

TOWNSHIP OF ORLAND, ILLINOIS

ANNUAL FINANCIAL REPORT

YEAR ENDED MARCH 31, 2023



TOWNSHIP OF ORLAND, ILLINOIS

ANNUAL FINANCIAL REPORT

March 31, 2023

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FINANCIAL SECTION



TOWNSHIP OF ORLAND, ILLINOIS



INDEPENDENT AUDITOR'S REPORT

To the Honorable Supervisor and
Members of the Board of Trustees
Township of Orland, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component unit, and each major fund of the Township of Orland, Illinois as of and for the year ended March 31, 2023, and the related notes to the financial statements, which collectively comprise the Township of Orland, Illinois' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component unit, and each major fund of the Township of Orland, Illinois, as of March 31, 2023, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township of Orland, Illinois, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Notes 5 and 9, the Township of Orland, Illinois implemented Governmental Accounting Standards Board Statement No. 87, *Leases*, in 2023. As a result, beginning capital assets and beginning long-term liability balances were restated to include leases previously not reported. In addition, a lease receivable and an offsetting deferred inflow of resources were recorded for leases for which the Township of Orland, Illinois is the lessor.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township of Orland, Illinois' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 of Orland, Illinois' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township of Orland, Illinois' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of employer's contributions and schedule of changes in net pension liability and related ratios be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Orland, Illinois' basic financial statements. The individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

JW & Associates, P.C.

Hillside, Illinois
October 3, 2023

TOWNSHIP OF ORLAND, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2023

Our discussion and analysis of the financial performance of Township of Orland (the "Township") provides an overview of the Township's financial activities for the fiscal year ended March 31, 2023. The management of the Township encourages readers to consider the information presented here in conjunction with the basic financial statements to enhance their understanding of the Township's financial performance.

Financial Highlights

- The Township's net position as of March 31, 2023 is \$27,728,284, an increase of \$138,427 to the prior year's net position.
- Total Township revenues for the year ended March 31, 2023 were \$3,983,220 while total expenses were \$3,844,793.
- The Town Fund's fund balance increased by \$103,627 for the year ended March 31, 2023 to \$2,302,739.

Overview of the Financial Statements

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

Using the Financial Section of this Annual Report

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

Government-wide Financial Statements

The government-wide financial statements are designed to be like those of a corporation.

The Statement of Net Position combines and consolidates governmental funds' current financial resources with capital assets and long term obligations. It uses the accrual basis of accounting and economic resources measurement focus. The Statement of Net Position can be found on page 11 of this report.

The Statement of Activities is focused on both the growth and the new costs of various activities. These activities are supported by the government's general taxes and other resources. This is intended to summarize and simplify the users' analysis of the costs of various governmental services. The Statement of Activities can be found on page 12 of this report.

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

TOWNSHIP OF ORLAND, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2023

The government-wide financial statements include not only the Township itself (known as the primary government), but also the legally separate Orland Township Food Pantry Foundation for which the Township is financially accountable. Financial information for this component unit is reported separately from the financial information presented from the primary government itself. Additionally, the government-wide financial statements include the Orland Township Scholarship Fund. The financial information for the Scholarship Fund is combined with that of the Township itself on the government-wide financial statements. The Scholarship Fund is a blended component unit of the Township and is reported as a special revenue fund.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Township can be included into one category: governmental funds.

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

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

The governmental funds total column requires reconciliation to the governmental activities reported in the government-wide statements because of the two different measurement focuses (current financial resources versus total economic resources) which is reflected on the page following each statement. The flow of current financial resources will reflect interfund transfers as other sources and uses as well as capital assets as expenditures. The reconciliations eliminate these transactions and incorporate the capital assets and long term obligations into the governmental activities column in government-wide statements. The fund financial statements can be found on pages 13-16 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 17.

Other Information

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

TOWNSHIP OF ORLAND, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2023

Financial Analysis of the Township of Orland's Government-Wide Financial Statements

Statement of Net Position

The following chart reflects the condensed Statement of Net Position:

CONDENSED STATEMENT OF NET POSITION

MARCH 31, 2023 and 2022

	2023	2022
Assets		
Current Assets	\$ 5,933,157	\$ 4,859,967
Net Pension Asset	-	1,030,112
Capital Assets, Net	24,086,116	24,541,872
Total Assets	<u>30,019,273</u>	<u>30,431,951</u>
 Total Deferred Outflows of Resources	 <u>722,401</u>	 <u>40,764</u>
Liabilities		
Current Liabilities	412,853	132,259
Net Pension Liability	419,430	-
Long-term Liabilities	38,782	42,200
Total Liabilities	<u>871,065</u>	<u>174,459</u>
 Total Deferred Inflows of Resources	 <u>2,142,325</u>	 <u>2,708,399</u>
Net Position		
Invested in Capital Assets	24,064,548	24,516,215
Restricted	1,265,188	1,183,023
Unrestricted	2,398,548	1,890,619
Total Net Position	<u>\$ 27,728,284</u>	<u>\$ 27,589,857</u>

The most significant change in net position resulted from an IMRF actuarial determination that the Township has a net pension liability as of 3/31/23 compared to a net pension asset at 3/31/22. In addition, the Township drew on a \$300,000 line of credit during the year and the balance is outstanding as of 3/31/23.

TOWNSHIP OF ORLAND, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2023

Statement of Activities

The following chart reflects the condensed Statement of Activities:

	<u>2023</u>	<u>2022</u>
Revenues		
Program Revenues		
Charges for Services	\$ 429,948	\$ 325,570
Operating Grants and Contributions	48,136	86,253
General Revenues		
Property Taxes	3,237,646	3,296,818
Net Investment Income	14,100	292
Other General Revenues	<u>253,390</u>	<u>168,263</u>
Total Revenues	3,983,220	3,877,196
Expenses		
General Government	1,552,808	1,312,738
Culture and Recreation	728,217	692,019
Road and Bridge	874,424	775,267
General Assistance	689,308	446,686
Interest Expense	<u>36</u>	<u>-</u>
Total Expenses	3,844,793	3,226,710
Change in Net Position	<u>138,427</u>	<u>650,486</u>
Net Position - Beginning of Year	27,589,857	26,939,371
Net Position - End of Year	<u><u>\$ 27,728,284</u></u>	<u><u>\$ 27,589,857</u></u>

There was a modest 3% increase in revenues for fiscal year 2023. Inflation on overall services, food, entertainment, etc., has resulted in Orland Township raising the price for Senior Services, which is a large portion of charges for services revenue. More senior trips, dances and luncheons have occurred compared to previous fiscal years which suffered Covid-19 restrictions and less social events. Orland Township anticipates seeing this revenue continue.

Orland Township endured the delay of property taxes from Cook County during the fiscal year, which continues to influence delayed contributions to the Township.

Previous fiscal years benefited from a Covid-19 grant which alleviated expenses on protective supplies, disinfection, vaccination clinics, food delivery, etc. Executive Orders continued through most of the 2022

TOWNSHIP OF ORLAND, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2023

year. The Township has not applied for other grants since. This is due to new personnel transitioning into administration.

Total expenses increased by almost 20% after a 17% decrease in the prior year. The \$240,000 increase in General Government expenses was primarily due to a negative IMRF pension expense of approximately \$275,000 versus a negative expense of \$503,000 in the prior year. The increase of almost \$100,000 in Road and Bridge expenses was partially caused by a \$45,000 increase in engineering services related to the Delugah Woods flood assessment and a \$37,000 increase in snow removal supplies. An increase of \$243,000 in General Assistance was a result of increases of \$58,000 in food, \$56,000 in household incidental, \$48,000 in rental assistance and \$50,000 in fuel costs.

Financial Analysis of the Township of Orland's Funds

Governmental Funds

The Township of Orland's major funds are the General Fund, Road and Bridge Fund, General Assistance Fund and Scholarship Fund. Generally speaking, a fund must be reported as a major fund if it meets the following criteria:

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

and

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

The Township has the authority to report any fund as a major fund regardless of whether it meets the criteria above. The Township has elected to report all funds as major funds.

The following chart reflects a condensed comparison of 2023 and 2022 revenues and expenditures:

TOWNSHIP OF ORLAND, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2023

	2023	2022	Increase (Decrease) 2023 to 2022
Revenues			
General (Town) Fund	\$ 2,911,979	\$ 2,751,749	\$ 160,230
Road and Bridge Fund	854,796	865,426	(10,630)
General Assistance Fund	195,056	233,226	(38,170)
Scholarship Fund	21,389	26,795	(5,406)
Total Revenues	<u>3,983,220</u>	<u>3,877,196</u>	<u>106,024</u>
Expenditures			
General (Town) Fund	2,808,352	2,762,110	46,242
Road and Bridge Fund	612,132	497,514	114,618
General Assistance Fund	364,269	134,189	230,080
Scholarship Fund	12,675	14,012	(1,337)
Total Expenditures	<u>3,797,428</u>	<u>3,407,825</u>	<u>389,603</u>

Revenues

Revenues across all funds increased by 2.7% or \$106,024 over the prior year. General fund revenue was up while revenue in all other funds decreased. Property and replacement taxes in the General Fund accounted for almost \$68,000 of the increase while service fees and donations increased \$34,000 and miscellaneous revenues increased \$45,000. Revenue decreases in the other funds were primarily due to decreased property taxes.

Expenditures

Overall expenditures increased by 11% in fiscal 2023. Town Fund expenditures were up less than 2%. The most significant increase was in the General Assistance Fund which increased 171% with all services increasing significantly due to services from other levels of government not being as readily available as in the prior year. Road and Bridge Fund expenditures increased by 23% primarily due to increased engineering services and snow removal supplies as noted previously.

Budgetary Highlights

The Township of Orland operates under the budget ordinance process. The budget is adopted by the Township Board and filed at the Cook County Courthouse preceding April 1 of the budgeted fiscal year. Although an amended budget may also be prepared and adopted by the Board, no major amendments or addendums were necessary during fiscal year 2023.

Historically, the Township has taken a very conservative approach in developing their budgets. During fiscal year 2023, revenues and expenditures versus budgeted amounts showed the following variances:

TOWNSHIP OF ORLAND, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2023

Governmental Funds

<u>Fund</u>	<u>Revenues</u>			<u>Expenditures</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Town Fund	\$ 3,218,577	\$ 2,911,979	\$ (306,598)	\$ 2,629,891	\$ 2,808,352	\$ 178,461
Road and Bridge	464,374	854,796	390,422	1,164,910	612,132	(552,778)
General Assistance	198,941	195,056	(3,885)	141,504	364,269	222,765
Scholarship Fund	-	21,389	21,389	-	12,675	12,675

Town Fund revenues were 9.5% under budget while expenditures were 6.8% over budget. Property taxes were almost \$400,000 under budget. Township administration was over budget by \$143,000 with \$68,000 due to unbudgeted landscape/snow removal services. Senior citizens services were \$120,000 over budget due to scheduled activities including a bus trip to Door County. Road and Bridge Fund revenues were 84% over budget, primarily as a result of property tax and replacement tax revenues being over budget by \$316,000 and \$26,000, respectively. \$46,000 of the positive variance was the result of a recycling initiative. Expenditures were under budget by 47% with budgeted road maintenance of \$600,000 not occurring. General Assistance Fund revenues approximated budget while expenditures exceeded budget by 157% due to the higher demand for services as previously noted. No variance information is presented for the Scholarship Fund, as no budget is adopted for that Fund.

Capital Assets

At the end of the fiscal year 2023, the Township had combined total capital assets of \$24,086,116 invested in a broad range of capital assets including buildings, Township facilities, roads, equipment, vehicles, and lease assets. (For more information, see Note 4 to the financial statements.)

Governmental Activities Change in Capital Assets

	<u>Balance</u>	<u>Net</u>	<u>Balance</u>
	<u>April 1, 2022</u>	<u>Additions/ Deletions</u>	<u>March 31, 2023</u>
Non-Depreciable Assets - Land	16,838,582	-	16,838,582
Depreciable Capital Assets			
Infrastructure	14,728,033	-	14,728,033
Land Improvements	1,478,569	-	1,478,569
Buildings & Improvements	4,303,672	-	4,303,672
Equipment	1,435,316	18,745	1,454,061
Vehicles	348,602	48,000	396,602
Lease Assets	18,633	-	18,633
Accumulated Depreciation	(14,590,902)	(541,134)	(15,132,036)
Total Capital Assets, Net	<u>\$24,560,505</u>	<u>(\$474,389)</u>	<u>\$24,086,116</u>

TOWNSHIP OF ORLAND, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2023

Debt Administration

The following is a summary of the components of long-term debt and related transactions of the Township for the year ended March 31, 2023:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One year
Net Pension Liability	\$ -	\$ 419,430	\$ -	\$ 419,430	\$ -
Compensated Absences	29,371	38,115	29,371	38,115	-
Notes Payable	25,657	-	12,828	12,829	12,829
Lease Liability	19,671	-	10,932	8,739	8,072
Total	<u>\$ 74,699</u>	<u>\$ 457,545</u>	<u>\$ 53,131</u>	<u>\$ 479,113</u>	<u>\$ 20,901</u>

In the prior year, the Township had a net pension asset related to IMRF but the current actuarial valuation determined that a net pension liability exists as of 3/31/23. See Note 5 of the financial statements for more detailed information.

Currently Known Facts, Decisions or Conditions

Upcoming initiatives for the new fiscal year 2023-2024 include:

- The Township looks to purchase possibly two cars for the Senior Transportation Program. The current fleet is averaging 1,200 rides per month resulting in more auto servicing and mileage per car.
- Orland Township oversees three parks in the unincorporated neighborhoods. There has been discussion to provide some upgrades and additional items to the parks such as extended walking paths, more picnic area, shaded spaces, and alternative for mulch.
- Orland Township also hopes to utilize a grant for parking lot improvements and HVAC.
- At the time, these financial statements were prepared and audited, the Township as not aware of any existing circumstances that would adversely affect its financial health in the near future.

Contacting the Township's Financial Management

This financial report is designed to provide our citizens, customers, investors and creditors with a general knowledge of the Township's finances and to demonstrate the Township's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to the Township Office, 14807 Ravinia Avenue, Orland Park, IL 60462.

TOWNSHIP OF ORLAND, ILLINOIS
STATEMENT OF NET POSITION
MARCH 31, 2023

	Governmental Activities	Orland Township Food Pantry Foundation
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 2,242,186	\$ 402,091
Investments	798,823	-
Property Taxes Receivable - Net	2,358,011	-
Lease Receivables	495,877	-
Other Receivables	13,840	-
Prepaid Assets	24,420	-
Noncurrent Assets		
Capital Assets		
Land	16,838,582	-
Capital Assets, Net of Accumulated Depreciation	7,247,534	-
Total Assets	<u>30,019,273</u>	<u>402,091</u>
Deferred Outflows of Resources		
Deferred Outflows Related to Pensions	722,401	-
Total Deferred Outflows of Resources	<u>722,401</u>	<u>-</u>
Liabilities		
Current Liabilities		
Accounts Payable	62,235	770
Accrued Expenses	29,681	-
Accrued Interest Payable	36	-
Line of Credit Payable	300,000	-
Current Portion of Notes Payable	20,901	-
Noncurrent Liabilities		
Net Pension Liability	419,430	-
Compensated Absences	38,115	-
Notes Payable	667	-
Total Liabilities	<u>871,065</u>	<u>770</u>
Deferred Inflows of Resources		
Deferred Inflows Related to Pensions	169,011	-
Unearned Revenue - Property Taxes	1,496,468	-
Leases	476,846	-
Total Deferred Inflows of Resources	<u>2,142,325</u>	<u>-</u>
Net Position		
Net Investment in Capital Assets	24,064,548	-
Restricted for:		
Road and Bridge	989,182	-
General Assistance	276,006	-
Unrestricted	<u>2,398,548</u>	<u>401,321</u>
Total Net Position	<u>\$ 27,728,284</u>	<u>\$ 401,321</u>

See accompanying notes to financial statements

TOWNSHIP OF ORLAND, ILLINOIS
STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2023

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position	Component Unit
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Orland Township Food Pantry Foundation
Governmental Activities					
General Government	\$ 1,552,808	\$ -	\$ -	\$ (1,552,808)	\$ -
Culture and Recreation	728,217	206,390	-	(521,827)	-
Road and Bridges	874,424	133,306	-	(741,118)	-
General Assistance	689,308	90,252	48,136	(550,920)	-
Interest Expense	36	-	-	(36)	-
Total Governmental Activities	<u>3,844,793</u>	<u>429,948</u>	<u>48,136</u>	<u>(3,366,709)</u>	<u>-</u>
Component Unit					
Orland Township					
Food Pantry Foundation	<u>47,188</u>	<u>-</u>	<u>73,441</u>	<u>-</u>	<u>26,253</u>
General Revenues					
Property Taxes Levied for General Purposes				3,237,646	-
Replacement Taxes				117,697	-
Unrestricted Investment Earnings				14,100	-
Miscellaneous Revenues				135,693	-
Total General Revenues				<u>3,505,136</u>	<u>-</u>
Change in Net Position				<u>138,427</u>	<u>26,253</u>
Net Position - Beginning of Year				<u>27,589,857</u>	<u>375,068</u>
Net Position - End of Year				<u>\$ 27,728,284</u>	<u>\$ 401,321</u>

See accompanying notes to financial statements

TOWNSHIP OF ORLAND, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
MARCH 31, 2023

	Major Funds				
	Town Fund	Road and Bridge Fund	General Assistance Fund	Scholarship Fund	Total
Assets					
Cash and Cash Equivalents	\$ 1,175,944	\$ 831,646	\$ 203,231	\$ 31,365	\$ 2,242,186
Investments	798,823	-	-	-	798,823
Property Taxes Receivable - Net	1,802,963	424,274	130,774	-	2,358,011
Lease Receivables	-	495,877	-	-	495,877
Other Receivables	6,173	7,667	-	-	13,840
Prepaid Assets	19,048	5,372	-	-	24,420
Due from Other Funds	25,230	-	-	-	25,230
Total Assets	<u>\$ 3,828,181</u>	<u>\$ 1,764,836</u>	<u>\$ 334,005</u>	<u>\$ 31,365</u>	<u>\$ 5,958,387</u>
Liabilities					
Accounts Payable	32,368	24,498	5,369	-	62,235
Accrued Expenses	26,628	3,053	-	-	29,681
Line of Credit Payable	300,000	-	-	-	300,000
Due to Other Funds	-	21,764	3,466	-	25,230
Total Liabilities	<u>358,996</u>	<u>49,315</u>	<u>8,835</u>	<u>-</u>	<u>417,146</u>
Deferred Inflows of Resources					
Unearned Revenue - Property Taxes	1,166,446	249,493	80,529	-	1,496,468
Leases	-	476,846	-	-	476,846
Total Deferred Inflows of Resources	<u>1,166,446</u>	<u>726,339</u>	<u>80,529</u>	<u>-</u>	<u>1,973,314</u>
Fund Balances					
Nonspendable	19,048	-	-	-	19,048
Restricted					
Road and Bridge	-	989,182	-	-	989,182
General Assistance	-	-	244,641	31,365	276,006
Unassigned	2,283,691	-	-	-	2,283,691
Total Fund Balances	<u>2,302,739</u>	<u>989,182</u>	<u>244,641</u>	<u>31,365</u>	<u>3,567,927</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,828,181</u>	<u>\$ 1,764,836</u>	<u>\$ 334,005</u>	<u>\$ 31,365</u>	<u>\$ 5,958,387</u>

TOWNSHIP OF ORLAND, ILLINOIS
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
MARCH 31, 2023

Total Fund Balances of Governmental Funds \$ 3,567,927

Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Capital assets used in Governmental Activities are not current financial resources and therefore are not reported in the governmental funds:

Capital Assets	39,218,152	
Accumulated Depreciation	(15,132,036)	
Net Capital Assets		24,086,116

The Net Pension Liability is not a current financial resource and therefore it is not reported in the governmental funds:

Net Pension Liability	(419,430)
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Deferred Outflows and Deferred Inflows Related to Pensions are not current financial resources and do not require current financial resources and therefore are not reported in the governmental funds:

Deferred Outflows Related to Pensions	722,401	
Deferred Inflows Related to Pensions	(169,011)	
Net Deferred Outflows/Inflows Related to Pensions		553,390

Some liabilities reported in the Statement of Net Position do not require the use of current financial resources and therefore are not reported in the governmental funds:

Compensated Absences	(38,115)	
Notes Payable	(12,829)	
Accrued Interest Payable	(36)	
Lease Liability	(8,739)	
Total Liabilities		(59,719)

Net Position of Governmental Activities \$ 27,728,284

TOWNSHIP OF ORLAND, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED MARCH 31, 2023

	Major Funds				
	Town Fund	Road and Bridge Fund	General Assistance Fund	Scholarship Fund	Total
Revenues					
Property Taxes	\$ 2,422,405	\$ 637,709	\$ 177,532	\$ -	\$ 3,237,646
Replacement Taxes	52,494	65,203	-	-	117,697
Food Pantry	350	-	-	-	350
Service Fees and Donations	344,428	-	-	-	344,428
Investment Income/(Loss)	13,845	194	61	-	14,100
Miscellaneous Revenue	78,457	151,690	17,463	21,389	268,999
Total Revenues	2,911,979	854,796	195,056	21,389	3,983,220
Expenditures					
Current					
Township Administration	1,481,620	-	-	-	1,481,620
Assessor	157,433	-	-	-	157,433
Youth Services	27,742	-	-	12,675	40,417
Senior Citizen Services	668,745	-	-	-	668,745
Health Services	191,047	-	-	-	191,047
Supervisor	39,500	-	364,269	-	403,769
Trustee	42,630	-	-	-	42,630
Clerk	21,500	-	-	-	21,500
Road and Bridge	36,900	533,767	-	-	570,667
Home Relief/Food Pantry	130,029	-	-	-	130,029
Capital Outlay	11,206	78,365	-	-	89,571
Total Expenditures	2,808,352	612,132	364,269	12,675	3,797,428
Excess (Deficiency) of Revenues Over (Under) Expenditures	103,627	242,664	(169,213)	8,714	185,792
Net Change In Fund Balances	103,627	242,664	(169,213)	8,714	185,792
Fund Balance - Beginning of Year	2,199,112	746,518	413,854	22,651	3,382,135
Fund Balance - End of Year	\$ 2,302,739	\$ 989,182	\$ 244,641	\$ 31,365	\$ 3,567,927

TOWNSHIP OF ORLAND, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2023

Net Change in Fund Balances of Governmental Funds	\$	185,792
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Amounts reported for Governmental Activities in the Statement of Activities are different because:

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

Capital Outlay	85,378	
Depreciation	(541,134)	
Net Capital Outlay		(455,756)

Increase in the Net Pension Liability increases long-term liabilities in the Statement of Net Position but does not effect the fund balances of governmental funds	(1,449,542)
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Changes in Deferred Outflows and Deferred Inflows Related to Pensions are not included in the governmental funds

Change in Deferred Outflows Related to Pensions	681,637	
Change in Deferred Inflows Related to Pensions	1,180,987	
Net Change in Deferred Outflows/Inflows Related to Pensions		1,862,624

Changes in Compensated Absences do not require the use of current financial resources and do not provide current financial resources so they are not reported in the governmental funds

Change in Compensated Absences	(8,744)
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Changes in Accrued Interest Payable is not included in the governmental funds	(36)
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Changes in Leases Payable are not included in the governmental funds	(8,739)
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Changes in Notes Payable are not included in the governmental funds	12,828
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Change in Net Position of Governmental Activities	\$	138,427
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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Township of Orland, Illinois (the “Township”), as reflected in the accompanying financial statements for the year end March 31, 2023, conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the significant accounting policies.

Reporting Entity

The Township is a municipal corporation governed by an elected board. In 2013, the Township adopted the provisions of the Governmental Accounting Standard Board (“GASB”) Statement No. 61, “The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34” which modifies certain requirements for inclusion of component units in the financial reporting entity. An organization is considered a component unit of the primary government if 1) the government appoints a voting majority of the organization’s board and there is a financial benefit or burden relationship or the government is able to impose its will on the organization or 2) the organization is fiscally dependent on the government and there is a financial benefit or burden relationship or 3) the government determines that it would be misleading to exclude the organization from its financial statements.

Per the criteria as set forth above, the Orland Township Food Pantry Foundation (the “Foundation”), a non-profit organization, meets the criteria above (since it appoints a voting majority of the board) and is included in the Township’s government-wide financial statements as a discretely presented component unit due to the incompatibility of accounting principles applied in financial reporting by each entity. The Foundation does not issue separate financial statements.

Additionally, the Orland Township Scholarship Fund, a non-profit organization, is included in the Township’s government-wide financial statements as a blended component unit. The Scholarship Fund does not issue separate financial statements and is included in the governmental fund financial statements as a special revenue fund.

Basis of Presentation

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

Township-Wide Financial Statements

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

classified as program revenues, are presented as general revenues of the Township, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function is self-financing or draws from general revenues of the Township.

Fund Financial Statements

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

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

- a. Nonspendable – includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted – consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. Committed - includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (ordinance, resolution, motion) of the Township board. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Township board that originally created the commitment.
- d. Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Financial management may assign amounts for a specific purpose. The Township board may also take official action to assign amounts. All remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted nor committed are considered assigned. Assignments may take place after the end of the reporting period.
- e. Unassigned – includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance would also include negative balances for any governmental fund other than the general fund.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus and Basis of Accounting

Township-Wide Financial Statements

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

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

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

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

For this purpose, the Township considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues accrued at the end of the year include real estate tax and personal property replacement tax. All other revenue items are considered to be measurable and available only when cash is received by the government.

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to notes payable, compensated absences and claims and judgments, are recorded only when payment is due.

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (Continued)

The Township reports the following major governmental funds:

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

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

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

Scholarship Fund accounts for all revenues and expenditures applicable to the disbursement of scholarships to local students.

Cash and Cash Equivalents

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

Short-Term Interfund Receivables/Payables

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

Prepaid Items

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

Capital Assets

Capital assets, which include property, equipment and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable governmental columns in the Township-wide financial statements. Capital assets are defined by the Township as assets with a useful life of more than one year and an initial individual cost of more than \$2,500.

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (Continued)

Land Improvements	20 years
Building	50 years
Equipment	8-20 years
Infrastructure	20-50 years

Property Taxes

The Township's policy is to record property taxes receivable when they have been levied or extended and are both measurable and available. Property taxes attach as an enforceable lien on January 1. Taxes are levied in December and extended in March subsequent to the calendar year to which they apply and are payable in installments on March 1 and September 1 in the year they are extended.

Deferred Outflows / Inflows of Resources

Deferred outflows of resources refers to a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The item that qualifies for reporting in this category for the Township relates to their pension plan and is reported in the government-wide statement of net position. Deferred inflows of resources are recorded when assets are acquired that apply to a future reporting period. Taxes which have been deemed to be measurable but not available or have been levied for use in the subsequent period represent deferred inflows of resources as do amounts related to the pension plan.

Compensated Absences

The liability for compensated absences reported in the government-wide financial statements consists of unpaid, accumulated vacation and vested sick leave balances for Township employees. Vacation and sick leave are recorded in governmental funds when due (upon employee retirement or termination). The General Fund is typically used to liquidate these liabilities. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, an expenditure/expense is reported and a liability is recognized for the portion of accumulating sick leave benefits that is estimated will be taken as "terminal leave" at retirement.

Long-Term Obligations

In the Township-wide financial statements, long-term obligations are reported as liabilities in the applicable Township-wide Statement of Net Position.

Net Position

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

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

TOWNSHIP OF ORLAND, ILLINOIS

Notes to financial statements
March 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates

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

NOTE 2 – CASH AND INVESTMENTS

Cash

The carrying amount of cash was \$2,242,186 at March 31, 2023. All account balances at banks were either insured by the Federal Deposit Insurance Corporation (FDIC) for \$250,000 or collateralized with securities of the U.S. government or local governments, or with letters of credit issued by the Federal Home Loan Bank held in the Township's name by financial institutions acting as the Township's agent. The Township's investment policy requires that deposits be collateralized at 110% of the bank balance.

Investments

Statutes authorized the Township to make deposits/invest in commercial banks, savings and loan institutions, credit union shares, obligation of the U.S. treasury and U.S. agencies, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating service and the Illinois Funds Money Market. The Township had deposits with a carrying amount of \$798,823 in investments invested in the Federated Government Obligations Fund which is a government money market mutual fund rated AAAm, Aaa-mf, and AAAMmf by Standard & Poors, Moody's, and Fitch, respectively. While the money market funds are not covered by FDIC insurance limits, the underlying investments of the fund are in cash, U.S. Government securities and repurchase agreements that are collateralized fully.

The Township has the following recurring fair value measurements as of March 31, 2023:

	Total March 31, 2022	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Federated Government Obligations Tax-Managed Fund	\$ 798,823	\$ 798,823	\$ -	\$ -

TOWNSHIP OF ORLAND, ILLINOIS

Notes to financial statements
March 31, 2023

NOTE 3 – INTERFUND TRANSACTIONS

Due To/From Other Funds

All fund types at March 31, 2023, are summarized as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General Town Fund		
General Assistance	\$ 3,466	-
Road and Bridge	21,764	-
Total General Town Fund	25,230	-
General Assistance Fund		
General Town	-	3,466
	-	3,466
Road and Bridge Fund		
General Town	-	21,764
Total Road and Bridge Fund	-	21,764
Totals	<u>\$ 25,230</u>	<u>\$ 25,230</u>

All interfund balances will be repaid in the next fiscal year. The interfunds occurred in order to show the liability due to the General Town Fund, which paid for all expenditures.

TOWNSHIP OF ORLAND, ILLINOIS

Notes to financial statements
March 31, 2023

NOTE 4 – CAPITAL ASSETS

Governmental capital assets activity for the year ended March 31, 2023 was as follows:

Governmental Activities	Restated Balance April 1, 2022	Additions	Deletions	Balance March 31, 2023
Capital Assets not being Depreciated				
Land	\$ 16,838,582	\$ -	\$ -	\$ 16,838,582
Total Capital Assets not being Depreciated	16,838,582	-	-	16,838,582
Capital Assets being Depreciated				
Infrastructure	14,728,033	-	-	14,728,033
Land Improvements	1,478,569	-	-	1,478,569
Buildings	4,303,672	-	-	4,303,672
Equipment	1,435,316	18,745	-	1,454,061
Vehicles	348,602	48,000	-	396,602
Lease Assets	18,633	-	-	18,633
Total Capital Assets being Depreciated	22,312,825	66,745	-	22,379,570
Accumulated Depreciation	14,590,902	541,134	-	15,132,036
Total Capital Assets being Depreciated, Net	7,721,923	(474,389)	-	7,247,534
Governmental Activities Capital Assets, Net	\$ 24,560,505	\$(474,389)	\$ -	\$ 24,086,116

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

General Government	\$ 159,787
Culture and Recreation	31,730
General Assistance	1,000
Road and Bridge	348,617
Total	<u>\$ 541,134</u>

TOWNSHIP OF ORLAND, ILLINOIS

Notes to financial statements
March 31, 2023

NOTE 5 – LONG-TERM LIABILITIES

The following is a summary of long-term obligation activity for the Township associated with governmental activities for the year ended March 31, 2023:

	Restated Beginning Balance	Increases	Decreases	Ending Balance	Due Within One year
Net Pension Liability	\$ -	\$ 419,430	\$ -	\$ 419,430	\$ -
Compensated Absences	29,371	38,115	29,371	38,115	-
Note Payable	25,657	-	12,828	12,829	12,829
Lease Liability	19,671	-	10,932	8,739	8,072
Total	<u>\$ 74,699</u>	<u>\$ 457,545</u>	<u>\$ 53,131</u>	<u>\$ 479,113</u>	<u>\$ 20,901</u>

Compensated absences are paid out of the fund from which the employee's salary was paid. Currently, this is the General Town Fund and the Road and Bridge Fund.

Note Payable

The Township has entered into an agreement for financing the acquisition of equipment. Capital assets of \$47,490 have been added to machinery and equipment as a result of this note payable. This agreement qualifies as a note payable for accounting purposes and; therefore, has been recorded at the present value of the future minimum note payments as of the inception date. The note payable has been recorded as a liability in the Township-wide statements.

Lease Liability

During 2023, the Township implemented GASB Statement No. 87 – *Leases*. This resulted in the restatement of beginning capital assets and beginning long term liabilities to reflect a right-to-use leased asset and a lease liability related to office equipment leases.

The future minimum payments are as follows:

Year Ending March 31,	Lease Principal	Lease Interest
2024	\$ 8,072	\$ 816
2025	667	214
Total	<u>\$ 8,739</u>	<u>\$ 1,030</u>

NOTE 6 – SHORT-TERM LIABILITIES

Lines of Credit

On September 30, 2022, the Township entered into a line of credit with Old National Bank in the amount of \$706,000 due to delays in the distribution of property tax receipts. The agreement has an initial interest rate of 3.808%, which will be reset on the first day of every calendar month to the 1-Month Secured Overnight Financing Rate plus 1.422%, and is to be repaid over a 12-month term. During the year, the Township drew \$300,000 on the line of credit and that amount is outstanding as of March 31, 2023.

NOTE 7 – DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund

Plan Description

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

General Information about the Pension Plan

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.

As set by statute, Township regular plan members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement of its own employees. The employer contribution for calendar year 2022 was 11.54% of covered payroll. The employer annual required contribution rate for calendar year 2023 was 4.90%. 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 the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

NOTE 7 – DEFINED BENEFIT PENSION PLAN (Continued)**Illinois Municipal Retirement Fund (Continued)**

At December 31, 2022, the following employees were covered by the benefit terms:

Retirees and Beneficiaries	44
Inactive, Non-Retired Members	32
Active Members	<u>39</u>
Total	115

Net Pension Liability

The Township's Net Pension Liability was measured as of December 31, 2022 and the Total Pension Liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions: The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method:	Entry Age Normal
Price Inflation:	2.25%
Salary Increases:	2.85% to 13.75%
Investment Rate of Return:	7.25%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality:	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

There were no benefit changes during the year.

Long Term Expected Rate of Return: 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:

NOTE 7 – DEFINED BENEFIT PENSION PLAN (Continued)**Illinois Municipal Retirement Fund (Continued)**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Rate of Return</u>
Domestic Equity	35.50%	6.50%
International Equity	18.00%	7.60%
Fixed Income	25.50%	4.90%
Real Estate	10.50%	6.20%
Alternative Investments	9.50%	6.25-9.90%
Cash Equivalents	1.00%	4.00%
	<u>100.00%</u>	

Single Discount Rate: A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 4.05%; and the resulting single discount rate is 7.25%.

TOWNSHIP OF ORLAND, ILLINOIS

Notes to financial statements
March 31, 2023

NOTE 7 – DEFINED BENEFIT PENSION PLAN (Continued)**Illinois Municipal Retirement Fund (Continued)*****Changes in the Net Pension Liability***

	Total Pension Liability (A)	Increase (Decrease) Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at March 31, 2022	\$ 6,284,278	\$ 7,314,390	\$ (1,030,112)
Changes for the year:			
Service Cost	125,828	-	125,828
Interest on the Total Pension Liability	442,864	-	442,864
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	305,723	-	305,723
Changes of Assumptions	-	-	-
Contributions - Employer	-	162,158	(162,158)
Contributions - Employees	-	57,115	(57,115)
Net Investment Income	-	(961,336)	961,336
Benefit Payments, including Refunds of Employee Contributions	(477,452)	(477,452)	-
Other (Net Transfer)	-	166,936	(166,936)
Net Changes	396,963	(1,052,579)	1,449,542
Balances at March 31, 2023	\$ 6,681,241	\$ 6,261,811	\$ 419,430

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

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 1,105,818	\$ 419,430	\$ (152,266)

TOWNSHIP OF ORLAND, ILLINOIS

Notes to financial statements
March 31, 2023

NOTE 7 – DEFINED BENEFIT PENSION PLAN (Continued)**Illinois Municipal Retirement Fund (Continued)*****Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions***

For the year ended March 31, 2023, the Township recognized pension expense of (\$275,349). At March 31, 2023, the Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 183,644	\$ 169,011
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	522,418	-
Total Deferred Amounts to be recognized in pension expense in future periods	706,062	169,011
Pension Contributions made subsequent to the Measurement Date	16,339	-
Total Deferred Amounts Related to Pensions	<u>\$ 722,401</u>	<u>\$ 169,011</u>

Amounts reported as deferred outflows of resources related to pension contributions made subsequent to the measurement date will be recognized in pension expense next year.

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

Year Ended March 31	Annual Amortization
2024	\$ (81,065)
2025	148,727
2026	171,725
2027	297,664
Thereafter	-
Total	<u>\$ 537,051</u>

NOTE 8 – RISK MANAGEMENT

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

TOWNSHIP OF ORLAND, ILLINOIS

Notes to financial statements
March 31, 2023

NOTE 9 – LEASE RECEIVABLE

During 2023, the Township implemented GASB Statement No. 87 – *Leases*. This resulted in the Township recording a lease receivable at the present value of lease payments expected to be received during the lease terms and an offsetting deferred inflow of resources related to leases for which they are the lessor. The deferred inflow is being amortized on a straight-line basis over the life of the lease. The Township has two such land leases as follows:

<u>Lease Description</u>	<u>Lease Termination</u>	<u>3/31/2023 Value</u>	<u>Rental Payments</u>	<u>Interest Income</u>
Cell Tower - Crown Castle	12/1/2035	\$ 404,660	\$ 40,234	\$ 24,791
Cell Tower - T-Mobile	8/5/2032	91,217	11,000	5,651
Totals		\$ 495,877	\$ 51,234	\$ 30,442

NOTE 10 – COMPONENT UNIT – ORLAND TOWNSHIP FOOD PANTRY FOUNDATION

Summary of Significant Accounting Policies

The Orland Township Food Pantry Foundation has been organized for the charitable and educational purpose of giving support to the Orland community. Their mission is to provide immediate assistance to qualified residents. The end of the reporting period for the Foundation was December 31, 2022.

Basis of Accounting

The Foundation prepares its financial statements on the accrual basis of accounting. Revenue, other than contributions, is recognized when earned and expense when the obligation is incurred.

Use of Estimates

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

Cash and Cash Equivalents

For financial statement purposes, the Foundation considers demand deposits to be cash equivalents. At year end, the carrying amount of the Foundation's deposits and the bank balance was \$402,091.

Custodial Credit Risk:

Foundation Deposits - Custodial credit risk is the risk that in the event of bank failure, the Foundation's deposits may not be returned to it. As of December 31, 2022, all Foundation deposits were FDIC insured.

**NOTE 10 – COMPONENT UNIT – ORLAND TOWNSHIP FOOD PANTRY FOUNDATION
(Continued)**

Related Party Transactions

The Foundation is located within the Township of Orland town hall facility. The Township does not charge rent to the Foundation for the use of this space.

NOTE 11 – NEW ACCOUNTING PRONOUNCEMENTS

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

GASB Statement No. 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* is effective for the Township beginning with its year ending March 31, 2024. This Statement provides the following financial and accounting requirements for public-private and public-public partnerships (PPPs): a transferor to recognize a receivable for installment payments and a deferred inflow of resources to account for a PPP; a government to account for PPP and non-PPP components of a PPP as separate accounts; an amendment to a PPP to be considered a PPP modification, unless the operator's right to use the underlying PPP asset decreases, in which case it should be considered a partial or full PPP termination. This Statement also provides financial and reporting guidelines for availability payment arrangements (APAs). It requires that a government engaged in an APA with multiple components to recognize each component as a separate arrangement.

GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements* is effective for the Township beginning with its year ending March 31, 2024. This Statement requires the disclosure of descriptive information about subscription-based information technology arrangements (SBITAs) other than short-term SBITAs, such as the amount of the subscription asset, accumulated amortization, other payments not included in the measurement of a subscription liability, principal and interest requirements for the subscription liability, and other essential information.

GASB Statement No. 99, *Omnibus 2022*; addresses several topics including:

- The classification and reporting of derivative instruments within the scope of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument. (Effective for the fiscal year ended March 31, 2025).
- Clarification of provisions in Statement No. 87, *Leases*, related to determination of lease term, short-term lease classification, recognition and measurement of a lease liability and lease asset, and identification of lease incentives. (Effective for the fiscal year ended March 31, 2024).
- Clarification of provisions in Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, related to determination of partnership term and recognition and measurement of installment payments and the transfer of underlying assets. (Effective for the fiscal year ended March 31, 2024).
- Clarification of provisions in Statement No. 96, *Subscription-Based Information Technology Arrangements*, related to subscription-based information technology arrangement (SBITA) term, short-term SBITA classifications, and recognition and measurement of a subscription liability. (Effective for the fiscal year ended March 31, 2024).
- Extension of the period during which London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the evaluation of effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt. (Effective upon issuance of the Statement).

NOTE 11 – NEW ACCOUNTING PRONOUNCEMENTS (Continued)

- Accounting for the distribution of benefits as a part of the Supplemental Nutrition Assistance Program (SNAP). (Effective upon issuance of the Statement).
- Disclosures related to nonmonetary transactions. (Effective upon issuance of the Statement).
- Pledges of future revenues when resources are not received by the pledging government. (Effective upon issuance of the Statement).
- Clarification related to the focus of the government-wide financial statements. (Effective upon issuance of the Statement).
- Terminology updates related to certain provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. (Effective upon issuance of the Statement).
- Terminology used in Statement 53 to refer to resource flows statements. (Effective upon issuance of the Statement).

GASB Statement No. 100, *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*, is effective for the Township for the fiscal year ended March 31, 2025. The Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

GASB Statement No. 101, *Compensated Absences*, is effective for the Township for the fiscal year ended March 31, 2025. The Statement is to update the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

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

REQUIRED SUPPLEMENTARY INFORMATION



TOWNSHIP OF ORLAND, ILLINOIS

TOWNSHIP OF ORLAND, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TOWN FUND
YEAR ENDED MARCH 31, 2023

		Town Fund		
		Original and Final Budget	Actual	Variance Over (Under) Final Budget
Revenues				
Property Taxes	\$	2,820,214	\$ 2,422,405	\$ (397,809)
Replacement Taxes		37,665	52,494	14,829
Food Pantry		1,654	350	(1,304)
Service Fees and Donations		322,451	344,428	21,977
Investment Income		150	13,845	13,695
Miscellaneous Revenue		36,443	78,457	42,014
Total Revenues		<u>3,218,577</u>	<u>2,911,979</u>	<u>(306,598)</u>
Expenditures				
Current				
Township Administration		1,338,272	1,481,620	143,348
Assessor		153,633	157,433	3,800
Youth Services		73,707	27,742	(45,965)
Senior Citizens Services		549,628	668,745	119,117
Health Services		177,061	191,047	13,986
Supervisor		40,290	39,500	(790)
Trustee		42,840	42,630	(210)
Clerk		21,930	21,500	(430)
Road and Bridge		37,638	36,900	(738)
Home Relief/Food Pantry		181,753	130,029	(51,724)
Capital Outlay		13,139	11,206	(1,933)
Total Expenditures		<u>2,629,891</u>	<u>2,808,352</u>	<u>178,461</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures		<u>588,686</u>	<u>103,627</u>	<u>(485,059)</u>
Net Change in Fund Balance	\$	<u>588,686</u>	<u>103,627</u>	<u>\$ (485,059)</u>
Fund Balance at Beginning of Year			<u>2,199,112</u>	
Fund Balance at End of Year			<u>\$ 2,302,739</u>	

See accompanying notes to required supplementary information

TOWNSHIP OF ORLAND, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND
YEAR ENDED MARCH 31, 2023

	Road and Bridge Fund		
	Original and Final Budget	Actual	Variance Over (Under) Final Budget
Revenues			
Property taxes	\$ 321,452	\$ 637,709	\$ 316,257
Replacement taxes	39,354	65,203	25,849
Investment income	85	194	109
Miscellaneous revenue	103,483	151,690	48,207
Total revenues	<u>464,374</u>	<u>854,796</u>	<u>390,422</u>
Expenditures			
Current			
Road and Bridge	1,084,910	533,767	(551,143)
Capital outlay	80,000	78,365	(1,635)
Total expenditures	<u>1,164,910</u>	<u>612,132</u>	<u>(552,778)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(700,536)</u>	<u>242,664</u>	<u>943,200</u>
Net change in fund balance	<u>\$ (700,536)</u>	<u>242,664</u>	<u>\$ 943,200</u>
Fund Balance at Beginning of Year		<u>746,518</u>	
Fund Balance at End of Year		<u>\$ 989,182</u>	

TOWNSHIP OF ORLAND, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL ASSISTANCE FUND
YEAR ENDED MARCH 31, 2023

	General Assistance Fund		
	Original and Final Budget	Actual	Variance Over (Under) Final Budget
Revenues			
Property taxes	\$ 186,398	\$ 177,532	\$ (8,866)
Investment income (loss)	100	61	(39)
Miscellaneous revenue	12,443	17,463	5,020
Total revenues	<u>198,941</u>	<u>195,056</u>	<u>(3,885)</u>
Expenditures			
Current			
Supervisor	<u>141,504</u>	<u>364,269</u>	<u>222,765</u>
Total expenditures	<u>141,504</u>	<u>364,269</u>	<u>222,765</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>57,437</u>	<u>(169,213)</u>	<u>(226,650)</u>
Net change in fund balance	<u>\$ 57,437</u>	<u>(169,213)</u>	<u>\$ (226,650)</u>
Fund Balance at Beginning of Year		<u>413,854</u>	
Fund Balance at End of Year		<u>\$ 244,641</u>	

**TOWNSHIP OF ORLAND, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOWNSHIP CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND
MARCH 31, 2023**

Last 10 Fiscal Years*

	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	\$ 121,727	\$ 170,031	\$ 170,118	\$ 130,587	\$ 133,353	\$ 129,567	\$ 115,093	\$ 117,715
Contributions in Relation to the Actuarially Determined Contribution	121,727	170,031	170,118	130,587	128,662	130,003	117,916	117,715
Contribution Deficiency (Excess)	-	-	-	-	4,691	(436)	(2,823)	-
Covered Payroll	\$ 1,246,692	\$ 1,341,523	\$ 1,289,894	\$ 1,273,309	\$ 1,275,290	\$ 1,197,600	\$ 1,130,202	\$ 1,024,365
Contributions as a Percentage of Covered Payroll	9.76%	12.67%	13.19%	10.26%	10.09%	10.86%	10.43%	11.49%

Notes to Schedule:

Valuation Date:	Actuarially determined contribution rates are calculated as of December 31 each year, which is 3 months prior to the beginning of the fiscal year in which contributions are reported
Actuarial Cost Method:	Aggregate entry age normal
Amortization Method:	Level percentage of payroll, Closed
Remaining Amortization Period:	21-year closed period
Asset Valuation Method:	5-Year smoothed market; 20% corridor
Wage Growth:	2.75%
Inflation:	2.25%
Salary Increases:	2.85% to 13.75% including inflation
Investment Rate of Return:	7.25%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality:	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other Information: There were no benefit changes during the year.

*Information is presented for those years for which it was available

TOWNSHIP OF ORLAND, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND
MARCH 31, 2023

Last 10 Fiscal Years*

	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability								
Service Cost	\$ 125,828	\$ 119,027	\$ 132,594	\$ 127,437	\$ 117,803	\$ 125,308	\$ 112,071	\$ 120,789
Interest	442,864	481,613	470,823	450,734	405,783	399,978	361,866	345,719
Changes of Benefit Terms	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	305,723	(737,879)	(113,111)	10,805	434,799	39,324	307,312	4,445
Changes of Assumptions	-	-	(20,267)	-	164,927	(173,565)	(12,139)	5,331
Benefit Payments, Including Refunds of Member Contributions	(477,452)	(323,826)	(305,008)	(323,933)	(319,170)	(300,611)	(260,333)	(239,428)
Net Change in Total Pension Liability	396,963	(461,065)	165,031	265,043	804,142	90,434	508,777	236,856
Total Pension Liability - Beginning	6,284,278	6,745,343	6,580,312	6,315,269	5,511,127	5,420,693	4,911,916	4,675,060
Total Pension Liability - Ending (a)	\$ 6,681,241	\$ 6,284,278	\$ 6,745,343	\$ 6,580,312	\$ 6,315,269	\$ 5,511,127	\$ 5,420,693	\$ 4,911,916
Plan Fiduciary Net Position								
Contributions - Employer	\$ 162,158	\$ 168,977	\$ 170,653	\$ 117,399	\$ 140,665	\$ 129,001	\$ 122,174	\$ 104,075
Contributions - Member	57,115	58,134	58,045	57,299	57,389	53,893	52,354	50,721
Net Investment Income	(961,336)	1,085,347	827,389	954,130	(323,229)	830,145	300,326	21,726
Benefit Payments, Including Refunds of Member Contributions	(477,452)	(323,826)	(305,008)	(323,933)	(319,170)	(300,611)	(260,333)	(239,428)
Other	166,936	(14,862)	(57,883)	(54,883)	101,104	(111,040)	41,893	58,151
Net Change in Fiduciary Net Position	\$ (1,052,579)	\$ 973,770	\$ 693,196	\$ 750,012	\$ (343,241)	\$ 601,388	\$ 256,414	\$ (4,755)
Plan Fiduciary Net Position - Beginning	7,314,390	6,340,620	5,647,424	4,897,412	5,240,653	4,639,265	4,382,851	4,387,606
Plan Fiduciary Net Position - Ending (b)	\$ 6,261,811	\$ 7,314,390	\$ 6,340,620	\$ 5,647,424	\$ 4,897,412	\$ 5,240,653	\$ 4,639,265	\$ 4,382,851
Net Pension Liability - Ending (a)-(b)	\$ 419,430	\$ (1,030,112)	\$ 404,723	\$ 932,888	\$ 1,417,857	\$ 270,474	\$ 781,428	\$ 529,065
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	93.72%	116.39%	94.00%	85.82%	77.55%	95.09%	85.58%	89.23%
Covered Payroll	\$ 1,266,478	\$ 1,291,861	\$ 1,289,894	\$ 1,273,309	\$ 1,275,290	\$ 1,197,600	\$ 1,130,202	\$ 1,024,365
Net Pension Liability as a Percentage of Covered Payroll	33.12%	-79.74%	31.38%	73.26%	111.18%	22.58%	69.14%	51.65%

*Information is presented for those years for which it was available

TOWNSHIP OF ORLAND, ILLINOIS

Notes to required supplementary information
March 31, 2023

NOTE - BUDGET AND BUDGETARY ACCOUNTING

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

1. The Township Supervisor submits to the Town Board a proposed operating budget for the fiscal year. The operating budget (modified accrual basis) includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comment.
3. The budget is legally enacted through passage of an ordinance.
4. The Township Supervisor is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Township Board and must be in compliance with applicable statutes.
5. There were no budget amendments during the year.

The legal level of budgetary control has been established at the fund level. During the current year, budgets were adopted for the General Town, Road and Bridge and General Assistance Funds. A budget was not adopted for the Scholarship Fund. No encumbrances are used.

Expenditures exceeded budget in the Town Fund and General Assistance Fund by \$178,461 and \$222,765, respectively.

INDIVIDUAL FUND FINANCIAL SCHEDULES



TOWNSHIP OF ORLAND, ILLINOIS

TOWNSHIP OF ORLAND, ILLINOIS
TOWN FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
YEARS ENDED MARCH 31, 2023 AND 2022

	2023			2022 Actual
	Original and Final Budget	Actual	Variance Over (Under) Final Budget	
Expenditures				
Township Administration				
Executive Administrator	\$ 75,000	\$ 84,097	\$ 9,097	\$ 106,289
Asst Executive Administration	52,000	46,520	(5,480)	59,473
Salaries - Administrative Assistants	33,675	74,660	40,985	127,856
Salaries - Operations Coordinator	73,362	70,238	(3,124)	71,395
Project/Program Manager	31,512	41,855	10,343	37,143
Part Time Summer Help	19,594	12,851	(6,743)	18,152
Employee's Medical/Life Insurance	82,726	102,828	20,102	99,530
Maintenance - Building	22,382	26,026	3,644	21,522
Maintenance - Equipment	56,601	50	(56,551)	1,541
Maintenance - Vehicle	1,602	-	(1,602)	-
Landscape Service/Snow Removal	-	67,869	67,869	54,424
Fica/Medicare	87,561	86,400	(1,161)	92,133
IMRF	131,749	117,582	(14,167)	148,943
Workman's Comp Insurance	61,337	75,877	14,540	54,039
Illinois U/C Tax	16,127	13,403	(2,724)	15,509
Liability Insurance	41,452	37,217	(4,235)	35,022
Bank Service Charges	7,775	8,749	974	7,476
Telephone	17,550	16,247	(1,303)	16,875
Bonding/Notary Public	520	765	245	500
Utilities - Electric/Heat/Water	35,962	37,556	1,594	34,578
Rent - Equipment	10,971	336	(10,635)	10,549
Travel	-	28	28	-
Training	1,515	415	(1,100)	1,457
Janitor	19,323	19,204	(119)	17,050
Postage	2,251	3,404	1,153	2,164
Garbage/Refuse	19,393	15,674	(3,719)	18,647
Printing and Legal Notices	27,391	54,252	26,861	26,337
Accounting Services	18,871	39,250	20,379	21,945
Audit Services	25,792	20,000	(5,792)	24,800
Attorney/Legal Service	20,271	45,946	25,675	19,491
Other Professional Services	152,668	139,712	(12,956)	150,796
Dues and Subscriptions	5,041	8,659	3,618	4,847
Security Alarm System	4,070	7,855	3,785	3,913
Data Processing Services	2,731	2,568	(163)	2,626
Focus Postage Expense	21,822	14,094	(7,728)	20,983
Park Maintenance Expenditures	6,315	919	(5,396)	6,072
Scheduled Activities	17,232	16,016	(1,216)	25,456
Other Program/Activities	41,310	58,118	16,808	33,252
Community Support	5,878	11,076	5,198	5,652
Cook County Hire Back	24,528	5,600	(18,928)	20,560
Computer Service	43,769	58,891	15,122	39,348
Office Supplies	7,300	13,087	5,787	7,090
Promotional Items	3,986	4,713	727	3,833
Scholarship Fund Grant	-	-	-	100
Operating Supplies	7,119	12,999	5,880	6,845
Lease Principal Payment	-	9,894	9,894	-
Interest	-	8,252	8,252	-
Miscellaneous	238	(10,132)	(10,370)	10,147
Total Township Administration	1,338,272	1,481,620	143,348	1,486,360

TOWNSHIP OF ORLAND, ILLINOIS
TOWN FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
YEARS ENDED MARCH 31, 2023 AND 2022

	2023			
	Original and Final Budget	Actual	Variance Over (Under) Final Budget	2022 Actual
Assessor				
Salaries - Elected Official	26,520	26,374	(146)	26,000
Chief Deputy Assessor	56,138	56,958	820	57,468
Deputy Assessor	42,878	47,902	5,024	43,809
Salaries - Other Personnel	13,276	9,526	(3,750)	8,928
Employee'S Medical/Life Insurance	10,691	12,338	1,647	13,721
Maintenance - Equipment	1,394	1,025	(369)	1,340
Travel	141	368	227	136
Training	780	380	(400)	750
Other Professional Services	-	397	397	-
Dues and Subscriptions	962	1,470	508	925
Rent - Other	692	695	3	665
Operating Supplies	161	-	(161)	155
Total Assessor	<u>153,633</u>	<u>157,433</u>	<u>3,800</u>	<u>153,897</u>
Youth Services				
Salaries - Director	70,000	26,553	(43,447)	32,875
Employee's Medical/Life Insurance	3,479	58	(3,421)	3,342
Printing and Legal Notices	-	171	171	-
Scheduled Activities	228	810	582	219
Operating Supplies	-	150	150	-
Total Youth Services	<u>73,707</u>	<u>27,742</u>	<u>(45,965)</u>	<u>36,436</u>
Senior Citizens Services				
Salaries - Service Coordinator	44,611	40,607	(4,004)	43,432
Salaries - Service Assistance	40,893	38,600	(2,293)	40,139
Salaries - Transport Disp	43,047	28,446	(14,601)	43,936
Salaries - Senior Transport Person	243,764	265,202	21,438	248,506
Senior - Other Personnel	9,395	15,761	6,366	8,805
Employee's Medical/Life Insurance	28,210	20,695	(7,515)	27,096
Maintenance - Vehicles	15,890	18,308	2,418	15,279
Pace Equipment Lease	1,248	1,200	(48)	1,200
Telephone	4,030	3,620	(410)	3,875
Other Professional Services	2,655	3,339	684	2,553
Scheduled Activities	89,817	198,872	109,055	165,263
Other Program/Activities	3,640	3,500	(140)	3,500
Fuel	21,252	28,219	6,967	19,138
Operating Supplies	1,176	2,376	1,200	235
Miscellaneous	-	-	-	896
Total Senior Citizens Services	<u>549,628</u>	<u>668,745</u>	<u>119,117</u>	<u>623,853</u>

TOWNSHIP OF ORLAND, ILLINOIS
TOWN FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
YEARS ENDED MARCH 31, 2023 AND 2022

	2023			
	Original and Final Budget	Actual	Variance Over (Under) Final Budget	2022 Actual
Health Services				
Salaries - Service Coordinator	39,886	42,711	2,825	40,965
Salaries - Service Assistance	256	-	(256)	-
Employee's Medical/Life Insurance	11,816	1,236	(10,580)	11,359
Travel	88	-	(88)	85
Postage	-	101	101	-
Printing and Legal Notices	-	625	625	-
Other Professional Services	35,688	21,354	(14,334)	34,172
Dues and Subscriptions	303	-	(303)	291
Scheduled Activities	661	4,744	4,083	636
Other Program Activity	1,225	1,136	(89)	1,178
Physical/Hearing Expenditures	390	-	(390)	375
Immunizations	29,889	19,363	(10,526)	10,459
Dental	32,354	42,300	9,946	31,110
Vision	6,760	5,475	(1,285)	6,500
Flu	42	17,496	17,454	28,789
Podiatry	1,222	650	(572)	1,175
Health Supplies	15,747	33,129	17,382	15,141
Operating Supplies	734	727	(7)	706
Total Health Services	<u>177,061</u>	<u>191,047</u>	<u>13,986</u>	<u>182,941</u>
Supervisor				
Salaries - Elected Official	<u>40,290</u>	<u>39,500</u>	<u>(790)</u>	<u>39,500</u>
Total Supervisor	<u>40,290</u>	<u>39,500</u>	<u>(790)</u>	<u>39,500</u>
Trustee				
Salaries - Elected Official	<u>42,840</u>	<u>42,630</u>	<u>(210)</u>	<u>42,000</u>
Total Trustee	<u>42,840</u>	<u>42,630</u>	<u>(210)</u>	<u>42,000</u>
Clerk				
Salaries - Elected Official	<u>21,930</u>	<u>21,500</u>	<u>(430)</u>	<u>21,500</u>
Total Clerk	<u>21,930</u>	<u>21,500</u>	<u>(430)</u>	<u>21,500</u>
Road and Bridge				
Salaries - Elected Official	<u>37,638</u>	<u>36,900</u>	<u>(738)</u>	<u>36,900</u>
Total Road and Bridge	<u>37,638</u>	<u>36,900</u>	<u>(738)</u>	<u>36,900</u>
Home Relief/Food Pantry				
Food Pantry Coordinator	151,595	73,116	(78,479)	97,090
Employee's Medical/Life Insurance	27,163	51,625	24,462	26,119
Holiday Pantry	193	-	(193)	186
Food Pantry	1,327	3,398	2,071	1,276
Operating Supplies	<u>1,475</u>	<u>1,890</u>	<u>415</u>	<u>230</u>
Total Home Relief/Food Pantry	<u>181,753</u>	<u>130,029</u>	<u>(51,724)</u>	<u>124,901</u>

**TOWNSHIP OF ORLAND, ILLINOIS
TOWN FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
YEARS ENDED MARCH 31, 2023 AND 2022**

	2023			
	Original and Final Budget	Actual	Variance Over (Under) Final Budget	2022 Actual
Capital Outlay				
Furniture/Fixture/Equipment	-	390	390	-
Parking Lot Repairs	7,989	-	(7,989)	7,682
Technology Improvements	5,150	10,214	5,064	4,952
Lease Asset	-	-	-	-
Miscellaneous	-	602	602	1,188
Total Capital Outlay	13,139	11,206	(1,933)	13,822
Total Expenditures	\$ 2,629,891	\$ 2,808,352	\$ 178,461	\$ 2,762,110

TOWNSHIP OF ORLAND, ILLINOIS

ROAD AND BRIDGE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEARS ENDED MARCH 31, 2023 AND 2022**

	2023			2022 Actual
	Original and Final Budget	Actual	Variance Over (Under) Final Budget	
Revenues				
Property Taxes	\$ 321,452	\$ 637,709	\$ 316,257	\$ 708,857
Replacement Taxes	39,354	65,203	25,849	49,742
Investment Income	85	194	109	86
Miscellaneous Revenue	103,483	151,690	48,207	106,741
Total Revenues	464,374	854,796	390,422	865,426
Expenditures				
Road and Bridge				
Salaries - Road and Bridge	126,000	112,357	(13,643)	103,963
Salaries - Other Personnel	50,000	56,001	6,001	57,339
Employee'S Medical/Life Insurance	38,000	47,224	9,224	38,250
Maintenance - Building	6,000	2,935	(3,065)	8,464
Maintenance - Vehicles	12,000	2,006	(9,994)	18,666
Maintenance - Equipment	5,000	6,468	1,468	1,438
Maintenance - Road	602,810	2,313	(600,497)	1,219
Maintenance - Grounds/Weeds	25,000	33,462	8,462	43,450
Sidewalk Repairs	-	1,125	1,125	800
Maintenance - Other	-	(200)	(200)	-
Snow Removal	10,000	-	(10,000)	-
Fica/Medicare	12,000	12,091	91	12,286
IMRF	15,000	16,190	1,190	18,902
Liability Insurance	14,000	(685)	(14,685)	(2,132)
Worker'S Compensation Insurance	15,000	21,592	6,592	20,473
General Insurance	-	15,079	15,079	13,853
Telephone	3,000	4,935	1,935	3,113
Utilities - Electric/Heat/Water	7,000	6,835	(165)	7,706
Rent - Equipment	1,000	272	(728)	-
Training	500	-	(500)	51
Postage	250	5	(245)	60
Garbage/Refuse Service	8,000	7,138	(862)	15,440
Printing and Legal Notices	1,000	-	(1,000)	278
Engineering Service	20,000	50,578	30,578	4,788
Attorney/Legal Service	10,000	20,729	10,729	11,965
Other Professional Services	5,000	4,616	(384)	4,730
Street and Traffic Lights	10,000	8,346	(1,654)	7,244
Engineering Escrow	-	5,537	5,537	11,062
Dues and Subscriptions	800	-	(800)	620
Security Alarm System	1,700	1,257	(443)	4,423
Other Program/Activities	3,600	2,007	(1,593)	4,629
Office Supplies	3,000	3,403	403	4,639

TOWNSHIP OF ORLAND, ILLINOIS

ROAD AND BRIDGE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEARS ENDED MARCH 31, 2023 AND 2022**

	2023		
	Original and Final Budget	Actual	Variance Over (Under) Final Budget
			2022 Actual
Expenditures (continued)			
Gasoline and Oil	8,000	11,925	3,925
Building Maintenance Supplies	2,500	530	(1,970)
Operating Supplies	3,000	3,747	747
Equipment Maintenance Supplies	1,500	4,053	2,553
Road Maintenance Supplies	30,000	11,257	(18,743)
Vehicle Licenses/Stickers	-	-	-
Snow Removal Maintenance Supplies	25,000	57,570	32,570
Vehicle Maintenance Supplies	1,000	-	(1,000)
Personal Property Replacement Tax	6,000	-	(6,000)
Miscellaneous	2,250.00	1,069.00	(1,181)
Total Road and Bridge	1,084,910	533,767	(551,143)
Capital Outlay			
Furniture, Fixtures and Equipment	80,000.00	78,365.00	(1,635)
Total Capital Outlay	80,000	78,365	(1,635)
Total Expenditures	1,164,910	612,132	(552,778)
Excess (Deficiency) of Revenues Over Expenditures	(700,536)	242,664	943,200
Change In Fund Balance	\$ (700,536)	242,664	\$ 943,200
Fund Balance at Beginning of Year		746,518	378,606
Fund Balance at End of Year		\$ 989,182	\$ 746,518

TOWNSHIP OF ORLAND, ILLINOIS
GENERAL ASSISTANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEARS ENDED MARCH 31, 2023 AND 2022

	2023			2022 Actual
	Original and Final Budget	Actual	Variance Over (Under) Final Budget	
Revenues				
Property Taxes	\$ 186,398	\$ 177,532	\$ (8,866)	\$ 220,942
Investment Income	100	61	(39)	65
Miscellaneous Revenue	12,443.00	17,463.00	5,020	12,219
Total Revenues	198,941	195,056	(3,885)	233,226
Expenditures				
Supervisor				
Salaries - Case Worker	28,148	28,250	102	25,099
IMRF	2,895	3,221	326	2,838
FICA/Medicare	2,064	2,161	97	2,024
Travel	208	629	421	200
Training	575.00	167.00	(408)	553.00
Printing and Legal Notices	-	-	-	55
Other Professional Services	1,040	1,000	(40)	1,000
Dues and Subscriptions	-	80	80	-
Operating Supplies	9,432	-	(9,432)	8,950
Catastrophic Insurance	4,420	4,250	(170)	4,250
G/A Service - Mortgage Assistance	3,612	15,282	11,670	3,473
G/A Service - Fuel/Heat/Cooling	2,680	6,877	4,197	2,577
G/A Service - Utility/Elect/Water	15,032	15,829	797	14,454
G/A Service - Shelter	-	1,470	1,470	-
G/A Service- Food	1,560	59,750	58,190	1,500
G/A Service - Personal Incidentals	2,949	6,393	3,444	2,836
G/A Service - Household Incidentals	-	56,181	56,181	-
G/A Service - Rent Assistance	39,514	86,114	46,600	37,994
Fuel	25,480	74,833	49,353	24,500
Job Fair	1,838	1,782	(56)	1,767
Miscellaneous	57	-	(57)	119
Total Supervisor	141,504	364,269	222,765	134,189
Total Expenditures	141,504	364,269	222,765	134,189
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	57,437	(169,213)	(226,650)	99,037
Change in Fund Balance	\$ 57,437	(169,213)	\$ (226,650)	99,037
Fund Balance - Beginning of Year		413,854		314,817
Fund Balance - End of Year		\$ 244,641		\$ 413,854