

WORTH TOWNSHIP, ILLINOIS
ANNUAL FINANCIAL REPORT
YEAR ENDED FEBRUARY 28, 2015



WORTH TOWNSHIP, ILLINOIS

ANNUAL FINANCIAL REPORT

February 28, 2015

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FINANCIAL SECTION



WORTH TOWNSHIP, ILLINOIS

INDEPENDENT AUDITOR'S REPORT



WORTH TOWNSHIP, ILLINOIS

GW & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Supervisor and Board of Trustees
Worth Township, Illinois

We have audited the accompanying financial statements of the governmental activities and each major fund of Worth Township, Illinois, as of and for the year ended February 28, 2015, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and, each major fund of Worth Township, Illinois, as of February 28, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of employer contributions and funding progress and budgetary comparison information on pages 3–11 and 31–35 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

The statistical information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

JW & Associates, P.C.

South Chicago Heights, Illinois
August 11, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS



WORTH TOWNSHIP, ILLINOIS

WORTH TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

February 28, 2015

Our discussion and analysis of the Worth Township's (the "Township") financial performance provides an overview of the Township's financial activities for the fiscal year ended February 28, 2015. The management of the Township encourages readers to consider the information presented here in conjunction with the basic financial statements to enhance their understanding of the Township's financial performance.

Financial Highlights

- The Township's net position as of February 28, 2015 is \$5,989,114, an increase of \$144,207 from the prior year.
- Total Township revenues for the year ended February 28, 2015 were \$3,836,124 while total expenses were \$3,691,917.
- The Town Fund's fund balance increased by \$252,714 for the year ended February 28, 2015 to \$1,262,480.

Overview of the Financial Statements

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

Using the Financial Section of this Annual Report

The financial statements' focus is on the Township as a whole and on the major individual funds. Both perspectives allow the readers to address relevant questions, broaden the basis for comparison and enhance the reader's understanding of the statements.

Government-wide Financial Statements

The government-wide financial statements are designed to be corporate like.

The Statement of Net Position combines and consolidates governmental funds' current financial resources with capital assets and long term obligations. It uses the accrual basis of accounting and economic resources measurement focus. The Statement of Net Position can be found on page 12 of this report.

The Statement of Activities is focused on both the growth and the new costs of various activities. These activities are supported by the government's general taxes and other resources. This is intended to summarize and simplify the users' analysis of the costs of various governmental services. The Statement of Activities can be found on page 13 of this report.

WORTH TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

February 28, 2015

The governmental activities reflect the Township's basic services, which are general assistance, street and road, senior assistance and administration. Property taxes finance the majority of these services.

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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Township can be included into one category: governmental funds.

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus is on major funds rather than fund types.

The governmental fund statements are presented on a sources and uses of liquid resources (cash and cash equivalents) basis. This is the manner in which the financial plan is usually developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of the government. Funds are established for various purposes and the fund financial statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

The governmental funds total column requires reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement. The flow of current financial resources will reflect bond or loan proceeds and interfund transfers as other sources and uses as well as capital expenditures and bond or loan principal payments as expenditures. The reconciliations eliminate these transactions and incorporate the capital assets and long term obligations into the governmental activities column in government-wide statements. The fund financial statements can be found on pages 14-17 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 18.

Other Information

In addition to the basic financial statements this report also includes certain required supplementary information related to the budgetary information and the Township's progress in funding its obligation to provide pension benefits to its employers.

WORTH TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

February 28, 2015

Financial Analysis of Worth Township's Government-Wide Financial Statements

Statement of Net Position

The following chart reflects the condensed Statement of Net Position:

CONDENSED STATEMENT OF NET POSITION

FEBRUARY 28, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets		
Current assets	\$ 5,411,963	\$ 5,345,972
Capital assets, net	<u>4,298,531</u>	<u>4,247,309</u>
Total assets	<u>9,710,494</u>	<u>9,593,281</u>
Liabilities		
Current liabilities	25,348	109,718
Long-term liabilities	<u>1,045,026</u>	<u>812,795</u>
Total liabilities	<u>1,070,374</u>	<u>922,513</u>
Total deferred inflows of resources	<u>2,651,006</u>	<u>2,825,861</u>
Net position		
Invested in capital assets	3,266,556	3,446,599
Restricted for		
General assistance	386,873	437,012
Road & bridge	1,086,256	963,615
Unrestricted	<u>1,249,429</u>	<u>997,681</u>
Total net position	<u>\$ 5,989,114</u>	<u>\$ 5,844,907</u>

Total assets are up approximately \$117,000 from the prior year. This is primarily a result of a \$51,000 increase in capital assets (\$285,000 of additions less \$234,000 of depreciation and deletions) coupled with a \$175,000 decrease in property taxes receivable and a \$244,000 increase in cash. Total liabilities increased from the prior year approximately \$148,000. This is due to a combination of a decrease in accounts payable of \$84,000 and an increase in notes payable of \$231,000 after a refinancing of the note. Deferred inflows of resources decreased by \$175,000 due to the decrease in property taxes receivable.

WORTH TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

February 28, 2015

Statement of Activities

The following chart reflects the condensed Statement of Activities:

CONDENSED STATEMENT OF ACTIVITIES

FOR THE YEARS ENDED FEBRUARY 28, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenues		
Program Revenues		
Charges for services	\$ 179,812	\$ 177,208
Operating grants and contributions	98,698	99,983
Capital grant	-	54,035
General revenues		
Taxes	3,533,201	3,367,942
Interest income	4,323	5,095
Other general revenue	20,090	17,779
	<hr/>	<hr/>
Total revenues	3,836,124	3,722,042
Expenses		
General government	2,471,166	2,270,363
Road and Bridge	617,436	594,773
General Assistance	558,686	752,628
Interest on long-term debt	44,629	33,839
	<hr/>	<hr/>
Total expenses	3,691,917	3,651,603
Change in net position	144,207	70,439
	<hr/>	<hr/>
Net position - March 1	5,844,907	5,774,468
	<hr/>	<hr/>
Net position - February 28	<u>\$ 5,989,114</u>	<u>\$ 5,844,907</u>

Total revenues for fiscal 2015 increased by 3.1% from the prior year with a 1.1% increase in expenses. The most significant change within revenues was in property taxes as collections improved compared to the prior year.

WORTH TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

February 28, 2015

Financial Analysis of Worth Township's Funds

Governmental Funds

Worth Township's major funds are the General Fund, Road and Bridge Fund, and General Assistance Fund. Generally speaking a major fund meets the following criteria:

- total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures of that individual governmental fund is at least 10% of the corresponding total (assets, liabilities and so forth) for all governmental funds

and

- total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures of the individual governmental fund is at least 5% of the corresponding total for all governmental and enterprise funds combined

The major funds are the Township's primary operating funds as well as the largest source of day-to-day delivery of services.

WORTH TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

February 28, 2015

Governmental Funds

The following chart reflects a condensed comparison of 2015 and 2014 revenues and expenditures:

	<u>2015</u>	<u>2014</u>	<u>Increase (Decrease) 2014 to 2015</u>
Revenues			
General (Town) Fund	\$ 2,565,959	\$ 2,466,947	\$ 99,012
Road and Bridge Fund	625,980	617,585	8,395
General Assistance Fund	<u>644,185</u>	<u>637,510</u>	<u>6,675</u>
Total Revenues	<u>3,836,124</u>	<u>3,722,042</u>	<u>114,082</u>
Expenditures			
General (Town) Fund	3,421,015	2,354,690	1,066,325
Road and Bridge Fund	503,340	545,656	(42,316)
General Assistance Fund	<u>694,323</u>	<u>747,730</u>	<u>(53,407)</u>
Total Expenditures	<u>4,618,678</u>	<u>3,648,076</u>	<u>970,602</u>
Other Financing Sources (Uses)			
General (Town) Fund	1,107,770	-	1,107,770
Road and Bridge Fund	-	-	-
General Assistance Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>\$ 1,107,770</u>	<u>\$ -</u>	<u>\$ 1,107,770</u>

WORTH TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

February 28, 2015

Revenues

Revenues increased by 3.1% over the prior year among all funds. Most notably, property taxes increased by \$116,000 in the Town fund and \$37,000 in the General Assistance fund.

Expenditures

Town Fund expenditures increased approximately 45% in fiscal 2015. This is largely due to the payoff of a loan during refinancing for almost \$786,000. It can also be attributed to the payment for a new roof of about \$273,000. The Road and Bridge Fund expenditures decrease from the prior year is mainly due to the purchase of a new vehicle in the prior year for \$67,000. General Assistance Fund expenditures decreased around 7% due to a reduction in program costs for such things as rent assistance, mortgage assistance, utility assistance, etc.

Other Financing Sources (Uses)

The Township refinanced their Private Bank note with a note from Standard Bank resulting in the Other Financing Source for the amount of the new loan proceeds.

Budgetary Highlights

Worth Township operates under the Budget Ordinance process. The budget is adopted by the Township Board and filed at the Cook County Courthouse preceding March 1 of the budgeted fiscal year. Budget amendments were adopted by the Board which resulted in the reallocation of amounts between line items but no change in total budgeted expenditures by fund.

Historically, the Township has taken a "just-in-case" approach in developing their budgets. During fiscal year 2015, revenues and expenditures versus budgeted amounts for the major funds showed the following variances from the original budget:

Governmental Funds

<u>Fund</u>	<u>Budgeted</u> <u>Revenues</u>	<u>Actual</u> <u>Revenues</u>	<u>Variance</u>	<u>Budgeted</u> <u>Expenses</u>	<u>Actual</u> <u>Expenses</u>	<u>Variance</u>
Town	\$ 2,376,785	\$ 2,565,959	\$ (189,174)	\$ 4,576,785	\$ 3,421,015	\$ (1,155,770)
Road and Bridge	567,974	625,980	(58,006)	1,447,974	503,340	(944,634)
General Assistance	598,730	644,185	(45,455)	964,355	694,323	(270,032)

Town Fund revenues differed by about 8% from budget while expenditures were about 25% under budget. Specifically, building improvement expenditures were approximately \$1.3 million under budget.

WORTH TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

February 28, 2015

Road and Bridge Fund revenues were over budget by 10% as a result of property taxes being over budget by \$50,000. Expenditures were under budget by 65% with special projects being \$555,000 under budget. In the General Assistance Fund, revenues were 8% over budget as a result of property taxes being over budget by \$28,000. Expenditures were 46% under budget due to health and welfare being \$245,000 under budget.

Capital Assets

At the end of the fiscal year 2015, the Township had combined total capital assets of \$4,298,531 invested in a broad range of capital assets including buildings, Township facilities, roads, equipment and vehicles. The only additions were in building and improvements for a new roof and an air conditioning unit. (For more information, see Note 3 to the financial statements.)

Governmental Activities Change in Capital Assets

	Balance	Net	Balance
	<u>March 1, 2014</u>	<u>Additions/ Deletions</u>	<u>February 28, 2015</u>
Non-depreciable assets-land	\$ 690,991	\$ -	\$ 690,991
Construction in process	6,295	(6,295)	-
Depreciable capital assets			
Buildings and improvements	5,141,835	285,316	5,427,151
Vehicles and equipment	415,199	-	415,199
Furniture and fixtures	267,671	-	267,671
Computer equipment	255,109	-	255,109
Infrastructure	3,085,441	-	3,085,441
Accumulated depreciation	<u>(5,615,232)</u>	<u>(227,799)</u>	<u>(5,843,031)</u>
Total capital assets, net	<u>\$ 4,247,309</u>	<u>\$ 51,222</u>	<u>\$ 4,298,531</u>

WORTH TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

February 28, 2015

DEBT ADMINISTRATION

The following is a summary of the components of long-term debt and related transactions of the Township for the year ended February 28, 2015:

	<u>Balance 2/28/2014</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance 2/28/2015</u>
Notes payable	\$ 800,710	\$ 1,107,771	\$ 876,506	\$ 1,031,975
Compensated absences	12,085	13,051	12,085	13,051
Totals	<u>\$ 812,795</u>	<u>\$ 1,120,822</u>	<u>\$ 888,591</u>	<u>\$ 1,045,026</u>

The Township paid off a bank note during the year by obtaining a loan from another bank. The new borrowing also provided additional funds for capital projects which included the roof replacement.

Contacting the Township's Financial Management

This financial report is designed to provide our citizens, customers, investors and creditors with a general knowledge of the Township's finances and to demonstrate the Township's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to the Township Office, 11601 S Pulaski Road, Alsip, IL 60803.

BASIC FINANCIAL STATEMENTS



WORTH TOWNSHIP, ILLINOIS

WORTH TOWNSHIP, ILLINOIS
STATEMENT OF NET POSITION
FEBRUARY 28, 2015

	Governmental Activities
Assets	
Cash	\$ 2,491,232
Investments - Certificates of Deposit	260,100
Property taxes receivable, net	2,651,006
Replacement taxes receivable	9,625
Capital assets	
Capital assets, not being depreciated	690,991
Capital assets, net of accumulated depreciation	3,607,540
Total assets	9,710,494
Liabilities	
Accounts payable	15,996
Due to municipalities	1,473
Accrued payroll	7,879
Noncurrent liabilities due within one year	
Compensated absences	13,051
Notes payable	88,823
Non-current liabilities due in more than one year	
Notes payable	943,152
Total liabilities	1,070,374
Deferred Inflows of Resources	
Unearned revenue - property taxes	2,651,006
Total deferred inflows of resources	2,651,006
Net Position	
Invested in capital assets, net of related debt	3,266,556
Restricted for	
General Assistance	386,873
Road and Bridge	1,086,256
Unrestricted	1,249,429
Total net position	\$ 5,989,114

See accompanying notes to financial statements

WORTH TOWNSHIP, ILLINOIS
STATEMENT OF ACTIVITIES
YEAR ENDED FEBRUARY 28, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
General government	\$ 2,471,166	\$ 170,842	\$ 54,817	\$ -	\$ (2,245,507)
Road and bridge	617,436	7,208	-	-	(610,228)
General assistance	558,686	1,762	43,881	-	(513,043)
Interest on long-term debt	44,629	-	-	-	(44,629)
Total governmental activities	<u>\$ 3,691,917</u>	<u>\$ 179,812</u>	<u>\$ 98,698</u>	<u>\$ -</u>	<u>\$ (3,413,407)</u>
General Revenues					
Taxes					
Property taxes, levied for general purposes					3,342,470
Replacement taxes					190,731
Interest income					4,323
Miscellaneous revenues					20,090
Total general revenues					<u>3,557,614</u>
Change in net position					<u>144,207</u>
Net Position - Beginning					<u>5,844,907</u>
Net Position- Ending					<u>\$ 5,989,114</u>

WORTH TOWNSHIP, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
FEBRUARY 28, 2015

	Major Funds			Total
	Town Fund	Road and Bridge Fund	General Assistance Fund	
Assets				
Cash	\$ 1,017,844	\$ 1,088,144	\$ 385,244	\$ 2,491,232
Investments - Certificates of Deposit	260,100	-	-	260,100
Property taxes receivable-net	1,769,063	431,362	450,581	2,651,006
Replacement taxes receivables	3,739	3,734	2,152	9,625
Total assets	\$ 3,050,746	\$ 1,523,240	\$ 837,977	\$ 5,411,963
Liabilities				
Accounts payable	\$ 14,927	\$ 1,069	\$ -	\$ 15,996
Due to municipalities	-	1,473	-	1,473
Accrued payroll	4,276	3,080	523	7,879
Total liabilities	19,203	5,622	523	25,348
Deferred Inflows of Resources				
Unearned revenue-property taxes	1,769,063	431,362	450,581	2,651,006
Total deferred inflows of resources	1,769,063	431,362	450,581	2,651,006
Fund Balances				
Restricted				
Road and bridge	-	1,086,256	-	1,086,256
General assistance	-	-	386,873	386,873
Unassigned	1,262,480	-	-	1,262,480
Total fund balances	1,262,480	1,086,256	386,873	2,735,609
Total liabilities, deferred inflows of resources and fund balances	\$ 3,050,746	\$ 1,523,240	\$ 837,977	\$ 5,411,963

WORTH TOWNSHIP, ILLINOIS
 RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
 FEBRUARY 28, 2015

Total fund balances- governmental funds 2,735,609

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:

Capital assets	10,141,563	
Accumulated depreciation	<u>(5,843,032)</u>	
Net capital assets		4,298,531

Some liabilities reported in the statement of net position do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds. These liabilities consist of:

Note payable	(1,031,975)	
Compensated absences	<u>(13,051)</u>	
Total liabilities		<u>(1,045,026)</u>

Net position of governmental activities \$ 5,989,114

WORTH TOWNSHIP, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED FEBRUARY 28, 2015

	Major Funds			Total
	Town Fund	Road and Bridge Fund	General Assistance Fund	
Revenues				
Property taxes	\$ 2,233,716	\$ 560,768	\$ 547,986	\$ 3,342,470
Replacement taxes	86,869	53,865	49,997	190,731
Interest income	2,082	1,682	559	4,323
Donations	-	-	15,161	15,161
Clinic fees	56,728	-	-	56,728
Grants	54,817	-	28,720	83,537
Program income	24,565	-	-	24,565
Rental income	4,617	-	-	4,617
Youth commission income	71,107	-	-	71,107
Youth Services Bureau income	13,820	-	-	13,820
Miscellaneous revenue	17,638	9,665	1,762	29,065
Total revenues	<u>2,565,959</u>	<u>625,980</u>	<u>644,185</u>	<u>3,836,124</u>
Expenditures				
Current				
General government	514,260	202,643	353,598	1,070,501
Administration	878,730	-	-	878,730
Highway and streets	-	300,697	-	300,697
Health and welfare	214,626	-	340,725	555,351
Senior services	153,758	-	-	153,758
Building & equipment	239,994	-	-	239,994
Culture and recreation	224,514	-	-	224,514
Capital outlay	273,999	-	-	273,999
Debt service				
Principal	876,505	-	-	876,505
Interest	44,629	-	-	44,629
Total expenditures	<u>3,421,015</u>	<u>503,340</u>	<u>694,323</u>	<u>4,618,678</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures				
	<u>(855,056)</u>	<u>122,640</u>	<u>(50,138)</u>	<u>(782,554)</u>
Other Financing Sources (Uses)				
Loan proceeds	<u>1,107,770</u>	<u>-</u>	<u>-</u>	<u>1,107,770</u>
Total other financing sources (uses)	<u>1,107,770</u>	<u>-</u>	<u>-</u>	<u>1,107,770</u>
Net change in fund balance	<u>252,714</u>	<u>122,640</u>	<u>(50,138)</u>	<u>325,216</u>
Fund Balance - Beginning	<u>1,009,766</u>	<u>963,616</u>	<u>437,011</u>	<u>2,410,393</u>
Fund Balance - Ending	<u>\$ 1,262,480</u>	<u>\$ 1,086,256</u>	<u>\$ 386,873</u>	<u>\$ 2,735,609</u>

WORTH TOWNSHIP, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED FEBRUARY 28, 2015

Net change in fund balances - total governmental funds \$ 325,216

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

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets

Capital outlay	279,021	
Depreciation	<u>(227,799)</u>	
Net capital outlay		51,222

Issuance of new debt increases long-term liabilities in the statement of net position (1,107,771)

Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position

Principal retirement		876,506
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds.

Compensated absences		<u>(966)</u>
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Change in net position of governmental activities \$ 144,207

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Worth Township, Illinois (the “Township”), as reflected in the accompanying financial statements for the year end February 28, 2015, conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the significant accounting policies.

Reporting Entity

The Township's reporting entity includes the Township's governing board and any related organizations for which the elected officials of the Township are financially accountable. Financial accountability is defined as: (1) appointment of the voting majority of the component unit's board, and either (a) the ability to impose will by the primary government or (b) the possibility that the component unit will provide a financial benefit or impose a financial burden on the primary government or (2) fiscal dependency on the primary government. Based on the foregoing criteria, the Township does not have any component units included in the Township's reporting entity. Also, the Township is not included as a component unit in any other governmental reporting entity, as defined by GASB standards. The Township operates under the Township form of government, with a Supervisor, Clerk, Assessor, Highway Commissioner and four Trustees elected by the people. The Board of Trustees is the Township's legislative body, enacting the laws and establishing the policies which govern the activities of the Township. The Township's budgetary operations are governed by the appropriation law and administered by the Township Supervisor.

Basis of Presentation

The Township's basic financial statements consist of Township-wide statements, including a statement of net position, statement of activities and fund financial statements, which provide a more detailed level of financial information. The Township-wide focus is more on the sustainability of the Township as an entity and the change in aggregate financial position resulting from activities of the fiscal period.

Township-Wide Financial Statements

The statement of net position and the statement of activities display information about the Township as a whole. In the Township-wide statement of net position, the governmental activities are presented on a consolidated basis. These statements include the financial activities of the primary government. The effect of interfund activity has been removed from these statements. The Township-wide statement of activities reflects both the direct expenses and net cost of each function of the Township's governmental activities.

Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that are required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the Township, with certain limited exceptions. The comparison of direct expenses with program revenues

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

identifies the extent to which each government function is self-financing or draws from general revenues of the Township.

Fund Financial Statements

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

In accordance with Governmental Accounting Standards Board Statement No. 54 – Fund Balance Reporting and Governmental Fund Type Definitions, the Township classifies governmental fund balance as follows:

- a. Nonspendable – includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted – consists of fund balances with constraints placed on their 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 legislation.
- c. Committed - includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (ordinance, resolution, motion) of the Township board. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Township board that originally created the commitment.
- d. Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Financial management may assign amounts for a specific purpose. The Township board may also take official action to assign amounts. All remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted nor committed are considered assigned. Assignments may take place after the end of the reporting period.
- e. Unassigned – includes residual fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance would also include negative balances for any governmental fund other than the general fund.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

If there is an expenditure incurred for purposes for which restricted, committed, assigned or unassigned fund balance classifications could be used, then the Township will consider restricted fund balance to be spent first, then committed fund balance, followed by assigned fund balance and finally unassigned fund balance.

Measurement Focus and Basis of Accounting

Township-Wide Financial Statements

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

The Township has reported three categories of program revenues in the statement of activities: 1) charges for services, 2) program-specific operating grants and contributions and 3) program-specific capital grants and contributions. Program revenues are derived from the program itself or from external sources, such as the State of Illinois; they reduce the net cost of each function to be financed from the Township's general revenues. For identifying the function to which program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

Eliminations have been made in the statement of net position to remove the "grossing-up" effect on assets and liabilities within the governmental activities column for amounts reported in the individual funds as interfund receivables and payables and advances. Similarly, operating transfers between funds have been eliminated in the statement of activities.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose the Township considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues accrued at the end of the year include real estate tax and personal property replacement tax. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

WORTH TOWNSHIP, ILLINOIS

Notes to financial statements
February 28, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the Township's policy to apply restricted resources first, then unrestricted resources as needed.

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

The Township reports the following major governmental funds:

General Fund (also known as the Town fund) accounts for all revenues and expenditures applicable to the general operations of the Township government that are not accounted for in another fund.

Road and Bridge Fund accounts for all revenues and expenditures applicable to the upkeep, repair, and administration of the Township's roads.

General Assistance Fund accounts for all revenues and expenditures applicable to the services provided to the residents of the township.

Cash and Cash Equivalents and Investment

The Township considers cash and investments with an original maturity of less than 90 days to be cash equivalents. Cash and equivalents consist of checking and money market accounts at financial institutions. Investments are stated at fair value.

Short-Term Interfund Receivables/Payables

During the course of operation, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "Due from Other Funds" or "Due to Other Funds" on the balance sheet.

Capital Assets

Capital assets, which include property, equipment and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable governmental columns in the Township-wide financial statements. Capital assets are defined by the Township as assets with a useful life of more than one year.

WORTH TOWNSHIP, ILLINOIS

Notes to financial statements
February 28, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All purchased capital assets are valued at cost where historical records are available and at estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

All reported capital assets except land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

	<u>Years</u>	<u>Capitalization Threshold</u>
Land Improvements	20 years	\$25,000
Buildings & Improvements	50 years	\$25,000
Vehicles	5 - 7 years	\$10,000
Equipment	12 years	\$10,000
Office Furniture & Fixtures	7 years	\$2,500
Infrastructure	40 years	\$250,000

Long-Term Obligations

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

Property Taxes

The Township annually establishes a legal right to revenue from property tax assessments upon enactment of a tax levy ordinance by its Board. The property tax calendar for the 2014 tax year payable in 2015 is as follows:

Lien Date	January 1, 2014
Levy Date	December 29, 2014
First Installment	Due March 1, 2015
Second Installment	Due August 1, 2015

Property taxes are billed and collected by the County Treasurer of Cook County, Illinois.

WORTH TOWNSHIP, ILLINOIS

Notes to financial statements
February 28, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Inflows of Resources

Deferred inflows of resources are recorded when assets are acquired that apply to a future reporting period. Property taxes which have been deemed to be measurable but not available or have been levied for use in the subsequent period represent deferred inflows of resources.

Compensated Absences

The liability for compensated absences, (unused vacation time) of the Township at February 28, 2015, of \$ 13,051 is recorded in the Township-wide financial statements.

Fund Equity/Net Position

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for specific purposes. Commitments of fund balance includes amounts that can only be used for purposes determined by formal action of the Board, and assignments of fund balance represent tentative management plans that are subject to change.

Net position represents the difference between assets and liabilities and deferred inflows of resources. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets.

Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Township or through external restrictions imposed by creditors, grantors, laws, or regulation of other governments.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 – CASH AND INVESTMENTS

Cash

The carrying amount of cash was \$2,491,232 at February 28, 2015. All account balances at banks were either insured by the Federal Deposit Insurance Corporation (FDIC) for \$250,000 or collateralized with securities of the U.S. government, local governments or with letters of credit issued by the Federal Home Loan Bank held in the Township's name by financial institutions acting as the Township's agent except for \$37,952 which was not collateralized.

NOTE 2 – CASH AND INVESTMENTS (Continued)

Certificates of Deposit

Certificates of Deposit amounted to \$260,100 at February 28, 2015. In accordance with Township policy, certificates of deposit were collateralized with securities of the U.S. Government in an amount equal to 100% of the funds deposit. All investment collateral is held in safekeeping in the Township's name by financial institutions acting as the Township's agent. Collateral is priced to market semi-monthly and monitored regularly with additional collateral requested as necessary.

Investments

The investments which the Township may purchase are limited by Illinois law to the following; (1) securities which are fully guaranteed by the U.S. Government as to principal and interest; (2) certain U.S. Government Agency securities; (3) certificates of deposit or time deposits of banks and savings and loan associations which are insured by a Federal corporation; (4) short-term discount obligations of the Federal National Mortgage Association; (5) certain short-term obligations of corporations (commercial paper) rated in the highest classifications by at least two of the major rating services; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds; and (8) money market mutual funds and certain other instruments.

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

The Township has \$ 260,100 of investments as of February 28, 2015 invested in certificates of deposit.

Credit Risk. The Township's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments. The Township's investment policy limits investments in short-term obligations of corporations organized in the United States with assets exceeding \$ 500,000,000 if; (i) such obligations are rated at the time of purchase at one of the three highest classifications established by at least two standard rating services and which mature no later than 180 days from the date of purchase; (ii) such purchases do not exceed 10% of the corporation's outstanding obligations; and (iii) no more than one-third of the public agency's funds may be invested in short-term obligations of corporations.

Custodial Credit Risk. For an investment, custodial credit risk 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 possession of an outside party. The Township's investment policy requires that all amounts in excess of any insurance limits be collateralized by securities eligible for Township investment or any other high-quality, interest bearing security rated at least AA/Aa by one or more standard rating service to include Standard & Poor's, Moody's, or Fitch. The market value of the pledge securities shall equal or exceed the portion of the deposit requiring collateralization.

WORTH TOWNSHIP, ILLINOIS

Notes to financial statements
February 28, 2015

NOTE 2 – CASH AND INVESTMENTS (Continued)

Concentration of Credit Risk. The Township places no limit on the amount the Township may invest in any one issuer.

NOTE 3 – CAPITAL ASSETS

Governmental capital assets activity for the year ended February 28, 2015 was as follows:

	Balance			Balance
Governmental Activities	March 1, 2014	Additions	Deletions	February 28, 2015
Capital assets not being depreciated				
Land	\$ 690,991	\$ -	\$ -	\$ 690,991
Construction in process	6,295	-	(6,295)	-
Total capital assets not being depreciated	<u>697,286</u>	-	(6,295)	<u>690,991</u>
Capital assets being depreciated				
Buildings and improvements	5,141,835	285,316	-	5,427,151
Vehicles and equipment	415,199	-	-	415,199
Furniture and fixtures	267,671	-	-	267,671
Computer technology equipment	255,109	-	-	255,109
Infrastructure	3,085,441	-	-	3,085,441
Total capital assets being depreciated	<u>9,165,255</u>	<u>285,316</u>	-	<u>9,450,571</u>
Accumulated depreciation	<u>5,615,232</u>	<u>227,799</u>	-	<u>5,843,031</u>
Total capital assets being depreciated, net	<u>3,550,023</u>	<u>57,517</u>	-	<u>3,607,540</u>
Government activities capital assets, net	<u>\$ 4,247,309</u>	<u>\$ 57,517</u>	<u>\$ (6,295)</u>	<u>\$ 4,298,531</u>

Depreciation expense for the Township's governmental activities was charged to governmental functions as follows:

Administrative	\$ 110,368
General Assistance	3,335
Road and Bridge	<u>114,096</u>
Total	<u>\$ 227,799</u>

WORTH TOWNSHIP, ILLINOIS

Notes to financial statements
February 28, 2015

NOTE 4 – LONG-TERM LIABILITIES

The following is a summary of long-term obligation activity for the Township associated with governmental activities for the year ended February 28, 2015:

	Beginning			Ending	Due
	Balance	Increases	Decreases	Balance	Within
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>One year</u>
Note payable	\$ 800,710	\$ 1,107,771	\$ 876,506	\$1,031,975	88,823
Compensated absences	12,085	13,051	12,085	13,051	13,051
 Total	 <u>\$ 812,795</u>	 <u>\$ 1,120,822</u>	 <u>\$ 888,591</u>	 <u>\$1,045,026</u>	 <u>\$ 101,874</u>

Notes Payable - Private Bank

On May 8, 2014 the Township entered into a note payable with Standard Bank and Trust Company in an amount not to exceed \$1.3 million. The actual drawdowns of the loan totaled \$1,107,771 and were used as follows:

1. \$799,440 was used to payoff an existing note with Private Bank
2. \$271,831 was used to pay for roof repairs and
3. \$36,500 was deposited in the Township bank account to finance other capital improvements.

Monthly interest payments began on June 5, 2014 on the unpaid balance of the loan and monthly principal payments began on October 5, 2014. Interest is at a fixed rate of 3.50% per annum prior to May 5, 2019 at which point the rate will reset to the LIBOR rate plus 4.50% multiplied by 75% on the unpaid principal balance from that date until paid in full. The final due date is May 5, 2024. The Township has available an amortization schedule for the loan through the interest rate reset date as follows:

Year	Principal	Interest	Total
<u> </u>	<u> </u>	<u> </u>	<u> </u>
2016	88,823	32,591	121,414
2017	100,426	32,026	132,452
2018	104,143	28,309	132,452
2019	107,900	24,552	132,452
2020	633,624	5,400	639,024
Total	<u>\$ 1,034,916</u>	<u>\$ 122,878</u>	<u>\$ 1,157,794</u>

WORTH TOWNSHIP, ILLINOIS

Notes to financial statements
February 28, 2015

NOTE 5 – DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund

Plan Description

The Township’s defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases and death benefits to plan members and beneficiaries. The Township’s plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information (RSI). That report may be obtained on-line at www.imrf.org.

Funding Policy

As set by statute, the regular plan members are required to contribute 4.5 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2014 was 10.88 percent. The employer 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 the IMRF Board of Trustees, while supplemental retirement benefits are set by statute.

Annual Pension Cost

For calendar year ending December 31, 2014, the Township's required contribution was \$109,792. The following table shows the components of the Township's annual IMRF cost for the calendar year, the amount actually contributed to the plan, and changes in the Township's net pension obligation:

Annual required contribution	\$	109,792
Interest on NPO		2,012
Adjustment to the ARC		<u>(1,467)</u>
Annual pension cost		110,337
Actual contributions		<u>(109,792)</u>
Increase in the NPO		545
NPO at beginning of year		<u>26,826</u>
NPO at end of year	\$	<u><u>27,371</u></u>

NOTE 5 – DEFINED BENEFIT PENSION PLAN (Continued)

Three year-Trend Information for the Regular Plan

Calender Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2014	\$ 109,792	100%	\$ 27,371
12/31/2013	116,774	94%	26,826
12/31/2012	104,270	100%	19,654

The required contribution for 2014 was determined as part of the December 31, 2012 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2012 included; (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 to 10 percent per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3 percent annually. The actuarial value of the Township's Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20 percent corridor between the actuarial and market value of assets. The Township Regular plan's unfunded actuarial accrued liability at December 31, 2012 is being amortized as a level percentage of projected payroll on an open 29 year open basis.

Funded Status and Funding Progress

As of December 31, 2014, the most recent actuarial valuation date, the Regular plan was 83.90 percent funded. The actuarial accrued liability for benefits was \$ 2,999,625 and the actuarial value of plan assets was \$2,516,725, resulting in an underfunded actuarial accrued liability (UAAL) of \$482,900. The covered payroll for calendar year 2014 (annual payroll of active employees covered by the plan) was \$1,009,115 and the ratio of the UAAL to the covered payroll was 48 percent.

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

NOTE 6 – RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. The Township also purchases its employee health and accident insurance from commercial carriers. The Township did not have any significant reduction in insurance coverage from coverage in the prior year and settlements did not exceed insurance coverage during the past three fiscal years.

NOTE 7 - CONTINGENT LIABILITIES

Federal and State Grant Programs

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

NOTE 8 – NEW ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board (GASB) recently issued the following statements:

GASB Statement No. 68 – *Accounting and Financial Reporting for Pensions* is effective for the Township beginning with its fiscal year ending February 28, 2016. It supersedes Statements No. 27 and No. 50 as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. The statement requires governments providing defined benefit pensions to recognize their long term obligation for pension benefits as a liability for the first time. It also requires more comprehensive and comparable measurements of the annual costs of pension benefits and requires revised and new note disclosures and RSI.

GASB Statement No.71 - *Pension Transition for Contributions Made Subsequent to the Measurement Date- An Amendment of GASB Statement No. 68*. This statement amends paragraph 137 of Statement No. 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. The provisions of this statement are required to be applied simultaneously with the provisions of Statement No. 68.

GASB Statement No.72 – *Fair Value Measurement and Application* is effective for the Township beginning with its fiscal year ending February 28, 2017. This statement addresses accounting and financial reporting issues related to fair value measurements. It provides guidance for determining a fair value measurement for financial reporting purposes and also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

GASB Statement No. 73 – *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68* is effective for the Township beginning with its fiscal year ending February 28, 2018. This statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68 as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement 67 and 68 for pensions plans and pensions that are within their respective scopes.

WORTH TOWNSHIP, ILLINOIS

Notes to financial statements
February 28, 2015

NOTE 8 – NEW ACCOUNTING PRONOUNCEMENTS (Continued)

GASB Statement No. 74 – *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* is effective for the Township beginning with its fiscal year ending February 28, 2018. This statement replaces Statements No. 43 and No. 57. This statement establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB. The scope of this Statement includes OPEB plans administered through trusts that meet certain criteria.

GASB Statement No. 75 – *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* is effective for the Township beginning with its fiscal year ending February 28, 2019. This statement replaces the requirements of Statements No. 45 and No. 57 for OPEB. This statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers.

GASB Statement No. 76 – *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* is effective for the Township beginning with its fiscal year ending February 28, 2016. This statement supersedes Statement No. 55. This statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and non-authoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

Management has not yet completed its evaluation of the impact, if any, the provisions of these GASB statements might have on its financial statements.

REQUIRED SUPPLEMENTARY INFORMATION



WORTH TOWNSHIP, ILLINOIS

WORTH TOWNSHIP, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TOWN FUND
FOR THE YEAR ENDED FEBRUARY 28, 2015

	Town Fund			Variance Over (Under) Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Property taxes	\$ 2,078,575	\$ 2,078,575	\$ 2,233,716	\$ 155,141
Replacement taxes	75,000	75,000	86,869	11,869
Interest income	2,000	2,000	2,082	82
Clinic fees	55,000	55,000	56,728	1,728
Grants	75,000	75,000	54,817	(20,183)
Program income	16,000	16,000	24,565	8,565
Rental income	1,000	1,000	4,617	3,617
Youth commission income	60,000	60,000	71,107	11,107
Youth Services Bureau income	13,000	13,000	13,820	820
Miscellaneous revenue	1,210	1,210	17,638	16,428
Total revenues	<u>2,376,785</u>	<u>2,376,785</u>	<u>2,565,959</u>	<u>189,174</u>
Expenditures				
Current				
Compensation of elected officials	167,000	167,000	157,002	(9,998)
Supervisor's office	86,847	90,492	87,702	(2,790)
Assessor's office	72,790	86,440	81,858	(4,582)
Clerk's office	66,915	66,915	64,340	(2,575)
Finance office	130,475	130,475	123,358	(7,117)
Other administration	1,075,736	1,058,441	878,730	(179,711)
Health and welfare	301,875	301,875	214,626	(87,249)
Senior services	171,433	171,433	153,758	(17,675)
Building and equipment	268,567	268,567	239,994	(28,573)
Youth Services Bureau	156,749	156,749	102,620	(54,129)
Youth commissions	202,822	202,822	121,894	(80,928)
Capital outlay	1,754,036	1,754,036	273,999	(1,480,037)
Debt service				-
Principal on notes payable	121,540	121,540	876,505	754,965
Interest on notes payable	-	-	44,629	44,629
Total expenditures	<u>4,576,785</u>	<u>4,576,785</u>	<u>3,421,015</u>	<u>(1,155,770)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,200,000)</u>	<u>(2,200,000)</u>	<u>(855,056)</u>	<u>1,344,944</u>
Other Financing Sources (Uses)				
Loan proceeds	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,107,770</u>	<u>492,230</u>
Total other financing sources (uses)	1,600,000	1,600,000	1,107,770	492,230
Net change in fund balance	<u>\$ (600,000)</u>	<u>\$ (2,200,000)</u>	<u>252,714</u>	<u>\$ 1,344,944</u>
Fund Balance - Beginning			<u>1,009,766</u>	
Fund Balance - Ending			<u>\$ 1,262,480</u>	

WORTH TOWNSHIP, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 ROAD AND BRIDGE FUND
 FOR THE YEAR ENDED FEBRUARY 28, 2015

	Road and Bridge Fund			Variance Over (Under) Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Property taxes	\$ 510,674	\$ 510,674	\$ 560,768	\$ 50,094
Replacement taxes	50,000	50,000	53,865	3,865
Interest income	2,000	2,000	1,682	(318)
Miscellaneous revenue	5,300	5,300	9,665	4,365
Total revenues	<u>567,974</u>	<u>567,974</u>	<u>625,980</u>	<u>58,006</u>
Expenditures				
Current				
General government	322,025	322,025	202,643	(119,382)
Maintenance	1,030,949	1,030,949	300,697	(730,252)
Capital outlay	95,000	95,000	-	(95,000)
Total expenditures	<u>1,447,974</u>	<u>1,447,974</u>	<u>503,340</u>	<u>(944,634)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(880,000)</u>	<u>(880,000)</u>	<u>122,640</u>	<u>1,002,640</u>
Net change in fund balance	<u>\$ (880,000)</u>	<u>\$ (880,000)</u>	<u>122,640</u>	<u>\$ 1,002,640</u>
Fund Balance - Beginning			<u>963,616</u>	
Fund Balance - Ending			<u>\$ 1,086,256</u>	

WORTH TOWNSHIP, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 GENERAL ASSISTANCE FUND
 FOR THE YEAR ENDED FEBRUARY 28, 2015

	General Assistance Fund			Variance Over (Under) Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Property taxes	\$ 519,880	\$ 519,880	\$ 547,986	\$ 28,106
Replacement taxes	40,000	40,000	49,997	9,997
Donations	17,000	17,000	15,161	(1,839)
Grants	20,000	20,000	28,720	8,720
Interest income	850	850	559	(291)
Miscellaneous revenue	1,000	1,000	1,762	762
Total revenues	<u>598,730</u>	<u>598,730</u>	<u>644,185</u>	<u>45,455</u>
Expenditures				
Current				
General government	368,555	378,555	353,598	(24,957)
Health and welfare	585,300	585,300	340,725	(244,575)
Capital outlay	10,500	500	-	(500)
Total expenditures	<u>964,355</u>	<u>964,355</u>	<u>694,323</u>	<u>(270,032)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(365,625)</u>	<u>(365,625)</u>	<u>(50,138)</u>	<u>315,487</u>
Net change in fund balance	<u>\$ (365,625)</u>	<u>\$ (365,625)</u>	<u>(50,138)</u>	<u>\$ 315,487</u>
Fund Balance - Beginning			<u>437,011</u>	
Fund Balance - Ending			<u>\$ 386,873</u>	

WORTH TOWNSHIP, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER'S CONTRIBUTIONS AND SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND
FEBRUARY 28, 2015

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a/c)]
12/31/2014	\$ 2,516,725	\$ 2,999,625	\$ 482,900	83.90%	\$ 1,009,115	47.85%
12/31/2013	2,910,806	3,145,459	234,653	92.54%	950,929	24.68%
12/31/2012	3,100,157	3,518,724	418,567	88.10%	987,404	42.39%

On a market value basis, the actuarial value of assets as of December 31, 2014 is \$ 3,107,784. On a market basis, the funded ratio would be 103.61%

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with Worth Township Cook County. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

Schedule of Employer Contributions

Calendar Year Ended	Annual Required Contribution	Percentage Contributed
12/31/2014	\$ 109,792	100%
12/31/2013	116,774	94%
12/31/2012	104,270	100%

NOTE - BUDGET AND BUDGETARY ACCOUNTING

Budgetary Information

The procedures used in establishing the budgetary data reflected in the financial statements is as follows:

1. The Township Supervisor submits to the Town Board a proposed operating budget for the fiscal year commencing on March 1st. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comment.
3. The budget is legally enacted through Board action.
4. Transfers of up to 10% of the total budget may be made between the various items within any fund. The budget may be amended by Board action by the same procedure provided for in the original adoption of the budget.
5. Formal budgetary integration is employed as a management control device during the year for the governmental funds. The Township budgets and records activity on the modified accrual basis of accounting. The original budget was amended for the fiscal year.

The legal level of budgetary control has been established at the fund level. During the current year, budgets were adopted for the General Town, Road and Bridge and General Assistance Funds. No encumbrances are used.

The Township prepares its annual budget on the modified accrual basis of accounting, which is consistent with the Township's budgeting and financial reporting policies.

Excess of Expenditures over Budget

Actual expenditures were less than budgeted amounts for all funds for the year ended February 28, 2015.

INDIVIDUAL FUND FINANCIAL SCHEDULES



WORTH TOWNSHIP, ILLINOIS

WORTH TOWNSHIP, ILLINOIS
GENERAL TOWN FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED FEBRUARY 28, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under) Final Budget</u>
Revenues				
Property taxes	\$ 2,078,575	\$ 2,078,575	\$ 2,233,716	\$ 155,141
Replacement taxes	75,000	75,000	86,869	11,869
Interest income	2,000	2,000	2,082	82
Clinic fees	55,000	55,000	56,728	1,728
Grants	75,000	75,000	54,817	(20,183)
Program income	16,000	16,000	24,565	8,565
Rental income	1,000	1,000	4,617	3,617
Youth commission income	60,000	60,000	71,107	11,107
Youth Services Bureau income	13,000	13,000	13,820	820
Miscellaneous revenue	1,210	1,210	17,638	16,428
Total revenues	<u>2,376,785</u>	<u>2,376,785</u>	<u>2,565,959</u>	<u>189,174</u>
Expenditures				
General government				
Compensation of elected officials				
Salary - supervisor	36,000	36,000	36,000	-
Salary - clerk	30,000	30,000	30,000	-
Salary - assessor	30,000	30,000	30,000	-
Salary - highway commissioner	31,000	31,000	31,000	-
Salary - board of trustees	40,000	40,000	30,002	(9,998)
Total compensation of elected officials	<u>167,000</u>	<u>167,000</u>	<u>157,002</u>	<u>(9,998)</u>
Supervisor's office				
Salaries - personnel	82,382	86,027	86,025	(2)
Dues and subscriptions	600	600	553	(47)
Equipment purchases	225	160	8	(152)
Office supplies	1,000	1,065	1,065	-
Training and seminars	1,000	1,000	-	(1,000)
Printing services	100	100	51	(49)
Equipment maintenance	1,540	1,540	-	(1,540)
Total supervisor's office	<u>86,847</u>	<u>90,492</u>	<u>87,702</u>	<u>(2,790)</u>
Assessor's office				
Salaries - personnel	65,850	79,500	79,499	(1)
Dues and subscriptions	600	600	575	(25)
Office supplies	1,900	1,380	417	(963)
Postage and notices	500	500	-	(500)
Capital outlay - equipment	300	300	-	(300)
Printing	500	500	102	(398)
Training	1,000	1,000	-	(1,000)
Equipment maintenance	1,540	1,540	145	(1,395)
Contractual services	600	1,120	1,120	-
Total assessor's office	<u>72,790</u>	<u>86,440</u>	<u>81,858</u>	<u>(4,582)</u>

WORTH TOWNSHIP, ILLINOIS
GENERAL TOWN FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED FEBRUARY 28, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under) Final Budget</u>
Expenditures (continued)				
General government (continued)				
Clerk's office				
Salaries - personnel	63,125	63,125	63,124	(1)
Dues and subscriptions	500	500	398	(102)
Office equipment purchases	500	500	-	(500)
Office supplies	600	600	486	(114)
Placards	350	350	256	(94)
Printing	200	200	76	(124)
Training	100	100	-	(100)
Equipment maintenance	1,540	1,540	-	(1,540)
Total clerk's office	<u>66,915</u>	<u>66,915</u>	<u>64,340</u>	<u>(2,575)</u>
Finance office				
Salaries - personnel	100,975	100,975	96,379	(4,596)
Training and seminars	700	700	-	(700)
Equipment maintenance	250	250	-	(250)
Bank charges	-	2,945	2,942	(3)
Fund administration	1,500	400	380	(20)
Capital outlay - equipment	500	500	-	(500)
Human resources investigations	400	400	304	(96)
Printing	300	300	214	(86)
Data and payroll processing	25,000	23,155	22,895	(260)
Dues and subscriptions	100	100	-	(100)
Office supplies and equipment	750	750	244	(506)
Total finance office	<u>130,475</u>	<u>130,475</u>	<u>123,358</u>	<u>(7,117)</u>
Other administration				
Salaries - general office personnel	120,700	107,050	70,224	(36,826)
Personnel contingency	14,011	10,366	-	(10,366)
Social security and Medicare	75,000	75,000	65,776	(9,224)
IMRF	80,000	80,000	68,147	(11,853)
Employee insurance benefits	460,000	457,175	432,715	(24,460)
Unemployment insurance	2,200	2,200	1,902	(298)
Worker's compensation insurance	9,500	10,935	10,931	(4)
Insurance - fire, liability, and vehicle	40,000	41,375	41,372	(3)
Telephone	15,000	15,000	14,528	(472)
Utilities	50,000	46,985	44,676	(2,309)
Travel and convention	8,500	8,500	3,706	(4,794)
Legal fees	30,000	30,000	25,204	(4,796)
Postage	20,000	20,050	20,046	(4)
Legal publishing	2,200	2,150	-	(2,150)
Township municipal relations	15,215	15,215	4,548	(10,667)
Elected officials - reimbursement expenses	8,000	8,000	-	(8,000)
Fair housing review board	250	250	-	(250)
Disaster plan	500	500	-	(500)
Election expense	100	100	-	(100)
Newsletter	12,000	10,605	-	(10,605)

WORTH TOWNSHIP, ILLINOIS
GENERAL TOWN FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED FEBRUARY 28, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under) Final Budget</u>
Expenditures (continued)				
General government (continued)				
Other administration (continued)				
Non funded mandates	500	470	-	(470)
Computer training	18,200	10,765	10,002	(763)
Management information systems	1,200	2,595	2,592	(3)
Dues and subscriptions	4,000	4,000	3,903	(97)
Administration printing	250	250	-	(250)
Copier supplies/rental	12,000	15,015	15,013	(2)
Continuing education	100	100	-	(100)
Staff meeting expenses	2,000	2,000	-	(2,000)
Safety review committee	3,500	3,500	2,441	(1,059)
Peer jury	3,000	3,000	1,118	(1,882)
Grant expenses	55,010	55,010	30,052	(24,958)
Insurance notary expenses	500	515	511	(4)
Insurance bonding officials	10,000	10,000	60	(9,940)
Supplies general office	1,300	8,735	8,733	(2)
Township promotions	500	500	-	(500)
Contingency	500	530	530	-
Total other administration	<u>1,075,736</u>	<u>1,058,441</u>	<u>878,730</u>	<u>(179,711)</u>
Total general government	<u>1,599,763</u>	<u>1,599,763</u>	<u>1,392,990</u>	<u>(206,773)</u>
Debt service				
Principal on notes payable	121,540	121,540	876,505	754,965
Interest on notes payable	-	-	44,629	44,629
Total debt service	<u>121,540</u>	<u>121,540</u>	<u>921,134</u>	<u>799,594</u>
Health services				
Doctor, dentist & podiatrist's compensation	142,000	142,000	102,849	(39,151)
Nurses' compensation	90,000	90,000	66,425	(23,575)
Medical supplies	4,000	3,920	3,580	(340)
Dental supplies	2,000	2,000	826	(1,174)
Podiatry supplies	1,800	1,800	358	(1,442)
Podiatry equipment	1,000	1,000	-	(1,000)
Receptionist salary	45,225	45,225	36,222	(9,003)
Flu shot and other vaccines	4,000	4,000	638	(3,362)
Office supplies and printing	2,500	2,500	580	(1,920)
Medical waste disposal	750	830	828	(2)
Uniform/lab costs	1,500	1,500	207	(1,293)
Medical seminars	1,000	1,000	79	(921)
Clinic/outer office/CPT	1,000	1,000	-	(1,000)
Medical equipment	1,500	1,500	1,295	(205)
Dental equipment	1,000	1,000	22	(978)
Reference books and subscriptions	600	600	510	(90)
Clinic equipment maintenance	2,000	2,000	207	(1,793)
Total health services	<u>301,875</u>	<u>301,875</u>	<u>214,626</u>	<u>(87,249)</u>

WORTH TOWNSHIP, ILLINOIS
GENERAL TOWN FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED FEBRUARY 28, 2015

Expenditures (continued)	Original Budget	Final Budget	Actual	Variance Over (Under) Final Budget
Senior services				
Senior citizen bus driver salary	76,825	76,825	65,913	(10,912)
Senior room staff	22,000	22,000	17,821	(4,179)
Transportation coordinator salary	26,208	26,208	26,208	-
License and registration	200	200	120	(80)
Human resource expense	100	-	-	-
Senior service programs	10,000	10,480	10,479	(1)
Senior citizens organization grant	3,100	3,100	3,100	-
Dues and subscriptions	200	200	38	(162)
Capital outlay - senior center	100	100	-	(100)
Bus Maintenance, fuel and repairs	30,000	30,000	28,505	(1,495)
Office supplies	1,200	720	477	(243)
Testing drug and alcohol	1,000	1,100	1,097	(3)
Uniforms	500	500	-	(500)
Total senior services	<u>171,433</u>	<u>171,433</u>	<u>153,758</u>	<u>(17,675)</u>
Building, equipment and vehicle maintenance				
Building maintenance - personnel	95,070	95,760	95,760	-
Building repairs/maintenance (inside)	25,000	24,310	19,923	(4,387)
Building repairs/maintenance (outside)	31,000	44,760	44,760	-
Building supplies and maintenance	13,500	15,280	15,279	(1)
Building security	3,400	3,400	3,358	(42)
Equipment maintenance	1,050	1,050	-	(1,050)
Tennis/hockey maintenance	50	50	-	(50)
Emergency services and other maintenance	37,000	37,000	30,552	(6,448)
Building contingency	55,997	39,587	23,340	(16,247)
Vehicle maintenance	2,500	2,500	2,155	(345)
Refuse disposal	4,000	4,870	4,867	(3)
Total building, equipment and vehicle maintenance	<u>268,567</u>	<u>268,567</u>	<u>239,994</u>	<u>(28,573)</u>
Capital outlay				
Equipment technological and office	20,000	20,000	969	(19,031)
Building improvements	134,036	134,036	-	(134,036)
Building repairs to roof & related leak expenses	1,600,000	1,600,000	273,030	(1,326,970)
Total capital outlay	<u>1,754,036</u>	<u>1,754,036</u>	<u>273,999</u>	<u>(1,480,037)</u>

WORTH TOWNSHIP, ILLINOIS
GENERAL TOWN FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED FEBRUARY 28, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under) Final Budget</u>
Expenditures (continued)				
Culture and recreation				
Youth Services Bureau				
Staff salaries	135,849	135,849	93,759	(42,090)
Secretary's salary	9,000	9,000	490	(8,510)
Telephone	1,000	1,000	-	(1,000)
Office supplies	1,200	1,240	1,239	(1)
Reference books and subscriptions	100	60	37	(23)
Testing fees and materials	5,500	5,500	3,721	(1,779)
Program expenses	1,600	1,930	1,896	(34)
Insurance	1,300	1,300	908	(392)
Training and seminars	1,200	870	570	(300)
Total Youth Services Bureau	<u>156,749</u>	<u>156,749</u>	<u>102,620</u>	<u>(54,129)</u>
Youth services commission				
Office employee salaries	55,125	55,125	40,135	(14,990)
Recreational staff salaries	82,357	82,357	52,726	(29,631)
Personnel contingency	10	10	-	(10)
Equipment purchases	1,510	1,510	-	(1,510)
Equipment maintenance	2,000	2,000	-	(2,000)
Recreational expenses	57,800	57,800	27,555	(30,245)
Office supplies	1,200	1,200	822	(378)
Dues and subscriptions	270	270	-	(270)
Step program	1,300	1,300	-	(1,300)
Training and seminars	1,000	1,000	656	(344)
Uniforms	250	250	-	(250)
Total youth services commission	<u>202,822</u>	<u>202,822</u>	<u>121,894</u>	<u>(80,928)</u>
Total culture and recreation	<u>359,571</u>	<u>359,571</u>	<u>224,514</u>	<u>(135,057)</u>
Total expenditures	<u>4,576,785</u>	<u>4,576,785</u>	<u>3,421,015</u>	<u>(1,155,770)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(2,200,000)</u>	<u>(2,200,000)</u>	<u>(855,056)</u>	<u>1,344,944</u>
Other Financing Sources (Uses)				
Loan proceeds	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,107,770</u>	<u>(492,230)</u>
Total other financing sources (uses)	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,107,770</u>	<u>(492,230)</u>
Change in fund balance	<u>\$ (600,000)</u>	<u>\$ (600,000)</u>	<u>252,714</u>	<u>\$ 852,714</u>
Fund Balance - Beginning			<u>1,009,766</u>	
Fund Balance - Ending			<u>\$ 1,262,480</u>	

WORTH TOWNSHIP, ILLINOIS

ROAD AND BRIDGE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

YEAR ENDED FEBRUARY 28, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under) Final Budget</u>
Revenues				
Property taxes	\$ 510,674	\$ 510,674	\$ 560,768	\$ 50,094
Replacement taxes	50,000	50,000	53,865	3,865
Interest income	2,000	2,000	1,682	(318)
Miscellaneous revenue	5,300	5,300	9,665	4,365
Total revenues	<u>567,974</u>	<u>567,974</u>	<u>625,980</u>	<u>58,006</u>
Expenditures				
General government				
Salaries	31,000	31,000	31,000	-
IMRF	28,000	28,000	19,161	(8,839)
Social security and Medicare	20,000	20,000	15,035	(4,965)
Unemployment insurance	2,000	2,170	2,168	(2)
Employee health insurance	110,000	110,000	63,836	(46,164)
Uniform purchases	2,500	2,500	-	(2,500)
Worker's compensation insurance	20,000	19,830	18,759	(1,071)
General insurance	50,000	50,000	27,613	(22,387)
Fund administration	750	415	-	(415)
Bank service charges	500	835	832	(3)
Contingencies	9,250	9,250	383	(8,867)
Medical supplies	300	300	96	(204)
Drug and alcohol testing	2,000	2,000	-	(2,000)
Telephone	5,000	5,000	2,315	(2,685)
Printing	2,000	2,000	-	(2,000)
Postage	3,500	3,500	2,241	(1,259)
Audit	6,000	6,000	4,950	(1,050)
Data and payroll processing	8,000	8,000	6,948	(1,052)
Utilities	7,500	7,500	5,136	(2,364)
Office supplies	1,725	1,725	803	(922)
Publishing	2,000	2,000	69	(1,931)
Newsletter	3,000	3,000	-	(3,000)
Public relations	2,000	2,000	-	(2,000)
Legal Fees	5,000	5,000	1,298	(3,702)
Total general government	<u>322,025</u>	<u>322,025</u>	<u>202,643</u>	<u>(119,382)</u>
Capital outlay				
Equipment	45,000	45,000	-	(45,000)
Vehicle	50,000	50,000	-	(50,000)
Total capital outlay	<u>95,000</u>	<u>95,000</u>	<u>-</u>	<u>(95,000)</u>

WORTH TOWNSHIP, ILLINOIS
ROAD AND BRIDGE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED FEBRUARY 28, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under) Final Budget</u>
Expenditures (continued)				
Maintenance				
Salaries - maintenance of roads	198,000	198,000	169,614	(28,386)
Maintenance service building/grounds	12,500	12,500	4,959	(7,541)
Maintenance service equipment/machinery	25,000	25,000	7,217	(17,783)
Disaster plan project	2,500	2,500	-	(2,500)
Refuse	12,000	12,000	11,715	(285)
Maintenance service vehicles	40,000	40,000	9,406	(30,594)
Engineering service	35,000	35,000	-	(35,000)
Utilities street lighting	15,000	15,000	11,033	(3,967)
Special projects - general	597,949	597,949	42,893	(555,056)
Maintenance supplies road salt	73,000	73,000	33,223	(39,777)
Automotive fuel/oil	20,000	20,000	10,637	(9,363)
Total maintenance	<u>1,030,949</u>	<u>1,030,949</u>	<u>300,697</u>	<u>(730,252)</u>
Total expenditures	<u>1,447,974</u>	<u>1,447,974</u>	<u>503,340</u>	<u>(944,634)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(880,000)</u>	<u>(880,000)</u>	<u>122,640</u>	<u>1,002,640</u>
Change in fund balance	<u>\$ (880,000)</u>	<u>\$ (880,000)</u>	<u>122,640</u>	<u>\$ 1,002,640</u>
Fund Balance - Beginning			<u>963,616</u>	
Fund Balance - Ending			<u>\$ 1,086,256</u>	

WORTH TOWNSHIP, ILLINOIS
GENERAL ASSISTANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED FEBRUARY 28, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under) Final Budget</u>
Revenues				
Property taxes	\$ 519,880	\$ 519,880	\$ 547,986	\$ 28,106
Replacement taxes	40,000	40,000	49,997	9,997
Donations	17,000	17,000	15,161	(1,839)
Grants	20,000	20,000	28,720	8,720
Interest income	850	850	559	(291)
Miscellaneous revenue	1,000	1,000	1,762	762
Total revenues	<u>598,730</u>	<u>598,730</u>	<u>644,185</u>	<u>45,455</u>
Expenditures				
General government				
Salaries - case workers	146,500	146,525	146,521	(4)
Salaries - supervisor	6,000	6,000	5,998	(2)
Building security	22,300	27,280	27,278	(2)
Equipment maintenance and repairs	1,000	1,000	370	(630)
Public aid hearings	250	10	-	(10)
IMRF	17,000	18,025	18,024	(1)
Employee benefits	60,000	71,125	71,122	(3)
General insurance	10,000	10,000	6,022	(3,978)
Social security and Medicare	16,500	15,475	13,241	(2,234)
Unemployment insurance	1,500	1,900	1,900	-
Worker's compensation insurance	5,000	5,000	4,865	(135)
Telephone	11,000	11,000	6,543	(4,457)
Printing	250	1,700	1,696	(4)
Audit	9,000	9,000	8,950	(50)
Data and payroll processing	11,000	9,550	9,303	(247)
Management of information	450	50	-	(50)
Publishing legal notices	600	600	-	(600)
Office supplies	2,000	2,000	783	(1,217)
Travel expense	500	625	624	(1)
Legal fees	3,565	3,805	-	(3,805)
Training and conventions	1,000	875	30	(845)
Non funded mandates	10	10	-	(10)
Office and building repairs	500	100	-	(100)
Newsletter	7,500	3,805	3,803	(2)
Fund administration	700	675	523	(152)
Records storage	10	10	-	(10)
Computer training	1,200	75	-	(75)
Investigations	31,500	30,215	23,884	(6,331)
Contingency	1,720	2,120	2,118	(2)
Total general government	<u>368,555</u>	<u>378,555</u>	<u>353,598</u>	<u>(24,957)</u>

WORTH TOWNSHIP, ILLINOIS
GENERAL ASSISTANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED FEBRUARY 28, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under) Final Budget</u>
Expenditures (continued)				
Health and welfare				
Home relief	505,000	505,000	324,235	(180,765)
Funeral and burial assistance	1,500	1,500	-	(1,500)
Transient assistance	3,000	3,000	-	(3,000)
Senior assistance	100	100	-	(100)
Family assistance	100	100	-	(100)
Home care and other assistance	10,000	10,000	-	(10,000)
Emergency financial assistance	100	100	-	(100)
Cook County disaster plan	20,000	20,000	-	(20,000)
Food pantry	35,000	35,000	16,490	(18,510)
Home relief contingency	500	500	-	(500)
Other medical	10,000	10,000	-	(10,000)
Total health and welfare	<u>585,300</u>	<u>585,300</u>	<u>340,725</u>	<u>(244,575)</u>
Capital outlay				
Building improvement	5,000	-	-	-
Equipment	5,500	500	-	(500)
Total capital outlay	<u>10,500</u>	<u>500</u>	<u>-</u>	<u>(500)</u>
Total expenditures	<u>964,355</u>	<u>964,355</u>	<u>694,323</u>	<u>(270,032)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(365,625)</u>	<u>(365,625)</u>	<u>(50,138)</u>	<u>315,487</u>
Change in fund balance	<u>\$ (365,625)</u>	<u>\$ (365,625)</u>	<u>(50,138)</u>	<u>\$ 315,487</u>
Fund Balance - Beginning			<u>437,011</u>	
Fund Balance - Ending			<u>\$ 386,873</u>	

STATISTICAL INFORMATION



WORTH TOWNSHIP, ILLINOIS

Worth Township, Illinois
Statistical Comparison of Property Taxes Levied and Collected
For the Last Five Years Available
(Unaudited)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Equalized Assessed Valuations- Worth Township	<u>\$ 2,847,308,162</u>	<u>\$ 3,011,460,178</u>	<u>\$ 3,193,500,985</u>	<u>\$ 3,497,290,047</u>	<u>\$ 4,177,811,774</u>
Tax Rates					
Town Fund	0.0754	0.0725	0.0672	0.0596	0.0500
Special Service Area #1	0.0000	0.0000	0.0000	0.0000	2.0050
General Assisance Fund	0.0191	0.0178	0.0165	0.0150	0.0130
Road and Bridge Fund	<u>0.0185</u>	<u>0.0175</u>	<u>0.0165</u>	<u>0.0150</u>	<u>0.0125</u>
	<u>0.1130</u>	<u>0.1078</u>	<u>0.1002</u>	<u>0.0896</u>	<u>2.0805</u>
Tax Extentions					
Town Fund	\$ 2,145,943	\$ 2,182,504	\$ 2,171,581	\$ 2,083,515	\$ 2,052,656
Special Service Area #1	-	-	-	-	151,226
General Assisance Fund	543,510	535,476	542,895	511,189	503,582
Road and Bridge Fund	<u>525,994</u>	<u>525,994</u>	<u>526,928</u>	<u>510,674</u>	<u>503,121</u>
	<u>\$ 3,215,447</u>	<u>\$ 3,243,974</u>	<u>\$ 3,241,404</u>	<u>\$ 3,105,378</u>	<u>\$ 3,210,585</u>
Collections	\$ 564,441	\$ 2,731,233	\$ 40,498		
Percentage of Extensions					
Collected durring the fical year	<u>17.55%</u>	<u>84.19%</u>	<u>1.25%</u>		

(1) Worth Twonship's Road and Bridge portion of the shared funds - full tax rates and extentions were as follows:

<u>Tax Year</u>	<u>Rate</u>	<u>Extention</u>
2014	0.0369	\$ 1,051,988
2013	0.0349	1,051,988
2012	0.0330	1,053,855
2011	0.0300	1,020,348
2010	0.0250	1,006,242