



**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT

For the Year Ended March 31, 2019



SIKICH.COM

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT**

For the Year Ended
March 31, 2019

ADMINISTRATIVE OFFICES

**4N498 TOWNHALL ROAD
ST. CHARLES, ILLINOIS**

| | |
|--------------------------------------|------------------|
| John Kupa Supervisor | <hr/> Trustees |
| Richard Johansen Town Clerk | Elizabeth Murphy |
| Sam Gallucci Highway Commissioner | Thomas Stutesman |
| Alan Rottmann Assessor | Joe Miller |
| | Steven Galloway |

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS
TABLE OF CONTENTS**

| | <u>Page(s)</u> |
|--|----------------|
| INDEPENDENT AUDITOR’S REPORT | 1-3 |
| MANAGEMENT'S DISCUSSION AND ANALYSIS..... | MD&A 1-8 |
| GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS | |
| Basic Financial Statements | |
| Government-Wide Financial Statements | |
| Statement of Net Position..... | 4 |
| Statement of Activities | 5 |
| Fund Financial Statements | |
| Governmental Funds | |
| Balance Sheet..... | 6 |
| Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position..... | 7 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances | 8 |
| Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Governmental Activities in the Statement of Activities | 9 |
| Notes to Financial Statements | 10-33 |
| Required Supplementary Information | |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | |
| General (Town) Fund | 34 |
| Road and Bridge Fund..... | 35 |
| Other Postemployment Benefit Plan | |
| Schedule of Changes in the Employer’s Total OPEB Liability and Related Ratios | 36 |

CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS
TABLE OF CONTENTS (Continued)

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)

Required Supplementary Information (Continued)

| | <u>Page(s)</u> |
|---|----------------|
| Illinois Municipal Retirement Fund | |
| Schedule of Employer Contributions | 37 |
| Schedule of Changes in the Employers' Net Pension Liability and Related Ratios | 38 |
| Notes to Required Supplementary Information | 39 |

COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

| | |
|--|-------|
| Schedule of Expenditures - Budget and Actual | |
| General (Town) Fund | 40-42 |
| Road and Bridge Fund | 43-44 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | |
| Open Space Fund | 45-46 |

NONMAJOR GOVERNMENTAL FUNDS

| | |
|--|----|
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | |
| Capital Improvements Fund | 47 |

SUPPLEMENTAL DATA

| | |
|-----------------------------------|----|
| Schedule of Land Cash Money | 48 |
| Schedule of Land Purchases | 49 |

INDEPENDENT AUDITOR'S REPORT

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

The Honorable Town Supervisor
Members of the Board of Trustees
Campton Township
St. Charles, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Campton Township, St. Charles, Illinois (the Township) as of and for the year ended March 31, 2019, and the related notes to financial statements which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Township'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 Township'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 Campton Township, St. Charles, Illinois, as of March 31, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

The Township adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which established standards for measuring and recognizing liabilities, deferred inflows and outflows of resources and expenses; and modified certain disclosures in the notes to financial statements and the required supplementary information as discussed in Note 10 to the basic financial statements. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the other required supplementary information listed in the accompanying table of contents 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 the Township's basic financial statements as a whole. The combining and individual fund financial statements and schedules and the supplemental data are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Sikich LLP

Naperville, Illinois
July 3, 2019

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

CAMPTON TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the fiscal year ended March 31, 2019

Our discussion and analysis of Campton Township's financial performance provides an overview of the Township's financial activities for the fiscal year ended March 31, 2019. Readers are encouraged to consider the information presented in conjunction with the Township's financial statements as a whole.

FINANCIAL HIGHLIGHTS

- The net assets of the Township exceeded its liabilities at the close of the most recent fiscal year by \$34,562,705 (net position). This represents a \$3,149,506 increase in net assets with a prior period adjust for the change in accounting principal with the implementation of GASB No. 75. The main net asset increase is attributed to the decrease in total liabilities from debt service payments. During 2019 fiscal year, the principal payments for the Open Space General Obligation Bonds reduced debt in the amount of \$2,877,708.
- For the year the Statement of Revenues, Expenditures, and Changes in Fund Balances, indicates total expenditures exceeded total revenues by \$14,145. The General Fund and the Road and Bridge Fund had surpluses; while the Open Space Fund and the Capital Improvements Fund had budgeted deficiencies.
- Overall there was an 8.7% increase in the cost of programs. Road and Bridge had the most significant increase primarily from increased road resurfacing. The next significant increase, interest expense on long term debt was due to last year refunding of general obligation debt. In future years, the interest expense is structured to decline each year.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$365,520 or approximately 55% of total General Fund expenditures. The Road and Bridge Fund had a restricted fund balance of \$1,298,018, which represents approximately 61% of total Road and Bridge expenditures.

Overview of the Financial Statements

This annual report consists of a series of financial statements and notes to the financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Township as a whole and present a longer-term view of the Township's finances. Fund financial statements begin on page 6. For governmental funds, these fund financial statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Township's operation in more detail than the government-wide statements by providing information about the Township's individual funds.

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Township's finances, in a matter similar to a private-sector business. The government wide financial statements can be found on pages 4 - 5 of this report.

(See independent auditor's report.)

The Statement of Net Position reports information on all of the Township's assets with deferred outflows and liabilities with deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the township is improving or deteriorating. Consideration of other non-financial factors, such as changes in the Township's property tax base is necessary to assess the overall health of the Township.

The Statement of Activities presents information showing how the Township's net position changed during the fiscal year ending March 31, 2019. All changes in net position are reported as soon as the underlying event that causes the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

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

The governmental activities of the Township include general government, public welfare, recreation and preservation of open land. Real estate taxes and governmental revenues (e.g. grants, permit fees) finance these activities.

Fund Financial Statements

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

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Township's near-term financing requirements.

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

The Township maintains four governmental funds. Information is presented separately for the major funds and combines the non-major governmental funds in the balance sheet and in the statement of revenues, expenditures, and changes in fund balances. The major funds are the General (Town) Fund (includes General Assistance), Road and Bridge Fund, and Open Space Fund. The remaining non-major governmental fund is the Capital Improvements Fund.

(See independent auditor's report.)

The Township adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison statement for these funds has been provided to demonstrate compliance with this budget in the required supplementary information section.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 10 of this report. Included in the notes is the information concerning the Township's detail for long-term debt, Illinois Municipal Retirement Fund (IMRF) pension obligations and new reporting for other postemployment health care benefits (OPEB). Following the notes is required supplementary information reporting the available years of trend information concerning the OPEB and IMRF funds. The new pronouncements recommend the schedules should include the last ten years of information but until ten years of data can be compiled as many years of available information will be presented in the supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Township, assets exceeded liabilities by \$34,562,705. The \$2,953,796 increase represents a combination of changes.

| Statement of Net Position | | |
|---|----------------------|-------------------|
| As of March 31 | | |
| | <u>2019</u> | <u>2018</u> |
| Current and Other Assets | \$ 14,362,812 | 14,067,127 |
| Capital Assets | <u>57,427,601</u> | <u>57,651,584</u> |
| Total assets | 71,790,413 | 71,718,711 |
| Deferred Outflows of Resources | 631,813 | 358,713 |
| Total assets & deferred outflows of resources | 72,422,226 | 72,077,424 |
| | | |
| Current Liabilities | 428,055 | 367,537 |
| Non-current debt due within one year | 3,698,526 | 3,350,609 |
| Long-Term Debt Outstanding | <u>26,572,828</u> | <u>29,652,238</u> |
| Total Liabilities | 30,699,409 | 33,379,384 |
| Deferred Inflows of Resources | 7,160,112 | 7,089,131 |
| Total liabilities & deferred inflows of resources | 37,859,521 | 40,468,515 |
| | | |
| Net Position | | |
| Net Investment in Capital Assets | 29,039,251 | 26,671,319 |
| Restricted for | | |
| Road and bridges | 1,298,018 | 1,253,832 |
| Open Spaces | 4,118,779 | 3,652,883 |
| Unrestricted | <u>106,657</u> | <u>30,875</u> |
| Total Net Position | <u>\$ 34,562,705</u> | <u>31,608,909</u> |

(See independent auditor's report.)

Current and other assets increased \$295,685; the primary increase was receivable taxes of \$232K. In addition, cash and investments increased \$65K (Road and Bridge increased offset by a decrease in Open Space). The receivable taxes and deferred revenue for property taxes represents 2018 tax levy payable in 2019 for Open Space GO Bond debt; General Town levy and Road and Bridge levy and increased approximately 3.4%.

The most significant change was a \$2,679,975 decrease in total liabilities (excluding deferred inflows of resources). This decrease consisted of bond debt payments of \$2,865,000 GO Bonds and \$12,708 IGA (Kane County) water resource bond debt. In addition, there were less significant changes with accounts payable increasing \$76K and accrued interest decreasing \$25K at year-end.

Net investment in capital assets (for example, land, buildings, equipment) accounts for a major portion of the Township's net position. Non-depreciable capital assets total \$50,362,084 of the net Capital Assets of \$57,427,601. The net capital assets by fund are: \$2.2 million – General (Town) Fund; \$8.1 million - Road and Bridge Fund; \$47.1 million - Open Space Fund. These capital assets are primarily comprised of land, buildings and equipment that provide services and opportunities for citizens. Consequently, these assets are not available for spending. See the notes for additional information regarding capital assets on page 18 - 19 of this report.

(See independent auditor's report.)

Statement of Activities
For the Years Ending March 31

Revenues:

| | | |
|-------------------------------------|----------------------|-------------------|
| Program Revenues | | |
| Charges for Services | \$ 142,693 | 260,816 |
| Operating grants & contributions | 441,046 | 441,436 |
| Capital grants & contributions | 0 | 0 |
| General Revenues | | |
| Property Taxes | 6,804,857 | 6,529,047 |
| Replacement Taxes | 5,796 | 6,256 |
| Investment Income | 215,210 | 92,696 |
| Miscellaneous | 41,670 | 10,362 |
| Total Revenues | \$ <u>7,651,272</u> | <u>7,340,613</u> |
| Expenses: | | |
| General Government | \$ 596,043 | 594,376 |
| Road and Bridges | 2,163,879 | 1,920,564 |
| Parks and recreation | 87,096 | 67,397 |
| Open Space | 603,800 | 721,296 |
| Interest on Long Term Debt | 1,050,948 | 836,730 |
| Total Expenses | \$ <u>4,501,766</u> | <u>4,140,363</u> |
| Increase (decrease) in Net Position | \$ 3,149,506 | 3,200,250 |
| Net Position - Beginning | <u>31,608,909</u> | <u>28,408,659</u> |
| Change in accounting principles | <u>(195,710)</u> | |
| Net Position - Beginning Restated | <u>31,413,199</u> | |
| Net Position - Ending | <u>\$ 34,562,705</u> | <u>31,608,909</u> |

Statement of Activities

The change in accounting principle caused a prior period restatement to record the total OPEB liability needed for adopting GASB No.75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions (OPEB).

Changes in Net Position

There was an increase in net position of \$3,149,506. Expenses for governmental activities increased \$361,403; the greatest increase of \$243K for Road and Bridges included an additional \$150K in road resurfacing and approximately \$85K increase in expenses related to the cold, snowy winter - wages, fuel, ice control chemicals. Parks and recreation expenses were consistent except for a \$24K improvement at Anderson Park. Open Space expenses decreased \$117K without the prior year bond issuance and less capital purchases. Interest expense on long term debt increased \$259K due to the debt restructuring though in future years the interest will steadily decrease per the debt service table on page 23. Other key elements in the change are as follows:

(See independent auditor's report.)

- *Charges for Services* include: General government's room rental fees; Parks' field fees; Road's culvert, access & overweight permits; Open Space's wetland income, license income, permit & field fees. The \$118K decrease from previous year's charges for services resulted from \$113K reduction of Open Space wetland income, and Highways and Streets \$5K decrease in culvert permits issued.
- *Operating grants and contributions* include Open Space – grants/donations with the Build America Bonds tax rebate and Highways and Streets - intergovernmental income. Open Space this year received donations of \$8,120 from Eagle Scout project donations and various fund-raising events. Open Space received a \$29,450 single donation for the Corron Farm Historic Dairy Barn in fiscal year 2018 thus this year has a decrease in donations. The majority of the intergovernmental income to Highways and Streets is from the Village of Campton Hills. The Road District receives revenue under the intergovernmental agreements originally created in 2007 between the newly created Village of Campton Hills (VCH) and the Campton Township Road District. These agreements provided for the Road District to continue to maintain the roads previously under the Township Road District jurisdiction and to perform additional work as requested on VCH roads located in Plato Township. In total, the Road District's Intergovernmental contributions increased approximately \$32,000. The largest increase was an additional contribution of \$130,000 from the VCH for road resurfacing. There was a significant decrease in intergovernmental road work (non VCH) due to a one-time joint resurfacing project bid in 2017-2018 with the Village of Lily Lake and Plato. Road maintenance for VCH roadways in Plato Township increased by \$8,300 and Motor Fuel Taxes (MFT) received for VCH roads was consistent with the previous year.
- *Capital grants* – no income generated from grant revenue this year.
- Property taxes levied for General Fund and Road and Bridge increased by 3.1% for fiscal year 2019. This reflects the increase in the rate of inflation, plus new construction in the Township that was added to the Township assessment records. Property taxes levied for Open Space are set by resolution from the various bond issuances and increased by \$202K which represents a 4.85% increase for this year. The Open Space tax receipts are restricted to general obligation bond payments only; this revenue offsets the amount of general obligation bond interest and principal payments due during the fiscal year.
- Investment income reflects an increase. The change in average earned bank interest rates went from 1% to 2.1%. Open Space unrealized market valuation loss decreased. The Open Space Fund reported a \$20K in unrealized gain on investments. The unrealized gain or loss fluctuates based on the market value of investments as of March 31st each year.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental funds

The focus of the Township's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. As of the end of the current fiscal year, combined ending fund balances were \$7.12 million, which is a .2% decrease from last year's total of \$7.14

(See independent auditor's report.)

million. The fund balances with increases were: \$6K in the General (Town) Fund and \$111K in the Road and Bridge Fund and \$18K in the Capital Improvements Fund. There was a decrease of \$150.8K in the Open Space. The Open Space Fund's budgeted deficit was originally budgeted at a higher dollar amount.

At the end of the current fiscal year for the major funds, there was an unassigned fund balance of \$365,520 for the General Fund, restricted and unrestricted funds for the Road and Bridge Fund of \$1,395,159 and \$5,194,141 of restricted and unrestricted funds for the Open Space Fund; these funds may be used to meet the government's ongoing obligations and programs.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Township board approved amended budget line items under 10% from the original Township Budget Ordinance and/or Road and Bridge Ordinance. All the amended line item adjustments were minor adjustments of less than 1% in the Town and Open Space Funds. The Road Fund had a couple line item adjustments greater than 1% but less than 1.5%. The arctic cold and snow generated overtime hours with a 1.12% increase in both wages and ice control chemicals. In addition, Road increases greater than 1% occurred in road resurfacing and equipment damaged in the winter. There was an unanticipated Road equipment repair invoice that occurred at the end of the year which created budget line item overages in equipment repair parts and services. These expenditure overages were offset as there were surpluses in other line items and the Road District ended the year with a \$111K surplus. The General – Town Fund also had a surplus and transferred \$41,900 to the Capital Improvement Fund to provide funding for capital costs. In the Open Space Fund, the actual administration, maintenance and capital outlay expenditures were approximately \$78K under the original budgeted expenditures for the fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Township's investment in capital assets as of March 31, 2019 was \$57,427,601 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings & improvements, equipment & vehicles and road infrastructure.

Net capital assets decreased by \$223,983. This was a combination of capital additions of \$199,867 offset by annual depreciation of \$413,585 and net disposals of \$10,265. Capital additions by fund included: Open Space – Gray Willows Monarch prairie planting, Corron Farm dairy barn electrical upgrades; Road and Bridge-new skid steers, pressure washer, 2018 F150 crew cab truck, new stainless-steel bed for 6-wheel truck new roofs for building A and the salt dome.

Additional information of the Township's capital assets can be found in note 4 on pages 18 - 19.

Debt

At year-end, the Township Open Space program had outstanding bond debt of \$26,967,124. Reductions in bond debt this fiscal year: \$2,877,708 in principal payments, \$2,865,000 in GO bond debt and \$12,708 IGA water resource bonds through Kane County.

The Road Fund capital leases were reduced by \$20,435, leaving an outstanding balance of \$21,242 for the final payment of the lease. Unamortized premium on general obligation bonds amount will consistently be amortized for the next six years. Under the long-term debt net pension liability, the Township recorded a pension liability increase of \$418,433 for the year in order to comply

(See independent auditor's report.)

with GASB 68 Accounting and Financial Reporting for Pensions and GASB 71 Pension Transition for Contributions Made Subsequent to the Measurement Date and amendment of GASB 68 has recorded the Net pension liability in the Long-Term Debt. This is the first year GASB 75 Accounting and Financial Reporting for Postemployment benefits other than Pensions has been reported in the financial statements. There was a prior period adjustment \$195,710 for the Change in Accounting Principal in the Statement of Activities on page 5, to retroactively record the total other postemployment benefit liability and write off the net other postemployment benefit obligation. Details of the OPEB reporting are in note 9 on pages 29 – 33.

Detailed information regarding the Township's debt can be found in note 6 on pages 20 - 23.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Township receives the majority of its revenue from property taxes. Current economic factors have increased the growth of the property tax base of the Township; new construction does affect increases in property tax receipts. The CPI also has an effect on increasing property tax revenues but it does not decrease taxes. The Township anticipates these effects on the property taxes for fiscal year 2019-2020 and the Township considers this in their forecast and budget process.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Township's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Campton Township Supervisor, 4N498 Town Hall Road, St. Charles, IL 60175.

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

STATEMENT OF NET POSITION

March 31, 2019

| | Governmental Activities |
|---|------------------------------------|
| ASSETS | |
| Cash and investments | \$ 7,248,091 |
| Receivables (net, where applicable of allowances for uncollectibles) | |
| Taxes | 7,048,459 |
| Accrued interest | 20,750 |
| Allotments | 32,481 |
| Other | 13,031 |
| Capital assets, not being depreciated | 50,362,084 |
| Capital assets, being depreciated (net of accumulated depreciation) | 7,065,517 |
| Total assets | 71,790,413 |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Pension items - IMRF | 343,551 |
| OPEB items | 5,980 |
| Unamortized loss on refunding | 282,282 |
| Total deferred outflows of resources | 631,813 |
| Total assets and deferred outflows of resources | 72,422,226 |
| LIABILITIES | |
| Accounts payable | 132,230 |
| Accrued payroll | 54,233 |
| Accrued interest | 241,592 |
| Noncurrent liabilities | |
| Due within one year | 3,698,526 |
| Due in more than one year | 26,572,828 |
| Total liabilities | 30,699,409 |
| DEFERRED INFLOWS OF RESOURCES | |
| Pension items - IMRF | 111,653 |
| Deferred revenue - property taxes | 7,048,459 |
| Total deferred inflows of resources | 7,160,112 |
| Total liabilities and deferred inflows of resources | 37,859,521 |
| NET POSITION | |
| Net investment in capital assets | 29,039,251 |
| Restricted for | |
| Roads and bridges | 1,298,018 |
| Open space | 4,118,779 |
| Unrestricted | 106,657 |
| TOTAL NET POSITION | \$ 34,562,705 |

See accompanying notes to financial statements.

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended March 31, 2019

| FUNCTIONS/PROGRAMS PRIMARY GOVERNMENT | Program Revenues | | | | Net (Expense) Revenue and Change in Net Position |
|--|---------------------|-------------------------|--|--|---|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Governmental |
| | | | | | Activities |
| Governmental Activities | | | | | |
| General government | \$ 596,043 | \$ 520 | \$ - | \$ - | \$ (595,523) |
| Highways and streets | 2,163,879 | 23,560 | 386,865 | - | (1,753,454) |
| Parks and recreation | 87,096 | 11,845 | - | - | (75,251) |
| Open space | 603,800 | 106,768 | 8,120 | - | (488,912) |
| Interest | 1,050,948 | - | 46,061 | - | (1,004,887) |
| TOTAL GOVERNMENTAL ACTIVITIES | \$ 4,501,766 | \$ 142,693 | \$ 441,046 | \$ - | (3,918,027) |
| | | | General Revenues | | |
| | | | Taxes | | |
| | | | Property taxes | 6,804,857 | |
| | | | Replacement taxes | 5,796 | |
| | | | Investment income | 215,210 | |
| | | | Miscellaneous | 41,670 | |
| | | | Total | 7,067,533 | |
| | | | CHANGE IN NET POSITION | | 3,149,506 |
| | | | NET POSITION, APRIL 1 | | 31,608,909 |
| | | | Change in accounting principle | | (195,710) |
| | | | NET POSITION, APRIL 1, RESTATED | | 31,413,199 |
| | | | NET POSITION, MARCH 31 | | \$ 34,562,705 |

See accompanying notes to financial statements.

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

**BALANCE SHEET
GOVERNMENTAL FUNDS**

March 31, 2019

| | General (Town) | Road and Bridge | Open Space | Nonmajor | Total |
|--|---------------------------|----------------------------|-----------------------|-------------------|----------------------|
| ASSETS | | | | | |
| Cash and investments | \$ 415,388 | \$ 1,491,411 | \$ 5,192,796 | \$ 148,496 | \$ 7,248,091 |
| Receivables | | | | | |
| Taxes | 704,971 | 1,803,344 | 4,540,144 | - | 7,048,459 |
| Accrued interest | - | - | 20,750 | - | 20,750 |
| Allotments | - | 32,481 | - | - | 32,481 |
| Other | - | 13,031 | - | - | 13,031 |
| TOTAL ASSETS | \$ 1,120,359 | \$ 3,340,267 | \$ 9,753,690 | \$ 148,496 | \$ 14,362,812 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | | |
| LIABILITIES | | | | | |
| Accounts payable | \$ 7,367 | \$ 113,728 | \$ 11,135 | \$ - | \$ 132,230 |
| Accrued payroll | 17,927 | 28,036 | 8,270 | - | 54,233 |
| Total liabilities | 25,294 | 141,764 | 19,405 | - | 186,463 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Unavailable revenue - property taxes | 704,971 | 1,803,344 | 4,540,144 | - | 7,048,459 |
| Total deferred inflows of resources | 704,971 | 1,803,344 | 4,540,144 | - | 7,048,459 |
| FUND BALANCES | | | | | |
| Restricted for roads and bridges | - | 1,298,018 | - | - | 1,298,018 |
| Restricted for open spaces | - | - | 5,013,415 | - | 5,013,415 |
| Unrestricted | | | | | |
| Assigned for roads and bridges | - | 97,141 | - | - | 97,141 |
| Assigned for capital projects | - | - | - | 148,496 | 148,496 |
| Assigned for open space | - | - | 180,726 | - | 180,726 |
| Assigned for general assistance | 24,574 | - | - | - | 24,574 |
| Unassigned | 365,520 | - | - | - | 365,520 |
| Total fund balances | 390,094 | 1,395,159 | 5,194,141 | 148,496 | 7,127,890 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | \$ 1,120,359 | \$ 3,340,267 | \$ 9,753,690 | \$ 148,496 | \$ 14,362,812 |

See accompanying notes to financial statements.

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

**RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL
FUNDS TO THE GOVERNMENTAL ACTIVITIES IN
THE STATEMENT OF NET POSITION**

March 31, 2019

| | |
|---|-----------------------------|
| FUND BALANCES OF GOVERNMENTAL FUNDS | \$ 7,127,890 |
| 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 governmental funds | 57,427,601 |
| Long-term liabilities are not due and payable in the current period and, therefore, are not reported in governmental funds | |
| Bonds | (26,967,124) |
| Capital leases | (21,242) |
| Net other postemployment benefit obligation and related termination benefits | (177,327) |
| Unamortized premium | (2,576,902) |
| Compensated absences payable | (67,426) |
| Unamortized loss on refunding is reported as a deferred outflow on the statement of net position | 282,282 |
| Net pension liability for the Illinois Municipal Retirement Fund is shown as a liability on the statement of net position | (461,333) |
| Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings, and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position | 231,898 |
| Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings for other postemployment benefits are recognized as deferred outflows of resources on the statement of net position | 5,980 |
| Accrued interest on long-term liabilities is shown as a liability on the statement of net position | <u>(241,592)</u> |
| NET POSITION OF GOVERNMENTAL ACTIVITIES | <u>\$ 34,562,705</u> |

See accompanying notes to financial statements.

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended March 31, 2019

| | General (Town) | Road and Bridge | Open Space | Nonmajor | Total |
|--|-------------------|---------------------|---------------------|-------------------|---------------------|
| REVENUES | | | | | |
| Taxes | \$ 685,381 | \$ 1,752,160 | \$ 4,373,112 | \$ - | \$ 6,810,653 |
| Charges for services | 12,765 | 23,160 | 106,768 | - | 142,693 |
| Intergovernmental | - | 386,865 | 46,061 | - | 432,926 |
| Investment income | 12,794 | 33,549 | 167,856 | 1,011 | 215,210 |
| Miscellaneous | 339 | 36,582 | 12,869 | - | 49,790 |
| Total revenues | 711,279 | 2,232,316 | 4,706,666 | 1,011 | 7,651,272 |
| EXPENDITURES | | | | | |
| Current | | | | | |
| General government | 598,319 | - | - | - | 598,319 |
| Highways and streets | - | 1,356,666 | - | - | 1,356,666 |
| Parks and recreation | 64,923 | - | - | - | 64,923 |
| Open space | - | - | 457,814 | - | 457,814 |
| Capital outlay | - | 741,713 | 50,031 | 24,191 | 815,935 |
| Debt service | | | | | |
| Principal | - | 20,435 | 2,877,708 | - | 2,898,143 |
| Interest and fiscal charges | - | 1,646 | 1,471,971 | - | 1,473,617 |
| Total expenditures | 663,242 | 2,120,460 | 4,857,524 | 24,191 | 7,665,417 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 48,037 | 111,856 | (150,858) | (23,180) | (14,145) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | - | - | - | 41,900 | 41,900 |
| Transfers (out) | (41,900) | - | - | - | (41,900) |
| Total other financing sources (uses) | (41,900) | - | - | 41,900 | - |
| NET CHANGE IN FUND BALANCES | 6,137 | 111,856 | (150,858) | 18,720 | (14,145) |
| FUND BALANCES, APRIL 1 | 383,957 | 1,283,303 | 5,344,999 | 129,776 | 7,142,035 |
| FUND BALANCES, MARCH 31 | \$ 390,094 | \$ 1,395,159 | \$ 5,194,141 | \$ 148,496 | \$ 7,127,890 |

See accompanying notes to financial statements.

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES TO THE GOVERNMENTAL ACTIVITIES
IN THE STATEMENT OF ACTIVITIES**

For the Year Ended March 31, 2019

| | |
|---|----------------------------|
| NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS | \$ (14,145) |
| Amounts reported for governmental activities in the statement of activities are different because: | |
| Governmental funds report capital outlays as expenditures; however, they are capitalized in the statement of activities | 199,867 |
| Depreciation expense does not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds | (413,585) |
| The gain/loss on disposal of capital assets is reported on the statement of activities as a reduction/increase of expense | (10,265) |
| Repayment of long-term obligations is shown as an expenditure in governmental funds, but as a reduction of liability on the statement of net position | |
| Bonds | 2,877,708 |
| Capital leases | 20,435 |
| The amortization of premiums on bonds and deferred losses on refunding is shown as a reduction of interest expense on the statement of activities | 396,869 |
| The change in the net pension liability for the Illinois Municipal Retirement Fund is reported only in the statement of activities | (418,433) |
| The change in deferred inflows and outflows of resources for the Illinois Municipal Retirement Fund is reported only in the statement of activities | 473,230 |
| The decrease in accrued interest on long-term debt is reported as a reduction of interest expense on the statement of activities | 25,800 |
| The change in other post employment benefit payable is reported as an expense on the statement on activities | 18,383 |
| The change in deferred outflows of resources for other post employment benefit payable is reported only on the statement of activities | 5,980 |
| The change in the compensated absences liability is shown as an expense on the statement of activities | <u>(12,338)</u> |
| CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES | <u>\$ 3,149,506</u> |

See accompanying notes to financial statements.

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

March 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Campton Township, St. Charles, Illinois (the Township) was incorporated in 1850. The Township operates under a Board of Trustees form of government and provides the following services: general assistance, road and bridge, assessment of properties, and general administrative services.

The financial statements of the Township have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Township's accounting policies are described below.

a. Reporting Entity

The Township is a municipal corporation governed by an elected board. As required by GAAP, these financial statements present the Township (the primary government). There are no component units included in the Township's reporting entity.

b. Basis of Presentation - Fund Accounting

The accounts of the Township are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled. Funds are classified into the following category: governmental.

Governmental funds are used to account for the Township's general activities. The General (Town) Fund is the primary operating fund; accounting for all financial resources not accounted for in another fund. Special revenue funds account for revenue sources that are legally restricted or committed for specific purposes (except for capital projects funds). Capital projects funds account for funds that are restricted, committed, or assigned to the acquisition of capital assets or construction of major capital projects not financed by another fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. 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 of the activities of the Township. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are 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.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment, or program are 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 instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Township reports the following major governmental funds:

The General (Town) Fund accounts for the resources traditionally associated with the Township's operations that are not accounted for in another fund.

The Road and Bridge Fund (special revenue) accounts for the revenues and expenditures restricted to financing the maintenance and construction of the Township's roads and bridges.

The Open Space Fund (capital projects) accounts for monies received from the sale of general obligation bonds, the proceeds of which are to be used for the purchase and management of open space within the Township.

d. Basis of Accounting

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. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Basis of Accounting (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e., both 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 be used to pay liabilities of the current period. The Township considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures are recorded when the related fund liability is incurred.

Those revenues susceptible to accrual are property taxes, interest revenue, and charges for services. Donations are not susceptible to accrual because generally they are not measurable until received in cash.

The Township reports unearned/unavailable/deferred revenue on its financial statements. Unavailable/deferred revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned revenues also arise when resources are received by the Township before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the Township has a legal claim to the resources, the liability or deferred inflow for unearned/unavailable/deferred revenue is removed from the financial statements and revenue is recognized.

e. Cash and Investments

Cash consists of demand deposits. Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Capital Assets

Capital assets, which include property, plant, equipment, and certain intangible assets are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the Township as assets with an estimated useful life in excess of one year and an initial individual cost of more than \$5,000, \$10,000, or \$50,000 for equipment, buildings, and infrastructure, respectively. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at 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 asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

| Assets | Years |
|----------------------------|-------|
| Land improvements | 20 |
| Buildings and improvements | 20-50 |
| Equipment and vehicles | 5-10 |
| Infrastructure | 50 |

g. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses.

h. Compensated Absences

Vested or accumulated vacation and sick leave are reported as an expenditure and a fund liability of the governmental fund that will pay it once retirement or separation has occurred. Vested or accumulated vacation and sick leave of governmental activities are recorded as an expense and liability as the benefits accrue to employees.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Interfund Transactions

Interfund services are accounted for as revenues or expenditures/expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except interfund services and reimbursements, are reported as transfers.

j. Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts, as well as gains (losses) on refundings, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. The unamortized loss on refunding is reported as a deferred outflow of resources.

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

k. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not spendable in form or legally or contractually required to be maintained intact. 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 or internally restricted via enabling legislation. Committed fund balance is constrained by formal actions of the Township's Board of Trustees, which is considered the Township's highest level of decision-making authority. Formal actions include ordinances approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the Township's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Township Accountant by the Township Board of Trustees. Any residual fund balance in the General (Town) Fund or deficit fund balance in any governmental fund is reported as unassigned.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Fund Balances/Net Position (Continued)

The Township's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the Township considers committed funds to be expended first followed by assigned and then unassigned funds.

The Township does not have a policy to maintain unassigned fund balance in the General Town Fund at a minimum level.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. None of the Township's net position have been restricted by enabling legislation adopted by the Township. Net investment in capital assets, represents the book value of capital assets less any long-term debt principal outstanding issued to construct or acquire capital assets.

l. Accounting Estimates

The preparation of financial statements in conformity with GAAP 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 statement and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

m. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

2. DEPOSITS AND INVESTMENTS

The Township categorizes the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The Township maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements as "cash and investments."

The Township's investment policy authorizes the Township to invest in all investments allowed by Illinois Compiled Statutes. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, The Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value). In addition, bond funds may be invested in state and local government bonds. The Township's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

It is the policy of the Township to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Township and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, legality, safety of principal, liquidity, and rate of return.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Township's deposits may not be returned to it. The Township's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds secured, with the collateral held by the Township, an independent third party, or the Federal Reserve Bank of Chicago. In addition, one of the Township's banks pledges collateral to a single institution collateral pool whereby collateral is pooled in one account at a separate bank acting for all public entity deposits in that bank.

CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Investments

The following table presents the investments and maturities of the Township's debt securities as of March 31, 2019:

| Investment Type | Fair Value | Investment Maturities (in Years) | | | |
|--------------------------|---------------------|----------------------------------|---------------------|---------------------|-----------------|
| | | Less than 1 | 1-5 | 6-10 | Greater than 10 |
| U.S. Treasury note | \$ 345,791 | \$ - | \$ 345,791 | \$ - | \$ - |
| Federal Farm Credit Bank | 437,935 | - | - | 437,935 | - |
| Municipal bonds | 1,493,046 | - | 1,291,150 | 201,896 | - |
| Negotiable CD's | 573,449 | - | 194,617 | 378,832 | - |
| TOTAL | \$ 2,850,221 | \$ - | \$ 1,831,558 | \$ 1,018,663 | \$ - |

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Township limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

The Township has the following recurring fair value measurements as of March 31, 2019: the U.S. Treasury notes, Federal Farm Credit Bank notes, municipal bonds, and negotiable CD's, are valued using quoted matrix pricing models (Level 2 inputs).

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Township limits its exposure to credit risk by requiring investments primarily in negotiable CD's, agency securities, money market mutual funds, and municipal bonds in the highest four credit ratings by a national rating agency. The U.S Treasury notes are rated AA+, the Federal Farm Credit Bank obligation is rated AA+, the municipal bonds range in rating from AA- to AAA, and the negotiable certificates of deposit are not rated by a credit rating agency.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Township will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Township's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by an independent third party custodian and evidenced by safekeeping receipts and a written custodial agreement.

CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Concentration of credit risk is the risk that the Township has a high percentage of its investments invested in one type of investment. The Township's investment policy requires diversification of investments to avoid unreasonable risk. No financial institution shall hold more than 20% of the Township's investment portfolio, exclusive of any securities held in safekeeping; The Illinois Funds shall not exceed 40% of the investment portfolio. At March 31, 2019, the Township had greater than 5% of its overall portfolio invested in Federal Farm Credit Bank obligations (11%), negotiable certificates of deposit (14%), and municipal bonds (37%).

3. RECEIVABLES - TAXES

Property taxes for 2018 attach as an enforceable lien on January 1, 2018, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about May 1, 2019 and are payable in two installments, on or about June 1, 2019 and September 1, 2019. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 0.50% of the tax levy to reflect actual collection experience. Property tax receivable balances in the financial statements appear net of this allowance.

The 2019 tax levy, which attached as an enforceable lien on property as of January 1, 2019, has not been recorded as a receivable as of March 31, 2019 as the tax has not yet been levied by the Township and will not be levied until December 2019 and, therefore, the levy is not measurable at March 31, 2019.

4. CAPITAL ASSETS

Capital asset activity for the year ended March 31, 2019 was as follows:

| | Balances April 1 | Increases | Decreases | Balances March 31 |
|--|---------------------|-----------|-----------|----------------------|
| GOVERNMENTAL ACTIVITIES | | | | |
| Capital assets not being depreciated | | | | |
| Land | \$ 46,773,754 | \$ - | \$ - | \$ 46,773,754 |
| Right of way and easements | 3,588,330 | - | - | 3,588,330 |
| Total capital assets not being depreciated | <u>50,362,084</u> | <u>-</u> | <u>-</u> | <u>50,362,084</u> |

CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

| | Balances April 1 | Increases | Decreases | Balances March 31 |
|---|---------------------|--------------|-----------|----------------------|
| GOVERNMENTAL ACTIVITIES | | | | |
| (Continued) | | | | |
| Capital assets being depreciated | | | | |
| Land improvements | \$ 2,379,826 | \$ 44,192 | \$ - | \$ 2,424,018 |
| Buildings and improvements | 2,895,477 | 58,032 | - | 2,953,509 |
| Equipment and vehicles | 2,147,467 | 97,643 | 58,410 | 2,186,700 |
| Infrastructure | 6,482,368 | - | - | 6,482,368 |
| Total capital assets being depreciated | 13,905,138 | 199,867 | 58,410 | 14,046,595 |
| Less accumulated depreciation for | | | | |
| Land improvements | 1,460,747 | 115,612 | - | 1,576,359 |
| Buildings and improvements | 677,495 | 59,060 | - | 736,555 |
| Equipment and vehicles | 1,500,011 | 116,942 | 48,145 | 1,568,808 |
| Infrastructure | 2,977,385 | 121,971 | - | 3,099,356 |
| Total accumulated depreciation | 6,615,638 | 413,585 | 48,145 | 6,981,078 |
| Total capital assets being depreciated, net | 7,289,500 | (213,718) | 10,265 | 7,065,517 |
| GOVERNMENTAL ACTIVITIES | | | | |
| CAPITAL ASSETS, NET | | | | |
| | \$ 57,651,584 | \$ (213,718) | \$ 10,265 | \$ 57,427,601 |

Depreciation expense was charged to functions/programs of the primary government as follows:

| | |
|--------------------------------------|-------------------|
| GOVERNMENTAL ACTIVITIES | |
| General government | \$ 13,372 |
| Highways and streets | 165,583 |
| Open space | 234,630 |
| TOTAL GOVERNMENTAL ACTIVITIES | \$ 413,585 |

5. 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; employees' health; and natural disasters.

CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RISK MANAGEMENT (Continued)

The Township is a member of Town Organization Intergovernmental Risk Management Agency (TOIRMA). TOIRMA is a public entity risk pool operating as a common risk management and insurance program for member townships in Illinois. The Township pays an annual premium to TOIRMA for its general insurance coverage including property and casualty, workers' compensation, and other risks of loss. The agreement for the formation of TOIRMA provides that TOIRMA will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$1,000 for general liability and \$1,000 for workers' compensation for each insured event. In the event that member premiums in any claim year are not sufficient to cover claims incurred during that period, then each participant in the pool would be assessed an additional premium to cover such losses. The Township is not aware of any additional premiums due to TOIRMA for prior claim years at March 31, 2019. In addition, the Township purchases third party indemnity insurance for employee health insurance coverage.

6. LONG-TERM DEBT

a. Changes in Long-Term Liabilities

| | Balances April 1 | Additions | Reductions/ Refundings | Balances March 31 | Due Within One Year |
|---|---------------------|-----------|---------------------------|----------------------|------------------------|
| GOVERNMENTAL ACTIVITIES | | | | | |
| <u>General Obligation Bonds</u> | | | | | |
| \$2,360,000 Taxable General Obligation Build America Bonds, Series 2010B, dated February 9, 2010, principal payments are due annually on December 15 (beginning in 2028), at amounts ranging from \$1,000,000 to \$1,360,000. Interest payable semiannually on June 15 and December 15, at rates ranging from 5.90% to 6.00%. | \$ 2,360,000 | \$ - | \$ - | \$ 2,360,000 | \$ - |

CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

a. Changes in Long-Term Liabilities (Continued)

| | Balances April 1 | Additions | Reductions/ Refundings | Balances March 31 | Due Within One Year |
|--|---------------------|-----------|---------------------------|----------------------|------------------------|
| GOVERNMENTAL ACTIVITIES (Continued) | | | | | |
| <u>General Obligation Bonds</u> (Continued) | | | | | |
| \$4,420,000 General Obligation Refunding Bond Series 2011, dated January 11, 2011, principal payments are due annually on December 15 (beginning in 2022), at amounts ranging from \$1,415,000 to \$1,530,000. Interest payable semiannually on June 15 and December 15, at rates ranging from 3.850% to 4.125%. | \$ 4,420,000 | \$ - | \$ - | \$ 4,420,000 | \$ - |
| \$118,886 Taxable General Obligation Build America Bonds, Series 2010, allocated through Kane County, dated December 29, 2010, principal payments are due annually on December 15 (beginning in 2011), at amounts ranging from \$10,782 to \$13,864. Interest payable semiannually on June 15 and December 15, at rates ranging from 1.15% to 4.80%. | 39,832 | - | 12,708 | 27,124 | 13,260 |
| \$15,890,000 General Obligation Refunding Bond Series 2015, dated November 17, 2015, principal payments are due annually on December 15 (beginning in 2016), at amounts ranging from \$1,560,000 to \$2,240,000. Interest payable semiannually on June 15 and December 15, at rates ranging from 2% to 5%. | 11,945,000 | - | 1,755,000 | 10,190,000 | 1,845,000 |

CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

a. Changes in Long-Term Liabilities (Continued)

| | Balances April 1, restated | Additions | Reductions/ Refundings | Balances March 31 | Due Within One Year |
|---|----------------------------------|-------------------|---------------------------|----------------------|------------------------|
| GOVERNMENTAL ACTIVITIES (Continued) | | | | | |
| <u>General Obligation Bonds</u> (Continued) | | | | | |
| \$11,080,000 General Obligation Refunding Bond Series 2017, dated November 14, 2017, principal payments are due annually on December 15 (beginning in 2018), at amounts ranging from \$500,000 to \$2,220,000. Interest payable semiannually on June 15 and December 15, at 5%. | | | | | |
| | \$ 11,080,000 | \$ - | \$ 1,110,000 | \$ 9,970,000 | \$ 1,325,000 |
| Total general obligation bonds | 29,844,832 | - | 2,877,708 | 26,967,124 | 3,183,260 |
| <u>Capital Leases</u> | | | | | |
| Storage building | 41,677 | - | 20,435 | 21,242 | 21,242 |
| Total capital leases | 41,677 | - | 20,435 | 21,242 | 21,242 |
| Unamortized premium on general obligation bonds | 3,018,350 | - | 441,448 | 2,576,902 | 441,448 |
| Net pension liability* | 42,900 | 418,433 | - | 461,333 | - |
| Total OPEB Liability* | 195,710 | - | 18,383 | 177,327 | 39,091 |
| Compensated absences* | 55,088 | 23,356 | 11,018 | 67,426 | 13,485 |
| TOTAL GOVERNMENTAL ACTIVITIES | \$ 33,198,557 | \$ 441,789 | \$ 3,368,992 | \$ 30,271,354 | \$ 3,698,526 |

*These liabilities have historically been retired by the Township's General Town Fund.

CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

b. Debt Service Requirements to Maturity

The annual requirements to amortize to maturity serial debt outstanding as of March 31, 2019 are as follows:

| Year Ending March 31, | General Obligation Bonds | |
|--------------------------|--------------------------|---------------------|
| | Principal | Interest |
| 2020 | \$ 3,183,260 | \$ 1,326,002 |
| 2021 | 3,503,864 | 1,167,116 |
| 2022 | 3,825,000 | 992,190 |
| 2023 | 4,050,000 | 800,940 |
| 2024 | 4,180,000 | 614,712 |
| 2025 | 3,645,000 | 420,463 |
| 2026 | 2,220,000 | 251,600 |
| 2027 | - | 140,600 |
| 2028 | - | 140,600 |
| 2029 | 1,000,000 | 140,600 |
| 2030 | 1,360,000 | 81,600 |
| 2031 | - | - |
| TOTAL | \$ 26,967,124 | \$ 6,076,423 |

Obligations of governmental activities under capital leases, including future interest payments, at March 31, 2019 were as follows:

| Year Ending March 31, | Capital Leases |
|---|-------------------|
| 2020 | \$ 22,081 |
| Total minimum lease payments | 22,081 |
| Less amount representing interest costs | (839) |
| TOTAL | \$ 21,242 |

Total cost and book value of capital assets purchased under these leases is \$133,643 and \$112,401, respectively.

CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

7. INTERFUND ACTIVITY

Transfers In/Transfers Out

Individual fund transfers are as follows:

| | Transfers In | Transfers Out |
|-----------------------|------------------|------------------|
| | ----- | ----- |
| General (Town) Fund | \$ - | \$ 41,900 |
| Nonmajor governmental | 41,900 | - |
| | ----- | ----- |
| TOTAL | \$ 41,900 | \$ 41,900 |
| | ===== | ===== |

The purpose of significant transfers during the year is as follows:

- \$41,900 transferred from the General (Town) Fund to nonmajor governmental funds to provide funding to the Capital Improvement Fund for capital related costs.

8. DEFINED BENEFIT PENSION PLAN

The Township contributes to a defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system. The benefits, benefit levels, employee contributions, and employer contributions for all plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or www.imrf.org.

Illinois Municipal Retirement Fund

Plan Administration

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. DEFINED BENEFIT PENSION PLANS (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

At December 31, 2018, IMRF membership consisted of:

| | |
|--|--------|
| Inactive employees or their beneficiaries currently receiving benefits | 12 |
| Inactive employees entitled to but not yet receiving benefits | 12 |
| Active employees | 25 |
| TOTAL | 49 |

Benefits Provided

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions are established by state statute.

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Township is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the calendar year ended 2018 was 9.35% of covered payroll.

CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. DEFINED BENEFIT PENSION PLANS (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions

The Township's net pension liability was measured as of December 31, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

| | |
|----------------------------|-------------------|
| Actuarial valuation date | December 31, 2018 |
| Actuarial cost method | Entry-age normal |
| Assumptions | |
| Inflation | 2.50% |
| Salary increases | 3.39% to 14.25% |
| Interest rate | 7.25% |
| Cost of living adjustments | 3.00% |
| Asset valuation method | Market value |

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 adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. DEFINED BENEFIT PENSION PLANS (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.25% (7.50% in prior year). The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Township's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability

| | (a) Total Pension Liability | (b) Plan Fiduciary Net Position | (a) - (b) Net Pension Liability |
|--|--------------------------------------|--|--|
| BALANCES AT JANUARY 1, 2018 | \$ 3,696,998 | \$ 3,654,098 | \$ 42,900 |
| Changes for the period | | | |
| Service cost | 113,919 | - | 113,919 |
| Interest | 278,879 | - | 278,879 |
| Difference between expected and actual experience | (39,412) | - | (39,412) |
| Changes in assumptions | 112,116 | - | 112,116 |
| Employer contributions | - | 113,249 | (113,249) |
| Employee contributions | - | 54,505 | (54,505) |
| Net investment income | - | (146,929) | 146,929 |
| Benefit payments and refunds | (71,153) | (71,153) | - |
| Administrative expense | - | - | - |
| Other (net transfer) | - | 26,244 | (26,244) |
| Net changes | 394,349 | (24,084) | 418,433 |
| BALANCES AT DECEMBER 31, 2018 | \$ 4,091,347 | \$ 3,630,014 | \$ 461,333 |

Assumptions related to interest rate were changed from 7.50% to 7.25%. Additionally, certain demographic assumptions were changed, which impacted mortality rates, and retirement rates.

CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. DEFINED BENEFIT PENSION PLANS (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended March 31, 2019, the Township recognized pension expense of \$54,168.

At March 31, 2019, the Township reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience | \$ - | \$ 63,038 |
| Assumption changes | 86,477 | 48,615 |
| Contributions made after measurement date | 27,568 | - |
| Net difference between projected and actual earnings on pension plan investments | 229,506 | - |
| TOTAL | \$ 343,551 | \$ 111,653 |

\$27,568 reported as deferred outflows of resources related to pensions resulting from township contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending March 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| <u>Year Ending March 31,</u> | |
|----------------------------------|-------------------|
| 2020 | \$ 43,805 |
| 2021 | 24,830 |
| 2022 | 44,378 |
| 2023 | 91,317 |
| TOTAL | \$ 204,330 |

CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. DEFINED BENEFIT PENSION PLANS (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the 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 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

| | 1% Decrease (6.25%) | Current Discount Rate (7.25%) | 1% Increase (8.25%) |
|-------------------------------|------------------------|-------------------------------------|------------------------|
| Net pension (asset) liability | \$ 967,844 | \$ 461,333 | \$ 41,717 |

9. OTHER POSTEMPLOYMENT BENEFITS

Plan Description

In addition to providing the pension benefits described, the Township provides other postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the Township and can be amended by the Township through its personnel manual, except for the implicit subsidy which is governed by the State Legislature and ILCS. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report.

Benefits Provided

The Township provides postemployment health care and life insurance benefits to its retirees. To be eligible for implicit benefits, an employee must qualify for retirement under the Township's retirement plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the Township and can be amended by the Township through its personnel manual. The retirees pay 100% of the blended premium. Certain benefits are controlled by state laws and can only be changed by the Illinois Legislature. The plan does not issue a separate report. The activity of the plan is reported in the Township's governmental activities. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

a. Membership

At March 31, 2018 (most recent information available), membership consisted of:

| | |
|--|------------------|
| Retirees and beneficiaries currently receiving benefits | 1 |
| Terminated employees entitled to benefits but not yet receiving them | - |
| Active employees | <u>25</u> |
| TOTAL | <u><u>26</u></u> |
| Participating employers | <u>1</u> |

b. Total OPEB Liability

The Township's total OPEB liability of \$177,327 was measured as of March 31, 2019 and was determined by an actuarial valuation as of April 1, 2018.

c. Actuarial Assumptions and Other Inputs

The total OPEB liability at March 31, 2019, as determined by an actuarial valuation as of April 1, 2018 actuarial valuation, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total OPEB liability was rolled forward by the actuary using updating procedures to March 31, 2019, including updating the discount rate at March 31, 2019, as noted below.

| | |
|-----------------------------|-----------------------------------|
| Actuarial cost method | Entry-age |
| Actuarial value of assets | Not applicable |
| Inflation | 3.00% |
| Salary increases | 4.00% |
| Discount rate | 3.29% |
| Healthcare cost trend rates | 7.10% to 6.60%, 4.50% ultimate |

CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Actuarial Assumptions and Other Inputs (Continued)

The discount rate was based on the index rate for tax exempt general obligation municipal bonds rated AA or better at March 31, 2019. The discount rate at March 31, 2019 was 3.29%.

OPEB Mortality follows the RP-2014 Combined Annuitant Mortality Table for males and females. The Mortality Table reflects recent rates developed by the Society of Actuaries.

The actuarial assumptions used in the March 31, 2019 valuation are based on 20% participation assumed, with 25% electing spouse coverage.

d. Changes in the Total OPEB Liability

| | <u>Total OPEB Liability</u> |
|--|---------------------------------|
| BALANCES AT APRIL 1, 2018 | <u>\$ 195,710</u> |
| Changes for the period | |
| Service cost | 7,503 |
| Interest | 6,184 |
| Difference between expected and actual experience | - |
| Changes in benefit terms | - |
| Changes in assumptions | 1,283 |
| Benefit payments | (39,091) |
| Other changes | <u>5,738</u> |
| Net changes | <u>(18,383)</u> |
| BALANCES AT MARCH 31, 2019 | <u><u>\$ 177,327</u></u> |

CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the Township calculated using the discount rate of 3.29% as well as what the Township total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.29%) or 1 percentage point higher (4.29%) than the current rate:

| | 1% Decrease (2.29%) | Current Discount Rate (3.29%) | 1% Increase (4.29%) |
|----------------------|------------------------|-------------------------------------|------------------------|
| Total OPEB liability | \$ 171,617 | \$ 177,327 | \$ 183,348 |

The table below presents the total OPEB liability of the Township calculated using the healthcare rate of 6.60% to 7.10% as well as what the Township's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (5.60% to 6.10%) or 1 percentage point higher (7.60% to 8.10%) than the current rate:

| | 1% Decrease (5.60% to 6.10%) | Current Healthcare Rate (6.60% to 7.10%) | 1% Increase (7.60% to 8.10%) |
|----------------------|------------------------------------|--|------------------------------------|
| Total OPEB liability | \$ 185,131 | \$ 177,327 | \$ 170,201 |

f. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended March 31, 2019, the Township recognized OPEB expense of \$14,728. At March 31, 2019, the Township reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience | \$ - | \$ - |
| Changes in assumptions | 5,980 | - |
| TOTAL | \$ 5,980 | \$ - |

CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

- f. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

| <u>Year Ending March 31,</u> | |
|----------------------------------|---------------------|
| 2020 | \$ 1,041 |
| 2021 | 1,041 |
| 2022 | 1,041 |
| 2023 | 1,041 |
| 2024 | 1,041 |
| Thereafter | <u>775</u> |
| TOTAL | <u>\$ 5,980</u> |

10. CHANGE IN ACCOUNTING PRINCIPAL

In 2019, the Township implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. With the implementation, the Township is required to retroactively record the total other postemployment benefit liability and write-off the net other postemployment benefit obligation.

| | <u>Increase (Decrease)</u> |
|---|--------------------------------|
| CHANGE IN ACCOUNTING PRINCIPLE - GOVERNMENTAL ACTIVITIES | |
| Change in accounting principle | |
| To write-off the net OPEB obligation | \$ - |
| To record the total OPEB liability | <u>(195,710)</u> |
| TOTAL CHANGE IN ACCOUNTING PRINCIPLE - GOVERNMENTAL ACTIVITIES | <u>\$ (195,710)</u> |

REQUIRED SUPPLEMENTARY INFORMATION

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL (TOWN) FUND

For the Year Ended March 31, 2019

| | Original Budget | Final Budget | Actual |
|--|----------------------------|-------------------------|-------------------|
| REVENUES | | | |
| Taxes | \$ 684,000 | \$ 684,000 | \$ 685,381 |
| Charges for services | 12,000 | 12,000 | 12,765 |
| Investment income | 3,100 | 3,100 | 12,794 |
| Miscellaneous | - | - | 339 |
| Total revenues | <u>699,100</u> | <u>699,100</u> | <u>711,279</u> |
| EXPENDITURES | | | |
| Current | | | |
| General government | | | |
| Administration | 316,900 | 316,900 | 301,219 |
| Assessor's office | 308,000 | 308,000 | 295,085 |
| General assistance | 5,000 | 5,000 | 2,015 |
| Total general government | <u>629,900</u> | <u>629,900</u> | <u>598,319</u> |
| Parks and recreation | | | |
| Park maintenance | 70,300 | 70,300 | 64,923 |
| Total expenditures | <u>700,200</u> | <u>700,200</u> | <u>663,242</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>(1,100)</u> | <u>(1,100)</u> | <u>48,037</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 3,000 | 3,000 | - |
| Transfers (out) | (1,900) | (1,900) | (41,900) |
| Total other financing sources (uses) | <u>1,100</u> | <u>1,100</u> | <u>(41,900)</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ -</u> | <u>\$ -</u> | 6,137 |
| FUND BALANCE, APRIL 1 | | | <u>383,957</u> |
| FUND BALANCE, MARCH 31 | | | <u>\$ 390,094</u> |

(See independent auditor's report.)

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

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

For the Year Ended March 31, 2019

| | Original Budget | Final Budget | Actual |
|-----------------------------------|----------------------------|-------------------------|----------------------------|
| REVENUES | | | |
| Taxes | \$ 1,755,000 | \$ 1,755,000 | \$ 1,752,160 |
| Charges for services | 900 | 900 | 23,160 |
| Intergovernmental | 287,000 | 337,000 | 386,865 |
| Investment income | 6,000 | 27,300 | 33,549 |
| Miscellaneous | 600 | 35,100 | 36,582 |
| Total revenues | <u>2,049,500</u> | <u>2,155,300</u> | <u>2,232,316</u> |
| EXPENDITURES | | | |
| Current | | | |
| Highways and streets | | | |
| Administration | 82,200 | 82,200 | 66,263 |
| Maintenance of roads | 1,300,200 | 1,317,050 | 1,290,403 |
| Total highways and streets | <u>1,382,400</u> | <u>1,399,250</u> | <u>1,356,666</u> |
| Capital outlay | 645,015 | 733,965 | 741,713 |
| Debt service - capital lease | 22,085 | 22,085 | 22,081 |
| Total expenditures | <u>2,049,500</u> | <u>2,155,300</u> | <u>2,120,460</u> |
| NET CHANGE IN FUND BALANCE | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | 111,856 |
| FUND BALANCE, APRIL 1 | | | <u>1,283,303</u> |
| FUND BALANCE, MARCH 31 | | | <u><u>\$ 1,395,159</u></u> |

(See independent auditor's report.)

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN**

Last Fiscal Year

| MEASUREMENT DATE MARCH 31, | 2019 |
|--|--------------------------|
| TOTAL OPEB LIABILITY | |
| Service cost | \$ 7,503 |
| Interest | 6,184 |
| Changes of benefit terms | - |
| Differences between expected and actual experience | - |
| Changes of assumptions | 1,283 |
| Benefit payments | (39,091) |
| Other changes | <u>5,738</u> |
| Net change in total OPEB liability | (18,383) |
| Total OPEB liability - beginning | <u>195,710</u> |
| TOTAL OPEB LIABILITY - ENDING | <u><u>\$ 177,327</u></u> |
| Covered payroll | \$ 1,143,508 |
| Employer's net pension liability as a percentage of covered payroll | 15.51% |

Notes to Required Supplementary Information

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

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Four Fiscal Years

| FISCAL YEAR ENDED MARCH 31, | 2016 | 2017 | 2018 | 2019 |
|--|--------------|--------------|--------------|--------------|
| Actuarially determined contribution | \$ 117,724 | \$ 114,243 | \$ 115,053 | \$ 108,991 |
| Contributions in relation to the actuarially determined contribution | 117,724 | 114,243 | 115,053 | 108,991 |
| CONTRIBUTION DEFICIENCY (Excess) | \$ - | \$ - | \$ - | \$ - |
| Covered payroll | \$ 1,121,059 | \$ 1,117,328 | \$ 1,180,476 | \$ 1,203,870 |
| Contributions as a percentage of covered payroll | 10.50% | 10.22% | 9.75% | 9.05% |

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 25 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.75% to 14.50% compounded annually, and postretirement benefit increases of 3.00% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Four Fiscal Years

| MEASUREMENT DATE DECEMBER 31, | 2015 | 2016 | 2017 | 2018 |
|---|---------------------|---------------------|---------------------|---------------------|
| TOTAL PENSION LIABILITY | | | | |
| Service cost | \$ 123,559 | \$ 121,191 | \$ 123,338 | \$ 113,919 |
| Interest | 230,461 | 242,684 | 263,199 | 278,879 |
| Changes of benefit terms | - | - | - | - |
| Differences between expected and actual experience | (154,448) | (40,340) | (15,081) | (39,412) |
| Changes of assumptions | - | (4,150) | (90,581) | 112,116 |
| Benefit payments, including refunds of member contributions | (30,976) | (39,424) | (63,064) | (71,153) |
| Net change in total pension liability | 168,596 | 279,961 | 217,811 | 394,349 |
| Total pension liability - beginning | 3,030,630 | 3,199,226 | 3,479,187 | 3,696,998 |
| TOTAL PENSION LIABILITY - ENDING | \$ 3,199,226 | \$ 3,479,187 | \$ 3,696,998 | \$ 4,091,347 |
| PLAN FIDUCIARY NET POSITION | | | | |
| Contributions - employer | \$ 117,724 | \$ 114,994 | \$ 113,215 | \$ 113,249 |
| Contributions - member | 47,856 | 50,683 | 51,618 | 54,505 |
| Net investment income | 14,152 | 191,272 | 496,431 | (146,929) |
| Benefit payments, including refunds of member contributions | (30,976) | (39,424) | (63,064) | (71,153) |
| Other (net transfer) | (146,778) | (10,052) | (16,671) | 26,244 |
| Net change in plan fiduciary net position | 1,978 | 307,473 | 581,529 | (24,084) |
| Plan fiduciary net position - beginning | 2,763,118 | 2,765,096 | 3,072,569 | 3,654,098 |
| PLAN FIDUCIARY NET POSITION - ENDING | \$ 2,765,096 | \$ 3,072,569 | \$ 3,654,098 | \$ 3,630,014 |
| EMPLOYER'S NET PENSION LIABILITY | \$ 434,130 | \$ 406,618 | \$ 42,900 | \$ 461,333 |
| Plan fiduciary net position as a percentage of the total pension liability | 86.43% | 88.31% | 98.84% | 88.72% |
| Covered-employee payroll | \$ 1,063,452 | \$ 1,126,292 | \$ 1,147,070 | \$ 1,211,211 |
| Employer's net pension liability as a percentage of covered-employee payroll | 40.82% | 36.10% | 3.74% | 38.09% |

Measurement Date December 31, 2016 - There was a change in assumption related to the discount rate made since the prior measurement date. The discount rate used in the current actuarial valuation, dated December 31, 2016, is 7.50%. The discount rate used in the prior actuarial valuation, dated December 31, 2015, was 7.49%. Additionally, there were changes in assumptions related to mortality since the prior measurement date.

Measurement Date December 31, 2017 - Assumptions related to salary increases were changed from 3.75% to 14.50% to 3.39% to 14.25%. Assumptions related to price inflation were changed from 2.75% to 2.50%. Additionally, certain demographic assumptions were changed, which impacted mortality rates, and retirement rates.

Measurement Date December 31, 2018 - The discount rate used in the current actuarial valuation, dated December 31, 2018, is 7.25%. The discount rate used in the prior actuarial valuation, dated December 31, 2017, was 7.50%. Additionally, certain demographic assumptions were changed, which impacted mortality rates, and retirement rates.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

March 31, 2019

BUDGET

Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted (at the fund level) for the general, special revenue, and capital projects funds. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year end.

The budget is prepared by fund, function, and activity and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget.

The budget may be amended by the governing body. During the year, one supplementary appropriation was approved.

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL (TOWN) FUND

For the Year Ended March 31, 2019

| | Original Budget | Final Budget | Actual |
|----------------------------|----------------------------|-------------------------|----------------|
| CURRENT | | | |
| General government | | | |
| Administration | | | |
| Personal services | | | |
| Salaries | \$ 205,800 | \$ 200,550 | \$ 198,248 |
| Insurance | 37,700 | 37,700 | 36,061 |
| Employee benefits | | | |
| FICA | 15,970 | 15,970 | 14,682 |
| IMRF | 18,230 | 18,230 | 16,869 |
| Total personal services | <u>277,700</u> | <u>272,450</u> | <u>265,860</u> |
| Contractual services | | | |
| Auditing services | 4,600 | 4,600 | 4,600 |
| Legal | 1,000 | 2,600 | 2,170 |
| Maintenance and repairs | 2,000 | 2,500 | 2,043 |
| Postage | 500 | 500 | 207 |
| Publishing | 200 | 200 | 91 |
| Meetings | 700 | 700 | 417 |
| Dues | 1,200 | 1,200 | 1,012 |
| Travel | 900 | 900 | 329 |
| Training | 800 | 800 | 641 |
| Publications | 400 | 400 | 25 |
| Printing | 500 | 500 | 166 |
| Utilities | 3,500 | 3,800 | 3,694 |
| Water study | - | 5,150 | 5,125 |
| Risk management | 11,300 | 8,000 | 7,969 |
| Programs | 2,000 | 3,000 | 2,422 |
| Other | 1,200 | 1,200 | 664 |
| Total contractual services | <u>30,800</u> | <u>36,050</u> | <u>31,575</u> |
| Commodities | | | |
| Office supplies | 2,400 | 2,400 | 2,026 |
| Computer software support | 1,000 | 1,000 | 853 |
| Contingencies | 3,000 | 3,000 | - |
| Equipment | 2,000 | 2,000 | 905 |
| Total commodities | <u>8,400</u> | <u>8,400</u> | <u>3,784</u> |
| Total administration | <u>316,900</u> | <u>316,900</u> | <u>301,219</u> |

(This schedule is continued on the following pages.)

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL (TOWN) FUND

For the Year Ended March 31, 2019

| | Original Budget | Final Budget | Actual |
|--------------------------------|----------------------------|-------------------------|---------------|
| CURRENT (Continued) | | | |
| General government (Continued) | | | |
| Assessor's office | | | |
| Personal services | | | |
| Salaries | \$ 197,000 | \$ 197,000 | \$ 195,072 |
| Insurance | 36,100 | 36,100 | 35,014 |
| Employee benefits | | | |
| FICA | 15,080 | 15,080 | 14,256 |
| IMRF | 18,620 | 18,620 | 17,185 |
| Total personal services | 266,800 | 266,800 | 261,527 |
| Contractual services | | | |
| Postage | 200 | 200 | 194 |
| Telephone | 4,800 | 4,800 | 3,022 |
| Dues | 600 | 600 | 330 |
| Utilities | 7,000 | 7,500 | 7,253 |
| Travel | 3,800 | 1,300 | 1,191 |
| Maintenance and repairs | 7,500 | 7,700 | 5,522 |
| Training | 2,500 | 500 | 405 |
| Publications | 600 | 700 | 644 |
| Other | 500 | 500 | - |
| Total contractual services | 27,500 | 23,800 | 18,561 |
| Commodities | | | |
| Office supplies | 3,500 | 3,500 | 1,711 |
| Computer supplies | 1,000 | 1,100 | 1,026 |
| Computer software support | 5,800 | 5,800 | 5,500 |
| Uniforms | 900 | 900 | 681 |
| Total commodities | 11,200 | 11,300 | 8,918 |
| Capital expenditures | | | |
| Equipment | 2,500 | 6,100 | 6,079 |
| Total capital expenditures | 2,500 | 6,100 | 6,079 |
| Total assessor's office | 308,000 | 308,000 | 295,085 |
| General assistance | | | |
| Other | | | |
| Administration | 2,130 | 2,130 | 2,015 |
| General assistance benefits | 2,870 | 2,870 | - |
| Total general assistance | 5,000 | 5,000 | 2,015 |
| Total general government | 629,900 | 629,900 | 598,319 |

(This schedule is continued on the following page.)

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL (TOWN) FUND

For the Year Ended March 31, 2019

| | Original Budget | Final Budget | Actual |
|----------------------------|----------------------------|-------------------------|-------------------|
| CURRENT (Continued) | | | |
| Parks and recreation | | | |
| Park maintenance | | | |
| Personal services | | | |
| Salaries | \$ 38,500 | \$ 38,500 | \$ 37,606 |
| Insurance | 3,700 | 4,500 | 4,246 |
| Employee benefits | | | |
| FICA | 2,960 | 2,960 | 2,837 |
| IMRF | 2,640 | 2,940 | 2,790 |
| Total personal services | 47,800 | 48,900 | 47,479 |
| Contractual services | | | |
| Telephone | 400 | 400 | 332 |
| Rentals | 3,900 | 3,900 | 3,276 |
| Printing | 200 | 200 | - |
| Utilities | 1,600 | 1,900 | 1,776 |
| Risk management | 1,500 | 1,500 | 1,299 |
| Maintenance and repairs | 3,900 | 4,900 | 3,977 |
| Total contractual services | 11,500 | 12,800 | 10,660 |
| Commodities | | | |
| Fuel | 3,100 | 3,600 | 3,456 |
| Maintenance supplies | 4,400 | 4,400 | 3,099 |
| Natural areas | 3,500 | 600 | 229 |
| Total commodities | 11,000 | 8,600 | 6,784 |
| Total parks and recreation | 70,300 | 70,300 | 64,923 |
| TOTAL EXPENDITURES | \$ 700,200 | \$ 700,200 | \$ 663,242 |

(See independent auditor's report.)

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND

For the Year Ended March 31, 2019

| | Original Budget | Final Budget | Actual |
|----------------------------|--------------------|-----------------|---------|
| CURRENT | | | |
| Highways and streets | | | |
| Administration | | | |
| Contractual services | | | |
| Drug and alcohol test | \$ 1,100 | \$ 1,100 | \$ 870 |
| Legal | 2,000 | 2,000 | 404 |
| Audit | 4,600 | 4,600 | 4,600 |
| Postage | 500 | 500 | 351 |
| Publishing | 200 | 200 | 79 |
| Training, travel, and dues | 2,200 | 2,200 | 892 |
| EPA fee | 1,000 | 1,000 | 1,000 |
| Computer software support | 1,000 | 1,000 | 853 |
| Risk management | 22,000 | 22,000 | 16,818 |
| Printing | 600 | 600 | 124 |
| Total contractual services | 35,200 | 35,200 | 25,991 |
| Commodities | | | |
| Telephone | 11,000 | 11,000 | 10,514 |
| Office supplies | 2,400 | 2,400 | 1,240 |
| Utilities | 23,000 | 23,000 | 22,791 |
| Satellite services | 900 | 900 | 680 |
| Uniforms | 4,500 | 4,500 | 2,967 |
| Office equipment | 2,000 | 2,000 | 674 |
| Equipment maintenance | 1,000 | 1,000 | 394 |
| Meetings | 1,000 | 1,000 | 453 |
| Other commodities | 1,200 | 1,200 | 559 |
| Total commodities | 47,000 | 47,000 | 40,272 |
| Total administration | 82,200 | 82,200 | 66,263 |
| Maintenance of roads | | | |
| Personal services | | | |
| Salaries | 602,300 | 625,300 | 626,344 |
| Employee benefits | | | |
| FICA | 43,080 | 45,880 | 44,792 |
| IMRF | 56,300 | 56,300 | 53,961 |
| Insurance | 168,020 | 168,270 | 164,069 |
| Total personal services | 869,700 | 895,750 | 889,166 |

(This schedule is continued on the following page.)

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
ROAD AND BRIDGE FUND

For the Year Ended March 31, 2019

| | Original Budget | Final Budget | Actual |
|-------------------------------------|---------------------|---------------------|---------------------|
| CURRENT (Continued) | | | |
| Highways and streets (Continued) | | | |
| Maintenance of roads (Continued) | | | |
| Contractual services | | | |
| Equipment repair | \$ 30,000 | \$ 42,000 | \$ 46,562 |
| Rentals | 2,000 | 2,000 | - |
| Total contractual services | 32,000 | 44,000 | 46,562 |
| Commodities | | | |
| Repair parts - equipment | 45,000 | 47,500 | 49,660 |
| Road rock, gravel, and sand | 12,000 | 12,000 | 7,954 |
| Crack seal/duro patch materials | 45,000 | 17,600 | 17,543 |
| Black top | 20,000 | 26,200 | 26,198 |
| Signs and posts | 10,000 | 10,000 | 6,621 |
| Road maintenance supplies | 12,500 | 12,500 | 8,932 |
| Ice control chemicals | 180,000 | 185,500 | 185,446 |
| Shop supplies | 11,000 | 11,000 | 9,817 |
| Gasoline | 20,000 | 20,000 | 14,249 |
| Diesel | 35,000 | 27,000 | 26,569 |
| Lube oil | 4,000 | 4,000 | 378 |
| Small tools | 4,000 | 4,000 | 1,308 |
| Total commodities | 398,500 | 377,300 | 354,675 |
| Total maintenance of roads | 1,300,200 | 1,317,050 | 1,290,403 |
| Total highways and streets | 1,382,400 | 1,399,250 | 1,356,666 |
| CAPITAL OUTLAY | | | |
| Building maintenance | 5,500 | 5,500 | 3,527 |
| Building and improvements | 5,000 | 27,500 | 38,313 |
| Road paving | 472,000 | 500,850 | 500,832 |
| Trees, tiles, and other services | 64,500 | 85,200 | 85,183 |
| Culverts | 20,000 | 8,050 | 8,027 |
| Engineering | 3,015 | 3,015 | 2,000 |
| Road and shop equipment | 75,000 | 103,850 | 103,831 |
| Total capital outlay | 645,015 | 733,965 | 741,713 |
| DEBT SERVICE - CAPITAL LEASE | | | |
| Principal | 22,085 | 22,085 | 20,435 |
| Interest and fiscal charges | - | - | 1,646 |
| Total debt service - capital lease | 22,085 | 22,085 | 22,081 |
| TOTAL EXPENDITURES | \$ 2,049,500 | \$ 2,155,300 | \$ 2,120,460 |

(See independent auditor's report.)

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

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

For the Year Ended March 31, 2019

| | Original Budget | Final Budget | Actual |
|------------------------------|--------------------|-----------------|--------------|
| REVENUES | | | |
| Taxes | \$ 4,336,369 | \$ 4,336,369 | \$ 4,373,112 |
| Charges for services | 111,860 | 111,860 | 106,768 |
| Intergovernmental | 45,900 | 45,900 | 46,061 |
| Investment income | 104,200 | 104,200 | 167,856 |
| Miscellaneous | 20,750 | 20,750 | 12,869 |
| Total revenues | 4,619,079 | 4,619,079 | 4,706,666 |
| EXPENDITURES | | | |
| Current | | | |
| Open space | | | |
| Salaries | 256,600 | 244,600 | 233,274 |
| Insurance | 58,300 | 58,300 | 52,265 |
| Employee benefits | | | |
| FICA | 19,610 | 19,610 | 17,404 |
| IMRF | 19,390 | 19,390 | 18,186 |
| Auditing | 4,500 | 4,500 | 4,500 |
| Postage | 500 | 500 | 376 |
| Printing | 1,500 | 1,500 | 294 |
| Real estate tax | 3,500 | 3,500 | 4,230 |
| Contract for services | 7,000 | 5,400 | 3,482 |
| Administration cost | 3,500 | 4,100 | 4,091 |
| Legal | 3,000 | 5,000 | 4,545 |
| Rental | 8,700 | 9,500 | 9,114 |
| Events | 5,000 | 5,000 | 4,519 |
| Maintenance | 34,600 | 42,100 | 40,386 |
| Telephone | 2,300 | 2,800 | 2,611 |
| Utilities | 8,000 | 8,300 | 7,942 |
| Training | 1,500 | 1,500 | 743 |
| Risk management | 12,800 | 12,800 | 11,088 |
| Fuel | 15,400 | 16,400 | 14,332 |
| Small tools | 3,000 | 3,000 | 2,904 |
| Maintenance supplies | 10,500 | 11,300 | 11,020 |
| Natural areas supplies | 20,000 | 20,000 | 4,717 |
| Uniforms | 4,300 | 4,300 | 2,295 |
| Office and computer supplies | 2,100 | 2,100 | 1,659 |
| Computer software support | 2,000 | 2,000 | 1,837 |
| Contractual - natural areas | 2,000 | 2,000 | - |
| Total open space | 509,600 | 509,500 | 457,814 |

(This schedule is continued on the following page.)

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)
OPEN SPACE FUND

For the Year Ended March 31, 2019

| | Original Budget | Final Budget | Actual |
|---------------------------------|----------------------------|-------------------------|---------------------|
| EXPENDITURES (Continued) | | | |
| Capital outlay | | | |
| Equipment | \$ 8,600 | \$ 8,600 | \$ 2,484 |
| Eagle Scout project | 7,000 | 7,000 | 3,796 |
| Building and improvements | 23,700 | 23,800 | 23,751 |
| Other capital improvements | 20,000 | 20,000 | 20,000 |
| Total capital outlay | <u>59,300</u> | <u>59,400</u> | <u>50,031</u> |
| Debt service | | | |
| Principal | 2,877,708 | 2,877,708 | 2,877,708 |
| Interest and fiscal charges | 1,472,535 | 1,472,535 | 1,471,971 |
| Total debt service | <u>4,350,243</u> | <u>4,350,243</u> | <u>4,349,679</u> |
| Total expenditures | <u>4,919,143</u> | <u>4,919,143</u> | <u>4,857,524</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ (300,064)</u> | <u>\$ (300,064)</u> | <u>\$ (150,858)</u> |
| FUND BALANCE, APRIL 1 | | | <u>5,344,999</u> |
| FUND BALANCE, MARCH 31 | | | <u>\$ 5,194,141</u> |

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

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

For the Year Ended March 31, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> |
|--|----------------------------|-------------------------|--------------------------|
| REVENUES | | | |
| Investment income | \$ 60 | \$ 60 | \$ 1,011 |
| Total revenues | <u>60</u> | <u>60</u> | <u>1,011</u> |
| EXPENDITURES | | | |
| Capital outlay | <u>54,500</u> | <u>54,500</u> | <u>24,191</u> |
| Total expenditures | <u>54,500</u> | <u>54,500</u> | <u>24,191</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>(54,440)</u> | <u>(54,440)</u> | <u>(23,180)</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 1,900 | 1,900 | 41,900 |
| Transfers (out) | <u>(3,000)</u> | <u>(3,000)</u> | <u>-</u> |
| Total other financing sources (uses) | <u>(1,100)</u> | <u>(1,100)</u> | <u>41,900</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ (55,540)</u> | <u>\$ (55,540)</u> | 18,720 |
| FUND BALANCE, APRIL 1 | | | <u>129,776</u> |
| FUND BALANCE, MARCH 31 | | | <u><u>\$ 148,496</u></u> |

(See independent auditor's report.)

SUPPLEMENTAL DATA

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

SCHEDULE OF LAND CASH MONEY

March 31, 2019

On April 8, 1993, the General (Town) Fund received a check from the Office of the Kane County Treasurer in the amount of \$471,561. This satisfied the Township's request for disbursement of land/cash monies in that amount.

The following funds were received by the Township for developer land/cash money:

| <u>Date Received</u> | <u>Amount Received</u> |
|----------------------|----------------------------|
| October 20, 1994 | \$ 26,834 |
| March 24, 1995 | 33,000 |
| February 20, 1996 | 4,000 |
| February 10, 1997 | 8,004 |
| November 4, 1997 | 2,894 |
| January 26, 1998 | 45,752 |
| September 23, 1998 | 98,040 |
| July 17, 2000 | 4,902 |
| August 7, 2001 | 11,438 |
| November 28, 2001 | 17,974 |
| June 24, 2002 | 17,974 |
| January 22, 2003 | 17,430 |
| April 23, 2003 | 20,335 |
| December 2, 2003 | 14,525 |
| March 15, 2005 | 72,625 |
| June 15, 2005 | 13,072 |
| December 29, 2005 | 2,905 |
| December 18, 2006 | 8,715 |
| March 22, 2007 | 2,905 |

(See independent auditor's report.)

**CAMPTON TOWNSHIP
ST. CHARLES, ILLINOIS**

SCHEDULE OF LAND PURCHASES

March 31, 2019

In April 1993, 40 acres of land on Brown Road was purchased for \$480,000. This land is to be developed for recreational uses. A contract was entered into with The Lannert Group and Donahue & Thornhill to develop the site in three phases.

In June 1994, the Township submitted a grant application with the Illinois Department of Conservation Site. The formal presentation was made to the state in October 1994, and in January 1995, the state approved a matching grant for \$200,000. In order to maintain the grant, phase one of the project must be completed within 18 months. Phase one was completed during the fiscal year and \$190,000 of the matching grant was received on March 6, 1997 from the state. Costs for development of the Brown Road site since that time have been included in land under capital assets.

On April 6, 2001, the Township purchased vacant land adjacent to the Township Community Park, west of Brown Road, for \$150,000 from Old Second National Bank of Aurora, Illinois.

During the 2002-2003 fiscal year, the Township made the following land purchases pursuant to their plan to acquire open space which is funded by the issuance of general obligation bonds (see Note 6): on May 21, 2002, approximately 212 acres known as the Corron Road Farm - East for \$3,957,852; on July 12, 2002, property known as the Mongerson Conservation Easement for \$1,100,000; and on December 18, 2002, property known as Shodeen/Corland for \$2,317,829.

During the 2003-2004 fiscal year, the Township made the following land purchases: on July 2, 2003, approximately 148 acres known as the Headwaters South Acquisition for \$3,741,402 and on December 15, 2003, property known as the Poynor Farm for \$2,471,000.

During the 2004-2005 fiscal year, the Township made the following land purchase: on December 27, 2004, property known as Mongerson - South for \$1,944,421.

During the 2005-2006 fiscal year, the Township made the following land purchases: on October 12, 2005, property known as Bull Run-Vanderveen for \$3,002,300 and on November 28, 2005, property known as DeBier-Anderson conservation easement for \$1,362,407.

During the 2006-2007 fiscal year, the Township made the following land purchase: on April 26, 2006, property known as Brown Road, Chung Property for \$6,185,871.

During the 2007-2008 fiscal year, the Township made the following land purchases: on November 15, 2007, property known as Motz Farm addition to HCA for \$2,585,045 and on several dates during the year, the Township purchased several parcels of property, to be known as Harley Woods for \$2,918,265 and the separate Harley Woods conservation easement for \$1,182,837.

During the 2009-2010 fiscal year, the Township made the following land purchase: on March 1, 2010 the property known as Gray Willows Farm for \$7,003,265.

During the 2012-2013 fiscal year, the Township made the following land purchase: on November 2, 2012, the property adjacent to Gray Willows Farm for \$170,957.

During the 2017-2018 fiscal year, the Township made the following land purchase: on March 23, 2018 the property known as the Snow trust adjacent to Headwaters Conservation Area for \$647,210.

(See independent auditor's report.)