

TOWNSHIP OF ORLAND, ILLINOIS

ANNUAL FINANCIAL REPORT

YEAR ENDED MARCH 31, 2022



TOWNSHIP OF ORLAND, ILLINOIS

ANNUAL FINANCIAL REPORT

March 31, 2022

CONTENTS

FINANCIAL SECTION

Independent Auditor's Report.....	1-2
Management's Discussion and Analysis.....	3-9
Basic Financial Statements	
Township-Wide Financial Statements	
Statement of Net Position.....	10
Statement of Activities.....	11
Fund Financial Statements	
Governmental Funds	
Balance Sheet.....	12
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position.....	13
Statement of Revenues, Expenditures, and Changes in Fund Balances.....	14
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	15
Notes to Financial Statements.....	16-32

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
Town Fund.....	33
Road and Bridge Fund.....	34
General Assistance Fund.....	35
Schedule of Employer's Contributions	
Illinois Municipal Retirement Fund.....	36
Schedule of Change in Net Pension Liability and Related Ratios	
Illinois Municipal Retirement Fund.....	37
Notes to Required Supplementary Information.....	38

(Continued)

TOWNSHIP OF ORLAND, ILLINOIS

ANNUAL FINANCIAL REPORT

March 31, 2022

CONTENTS

INDIVIDUAL FUND FINANCIAL SCHEDULES

Major Governmental Funds

Town Fund

Schedule of Expenditures - Budget and Actual..... 39-42

Special Revenue Funds

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Road and Bridge Fund..... 43-44

General Assistance Fund..... 45

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, 2022, 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, 2022, 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.

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
September 27, 2022

TOWNSHIP OF ORLAND, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2022

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, 2022. 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, 2022 is \$27,589,857, an increase of \$650,486 to the prior year's net position.
- Total Township revenues for the year ended March 31, 2022 were \$3,877,196 while total expenses were \$3,226,710.
- The Town Fund's fund balance decreased by \$10,361 for the year ended March 31, 2022 to \$2,199,112.

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 10 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 11 of this report.

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

TOWNSHIP OF ORLAND, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2022

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 12-15 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 16.

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, 2022

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, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Current Assets	\$ 4,859,967	\$ 4,408,374
Net Pension Asset	1,030,112	-
Capital Assets, Net	<u>24,541,872</u>	<u>25,069,552</u>
Total Assets	<u><u>30,431,951</u></u>	<u><u>29,477,926</u></u>
 Total Deferred Outflows of Resources	 <u>40,764</u>	 <u>53,009</u>
 Liabilities		
Current Liabilities	132,259	89,756
Net Pension Liability	-	404,723
Long-term Liabilities	<u>42,200</u>	<u>90,653</u>
Total Liabilities	<u><u>174,459</u></u>	<u><u>585,132</u></u>
 Total Deferred Inflows of Resources	 <u>2,708,399</u>	 <u>2,006,432</u>
 Net Position		
Invested in Capital Assets	24,516,215	25,020,067
Restricted	1,183,023	693,423
Unrestricted	<u>1,890,619</u>	<u>1,225,881</u>
Total Net Position	<u><u>\$ 27,589,857</u></u>	<u><u>\$ 26,939,371</u></u>

The most significant change in net position resulted from an IMRF actuarial determination that the Township has a net pension asset as of 3/31/22 compared to a net pension liability at 3/31/21.

TOWNSHIP OF ORLAND, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2022

Statement of Activities

The following chart reflects the condensed Statement of Activities:

	<u>2022</u>	<u>2021</u>
Revenues		
Program Revenues		
Charges for Services	\$ 325,570	\$ 147,344
Operating Grants and Contributions	86,253	77,346
General Revenues		
Property Taxes	3,296,818	3,150,597
Net Investment Income	292	63,286
Other General Revenues	<u>168,263</u>	<u>114,655</u>
Total Revenues	3,877,196	3,553,228
Expenses		
General Government	1,312,738	1,880,856
Culture and Recreation	692,019	572,848
Road and Bridge	775,267	998,663
General Assistance	<u>446,686</u>	<u>433,602</u>
Total Expenses	3,226,710	3,885,969
Change in Net Position	<u>650,486</u>	<u>(332,741)</u>
Net Position - Beginning of Year	26,939,371	27,272,112
Net Position - End of Year	<u>\$ 27,589,857</u>	<u>\$ 26,939,371</u>

There was a 9% increase in revenues for fiscal year 2022. The most significant changes were an increase in charges for services of \$178,226 primarily due to a large increase in senior activities which were down last year due to COVID. Property tax revenues also increased by \$146,221.

Total expenses decreased by 17%. The decrease of \$568,118 in General Government expenses was primarily due to a large negative IMRF pension expense. The decrease of \$223,396 in Road and Bridge expenses was partially caused by the negative IMRF expense as well as additional maintenance costs incurred in the prior year. An increase of \$119,171 in Culture and Recreation was primarily due to expenses related to senior activities that were cancelled in the prior year due to COVID.

TOWNSHIP OF ORLAND, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2022

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 2022 and 2021 revenues and expenditures:

	2022	2021	Increase (Decrease) 2022 to 2021
Revenues			
General (Town) Fund	\$ 2,751,749	\$ 2,599,126	\$ 152,623
Road and Bridge Fund	865,426	782,944	82,482
General Assistance Fund	233,226	175,307	57,919
Scholarship Fund	26,795	5,135	21,660
Total Revenues	<u>3,877,196</u>	<u>3,562,512</u>	<u>314,684</u>
Expenditures			
General (Town) Fund	2,762,110	2,600,403	161,707
Road and Bridge Fund	497,514	669,570	(172,056)
General Assistance Fund	134,189	124,714	9,475
Scholarship Fund	14,012	23,139	(9,127)
Total Expenditures	<u>3,407,825</u>	<u>3,417,826</u>	<u>(10,001)</u>
Other Financing Sources (Uses)			
Road and Bridge Fund	<u>-</u>	<u>49,485</u>	<u>(49,485)</u>
Total Other Financing Sources (Uses)	<u>\$ -</u>	<u>\$ 49,485</u>	<u>\$ (49,485)</u>

TOWNSHIP OF ORLAND, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2022

Revenues

Revenues across all funds increased by 9% or \$321,297 over the prior year. Most notably, Property Taxes and Replacement Taxes increased by \$197,382 across all funds, Service Fees and Donations increased in the General Fund by \$197,619 while Investment Income and Miscellaneous Revenue decreased a total \$72,500. The revenue in the Scholarship Fund was related to event charges and other dedicated revenues provided from the Township.

Expenditures

Overall expenditures decreased slightly in fiscal 2022. Town Fund expenditures were up 6.2% with senior citizen services accounting for \$169,948 of the increase as activities increased as previously noted. Health services also increased \$44,112 while youth services expenditures decreased \$47,894. Road and Bridge Fund expenditures decreased by 25.70% from the prior year. The primary cause of this decrease was a reduction of \$111,719 in expenses for grounds/weeds maintenance and \$78,530 in snow removal costs and supplies. General Assistance Fund expenditures increased by 7.60% with fuel costs being the primary cause. The Scholarship Fund expenditures decreased after a significant increase in the prior year as scholarships provided to local students vary from year to year.

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 2022.

Historically, the Township has taken a very conservative approach in developing their budgets. During fiscal year 2022, revenues and expenditures versus budgeted amounts showed the following variances:

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	\$ 2,727,500	\$ 2,751,749	\$ 24,249	\$ 2,642,203	\$ 2,762,110	\$ 119,907
Road and Bridge	761,888	865,426	103,538	742,150	497,514	(244,636)
General Assistance	187,019	233,226	46,207	215,250	134,031	(81,219)
Scholarship Fund	-	26,795	26,795	-	14,012	14,012

Town Fund revenues were slightly over budget while expenditures were 4.54% over budget with senior citizens services accounting for most of the expenditure variance. Road and Bridge Fund revenues were 13.59% over budget, primarily as a result of property tax and replacement tax revenues being over budget by \$60,019 and 29,712, respectively. Expenditures were under budget by 32.96% with Maintenance-Grounds/Weeds accounting for \$106,550 of the variance. In the General Assistance Fund, revenues were 24.71% over budget, primarily due to property taxes being over budget by \$39,973. Expenditures were 37.73% under budget, primarily as a result of fewer residents seeking services such as rent and mortgage assistance, and utilities assistance than was budgeted. No variance information is presented for the Scholarship Fund, as no budget is adopted for that Fund.

TOWNSHIP OF ORLAND, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2022

Capital Assets

At the end of the fiscal year 2022, the Township had combined total capital assets of \$24,541,872 invested in a broad range of capital assets including buildings, Township facilities, roads, equipment, and vehicles. (For more information, see Note 4 to the financial statements.)

Governmental Activities Change in Capital Assets

	Balance	Net	Balance
	April 1, 2021	Additions/ Deletions	March 31, 2022
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	-	1,435,316
Vehicles	348,602	-	348,602
Accumulated Depreciation	(14,063,222)	(527,680)	(14,590,902)
Total Capital Assets, Net	<u>\$25,069,552</u>	<u>(\$527,680)</u>	<u>\$24,541,872</u>

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, 2022:

	Beginning			Ending	Due
	Balance	Increases	Decreases	Balance	Within
					One year
Net Pension Liability	\$ 404,723	\$ -	\$ 404,723	\$ -	\$ -
Compensated Absences	41,168	29,371	41,168	29,371	-
Capital Lease	49,485	-	23,828	25,657	12,828
Total	<u>\$ 495,376</u>	<u>\$ 29,371</u>	<u>\$ 469,719</u>	<u>\$ 55,028</u>	<u>\$ 12,828</u>

See Note 5 of the financial statements for more detailed information.

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, 2022

	Governmental Activities	Orland Township Food Pantry Foundation
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 2,619,568	\$ 375,068
Investments	785,919	-
Property Taxes Receivable - Net	1,418,001	-
Other Receivables	18,871	-
Prepaid Assets	17,608	-
Noncurrent Assets		
Net Pension Asset	1,030,112	-
Capital Assets		
Land	16,838,582	-
Capital Assets, Net of Accumulated Depreciation	7,703,290	-
Total Assets	<u>30,431,951</u>	<u>375,068</u>
Deferred Outflows of Resources		
Deferred Outflows Related to Pensions	40,764	-
Total Deferred Outflows of Resources	<u>40,764</u>	<u>-</u>
Liabilities		
Current Liabilities		
Accounts Payable	59,350	-
Accrued Expenses	60,081	-
Current Portion of Capital Lease	12,828	-
Noncurrent Liabilities		
Compensated Absences	29,371	-
Capital Lease	12,829	-
Total Liabilities	<u>174,459</u>	<u>-</u>
Deferred Inflows of Resources		
Deferred Inflows Related to Pensions	1,349,998	-
Unearned Revenue - Property Taxes	1,358,401	-
Total Deferred Inflows of Resources	<u>2,708,399</u>	<u>-</u>
Net Position		
Net Investment in Capital Assets	24,516,215	-
Restricted for:		
Road and Bridge	746,518	-
General Assistance	436,505	-
Unrestricted	1,890,619	375,068
Total Net Position	<u>\$ 27,589,857</u>	<u>\$ 375,068</u>

See accompanying notes to financial statements

TOWNSHIP OF ORLAND, ILLINOIS
STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2022

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	\$ 1,312,738	\$ 180	\$ 5,661	\$ (1,306,897)	\$ -
Culture and Recreation	692,019	177,499	-	(514,520)	-
Road and Bridges	775,267	57,360	36,983	(680,924)	-
General Assistance	446,686	90,531	43,609	(312,546)	-
Total Governmental Activities	<u>3,226,710</u>	<u>325,570</u>	<u>86,253</u>	<u>(2,814,887)</u>	<u>-</u>
Component Unit					
Orland Township					
Food Pantry Foundation	<u>27,561</u>	<u>-</u>	<u>173,361</u>	<u>-</u>	<u>145,800</u>
General Revenues					
Property Taxes Levied for General Purposes				3,296,818	-
Replacement Taxes				89,787	-
Unrestricted Investment Earnings				292	-
Miscellaneous Revenues				<u>78,476</u>	<u>-</u>
Total General Revenues				3,465,373	-
Change in Net Position				<u>650,486</u>	<u>145,800</u>
Net Position - Beginning of Year				<u>26,939,371</u>	<u>229,268</u>
Net Position - End of Year				<u>\$ 27,589,857</u>	<u>\$ 375,068</u>

TOWNSHIP OF ORLAND, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
MARCH 31, 2022

	Major Funds				
	Town Fund	Road and Bridge Fund	General Assistance Fund	Scholarship Fund	Total
Assets					
Cash and Cash Equivalents	\$ 1,437,410	\$ 756,535	\$ 413,295	\$ 12,328	\$ 2,619,568
Investments	785,919	-	-	-	785,919
Property Taxes Receivable - Net	1,108,582	238,014	71,405	-	1,418,001
Other Receivables	8,363	10,508	-	-	18,871
Prepaid Assets	14,306	3,302	-	-	17,608
Due from Other Funds	21,445	-	-	10,323	31,768
Total Assets	<u>\$ 3,376,025</u>	<u>\$ 1,008,359</u>	<u>\$ 484,700</u>	<u>\$ 22,651</u>	<u>\$ 4,891,735</u>
Liabilities					
Accounts Payable	42,595	16,755	-	-	59,350
Accrued Expenses	58,265	1,816	-	-	60,081
Due to Other Funds	10,323	18,132	3,313	-	31,768
Total Liabilities	<u>111,183</u>	<u>36,703</u>	<u>3,313</u>	<u>-</u>	<u>151,199</u>
Deferred Inflows of Resources					
Unearned Revenue - Property Taxes	1,065,730	225,138	67,533	-	1,358,401
Total Deferred Inflows of Resources	<u>1,065,730</u>	<u>225,138</u>	<u>67,533</u>	<u>-</u>	<u>1,358,401</u>
Fund Balances					
Nonspendable	14,306	-	-	-	14,306
Restricted					
Road and Bridge	-	746,518	-	-	746,518
General Assistance	-	-	413,854	22,651	436,505
Unassigned	2,184,806	-	-	-	2,184,806
Total Fund Balances	<u>2,199,112</u>	<u>746,518</u>	<u>413,854</u>	<u>22,651</u>	<u>3,382,135</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,376,025</u>	<u>\$ 1,008,359</u>	<u>\$ 484,700</u>	<u>\$ 22,651</u>	<u>\$ 4,891,735</u>

TOWNSHIP OF ORLAND, ILLINOIS
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
MARCH 31, 2022

Total Fund Balances of Governmental Funds \$ 3,382,135

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	39,132,774	
Accumulated Depreciation	(14,590,902)	
Net Capital Assets		24,541,872

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

Net Pension Asset		1,030,112
-------------------	--	-----------

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	40,764	
Deferred Inflows Related to Pensions	(1,349,998)	
Net Deferred Outflows/Inflows Related to Pensions		(1,309,234)

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	(29,371)	
Capital Lease	(25,657)	
Total Liabilities		(55,028)

Net Position of Governmental Activities		\$ 27,589,857
--	--	----------------------

TOWNSHIP OF ORLAND, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED MARCH 31, 2022

	Major Funds				
	Town Fund	Road and Bridge Fund	General Assistance Fund	Scholarship Fund	Total
Revenues					
Property Taxes	\$ 2,367,019	\$ 708,857	\$ 220,942	\$ -	\$ 3,296,818
Replacement Taxes	40,045	49,742	-	-	89,787
Food Pantry	1,590	-	-	-	1,590
Service Fees and Donations	310,049	-	-	-	310,049
Investment Income/(Loss)	141	86	65	-	292
Miscellaneous Revenue	32,905	106,741	12,219	26,795	178,660
Total Revenues	<u>2,751,749</u>	<u>865,426</u>	<u>233,226</u>	<u>26,795</u>	<u>3,877,196</u>
Expenditures					
Current					
Township Administration	1,486,360	-	-	-	1,486,360
Assessor	153,897	-	-	-	153,897
Youth Services	36,436	-	-	14,012	50,448
Senior Citizen Services	623,853	-	-	-	623,853
Health Services	182,941	-	-	-	182,941
Supervisor	39,500	-	134,189	-	173,689
Trustee	42,000	-	-	-	42,000
Clerk	21,500	-	-	-	21,500
Road and Bridge	36,900	478,360	-	-	515,260
Home Relief/Food Pantry	124,901	-	-	-	124,901
Capital Outlay	13,822	19,154	-	-	32,976
Total Expenditures	<u>2,762,110</u>	<u>497,514</u>	<u>134,189</u>	<u>14,012</u>	<u>3,407,825</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(10,361)</u>	<u>367,912</u>	<u>99,037</u>	<u>12,783</u>	<u>469,371</u>
Net Change In Fund Balances	<u>(10,361)</u>	<u>367,912</u>	<u>99,037</u>	<u>12,783</u>	<u>469,371</u>
Fund Balance - Beginning of Year	<u>2,209,473</u>	<u>378,606</u>	<u>314,817</u>	<u>9,868</u>	<u>2,912,764</u>
Fund Balance - End of Year	<u>\$ 2,199,112</u>	<u>\$ 746,518</u>	<u>\$ 413,854</u>	<u>\$ 22,651</u>	<u>\$ 3,382,135</u>

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, 2022

Net Change in Fund Balances of Governmental Funds	\$	469,371
--	----	---------

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	-	
Depreciation	(527,680)	
Net Capital Outlay		(527,680)

Decrease in the Net Pension Liability decreases long-term liabilities in the Statement of Net Position but does not effect the fund balances of governmental funds	1,434,835
--	-----------

Changes in Deferred Outflows and Deferred Inflows Related to Pensions are not included in the governmental funds

Change in Deferred Outflows Related to Pensions	(12,245)	
Change in Deferred Inflows Related to Pensions	(749,420)	
Net Change in Deferred Outflows/Inflows Related to Pensions		(761,665)

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	11,797
--------------------------------	--------

Changes in Capital Leases are not included in the governmental funds	23,828
--	--------

Change in Net Position of Governmental Activities	\$	650,486
--	-----------	----------------

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, 2021, 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 capital leases, 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 \$5,000.

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, 2022

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 \$2,619,568 at March 31, 2022. 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 \$785,919 in investments invested in the Federated Government Obligations Fund which is a government money market mutual fund rated AAAm and Aaa-mf by Standard & Poors and Moody's, 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, 2022:

	Fair Value Measurements Using			
	Total March 31, 2022	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	\$ 785,919	\$ 785,919	\$ -	\$ -

TOWNSHIP OF ORLAND, ILLINOIS

Notes to financial statements
March 31, 2022

NOTE 3 – INTERFUND TRANSACTIONS**Due To/From Other Funds**

All fund types at March 31, 2022, are summarized as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General Town Fund		
General Assistance	\$ 3,313	-
Road and Bridge	18,132	-
Scholarship Fund	-	10,323
Total General Town Fund	21,445	10,323
General Assistance Fund		
General Town	-	3,313
	-	3,313
Road and Bridge Fund		
General Town	-	18,132
Total Road and Bridge Fund	-	18,132
Scholarship Fund		
General Town	10,323	-
Total Scholarship Fund	10,323	-
Totals	<u>\$ 31,768</u>	<u>\$ 31,768</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, as well as amounts received in the General Town Fund but owed to the Scholarship Fund.

TOWNSHIP OF ORLAND, ILLINOIS

Notes to financial statements
March 31, 2022

NOTE 4 – CAPITAL ASSETS

Governmental capital assets activity for the year ended March 31, 2022 was as follows:

Governmental Activities	Balance April 1, 2021	Additions	Deletions	Balance March 31, 2022
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	-	-	1,435,316
Vehicles	348,602	-	-	348,602
Total Capital Assets being Depreciated	22,294,192	-	-	22,294,192
Accumulated Depreciation	14,063,222	527,680	-	14,590,902
Total Capital Assets being Depreciated, Net	8,230,970	(527,680)	-	7,703,290
Governmental Activities Capital Assets, Net	\$ 25,069,552	\$(527,680)	\$ -	\$ 24,541,872

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

General Government	\$ 154,884
Culture and Recreation	31,730
General Assistance	1,836
Road and Bridge	339,230
Total	<u>\$ 527,680</u>

TOWNSHIP OF ORLAND, ILLINOIS

Notes to financial statements
March 31, 2022

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, 2022:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One year
Net Pension Liability	\$ 404,723	\$ -	\$ 404,723	\$ -	\$ -
Compensated Absences	41,168	29,371	41,168	29,371	-
Capital Lease	49,485	-	23,828	25,657	12,828
Total	<u>\$ 495,376</u>	<u>\$ 29,371</u>	<u>\$ 469,719</u>	<u>\$ 55,028</u>	<u>\$ 12,828</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.

See Note 9 for additional capital lease disclosures.

NOTE 6 – 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.

NOTE 6 – DEFINED BENEFIT PENSION PLAN (Continued)**Illinois Municipal Retirement Fund (Continued)**

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 2021 was 13.08% of covered payroll. The employer annual required contribution rate for calendar year 2022 was 11.54%. 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.

At December 31, 2021, the following employees were covered by the benefit terms:

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

Net Pension Liability

The Township's Net Pension Liability was measured as of December 31, 2021 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, 2021 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:	2.50%
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.

NOTE 6 – DEFINED BENEFIT PENSION PLAN (Continued)**Illinois Municipal Retirement Fund (Continued)**

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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Rate of Return</u>
Domestic Equity	39%	1.90%
International Equity	15%	3.15%
Fixed Income	25%	-0.60%
Real Estate	10%	3.30%
Alternative Investments	10%	1.70-5.50%
Cash Equivalents	1%	-0.90%
	<u>100%</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 1.84%; and the resulting single discount rate is 7.25%.

TOWNSHIP OF ORLAND, ILLINOIS

Notes to financial statements
March 31, 2022

NOTE 6 – 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, 2021	\$ 6,745,343	\$ 6,340,620	\$ 404,723
Changes for the year:			
Service Cost	119,027	-	119,027
Interest on the Total Pension Liability	481,613	-	481,613
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(737,879)	-	(737,879)
Changes of Assumptions	-	-	-
Contributions - Employer	-	168,977	(168,977)
Contributions - Employees	-	58,134	(58,134)
Net Investment Income	-	1,085,347	(1,085,347)
Benefit Payments, including Refunds of Employee Contributions	(323,826)	(323,826)	-
Other (Net Transfer)	-	(14,862)	14,862
Net Changes	(461,065)	973,770	(1,434,835)
Balances at March 31, 2022	<u>\$ 6,284,278</u>	<u>\$ 7,314,390</u>	<u>\$ (1,030,112)</u>

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	\$ (391,960)	\$ (1,030,112)	\$ (1,557,874)

TOWNSHIP OF ORLAND, ILLINOIS

Notes to financial statements
March 31, 2022

NOTE 6 – 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, 2022, the Township recognized pension expense of (\$503,137). At March 31, 2022, 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	\$ -	\$ 487,046
Changes of assumptions	-	6,021
Net difference between projected and actual earnings on pension plan investments		856,931
Total Deferred Amounts to be recognized in pension expense in future periods	-	1,349,998
Pension Contributions made subsequent to the Measurement Date	40,764	-
Total Deferred Amounts Related to Pensions	<u>\$ 40,764</u>	<u>\$ 1,349,998</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
2023	(512,748)
2024	(500,809)
2025	(210,502)
2026	(125,939)
Thereafter	-
Total	(1,349,998)

NOTE 7 – 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, 2022

NOTE 8 – OPERATING LEASES

On December 19, 2018, the Township entered into an operating lease agreement for three separate copying machines. The agreement requires the Township to make 60 monthly payments of \$810. Future payment obligations under the lease agreement are as follows:

Year Ending March 31,	Lease Obligation
2023	9,720
2024	<u>7,290</u>
Total	<u>\$ 17,010</u>

On January 22, 2020, the Township entered into an operating lease agreement for a postage machine. The agreement requires quarterly payments of \$173 for a period of 60 months. Future payment obligations under the lease agreement are as follows:

Year Ending March 31,	Lease Obligation
2023	692
2024	692
2025	<u>692</u>
	<u>\$ 2,076</u>

NOTE 9 – CAPITAL LEASE

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

	Beginning Balance	Increase	Decrease	Ending Balance	Due Within 1 Year
Capital Lease	49,485	-	23,828	25,657	12,828

The future minimum lease payments are as follows:

Year Ending March 31,	Lease Obligation
2023	12,828
2024	<u>12,829</u>
Total	<u>\$ 25,657</u>

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, 2021.

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 \$375,068.

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, 2021, all Foundation deposits were FDIC insured.

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. 87 – *Leases* is effective for the Township beginning with its fiscal year ended March 31, 2023. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

GASB Statement No. 91 – *Conduit Debt Obligations* is effective for the Township beginning with its year ending March 31, 2023. The Statement clarifies the existing definition of a conduit debt obligation, establishes that a conduit debt obligation is not a liability of the issuer, and establishes standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associates with conduit debt obligations. The Statement also requires issuers to

NOTE 11 – NEW ACCOUNTING PRONOUNCEMENTS (Continued)

disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognized liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period.

GASB Statement No. 92, *Omnibus 2020*; will be effective for the Township beginning with its year ending March 31, 2023, except the requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance. The Statement addresses a variety of topics and includes specific provisions about the following: effective date of leases and implementation guide for interim financial reports, reporting of intra-entity transfers of assets, reporting of assets accumulated for postemployment benefits, measurement of liabilities related to asset retirement obligations in an acquisition, reporting by public entity risk pools, reference to nonrecurring fair value measurements, and terminology used to refer to derivative instruments.

GASB Statement No. 93 – *Replacement of Interbank Offered Rates* is effective for the Township beginning with its year ending March 31, 2023. This Statement will reduce the cost of the accounting and financial reporting ramifications of replacing interbank offered rates (IBOR) with other reference rates. This Statement also requires that agreements that effectively maintain an existing hedging arrangement continue to be accounted for in the same manner as before the replacement of a reference rate.

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. 97 - *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32* is effective for the Township beginning with its year ending March 31, 2023. This Statement requires that a Section 457 plan be classified as either a pension plan or an other employee benefit plan depending on whether the plan meets the definition of a pension plan and clarifies that Statement 84, as amended, should be applied to all arrangements organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities.

NOTE 11 – NEW ACCOUNTING PRONOUNCEMENTS (Continued)

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).
- 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, 2022

	Town Fund		
	Original and Final Budget	Actual	Variance Over (Under) Final Budget
Revenues			
Property Taxes	\$ 2,325,000	\$ 2,367,019	\$ 42,019
Replacement Taxes	18,000	40,045	22,045
Food Pantry	3,000	1,590	(1,410)
Service Fees and Donations	248,000	310,049	62,049
Investment Income	1,200	141	(1,059)
Miscellaneous Revenue	132,300	32,905	(99,395)
Total Revenues	2,727,500	2,751,749	24,249
Expenditures			
Current			
Township Administration	1,517,977	1,486,360	(31,617)
Assessor	157,724	153,897	(3,827)
Youth Services	52,040	36,436	(15,604)
Senior Citizens Services	468,340	623,853	155,513
Health Services	171,282	182,941	11,659
Supervisor	39,500	39,500	-
Trustee	42,000	42,000	-
Clerk	21,500	21,500	-
Road and Bridge	36,900	36,900	-
Home Relief/Food Pantry	99,940	124,901	24,961
Capital Outlay	35,000	13,822	(21,178)
Total Expenditures	2,642,203	2,762,110	119,907
Excess (Deficiency) of Revenues Over (Under) Expenditures	85,297	(10,361)	(95,658)
Net Change in Fund Balance	\$ 85,297	(10,361)	\$ (95,658)
Fund Balance at Beginning of Year		2,209,473	
Fund Balance at End of Year		\$ 2,199,112	

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, 2022

	Road and Bridge Fund		
	Original and Final Budget	Actual	Variance Over (Under) Final Budget
Revenues			
Property taxes	\$ 648,838	\$ 708,857	\$ 60,019
Replacement taxes	20,000	49,742	29,742
Investment income	50	86	36
Miscellaneous revenue	93,000	106,741	13,741
Total revenues	<u>761,888</u>	<u>865,426</u>	<u>103,538</u>
Expenditures			
Current			
Road and Bridge	696,950	478,360	(218,590)
Capital outlay	45,200	19,154	(26,046)
Total expenditures	<u>742,150</u>	<u>497,514</u>	<u>(244,636)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>19,738</u>	<u>367,912</u>	<u>348,174</u>
Net change in fund balance	<u>\$ 19,738</u>	<u>367,912</u>	<u>\$ 348,174</u>
Fund Balance at Beginning of Year		<u>378,606</u>	
Fund Balance at End of Year		<u>\$ 746,518</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, 2022

	General Assistance Fund		
	Original and Final Budget	Actual	Variance Over (Under) Final Budget
Revenues			
Property taxes	\$ 180,969	\$ 220,942	\$ 39,973
Investment income (loss)	50	65	15
Miscellaneous revenue	6,000	12,219	6,219
Total revenues	187,019	233,226	46,207
Expenditures			
Current			
Supervisor	215,250	134,189	(81,061)
Total expenditures	215,250	134,189	(81,061)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(28,231)	99,037	127,268
Net change in fund balance	\$ (28,231)	99,037	\$ 127,268
Fund Balance at Beginning of Year		314,817	
Fund Balance at End of Year		\$ 413,854	

TOWNSHIP OF ORLAND, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOWNSHIP CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND
MARCH 31, 2022

Last 10 Fiscal Years*

	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	\$ 170,031	\$ 170,118	\$ 130,587	\$ 133,353	\$ 129,567	\$ 115,093	\$ 117,715
Contributions in Relation to the Actuarially Determined Contribution	170,031	170,118	130,587	128,662	130,003	117,916	117,715
Contribution Deficiency (Excess)	-	-	-	4,691	(436)	(2,823)	-
Covered-Employee Payroll	\$ 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-Employee Payroll	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:	22-year closed period
Asset Valuation Method:	5-Year smoothed market; 20% corridor
Wage Growth	3.25%
Inflation:	2.50%
Salary Increases:	3.35% to 14.25% including inflation
Investment Rate of Return:	7.25%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality:	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
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, 2022

Last 10 Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability							
Service Cost	\$ 119,027	\$ 132,594	\$ 127,437	\$ 117,803	\$ 125,308	\$ 112,071	\$ 120,789
Interest	481,613	470,823	450,734	405,783	399,978	361,866	345,719
Changes of Benefit Terms	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(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	(323,826)	(305,008)	(323,933)	(319,170)	(300,611)	(260,333)	(239,428)
Net Change in Total Pension Liability	<u>(461,065)</u>	<u>165,031</u>	<u>265,043</u>	<u>804,142</u>	<u>90,434</u>	<u>508,777</u>	<u>236,856</u>
Total Pension Liability - Beginning	<u>6,745,343</u>	<u>6,580,312</u>	<u>6,315,269</u>	<u>5,511,127</u>	<u>5,420,693</u>	<u>4,911,916</u>	<u>4,675,060</u>
Total Pension Liability - Ending (a)	<u>\$ 6,284,278</u>	<u>\$ 6,745,343</u>	<u>\$ 6,580,312</u>	<u>\$ 6,315,269</u>	<u>\$ 5,511,127</u>	<u>\$ 5,420,693</u>	<u>\$ 4,911,916</u>
Plan Fiduciary Net Position							
Contributions - Employer	\$ 168,977	\$ 170,653	\$ 117,399	\$ 140,665	\$ 129,001	\$ 122,174	\$ 104,075
Contributions - Member	58,134	58,045	57,299	57,389	53,893	52,354	50,721
Net Investment Income	1,085,347	827,389	954,130	(323,229)	830,145	300,326	21,726
Benefit Payments, Including Refunds of Member Contributions	(323,826)	(305,008)	(323,933)	(319,170)	(300,611)	(260,333)	(239,428)
Other	(14,862)	(57,883)	(54,883)	101,104	(111,040)	41,893	58,151
Net Change in Fiduciary Net Position	<u>\$ 973,770</u>	<u>\$ 693,196</u>	<u>\$ 750,012</u>	<u>\$ (343,241)</u>	<u>\$ 601,388</u>	<u>\$ 256,414</u>	<u>\$ (4,755)</u>
Plan Fiduciary Net Position - Beginning	<u>6,340,620</u>	<u>5,647,424</u>	<u>4,897,412</u>	<u>5,240,653</u>	<u>4,639,265</u>	<u>4,382,851</u>	<u>4,387,606</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 7,314,390</u>	<u>\$ 6,340,620</u>	<u>\$ 5,647,424</u>	<u>\$ 4,897,412</u>	<u>\$ 5,240,653</u>	<u>\$ 4,639,265</u>	<u>\$ 4,382,851</u>
Net Pension Liability - Ending (a)-(b)	<u>\$ (1,030,112)</u>	<u>\$ 404,723</u>	<u>\$ 932,888</u>	<u>\$ 1,417,857</u>	<u>\$ 270,474</u>	<u>\$ 781,428</u>	<u>\$ 529,065</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	116.39%	94.00%	85.82%	77.55%	95.09%	85.58%	89.23%
Covered-Employee Payroll	\$ 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-Employee Payroll	-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, 2022

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 by \$119,907.

INDIVIDUAL FUND FINANCIAL SCHEDULES



TOWNSHIP OF ORLAND, ILLINOIS

TOWNSHIP OF ORLAND, ILLINOIS
TOWN FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
YEARS ENDED MARCH 31, 2022 AND 2021

	2022			2021 Actual
	Original and Final Budget	Actual	Variance Over (Under) Final Budget	
Expenditures				
Township Administration				
Executive Administrator	\$ 100,379	\$ 106,289	\$ 5,910	\$ 98,881
Asst Executive Administration	61,200	59,473	(1,727)	58,308
Salaries - Administrative Assistants	110,119	127,856	17,737	108,815
Salaries - Operations Coordinator	68,278	71,395	3,117	67,260
Project/Program Manager	43,801	37,143	(6,658)	43,147
Part Time Summer Help	45,000	18,152	(26,848)	43,195
Employee's Medical/Life Insurance	93,000	99,530	6,530	91,932
Maintenance - Building	32,000	21,522	(10,478)	68,181
Maintenance - Equipment	1,000	1,541	541	3,653
Maintenance - Vehicle	2,000	-	(2,000)	715
Maintenance - Vans	2,000	-	(2,000)	-
Landscape Service/Snow Removal	48,500	54,424	5,924	19,240
Fica/Medicare	90,000	92,133	2,133	88,069
IMRF	175,000	148,943	(26,057)	155,236
Workman's Comp Insurance	45,000	54,039	9,039	48,073
Illinois U/C Tax	12,000	15,509	3,509	12,124
Liability Insurance	36,000	35,022	(978)	32,314
Bank Service Charges	3,000	7,476	4,476	3,683
Telephone	15,000	16,875	1,875	15,611
Bonding/Notary Public	500	500	-	500
Utilities - Electric/Heat/Water	39,000	34,578	(4,422)	35,910
Rent - Equipment	11,000	10,549	(451)	9,717
Travel	200	-	(200)	-
Training	500	1,457	957	-
Janitor	19,000	17,050	(1,950)	17,010
Postage	4,000	2,164	(1,836)	2,621
Garbage/Refuse	18,000	18,647	647	17,835
Printing and Legal Notices	64,000	26,337	(37,663)	59,381
Accounting Services	24,000	21,945	(2,055)	16,820
Audit Services	19,500	24,800	5,300	19,500
Attorney/Legal Service	24,000	19,491	(4,509)	21,092
Other Professional Services	132,000	150,796	18,796	109,575
Dues and Subscriptions	3,000	4,847	1,847	2,688
Security Alarm System	3,000	3,913	913	3,684
Data Processing Services	3,000	2,626	(374)	2,524
Focus Postage Expense	28,000	20,983	(7,017)	26,913
Park Maintenance Expenditures	9,000	6,072	(2,928)	8,491
Scheduled Activities	17,000	25,456	8,456	515
Other Program/Activities	24,000	33,252	9,252	39,364
Community Support	5,000	5,652	652	375
Cook County Hire Back	18,000	20,560	2,560	19,045
Computer Service	36,000	39,348	3,348	37,368
Ad Books Expense	500	-	(500)	-
Office Supplies	10,000	7,090	(2,910)	9,113
Promotional Items	4,000	3,833	(167)	1,421
Scholarship Fund Grant	-	100	100	-
Operating Supplies	18,000	6,845	(11,155)	14,046
Miscellaneous	500	10,147	9,647	11,354
Total Township Administration	1,517,977	1,486,360	(31,617)	1,445,299

**TOWNSHIP OF ORLAND, ILLINOIS
TOWN FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
YEARS ENDED MARCH 31, 2022 AND 2021**

	2022			
	Original and Final Budget	Actual	Variance Over (Under) Final Budget	2021 Actual
Assessor				
Salaries - Elected Official	26,000	26,000	-	26,000
Chief Deputy Assessor	54,806	57,468	2,662	53,988
Deputy Assessor	41,843	43,809	1,966	41,218
Salaries - Other Personnel	15,000	8,928	(6,072)	11,542
Employee'S Medical/Life Insurance	13,675	13,721	46	13,265
Maintenance - Equipment	1,500	1,340	(160)	1,396
Bonding/Notary Public	100	-	(100)	64
Travel	500	136	(364)	194
Training	1,000	750	(250)	740
Printing and Legal Notices	1,000	-	(1,000)	-
Other Professional Services	-	-	-	8,923
Dues and Subscriptions	1,000	925	(75)	660
Rent - Other	1,200	665	(535)	655
Operating Supplies	100	155	55	-
Total Assessor	157,724	153,897	(3,827)	158,645
Youth Services				
Salaries - Director	48,000	32,875	(15,125)	71,350
Employee's Medical/Life Insurance	3,740	3,342	(398)	12,910
Printing and Legal Notices	100	-	(100)	70
Scheduled Activities	200	219	19	-
Total Youth Services	52,040	36,436	(15,604)	84,330
Senior Citizens Services				
Salaries - Service Coordinator	41,538	43,432	1,894	29,598
Salaries - Service Assistance	38,039	40,139	2,100	37,471
Salaries - Transport Disp	42,008	43,936	1,928	41,382
Salaries - Senior Transport Person	186,486	248,506	62,020	187,780
Senior - Other Personnel	16,529	8,805	(7,724)	15,684
Employee's Medical/Life Insurance	27,540	27,096	(444)	25,573
Maintenance - Vehicles	8,000	15,279	7,279	8,105
Pace Equipment Lease	1,200	1,200	-	1,000
Telephone	4,000	3,875	(125)	3,794
Printing and Legal Notices	100	-	(100)	-
Other Professional Services	2,100	2,553	453	2,329
Scheduled Activities	85,000	165,263	80,263	90,190
Other Program/Activities	200	3,500	3,300	-
Fuel	15,000	19,138	4,138	10,765
Operating Supplies	600	235	(365)	234
Miscellaneous	-	896	896	-
Total Senior Citizens Services	468,340	623,853	155,513	453,905

**TOWNSHIP OF ORLAND, ILLINOIS
TOWN FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
YEARS ENDED MARCH 31, 2022 AND 2021**

	2022			
	Original and Final Budget	Actual	Variance Over (Under) Final Budget	2021 Actual
Health Services				
Salaries - Service Coordinator	33,582	40,965	7,383	33,080
Salaries - Service Assistance	12,000	-	(12,000)	-
Employee's Medical/Life Insurance	-	11,359	11,359	(96)
Travel	-	85	85	-
Training	100	-	(100)	-
Postage	100	-	(100)	109
Printing and Legal Notices	1,000	-	(1,000)	-
Other Professional Services	32,000	34,172	2,172	28,590
Dues and Subscriptions	-	291	291	-
Scheduled Activities	5,000	636	(4,364)	1,771
Other Program Activity	1,000	1,178	178	-
Physical/Hearing Expenditures	1,000	375	(625)	220
Immunizations	2,000	10,459	8,459	305
Dental	28,000	31,110	3,110	23,745
Vision	5,000	6,500	1,500	4,725
Flu	30,000	28,789	(1,211)	26,976
Podiatry	1,500	1,175	(325)	875
Health Supplies	18,000	15,141	(2,859)	17,863
Operating Supplies	1,000	706	(294)	666
Total Health Services	<u>171,282</u>	<u>182,941</u>	<u>11,659</u>	<u>138,829</u>
Supervisor				
Salaries - Elected Official	<u>39,500</u>	<u>39,500</u>	<u>-</u>	<u>39,500</u>
Total Supervisor	<u>39,500</u>	<u>39,500</u>	<u>-</u>	<u>39,500</u>
Trustee				
Salaries - Elected Official	<u>42,000</u>	<u>42,000</u>	<u>-</u>	<u>42,000</u>
Total Trustee	<u>42,000</u>	<u>42,000</u>	<u>-</u>	<u>42,000</u>
Clerk				
Salaries - Elected Official	<u>21,500</u>	<u>21,500</u>	<u>-</u>	<u>21,500</u>
Total Clerk	<u>21,500</u>	<u>21,500</u>	<u>-</u>	<u>21,500</u>
Road and Bridge				
Salaries - Elected Official	<u>36,900</u>	<u>36,900</u>	<u>-</u>	<u>36,900</u>
Total Road and Bridge	<u>36,900</u>	<u>36,900</u>	<u>-</u>	<u>36,900</u>
Home Relief/Food Pantry				
Food Pantry Coordinator	73,560	97,090	23,530	112,709
Employee's Medical/Life Insurance	21,680	26,119	4,439	26,796
Printing and Legal Notices	200	-	(200)	-
Holiday Pantry	500	186	(314)	343
Food Pantry	3,000	1,276	(1,724)	4,772
Operating Supplies	<u>1,000</u>	<u>230</u>	<u>(770)</u>	<u>204</u>
Total Home Relief/Food Pantry	<u>99,940</u>	<u>124,901</u>	<u>24,961</u>	<u>144,824</u>

**TOWNSHIP OF ORLAND, ILLINOIS
TOWN FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
YEARS ENDED MARCH 31, 2022 AND 2021**

	2022			2021 Actual
	Original and Final Budget	Actual	Variance Over (Under) Final Budget	
Capital Outlay				
Furniture/Fixture/Equipment	1,000	-	(1,000)	31,162
Parking Lot Repairs	5,000	7,682	2,682	-
Technology Improvements	5,000	4,952	(48)	3,080
Park Improvements	5,000	-	(5,000)	429
Vehicles	19,000	-	(19,000)	-
Miscellaneous	-	1,188	1,188	-
Total Capital Outlay	35,000	13,822	(21,178)	34,671
Total Expenditures	<u>\$ 2,642,203</u>	<u>\$ 2,762,110</u>	<u>\$ 119,907</u>	<u>\$ 2,600,403</u>

TOWNSHIP OF ORLAND, ILLINOIS

ROAD AND BRIDGE FUND

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

YEARS ENDED MARCH 31, 2022 AND 2021

	2022			
	Original and Final Budget	Actual	Variance Over (Under) Final Budget	2021 Actual
Revenues				
Property Taxes	\$ 648,838	\$ 708,857	\$ 60,019	\$ 666,298
Replacement Taxes	20,000	49,742	29,742	21,398
Investment Income	50	86	36	56
Miscellaneous Revenue	93,000	106,741	13,741	95,192
Total Revenues	761,888	865,426	103,538	782,944
Expenditures				
Road and Bridge				
Salaries - Road and Bridge	42,000	103,963	61,963	76,660
Salaries - Other Personnel	96,000	57,339	(38,661)	54,804
Employee'S Medical/Life Insurance	24,000	38,250	14,250	20,597
Maintenance - Building	6,000	8,464	2,464	5,475
Maintenance - Vehicles	18,000	18,666	666	16,304
Maintenance - Equipment	2,000	1,438	(562)	1,905
Maintenance - Road	51,000	1,219	(49,781)	6,572
Maintenance - Grounds/Weeds	150,000	43,450	(106,550)	155,169
Sidewalk Repairs	10,000	800	(9,200)	-
Sidewalk and Curb Cost Sharing	5,000	-	(5,000)	-
Maintenance - Other	4,000	-	(4,000)	-
Snow Removal	36,000	-	(36,000)	38,415
Fica/Medicare	10,000	12,286	2,286	9,460
IMRF	15,000	18,902	3,902	12,913
Liability Insurance	14,000	(2,132)	(16,132)	748
Worker's Compensation Insurance	15,000	20,473	5,473	15,413
General Insurance	-	13,853	13,853	13,330
Telephone	3,000	3,113	113	2,803
Utilities - Electric/Heat/Water	7,000	7,706	706	6,580
Rent - Equipment	1,000	-	(1,000)	129
Travel	100	-	(100)	-
Training	2,500	51	(2,449)	-
Postage	50	60	10	23
Garbage/Refuse Service	8,000	15,440	7,440	7,798
Printing and Legal Notices	100	278	178	99
Engineering Service	24,000	4,788	(19,212)	12,910
Attorney/Legal Service	4,000	11,965	7,965	3,178
Other Professional Services	12,500	4,730	(7,770)	640
Street and Traffic Lights	9,000	7,244	(1,756)	7,334
Engineering Escrow	6,800	11,062	4,262	9,799
Dues and Subscriptions	100	620	520	25
Security Alarm System	4,200	4,423	223	4,092
Other Program/Activities	3,600	4,629	1,029	3,641
Office Supplies	2,000	4,639	2,639	4,674

TOWNSHIP OF ORLAND, ILLINOIS

ROAD AND BRIDGE FUND

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

YEARS ENDED MARCH 31, 2022 AND 2021

	2022		
	Original and Final Budget	Actual	Variance Over (Under) Final Budget
			2021 Actual
Expenditures (continued)			
Gasoline and Oil	8,000	6,905	(1,095)
Building Maintenance Supplies	5,000	150	(4,850)
Operating Supplies	3,000	4,883	1,883
Equipment Maintenance Supplies	1,500	5,378	3,878
Road Maintenance Supplies	30,000	16,747	(13,253)
Vehicle Licenses/Stickers	-	493	493
Snow Removal Maintenance Supplies	55,000	20,358	(34,642)
Small Tools	500	-	(500)
Vehicle Maintenance Supplies	1,000	-	(1,000)
Personal Property Replacement Tax	6,000	5,557	(443)
Miscellaneous	1,000	170	(830)
Total Road and Bridge	696,950	478,360	(218,590)
Capital Outlay			
Furniture, Fixtures and Equipment	45,200	19,154	(26,046)
Total Capital Outlay	45,200	19,154	(26,046)
Total Expenditures	742,150	497,514	(244,636)
Excess (Deficiency) of Revenues Over Expenditures	19,738	367,912	348,174
Other Financing Sources (Uses)			
Proceeds Of Capital Lease	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Change In Fund Balance	\$ 19,738	367,912	\$ 348,174
Fund Balance at Beginning of Year		378,606	215,747
Fund Balance at End of Year		\$ 746,518	\$ 378,606

TOWNSHIP OF ORLAND, ILLINOIS
GENERAL ASSISTANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEARS ENDED MARCH 31, 2022 AND 2021

	2022			2021 Actual
	Original and Final Budget	Actual	Variance Over (Under) Final Budget	
Revenues				
Property Taxes	\$ 180,969	\$ 220,942	\$ 39,973	\$ 169,703
Investment Income	50	65	15	54
Miscellaneous Revenue	6,000	12,219	6,219	5,550
Total Revenues	187,019	233,226	46,207	175,307
Expenditures				
Supervisor				
Salaries - Case Worker	28,000	25,099	(2,901)	25,043
IMRF	4,000	2,838	(1,162)	3,298
FICA/Medicare	2,000	2,024	24	1,904
Travel	200	200	-	-
Training	2,700	553	(2,147)	2,317
Printing and Legal Notices	-	55	55	-
Other Professional Services	1,000	1,000	-	1,000
Dues and Subscriptions	100	-	(100)	25
Operating Supplies	-	8,950	8,950	-
Catastrophic Insurance	4,250	4,250	-	4,250
G/A Service - Mortgage Assistance	30,000	3,473	(26,527)	10,593
G/A Service - Fuel/Heat/Cooling	12,000	2,577	(9,423)	2,794
G/A Service - Utility/Elect/Water	36,000	14,454	(21,546)	17,654
G/A Service - Shelter	10,000	-	(10,000)	-
G/A Service- Food	10,000	1,500	(8,500)	750
G/A Service - Personal Incidentals	2,000	2,836	836	1,094
G/A Service - Household Incidentals	4,000	-	(4,000)	3,183
G/A Service - Rent Assistance	64,000	37,994	(26,006)	36,082
Fuel	3,500	24,500	21,000	-
Job Fair	1,500	1,767	267	1,221
Miscellaneous	-	119	119	13,506
Total Supervisor	215,250	134,189	(81,061)	124,714
Total Expenditures	215,250	134,189	(81,061)	124,714
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(28,231)	99,037	127,268	50,593
Change in Fund Balance	\$ (28,231)	99,037	\$ 127,268	50,593
Fund Balance - Beginning of Year		314,817		264,224
Fund Balance - End of Year		\$ 413,854		\$ 314,817