



**ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED MARCH 31, 2021**

**Lemont Township  
Annual Financial Report  
For the Year Ended March 31, 2021**

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Annual Financial Report  
For the Year Ended March 31, 2021**

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## **INDEPENDENT AUDITOR'S REPORT**

# Selden Fox

Accounting for your future

619 Enterprise Drive | Oak Brook, Illinois 60523 | [www.seldenfox.com](http://www.seldenfox.com)  
p 630.954.1400 | f 630.954.1327 | [email@seldenfox.com](mailto:email@seldenfox.com)

## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Lemont Township  
Lemont, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of **Lemont Township** as of and for the year ended March 31, 2021, and the statements of revenues, expenditures and changes in fund balance – budget and actual for the General Town Fund and the Road and Bridge (Major Special Revenue) Fund and the related notes to the financial statements, which collectively comprise the 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, each major fund, and the aggregate remaining fund information of Lemont Township, as of March 31, 2021, and the respective changes in financial position and the respective budgetary comparison for the General Town Fund and the Road and Bridge (Major Special Revenue) Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (pages 3-10), the multiyear schedule of changes in net pension liability and related ratios (pages 44-45), and the multiyear schedule of contributions (page 46) 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 Lemont Township's basic financial statements. The accompanying supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The accompanying supplementary information as listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 accompanying supplementary information as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Selden Fox, Ltd.*

December 2, 2021

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

**Lemont Township  
Management's Discussion and Analysis  
March 31, 2021**

The Lemont Township provides the following narrative overview and analysis of the Township's financial operations and financial statements for the fiscal year ended March 31, 2021. The following discussion is presented to enable the readers to more fully understand the accompanying audited financial statements. Information in this Management's Discussion and Analysis is shown with comparative totals from the prior year.

**Financial Highlights**

- The Township's total assets exceeded total liabilities by \$18,080,950 (\$18,037,310 at March 31, 2020). Of the Township's net position at the end of the current and prior year, \$3,913,103 and \$3,520,731, respectively, were available to fund future operations. Of this amount, \$1,302,190 (\$726,647 at March 31, 2020) is restricted for special revenue fund purposes, and \$2,610,913 (\$2,794,084 at March 31, 2020) is unrestricted.
- The Township has recognized a net pension asset of \$127,289 (net pension liability of \$27,429 at March 31, 2020) in the statement of net position.
- At the close of the current fiscal year, the Township had total capital or infrastructure assets net of depreciation of \$14,210,371 (\$14,516,579 at March 31, 2020).
- The governmental funds reported combined ending fund balance of \$2,933,953, an increase of \$246,694 or 9.2% from the prior year. Of this amount, \$1,767,219 is unassigned and available for spending at the Township's discretion.

**Overview of the Financial Statements**

The discussion and analysis provided here are intended to serve as an introduction to the Lemont Township's basic financial statements. The financial statements have three major components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

The major components of the financial statements are the overall statement of net position and the overall statement of activities. The statement of net position shows the amount that total Township assets exceed total liabilities, which may be considered the current value of net worth for the Township. The statement of activities reflects the overall operations of the Township for the past year excluding revenues from taxes, interest and miscellaneous items. This demonstrates how effectively the Township operates on a business-level model. In simple terms, it shows how the Township would fare as a business, without the support of auxiliary revenues.

Additional required supplementary information includes the schedule of changes in the net pension liability and related ratios, and contributions for the Illinois Municipal Retirement Fund, the Township's state retirement pension fund. Supplementary information includes a combining balance sheet and combining statements for revenues, expenditures and changes in fund balance for nonmajor funds, schedule of revenues, expenditures and changes in fund balance – budget and actual for all of the Township's nonmajor Special Revenue Funds and other financial schedules. These other financial schedules provide additional information on the Township's Debt Service and Capital Projects Funds and long-term debt requirements.



## **Overview of the Financial Statements (cont'd)**

The two main components to the government-wide financial statements are: (1) the statement of net position, and (2) the statement of activities. As discussed before, these are the two major statements that are analyzed in terms of obtaining a broad overview of the finances, value and annual operations of the Township.

The statement of net position is a snapshot as of the end of the fiscal year, illustrating the overall value of the Township. The total net position should be a positive number and can be equated to the Township's total net worth. Over time, increases or decreases in the net position of the Township may serve as a useful indicator of whether the financial position of the Township is improving or deteriorating.

The statement of activities presents information showing how the Township's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes earned and earned but unused vacation leave).

Both of the government-wide financial statements may be divided into two components: governmental activities, which are operations of the Township primarily supported by tax revenues, and business-type activities, which are those operations intended to be self-supportive, which have no direct attachment to providing Township services other than their own business. All of the Township's operations are considered to be governmental activities.

The government-wide financial statements can be found on pages 11-13.

The fund financial statements provide reporting for the Township's operations at a fund level. A fund is a group of related accounts established for a specific purpose to maintain the control of resources for that purpose. The Township utilizes fund accounting that reports operations categorized by each of their purposes. There are three types of funds: governmental, proprietary and fiduciary. All of the Township's funds are considered to be governmental.

The focus of governmental fund financial statements is narrower than that of the Township-wide financial statements. The fund financial statements provide a more detailed look at the different operating components that comprise the government-wide financial statements. The focus at the fund level is more on current operations and short-term results, whereas the government-wide reporting allows for a greater understanding of the long-term sustainability of the Township. It is useful to compare the two types of statements for the balance sheet and the statement of revenues, expenditures and changes in fund balance to see how current operations reflect upon the long-range value of the Township. Reconciliations between the two types of statements are provided.

The Township maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Town Fund, the Road and Bridge Fund, and the Debt Service Fund, which are considered to be major funds. Data from the other three funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual funds statements and schedules section of this report. Budgetary comparison statements for the General Town and Road and Bridge Funds are included in the basic financial statements. The basic governmental fund financial statements can be found on pages 14-24.

## Overview of the Financial Statements (cont'd)

Notes to the financial statements provide additional information that is needed to gain a full understanding of the Township's financial operations and its reporting. The required supplementary information provides greater detail on the Township's financial operations for all of its major governmental funds, as well as the schedule of funding progress for IMRF. The additional financial schedules provide information valuable in understanding nonmajor funds.

## Financial Analysis

### Condensed Statement of Net Position

	March 31,	
	2021	2020
<b>Assets:</b>		
Current and other assets	\$ 4,144,476	\$ 3,810,274
Capital assets, less accumulated depreciation	14,210,371	14,516,579
<b>Total assets</b>	<b>18,354,847</b>	18,326,853
<b>Deferred outflows:</b>		
Pension-related	29,525	38,813
<b>Total assets and deferred outflows</b>	<b>18,384,372</b>	18,365,666
<b>Liabilities:</b>		
Other liabilities	26,527	96,893
Noncurrent liabilities:		
Due within one year	19,147	-
Due in more than one year	23,377	27,429
<b>Total liabilities</b>	<b>69,051</b>	124,322
<b>Deferred inflows:</b>		
Pension-related	234,371	204,034
<b>Total liabilities and deferred inflows</b>	<b>303,422</b>	328,356
<b>Net position:</b>		
Net investment in capital assets	14,167,847	14,516,579
Restricted	1,302,190	726,647
Unrestricted	2,610,913	2,794,084
<b>Total net position</b>	<b>\$ 18,080,950</b>	\$ 18,037,310

## Financial Analysis (cont'd)

The largest component of the assets is capital assets, which are all of the infrastructure or fixed assets for the Township. These include land, infrastructure, buildings, and equipment. These items are now depreciated over their useful lives.

The government-wide assets of the Township total \$18,354,847 (\$18,326,853 at March 31, 2020). The largest portion of the Township's assets reflects its investment in capital assets of \$14,210,371 (\$14,516,579 at March 31, 2020). The total value of land, buildings, infrastructure improvements, equipment and vehicles is reported net of the total accumulated depreciation on these items. The remaining portion of assets includes current assets (\$4,017,187 and \$3,810,274 at March 31, 2021, and 2020, respectively) and a net pension asset at March 31, 2021, of \$127,289.

The Township's receivables of \$1,215,656 and \$1,070,410 at March 31, 2021 and 2020, include the property tax receivables for the previous calendar year that will be collected in the upcoming fiscal year. The full 2020 levy has been recognized as revenue in the statement of activities, as it becomes revenue when levied under the full accrual basis of accounting in the government-wide financial statements. The small increase is attributable to the increase in the 2020 levy over the 2019 levy, and the timing of collections of property taxes from year to year. This treatment results in a reconciling item between the government-wide financial statements and the fund financial statements, which continues to recognize property tax revenue only if it is received within sixty days of year end. The Township had total cash and investments on hand at the end of the year of \$2,801,531 (\$2,739,864 at March 31, 2020).

The Township's liabilities consist of both current (accounts payable), noncurrent (capital lease obligation payable), and, for the year ended March 31, 2020, a noncurrent liability for the net pension liability recognized in accordance with GASB Statement No. 68 of \$27,429.

Net position totals \$18,080,950, of which \$14,167,847 represents the net amount of the capital assets less outstanding debt used to acquire them (\$18,037,310 and \$14,516,579, respectively, at March 31, 2020). The remaining amount represents the amount of funds the Township would have if all revenues were collected, and all other obligations of the Township were satisfied. As mentioned earlier, this amount is partially restricted for special revenue items, with the remainder unrestricted. The Township is able to report positive balances in all net position categories at March 31, 2021, and 2020.

## Financial Analysis (cont'd)

### Condensed Statement of Activities

	For the Year Ended March 31,	
	2021	2020
<b>Program revenues:</b>		
Charges for services	\$ 72,383	\$ 139,639
Grants and contributions	5,461	15,638
<b>General revenues:</b>		
Taxes	2,093,392	2,040,758
Unrestricted investment earnings	4,204	12,001
Miscellaneous/other	41,755	32,377
<b>Total revenues</b>	<b>2,217,195</b>	<b>2,240,413</b>
<b>Expenses:</b>		
General government	725,158	894,212
Highways and streets	1,424,183	1,649,147
Health and welfare	22,429	19,645
Interest on long-term debt	1,785	-
<b>Total expenses</b>	<b>2,173,555</b>	<b>2,563,004</b>
<b>Changes in net position</b>	<b>43,640</b>	<b>(322,591)</b>
Net position, beginning of the year	18,037,310	18,359,901
<b>Net position, end of the year</b>	<b>\$ 18,080,950</b>	<b>\$ 18,037,310</b>

The government-wide operations are reflected in the statement of activities that reports the overall expenses and revenues for the Township. The major components of the Township's revenues (prior year amounts in parentheses) are the general revenues of \$2,139,351 (\$2,085,139), which consist primarily of property tax revenue of \$2,052,693 (\$1,993,922). With the additional charges for services of \$72,383 (\$139,639) and grants and contributions of \$5,461 (\$15,638), the total government-wide revenues were \$2,217,195 (\$2,240,413).

Governmental activities (prior year amounts in parentheses) of the Township had \$2,173,555 (\$2,563,004) in expenses, as detailed above. Within highways and street services expense is depreciation expense of \$375,386 (\$379,635).

The Township's total revenues exceeded expenses by \$43,640 (revenues fell short of expenses by \$322,591 for the year ended March 31, 2020). The expenses include depreciation but not capital asset additions.

The financial analysis of the operations by fund, including a comparison of actual to budget operations, allows for a greater understanding of the overall Township operations. The Township adheres to fund accounting to ensure and comply with all finance related legal requirements for townships. The three major operational funds of the Township, which represent 95.1% of the total revenues, are the General Town, Road and Bridge and Debt Service Funds. The fund financial statements exclude depreciation expense, which is also not a budgeted item.

## **Financial Analysis (cont'd)**

**General Town Fund** – The General Town Fund’s revenues were budgeted at \$1,007,603, and the Fund’s actual revenues fell short of budgeted expectations by \$9,479. Actual 2020 revenues of \$998,124 were a decrease of \$103,955 from 2020 revenues. The General Town Fund’s expenditures were \$183,598 less than the budget of \$949,615 as management strived to reduce expenses where possible. The biggest savings versus budget were within the Human Services Department.

**Capital Assets** – The Township’s investment in capital assets, net of accumulated depreciation, as of March 31, 2021, amounts to \$14,210,371 (\$14,516,579 as of March 31, 2020). This investment in capital assets includes land, infrastructure, buildings, and equipment. The Township’s net capital assets decreased by \$306,208, as depreciation exceeded additions. Additional information on capital assets can be found at Note IV.B. on page 36.

**Long-term Debt** – The legal debt limitation (total outstanding general obligation debt) that the Township may have is \$10,000,000. The Township currently has 100% of this amount available. The current debt service levy is limited to \$1,557,022 per year. This amount is available for capital projects on an annual basis or could be used to pay for current or future debt service.

The Township had one capital lease outstanding at March 31, 2021 with a balance of \$42,524 (none at March 31, 2020). Further information can be found at Note IV.D on page 37.

## **Summary and Future Considerations**

The Elected Officials and Staff of Lemont Township remain committed to serving the residents of Lemont Township. This has been another busy and challenging year for the Township. We have continued to meet our residents’ needs, remotely and in person, throughout the Covid 19 pandemic.

With consideration of the added financial and personal strains of the COVID 19 pandemic, and the additional strain on the economy, the Township’s Human Service Department has substantially increased its efforts to offer financial, food assistance, and/or other aid to our most vulnerable residents. The private donations of the Lemont Township Family Assistance Fund, along with Township monetary and product donations to the Lemont food pantries, help us to serve the increasing demand.

The Human Service Department continues to support residents with General, Emergency and Family Assistance and Salvation Army Funds, as well as referrals for Counseling and to CEDA for rental, car repair, utility, vision, and dental assistance that includes case management to promote self-sufficiency. Also, we work closely with Pathlights for senior services and offer rentals to the Lion’s Club for vision assistance, as well as limited financial assistance. We address Senior and resident concerns with health care, housing, food, Meals on Wheels, and Benefits Access program enrollment. Although many of our programs have been suspended during the COVID 19 pandemic, we continue to sponsor AARP income tax preparation for seniors and low income members of our community, AARP Safe Drivers courses, Secretary of State’s Rules of the Road courses, various educational events, and Medvan transportation service. Additional volunteers were recruited to help provide assistance to seniors and the homebound to help with shopping, as well as the meal deliveries and transportation.

## **Summary and Future Considerations (cont'd)**

Youth and Family services include: certification of food pantry clients, Thanksgiving food vouchers, Christmas gift program (with the support of the entire Lemont community), Birthday Gift Program with the Lemont Junior Woman's Club, partnering with Lemont Classic Car Club for their Christmas Party for children in need, the Salvation Army Extension, raising money for Emergency Assistance, networking with Lemont Police, schools and churches, and sponsoring the DARE Program and Kops and Kids with the Lemont Police Department.

We continue to offer assistance and work alongside community organizations, clubs, associations, businesses, schools, and residents to reach out to residents in need (either financially, physically, or via the Lemont Open Food Pantries). We did not operate the Youth Summer Lunch Program this year, but did reach out to them to offer assistance during the 2021 summer break.

The Clerk's Office and front office provides important services to our residents including:

- Dog Park Memberships
- Senior/Disabled RTA passes
- Handicap Parking Placards
- Notary Service
- Yard waste stickers
- Voter Registrations
- Early Voting Site
- Precinct
- Building Rentals
- Culvert Permit Applications
- Covid Vaccine Scheduling Assistance
- AARP Income Tax Scheduling Assistance

In addition to the above, our staff responds to hundreds of calls each month regarding issues outside the jurisdiction of the Township and refers people to the appropriate agency.

The Township's Dial-A-Ride program continues to provide local transportation for seniors and others dependent upon it for transportation within the Township limits. We provided services for a total of 1,766 riders; 3 Adults, 1,173 Seniors, and 590 Disabled. The PACE Vanpool 13-passenger bus has allowed us to offer transportation for Senior Trips and Medical Transportation.

Due to Covid 19, building rentals were restricted this year to Lemont residents only. We offered many community non-profit organizations free or discounted rates. The Warner Hall is available for small non-profit and program use. Senior crafts were held at Warner Office along with a few small gatherings. Following Covid safety measures, this was the fifth year the Warner Office has been used for the AARP Tax Prep program. It was also used as an early voting site again this past fall with a record number of voter turnout. It was also again used as a precinct in November.

A food bank was created to provide assistance to the local pantries. It continues to operate at the Warner Office. A volunteer list was created to help with shopping and driving assistance for those who are unable to get out.

## **Summary and Future Considerations (cont'd)**

The Lemont Park District held a few outside programs at the Sanctuary. Both local School Districts participated in the open space clean ups and field work at the prairie. The students enjoyed seed collection and learning about native plants along with the community food pantry garden lessons. Some annual activities such as Earth Day were cancelled due to Covid.

To honor 9/11, we held our first memorial service at the Center which was followed by a Senior red, white, and blue picnic. All Boards and Agencies were invited to attend. In October, we held a Senior Sing Along featuring local talent including Lemont Chief of Police, Marc Maton.

Partnering with the Lemont Junior Women's Club, the 5<sup>th</sup> annual Scarecrow Fest/Contest was held at the Center and the prairie. The Lemont Garden Club partnered to help with the planting and collection of the I-grow Community Food Pantry Garden.

Located on the same cell tower, Verizon Wireless provided \$21,610 in revenue, and AT&T provided \$16,586. The resulting \$38,196 in annual revenue was used to offset the ongoing maintenance of the 50+ acres Heritage Woodland Sanctuary, thus decreasing the dependence on taxpayers to maintain this wonderful treasure.

The Highway Department worked diligently maintaining our streets and will continue evaluating our roadways and drainage infrastructure. Utilizing Motor Fuel Tax revenue, we were able to complete numerous drainage projects. During the winter months, we utilized 1,200 tons of our salt allocation. Working with a mix of employees and contractors allows us to save taxpayers money and get a great deal of work accomplished. We thank Highway Commissioner Mark Labno and his crew for their commitment and passion to make Lemont Township Highway Department a proud department to serve Lemont.

The Lemont Township Assessor's Office continues to serve the community with property assessments and tax issues that residents may have. This is our local source for assistance to appeal assessed values, apply for Homeowner, Disabled, and Senior Assessment Freeze exemptions. Disabled Veterans with 70% or greater disability will not have to pay property taxes. Those with disability greater than 30% will be eligible for a reduction in the tax; based upon the percent of disability.

The Assessor's office assists residents with analyzing and appealing valuations. The office also processes building permits, maintains a database containing assessed values, sales and transfers information.

Our Township website enables us to connect our services with our residents and visitors. Our agreement with the Village of Lemont and LTAP Acquisition, LLC, that allowed the construction of an adventure park "The Forge" on Township Quarry property, has begun to materialize.

Our staff, elected officials, and community volunteers have been instrumental in providing the services highlighted here. We are truly a caring community that works together to make Lemont Township the best place to live in Illinois.

**Requests for Information** – This financial report is designed to provide a general overview of the financial operations of the Lemont Township. Questions concerning any of the information in this report or requests for additional information should be sent to the Township Supervisor, 16020 127<sup>th</sup> Street, Lemont, Illinois 60439.

## **BASIC FINANCIAL STATEMENTS**



**Lemont Township  
Statement of Net Position  
March 31, 2021**

<b>Assets</b>	
Cash and investments:	
General checking	\$ 211,584
Money market	2,237,911
Illinois Funds	249,310
Illinois Institutional Trust	<u>102,726</u>
<b>Total cash and investments</b>	<b>2,801,531</b>
Property taxes receivable	1,215,656
Net pension asset	127,289
Capital assets, not being depreciated	8,288,525
Capital assets, less accumulated depreciation	<u>5,921,846</u>
<b>Total assets</b>	<b><u>18,354,847</u></b>
<b>Deferred Outflows of Resources</b>	
Pension-related	<u>29,525</u>
<b>Total assets and deferred outflows of resources</b>	<b><u>18,384,372</u></b>
<b>Liabilities</b>	
Accounts payable	26,527
Noncurrent liabilities:	
Capital lease payable, due within one year	19,147
Capital lease payable, due in more than one year	<u>23,377</u>
<b>Total liabilities</b>	<b><u>69,051</u></b>
<b>Deferred Inflows of Resources</b>	
Pension-related	<u>234,371</u>
<b>Total liabilities and deferred inflows of resources</b>	<b><u>303,422</u></b>
<b>Net Position</b>	
Net investment in capital assets	14,167,847
Restricted for:	
General assistance	234,173
Tort liability	64,230
Road and bridge services	1,003,787
Unrestricted	<u>2,610,913</u>
<b>Total net position</b>	<b><u>\$ 18,080,950</u></b>

See accompanying notes.

**Lemont Township  
Statement of Activities  
For the Year Ended March 31, 2021**

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<b>Functions/Programs</b>	<u>Expenses</u>	<u>Charges for Services</u>
Governmental activities:		
General government	\$ 725,158	\$ 72,383
Highways and streets	1,424,183	-
Health and welfare	22,429	-
Interest on long-term debt	1,785	-
<b>Total governmental activities</b>	<u>\$ 2,173,555</u>	<u>\$ 72,383</u>

See accompanying notes.

Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
\$ 5,461	\$ -	\$ (647,314)
-	-	(1,424,183)
-	-	(22,429)
-	-	(1,785)
<u>\$ 5,461</u>	<u>\$ -</u>	<u>(2,095,711)</u>

General revenues:

Taxes:

Property	2,052,693
Replacement	40,699
Unrestricted investment earnings	4,204
Miscellaneous	41,755

**Total general revenues** 2,139,351

**Changes in net position** 43,640

Net position, beginning of the year 18,037,310

**Net position, end of the year** \$ 18,080,950

**Lemont Township  
Balance Sheet - Governmental Funds  
March 31, 2021**

	<u>General Town</u>	<u>Road and Bridge</u>	<u>Debt Service</u>
<b>Assets</b>			
Cash and investments:			
Checking	\$ 150,236	\$ 61,348	\$ -
Money market	1,807,620	216,732	-
Illinois Funds	249,310	-	-
Illinois Institutional Trust	102,726	-	-
	<u>2,309,892</u>	<u>278,080</u>	<u>-</u>
<b>Total cash and investments</b>			
Property taxes receivable	491,618	693,829	-
Due from other funds	151,568	192,370	363,146
	<u>\$ 2,953,078</u>	<u>\$ 1,164,279</u>	<u>\$ 363,146</u>
<b>Liabilities</b>			
Accounts payable	\$ 17,603	\$ 8,924	\$ -
Due to other funds	748,660	151,568	-
	<u>766,263</u>	<u>160,492</u>	<u>-</u>
<b>Total liabilities</b>			
<b>Deferred Inflows of Resources</b>			
Property taxes	419,596	612,274	-
	<u>1,185,859</u>	<u>772,766</u>	<u>-</u>
<b>Total liabilities and deferred inflows of resources</b>			
<b>Fund Balances</b>			
Restricted for debt service	-	-	363,146
Restricted for general assistance	-	-	-
Restricted for tort liability	-	-	-
Restricted for road and bridge	-	391,513	-
Assigned for capital outlay	-	-	-
Unassigned	1,767,219	-	-
	<u>1,767,219</u>	<u>391,513</u>	<u>363,146</u>
<b>Total fund balances</b>			
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 2,953,078</u>	<u>\$ 1,164,279</u>	<u>\$ 363,146</u>

See accompanying notes.

Nonmajor Funds	Totals Governmental Funds
\$ -	\$ 211,584
213,559	2,237,911
-	249,310
-	102,726
213,559	2,801,531
30,209	1,215,656
193,144	900,228
<b>\$ 436,912</b>	<b>\$ 4,917,415</b>
\$ -	\$ 26,527
-	900,228
-	926,755
24,837	1,056,707
24,837	1,983,462
-	363,146
216,256	216,256
57,310	57,310
-	391,513
138,509	138,509
-	1,767,219
412,075	2,933,953
<b>\$ 436,912</b>	<b>\$ 4,917,415</b>

**Lemont Township  
Reconciliation of Balance Sheet of Governmental Funds  
to the Statement of Net Position  
March 31, 2021**

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Total fund balance - governmental funds (page 15)	<b>\$ 2,933,953</b>
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.	<b>14,210,371</b>
Revenues are recognized for governmental activities when earned, regardless of when collected, and not deferred on the statement of net position.	<b>1,056,707</b>
Capital lease obligation in the statement of net position does not require the use of current financial resources and, therefore, is not reported as a liability in the governmental funds.	<b>(42,524)</b>
Deferred outflows of resources related to the net pension liability are not deferred in the governmental funds.	<b>29,525</b>
Deferred inflows of resources related to the net pension liability are not deferred in the governmental funds.	<b>(234,371)</b>
Pension asset (liability) is not due and payable in the current period and, therefore, is not reported in the funds.	<b>127,289</b>
Net position of governmental activities (page 11)	<b><u>\$ 18,080,950</u></b>

See accompanying notes.

**Lemont Township  
 Combined Statement of Revenues, Expenditures and  
 Changes in Fund Balance - Governmental Funds  
 For the Year Ended March 31, 2021**

	General Town	Special Revenue Road and Bridge	Debt Service
<b>Revenues:</b>			
Property taxes	\$ 899,935	\$ 1,053,945	\$ -
Replacement taxes	19,651	21,048	-
Interest income	3,432	544	-
RTA fees and grants	6,149	-	-
Medvan income	790	-	-
Senior citizen fees	2,486	-	-
Youth family income	23,345	-	-
Rental income	5,870	-	-
Other income	36,466	5,339	-
<b>Total revenues</b>	<b>998,124</b>	<b>1,080,876</b>	<b>-</b>
<b>Expenditures:</b>			
General government:			
Administration	341,989	133,099	-
Services	134,917	-	-
Supplies and materials	3,865	-	-
Assessor division	76,770	-	-
Human services	103,670	-	-
Other expenditures	91,902	-	-
Road division	-	36,119	-
Building division	-	28,063	-
Equipment division	-	93,312	-
Permanent road improvements	-	827,382	-
Home relief	-	-	-
Liability insurance	-	-	-
Debt service	-	17,139	-
Capital outlay	12,904	-	-
<b>Total expenditures</b>	<b>766,017</b>	<b>1,135,114</b>	<b>-</b>
<b>Revenues over (under) expenditures before other financing sources</b>	<b>232,107</b>	<b>(54,238)</b>	<b>-</b>
Other financing sources - capital lease obligation proceeds	-	57,878	-
<b>Net changes in fund balances</b>	<b>232,107</b>	<b>3,640</b>	<b>-</b>
Fund balance, beginning of the year	1,535,112	387,873	363,146
Fund balance, end of the year	<b>\$ 1,767,219</b>	<b>\$ 391,513</b>	<b>\$ 363,146</b>

See accompanying notes.

Nonmajor Funds	Totals Governmental Funds
\$ 68,228	\$ 2,022,108
-	40,699
228	4,204
-	6,149
-	790
-	2,486
-	23,345
38,196	44,066
958	42,763
<b>107,610</b>	<b>2,186,610</b>
9,128	484,216
-	134,917
-	3,865
-	76,770
-	103,670
-	91,902
-	36,119
-	28,063
-	93,312
-	827,382
13,300	13,300
37,516	37,516
-	17,139
36,719	49,623
<b>96,663</b>	<b>1,997,794</b>
10,947	188,816
-	57,878
10,947	246,694
401,128	2,687,259
<b>\$ 412,075</b>	<b>\$ 2,933,953</b>



**Lemont Township  
Reconciliation of the Statement of Revenues,  
Expenditures and Changes in Fund Balance of  
Governmental Funds to the Statement of Activities  
For the Year Ended March 31, 2021**

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Amounts reported for governmental activities in the statement of activities (pages 12 and 13) are different because:

Net changes in fund balance - total governmental funds (page 18)	<b>\$</b>	<b>246,694</b>
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of these assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeds capital outlays in the current period.		<b>(306,208)</b>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		<b>30,585</b>
The issuance of long-term debt (capital lease) provides current financial resources to the governmental funds, while the repayment of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in treatment of long-term debt and related items.		<b>(42,524)</b>
Outflows related to the net pension liability, as well as the change in the net pension liability, are not due and payable in the current period and, therefore, are not reported in the funds.		<b>115,093</b>
Changes in net position of governmental activities (page 13)	<b>\$</b>	<b>43,640</b>

See accompanying notes.

**Lemont Township  
General Town Fund  
Statement of Revenues, Expenditures and  
Changes in Fund Balance - Actual and Budget  
For the Year Ended March 31, 2021**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Property taxes	\$ 927,003	\$ 927,003	\$ 899,935	\$ (27,068)
Replacement tax	20,000	20,000	19,651	(349)
Interest income	10,000	10,000	3,432	(6,568)
RTA bus fees	-	-	688	688
RTA bus grant	-	-	5,461	5,461
Medvan income	-	-	790	790
Senior citizen fees	-	-	2,486	2,486
Youth and family income	20,000	20,000	23,345	3,345
Rental income	3,600	3,600	5,870	2,270
Other income	27,000	27,000	36,466	9,466
<b>Total revenues</b>	<b>1,007,603</b>	<b>1,007,603</b>	<b>998,124</b>	<b>(9,479)</b>
<b>Expenditures:</b>				
<b>Administration:</b>				
Supervisor salary	20,113	20,113	20,167	(54)
Clerk salary	12,000	12,000	12,100	(100)
Highway commissioner salary	15,500	15,500	15,629	(129)
Trustees' salary	8,000	8,000	6,300	1,700
Township administrator	52,000	52,000	52,494	(494)
Secretaries/facility managers	65,000	65,000	69,722	(4,722)
FICA/Medicare	31,345	31,345	28,112	3,233
Major medical insurance	95,193	95,193	99,174	(3,981)
Group life insurance	1,512	1,512	1,174	338
IMRF expense	55,000	55,000	33,717	21,283
Payroll service	3,779	3,779	3,400	379
<b>Total administration</b>	<b>359,442</b>	<b>359,442</b>	<b>341,989</b>	<b>17,453</b>
<b>Services:</b>				
Audit	7,000	7,000	6,646	354
Bank service charge	5,000	5,000	2,933	2,067
Building operations	61,500	61,500	35,745	25,755
Computer support	4,000	4,000	2,135	1,865

(cont'd)

**Lemont Township  
General Town Fund  
Statement of Revenues, Expenditures and  
Changes in Fund Balance - Actual and Budget (cont'd)  
For the Year Ended March 31, 2021**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Expenditures (cont'd):				
Services (cont'd):				
Dues	\$ 4,000	\$ 4,000	\$ 6,215	\$ (2,215)
Equipment maintenance	2,500	2,500	723	1,777
Legal services	38,000	38,000	21,415	16,585
Miscellaneous	19,000	19,000	17,513	1,487
Postage	500	500	448	52
Printing	500	500	85	415
Telephone	4,000	4,000	2,572	1,428
Travel and training	3,000	3,000	2,589	411
Utilities	43,000	43,000	35,898	7,102
<b>Total services</b>	<b>192,000</b>	<b>192,000</b>	<b>134,917</b>	<b>57,083</b>
Supplies and materials:				
Office supplies	3,500	3,500	3,865	(365)
<b>Total supplies and materials</b>	<b>3,500</b>	<b>3,500</b>	<b>3,865</b>	<b>(365)</b>
Assessor division:				
Assessor/secretary salary	74,000	74,000	74,265	(265)
Office supplies	5,500	5,500	2,505	2,995
Travel and training	200	200	-	200
<b>Total assessor division</b>	<b>79,700</b>	<b>79,700</b>	<b>76,770</b>	<b>2,930</b>
Human services:				
Salaries	102,781	102,781	55,107	47,674
Travel and training	300	300	-	300
DARE/youth program	22,000	22,000	9,668	12,332
Handicap vehicle program	2,000	2,000	2,851	(851)
Senior program	14,000	14,000	11,161	2,839
Counseling services	10,000	10,000	-	10,000

(cont'd)

**Lemont Township  
General Town Fund  
Statement of Revenues, Expenditures and  
Changes in Fund Balance - Actual and Budget (cont'd)  
For the Year Ended March 31, 2021**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Expenditures (cont'd):				
Human services (cont'd):				
Family assistance	\$ 16,750	\$ 16,750	\$ 22,245	\$ (5,495)
Family support program	15,000	15,000	-	15,000
Operating supplies	4,000	4,000	2,638	1,362
<b>Total human services</b>	<b>186,831</b>	<b>186,831</b>	<b>103,670</b>	<b>83,161</b>
Other expenditures:				
Emergency services	40,000	40,000	-	40,000
LEMA contribution	-	-	28,000	(28,000)
Marketing	8,000	8,000	5,143	2,857
Transportation – RTA dial-a-ride	6,000	6,000	4,781	1,219
Transportation – PACE salaries	36,642	36,642	52,421	(15,779)
Transportation – PACE bus	2,000	2,000	1,557	443
<b>Total other expenditures</b>	<b>92,642</b>	<b>92,642</b>	<b>91,902</b>	<b>740</b>
Capital outlay:				
Building improvements	25,000	25,000	-	25,000
Office equipment	10,500	10,500	12,904	(2,404)
<b>Total capital outlay</b>	<b>35,500</b>	<b>35,500</b>	<b>12,904</b>	<b>22,596</b>
<b>Total expenditures</b>	<b>949,615</b>	<b>949,615</b>	<b>766,017</b>	<b>183,598</b>
<b>Revenues over expenditures</b>	<b>\$ 57,988</b>	<b>\$ 57,988</b>	<b>232,107</b>	<b>\$ 174,119</b>
Fund balance, beginning of the year			<b>1,535,112</b>	
Fund balance, end of the year			<b>\$ 1,767,219</b>	

See accompanying notes.

**Lemont Township  
Road and Bridge Fund  
Statement of Revenues, Expenditures and  
Changes in Fund Balance - Actual and Budget  
For the Year Ended March 31, 2021**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Property taxes	\$ 1,191,582	\$ 1,191,582	\$ 1,053,945	\$ (137,637)
Replacement tax	24,200	24,200	21,048	(3,152)
Interest	1,000	1,000	544	(456)
Other income	1,700	1,700	4,739	3,039
Culvert fees	600	600	600	-
<b>Total revenues</b>	<b>1,219,082</b>	<b>1,219,082</b>	<b>1,080,876</b>	<b>(138,206)</b>
<b>Expenditures:</b>				
<b>Administration:</b>				
Administrative salary	42,213	42,213	43,181	(968)
Travel	266	266	31	235
Audit	7,000	7,000	6,646	354
Legal services	43,000	43,000	5,178	37,822
FICA/Medicare	20,235	20,235	15,698	4,537
Dues	2,578	2,578	1,789	789
IMRF	6,256	6,256	21,065	(14,809)
Major medical insurance	22,000	22,000	31,455	(9,455)
Office supplies	3,802	3,802	974	2,828
Insurance	3,000	3,000	756	2,244
Bank service charges	200	200	-	200
Payroll service	2,710	2,710	2,342	368
Computer support	1,000	1,000	1,749	(749)
Miscellaneous	5,000	5,000	2,235	2,765
<b>Total administration</b>	<b>159,260</b>	<b>159,260</b>	<b>133,099</b>	<b>26,161</b>
<b>Road division:</b>				
Street lighting	30,000	30,000	24,558	5,442
Gas and oil	12,500	12,500	11,561	939
<b>Total road division</b>	<b>42,500</b>	<b>42,500</b>	<b>36,119</b>	<b>6,381</b>
<b>Building division:</b>				
Supplies	30,000	30,000	19,267	10,733
Utilities	9,444	9,444	8,796	648
<b>Total building division</b>	<b>39,444</b>	<b>39,444</b>	<b>28,063</b>	<b>11,381</b>

(cont'd)

**Lemont Township**  
**Road and Bridge Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance - Actual and Budget (cont'd)**  
**For the Year Ended March 31, 2021**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Expenditures (cont'd):				
Equipment division:				
Equipment repairs	\$ 10,000	\$ 10,000	\$ 5,929	\$ 4,071
Supplies	40,000	40,000	18,130	21,870
Capital outlay	50,000	50,000	69,253	(19,253)
<b>Total equipment division</b>	<b>100,000</b>	<b>100,000</b>	<b>93,312</b>	<b>6,688</b>
Permanent road improvements:				
Maintenance service	585,000	585,000	476,894	108,106
Labor	156,296	156,296	162,024	(5,728)
Maintenance supplies	40,000	40,000	188,464	(148,464)
<b>Total permanent road improvements</b>	<b>781,296</b>	<b>781,296</b>	<b>827,382</b>	<b>(46,086)</b>
Debt service:				
Capital lease principal	-	-	15,354	(15,354)
Capital lease interest	-	-	1,785	(1,785)
<b>Total debt service</b>	<b>-</b>	<b>-</b>	<b>17,139</b>	<b>(17,139)</b>
<b>Total expenditures</b>	<b>1,122,500</b>	<b>1,122,500</b>	<b>1,135,114</b>	<b>(12,614)</b>
<b>Revenues over (under) expenditures before other financing sources</b>	<b>96,582</b>	<b>96,582</b>	<b>(54,238)</b>	<b>(150,820)</b>
Other financing source - capital lease obligation proceeds	-	-	57,878	57,878
<b>Net changes in fund balance</b>	<b>\$ 96,582</b>	<b>\$ 96,582</b>	<b>3,640</b>	<b>\$ (92,942)</b>
Fund balance, beginning of the year			<b>387,873</b>	
Fund balance, end of the year			<b>\$ 395,153</b>	

See accompanying notes.

**Lemont Township**  
**Notes to the Financial Statements**

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**I. Summary of Significant Accounting Policies**

**A. The Reporting Entity**

The Lemont Township (“Township”) is duly organized and existing under the provisions of the laws of the state of Illinois and is operating under the provisions of the Township Code of the State of Illinois. The Township is governed by an elected Board of a Township Supervisor and four Township Trustees. The Township includes all funds of its governmental operations and its component units based on financial accountability. Financial accountability includes appointment of the organization's governing body, imposition of will and fiscal dependency. The accompanying financial statements include only those funds of the Township, as there are no other organizations for which it has financial accountability.

The accounting policies and financial statements of Lemont Township conform to accounting principles generally accepted in the United States of America as applicable to governments. Following is a summary of the more significant policies.

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the primary government. The effect of interfund activity has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. All the Township’s activities are considered governmental activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues. Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

**C. Measurement Focus, Basis of Accounting and Basis of Presentation**

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

**Lemont Township**  
**Notes to the Financial Statements (cont'd)**

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I. **Summary of Significant Accounting Policies (cont'd)**

C. **Measurement Focus, Basis of Accounting and Basis of Presentation (cont'd)**

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recorded only when the payment is due.

Property taxes and interest earned are susceptible to accrual. Replacement income tax collected and held by the State of Illinois at year end on behalf of the Township is also recognized as revenue. Other receipts become measurable and available when cash is received and are recognized at that time. The Township reports the following major governmental funds:

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

**Road and Bridge Fund** – The Road and Bridge Fund accounts for the activities associated with the maintenance and repair of Township roads, including snow removal, weed control, culvert permits, road signs and light pole replacement.

**Debt Service Fund** – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs.

**Use of Estimates** – The preparation of governmental-wide financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenue and expenses during the accounting period. Accounting estimates made by the Township include: (1) determining the allowance for uncollectible property taxes, (2) establishing the useful lives for capital assets, and (3) actuarial assumptions used in the calculation of the net pension liability.



**Lemont Township**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity**

**1. Deposits and Investments**

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

Statutes authorize the Township to invest in the following:

- Bonds, notes, certificates of indebtedness, Treasury bills or other securities which are guaranteed by the full faith and credit of the United States as to principal and interest.
- Bonds, notes, debentures or similar obligations of the United States of America or its agencies.
- Savings accounts, certificates of deposit, time accounts, or other investments constituting direct obligations of a bank as defined by the Illinois Banking Act.
- Securities legally issuable by savings and loan associations incorporated under the laws of any state of the United States of America. Share accounts and share certificates of a credit union chartered under the laws of the state of Illinois or United States of America, provided the principal office of the credit union is located within the State of Illinois. Short-term discount obligations of the Federal National Mortgage Association (FNMA). Investments may be made only in financial institutions which are insured by either the Federal Deposit Insurance Corporation or other applicable law for credit unions.
- Short-term obligations (maturing within 180 days of date of purchase) of corporations with assets exceeding five hundred million dollars (\$500,000,000). Such obligations must be rated, at the time of purchase, at one of the three highest classifications established by at least two standard rating services. This type of obligation is limited to one-third of the Township's funds available for investment and cannot exceed 10% of the corporation's outstanding obligation.

**Lemont Township**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)**

**1. Deposits and Investments (cont'd)**

- Money market mutual funds, registered under the Investment Company Act of 1940, which invest only in bonds, notes, certificates of indebtedness, Treasury bills, and other securities which are guaranteed by the full faith and credit of the United States of America as to principal and interest and agrees to repurchase such obligations.
- Repurchase agreements of government securities subject to The Government Securities Act of 1986.
- Illinois Funds and Illinois Institutional Investment Trust. The Illinois Treasurer's Office has regulatory oversight for the Illinois Funds.

Investments with maturities of one year or more from the date of purchase are stated at fair value based on quoted market prices. Investments with maturities of one year or less from the date of purchase are stated at amortized cost. All other investments, which do not consider market rates, are stated at cost. Investment income has been allocated to each fund based on investments held by the fund.

**2. Receivables and Payables**

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (the current portion of interfund loans), or "advances to/from other funds" (the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Advances between funds are offset by a fund balance reserve account to indicate that they are not available for appropriation and are not expendable available resources.

The Township's property taxes are required to be levied by ordinance. A certified copy of the levy ordinance must be filed with the county clerk no later than the last Tuesday in December of each year. Taxes are due and collectible one-half on February 1 and one-half on September 1 of the following year. Property taxes attach as an enforceable lien on property as of January 1.

**Lemont Township**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)**

**2. Receivables and Payables (cont'd)**

Property taxes are based on the assessed valuation of the Township's real property as equalized by the State of Illinois. The equalized assessed valuation of real property totaled \$1,021,207,293 for the calendar year 2020. An allowance for uncollected taxes of 3 - 5% of the uncollected 2020 levy was recorded at March 31, 2021.

**3. Capital Assets**

Capital assets, which include property, plant and equipment and infrastructure assets, are reported in the government-wide financial statements. The Township defines capital assets as assets with an initial cost of more than \$2,500 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset, or materially extend assets' lives, are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of governmental activities is not capitalized.

Property, plant and equipment of the primary government are depreciated using the straight-line method, over the following estimated useful lives:

Infrastructure	25 years
Buildings	40 years
Land improvements	20 years
Equipment and vehicles	7 years

**4. Deferred Outflows of Resources**

Deferred outflows of resources are defined as a consumption of net assets by the government that is applicable to a future reporting period; they increase net position, similar to assets. Note V.A. provides further detail on the components of deferred outflow of resources.

**Lemont Township**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)**

**5. Compensated Absences**

The Township has no vested or accumulated vacation or sick leave as of March 31, 2021.

**6. Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using a straight-line method that approximates the interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as general government expenses.

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, 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.

**7. Deferred Inflow of Resources**

Deferred inflows of resources are defined as the receipt of net assets by the government that is applicable to a future reporting period; they decrease net position, similar to liabilities. Note V.A. provides further detail on the components of deferred inflows of resources.

In the governmental fund financial statements, property tax revenues are recorded on the "deferred method." Because of the extraordinarily long period of time between the levy date and the receipt of tax distributions from the county collector, property taxes are not "available" to finance the current year's expenditures. For those funds on the modified accrual basis of accounting, the current year's tax levy is recorded as property taxes receivable and a deferred inflow of resources.

**Lemont Township**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)**

**8. Fund Equity and Net Position**

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

- Net investment in capital assets – consists of capital assets, net of accumulated depreciation and related debt.
- Restricted net position – consists of net position with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or law through constitutional provisions or enabling legislation.
- Unrestricted net position – consists of all other net position that does not meet the definition of restricted or invested in capital assets.

When both restricted and unrestricted resources are available for use, it is the Township's policy to use restricted resources first, then unrestricted resources as they are needed.

In the fund financial statements, governmental funds report fund balance as either nonspendable or spendable. Spendable fund balance is further classified as restricted, committed, assigned or unassigned, based on the relative strength of the constraints that control how specific amounts can be spent.

Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose or externally imposed by outside entities. The fund balances for the special revenue and debt service funds are considered restricted, as the source of these fund balances are dedicated property tax revenues.

Committed fund balance is constrained by formal actions, in the form of ordinances, of the Township's Board of Trustees, which is considered the Township's highest level of decision making authority. The modification to or rescinding of a fund balance must be done by passage of an ordinance by the Board of Trustees. The Township has no committed fund balance.

Assigned fund balance represents amounts constrained by the Township's intent to use them for a specific purpose. Assignments are made at the Board level. The fund balance in the Capital Projects Fund is considered assigned for the purpose of the fund. The fund balance in the General Fund is considered unassigned.

**Lemont Township**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)**

**8. Fund Equity and Net Position (cont'd)**

The Township has not adopted a fund balance policy that identifies a certain individual(s) with the authority to assign fund balance. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Township considers restricted funds to have been spent first in the General Fund and unrestricted funds to have been spent first in the other funds.

When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Township considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

**II. Stewardship, Compliance and Accountability**

**A. Budgetary Information**

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. All annual appropriations lapse at fiscal year end.

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

- The Combined Budget and Appropriations Ordinance is prepared in tentative form by the Township Supervisor and is made available for public inspection thirty days prior to final Board action. A public hearing is held on the tentative Combined Budget and Appropriations Ordinance to obtain taxpayer comments.
- Prior to July 1, the Budget and Appropriations Ordinance is legally enacted.

**Lemont Township**  
**Notes to the Financial Statements (cont'd)**

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**II. Stewardship, Compliance and Accountability (cont'd)**

**A. Budgetary Information (cont'd)**

- The Board of Township Trustees may:
  - Amend the Budget and Appropriations Ordinance in the same manner as its original enactment.
  - Transfer between items of any fund not exceeding in the aggregate ten percent (10%) of the total amount appropriated in such fund.
  - After six months of the fiscal year, by two-thirds vote, transfer any appropriation item it anticipates being unexpended to any other appropriation item.

Management cannot amend the Budget and Appropriations Ordinance; however, expenditures may exceed appropriations at the subobject level. The Board of Trustees, as outlined above, must approve expenditures that exceed individual appropriations at the object level. The Board approved amendments to the current year budget.

The Township does not use the encumbrance method of accounting. Budgetary funds are controlled by an integrated budgetary accounting system, in accordance with various legal requirements, which govern the Township.

**B. Excess of Expenditures Over Appropriations**

Expenditures exceeded appropriations at the object level as follows:

	<u>Appropriation</u>	<u>Actual</u>	<u>Excess</u>
General Town Fund:			
Supplies and materials	\$ 3,500	\$ <b>3,865</b>	\$ 365
Road and Bridge Fund:			
Permanent road improvements	781,296	<b>827,382</b>	46,086
Debt service	-	<b>17,139</b>	17,139

The excess was funded out of existing fund balances.

**Lemont Township**  
**Notes to the Financial Statements (cont'd)**

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**III. Reconciliation of Government-wide and Fund Financial Statements**

The governmental fund statement of revenues, expenditures and changes in fund balance includes reconciliation between net changes in fund balance – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains: “Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$(306,208) are as follows:

Capital outlay	\$	69,178
Depreciation expense		<u>(375,386)</u>
Net adjustment to decrease net change in fund balance – total governmental funds to arrive at changes in net position of governmental activities	\$	<u>306,208</u>

**IV. Detailed Notes for All Fund Types and Account Groups**

**A. Deposits and Investments**

**Deposits** – At year end, the carrying amount of the Township’s deposits was \$2,449,495, and the bank balance was \$2,660,389 of which \$1,911,066 was uninsured and uncollateralized. In addition, the Township has funds on deposit with Illinois Institutional Investors Trust and Illinois Funds. The Township’s carrying amount of the Illinois Institutional Investors Trust investment was \$102,726, consisting of a money market account. The Township’s carrying amount of the Illinois Funds investment was \$249,310. Both investments meet the criteria contained in GASB Statement No. 79, *Certain Investment Pools and Pool Participants*. This allows both Illinois Institutional Investors Trust and Illinois Funds and those local governments investing in these funds to measure its investment at amortized cost. The criteria contained in GASB Statement No. 79 address (1) how the pool interacts with participants, (2) requirements for portfolio maturity, quality, diversification and liquidity, and (3) calculation and requirements of a shadow price.



**Lemont Township**  
**Notes to the Financial Statements (cont'd)**

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**IV. Detailed Notes for All Fund Types and Account Groups (cont'd)**

**A. Deposits and Investments (cont'd)**

**Interest Rate Risk** – This is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Township does not have a formal investment policy regarding interest rate risk, however, the Township does manage its interest rate risk by structuring its investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by limiting the amount invested for more than a short term.

**Credit Risk** – Generally, credit risk is the risk that an issuer of a debt-type instrument will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. The Township's investments in both the Illinois Institutional Investors Trust and the Illinois Funds are rated "AAAm" by Standard & Poor's.

**Custodial Credit Risk** – The Township does not have a policy that directly addresses custodial credit risk. For deposits, this is the risk that, in the event of a bank failure, a government will not be able to recover its deposits. Township deposits with financial institutions are subject to custodial credit risk to the extent balances on deposit with a financial institution exceed federally insured limits.

The Township invests in the Illinois Institutional Investors Trust, a money market fund that invests in high quality short-term U.S. debt securities. The Township also invests in the Illinois Funds, a money market fund in which the funds of individual participants are pooled together and invested in U.S. Treasury bills and notes backed by the full faith and credit of the U.S. Treasury, fully collateralized time deposits in Illinois financial institutions, collateralized repurchase agreements, and in Treasury mutual funds that invest in U.S. Treasury obligations and collateralized repurchase agreements. The individual participants in the Illinois Funds maintain separate investment accounts representing a proportionate share of the pool assets and its respective collateral; therefore, no collateral is identified with each individual participant's account.

**Lemont Township**  
**Notes to the Financial Statements (cont'd)**

**IV. Detailed Notes for All Fund Types and Account Groups (cont'd)**

**B. Capital Assets**

Capital asset activity for the year ended March 31, 2021, was as follows:

	Balance April 1, 2020	Additions	Retirements/ Adjustments	Balance March 31, 2021
<b>Governmental Activities</b>				
Capital assets, not being depreciated – land	\$ 8,288,525	\$ -	\$ -	\$ 8,288,525
Capital assets, being depreciated:				
Infrastructure	16,680,144	-	-	16,680,144
Land improvements	1,448,791	-	-	1,448,791
Buildings	4,311,849	-	-	4,311,849
Equipment/vehicles	1,341,735	69,178	-	1,410,913
<b>Total capital assets being depreciated</b>	<b>23,782,519</b>	<b>69,178</b>	<b>-</b>	<b>23,851,697</b>
Less accumulated depreciation for:				
Infrastructure	14,413,775	110,063	-	14,523,838
Land improvements	868,237	72,440	-	940,677
Buildings	1,211,543	107,796	-	1,319,339
Equipment/vehicles	1,060,910	85,087	-	1,145,997
<b>Total accumulated depreciation</b>	<b>17,554,465</b>	<b>375,386</b>	<b>-</b>	<b>17,929,851</b>
<b>Total capital assets, being depreciated, net</b>	<b>6,228,054</b>	<b>(306,208)</b>	<b>-</b>	<b>5,921,846</b>
Governmental activities' capital assets, net	<b>\$ 14,516,579</b>	<b>\$ (306,208)</b>	<b>\$ -</b>	<b>\$ 14,210,371</b>

Depreciation expense was included with highways and streets expense in the statement of activities.

**Lemont Township**  
**Notes to the Financial Statements (cont'd)**

**IV. Detailed Notes for All Fund Types and Account Groups (cont'd)**

**C. Interfund Receivables and Payables**

The composition of interfund balances as of March 31, 2021, is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Town	Road and Bridge	\$ 151,568
Road and Bridge	General Town	192,370
Debt Service	General Town	363,146
Nonmajor Governmental	General Town	193,144
		<u>\$ 900,228</u>

The Township anticipates refunding the interfund balances through future tax revenues or budgeted transfers.

**D. Capital Lease Payable**

The Township entered into a capital lease obligation to fund the cost of certain equipment. The lease obligation is to be repaid in thirty-six monthly installments of \$1,714 commencing June 30, 2020, including interest at 4.2%. The outstanding balance on the lease obligation was \$42,524 at March 31, 2021. Current year principal and interest paid on the lease was \$15,354 and \$1,785, respectively. The equipment has an original cost of \$57,878 and accumulated depreciation through March 31, 2021, of \$8,268, and a carrying amount of \$49,610 at March 31, 2021.

The debt service requirements to maturity for the capital lease obligation is as follows:

Year Ending March 31,	Total	Principal	Interest
2022	\$ 20,567	\$ 19,147	\$ 1,420
2023	20,567	19,966	601
2024	3,428	3,411	17
	<u>\$ 44,562</u>	<u>\$ 42,524</u>	<u>\$ 2,038</u>

**Lemont Township**  
**Notes to the Financial Statements (cont'd)**

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**V. Other Information**

**A. Employee Retirement System**

**General Information About the Pension Plan**

**Plan Description** – The Township’s defined benefit pension plan, the Illinois Municipal Retirement Fund (“IMRF”) provides pensions for all full-time employees of the Township. IMRF is an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois. The types of benefits and benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. 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](http://www.imrf.org).

At December 31, 2020, the IMRF Plan membership consisted of:

Retirees and beneficiaries	8
Inactive, non-retired members	1
Active members	<u>10</u>
<b>Total</b>	<u>19</u>

**Benefits Provided** – IMRF provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Participating members hired before January 1, 2011, who retire at or after age 60 with 8 years of service, are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent of each year thereafter. Employees with at least 8 years of service may retire at or after age 55 and receive a reduced benefit. For participating members hired on or after January 1, 2011, who retire at or after age 67 with 10 years of service, are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3 percent of their final rate (average of the highest 96 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service, with a maximum salary cap of \$116,740 and \$115,929 at January 1, 2021, and 2020, respectively. The maximum salary cap increases each year thereafter. The monthly pension of a member hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 62, by the lesser of 3% or ½ of the consumer price index. Employees with at least 10 years of credited service may retire at or after age 62 and receive a reduced benefit. IMRF also provides death and disability benefits.

**Lemont Township**  
**Notes to the Financial Statements (cont'd)**

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V. **Other Information** (cont'd)

A. **Employee Retirement System** (cont'd)

**General Information About the Pension Plan** (cont'd)

**Contributions** – Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Township is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer contribution and annual required contribution rate for calendar year 2021 and 2020 were 8.27 percent and 11.62 percent, respectively. The Township's contribution to the Plan totaled \$54,782 in the current fiscal year which was equal to its annual required contribution.

**Net Pension Liability**

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

**Actuarial Valuation and Assumptions** – The actuarial assumptions used in the December 31, 2020, valuation were based on an actuarial experience study for the period January 1, 2017 – December 31, 2019, using the entry age normal actuarial cost method. The total pension liability in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	2.85% to 13.75%
Investment rate of return	7.25%
Post-retirement benefit increase:	
Tier 1	3.0%-simple
Tier 2	lesser of 3.0%-simple or ½ increase in CPI

The actuarial value of IMRF 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% corridor between the actuarial and market value of assets. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at March 31, 2021, was 23 years.

**Lemont Township**  
**Notes to the Financial Statements (cont'd)**

V. **Other Information** (cont'd)

A. **Employee Retirement System** (cont'd)

**Mortality Rates** – For non-disabled lives, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (Adjusted 105%) tables, and future mortality improvement projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

**Long-term Expected Rate of Return** – The long-term expected rate of return is the expected return to be earned over the entire trust portfolio based on the asset allocation of the portfolio, using best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) developed for each major asset class. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Equities	37%	5.00%
International equities	18%	6.00%
Fixed income	28%	1.30%
Real estate	9%	6.20%
Alternatives:	7%	
Private equity		6.95%
Commodities		2.85%
Cash equivalents	1%	0.70%

**Discount Rate** – The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that Township contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees for the next 99 years. Therefore, the long-term expected rate of return on pension plan investments (7.25%) was applied to the next 99 periods of projected benefit payments, and then the municipal bond rate of 2.75% (based on an index of 20-year general obligation bonds with an average AA credit rating with is published by the Federal Reserve as of December 31, 2020) was utilized, resulting in a single discount rate of 7.25% being used to determine the total pension liability.

**Lemont Township**  
**Notes to the Financial Statements (cont'd)**

V. **Other Information** (cont'd)

A. **Employee Retirement System** (cont'd)

**Net Pension Liability** (cont'd)

**Changes in Net Pension Liability**

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension (Asset) Liability</u>
Balances 12/31/19	\$ 1,952,631	\$ 1,925,202	\$ 27,429
Changes for the year:			
Service cost	51,402	-	51,402
Interest	139,623	-	139,623
Differences between expected and actual experience	21,164	-	21,164
Changes in assumptions	(4,061)	-	(4,061)
Contributions - employer	-	60,527	(60,527)
Contributions - employee	-	23,437	(23,437)
Net investment income	-	279,241	(279,241)
Benefit payments, including refunds of employee contributions	(104,984)	(104,984)	-
Other changes	-	(359)	359
Balances 12/31/20	<u>\$ 2,055,775</u>	<u>\$ 2,183,064</u>	<u>\$ (127,289)</u>

**Discount Rate Sensitivity** – The following presents the net pension liability of the Township, calculated using the discount rate of 7.25%, as well as what the Township's net pension liability would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate:

	<u>1% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
Net pension (asset) liability	<u>\$ 80,532</u>	<u>\$ (127,289)</u>	<u>\$ (302,782)</u>

**Lemont Township**  
**Notes to the Financial Statements (cont'd)**

V. **Other Information** (cont'd)

A. **Employee Retirement System** (cont'd)

**Changes in Net Pension Liability** (cont'd)

**Pension Plan Fiduciary Net Position** – Detailed information about the pension plan’s fiduciary net position is available in the separately issued IMRF financial report.

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

For the year ended March 31, 2021, the Township recognized pension income of \$60,678 in the government-wide financial statements. At December 31, 2020, the Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
Differences between expected and actual experience	\$ 14,987	\$ 73,118	\$ (58,131)
Changes in assumptions	4,136	2,876	1,260
Net difference between projected and actual earnings on pension plan investments	<u>-</u>	<u>158,377</u>	<u>(158,377)</u>
Subtotal	19,123	234,371	(215,248)
Contributions subsequent to the measurement date	<u>10,402</u>	<u>-</u>	<u>10,402</u>
Total	<u>\$ 29,525</u>	<u>\$ 234,371</u>	<u>\$ (204,846)</u>

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

Year Ending March 31,

2022	\$ (89,070)
2023	(37,713)
2024	(60,378)
2025	<u>(28,087)</u>
Total	<u>\$ (215,248)</u>



**Lemont Township**  
**Notes to the Financial Statements (cont'd)**

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V. **Other Information** (cont'd)

B. **Risk Management**

The Township is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; or acts of God.

The Township is a member of the Township Officials of Illinois Risk Management Association (TOIRMA), which provides sufficient coverage to reduce the risk of any material loss. There have been no significant reductions in coverage in the current year, and there have been no settlements in excess of coverage in the past three years. The Township made an annual contribution of \$37,516 during the year ended March 31, 2021. The Township received a dividend from TOIRMA of \$5,510 in the current year allocated between the General Town Fund (\$2,094) and the Road and Bridge Fund (\$3,416).

C. **Risks and Uncertainties**

In January 2020, the World Health Organization has declared the outbreak of a novel coronavirus (COVID-19) as a "Public Health Emergency of International Concern". COVID-19 has continued to spread throughout the world and has adversely impacted global commercial activity. During the COVID-19 pandemic, our services have been considered essential in nature and have not been interrupted. As the situation continues to evolve, we are closely monitoring the impact of COVID-19 on all aspects of our business, including our vendors and employees. We believe the ultimate impact on our operating results, cash flows and financial condition is likely to be determined by factors which are uncertain, unpredictable and outside of our control.

**REQUIRED SUPPLEMENTARY INFORMATION**

**Lemont Township  
Illinois Municipal Retirement Fund  
Required Supplementary Information - Multiyear Schedule  
of Changes in Net Pension Liability and Related Ratios  
Last Ten Calendar Years\***

	<b>2020</b>
<b>Total pension liability:</b>	
Service cost	\$ 51,402
Interest on the total pension liability	139,623
Benefit changes	-
Difference between expected and actual changes	21,164
Assumption changes	(4,061)
Benefit payments and refunds	(104,984)
	<b>103,144</b>
<b>Net change in total pension liability</b>	<b>103,144</b>
<b>Total pension liability - beginning</b>	<b>1,952,631</b>
<b>Total pension liability - ending</b>	<b>\$ 2,055,775</b>
<b>Plan fiduciary net position:</b>	
Employer contributions	\$ 60,527
Employee contributions	23,437
Pension plan net investment income	279,241
Benefit payments and refunds	(104,984)
Other	(359)
	<b>257,862</b>
<b>Net change in plan fiduciary net position</b>	<b>257,862</b>
<b>Plan fiduciary net position - beginning</b>	<b>1,925,202</b>
<b>Plan fiduciary net position - ending</b>	<b>\$ 2,183,064</b>
<b>Net pension liability</b>	<b>\$ (127,289)</b>
Plan fiduciary net position as a percentage of total pension liability	<b>106.19%</b>
Covered valuation payroll	<b>\$ 522,989</b>
Net pension liability as a percentage of covered valuation payroll	<b>-24.34%</b>

\* The Township adopted GASB 68 in the fiscal year ended March 31, 2016, and will build a ten-year history prospectively.

See independent auditor's report.

2019	2018	2017	2016	2015
\$ 56,129	\$ 48,322	\$ 50,923	\$ 53,892	\$ 50,848
144,486	138,731	133,563	122,884	111,899
-	-	-	-	-
(169,645)	(15,523)	10,690	17,634	35,371
-	47,975	(57,076)	(32,651)	16,676
(86,368)	(74,119)	(61,674)	(50,087)	(45,787)
(55,398)	145,386	76,426	111,672	169,007
2,008,029	1,862,643	1,786,217	1,674,545	1,505,538
<u>\$ 1,952,631</u>	<u>\$ 2,008,029</u>	<u>\$ 1,862,643</u>	<u>\$ 1,786,217</u>	<u>\$ 1,674,545</u>
\$ 60,864	\$ 59,401	\$ 52,206	\$ 51,544	\$ 53,183
24,997	21,131	19,100	19,410	19,085
289,894	(86,675)	248,117	93,091	6,676
(86,368)	(74,119)	(61,674)	(50,087)	(45,787)
21,101	21,686	(33,362)	5,008	(25,102)
310,488	(58,576)	224,387	118,966	8,055
1,614,714	1,673,290	1,448,903	1,329,937	1,321,882
<u>\$ 1,925,202</u>	<u>\$ 1,614,714</u>	<u>\$ 1,673,290</u>	<u>\$ 1,448,903</u>	<u>\$ 1,329,937</u>
<u>\$ 27,429</u>	<u>\$ 393,315</u>	<u>\$ 189,353</u>	<u>\$ 337,314</u>	<u>\$ 344,608</u>
<u>98.60%</u>	<u>80.41%</u>	<u>89.83%</u>	<u>81.12%</u>	<u>79.42%</u>
<u>\$ 538,629</u>	<u>\$ 469,572</u>	<u>\$ 424,441</u>	<u>\$ 431,338</u>	<u>\$ 424,103</u>
<u>5.09%</u>	<u>83.76%</u>	<u>44.61%</u>	<u>78.20%</u>	<u>81.26%</u>

**Lemont Township  
Illinois Municipal Retirement Fund  
Required Supplementary Information -  
Multiyear Schedule of Contributions - Last 10 Fiscal Years\*  
March 31, 2021**

Fiscal Year Ended March 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
<b>2021</b>	<b>\$ 54,782</b>	<b>\$ 54,782</b>	<b>\$ -</b>	<b>\$ 507,706</b>	<b>10.79 %</b>
2020	61,859	61,859	-	543,387	11.38
2019	59,604	59,604	-	469,572	12.69
2018	53,456	53,456	-	431,157	12.40
2017	52,989	52,989	-	440,072	12.04
2016	53,310	53,310	-	428,926	12.43

Notes to Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll (Closed)
Remaining Amortization Period	23 Years
Asset Valuation Method	5-Year Smoothed Market; 20% Corridor
Wage Growth	3.25%
Inflation	2.50%
Salary Increases	3.25% to 14.25% Including Inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

\* The Township adopted GASB 68 in the fiscal year ended March 31, 2016, and will build a ten-year history prospectively.

See independent auditor's report.

**SUPPLEMENTARY INFORMATION**

**Lemont Township  
Combining Balance Sheet -  
Nonmajor Governmental Funds  
March 31, 2021**

<b>Assets</b>	<u><b>Total</b></u>	<u>General Assistance</u>	<u>Tort Liability</u>	<u>Capital Projects</u>
Current assets:				
Cash and investments:				
Money market	<u>\$ 213,559</u>	<u>\$ 213,559</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Total cash and     investments</b>	<b>213,559</b>	213,559	-	-
Property tax receivable	<b>30,209</b>	22,101	8,108	-
Due from other funds	<u>193,144</u>	<u>(1,487)</u>	<u>56,122</u>	<u>138,509</u>
<b>Total assets</b>	<b><u>\$ 436,912</u></b>	<b><u>\$ 234,173</u></b>	<b><u>\$ 64,230</u></b>	<b><u>\$ 138,509</u></b>
<b>Deferred Inflows of Resources</b>				
Property taxes	<u>\$ 24,837</u>	<u>\$ 17,917</u>	<u>\$ 6,920</u>	<u>\$ -</u>
<b>Fund Balances</b>				
Restricted for general assistance	<b>216,256</b>	216,256	-	-
Restricted for tort liability	<b>57,310</b>	-	57,310	-
Assigned for capital outlay	<u>138,509</u>	<u>-</u>	<u>-</u>	<u>138,509</u>
<b>Total fund balances</b>	<b><u>412,075</u></b>	<b><u>216,256</u></b>	<b><u>57,310</u></b>	<b><u>138,509</u></b>
<b>Total deferred inflows of resources and fund balances</b>	<b><u>\$ 436,912</u></b>	<b><u>\$ 234,173</u></b>	<b><u>\$ 64,230</u></b>	<b><u>\$ 138,509</u></b>

See independent auditor's report.

**Lemont Township**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balance - Nonmajor Governmental Funds**  
**For the Year Ended March 31, 2021**

	<u>Total</u>	<u>General Assistance</u>	<u>Tort Liability</u>	<u>Capital Projects</u>
Revenues:				
Property tax revenue	\$ 68,228	\$ 53,386	\$ 14,842	\$ -
Interest income	228	228	-	-
Rental income	38,196	-	-	38,196
Other income	958	-	-	958
<b>Total revenues</b>	<b>107,610</b>	<b>53,614</b>	<b>14,842</b>	<b>39,154</b>
Expenditures:				
Administration	9,128	9,128	-	-
Home relief	13,300	13,300	-	-
Liability insurance	37,516	-	37,516	-
Capital outlay	36,719	-	-	36,719
<b>Total expenditures</b>	<b>96,663</b>	<b>22,428</b>	<b>37,516</b>	<b>36,719</b>
<b>Revenues over (under) expenditures</b>	<b>10,947</b>	<b>31,186</b>	<b>(22,674)</b>	<b>2,435</b>
Fund balance, beginning of the year	401,128	185,070	79,984	136,074
Fund balance, end of the year	\$ 412,075	\$ 216,256	\$ 57,310	\$ 138,509

See independent auditor's report.



**Lemont Township  
General Assistance Fund  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Actual and Budget  
For the Year Ended March 31, 2021**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property taxes	\$ 47,190	\$ 47,190	\$ 53,386	\$ 6,196
Interest	250	250	228	(22)
<b>Total revenues</b>	<b>47,440</b>	<b>47,440</b>	<b>53,614</b>	<b>6,174</b>
Expenditures:				
Administration:				
Audit	-	-	6,646	(6,646)
Light and water	4,000	4,000	2,482	1,518
Professional supplies	10,000	10,000	-	10,000
<b>Total administration</b>	<b>14,000</b>	<b>14,000</b>	<b>9,128</b>	<b>4,872</b>
Home relief:				
Shelter	10,000	10,000	4,200	5,800
Personal allowance	7,000	7,000	8,800	(1,800)
Miscellaneous	3,700	3,700	300	3,400
<b>Total home relief</b>	<b>21,700</b>	<b>21,700</b>	<b>13,300</b>	<b>8,400</b>
<b>Total expenditures</b>	<b>35,700</b>	<b>35,700</b>	<b>22,428</b>	<b>13,272</b>
<b>Revenues over expenditures</b>	<b>\$ 11,740</b>	<b>\$ 11,740</b>	<b>31,186</b>	<b>\$ 19,446</b>
Fund balance, beginning of the year			<b>185,070</b>	
Fund balance, end of the year			<b>\$ 216,256</b>	

See independent auditor's report.

**Lemont Township  
Tort Liability Fund  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Actual and Budget  
For the Year Ended March 31, 2021**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues – property taxes	\$ 15,288	\$ 15,288	<b>\$ 14,842</b>	\$ (446)
Expenditures:				
Tort liability insurance	43,250	43,250	<b>37,516</b>	5,734
<b>Total expenditures</b>	<b>43,250</b>	<b>43,250</b>	<b>37,516</b>	5,734
<b>Revenues under     expenditures</b>	<b>\$ (27,962)</b>	<b>\$ (27,962)</b>	<b>(22,674)</b>	<b>\$ 5,288</b>
Fund balance, beginning of the year			<b>79,984</b>	
Fund balance, end of the year			<b>\$ 57,310</b>	

See independent auditor's report.

**Lemont Township  
Capital Projects Fund  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Actual and Budget  
For the Year Ended March 31, 2021**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Rentals	\$ 37,566	\$ 37,566	\$ 38,196	\$ 630
Other income	1,300	1,300	958	(342)
<b>Total revenues</b>	<b>38,866</b>	<b>38,866</b>	<b>39,154</b>	<b>288</b>
Expenditures:				
Capital outlay:				
Dog park maintenance	5,000	5,000	8,103	(3,103)
Equipment maintenance	5,000	5,000	630	4,370
Land maintenance	30,000	30,000	23,750	6,250
Path maintenance	15,000	15,000	988	14,012
Miscellaneous	2,000	2,000	3,248	(1,248)
<b>Total expenditures</b>	<b>57,000</b>	<b>57,000</b>	<b>36,719</b>	<b>20,281</b>
<b>Revenues over (under) expenditures</b>	<b>\$ (18,134)</b>	<b>\$ (18,134)</b>	<b>2,435</b>	<b>\$ 20,569</b>
Fund balance, beginning of the year			<b>136,074</b>	
Fund balance, end of the year			<b>\$ 138,509</b>	

See independent auditor's report.