash Equivalents	1%	2.25%
Total	<u>100%</u>	

LAKE VILLA TOWNSHIP

NOTES TO FINANCIAL STATEMENTS

(Continued)

4. RETIREMENT FUND COMMITMENTS (Continued)

ILLINOIS MUNICIPAL RETIREMENT FUND

Single Discount Rate

A Single Discount Rate of 7.50% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects, 1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and, 2) the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.31% and the resulting single discount rate is 7.50%.

Changes in Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2016	\$ 6,246,369	\$ 5,289,586	\$ 956,783
Changes for the Year:			
Service Cost	141,797	-	141,797
Interest on the Total Pension Liability	468,005	-	468,005
Changes in Benefit Terms	-	-	-
Differences Between Expected and Actual			
Experience of the Total Pension Liability	23,754	-	23,754
Changes of Assumptions	(185,565)	-	(185,565)
Contributions - Employer	-	156,168	(156,168)
Contributions - Employees	-	59,155	(59,155)
Net Investment Income	-	856,099	(856,099)
Benefit Payments, including Refunds of			
Employee Contributions	(154,394)	(154,394)	-
Other (Net Transfer)	-	(1,860)	1,860
Net Changes	<u>293,597</u>	<u>915,168</u>	<u>(621,571)</u>
Balances at December 31, 2016	<u>\$ 6,539,966</u>	<u>\$ 6,204,754</u>	<u>\$ 335,212</u>

LAKE VILLA TOWNSHIP

NOTES TO FINANCIAL STATEMENTS
(Continued)

4. RETIREMENT FUND COMMITMENTS (Continued)

ILLINOIS MUNICIPAL RETIREMENT FUND

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

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease 6.50%	Current Single Discount Rate Assumption 7.50%	1% Increase 8.50%
Total Pension Liability	\$ 7,405,872	\$ 6,539,966	\$ 5,821,457
Plan Fiduciary Net Position	6,204,754	6,204,754	6,204,754
Net Pension Liability (Asset)	<u>\$ 1,201,118</u>	<u>\$ 335,212</u>	<u>\$ (383,297)</u>

5. POST-EMPLOYMENT BENEFITS

The Township has evaluated its potential other postemployment benefits liability. The Township provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with Illinois statutes, which creates an implicit subsidy of retiree health insurance. Former employees who choose to retain their rights to health insurance through the Township are required to pay 100% of the current premium. However, no former employees have chosen to stay in the Township's health insurance plan. There has been 0% utilization and, therefore, no implicit subsidy to calculate in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Additionally, the Township has no former employees for whom the Township was providing explicit subsidy and employees with agreements for the future explicit subsidies upon retirement. The Township has no postemployment liability as of March 31, 2018.

6. PROPERTY TAXES

The 2016 property taxes attached as an enforceable lien on January 1, 2016. They were levied in November of the tax year. Tax bills were prepared by the County and issued on or about May 1, 2017, and were payable in two installments, on or about June 1, 2017, and September 1, 2017. The County Collected such taxes and remitted them periodically. Property Tax revenues are recognized in the same accounting period as when they are received. The Township received significant distributions of tax receipts approximately one month after the due dates.

LAKE VILLA TOWNSHIP

NOTES TO FINANCIAL STATEMENTS
(Continued)

7. CAPITAL ASSETS

Capital asset activity for the year ended March 31, 2018 was as follows:

	<u>Balance 4/1/2017</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 3/31/2018</u>
<u>GOVERNMENTAL ACTIVITIES</u>				
Capital Assets Not Being Depreciated				
Land	\$ 4,728,339	\$ -	\$ -	\$ 4,728,339
Capital Assets Being Depreciated				
Land Improvements	\$ 1,469,997	\$ 162,799	\$ -	\$ 1,632,796
Buildings and Improvements	2,484,475	40,520	-	2,524,995
Equipment and Vehicles	2,286,177	-	-	2,296,177
Infrastructure	1,369,958	-	-	1,369,958
Total Other Capital Assets at Historical Cost	<u>\$ 7,610,607</u>	<u>\$ 203,319</u>	<u>\$ -</u>	<u>\$ 7,823,926</u>
Less: Accumulated Depreciation for:				
Land Improvements	\$ 392,167	\$ 72,377	\$ -	\$ 464,544
Buildings and Improvements	656,602	50,095	-	706,697
Equipment and Vehicles	1,432,879	120,237	-	1,553,116
Infrastructure	308,891	48,699	-	357,590
Total Accumulated Depreciation	<u>\$ 2,790,539</u>	<u>\$ 291,408</u>	<u>\$ -</u>	<u>\$ 3,081,947</u>
Other Capital Assets, Net	<u>\$ 4,820,068</u>	<u>\$ (88,089)</u>	<u>\$ -</u>	<u>\$ 4,741,979</u>
 <u>GOVERNMENTAL ACTIVITIES</u> <u>CAPITAL ASSETS, NET</u>	 <u>\$ 9,548,407</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 9,470,318</u>

8. CONTINGENCIES

The Township is not aware of any pending litigation or potential nondisclosed liabilities that management believes would have a material adverse effect on the financial statements.

9. DEFICIT FUND BALANCES

No funds have a deficit fund balance as of March 31, 2018.

LAKE VILLA TOWNSHIP

NOTES TO FINANCIAL STATEMENTS

(Continued)

10. FUND BALANCE REPORTING

According to Government Accounting Standards, fund balances are to be classified into five major classifications; Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. Below are definitions of the differences in fund balance presentations.

A. Nonspendable Fund Balance

The nonspendable fund balance classifications include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. They "not in spendable form" criterion includes items that are not expected to be converted to cash, for example inventories or prepaid amounts. Because the Township reports on the cash basis of accounting all such items are expensed at the time of purchase, and therefore there are no amounts that fall into this classification.

B. Restricted Fund Balance

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the Township. Things such as restrictions imposed by creditors, grantors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special Revenue Funds are by definition restricted for those specific purposes. The Township reports several special revenue funds; the source of funding is through specific real estate tax levies: Retirement/Social Security Fund Levy, General Assistance Levy, Park Maintenance Levy, Town Insurance Levy, Road and Bridge Levy, Equipment and Building Levy, Road Insurance Levy and the Permanent Road Levy.

C. Committed Fund Balance

The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority (the Township Trustees). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

The Trustees commit fund balances by making motions or passing resolutions to adopt policy or to approve contracts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. No fund are currently committed.

D. Assigned Fund Balance

The assigned fund balance classifications refer to amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by (a) the Trustees themselves or (b) the finance committee or by the Supervisor when the Trustees has delegated the authority to assign amounts to be used for a specific purpose. No funds are currently assigned.

E. Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amounts in the General Town Fund for amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund. Unassigned Fund Balance amounts are shown in the financial statements in the General Town Fund.

LAKE VILLA TOWNSHIP

NOTES TO FINANCIAL STATEMENTS

(Continued)

11. RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, and destruction of assets, errors, and omissions; injuries to employees; and natural disasters.

The Township is a member of the Township Official of Illinois Risk Management Association (TOIRMA), a joint risk management pool of Townships through which property, general liability, automobile liability, uninsured motorists, underinsured motorists, public officials and employee's liability coverage is provided in excess of specified limits for the members, acting as a single insurable unit.

The relationship between the Township and TOIRMA is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Township is contractually obligated to make all annual and supplementary contributions for TOIRMA, to report claims on a timely basis, cooperate with TOIRMA, its claims administrator, and attorneys in claims investigation and settlement, and to follow risk management procedures as outline by TOIRMA. Members have a contractual obligation to fund any deficit of TOIRMA attributable to a membership year during which they were a member.

TOIRMA is responsible for administering the self-insurance program and purchasing excess insurance according to the direction pf the Board of Directors. TOIRMA also provides its members with risk management services, including the defense of a settlement of claims, and establishes reasonable and necessary loss of reduction and prevention procedures to be followed by the members.

12. INTERGOVERNMENTAL AGREEMENTS

A. Administrative Center Cooperative

In February 2001, the Township entered into a joint agreement with Community High School District No. 117 and Antioch Township to establish the Administrative Center Cooperative. The purpose of the Cooperative was to build and maintain a new community center, According to the agreement, the Township is responsible for quarterly payments which cover (a) expenses for operation of the building and administration of the Cooperative which is based upon each member's proportion of space it uses in the building, and (b) structural repairs of which the Township is responsible for 26.8%. Total payments made in fiscal year 2017 were \$8,802.

Complete financial statements for Administrative Center Cooperative can be obtained from the administrative offices of Community High School District No. 117 at 1625 Deep Lake Road, Suite A, Lake Villa, Illinois 60046.

B. Bus Storage and Use

In January 2002, the Township entered into an intergovernmental agreement with Lindenhurst Park District. The agreement states that the Township will store the Park District's bus in the Township's garage, and allows the Township use of the bus if the Park District does not need it. The Park District will retain sole ownership of the bus and will be responsible for all repairs and maintenance. Each entity will be responsible for purchasing insurance coverage for all periods the bus is in use by that entity.

LAKE VILLA TOWNSHIP

NOTES TO FINANCIAL STATEMENTS

(Continued)

12. INTERGOVERNMENTAL AGREEMENTS (Continued)

C. Inter-Township Transportation

In December 2005, the Township entered into an intergovernmental agreement with Antioch Township and Grant Township. The agreement states that the Township will share the expenses for the acquisition, operation, insurance and maintenance of any inter-township transportation system that the parties agree to share from time to time.

In July 2005, the Township entered into an intergovernmental agreement with Community Consolidated School District No. 41. The agreement states that the School District and the Township will have shared use of Dering Park. The School District will have primary use of the property during school hours. The maintenance and care of the property shall be the duty of the Township. Each entity will be responsible for purchasing insurance coverage for all periods the property is in use by that entity.

13. LEGAL DEBT LIMITATION

The Illinois Compiled Statutes limits the amount of indebtedness to 2.875% of the most recent available equalized assessed valuation (EAV) of the Township.

2016 EAV	\$ 851,261,792
	<u>x 2.875%</u>
Debt Margin	\$ 24,473,777
Current Debt	<u>(-0-)</u>
Remaining Debt Margin	<u>\$ 24,473,777</u>

LAKE VILLA TOWNSHIP

SUPPLEMENTARY INFORMATION

LAKE VILLA TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2018
GENERAL FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
<u>CASH RECEIPTS</u>			
Property Taxes	\$ 1,417,240	\$ 1,417,240	\$ 1,414,537
Interest	1,900	1,900	9,653
Vending	600	600	717
Replacement Taxes	3,000	3,000	721
Grants	1,000	1,000	-
Passports	8,000	8,000	3,850
Township Transit	7,000	7,000	1,103
Senior Events	2,500	2,500	1,825
Camp Peacock	105,000	105,000	136,144
Toirma Dividend	5,500	5,500	-
Other	6,000	6,000	1,507
	<u>\$ 1,557,740</u>	<u>\$ 1,557,740</u>	<u>\$ 1,570,057</u>
<u>CASH DISBURSEMENTS</u>			
<u>ADMINISTRATION</u>			
<u>PERSONAL SERVICES</u>			
Supervisor	\$ 75,000	\$ 75,000	\$ 69,460
Clerk	10,000	10,167	10,167
Highway Commissioner	40,000	40,000	33,091
Trustees	15,500	15,500	14,767
Peacock Camp Staff	75,000	75,000	73,052
Other Personnel	300,000	300,000	284,086
Unemployment Insurance	10,000	10,000	7,892
Health Insurance	115,000	115,000	94,182
	<u>\$ 640,500</u>	<u>\$ 640,667</u>	<u>\$ 586,697</u>
<u>CONTRACTUAL</u>			
General Insurance	\$ 23,000	\$ 23,369	\$ 23,369
Telephone	2,500	2,550	2,549
Utilities	500	500	-
Training Seminars	500	500	410
Travel Expense	500	500	-
Postage	2,000	2,000	752
Printing	500	500	178
Publication	400	400	-
Accounting/Audit	1,500	1,500	550
Legal	10,000	10,000	5,836
Dues & Subscriptions	2,000	2,000	1,887
Equipment Maintenance	1,000	1,000	-
Garbage	100	100	-
Equipment Lease	500	522	522
	<u>\$ 45,000</u>	<u>\$ 45,441</u>	<u>\$ 36,053</u>

LAKE VILLA TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2018
GENERAL FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
<u>CASH DISBURSEMENTS (Continued)</u>			
<u>ADMINISTRATION (Continued)</u>			
<u>COMMODITIES</u>			
Office Supplies	\$ 2,000	\$ 2,000	\$ 1,973
Maintenance Supplies	2,000	1,301	-
Peacock Camp Supplies	15,000	15,091	15,442
Equipment Under \$5,000	15,000	15,000	-
Operating Supplies	2,500	2,500	1,584
	<u>\$ 36,500</u>	<u>\$ 35,892</u>	<u>\$ 18,999</u>
 <u>OTHER EXPENDITURES</u>			
Vending	\$ 700	\$ 700	\$ 692
Community Relations	16,000	16,000	11,464
Community Communications	8,600	8,600	5,515
Community Center West Campus	5,000	5,000	2,466
Building and Improvements	30,000	30,000	9,017
Mosquito Abatement	1,000	1,000	-
Transportation	1,000	1,000	-
Antioch/Lake Villa Township Center	10,000	10,000	8,468
Joint Bike Tunnel	15,000	15,000	-
Contingencies	5,000	5,000	-
Park Improvements	25,000	25,000	1,432
Miscellaneous Expense	8,600	8,600	3,662
Senior Program	10,000	10,000	5,471
Township Transit	25,000	25,000	8,573
	<u>\$ 160,900</u>	<u>\$ 160,900</u>	<u>\$ 56,760</u>
 <u>CAPITAL OUTLAY</u>			
Dering Park	\$ 125,000	\$ 125,000	\$ 88,759
Camp Peacock	25,000	25,000	20,885
Caboose Park	90,000	90,000	\$ 42,780
Trail Improvements	40,000	40,000	10,375
	<u>\$ 280,000</u>	<u>\$ 280,000</u>	<u>\$ 162,799</u>
 <u>TOTAL ADMINISTRATION</u>	 <u>\$ 1,162,900</u>	 <u>\$ 1,162,900</u>	 <u>\$ 861,308</u>
 <u>ASSESSOR'S OFFICE</u>			
<u>PERSONAL SERVICES</u>			
Assesor	\$ 79,200	\$ 79,200	\$ 79,108
Other Personnel	195,000	188,848	179,815
Unemployment Insurance	2,200	2,200	1,676
Health Insurance	50,000	50,000	46,800
	<u>\$ 326,400</u>	<u>\$ 320,248</u>	<u>\$ 307,399</u>

LAKE VILLA TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2018
GENERAL FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
<u>CASH DISBURSEMENTS (Continued)</u>			
<u>ASSESSOR'S OFFICE (Continued)</u>			
<u>CONTRACTUAL</u>			
General Insurance	\$ 7,200	\$ 7,200	\$ 7,200
Telephone	3,000	3,000	2,540
Training & Seminars	6,000	6,000	4,619
Travel Expense	2,000	2,000	1,907
Postage	700	700	345
Printing	700	700	421
Accounting	1,500	1,500	1,500
Professional Services	5,000	5,000	877
Dues & Subscriptions	1,500	1,500	1,453
Janitorial	2,100	2,175	2,175
County Line Charge	7,200	7,950	7,950
Equipment Maintenance	1,500	1,500	1,276
	<u>\$ 38,400</u>	<u>\$ 39,225</u>	<u>\$ 32,263</u>
<u>COMMODITIES</u>			
Office Supplies	\$ 3,000	\$ 3,838	\$ 3,838
Furniture & Fixtures	750	4,143	4,142
Computer Hardware	7,000	7,000	5,405
Computer Software	1,500	1,500	-
Uniforms	500	588	587
	<u>\$ 12,750</u>	<u>\$ 17,069</u>	<u>\$ 13,972</u>
<u>OTHER EXPENDITURES</u>			
Miscellaneous Expense	\$ 1,000	\$ 1,000	\$ 621
Miscellaneous Building	1,000	2,008	2,008
	<u>\$ 2,000</u>	<u>\$ 3,008</u>	<u>\$ 2,629</u>
<u>TOTAL ASSESSOR'S OFFICE</u>	<u>\$ 379,550</u>	<u>\$ 379,550</u>	<u>\$ 356,263</u>
<u>TOTAL CASH DISBURSEMENTS</u>	<u>\$ 1,542,450</u>	<u>\$ 1,542,450</u>	<u>\$ 1,217,571</u>
<u>CASH RECEIPTS OVER (UNDER) DISBURSEMENTS</u>	\$ 15,290	\$ 15,290	\$ 352,486
<u>OTHER FINANCING SOURCES(USES)</u>			
Transfer	(10,000)	(10,000)	(10,000)
<u>CASH RECEIPTS OVER (UNDER) DISBURSEMENTS AND OTHER FINANCING SOURCES(USES)</u>	<u>\$ 25,290</u>	<u>\$ 25,290</u>	\$ 342,486
<u>FUND BALANCE - APRIL 1, 2017</u>			<u>1,595,952</u>
<u>FUND BALANCE - MARCH 31, 2018</u>			<u>\$ 1,938,438</u>

LAKE VILLA TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2018
GENERAL ASSISTANCE

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
<u>CASH RECEIPTS</u>			
Property Tax	\$ 3,864	\$ 3,864	\$ 3,891
Reimbursements	200	200	-
Miscellaneous	200	200	-
Interest	125	125	9
	<u>\$ 4,389</u>	<u>\$ 4,389</u>	<u>\$ 3,900</u>
<u>CASH DISBURSEMENTS</u>			
<u>ADMINISTRATION</u>			
<u>PERSONAL SERVICES</u>			
Salaries	\$ 25,000	\$ 25,000	\$ 14,789
Health Insurance	5,000	2,640	-
	<u>\$ 30,000</u>	<u>\$ 27,640</u>	<u>\$ 14,789</u>
<u>CONTRACTUAL</u>			
General Insurance	\$ 5,000	\$ 7,360	\$ 7,360
Telephone	100	100	-
Utilities	100	100	-
Training Seminar	250	250	100
Travel Expense	250	250	-
Postage	100	100	-
Printing	500	500	-
Publication	100	100	-
Accounting/Audit	1,200	1,200	1,200
Legal	100	100	-
Dues & Subscription	100	100	-
Equipment Maintenance	1,000	1,000	-
Medical Assistance Insurance	2,500	2,500	-
	<u>\$ 11,300</u>	<u>\$ 13,660</u>	<u>\$ 8,660</u>
<u>COMMODITIES</u>			
Office Supplies	\$ 300	\$ 300	\$ -
Maintenance Supplies	300	300	-
Operating Supplies	300	300	150
Contingencies	100	100	-
	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 150</u>
<u>OTHER EXPENDITURES</u>			
Miscellaneous	\$ 500	\$ 500	\$ 28
<u>CAPITAL OUTLAY</u>			
Building & Improvements	\$ 1,000	\$ 1,000	\$ -
Equipment	1,000	1,000	-
Software	500	500	-
	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ -</u>
<u>TOTAL ADMINISTRATION</u>	<u>\$ 45,300</u>	<u>\$ 45,300</u>	<u>\$ 23,627</u>

LAKE VILLA TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2018
GENERAL ASSISTANCE

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
<u>CASH DISBURSEMENTS (Continued)</u>			
<u>HOME RELIEF</u>			
<u>CONTRACTUAL SERVICES</u>			
Utilities	\$ 6,000	\$ 6,000	\$ 3,616
Physician	1,000	1,000	-
Hospital - In-patient	2,000	2,000	-
Hospital - Out-patient	2,000	2,000	-
Drugs	1,000	1,000	-
Dental Service	1,500	1,500	-
Other Medical Expenses	2,500	2,500	-
Funeral/Burial	500	500	-
Fuel	500	500	-
Shelter	6,000	6,000	912
Convalescent	3,000	3,000	-
Mobile Medical	1,000	1,000	-
In Home	2,000	2,000	-
	<u>\$ 29,000</u>	<u>\$ 29,000</u>	<u>\$ 4,528</u>
<u>COMMODITIES</u>			
Food	\$ 1,500	\$ 1,500	\$ -
Personal Incidentals	1,500	1,500	-
HSD Incidental	3,000	3,000	-
	<u>\$ 6,000</u>	<u>\$ 6,000</u>	<u>\$ -</u>
<u>OTHER EXPENSE</u>			
Miscellaneous Expense	\$ 1,500	\$ 1,500	\$ -
	<u>\$ 1,500</u>	<u>\$ 1,500</u>	<u>\$ -</u>
<u>TOTAL HOME RELIEF</u>	<u>\$ 36,500</u>	<u>\$ 36,500</u>	<u>\$ 4,528</u>
 <u>TOTAL CASH DISBURSEMENTS</u>	 <u>\$ 81,800</u>	 <u>\$ 81,800</u>	 <u>\$ 28,155</u>
 <u>CASH RECEIPTS OVER (UNDER) DISBURSEMENTS</u>	 <u>\$ (77,411)</u>	 <u>\$ (77,411)</u>	 <u>\$ (24,255)</u>
 <u>FUND BALANCE - APRIL 1, 2017</u>			 <u>62,757</u>
 <u>FUND BALANCE - MARCH 31, 2018</u>			 <u>\$ 38,502</u>

LAKE VILLA TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2018
PARK AND RECREATION

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
<u>CASH RECEIPTS</u>			
Property Tax	\$ 155,043	\$ 155,043	\$ 162,357
Interest	500	500	-
Rentals	-	-	17,620
Shelter/Community Room Fee	25,000	25,000	15,040
Launch Fees	10,000	10,000	9,900
Miscellaneous Income	2,000	2,000	-
	<u>\$ 192,543</u>	<u>\$ 192,543</u>	<u>\$ 204,917</u>
<u>CASH DISBURSEMENTS</u>			
<u>ADMINISTRATION</u>			
<u>PERSONAL SERVICES</u>			
Salaries	\$ 20,000	\$ 20,000	\$ 9,861
Unemployment Insurance	1,000	1,000	-
	<u>\$ 21,000</u>	<u>\$ 21,000</u>	<u>\$ 9,861</u>
<u>CONTRACTUAL</u>			
General Insurance	\$ 8,000	\$ 8,000	\$ 8,000
Telephone	2,000	2,296	2,295
Utilities	60,000	60,000	45,816
Equipment Maintenance	21,000	21,000	11,208
Garbage	1,500	1,204	-
Park Improvements	60,000	60,000	31,860
Building & Improvements	20,000	20,000	14,043
Facility Reimbursement	1,000	1,000	100
	<u>\$ 173,500</u>	<u>\$ 173,500</u>	<u>\$ 113,322</u>
<u>COMMODITIES</u>			
Park Maintenance	\$ 70,000	\$ 70,000	\$ 53,621
Building Maintenance	10,000	10,000	2,825
Equipment Non-Capitalized	15,000	15,000	12,035
Uniforms	2,000	2,000	1,979
	<u>\$ 97,000</u>	<u>\$ 97,000</u>	<u>\$ 70,460</u>
<u>OTHER EXPENSES</u>			
Boat Launch	\$ 1,500	\$ 1,500	\$ -
Lake Miltmore	3,000	3,000	2,470
Sand Lake	3,000	3,000	2,414
	<u>\$ 7,500</u>	<u>\$ 7,500</u>	<u>\$ 4,884</u>
<u>CAPITAL OUTLAY</u>			
Equipment - Capitalized	\$ 30,000	\$ 30,000	\$ -
<u>TOTAL CASH DISBURSEMENTS</u>	<u>\$ 329,000</u>	<u>\$ 329,000</u>	<u>\$ 198,527</u>
<u>CASH RECEIPTS OVER (UNDER) DISBURSEMENTS</u>	<u>\$ (136,457)</u>	<u>\$ (136,457)</u>	<u>\$ 6,390</u>
<u>FUND BALANCE - APRIL 1, 2017</u>			<u>336,227</u>
<u>FUND BALANCE - MARCH 31, 2018</u>			<u>\$ 342,617</u>

LAKE VILLA TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2018
GENERAL IMRF FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
<u>CASH RECEIPTS</u>			
Property Tax	\$ 78,804	\$ 78,804	\$ 79,237
Interest	200	200	8,294
Replacement Taxes	12,000	12,000	14,728
	<u>\$ 91,004</u>	<u>\$ 91,004</u>	<u>\$ 102,259</u>
<u>CASH DISBURSEMENTS</u>			
<u>ADMINISTRATION</u>			
<u>PERSONAL SERVICES</u>			
Town Fund	\$ 93,500	\$ 93,500	\$ 80,035
General Assistance Fund	100	100	-
Park & Recreation Fund	100	100	-
	<u>\$ 93,700</u>	<u>\$ 93,700</u>	<u>\$ 80,035</u>
<u>TOTAL CASH DISBURSEMENTS</u>	<u>\$ 93,700</u>	<u>\$ 93,700</u>	<u>\$ 80,035</u>
<u>CASH RECEIPTS OVER (UNDER) DISBURSEMENTS</u>	\$ (2,696)	\$ (2,696)	\$ 22,224
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfer	\$ 10,000	\$ 10,000	\$ 10,000
<u>CASH RECEIPTS AND OTHER FINANCING SOURCES OVER (UNDER) CASH DISBURSEMENTS AND OTHER FINANCING (USES)</u>	<u>\$ 7,304</u>	<u>\$ 7,304</u>	\$ 32,224
<u>FUND BALANCE - APRIL 1, 2017</u>			<u>58,312</u>
<u>FUND BALANCE - MARCH 31, 2018</u>			<u>\$ 90,536</u>

LAKE VILLA TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2018
GENERAL FICA FUND

<u>CASH RECEIPTS</u>	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
Property Tax	\$ 55,121	\$ 55,121	\$ 55,413
Interest	100	100	5,688
Replacement Taxes	1,000	1,000	1,000
	<u>\$ 56,221</u>	<u>\$ 56,221</u>	<u>\$ 62,101</u>
<u>CASH DISBURSEMENTS</u>			
<u>ADMINISTRATION</u>			
<u>PERSONAL SERVICES</u>			
Town Fund	\$ 63,900	\$ 63,900	\$ 59,738
General Assistance Fund	100	100	-
Park & Recreation Fund	1,000	1,000	625
	<u>\$ 65,000</u>	<u>\$ 65,000</u>	<u>\$ 60,363</u>
<u>TOTAL CASH DISBURSEMENTS</u>	<u>\$ 65,000</u>	<u>\$ 65,000</u>	<u>\$ 60,363</u>
<u>CASH RECEIPTS OVER (UNDER) DISBURSEMENTS</u>	<u>\$ (8,779)</u>	<u>\$ (8,779)</u>	\$ 1,738
<u>FUND BALANCE - APRIL 1, 2017</u>			<u>64,334</u>
<u>FUND BALANCE - MARCH 31, 2018</u>			<u>\$ 66,072</u>

LAKE VILLA TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2018
GENERAL ROAD FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
<u>CASH RECEIPTS</u>			
Property Taxes	\$ 117,891	\$ 117,891	\$ 117,664
Interest	1,100	1,100	10,129
Replacement Taxes	9,500	9,500	9,532
Miscellaneous Income	2,000	2,000	-
CDB Grants	1,000	1,000	-
Torma Dividend	6,000	6,000	-
	<u>\$ 137,491</u>	<u>\$ 137,491</u>	<u>\$ 137,325</u>
<u>CASH DISBURSEMENTS</u>			
<u>ADMINISTRATION</u>			
<u>CONTRACTUAL SERVICES</u>			
Telephone & Communications	\$ 9,000	\$ 9,619	\$ 9,618
Utilities	10,000	10,000	9,719
Travel & Seminar	200	200	-
Postage	700	700	657
Printing & Mailing	500	500	-
Accounting Services	2,000	2,000	1,625
Legal Service	4,000	-	-
Dues & Subscriptions	300	300	195
Drug Program - CDL	1,000	1,000	900
	<u>\$ 27,700</u>	<u>\$ 24,319</u>	<u>\$ 22,714</u>
<u>COMMODITIES</u>			
Safety Equipment	\$ 5,000	\$ 5,000	\$ 1,275
Office Supplies	2,000	2,000	189
	<u>\$ 7,000</u>	<u>\$ 7,000</u>	<u>\$ 1,464</u>
<u>OTHER EXPENSES</u>			
Miscellaneous Charges	\$ 3,000	\$ 3,000	\$ 1,295
Replacement Tax	3,500	3,500	2,972
	<u>\$ 6,500</u>	<u>\$ 6,500</u>	<u>\$ 4,267</u>
<u>TOTAL ADMINISTRATION</u>	<u>\$ 41,200</u>	<u>\$ 37,819</u>	<u>\$ 28,445</u>

LAKE VILLA TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2018
GENERAL ROAD FUND

<u>CASH DISBURSEMENTS (Continued)</u>	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
<u>MAINTENANCE</u>			
<u>CONTRACTUAL</u>			
Equipment Maintenance	\$ 12,500	\$ 12,500	\$ 12,500
Vehicle Maintenance	25,000	31,070	31,069
Building Maintenance	8,000	8,000	1,754
Road Maintenance	5,000	5,000	2,890
Street Lighting	40,000	35,150	33,753
Rental	2,000	2,000	50
	<u>\$ 92,500</u>	<u>\$ 93,720</u>	<u>\$ 82,016</u>
<u>COMMODITIES</u>			
Maintenance Supplies	\$ 1,500	\$ 1,565	\$ 1,564
Operating Supplies	4,000	6,096	6,095
Office Equipment	700	700	68
Gas, Diesel, Oil, Etc.	-	-	-
	<u>\$ 6,200</u>	<u>\$ 8,361</u>	<u>\$ 7,727</u>
<u>TOTAL MAINTENANCE</u>	<u>\$ 98,700</u>	<u>\$ 102,081</u>	<u>\$ 89,743</u>
<u>TOTAL CASH DISBURSEMENTS</u>	<u>\$ 139,900</u>	<u>\$ 139,900</u>	<u>\$ 118,188</u>
<u>CASH RECEIPTS OVER (UNDER) DISBURSEMENTS</u>	<u>\$ (2,409)</u>	<u>\$ (2,409)</u>	<u>\$ 19,137</u>
<u>FUND BALANCE - APRIL 1, 2017</u>			<u>166,159</u>
<u>FUND BALANCE - MARCH 31, 2018</u>			<u>\$ 185,296</u>

LAKE VILLA TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2018
PERMANENT ROAD FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
<u>CASH RECEIPTS</u>			
Property Taxes	\$ 2,037,436	\$ 2,037,436	\$ 2,033,561
Interest	4,000	4,000	15,283
Grants	50,000	50,000	-
	<u>\$ 2,091,436</u>	<u>\$ 2,091,436</u>	<u>\$ 2,048,844</u>
<u>CASH DISBURSEMENTS</u>			
<u>ADMINISTRATION</u>			
<u>PERSONAL SERVICES</u>			
Salaries	\$ 650,000	\$ 680,000	\$ 672,212
Highway Commissioner	47,000	47,000	47,000
Health Insurance	115,000	125,137	124,281
	<u>\$ 812,000</u>	<u>\$ 852,137</u>	<u>\$ 843,493</u>
<u>CONTRACTUAL</u>			
Accounting Service	\$ 2,000	\$ 2,000	\$ 1,655
Road Maintenance	160,000	188,297	188,296
Road Improvements	1,600,000	1,570,000	810,739
Engineering Service	170,000	113,786	110,290
Rental	2,500	2,500	2,456
	<u>\$ 1,934,500</u>	<u>\$ 1,876,583</u>	<u>\$ 1,113,436</u>
<u>COMMODITIES</u>			
Maintenance Supplies	\$ 5,000	\$ 5,000	\$ 3,249
Operating Supplies	6,000	6,000	2,968
Gas, Diesel, Oil, Etc.	70,000	70,000	53,945
Uniforms	4,000	4,000	920
Sign & Barricade	8,000	8,000	4,595
Ice Control Material	140,000	140,000	83,170
Tree Removal	175,000	192,780	192,780
Contingencies	20,000	20,000	-
	<u>\$ 428,000</u>	<u>\$ 445,780</u>	<u>\$ 341,627</u>
<u>TOTAL CASH DISBURSEMENTS</u>	<u>\$ 3,174,500</u>	<u>\$ 3,174,500</u>	<u>\$ 2,298,556</u>
<u>CASH RECEIPTS OVER (UNDER) DISBURSEMENTS</u>	<u>\$(1,083,064)</u>	<u>\$(1,083,064)</u>	<u>\$ (249,712)</u>
<u>FUND BALANCE - APRIL 1, 2017</u>			<u>1,439,926</u>
<u>FUND BALANCE - MARCH 31, 2018</u>			<u>\$ 1,190,214</u>

LAKE VILLA TOWNSHIP
SCHEDULE OF CASH RECEIPTS , DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2018
EQUIPMENT & BUILDING FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
<u>CASH RECEIPTS</u>			
Property Taxes	\$ 120,139	\$ 120,139	\$ 119,908
Interest	100	100	-
	<u>\$ 120,239</u>	<u>\$ 120,239</u>	<u>\$ 119,908</u>
<u>CASH DISBURSEMENTS</u>			
<u>ADMINISTRATION</u>			
<u>COMMODITIES</u>			
Vehicle & Equipment - Non-Capitalized	\$ 25,000	\$ 36,618	\$ 47,300
	<u>\$ 25,000</u>	<u>\$ 36,618</u>	<u>\$ 47,300</u>
<u>CAPITAL OUTLAY</u>			
Buildings & Improvement	\$ 50,000	\$ 50,000	\$ 40,520
Vehicle & Equipment - Capitalized	115,000	103,382	-
	<u>\$ 165,000</u>	<u>\$ 153,382</u>	<u>\$ 40,520</u>
<u>TOTAL CASH DISBURSEMENTS</u>	<u>\$ 190,000</u>	<u>\$ 190,000</u>	<u>\$ 87,820</u>
<u>CASH RECEIPTS OVER (UNDER) DISBURSEMENTS</u>	<u>\$ (69,761)</u>	<u>\$ (69,761)</u>	\$ 32,088
<u>FUND BALANCE - APRIL 1, 2017</u>			<u>107,729</u>
<u>FUND BALANCE - MARCH 31, 2018</u>			<u>\$ 139,817</u>

LAKE VILLA TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2018
INSURANCE FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
<u>CASH RECEIPTS</u>			
Property Taxes	\$ 83,619	\$ 83,619	\$ 83,459
Interest	200	200	-
Other-Toirma Refund	-	-	250
	<u>\$ 83,819</u>	<u>\$ 83,819</u>	<u>\$ 83,709</u>
<u>CASH DISBURSEMENTS</u>			
<u>ADMINISTRATION</u>			
<u>PERSONAL SERVICES</u>			
Unemployment Insurance	\$ 4,000	\$ 4,000	\$ 743
<u>CONTRACTUAL</u>			
General Insurance	\$ 65,000	\$ 65,000	\$ 45,352
<u>TOTAL CASH DISBURSEMENTS</u>	<u>\$ 69,000</u>	<u>\$ 69,000</u>	<u>\$ 46,095</u>
<u>CASH RECEIPTS OVER (UNDER) DISBURSEMENTS</u>	<u>\$ 14,819</u>	<u>\$ 14,819</u>	\$ 37,614
<u>FUND BALANCE - APRIL 1, 2017</u>			<u>377,596</u>
<u>FUND BALANCE - MARCH 31, 2018</u>			<u>\$ 415,210</u>

LAKE VILLA TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2018
ROAD IMRF FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
<u>CASH RECEIPTS</u>			
Property Tax	\$ 83,619	\$ 83,619	\$ 83,459
Interest	250	250	-
Replacement Taxes	2,500	2,500	-
	<u>\$ 86,369</u>	<u>\$ 86,369</u>	<u>\$ 83,459</u>
<u>CASH DISBURSEMENTS</u>			
ADMINISTRATION			
PERSONAL SERVICES			
IMRF Permanent Road	\$ 85,020	\$ 85,020	\$ 80,267
<u>TOTAL CASH DISBURSEMENTS</u>	<u>\$ 85,020</u>	<u>\$ 85,020</u>	<u>\$ 80,267</u>
<u>CASH RECEIPTS OVER (UNDER) DISBURSEMENTS</u>	<u>\$ 1,349</u>	<u>\$ 1,349</u>	\$ 3,192
<u>FUND BALANCE - APRIL 1, 2017</u>			<u>123,366</u>
<u>FUND BALANCE - MARCH 31, 2018</u>			<u>\$ 126,558</u>

LAKE VILLA TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2018
ROAD FICA FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
<u>CASH RECEIPTS</u>			
Property Tax	\$ 57,188	\$ 57,188	\$ 57,078
Interest	250	250	41
	<u>\$ 57,438</u>	<u>\$ 57,438</u>	<u>\$ 57,119</u>
 <u>CASH DISBURSEMENTS</u>			
<u>ADMINISTRATION</u>			
<u>PERSONAL SERVICES</u>			
FICA Permanent Road	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,519</u>
 <u>TOTAL CASH DISBURSEMENTS</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,519</u>
 <u>CASH RECEIPTS OVER (UNDER) DISBURSEMENTS</u>	<u>\$ 7,438</u>	<u>\$ 7,438</u>	\$ 6,600
 <u>FUND BALANCE - APRIL 1, 2017</u>			<u>311,725</u>
 <u>FUND BALANCE - MARCH 31, 2018</u>			<u>\$ 318,325</u>

LAKE VILLA TOWNSHIP
COMPARATIVE TAX DATA
FOR THE YEARS 2016, 2015, AND 2014
IN WHOLE DOLLAR AMOUNTS

<u>TAX YEAR</u>	<u>2016</u>		<u>2015</u>		<u>2014</u>	
<u>TOTAL ASSESSED VALUATION</u>		<u>\$ 851,261,792</u>		<u>\$ 801,754,366</u>		<u>\$ 787,595,536</u>
General Town	0.176	\$ 1,417,240	0.176	\$ 1,411,657	0.175	\$ 1,376,383
General Assistance	0.001	3,899	0.001	3,864	0.002	16,687
General Town IMRF	0.010	79,389	0.010	78,804	0.010	79,987
General Town S.S.	0.007	55,519	0.007	55,121	0.007	55,941
Park Maintenance	0.020	162,668	0.020	155,043	0.020	154,488
*Road and Bridge	0.015	117,891	0.015	122,523	0.012	97,888
Permanent Road	0.250	2,037,436	0.250	2,004,386	0.250	1,967,802
Equipment and Building	0.016	120,139	0.016	125,002	0.016	123,003
Liability Insurance	0.010	83,619	0.010	82,003	0.011	82,002
Road and Bridge IMRF	0.010	83,619	0.010	82,003	0.008	58,003
Road and Bridge S.S.	0.008	57,188	0.008	59,506	0.008	58,003
	<u>0.523</u>	<u>\$ 4,218,607</u>	<u>0.523</u>	<u>\$ 4,179,912</u>	<u>0.519</u>	<u>\$ 4,070,187</u>

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

LAKE VILLA TOWNSHIP
SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
MARCH 31, 2018

The Schedule of Changes in the Net Pension Liability and Related Ratios, of the District's Defined Benefit Pension Plan, the Illinois Municipal Retirement Fund, follows:

Calendar Year Ended December 31,	2017	2016	2015
Total Pension Liability			
Service Cost	\$ 141,797	\$ 143,561	\$ 143,083
Interest on the Total Pension Liability	468,005	446,084	423,090
Changes in Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	23,754	(152,502)	(122,641)
Changes in Assumptions	(185,565)	(24,244)	15,601
Benefit Payments, Including Refunds of Employee Contributions	(154,394)	(132,833)	(140,030)
Net Change in Total Pension Liability	\$ 293,597	\$ 280,066	\$ 319,103
Total Pension Liability - Beginning	6,246,369	5,966,303	5,647,200
Total Pension Liability - Ending (A)	<u>\$ 6,539,966</u>	<u>\$ 6,246,369</u>	<u>\$ 5,966,303</u>
Plan Fiduciary Net Position			
Contributions - Employer	\$ 156,168	\$ 162,572	\$ 161,474
Contributions - Employees	59,155	59,094	57,533
Net Investment Income	856,099	345,840	24,864
Benefit Payments, Including Refunds of Employee Contributions	(154,394)	(132,833)	(140,030)
Other (Net Transfer)	(1,860)	(67,705)	(114,555)
Net Change in Plan Fiduciary Net Position	\$ 915,168	\$ 366,968	\$ (10,714)
Plan Fiduciary Net Position - Beginning	5,289,586	4,922,618	4,933,332
Plan Fiduciary Net Position - Ending (B)	<u>\$ 6,204,754</u>	<u>\$ 5,289,586</u>	<u>\$ 4,922,618</u>
Net Pension Liability - Ending (A) - (B)	<u>\$ 335,212</u>	<u>\$ 956,783</u>	<u>\$ 1,043,685</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	94.87%	84.68%	82.50%
Covered Valuation Payroll	\$ 1,314,555	\$ 1,313,189	\$ 1,278,501
Net Pension Liability as a Percentage of Covered Valuation Payroll	25.50%	72.86%	81.63%

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

LAKE VILLA TOWNSHIP
SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
MARCH 31, 2018

The Schedule of Employer Contributions, of the District's Defined Benefit Pension Plan, the Illinois Municipal Retirement Fund, follows:

<u>Calendar Year Ended December 31,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Valuation Payroll</u>	<u>Actual Contribution as a Percentage of Covered Valuation Payroll</u>
2015	\$ 161,475	\$ 161,474	\$ 1	\$ 1,278,501	12.63%
2016	162,573	162,572	1	1,313,189	12.38%
2017	156,169	156,168	1	1,314,555	11.88%

Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported. The calculation of the 2017 contribution rate is based on valuation assumptions used in the December 31, 2014 actuarial valuation; note two year lag between valuation and rate setting.

METHODS AND ASSUMPTIONS USED TO DETERMINE 2016 CONTRIBUTION RATES

<i>Actuarial Cost Method:</i>	Aggregate entry age normal
<i>Amortization Method:</i>	Level percentage of payroll, closed
<i>Remaining Amortization Period:</i>	Regular Plan liabilities: 26-year closed period. Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the employer upon adoption of ERI
<i>Asset Valuation Method:</i>	5-year smoothed market; 20% corridor
<i>Wage Growth:</i>	3.50%
<i>Price Inflation:</i>	2.75%, approximate; no explicit price inflation assumption is used in this valuation
<i>Salary Increases:</i>	3.75% to 14.50%, including inflation
<i>Investment Rate of Return:</i>	7.50%
<i>Retirement Age:</i>	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2014 valuation pursuant to an experience study of the period 2011 to 2013
<i>Mortality:</i>	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
<i>Other Information:</i>	There were no benefit changes during the year

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