

PLAINFIELD TOWNSHIP, ILLINOIS

ANNUAL FINANCIAL REPORT

YEAR ENDED MARCH 31, 2018

PLAINFIELD TOWNSHIP, ILLINOIS

FINANCIAL STATEMENTS
and
SUPPLEMENTARY INFORMATION

YEAR ENDED MARCH 31, 2018
with
REPORT OF INDEPENDENT AUDITORS

PLAINFIELD TOWNSHIP, ILLINOIS
MARCH 31, 2018

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SENESAC & LENNON, LTD.

CERTIFIED PUBLIC ACCOUNTANTS • PERSONAL FINANCIAL SPECIALISTS

Stephen A. Senesac, CPA/PFS

David D. Lennon, CPA/PFS

Independent Auditor's Report

To the Township Officials
Plainfield, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Plainfield Township, Illinois ("Township") as of and for the year then ended March 31, 2018 and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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 Plainfield Township, Illinois as of March 31, 2018, and the respective changes in financial position, and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 8; and budgetary comparison information along with employee retirement and postemployment benefit plan information on pages 30 through 38 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 Plainfield Township's basic financial statements. The statistical section on page 39 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

A handwritten signature in cursive script, appearing to read "Senesac & Lennon, Ltd.", followed by a large, stylized initial or flourish.

Senesac & Lennon, Ltd.
Joliet, Illinois
October 15, 2018



October 15, 2018

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis provides an overview of the Township's financial activities for the fiscal year ending March 31, 2018. Since this information is designed to focus on the current year's activities, resulting changes, and currently known facts, it should be read in conjunction with the Township's financial statements which immediately follow this analysis.

Using this annual report:

This annual report consists of three parts: Management's Discussion and Analysis (this section), the basic financial statements, and required supplementary information. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Township as a whole and present a longer-term view of the Township's finances. For governmental activities, fund financial statements report how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Township's operations in more detail than the government-wide statements by providing information about the most significant funds. Additional details for each of the major funds is located within the required supplementary information portion of this report.

As seen in the first chart below, the Township's Net Position increased by approximately \$35,000. Highlights include a \$100,000 payment on long-term debt and current liabilities reduced by close to \$200,000. Cash remains very strong with an amount close to \$1.4 million which would fund almost six months of operations based upon the FY2019 budget. Fixed assets which include the Township's land, buildings and equipment, remained constant as the amount of depreciation expense was offset by approximately \$300,000 of new asset purchases.

The second chart that follows summarizes the key components of the change in Net Assets for both 2018 and 2017. Significant highlights include total expenses decreasing from 2017 to 2018 by approximately \$90,000. Key revenues such as real estate taxes, and the collections of other taxes and fines remained flat between the two years. The overall change in Net Position was positive for the second year in a row with an increase of approximately \$35,000.

Supervisor
Tony Fremarek

Trustees
Ernie Knight
Debbie Kraulidis
Eric Nelson
Matthew Starr

Clerk
Chuck Willard

Tax Collector
Brandon Bernicky

Assessor
Erin C. Kljaich
815.436.5110 P
815.436.5117 F

Highway
Commissioner
Ken Marland
815.436.6090 P
815.436.7050 F

Address
22525 W. Lockport St.
Plainfield, IL 60544
815.436.8308 P
815.436.5117 F

Website
plainfield-township.com

Chart #1 – Net Assets:

	March 31, 2018	March 31, 2017
ASSETS		
Cash and cash equivalents	\$ 1,379,103	\$ 1,449,210
Investments	-	-
Receivables, net	2,841,915	2,763,874
Other assets	121,105	105,261
Capital assets	4,461,656	4,470,388
Total Assets	<u>\$ 8,803,779</u>	<u>\$ 8,788,733</u>
LIABILITIES		
Current liabilities	\$ 383,294	\$ 577,676
Long-term debt:		
Due within one year	100,000	100,000
Due in more than one year	1,075,000	1,175,000
Total Liabilities	<u>\$ 1,558,294</u>	<u>\$ 1,852,676</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources - pensions	\$ 247,671	\$ 52,827
Unavailable revenue - property taxes	2,713,005	2,634,964
Total Deferred Inflows of Resources	<u>\$ 2,960,676</u>	<u>\$ 2,687,791</u>
NET POSITION		
Invested in capital assets, net of debt	\$ 3,286,656	\$ 3,195,388
Restricted	16,749	20,864
Unrestricted	980,404	1,032,014
Total Net Position	<u><u>\$ 4,283,809</u></u>	<u><u>\$ 4,248,266</u></u>

Chart #2 – Changes in Net Position:

	Year-ended March 31, 2018	Year-ended March 31, 2017
EXPENSES		
Personnel costs	\$ 1,390,254	\$ 1,298,623
Outside services	153,891	106,799
Materials and supplies	274,921	229,434
Occupancy costs	120,093	94,702
Interest expense	43,459	46,819
Depreciation expense	301,450	283,114
Major maintenance/service	436,636	738,751
Other expenses	147,832	158,857
Total expenses	<u>\$ 2,868,536</u>	<u>\$ 2,957,099</u>
PROGRAM REVENUES		
Charges, Grants & Contributions	-	373,435
Net program expense	<u>\$ 2,868,536</u>	<u>\$ 2,583,664</u>

GENERAL REVENUES

Real estate taxes	\$ 2,633,991	\$ 2,600,187
Other taxes, fines & fees	113,025	120,690
Investment income	1,171	852
Miscellaneous	155,892	61,423
Total general revenues	<u>\$ 2,904,079</u>	<u>\$ 2,783,152</u>
Change in net position	\$ 35,543	\$ 199,488
Net position - beginning of year	<u>4,248,266</u>	<u>4,048,778</u>
Net position - end of year	<u><u>\$ 4,283,809</u></u>	<u><u>\$ 4,248,266</u></u>

FY 2017-2018 Highlights:

Assessor's Office – As in previous years, the Assessor's Office conducted a vacancy study of commercial/industrial properties and analyzed businesses and their incomes across the township. Residential assessments were reviewed by neighborhood and increased across the township. Commercial/industrial appeals continued to require intergovernmental cooperation between the taxing bodies, assessor, other township assessors and the Will County Board of Review. The implementation of Illinois Property Tax Appeal Board hearings being held in Springfield, rather than in Joliet, was postponed. The assessor continued to work with the Will County Supervisor of Assessments Office to increase efficiency, automation and transparency between assessors and the county. The collaboration with Will County improved customer service to the taxpayers. Outreach events to the community were planned and the website was enhanced, both to help further educate taxpayers on the assessment and tax cycles. A new CAMA system was implemented for future advancement in automation and recordkeeping. New software, hardware, and email hosting solutions were researched, and the IT consulting contract was reviewed. As always, deputies were provided relevant training.

Abilities Team – The Abilities Team continued to offer programs such as a rollerskating party, summer picnic, Halloween Party, and Valentine's Day Dance for people with special needs. The 7th Annual Abilities Expo was held in April. Equipment from the Medical Loan Closet continued to be available to residents who need to borrow items such as wheelchairs, walkers, canes, crutches, etc. Excess medical equipment received from resident donations was taken to Hands of Hope in Joliet.

Emergency Coordinator – The Coordinator continued to monitor weather-related issues. Sand bags for emergency use are stored at the PTCC.

Financial Assistance Programs – General Assistance, Emergency Assistance, Salvation Army, Nicor Sharing, Toys for Tots continued to be made available for those experiencing financial hardship.

Garden Plots – Plots were disked in the spring for those gardeners who chose to have them disked. Opening day was the end of April and gardening lasted through the end of October. A new spigot was replaced, and two benches were added.

Highway Department – The Highway Department continued with their ongoing schedule of snow removal/salting, branch and leaf pickup, tree trimming and removal, pot hole repairs, culvert replacement, and regular equipment maintenance. Special projects included overlaying the 2nd half of Crystal Lawns Subdivision, curb repairs and overlay in Van Horn Estates, storm sewers and curb repairs in LeWood Subdivision, installation of 700 feet of drain pipe and additional catch basins were added in Crystal Lawns on Coghill, Plum, and Greenview Circle, and ditch work was done in Pinecrest, Crystal Lawns, and Ellen Drive and Mayleon Drive to provide better drainage.

Mosquito Abatement – Plainfield Township continued to contract for mosquito sprayings and larvae treatments to sustain public health safety.

PACE Bus Service – The ridership continued to be supported for Township residents. There was a slight fee increase implemented and the pool of hours in the Central Will area was reduced.

Passport Services – Staff processed 508 applications by appointments or walk-in traffic. Office hours were increased on Tuesdays until 6:00 p.m. for this service only. Advertising through Facebook, Chamber of Commerce email blast, websites, newspapers, homeowners' associations, travel agencies, the marquis in the front of the building and word of mouth has helped boost traffic. Photo service continued to be offered as well.

Senior Services – All active adult programs are held at the Plainfield Township Community Center through the Senior Coordinator Monday thru Friday with some evening programs. The Township and Park District co-sponsored the Holiday Lunch, Summer Picnic and Oktoberfest Party.

Youth Programs – College Financial Expo was held at Plainfield Central High School. Three \$500 scholarships were awarded to high school seniors. Youth information was distributed through Facebook and Twitter.

FY 2018-2019 Goals: Projected revenue for the Township and Highway Department combined - \$3,400,000.

Assessor's Office – As in previous years, staff will conduct a vacancy study of commercial/industrial properties and analyze businesses and their incomes across the township. Residential assessments will be reviewed by neighborhood and are expected to increase across the township. Commercial/industrial appeals will continue to require intergovernmental cooperation between the taxing bodies, assessor, other township assessors and the Will County Board of Review. The assessor will continue to work with the Will County Supervisor of Assessments Office to increase efficiency, automation and transparency between assessors and the county. The collaboration with Will County will improve customer service to the taxpayers. Outreach events to the community will be planned to help further educate taxpayers on the assessment and tax cycles. A mailer will be sent to educate taxpayers on the exemptions available to them. The new CAMA systems will continue to be utilized for future advancement in automation and expansion of recordkeeping abilities. Improvements will be made to increase the efficiency of the data sharing processes between the county's systems and our new CAMA. As always, deputies will be provided with relevant training.

Abilities Team – The Abilities Team volunteers will continue to offer programs for residents with special needs such as the Bowling Party, Valentines and Halloween Dances, Summer Picnic, Fall Farm Event, and the popular Annual Spring Expo. The Medical Loan Closet is available to residents who need to borrow wheelchairs, walkers, canes, crutches, etc.

Emergency Management – Weather-related issues will continue to be monitored daily. Flooding is being addressed with Will County officials. Sandbags will remain at the PTCC for flooding-related issues.

Financial Assistance Programs – Help will continue to be given to those who apply for and are determined eligible for General Assistance, Emergency Assistance, Salvation Army, Nicor Sharing, and/or Toys for Tots. All forms will be updated.

Garden Plots – Plots will be disked in the spring for gardeners who choose to have them disked. Abandoned plots will be maintained. Information pertinent to gardening will be posted on the message board located near the plots.

Highway Department – Ongoing schedule of services will continue to be offered to eligible residents. Special projects include a complete overlay of specific streets in the Crystal Lawns Subdivision, overlay in Fond du Lac Subdivision, drainage focus on Budler Road and 143rd Street in areas prone to flooding, and an additional snow plow truck will be purchased.

Mosquito Abatement – Mosquito sprayings and larvae treatments will be contracted to sustain public health safety.

PACE Bus Service – The ridership will continue to be supported for Township residents.

Passport Services – Processing applications and photos will continue by appointment only during regular business hours including Tuesdays until 6:00 p.m. Promoting this service using various tools such as social media, websites, and word of mouth will continue.

Senior Services – The shuttle bus program will continue to operate five days a week. All active adult programs will continue to be offered at the Plainfield Township Community Center. Special events such as the Christmas Luncheon, and Summer Picnic will be scheduled.

Youth Programs – College Financial Expo will continue to be hosted at Plainfield High School as long as the need is there. The scholarship program will continue to be awarded to eligible high school seniors. Facebook and Twitter will be updated with youth information when necessary.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Anthony F. Fremarek', with a stylized flourish at the end.

Anthony F. Fremarek, Plainfield Township Supervisor

PLAINFIELD TOWNSHIP, ILLINOIS
STATEMENT OF NET POSITION
March 31, 2018

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 1,378,103		1,378,103
Investments	-		-
Receivables, net	2,841,915		2,841,915
Other assets	16,749		16,749
Capital assets:	-		-
Land	629,690		629,690
Construction-in-progress	-		-
Buildings and improvements	5,029,203		5,029,203
Vehicles and equipment	2,130,031		2,130,031
Less: accumulated depreciation	(3,327,268)		(3,327,268)
Total Assets	<u>\$ 8,698,423</u>	<u>-</u>	<u>8,698,423</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	<u>\$ 104,356</u>	<u>-</u>	<u>104,356</u>
LIABILITIES			
Accounts payable	\$ 5,869		5,869
Accrued expenses	95,762		95,762
Pension liability	281,663		281,663
Long-term debt:			
Due within one year	100,000		100,000
Due in more than one year	1,075,000		1,075,000
Total Liabilities	<u>\$ 1,558,294</u>	<u>-</u>	<u>1,558,294</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	\$ 247,671		247,671
Unavailable revenue - property taxes	2,713,005		2,713,005
Total Deferred Inflows of Resources	<u>\$ 2,960,676</u>	<u>-</u>	<u>2,960,676</u>
NET POSITION			
Invested in capital assets, net of long-term debt	\$ 3,286,656		3,286,656
Restricted for:			
Capital projects	-		-
Debt service	-		-
Other purposes	16,385		16,385
Unrestricted	980,768		980,768
Total Net Position	<u><u>\$ 4,283,809</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,283,809</u></u>

The accompanying notes are an integral part of these financial statements.

PLAINFIELD TOWNSHIP, ILLINOIS
STATEMENT OF ACTIVITIES
Year Ended March 31, 2018

	Governmental Activities		
	Total	Administration	Road District
EXPENSES			
Personnel costs	\$ 1,390,254	894,759	495,495
Outside services	153,891	94,257	59,634
Materials and supplies	274,921	132,618	142,303
Occupancy costs	120,093	72,992	47,101
Interest expense	43,459	43,459	-
Depreciation expense	301,450	167,452	133,998
Major maintenance/service	436,636	-	436,636
Other expenses	147,832	139,138	8,694
Total expenses	\$ 2,868,536	1,544,675	1,323,861
PROGRAM REVENUES			
Charges for services	-	-	-
Grants and contributions	-	-	-
Net program expense	\$ 2,868,536	1,544,675	1,323,861
GENERAL REVENUES			
Real estate taxes	2,633,991		
Other taxes, fines & fees	113,025		
Investment income	1,171		
Intergovernment reimbursements	-		
Miscellaneous	155,892		
Total general revenues	\$ 2,904,079		
Change in net position	35,543		
Net position - beginning of year	4,248,266		
Net position - end of year	\$ 4,283,809		

The accompanying notes are an integral part of these financial statements.

PLAINFIELD TOWNSHIP, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
March 31, 2018

	<u>General Town</u>	<u>Road & Bridge</u>	<u>Other Governmental Funds</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 867,246	510,857		1,378,103
Investments	-	-		-
Receivables, net	1,544,267	1,176,025		2,720,292
Other assets	9,624	6,761		16,385
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 2,421,137</u>	<u>1,693,643</u>	<u>-</u>	<u>4,114,780</u>
LIABILITIES				
Accounts payable	\$ 3,194	2,740		5,934
Accrued expenses	68,554	13,575		82,129
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>\$ 71,748</u>	<u>16,315</u>	<u>-</u>	<u>88,063</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	\$ 1,375,713	1,050,160		2,425,873
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Deferred Inflows of Resources	<u>\$ 1,375,713</u>	<u>1,050,160</u>	<u>-</u>	<u>2,425,873</u>
FUND BALANCES				
Nonspendable	\$ -	-		-
Restricted	9,624	6,761		16,385
Committed	-	-		-
Assigned	-	-		-
Unassigned	964,052	620,407		1,584,459
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>\$ 973,676</u>	<u>627,168</u>	<u>-</u>	<u>1,600,844</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,421,137</u>	<u>1,693,643</u>	<u>-</u>	<u>4,114,780</u>

The accompanying notes are an integral part of these financial statements.

PLAINFIELD TOWNSHIP, ILLINOIS
RECONCILIATION OF THE TOTAL FUND BALANCE -
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
March 31, 2018

	<u>Total</u>
Total Fund Balance - Governmental Funds	\$ 1,600,844
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds (net of accumulated depreciation).	4,461,656
Reimbursements due from the State of Illinois and Will County, Illinois on capital asset disbursements that are not reported within the governmental funds.	121,623
Long-term debt, including the recently-issued debt certificates, are not due and payable in the current period and, therefore, are not reported in the funds.	(1,175,000)
Accrued interest expense on the long-term bonds is not included within the funds.	(13,633)
Governmental funds report Township pension contributions as expenditures. In the Statement of Activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which the pension benefits earned exceeded Township pension contributions in the current year.	(424,978)
Tax revenue recognized under the modified-accrual basis of accounting in the funds, is not recognized in the current period by the government-wide statements which utilize the accrual-basis of accounting.	<u>(286,703)</u>
Net Position of governmental activities	<u>\$ 4,283,809</u>

The accompanying notes are an integral part of these financial statements.

PLAINFIELD TOWNSHIP, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended March 31, 2018

	<u>General Town</u>	<u>Road & Bridge</u>	<u>Other Governmental Funds</u>	<u>Total</u>
REVENUES				
Property taxes	\$ 1,574,775	1,199,804		2,774,579
Replacement taxes	34,171	65,508		99,679
Investment income	915	685		1,600
Fines and fees	-	13,346		13,346
Intergovernment reimbursements	-	-		-
Other revenue	112,628	43,264		155,892
	<u>1,722,489</u>	<u>1,322,607</u>	<u>-</u>	<u>3,045,096</u>
Total revenues				
	<u>1,722,489</u>	<u>1,322,607</u>	<u>-</u>	<u>3,045,096</u>
EXPENDITURES				
Current:				
Administration	906,370	174,262		1,080,632
Assessor	297,489	-		297,489
Cemetery	133,211	-		133,211
Maintenance division	-	1,015,600		1,015,600
Debt service:	-	-		-
Principal	100,000	-		100,000
Interest expense	44,620	-		44,620
Capital outlay	70,185	222,533		292,718
	<u>1,551,875</u>	<u>1,412,395</u>	<u>-</u>	<u>2,964,270</u>
Total expenditures				
	<u>1,551,875</u>	<u>1,412,395</u>	<u>-</u>	<u>2,964,270</u>
Excess (deficiency) of revenues over expenditures	170,614	(89,788)	-	80,826
	<u>170,614</u>	<u>(89,788)</u>	<u>-</u>	<u>80,826</u>
OTHER FINANCING SOURCES/(USES)				
Transfers in	-	-		-
Transfers out	-	-		-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other sources/(uses)				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	170,614	(89,788)	-	80,826
Fund balance - beginning of year	800,297	719,721	-	1,520,018
Fund balance - end of year	<u>\$ 970,911</u>	<u>629,933</u>	<u>-</u>	<u>1,600,844</u>

The accompanying notes are an integral part of these financial statements.

PLAINFIELD TOWNSHIP, ILLINOIS
RECONCILIATION OF CHANGE IN FUND BALANCE
WITH CHANGE IN NET ASSETS
YEAR-ENDED MARCH 31, 2018

	<u>Total</u>
Net change in fund balances - total governmental funds	\$ 80,826
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays during the year.	(8,732)
Repayment of bond principal is an expenditure in the governmental funds; but is a reduction of long-term liabilities in the Statement of Net Assets. This is the amount of bond repayments during the year.	100,000
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. In this case, the decrease in Accrued Interest results in an increase to the change in Net Assets.	1,161
Governmental funds report Township pension contributions as expenditures. In the Statement of Activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded Township pension contributions in the current year.	3,305
Tax revenue recognized under the modified-accrual basis of accounting in the funds, is not recognized in the current period by the government-wide statements which utilize the accrual-basis of accounting.	<u>(141,017)</u>
Change in Net Assets of Governmental Activities	<u>\$ 35,543</u>

The accompanying notes are an integral part of these financial statements.

PLAINFIELD TOWNSHIP, ILLINOIS
STATEMENT OF NET ASSETS - FIDUCIARY FUNDS
March 31, 2018

	<u>Trust fund</u>
ASSETS	
Cash and cash equivalents	\$ -
Investments	37,649
Receivables, net	<u>-</u>
Total Assets	<u>\$ 37,649</u>
LIABILITIES	
Accounts payable	\$ -
Refunds payable & other	<u>-</u>
Total Liabilities	<u>\$ -</u>
NET ASSETS	
Held in trust for pension benefits	<u>\$ 37,649</u>

The accompanying notes are an integral part of these financial statements.

PLAINFIELD TOWNSHIP, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
Year Ended March 31, 2018

	<u>Trust fund</u>
ADDITIONS	
Contributions:	
Employer	\$ -
Employee	3,425
Total contributions	<u>3,425</u>
Investment earnings	<u>5,426</u>
Total additions	<u>\$ 8,851</u>
DEDUCTIONS	
Benefits/withdrawals	<u>-</u>
Change in net assets	\$ 8,851
Net assets - beginning of year	<u>28,798</u>
Net assets - end of year	<u><u>\$ 37,649</u></u>

The accompanying notes are an integral part of these financial statements.

PLAINFIELD TOWNSHIP, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
March 31, 2018

1. REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES

A. The Reporting Entity

Plainfield Township, Illinois (Township) was incorporated in 1850 under the provisions of the State of Illinois. The Township operates under the authority of a supervisor, highway commissioner, assessor, clerk, and board of trustees. In addition to the general management of the Township, administrative and operations support is provided with respect to road and bridge construction and maintenance.

B. Basis of Presentation – Government-Wide 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 non-fiduciary activities of the primary government. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

C. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the government's individual funds. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. If applicable, any remaining funds are aggregated and reported as non-major funds.

The Township reports the following major governmental funds:

The *Town Fund* is the Township's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The *Road & Bridge Fund* is used to account for the Township's resources and costs of providing street, sidewalk, curb and bridge repairs, snow removal, and winter road salting.

D. Governmental Accounting Standards Board (GASB) Statement No. 54

In a prior fiscal year, the Township adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The objective of this statement is to enhance the usefulness of fund balance information by clarifying existing governmental fund type definitions. It establishes five new fund balance classifications for governmental funds that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of its resources.

These five categories are as follows:

1. *Nonspendable Fund Balance* – represents assets that will never convert to cash and/or which must be maintained intact pursuant to legal or contractual requirements.
2. *Restricted Fund Balance* – represents resources that are subject to externally enforceable legal restrictions. Such restrictions are typically imposed by such parties as creditors, grantors, contributors or other governments. In a previous year, the Township opened a Health Insurance Account at First Midwest Bank. The March 31, 2018 balance of \$16,385 in that account is restricted for the future health benefits of the employees.
3. *Committed Fund Balance* – describes the portion of fund balance constrained by limitations that the Township imposes upon itself at its highest level of decision making; and which is binding unless removed in the same manner.
4. *Assigned Fund Balance* – represents the portion of fund balance that reflects the Township's intended use of resources. In practical terms, all funds other than the Town Fund would typically be required to report their fund balance in this category.
5. *Unassigned Fund Balance* – any and all residual net resources not categorized above are categorized as unassigned. As per GASB definitions, a Town or General Fund would typically report its surplus as unassigned.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The

basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

The governmental funds financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt is reported as other financing sources.

F. Cash, Cash Equivalents and Investments

The Township categorizes all certificates of deposit with a maturity greater than 90 days as an investment. Checking accounts and money market accounts are categorized as cash and cash equivalents.

G. Cash Deposits and Investments

The Township is allowed to make deposits in interest bearing depository accounts in federally insured and/or state-chartered banks, or those financial institutions as designated by ordinances.

Deposits and investments are categorized into the following categories of credit risk:

1. Insured or collateralized with securities held by the Township; such as insurance funds maintained by the FDIC.
2. Collateralized with securities held by the pledging financial institution's trust department or agent in the Township's name.
3. Uncollateralized.

At March 31, 2018, the Township's carrying amount of cash and cash equivalents was \$1,378,103. These bank balances are categorized as follows:

Category 1	\$ 250,000
Category 2	1,128,103
Category 3	<u>0</u>
	<u>\$1,378,103</u>

At March 31, 2018, the Township's carrying amount of investments was \$37,649; which are stated at fair market value. All this balance is within the Township's Internal Revenue Code Section 457 plan; where the assets are invested in publically-traded mutual funds. These balances are categorized as follows:

Category 1	\$ -0-
Category 2	-0-
Category 3	<u>37,649</u>
	<u>\$ 37,649</u>

H. Management's Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

I. Deferred Compensation Plan

In accordance with Government Accounting Standards Board (GASB) Statement #32, Plainfield Township is reporting information regarding their I.R.C. Section 457 deferred compensation plan. Because the Township is acting in a fiduciary capacity, the assets of the plan along with a corresponding liability to the plan participants, is reported within the March 31, 2018 balance sheet. Additionally, the net activity of the plan during the year is shown as a separate statement within this audit.

J. Capital Assets

Capital assets, which include land, buildings, improvements, equipment, and infrastructure assets (e.g. roads, sidewalks, traffic lights and signals, street lights, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial individual cost of \$5,000 or more and an estimated useful life more than one year. Such assets are recorded at historical cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives is not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets of the Township are depreciated using a straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	15 to 40
Improvements other than buildings	5 to 40
Infrastructure	15 to 50
Transportation equipment	5 to 10
Machinery and equipment	5 to 15

The following is a summary of changes in capital assets for the year ended March 31, 2018:

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
<u>Governmental Activities:</u>				
Capital assets being depreciated:				
Buildings	\$ 4,453,973	-0-	-0-	4,453,973
Transportation equipment	715,129	150,678	17,210	848,597
Furniture & fixtures	62,648	-0-	-0-	62,648
Improvements	487,123	88,107	-0-	575,230
Machinery & equipment	1,164,853	53,933	-0-	1,218,786
Total capital assets being depreciated	\$ 6,883,726	292,718	17,210	7,159,234
Less accumulated depreciation for:				
Buildings	\$ 1,268,592	148,466	-0-	1,417,058
Transportation equipment	575,262	69,193	17,210	627,245
Furniture & fixtures	57,649	1,428	-0-	59,077
Improvements	112,524	34,953	-0-	147,477
Machinery & equipment	1,029,001	47,410	-0-	1,076,411
Total accumulated depreciation	\$3,043,028	301,450	17,210	3,327,268
Add: Land	629,690	-0-	-0-	629,690
Governmental activities Capital assets, net	\$4,470,388	(8,732)	-0-	4,461,656

Of the total depreciation expense of \$301,450, \$167,452 is charged to the Town Fund and \$133,998 is charged to the Road District fund.

K. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position 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 financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. For example, the Township has a situation which arises under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is derived from property taxes and is reported only in the Statement of Net Position. This amount is deferred and recognized as an inflow of resources in the period that the amounts becomes available.

L. Change in Accounting Principle regarding pensions

During a prior fiscal year, the Township implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities.

Under GASB 68, the liability of employers to employees for defined benefit pensions (net pension liability) is required to be measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the pension plan's fiduciary net position. Prior to the issuance of GASB 68, employers reported a pension liability equal to the cumulative difference between the actuarial required contribution, as adjusted, and the actual employer contributions made.

2. ILLINOIS MUNICIPAL RETIREMENT FUND

IMRF Plan Description

The Township's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Township's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have two tiers. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

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

Retirees and Beneficiaries currently receiving benefits	8
Inactive, Non-Retired Members	8
Active Plan Members	<u>17</u>
Total	<u>33</u>

Contributions

As set by statute, the Township's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Township's annual contribution rate for calendar year 2017 was 10.75 %. For the fiscal year ended March 31, 2018, the Township contributed \$82,327 to the plan. The Township also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

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

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2017:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.50%.
- **Salary Increases** were expected to be 3.39% to 14.25%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.50%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study from years 2014 to 2016.
- The IMRF-specific rates for **Mortality** (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For **Disabled Retirees**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.

- For **Active Members**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2017:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	37%	6.85%
International Equity	18%	6.75%
Fixed Income	28%	3.00%
Real Estate	9%	5.75%
Alternative Investments	7%	2.65 – 7.35%
Cash Equivalents	1%	2.25%
TOTAL	100%	

Single Discount Rate

A Single Discount Rate of 7.50% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that Township contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.31%, and the resulting single discount rate is 7.50%.

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) – (B)
Balances at December 31, 2016	<u>\$2,260,969</u>	<u>\$1,782,043</u>	<u>\$478,926</u>
Changes for the year:			
Service Cost	78,435	-	78,435
Interest on the Total Pension Liability	169,415	-	169,415
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	55,568	-	55,568
Changes of Assumptions	(79,210)	-	(79,210)
Contributions – Township	-	80,965	(80,965)
Contributions – Employees	-	35,996	(35,996)
Net Investment Income	-	308,710	(308,710)
Benefit Payments, including Refunds of Employee Contributions	(82,627)	(82,627)	-
Other (Net transfer)	-	(24,638)	24,638
Net Changes	<u>141,581</u>	<u>318,406</u>	<u>(176,825)</u>
Balances at December 31, 2017	<u>\$2,402,550</u>	<u>\$2,100,449</u>	<u>\$302,101</u>

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

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

	1% Lower (6.50%)	Current Discount (7.50%)	1% Higher (8.50%)
Net Pension Liability	<u>\$684,110</u>	<u>\$302,101</u>	<u>(\$3,230)</u>

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

For the year ended March 31, 2018, the Township recognized pension expense of \$82,327. At March 31, 2018, the Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual experience	\$46,473	\$37,263
Changes in assumptions	-0-	70,654
Net difference between projected and actual earnings on pension plan investments	57,883	139,754
Total Deferred Amounts to be recognized in pension expense in future periods	104,356	247,671
<i>Pension Contributions made subsequent to the Measurement Date</i>	20,438	-
Total Deferred Amounts Related to Pensions	\$124,794	\$247,671

The Township's contributions subsequent to the measurement date of \$20,438 will be recognized as a reduction of the net pension liability in the year ending March 31, 2018. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31	Net Deferred Outflows of Resources
2018	\$(23,450)
2019	(23,448)
2020	(45,111)
2021	(46,502)
2022	(4,382)
Thereafter	(422)
Total	\$(143,315)

3. BUDGETS

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

- a) Formal budget integration is employed as a management control device during the year for the Town, Road District, and other funds. These budgets are adopted on a cash-basis of accounting. See Note 1 for more information on the Township's other significant accounting policies.
- b) The Township Board of Trustees approves, by ordinance, the budget appropriations for all of the funds. Any revisions that alter the appropriations must be approved by the Board.
- c) Unused appropriations for all of the budgeted funds lapse at the end of the year.
- d) The budget amounts shown in the required supplementary information represent both the original and final authorized amounts for the year. The actual amounts reported in this information are shown under the cash-basis method of accounting.

4. REVENUE RECOGNITION-PROPERTY TAXES

All aspects of the assessment and collection of property taxes are handled by Will County, Illinois. See the separate schedule within the Other Information for the extended tax rates, levies, and assessed valuations.

Property taxes from Will County, Illinois attach as an enforceable lien on property as of January 1 of the levy year. For the 2016 levy, the taxes became due and payable in two, equal installments – on June 1, 2017 and September 1, 2017. All unpaid taxes became delinquent on June 2, 2017 and September 2, 2017.

5. LONG TERM DEBT AND LINE OF CREDIT

In 2005 the Township issued \$2,000,000 of 4% debt certificates that were owned exclusively by First Midwest Bank. The certificates were issued as "qualified tax-exempt obligations" pursuant to Internal Revenue Code Section 265. These bonds were issued utilizing a 20-year amortization with a 10-year balloon payment of \$975,000 that was due January 2015.

On May 1, 2014, the Township obtained a \$500,000 line-of-credit from First Midwest Bank. The six-month loan assessed interest at a 3.25% rate on the full outstanding balance; with all principal due on November 1, 2014. On that date, the \$500,000 principal balance was extended in anticipation of consolidating both the line-of-credit and the balloon payment due January 2015 on the 2005 bonds.

On January 26, 2015, the Township successfully executed and issued \$1,475,000 of Series 2015 bonds as a means for paying off the two previously mentioned debts. Similar to the 2005 bond issue, First Midwest Bank is the registered owner of all the debt. The bonds bear interest at a rate of 3.5% and pay interest semi-annually on July 1st and October 1st of each year commencing July 1, 2015. Principal payments of \$100,000 will begin on December 1, 2015; with all remaining principal due January 26, 2020. The bonds are secured by all assets of the Township.

The aggregate maturities of this debt after fiscal-year 2018 is as follows:

2019	\$ 100,000
2020	1,075,000
2021	-0-
2022	-0-
2023	-0-
Thereafter	<u>-0-</u>
	\$ <u>1,175,000</u>

At March 31, 2017, the total long-term debt was \$1,275,000. During fiscal-year 2018, \$100,000 was paid down on the debt resulting in a March 31, 2018 outstanding balance of \$1,175,000.

6. SUBSEQUENT EVENTS

No events have occurred subsequent to March 31, 2018 that are required to be disclosed in these financial statements. This evaluation was made as of October 15, 2018, the date these financial statements were available to be issued.

7. UNCERTAIN TAX POSITIONS

Accounting principles generally accepted in the United States of America require the Township's management to evaluate tax positions taken by the Township and recognize a tax liability if the Township has taken an uncertain position that more than likely would not be sustained upon examination by applicable taxing authorities. Management has analyzed the tax positions taken by the Township and has concluded that as of March 31, 2018, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Township is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

REQUIRED
SUPPLEMENTARY INFORMATION

PLAINFIELD TOWNSHIP, ILLINOIS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
March 31, 2018

1. Significant accounting policies

The budgetary comparison schedules on the following pages use the same format and classifications as the Township's budget document. These comparison schedules are prepared on the GAAP basis and agree to the basic financial statements presented in the earlier portion of this audit report.

PLAINFIELD TOWNSHIP, ILLINOIS
BUDGETARY COMPARISON SCHEDULE
TOWN FUND
YEAR ENDED MARCH 31, 2018

	Final Budget	Actual Amounts	Variance
<u>Resources:</u>			
Property tax	\$ 1,499,848	1,574,775	74,927
Replacement tax	36,000	34,171	(1,829)
Interest income	350	915	565
Cemetery Trust (Perpetual Care)	50,000	434	(49,566)
Miscellaneous Cemetery Income	55,000	63,825	8,825
Miscellaneous income	38,750	48,369	9,619
Total resources available	\$ 1,679,948	1,722,489	42,541
<u>Charges to appropriations:</u>			
<u>Administrative Division</u>			
<u>Personnel services:</u>			
Salaries	\$ 211,000	194,564	16,436
Shuttle bus drivers	50,000	42,683	7,317
Clerical/administration	195,000	188,200	6,800
Social Security tax	35,000	35,011	(11)
State unemployment tax	5,000	3,882	1,118
IMRF	38,000	29,025	8,975
	534,000	493,365	40,635
<u>Contractual services:</u>			
Maintenance - building	150,000	50,078	99,922
Building security personnel	1,000	400	600
Accounting	10,000	16,284	(6,284)
Legal	5,000	4,583	417
Postage	6,000	2,295	3,705
Telephone	8,000	7,723	277
Publishing	2,500	296	2,204
Printing	1,500	1,321	179
Dues	2,500	2,005	495
Training/meeting expense	5,000	3,277	1,723
Utilities - electric	40,000	18,114	21,886
Bank box rental	1,000	-	1,000
Weed control	5,000	2,220	2,780
Emergency services	20,000	-	20,000
Shuttle bus maintenance	12,000	6,209	5,791
1/2 Fare Taxi Program	3,000	-	3,000
Senior services	5,000	2,637	2,363
Senior coordinator share	50,000	50,345	(345)
Health insurance	45,000	30,280	14,720
Wage Works	-	10,417	(10,417)
Toirma Insurance	28,000	24,256	3,744
Emergency/Stormwater	-	16,900	(16,900)
Website & Consulting services	20,000	28,579	(8,579)
Community services	15,000	7,297	7,703
Mosquito abatement	45,000	33,497	11,503
Engineering services	500	-	500

PLAINFIELD TOWNSHIP, ILLINOIS
BUDGETARY COMPARISON SCHEDULE
TOWN FUND
YEAR ENDED MARCH 31, 2018

	Final Budget	Actual Amounts	Variance
Administrative Services	1,000	-	1,000
Youth services	4,500	2,646	1,854
Disabilities	7,500	7,271	229
Handicap transit	14,000	9,666	4,334
	<u>508,000</u>	<u>338,596</u>	<u>166,404</u>
Commodities:			
Office supplies	4,000	7,016	(3,016)
Operating supplies	5,000	4,015	985
Shuttle bus supplies	14,000	9,727	4,273
	<u>23,000</u>	<u>20,758</u>	<u>2,242</u>
Other expenditures:			
Miscellaneous expense	1,000	940	60
General assistance admin	28,000	24,750	3,250
General assistance	-	10,046	(10,046)
Library replacement tax	15,000	11,309	3,691
Home relief contingencies	30,000	-	30,000
Home relief insurance	30,000	-	30,000
	<u>104,000</u>	<u>47,045</u>	<u>56,955</u>
Total Administration Division	<u>\$ 1,169,000</u>	<u>899,764</u>	<u>266,236</u>
<u>Assessor Division</u>			
Personnel services:			
Salaries	\$ 200,000	174,566	25,434
IMRF	28,000	14,639	13,361
Social Security tax	16,000	13,740	2,260
	<u>244,000</u>	<u>202,945</u>	<u>41,055</u>
Contractual services:			
Maintenance - Equipment	1,200	1,249	(49)
Postage	3,300	-	3,300
Software and Licenses	-	44,085	(44,085)
Printing and Publishing	1,600	-	1,600
Dues	100	40	60
Travel	4,000	1,820	2,180
Training	6,000	2,277	3,723
Website	25,000	27,478	(2,478)
Appraisal & Legal fees	7,000	-	7,000
Health insurance	22,000	16,557	5,443
	<u>70,200</u>	<u>93,506</u>	<u>(23,306)</u>
Commodities:			
Office supplies	2,000	995	1,005
Other expenditures			
Miscellaneous expenses	500	44	456
Total Assessor Division	<u>\$ 316,700</u>	<u>297,490</u>	<u>19,210</u>

PLAINFIELD TOWNSHIP, ILLINOIS
BUDGETARY COMPARISON SCHEDULE
TOWN FUND
YEAR ENDED MARCH 31, 2018

	Final Budget	Actual Amounts	Variance
<u>Cemetery Division</u>			
Personnel services:			
Salaries	\$ 35,875	38,063	(2,188)
Extra Labor	19,000	23,986	(4,986)
Trustees	1,500	1,000	500
IMRF	4,500	3,876	624
Social Security tax	5,000	4,623	377
	<u>65,875</u>	<u>71,548</u>	<u>(5,673)</u>
Contractual services:			
Maintenance - Equip/Bldg/Grounds	18,000	28,754	(10,754)
Legal Fees	1,800	28	1,772
Telephone	1,000	1,164	(164)
Utilities	1,500	1,534	(34)
Insurance	3,600	3,600	-
Health insurance	12,000	12,667	(667)
	<u>37,900</u>	<u>47,747</u>	<u>(9,847)</u>
Commodities:			
Office supplies	3,500	1,233	2,267
Fuel	2,900	2,411	489
	<u>6,400</u>	<u>3,644</u>	<u>2,756</u>
Total Cemetery Division	<u>\$ 110,175</u>	<u>\$ 122,939</u>	<u>\$ (12,764)</u>
Debt service:			
Principal and interest	\$ -	144,620	(144,620)
Capital outlay:			
Software & licenses - Assessor	\$ 45,000	-	45,000
Computer Equipment - Assessor	4,000	-	4,000
Concrete/Foundations-Cemetery	8,500	10,008	(1,508)
Improvements-Cemetery	70,000	54,226	15,774
Miscellaneous-Cemetery	500	265	235
New Building	148,000	10,800	137,200
Des Plaines St Renovation (Community Center)	20,000	11,763	8,237
	<u>\$ 296,000</u>	<u>87,062</u>	<u>208,938</u>
Contingencies	\$ 400,000	-	400,000
Total charges to appropriations	<u>\$ 2,291,875</u>	<u>\$ 1,551,875</u>	<u>\$ 737,000</u>
Excess of resources over appropriations	<u>\$ (611,927)</u>	<u>170,614</u>	<u>782,541</u>

PLAINFIELD TOWNSHIP, ILLINOIS
BUDGETARY COMPARISON SCHEDULE
ROAD & BRIDGE FUND
Year ended March 31, 2018

	Final Budget	Actual Amounts	Variance
<u>Resources:</u>			
Property tax	\$ 1,142,403	1,199,804	57,401
Replacement tax	71,000	65,508	(5,492)
Interest income	500	685	185
Fines and fees	20,000	13,346	(6,654)
Miscellaneous income	34,500	43,264	8,764
Total resources available	\$ 1,268,403	1,322,607	54,204
<u>Charges to appropriations:</u>			
<u>Administrative Division</u>			
<u>Personnel services:</u>			
Salaries	\$ 65,000	69,666	(4,666)
<u>Contractual services:</u>			
Accounting services	12,000	10,420	1,580
Legal service	3,000	2,353	647
Toirma Insurance	34,000	33,956	44
Postage	2,000	1,165	835
Telephone	6,000	4,345	1,655
Publishing	1,500	869	631
Travel	600	279	321
Training	500	1,461	(961)
Dues	400	1,360	(960)
Printing	1,000	955	45
Maintenance	30,000	33,344	(3,344)
Utilities-Electric	5,500	3,162	2,338
Utilities-Propane	14,000	8,570	5,430
			-
	110,500	102,239	8,261
<u>Commodities:</u>			
Office supplies	2,000	1,345	655
<u>Capital outlay:</u>			
Equipment	2,500	-	2,500
<u>Other expenditures:</u>			
Municipal replacement tax	5,000	7,333	(2,333)
Total Administrative Division	\$ 185,000	180,583	4,417

PLAINFIELD TOWNSHIP, ILLINOIS
BUDGETARY COMPARISON SCHEDULE
ROAD & BRIDGE FUND
Year ended March 31, 2017

	Final Budget	Actual Amounts	Variance
<u>Maintenance Division</u>			
Personnel services:			
Salaries	340,000	274,510	65,490
Social security	33,000	25,747	7,253
State unemployment taxes	10,000	2,092	7,908
Health insurance	85,000	56,412	28,588
IMRF-employer's contribution	37,000	31,372	5,628
	<u>505,000</u>	<u>390,133</u>	<u>114,867</u>
Contractual services:			
Maintenance - equipment	40,000	139,913	(99,913)
Maintenance - road	400,000	390,747	9,253
Maintenance - snow removal	4,000	1,925	2,075
Engineering services	25,000	37,321	(12,321)
Utilities	4,000	4,000	-
Rentals	10,000	8,585	1,415
Street lights	42,000	54,299	(12,299)
	<u>525,000</u>	<u>636,790</u>	<u>(111,790)</u>
Commodities:			
Supplies - equipment	20,000	14,008	5,992
Supplies - road	15,000	20,755	(5,755)
Supplies - snow removal	60,000	54,789	5,211
Operating supplies	15,000	9,244	5,756
Small tools	3,000	1,863	1,137
Fuel and oil	40,000	26,349	13,651
Sign replacement	10,000	8,801	1,199
	<u>163,000</u>	<u>135,809</u>	<u>27,191</u>
Total Maintenance Division	<u>\$ 1,193,000</u>	<u>\$ 1,162,732</u>	<u>\$ 30,268</u>
Contingencies	<u>100,000</u>	<u>3,191</u>	<u>96,809</u>
Capital outlay:			
Vehicles	125,000	17,210	107,790
Equipment	60,000	48,679	11,321
	<u>185,000</u>	<u>65,889</u>	<u>119,111</u>
Total charges to appropriations	<u>\$ 1,663,000</u>	<u>1,412,395</u>	<u>250,605</u>
Excess of resources over appropriations	<u>\$ (394,597)</u>	<u>(89,788)</u>	<u>304,809</u>

Plainfield Township, Illinois
Schedule of Changes in the Net Pension Liability and Related Ratios
Calendar year-ended December 31, 2016

Total Pension Liability

Service Cost	\$ 78,435
Interest on the Total Pension Liability	169,415
Changes of Benefit Terms	-0-
Differences between Expected and Actual Experience of the Total Pension Liability	55,568
Changes of Assumptions	(79,210)
Benefit Payments, including Refunds of Employee Contributions	(82,627)
Net Change in Total Pension Liability	<u>141,581</u>
Total Pension Liability – Beginning	<u>2,260,969</u>
Total Pension Liability – Ending (A)	<u>\$2,402,550</u>

Plan Fiduciary Net Position

Contributions – Township	\$ 80,965
Contributions – Employees	35,996
Net Investment Income	308,710
Benefit Payments, including Refunds of Employee Contributions	(82,627)
Other (Net Transfer)	(24,638)
Net Change in Plan Fiduciary Net Position	<u>318,406</u>
Plan Fiduciary Net Position – Beginning	<u>1,782,043</u>
Plan Fiduciary Net Position – Ending (B)	<u>\$2,100,449</u>

Net Pension Liability – Ending (A) – (B)	<u>\$ 302,101</u>
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Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.43%
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Covered Valuation Payroll	<u>\$ 753,152</u>
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Net Pension Liability as a Percentage of Covered Valuation Payroll	40.11%
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Notes to Schedule:

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

**Schedule of Employer Contributions
Most Recent Calendar Year**

Calendar Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Payroll
2014	\$75,273	\$81,538	\$(6,265)	\$649,469	12.55%
2015	85,500	85,655	(155)	686,194	12.48%
2016	94,267	94,266	1	780,356	12.08%
2017	80,964	80,965	(1)	753,152	10.75%

Notes to Schedule of Contributions

***Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2017
Contribution Rate****

Valuation Date:

Notes

Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine 2017 Contribution Rates:

<i>Actuarial Cost Method:</i>	Aggregate entry age normal
<i>Amortization Method:</i>	Level percentage of payroll, closed
<i>Remaining Amortization Period:</i>	26-year closed period until remaining period reaches 10 years
<i>Asset Valuation Method:</i>	5-year smoothed market; 20% corridor
<i>Wage Growth:</i>	3.5%
<i>Price Inflation:</i>	2.75%, approximate; No explicit price inflation assumption is used in this valuation.
<i>Salary Increases:</i>	3.75% to 14.5%, including inflation
<i>Investment Rate of Return:</i>	7.50%
<i>Retirement Age:</i>	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2014 valuation pursuant to an experience study of the period 2011 to 2013.

Mortality:

For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (based year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes:

There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2015, actuarial valuation; note two year lag between valuation and rate setting.

OTHER INFORMATION

PLAINFIELD TOWNSHIP, ILLINOIS
EXTENDED TAX RATES, LEVIES AND ASSESSED VALUATIONS

	<u>2017 Levy</u>		<u>2016 Levy</u>		<u>2015 Levy</u>	
	<u>Rate</u>	<u>Extension</u>	<u>Rate</u>	<u>Extension</u>	<u>Rate</u>	<u>Extension</u>
Town Fund:						
Corporate	0.0839	\$ 1,544,267	0.0856	\$ 1,499,848	0.0899	\$ 1,476,764
Cemetery	0.0000	-	0.0000	-	0.0000	-
Road Funds:						
Road and Bridge	0.1113	2,048,593	0.1135	1,988,700	0.1192	1,958,068
		<u>2017</u>		<u>2016</u>		<u>2015</u>
Total assessed valuations		<u>\$ 1,840,604,279</u>		<u>\$ 1,752,159,001</u>		<u>\$ 1,642,674,494</u>