

DuPage Township, Illinois

Annual Financial Report

March 31, 2016

DUPAGE TOWNSHIP, ILLINOIS

Table of Contents

	PAGE
INDEPENDENT AUDITOR'S REPORT	1-3
MANAGEMENT'S DISCUSSION AND ANALYSIS	4-8
BASIC FINANCIAL STATEMENTS	
Township-wide Financial Statements	
Statement of Net Position	9
Statement of Activities	10-11
Fund Financial Statements	
Balance Sheet – Governmental Funds	12
Reconciliation of Balance Sheet – Governmental Funds to the Statement of Net Position	13
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	14
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	15
Statement of Net Position – Proprietary Fund – Banquet Rentals	16
Statement of Revenues, Expenses and Change in Net Position Proprietary Fund – Banquet Rentals	17
Statement of Cash Flows – Proprietary Fund - Banquet Rentals	18
Notes to the Financial Statements	19-33
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)	
Schedule of Changes in the Township's Net Pension Liability and Related Ratios	34
Schedule of Township Contributions	35
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Town Fund	36-42
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Assistance Fund	43-44
Notes to Required Supplementary Information	45

DUPAGE TOWNSHIP, ILLINOIS

Table of Contents

	PAGE
SUPPLEMENTAL INFORMATION	
<u>PROPRIETARY FUND</u>	
Schedule of Revenues and Expenses – Budget and Actual – Banquet Rentals Fund	46

INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report

Board of Trustees
DuPage Township, Illinois
Bolingbrook, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activity, each major fund and the aggregate remaining fund information of DuPage Township, Illinois, as of and for the year ended March 31, 2016, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activity, each major fund and the aggregate remaining fund information of DuPage Township, Illinois, as of March 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As disclosed in Note 1 to the financial statements, during the year, the Township adopted new accounting guidance required by Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, as amended by Governmental Accounting Standards Board Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. Our opinions are not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension and budgetary comparison information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the DuPage Township, Illinois' basic financial statements. The supplemental information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

BKD, LLP

Oakbrook Terrace, Illinois
December 13, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

DUPAGE TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS

March 31, 2016

General Information

DuPage Township provides the following overview and analysis of the Township's financial operations and attached financial statements for the fiscal year ended March 31, 2016. The following discussion is presented to enable the readers to more fully understand the accompanying audited financial statements. The Township is responsible for the fair and accurate presentation of all financial information, as well as the internal controls and reporting procedures used in creating the financial statements. In management's opinion, the financial statements herewith reflect all material aspects of the Township's operations in an accurate, fair and complete manner.

The financial statements are prepared in accordance with generally accepted accounting principles (GAAP) and follow the guidelines of the Governmental Accounting Standards Board (GASB).

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Township's financial statements.

Financial Highlights

- Net position for the prior year was restated for the governmental activities due to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* (GASB 68), for the fiscal year ended March 31, 2016. The statement requires the Township to record pension liabilities for the Township's Illinois Municipal Retirement Fund (IMRF) on the Statement of Net Position. The beginning governmental activities Net Position was restated by (\$430,143) from \$3,168,550 to \$2,738,407. Additional information regarding the restatement is included in Note 8 of the financial statements.
- The Township's total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$2,535,603 as of March 31, 2016. The Township has total capital or infrastructure assets net of depreciation of \$1,835,556. Of the Township's net position at the end of the year, \$766,594 was available to fund future operations. Of this amount, \$202,448 is restricted for general assistance, \$8,097 is restricted for cemetery operations and \$7,312 is restricted for employee benefits. This leaves \$548,737 as unrestricted, which includes \$104,410 within the business-type activities (Banquet Rentals).
- The Township's total net position decreased by \$731,439 (including the impact of the restatement). Governmental activities net position decreased by \$737,357 and the business-type activities net position increased by \$5,918.
- At the close of the current fiscal year, the Township's governmental funds reported combined ending fund balances of \$1,463,457, an increase of \$109,678 from the prior year. Of the total combined ending fund balances, \$1,230,248 is unassigned and available for spending at the Township's discretion.

Overview of the Financial Statements

The financial statements have three major components: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements.

Required supplementary information includes the Schedule of Funding Progress for the Illinois Municipal Retirement Fund, the Township's State retirement pension, and Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual for the Township's General Fund and major Special Revenue funds.

DUPAGE TOWNSHIP

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)

Overview of the Financial Statements (Cont.)

Supplementary information includes a Schedule of Operating Revenues and Expenses – Budget and Actual for the Proprietary Fund.

Government-wide Financial Statements

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

The Statement of Net Position is a snapshot as of the end of the fiscal year illustrating the overall value of the Township. The total net position should be a positive number and can be equated to the Township's total net worth. From year to year, an increase or decrease in the total net position of the Township is one factor in determining the total overall financial performance.

The Statement of Activities shows the overall expenses and operating revenues for services the Township provides. Added to this are the nonoperating revenues for taxes, unrestricted investment earnings and miscellaneous items to arrive at the total increase or decrease in net position. This amount is added to the total net position at the beginning of the year, to provide the value of the total net position at the end of the year. A decrease in net position does not necessarily mean poor performance, as planned usage of cash or fund reserves will also be reflected here.

The government-wide financial statements are presented on pages 9 through 11 of this report.

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

Fund Financial Statements

The fund financial statements provide reporting for the Township's operations at a fund level. A fund is a group of related accounts established for a specific purpose to maintain the control of resources for that purpose. The Township utilizes fund accounting that reports operations categorized by each of their purposes. There are three types of funds: governmental, proprietary and fiduciary. The Township currently has three governmental funds, one proprietary fund (Banquet Rentals Fund) and no fiduciary funds.

The focus of governmental fund financial statements is narrower than that of the Township-wide financial statements. The fund financial statements provide a more detailed look at the different operating components that comprise the government-wide financial statements. The focus at the fund level is on current operations and short-term results, whereas the government-wide reporting allows for a greater understanding of the long-term sustainability of the Township. It is useful to compare information presented for the governmental funds with similar information presented for governmental activities in the Township-wide financial statements to see how current operations reflect upon the long-range value of the Township. Reconciliations between the two types of statements are provided. The basic governmental fund financial statements can be found on pages 12 through 15 of this report.

The Township's proprietary fund is an enterprise fund, which is used to report the same functions as business-type activities in the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 16 through 18 of this report.

DUPAGE TOWNSHIP

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)

Overview of the Financial Statements (Cont.)

Notes to the Financial Statements

Notes to the Financial Statements provide additional information that is needed to gain a full understanding of the Township's financial operations and its reporting. The Notes to the Financial Statements can be found on pages 19 through 33 of this report.

Other Information

The Required Supplementary Information provides greater detail on the Township's financial operations for its major governmental funds, as well as the Schedule of Changes in the Township's Net Pension Liability and Related Ratios and Schedule of Township Contributions for the Illinois Municipal Retirement Fund. Required Supplementary Information can be found on pages 34 through 45 of this report. The additional financial schedules provide information valuable in understanding nonmajor funds.

Government-wide Financial Analysis

2015 information below has not been adjusted for the adoption of GASB Statement No. 68.

CONDENSED STATEMENTS OF NET POSITION

	Governmental Activities		Business-type Activities	
	March 31,		March 31,	
	2016	2015	2016	2015
Current Assets	\$ 3,747,910	3,601,143	138,535	123,179
Capital Assets, Net	1,835,556	1,925,807		
Deferred Outflows of Resources	208,844			
Total Assets and Deferred Outflows	5,792,310	5,526,950	138,535	123,179
Current Liabilities	48,123	51,854	34,125	24,687
Noncurrent Liabilities	922,123	66,546		
Deferred Inflows of Resources	2,390,871	2,240,000		
Total Liabilities and Deferred Inflows	3,361,117	2,358,400	34,125	24,687
Net Position				
Net Investment in Capital Assets	1,769,009	1,845,583		
Restricted	217,857	182,611		
Unrestricted	444,327	1,140,356	104,410	98,492
Total Net Position	\$ 2,431,193	3,168,550	104,410	98,492

The largest components of the current assets are cash and receivables. Receivables at March 31, 2016, consist of 2015 property taxes levied as of January 1, 2016, but not collected as of March 31, 2016. All receivables on the Statement of Net Position are included in governmental activities. Capital assets are included within governmental activities, and consist of the total value of land, buildings, improvements, equipment and vehicles reported net of

DUPAGE TOWNSHIP

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)

Overview of the Financial Statements (Cont.)

accumulated depreciation. The largest component of the total liabilities and deferred inflows of governmental is the unavailable property tax revenue, which equals the receivable balance. The taxes are levied with the intention of funding next year's activities; therefore, all revenue is deferred on the Statement of Net Position at March 31. All unavailable property tax revenue on the Statement of Net Position is included as governmental activities.

The largest portion of the Township's net position reflects its investment in capital assets. The remaining amount represents the amount of funds the Township would have if all revenues were collected and all other obligations of the Township were satisfied. As mentioned earlier, this amount is partially restricted for general assistance and highways and streets, with the remainder unrestricted.

CONDENSED STATEMENTS OF ACTIVITIES

	Governmental Activities		Business-type Activities	
	For the Year Ended		For the Year Ended	
	March 31,		March 31,	
	2016	2015	2016	2015
Revenues and Transfers				
Program Revenues				
Charges for Services	\$ 33,788	19,593	147,850	127,443
Grants	976	33,016		
General Revenues				
Taxes	2,356,173	2,308,187		
Unrestricted Investment				
Earnings	2,363	263	100	13
Miscellaneous	3,354	467		
Transfers	15,928	15,928	(15,928)	(15,928)
Total Revenues and Transfers	<u>2,412,582</u>	<u>2,377,454</u>	<u>132,022</u>	<u>111,528</u>
Expenses				
General Government	2,491,591	2,154,191		
Health and Welfare	225,954	219,148		
Interest on Long-Term Debt	2,251			
Banquet Rentals			126,104	121,721
Total Expenses	<u>2,719,796</u>	<u>2,373,339</u>	<u>126,104</u>	<u>121,721</u>
Change in Net Position	(307,214)	4,115	5,918	(10,193)
Net Position - Beginning	3,168,550	3,164,435	98,492	108,685
Adoption of GASB 68 (See Note 8)	<u>(430,143)</u>			
Net Position - Ending	<u>\$ 2,431,193</u>	<u>3,168,550</u>	<u>104,410</u>	<u>98,492</u>

Within general government expense is depreciation of \$175,810 and \$172,653 for the years ended March 31, 2016 and 2015, respectively.

DUPAGE TOWNSHIP

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)

Financial Analysis of the Government's Funds

General Fund – The General Fund's revenues were budgeted at \$2,161,546, and the Fund's actual experience fell short of that by \$29,215. Actual 2016 revenues of \$2,132,331 were an increase of \$12,985 from 2015 revenues. The General Fund's actual expenditures, budgeted at \$2,161,546, were under budget by \$84,596, primarily due to cost savings within administration and social services departments.

General Assistance Fund – The General Assistance Fund's revenues were budgeted at \$245,151, and the Fund's actual experience exceeded that amount by \$19,166. Actual 2016 revenues of \$264,317 were an increase of \$22,138 from 2015 revenues. The General Assistance Fund's actual expenditures, budgeted at \$311,800, were under budget by \$85,846, primarily due to cost savings in Home Relief. This was due to the unpredictability of the number of clients requiring general assistance.

The Township has one enterprise fund:

Banquet Rentals Fund – The Banquet Rentals Fund's revenues were budgeted at \$132,900, and the Fund's operations came in over that number by \$14,950. Actual 2016 revenues of \$147,850, represents an increase of \$20,407 from 2015 revenues. This increase was mainly due to increased demand for banquet rentals and related fee revenue. The Banquet Rentals Fund's expenses, (including transfers out) budgeted at \$132,725, were over budget by \$9,307 mainly due to bus rental fees required for senior trip activities.

Capital Assets – The Township's investment in capital assets as of March 31, 2016, amounts to \$1,835,556 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, furniture and fixtures, vehicles and office equipment. The total decrease in the Township's investment in capital assets for the current fiscal year was 4.7%, as current year depreciation expense (\$175,810) exceeded current year additions (\$85,559). Additional information on capital assets can be found in Note 3 on page 25.

Long-Term Debt – The Township borrowed \$100,000 during fiscal year 2014 for renovations at the Levy Center. This loan is secured by a cash account and all payments are to be made from the Banquet Rentals Fund. The balance outstanding as of March 31, 2016, for the above debt is \$66,547. Additional information on long-term debt can be found in Note 5 on page 26.

Requests for Information

This financial report is designed to provide a general overview of the financial operations of DuPage Township. Questions concerning any of the information in this report or requests for additional information should be sent to the Township Supervisor, 241 Canterbury Lane, Bolingbrook, Illinois 60440-2834.

BASIC FINANCIAL STATEMENTS

DUPAGE TOWNSHIP, ILLINOIS

Statement of Net Position
March 31, 2016

	Governmental Activities	Business-type Activity	Total
Assets			
Current Assets			
Cash	\$ 1,375,536	111,267	1,486,803
Cash - Restricted for Loan Collateral	100,091		100,091
Property Tax Receivable, Net	2,268,000		2,268,000
Inventory	6,426	16,199	22,625
Prepaid Items	8,926		8,926
Internal Balances	(11,069)	11,069	
Total Current Assets	3,747,910	138,535	3,886,445
Capital Assets, Net of Accumulated Depreciation	1,835,556		1,835,556
Total Assets	5,583,466	138,535	5,722,001
Deferred Outflows of Resources			
Outflows Related to Pensions	208,844		208,844
Liabilities			
Current Liabilities			
Accounts Payable	4,330		4,330
Senior Trip Deposits	12,123		12,123
Accrued Compensated Absences	17,589		17,589
Unearned Revenue		34,125	34,125
Note and Loan Payable	14,081		14,081
Total Current Liabilities	48,123	34,125	82,248
Noncurrent Liabilities			
Net Pension Liability	869,657		869,657
Note and Loan Payable	52,466		52,466
Total Noncurrent Liabilities	922,123	-	922,123
Total Liabilities	970,246	34,125	1,004,371
Deferred Inflows of Resources			
Inflows Related to Pensions	122,871		122,871
Inflows Related to Property Taxes	2,268,000		2,268,000
Total Deferred Inflows of Resources	2,390,871	-	2,390,871
Net Position			
Net Investment in Capital Assets	1,769,009		1,769,009
Restricted for General Assistance	202,448		202,448
Restricted for Cemetery Operations	8,097		8,097
Restricted for Employee Benefits	7,312		7,312
Unrestricted	444,327	104,410	548,737
Total Net Position	\$ 2,431,193	104,410	2,535,603

See Notes to Financial Statements

DUPAGE TOWNSHIP, ILLINOIS

Statement of Activities
 For the Year Ended March 31, 2016

	Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions
Functions/Programs			
Primary Government			
Governmental Activities			
General Government	\$ 2,491,591	33,788	976
Health and Welfare	225,954		
Interest on Long-Term Debt	2,251		
Total Governmental Activities	2,719,796	33,788	976
Business-type Activity			
Banquet Rentals	126,104	147,850	
Total Primary Government	\$ 2,845,900	181,638	976

General Revenues
 Taxes
 Property
 Replacement
 Unrestricted Investment Earnings
 Miscellaneous
 Interfund Transfers
 Total General Revenues and Transfers

Change in Net Position

Net Position
 Beginning - As Previously Reported
 Restatement for Adoption of GASB 68 (see Note 8)
 Beginning - as Restated
 Ending

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activity	Total
(2,456,827)		(2,456,827)
(225,954)		(225,954)
(2,251)		(2,251)
(2,685,032)	-	(2,685,032)
	21,746	21,746
(2,685,032)	21,746	(2,663,286)
2,243,223		2,243,223
112,950		112,950
2,363	100	2,463
3,354		3,354
15,928	(15,928)	
2,377,818	(15,828)	2,361,990
(307,214)	5,918	(301,296)
3,168,550	98,492	3,267,042
(430,143)		(430,143)
2,738,407	98,492	2,836,899
2,431,193	104,410	2,535,603

DUPAGE TOWNSHIP, ILLINOIS

Governmental Funds

Balance Sheet
 March 31, 2016

	General Town	General Assistance	Nonmajor Governmental Fund	Total Governmental Funds
ASSETS				
Cash	\$ 1,152,404	215,848	7,284	1,375,536
Cash - Restricted for Loan Collateral	100,091			100,091
Property Taxes Receivable, Net of Allowance for Uncollectible Amounts	1,978,000	290,000		2,268,000
Gift Card Inventory	6,426			6,426
Interfund Receivable	3,768		813	4,581
Prepaid Expenditures	8,926			8,926
Total Assets	\$ 3,249,615	505,848	8,097	3,763,560
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 4,330			4,330
Senior Trip Deposits	12,123			12,123
Interfund Payable	2,250	13,400		15,650
Total Liabilities	18,703	13,400	-	32,103
Deferred Inflows of Resources				
Unavailable Revenue - Property Taxes	1,978,000	290,000		2,268,000
Fund Balances				
Nonspendable				
Gift Card Inventory	6,426			6,426
Prepaid Expenditures	8,926			8,926
Restricted for				
General Assistance		202,448		202,448
Cemetery Operations			8,097	8,097
Employee Benefits	7,312			7,312
Unassigned	1,230,248			1,230,248
Total Fund Balances	1,252,912	202,448	8,097	1,463,457
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 3,249,615	505,848	8,097	3,763,560

See Notes to Financial Statements

DUPAGE TOWNSHIP, ILLINOIS

Reconciliation of Balance Sheet - Governmental Funds
to the Statement of Net Position

March 31, 2016

Total Fund Balances - Governmental Funds	\$ 1,463,457
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds Balance Sheet.	1,835,556
Some items reported in the Statement of Net Position do not provide or require the use of current financial resources and, therefore, are not reported in governmental funds. These activities consist of:	
Deferred Outflows of Resources Related to Pensions	208,844
Deferred Inflows of Resources Related to Pensions	(122,871)
Note and Loan Payable	(66,547)
Net Pension Liability	(869,657)
Compensated Absences	<u>(17,589)</u>
Net Position of Governmental Activities	<u>\$ 2,431,193</u>

DUPAGE TOWNSHIP, ILLINOIS

Governmental Funds

Statement of Revenues, Expenditures and Changes in
Fund Balances - Governmental Funds

For the Year Ended March 31, 2016

	General Town	General Assistance	Nonmajor Governmental Fund	Total Governmental Funds
Revenues				
Property Taxes	\$ 1,980,013	263,210		2,243,223
Replacement Taxes	112,950			112,950
Charges for Services	8,845			8,845
Food Pantry	7,744			7,744
Levy Memberships and Senior Programs	17,199			17,199
Grants	976			976
Interest Income	1,250	1,107	6	2,363
Miscellaneous Revenue	3,354			3,354
Total Revenues	2,132,331	264,317	6	2,396,654
Expenditures				
Current				
Administration	814,055	117,030		931,085
Assessor Division	366,975			366,975
Youth Services	94,962			94,962
Senior Programming	253,677			253,677
Social Services	87,085			87,085
Levy Senior Center	75,304			75,304
Road Maintenance	197,144			197,144
Food Pantry	150,301			150,301
Home Relief		108,924		108,924
Debt Service				
Principal	35,196			35,196
Interest	2,251			2,251
Total Expenditures	2,076,950	225,954	-	2,302,904
Excess of Revenues over Expenditures	55,381	38,363	6	93,750
Other Financing Sources				
Transfer In	15,928			15,928
Net Change in Fund Balance	71,309	38,363	6	109,678
Fund Balances				
Beginning	1,181,603	164,085	8,091	1,353,779
Ending	\$ 1,252,912	202,448	8,097	1,463,457

See Notes to Financial Statements

DUPAGE TOWNSHIP, ILLINOIS

Reconciliation of Statement of Revenues, Expenditures and Changes in
Fund Balances - Governmental Funds to the Statement of Activities
For the Year Ended March 31, 2016

Net Change in Fund Balance - Total Governmental Funds	\$ 109,678
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of these assets are allocated over the estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense (\$175,810) exceeds capital asset additions (\$85,559) in the current period.	(90,251)
Repayment of principal is an expenditure in the governmental funds, but the repayments reduce long-term liabilities in the Statement of Net Position.	35,196
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. These activities consist of:	
Increase in Deferred Outflows Related to Pensions	180,344
Increase in Deferred Inflows Related to Pensions	(122,871)
Increase in Compensated Absences	(8,296)
Increase in Net Pension Liability	<u>(411,014)</u>
Change in Net Position of Governmental Activities	<u>\$ (307,214)</u>

DUPAGE TOWNSHIP, ILLINOIS

Proprietary Fund

Banquet Rentals

Statement of Net Position

March 31, 2016

Assets

Current Assets

Cash	\$ 111,267
Inventory	16,199
Interfund Receivable	<u>11,069</u>

Total Current Assets 138,535

Current Liabilities

Unearned Revenue - Rental Deposits	<u>34,125</u>
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Net Position

Unrestricted	<u><u>\$ 104,410</u></u>
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DUPAGE TOWNSHIP, ILLINOIS

Proprietary Fund

Banquet Rentals

Statement of Revenues, Expenses and
Change in Net Position

For the Year Ended March 31, 2016

Operating Revenues	
Banquet Receipts and Caterer Fees	\$ 63,881
Bar Fees	78,201
Other	<u>5,768</u>
Total Operating Revenues	<u>147,850</u>
Operating Expenses	
Personnel Services	47,825
Contractual Services	52,215
Commodities	<u>26,064</u>
Total Operating Expenses	<u>126,104</u>
Operating Income	21,746
Nonoperating Revenue - Interest	<u>100</u>
Income Before Transfer Out	21,846
Transfer Out	<u>(15,928)</u>
Change in Net Position	5,918
Net Position	
Beginning	<u>98,492</u>
Ending	<u>\$ 104,410</u>

DUPAGE TOWNSHIP, ILLINOIS

Proprietary Fund

Banquet Rentals

Statement of Cash Flows

For the Year Ended March 31, 2016

Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 157,288
Payments to Suppliers	(81,121)
Payments to Employees	(47,825)
Net Cash Provided by Operating Activities	<u>28,342</u>
Cash Flows from Non-Capital and Related Financing Activities	
Transfer Out to General Fund	(15,928)
Change in Interfund Receivable	(4,069)
Net Cash Used in Non-Capital and Related Financing Activities	<u>(19,997)</u>
Cash Flows from Investing Activities	
Interest Income	<u>100</u>
Net Increase in Cash	8,445
Cash, Beginning	<u>102,822</u>
Cash, Ending	<u>\$ 111,267</u>
Reconciliation of Operating Income to Net Cash	
Provided by Operating Activities	
Operating Income	\$ 21,746
Adjustments to Reconcile Operating Income to Net Cash	
Provided by Operating Activities	
Increase in Inventory	(2,842)
Increase in Unearned Revenue - Rental Deposits	<u>9,438</u>
Net Cash Provided by Operating Activities	<u>\$ 28,342</u>

DUPAGE TOWNSHIP, ILLINOIS

Notes to the Financial Statements
March 31, 2016

1. Summary of Significant Accounting Policies

A. Reporting Entity

DuPage Township (Township) was incorporated on April 4, 1850, and is duly organized and existing under the provisions of the laws of the State of Illinois, and is operating under the provisions of the Township Code of the State of Illinois. The Township is governed by an elected Board of a Township Supervisor and four Township Trustees. The Township includes all funds of its governmental operations and its component units based on financial accountability. Financial accountability includes appointment of the organization's governing body, imposition of will and fiscal dependency.

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

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all activities of the primary government. The effect of interfund activity has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services.

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

The Township reports the following major governmental funds:

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

The **General Assistance Fund's** resources help to provide financial assistance to Township residents who meet certain need-based requirements.

The Township reports the following major proprietary fund:

The **Banquet Rentals Fund** accounts for the banquet facility rental operations that take place in the Levy building. All activities necessary to provide such services are accounted for in this Fund including, but not limited to, administration and operations.

DUPAGE TOWNSHIP, ILLINOIS

Notes to the Financial Statements
March 31, 2016

1. Summary of Significant Accounting Policies (Cont.)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

Government fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined, and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to compensated absences and claims and judgments, are recorded only when the payment is due.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services, and producing and delivering goods, in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Use of Estimates

Management has made a number of estimates and assumptions relating to the reporting of assets, deferred outflows of resources, liabilities and deferred inflows of resources to prepare these financial statements in conformity with GAAP. Actual results could differ from those estimates.

E. Deposits and Investments

Statutes authorize the Township to invest in the following:

- Bonds, notes, certificates of indebtedness, treasury bills or other securities which are guaranteed by the full faith and credit of the United States as to principal and interest.
- Bonds, notes, debentures or similar obligations of the United States of America or its agencies.

DUPAGE TOWNSHIP, ILLINOIS

Notes to the Financial Statements
March 31, 2016

1. Summary of Significant Accounting Policies (Cont.)

E. Deposits and Investments (Cont.)

- Savings accounts, certificates of deposit, time accounts or other investments constituting direct obligations of a bank as defined by the *Illinois Banking Act*.
- Securities legally issuable by savings and loan associations incorporated under the laws of any state of the United States of America. Share accounts and share certificates of a credit union chartered under the laws of the State of Illinois or United States of America, provided the principal office of the credit union is located within the State of Illinois. Short-term discount obligations of the Federal National Mortgage Association (FNMA). Investments may be made only in financial institutions which are insured by either the Federal Deposit Insurance Corporation or other applicable law for credit unions.
- Short-term obligations (maturing within 180 days of date of purchase) of corporations with assets exceeding five hundred million dollars (\$500,000,000). Such obligations must be rated, at the time of purchase, at one of the three highest classifications established by at least two standard rating services. This type of obligation is limited to one-third of the Township's funds available for investment, and cannot exceed 10% of the corporation's outstanding obligations.
- Money market mutual funds, registered under the Investment Company Act of 1940, which invest only in bonds, notes, certificates of indebtedness, treasury bills and other securities which are guaranteed by the full faith and credit of the United States of America as to principal and interest and agrees to repurchase such obligations.
- Repurchase agreements of government securities subject to the *Government Securities Act of 1986*.

Investments with maturities of one year or more from the date of purchase are stated at fair value based on quoted market prices. Investments with maturities of one year or less from the date of purchase and nonnegotiable certificates of deposit are stated at amortized cost. Investment income has been allocated to each fund based on investments held by the fund.

F. Inventories and Prepaid Items

Inventories in the proprietary fund consist of liquor, beer and wine, and are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements when consumed rather than when purchased.

G. Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (the current portion of interfund loans) or "advances to/from other funds" (the noncurrent portion of interfund loans).

DUPAGE TOWNSHIP, ILLINOIS

Notes to the Financial Statements
March 31, 2016

1. Summary of Significant Accounting Policies (Cont.)

H. Capital Assets

Capital assets, which include property, plant and equipment and infrastructure assets, are reported in the government-wide financial statements. The Township defines capital assets as assets with an initial cost of more than \$1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost, or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair value at the date of donation.

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

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

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

Buildings and Building Improvements	40 years
Land Improvements	25 years
Road Equipment	10 years
Furniture and Fixtures	7 years
Office Equipment	5 years
Vehicles	7 years

I. Deferred Inflows/Outflows of Resources

The Township reports deferred outflows of resources on its statement of net position. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Township has one item that qualifies for reporting in this category, the outflows related to pensions, which represents pension items that will be recognized in future periods.

The Township also reports deferred inflows of resources on its statement of net position and funds statements. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Township has two items that qualify for reporting in this category in the government-wide statements, deferred inflows related to property taxes levied in 2015 but are levied for 2016 and deferred inflows related to pensions, which represents pension items that will be recognized in future periods. In the funds statements, deferred inflows of resources are reported for unavailable property taxes.

J. Compensated Absences

The Township accrues accumulated unpaid vacation when earned by the employee. Township employees are entitled to paid vacation based on length of service. Such vacation must be used by March 31 of each fiscal year unless an extension has been approved by management.

DUPAGE TOWNSHIP, ILLINOIS

Notes to the Financial Statements
March 31, 2016

1. Summary of Significant Accounting Policies (Cont.)

K. Fund Equity

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. Committed fund balance, if any, is constrained by formal actions of the Board, which is considered the Township's highest level of decision making authority. Formal actions include resolutions and ordinances approved by the Board. Assigned fund balance, if any, represents amounts constrained by the Township's intent to use them for a specific purpose. Any residual fund balance of the General Fund is reported as unassigned.

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

L. Property Taxes

Property taxes are based on the assessed valuation of the Township's real property as equalized by the State of Illinois. The equalized assessed valuation of real property totaled \$2,763,745,584 for the levy year 2015. The allowance for uncollectible taxes has been stated at .36% of the tax levy to reflect actual experience.

Property taxes for 2015 attach as an enforceable lien on January 1, 2015, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments on or about June 1, 2016 and September 1, 2016. The County collects such taxes and remits them periodically. The 2015 taxes are intended to finance the 2016-2017 fiscal year and are not considered available for current operations and are, therefore, shown as a receivable and deferred inflows of resources in both the funds statements, because of lack of availability and the government-wide statements to match the period for which they were levied. The 2016 tax levy has not been recorded as a receivable at March 31, 2016, even though the tax attached as a lien on property as of January 1, 2016. The tax will not be levied until December 2016 and, accordingly, is not considered to be an enforceable legal claim at March 31, 2016.

M. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Illinois Municipal Retirement Fund agent multiple-employer defined benefit plan (IMRF) and additions to/deductions from IMRF's fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

DUPAGE TOWNSHIP, ILLINOIS

Notes to the Financial Statements
March 31, 2016

1. Summary of Significant Accounting Policies (Cont.)

N. Implementation of New Accounting Standard

In 2015, the Township adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and GASB No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment to GASB Statement No. 68*, which have as their objectives improving the usefulness of pension information included in the general purpose external financial reports of state and local governments that provide pension benefits to their employees under defined benefit pension plans for making decisions and assessing accountability. Adoption of GASB Statement No. 68 resulted in a restatement of beginning net position at April 1, 2015, and is described in Note 8. In addition, the Statement changed the requirements for information disclosed in the notes to the financial statements and information required to be presented as required supplementary information.

The Township also adopted the provisions of by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment to GASB Statement No. 68*. GASB Statement No. 71 provides guidance on the recognition of pension contributions made after the measurement date.

2. Deposits and Investments

At year end, the Township had all of its cash in interest-bearing checking accounts. The carrying amount of deposits was \$1,586,894, and the bank balance was \$1,621,580. As of March 31, 2016, all balances are fully insured or collateralized with securities held by a third party bank in the Township's name.

Interest Rate Risk – This is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Township does not have a formal investment policy regarding interest rate risk. However, the Township does not have any deposits subject to interest rate risk.

Credit Risk – Generally, credit risk is the risk that an issuer of a debt type instrument will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. The Township's deposits are not subject to credit risk.

Custodial Credit Risk – For deposits, this is the risk that, in the event of a bank failure, a government will not be able to recover its deposits. In accordance with its investment policy, all Township deposits with financial institutions are to be fully insured or collateralized.

DUPAGE TOWNSHIP, ILLINOISNotes to the Financial Statements
March 31, 2016

3. Capital Assets

Capital asset activity for the year ended March 31, 2016, was as follows:

	Beginning Balances	Increases	Decrease	Ending Balance
GOVERNMENTAL ACTIVITIES				
Capital Assets Not Being Depreciated				
Land	\$ 210,000			210,000
Capital Assets Being Depreciated				
Buildings and Building Improvements	3,234,986	40,668		3,275,654
Land Improvements	548,258			548,258
Road Equipment	236,058	30,440		266,498
Furniture and Equipment	375,163	3,951		379,114
Vehicles	269,660	10,500		280,160
Total Capital Assets Being Depreciated	4,664,125	85,559	-	4,749,684
Less Accumulated Depreciation for				
Buildings and Building Improvements	1,933,324	120,218		2,053,542
Land Improvements	245,138	21,930		267,068
Road Equipment	215,864	7,605		223,469
Furniture and Equipment	352,575	12,489		365,064
Vehicles	201,417	13,568		214,985
Total Accumulated Depreciation	2,948,318	175,810	-	3,124,128
Total Capital Assets Being Depreciated, Net	1,715,807	(90,251)	-	1,625,556
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 1,925,807	(90,251)	-	1,835,556

Depreciation expense was charged to governmental activities as follows:

GOVERNMENTAL ACTIVITIES	
General Government	<u>\$ 175,810</u>

4. Risk Management

The Township is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; illnesses of employees and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

DUPAGE TOWNSHIP, ILLINOIS

Notes to the Financial Statements
 March 31, 2016

5. Long-Term Obligations – Governmental Activities

Pursuant to a court order, the Township was obligated under a non-interest bearing promissory note dated May 15, 2013, to refund certain prior year real estate taxes to a local hospital. Payments were made as reductions of property tax distributions by the County Collector. The balance was payable in annual installments of \$21,520 with final payment of \$21,519 paid December 31, 2015.

Term loan, dated September 13, 2013, in the amount of \$100,000. Payable in semi-annual installments of \$7,964 including interest at 2.93% with a final payment due September 13, 2020. Funds are transferred from the Banquet Fund to the General Fund to provide principal and interest requirements. For fiscal year 2016, the transfer amount was \$15,928. This loan is secured by one of the Township’s cash accounts that is held at the lending institution. That account balance is presented as restricted cash in the financial statements.

During the year ended March 31, 2016, the following changes occurred in long-term obligations:

	Balance April 1, 2015	Additions	Reduction	Balance March 31, 2016	Current Portion
Note Payable	\$ 21,519		21,519		
Term Loan Payable	80,224		13,677	66,547	14,081
Compensated Absences	9,293	17,589	9,293	17,589	17,589
	<u>\$ 111,036</u>	<u>17,589</u>	<u>44,489</u>	<u>84,136</u>	<u>31,670</u>

Future maturities for the Term Loan are as follows:

Fiscal Year March 31	Amount
2017	\$ 14,081
2018	14,496
2019	14,924
2020	15,264
2021	<u>7,782</u>
	<u>\$ 66,547</u>

6. Defined Benefit Pension Plan

Plan Description

The Township’s agent multiple-employer defined pension plan for Regular employees provides retirement and disability benefits, postemployment increases and death benefits to plan members and beneficiaries. The Township’s plan is administered by the Illinois Municipal Retirement Fund (IMRF), an agent multiple-

DUPAGE TOWNSHIP, ILLINOIS

Notes to the Financial Statements
March 31, 2016

6. Defined Benefit Pension Plan (Cont.)

Plan Description (Cont.)

employer public employee retirement system. 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. The report may be obtained on-line at www.imrf.org.

Benefits Provided

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

Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least 8 years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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

Employees Covered by Benefit Terms

As of December 31, 2015, the measurement date for the net pension liability, the following employees were covered by the benefit terms:

Retirees and Beneficiaries Currently Receiving Benefits	13
Terminated Employees Entitled to But Not Yet Receiving Benefits	9
Active Members	<u>22</u>
	<u>44</u>

Contributions

As set by statute, the Township plan members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Township's annual contribution rate for calendar 2015 was 11.47%. For the year ended March 31, 2016, the Township contributed \$116,957 to the plan. The

DUPAGE TOWNSHIP, ILLINOIS

Notes to the Financial Statements
March 31, 2016

6. Defined Benefit Pension Plan (Cont.)

Contributions (Cont.)

Township also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Investments

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>Portfolio Target Percentage</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic Equities	38%	7.39%
International Equities	17%	7.59%
Fixed Income	27%	3.00%
Alternatives	9%	2.75% - 8.15%
Real Estate	8%	6.00%
Short-term	1%	2.25%
	<u>100%</u>	

Net Pension Liability

The Township's net pension liability at March 31, 2016 was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The net pension liability as of March 31, 2016, is \$ 869,657.

Actuarial Assumptions

The following are the methods and assumptions used to determine the net pension liability as of December 31, 2015:

Actuarial Valuation Date	December 31, 2015
Measurement Date	December 31, 2015
Actuarial Cost Method	Entry-age Normal

DUPAGE TOWNSHIP, ILLINOIS

Notes to the Financial Statements
March 31, 2016

6. Defined Benefit Pension Plan (Cont.)

Actuarial Assumptions (Cont.)

Assumptions	
Inflation	2.75%
Salary Increases	3.75% to 14.50%, Including Inflation
Investment Rate of Return	7.46%
Asset Valuation Method	Market Value of Assets

Retirement age is based on Experienced-Based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.

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

Discount Rate

A single discount rate (SDR) of 7.46% was used to measure the total pension liability. The projection of cash flow used to determine the SDR 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 SDR 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 the recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.57% and the resulting SDR is 7.46%.

DUPAGE TOWNSHIP, ILLINOIS

Notes to the Financial Statements
March 31, 2016

6. Defined Benefit Pension Plan (Cont.)

Changes in Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance, Beginning of Year	\$ 3,650,459	3,191,816	458,643
Changes for the Year			
Service Cost	109,865		109,865
Interest	272,002		272,002
Differences Between Expected and Actual Experience	(155,848)		(155,848)
Changes in Assumptions	14,231		14,231
Contributions - Employer		116,222	(116,222)
Contributions - Employee		45,597	(45,597)
Net Investment Income		15,994	(15,994)
Benefit Payments, Including Refunds of Employees Contributions	(147,714)	(147,714)	
Administrative Expenses			
Other (Net Transfer)		(348,577)	348,577
Net Changes	92,536	(318,478)	411,014
Balance, End of Year	\$ 3,742,995	2,873,338	869,657

Discount Rate Sensitivity

The following is a sensitivity analysis of the Township's net pension liability to changes in the discount rate. The table below represents the net pension liability of the Township calculated using the discount rate of 7.46% as well as what the Township's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.46%) or one percentage point higher (8.46%) than the current rate:

	1% Decrease (6.46%)	Current Discount Rate (7.46%)	1% Increase (8.46%)
Township's Net Pension Liability	\$ 1,393,851	869,657	446,365

DUPAGE TOWNSHIP, ILLINOIS

Notes to the Financial Statements
March 31, 2016

6. Defined Benefit Pension Plan (Cont.)

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

For the year ended March 31, 2016, the Township recognized pension expense of \$470,207. At March 31, 2016, the reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2016	
	(a) Deferred Outflows of Resources	(b) Deferred Inflows of Resources
Deferred Amounts Related to Pensions		
Differences Between Expected and Actual Experience	\$	122,871
Changes in Assumptions	11,220	
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	168,680	
Pension Contributions Made Subsequent to the Measurement Date	28,944	
	\$ 208,844	122,871

Contributions subsequent to the December 31, 2015 measurement date through March 31, 2016 of \$28,944, included in deferred outflows of resources, will be reported as a reduction of the net pension liability at March 31, 2017.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending March 31,	Amount
2017	\$ 12,204
2018	12,204
2019	12,204
2020	20,417
	\$ 57,029

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued IMRF financial report – Schedule of Changes in Fiduciary Net Position by Employer.

DUPAGE TOWNSHIP, ILLINOIS

Notes to the Financial Statements
 March 31, 2016

7. Schedules of Interfund Balances and Transfers are as follows:

Receivable Fund	Payable Fund	Amount
Major Funds		
General Town Fund	General Assistance Fund	\$ 3,768
Banquet Rentals Fund	General Assistance Fund	\$ 8,819
	General Town Fund	2,250
		<u>\$ 11,069</u>
Nonmajor Fund		
Cemetery Fund	General Assistance Fund	<u>\$ 813</u>

Receiving Fund	Transferring Fund	Amount
Major Fund		
General Town Fund	Banquet Rentals Fund	<u>\$ 15,928</u>

The Banquet Rentals Fund transfer of \$15,928 to the General Town Fund was to provide funds for debt service payments.

8. Restatement

The governmental activities beginning net position was restated due to the implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB No. 27*, and Governmental Accounting Standards Board Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, as follows:

Governmental Activities

Net Position, April 1, 2015, as Previously Reported	\$ 3,168,550
Adjustment to Recognize Net Pension Liability at April 1, 2015	(458,643)
Adjustment at April 1, 2015 for Pension Contributions Subsequent to December 31, 2014 Through March 31, 2015	<u>28,500</u>
Net Position, April 1, 2015, as Restated	<u>\$ 2,738,407</u>

DUPAGE TOWNSHIP, ILLINOIS

Notes to the Financial Statements
March 31, 2016

9. Future Pronouncements

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

Statement No. 72, *Fair Value Measurement and Application*. This Statement was issued to enhance comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. This Statement also will enhance fair value application guidance and related disclosures in order to provide information to financial statement users about the impact of fair value measurements on a government's financial position. The Township is required to implement this Statement for the fiscal year ending March 31, 2017.

Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73*, is effective for periods beginning after June 15, 2016, except for certain of its provisions which are effective on or after June 15, 2017. GASB 82 addresses three issues: presentation of payroll-related measures in Required Supplementary Information, selection of assumptions and classification of employer-paid member contributions.

**REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)**

DUPAGE TOWNSHIP, ILLINOIS

Required Supplementary Information

Illinois Municipal Retirement Fund

Schedule of Changes in the Township's Net Pension Liability and Related Ratios
March 31, 2016

Calendar Year Ended December 31,	2015
Total Pension Liability	
Service Cost	\$ 109,865
Interest	272,002
Changes in Benefit Terms	
Differences Between Expected and Actual Experience	(155,848)
Change of Assumptions	14,231
Benefit Payments, Including Refunds of Member Contributions	<u>(147,714)</u>
Net Change in Total Pension Liability	92,536
Total Pension Liability - Beginning	<u>3,650,459</u>
Total Pension Liability - Ending	<u><u>\$ 3,742,995</u></u>
Plan Fiduciary Net Position	
Contributions - Township	\$ 116,222
Contributions - Members	45,597
Net Investment Income	15,994
Benefit Payments, Including Refunds of Member Contributions	(147,714)
Other (Net Transfer)	<u>(348,577)</u>
Net Change in Plan Fiduciary Net Position	(318,478)
Plan Net Position - Beginning	<u>3,191,816</u>
Plan Net Position - Ending	<u><u>\$ 2,873,338</u></u>
Township's Net Pension Liability	<u><u>\$ 869,657</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	76.77%
Covered Employee Payroll	\$ 1,013,263
Township's Net Pension Liability as a Percentage of Covered-Employee Payroll	85.83%

GASB Statement No. 68 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted in 2016. The information in this schedule has been determined as of the Township's measurement date (December 31) of the Township's net pension liability.

DUPAGE TOWNSHIP, ILLINOIS

Required Supplementary Information

Illinois Municipal Retirement Fund

Schedule of Township's Contributions
March 31, 2016

Year Ended	Actuarially Determined Contribution	Actual Contributions	Contribution Excess/ (Deficiency)	Covered Employee Payroll	Actual Contributions as a Percentage of Covered Employee Payroll
3/31/2016	\$ 116,957	116,957		1,025,619	11.40%

Notes to the Required Supplementary Information

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

Methods and Assumptions Used to Determine 2015 Contribution Rates

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	28-Years Closed Period
Asset Valuation Method	5-Year Smoothed Market; 20% Corridor
Wage Growth	4.00%
Price Inflation	3.00% approximate; no explicit price inflation assumption is used in this valuation.
Salary Increases	4.40% to 16.00%, Including Inflation
Investment Rate of Return	7.50%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2011 valuation pursuant to an experience study of the period 2008 to 2010.
Mortality	RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.
Other	There were no benefit changes during the year.

Information above based on valuation assumptions used in the December 31, 2013 actuarial valuation; note two year lag between valuation and rate setting.

GASB Statement No. 68 requires the presentation of ten fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted in fiscal year 2016. Information in this schedule has been determined as of the Township's most recent fiscal year-end.

DUPAGE TOWNSHIP, ILLINOIS

Required Supplementary Information

General Town Fund

Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended March 31, 2016

	Original/Final Budget	Actual	Variance from Final Budget Over (Under)
Revenues			
Property Taxes	\$ 1,994,857	1,980,013	(14,844)
Replacement Taxes	110,000	112,950	2,950
Charges for Services	5,500	8,845	3,345
Food Pantry	5,000	7,744	2,744
Levy Memberships and Senior Programs	22,200	17,199	(5,001)
Expense Reimbursement	500		(500)
Grants	20,000	976	(19,024)
Interest Income	489	1,250	761
Miscellaneous Revenue	2,800	3,354	554
Assessor's Miscellaneous Revenue	200		(200)
Total Revenues	2,161,546	2,132,331	(29,215)
Expenditures			
Administration			
Personnel Services			
Salaries	271,000	264,214	(6,786)
Elected Officials Salaries	145,200	145,200	
Health Insurance	22,000	18,325	(3,675)
IMRF	81,533	127,063	45,530
Social Security	125,018	85,199	(39,819)
Unemployment Insurance	2,400	2,447	47
Workers' Compensation	4,000	2,736	(1,264)
Total Personnel Services	651,151	645,184	(5,967)
Contractual Services			
Computer Technology	6,000	4,098	(1,902)
Dues	3,500	3,802	302
Legal	12,500	14,158	1,658
Liability Insurance	50,000	49,606	(394)
Maintenance			
Buildings	1,000	339	(661)
Equipment	6,000	6,063	63
Cemetery	1,700	779	(921)
Lawn	2,250	432	(1,818)
Postage	1,500	518	(982)
Printing	1,500	1,124	(376)
Professional Services	20,000	18,550	(1,450)
Publications/Publishing	1,500	1,088	(412)
Reoccurring Services	4,500	4,764	264
Telephone	11,500	9,886	(1,614)
Training	6,500	3,693	(2,807)
Travel	2,500	874	(1,626)

(Cont.)

DUPAGE TOWNSHIP, ILLINOIS

Required Supplementary Information

General Town Fund

Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Cont.)
For the Year Ended March 31, 2016

	Original/Final Budget	Actual	Variance from Final Budget Over (Under)
Expenditures (Cont.)			
Administration (Cont.)			
Contractual Services (Cont.)			
Utilities	14,000	13,804	(196)
Volunteer Dinner	3,500	3,258	(242)
Total Contractual Services	<u>149,950</u>	<u>136,836</u>	<u>(13,114)</u>
Commodities			
Office Supplies	5,000	1,813	(3,187)
Operating Supplies	9,000	7,878	(1,122)
Total Commodities	<u>14,000</u>	<u>9,691</u>	<u>(4,309)</u>
Capital Outlay			
Building	5,000	3,774	(1,226)
Capital Improvements	9,000	5,482	(3,518)
Parking Lot	12,500	8,543	(3,957)
Equipment	1,000	965	(35)
Landscaping	3,500	2,239	(1,261)
Total Capital Outlay	<u>31,000</u>	<u>21,003</u>	<u>(9,997)</u>
Miscellaneous/Contingency			
	1,500	1,341	(159)
Total Administration	<u>847,601</u>	<u>814,055</u>	<u>(33,546)</u>
Assessor's Division			
Personnel Services			
Salaries	299,000	302,803	3,803
Health Insurance	26,400	24,851	(1,549)
Unemployment Insurance	2,950	3,330	380
Workers' Compensation	1,300	2,537	1,237
Total Personnel Services	<u>329,650</u>	<u>333,521</u>	<u>3,871</u>
Contractual Services			
Dues	500	610	110
Legal	2,300	210	(2,090)
Maintenance - Equipment	1,900	2,037	137
Outside Appraisals	4,900		(4,900)
Postage	150	150	
Printing	230	324	94
Publications/Licenses	680	913	233
Telephone	4,000	3,325	(675)
Training	3,520	5,645	2,125
Travel	6,000	3,637	(2,363)
Total Contractual Services	<u>24,180</u>	<u>16,851</u>	<u>(7,329)</u>

(Cont.)

DUPAGE TOWNSHIP, ILLINOIS

Required Supplementary Information

General Town Fund

Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Cont.)
For the Year Ended March 31, 2016

	Original/Final Budget	Actual	Variance from Final Budget Over (Under)
Expenditures (Cont.)			
Assessor's Division (Cont.)			
Commodities			
Office Supplies	1,850	2,595	745
Capital Outlay			
Equipment	4,210	2,759	(1,451)
Computers	3,200	2,776	(424)
Licenses	9,740	8,140	(1,600)
Total Capital Outlay	17,150	13,675	(3,475)
Miscellaneous	240	333	93
Total Assessor's Division	373,070	366,975	(6,095)
Youth Services			
Personnel Services			
Salaries	18,000	18,020	20
Unemployment Insurance	225		(225)
Workers' Compensation	300	300	
Total Personnel Services	18,525	18,320	(205)
Contractual Services			
Dues	100	100	
Golf Program	8,500	8,419	(81)
Junior Miss Scholarship	3,500	3,217	(283)
N.O.A.D.F.	10,000	9,768	(232)
New Programs	27,400	25,220	(2,180)
Resource Materials	3,500	3,944	444
Rotary Top Ten Scholarship	500	500	
S.T.A.R.S. Convention	4,100	5,140	1,040
Scholastic Scholarships	7,500	7,500	
Sports Sponsorship	5,000	5,235	235
Training	100	110	10
Travel	100		(100)
Village Picnics/Celebrations	7,000	7,050	50
Total Contractual Services	77,300	76,203	(1,097)
Commodities			
Operating Supplies	700	382	(318)
Miscellaneous	200	57	(143)
Total Youth Services	96,725	94,962	(1,763)

(Cont.)

DUPAGE TOWNSHIP, ILLINOIS

Required Supplementary Information

General Town Fund

Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Cont.)
For the Year Ended March 31, 2016

	Original/Final Budget	Actual	Variance from Final Budget Over (Under)
Expenditures (Cont.)			
Senior Programming			
Personnel Services			
Salaries	149,000	147,083	(1,917)
Health Insurance	18,000	11,895	(6,105)
Unemployment Insurance	1,600	1,520	(80)
Workers' Compensation	1,000	1,197	197
Total Personnel Services	169,600	161,695	(7,905)
Contractual Services			
Computer Technology	1,800		(1,800)
Dues	300	210	(90)
Education/Recreation	1,300	1,012	(288)
Extended Travel	50		(50)
Maintenance - Van	4,000	2,699	(1,301)
Postage	3,500	2,850	(650)
Printing	18,700	17,419	(1,281)
Program Teachers	11,000	9,900	(1,100)
Recreation Trips	50	14,584	14,534
Senior Olympics	5,500	3,729	(1,771)
Social Entertainment	25,000	26,858	1,858
Telephone	3,000	4,086	1,086
Training	1,650	1,450	(200)
Travel	500	311	(189)
Total Contractual Services	76,350	85,108	8,758
Commodities			
Operating Supplies	4,200	2,451	(1,749)
Fuel/Oil - Van	1,800		(1,800)
Total Commodities	6,000	2,451	(3,549)
Other Expenditures			
Programs	1,000	1,499	499
Promotions/Advertising	6,000	2,813	(3,187)
Miscellaneous	200	111	(89)
Total Other Expenditures	7,200	4,423	(2,777)
Total Senior Programming	259,150	253,677	(5,473)

(Cont.)

DUPAGE TOWNSHIP, ILLINOIS

Required Supplementary Information

General Town Fund

Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Cont.)
For the Year Ended March 31, 2016

	Original/Final Budget	Actual	Variance from Final Budget Over (Under)
Expenditures (Cont.)			
Social Services			
Contractual Services			
Social Service Providers	30,000	16,863	(13,137)
PACE Transportation	50,000	35,222	(14,778)
Social Service Grants	25,000	25,000	
Counseling Service	10,000	10,000	
Total Social Services	<u>115,000</u>	<u>87,085</u>	<u>(27,915)</u>
Levy Senior Center			
Contractual Services			
Maintenance			
Buildings	7,000	3,620	(3,380)
Equipment	9,500	6,709	(2,791)
Recurring Services	10,500	9,293	(1,207)
Total Contractual Services	<u>27,000</u>	<u>19,622</u>	<u>(7,378)</u>
Commodities			
Operating Supplies	12,500	13,591	1,091
Decorations	1,000	244	(756)
Total Commodities	<u>13,500</u>	<u>13,835</u>	<u>335</u>
Capital Outlay			
Building and Grounds	42,250	34,551	(7,699)
Equipment	8,000	1,574	(6,426)
Landscaping	6,000	5,722	(278)
Total Capital Outlay	<u>56,250</u>	<u>41,847</u>	<u>(14,403)</u>
Total Levy Senior Center	<u>96,750</u>	<u>75,304</u>	<u>(21,446)</u>
Road Maintenance			
Personnel Services			
Salaries	80,000	76,436	(3,564)
Health Insurance	4,500	5,432	932
Unemployment Insurance	2,000	938	(1,062)
Workers' Compensation	2,000	1,999	(1)
Total Personnel Services	<u>88,500</u>	<u>84,805</u>	<u>(3,695)</u>
Contractual Services			
Maintenance			
Buildings	17,600	21,200	3,600
Equipment	20,000	21,131	1,131
Road	1,200	1,200	

(Cont.)

DUPAGE TOWNSHIP, ILLINOIS

Required Supplementary Information

General Town Fund

Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Cont.)
For the Year Ended March 31, 2016

	Original/Final Budget	Actual	Variance from Final Budget Over (Under)
Expenditures (Cont.)			
Road Maintenance (Cont.)			
Contractual Services (Cont.)			
Printing	500		(500)
Telephone	3,500	3,497	(3)
Travel	2,500	1,431	(1,069)
Uniforms	750	653	(97)
Utilities	11,200	12,229	1,029
Total Contractual Services	<u>57,250</u>	<u>61,341</u>	<u>4,091</u>
Commodities			
Automotive Fuel/Oil	13,000	7,907	(5,093)
Maintenance Supplies			
Equipment	2,000	540	(1,460)
Road	13,000	5,284	(7,716)
Office Supplies	500	454	(46)
Operating Supplies	2,350	1,676	(674)
Total Commodities	<u>30,850</u>	<u>15,861</u>	<u>(14,989)</u>
Capital Outlay			
Parking Lot	1,500		(1,500)
Office Equipment	250		(250)
Road Equipment	25,000	30,440	5,440
Building Grounds	5,000	4,622	(378)
Total Capital Outlay	<u>31,750</u>	<u>35,062</u>	<u>3,312</u>
Miscellaneous			
Miscellaneous/Contingency	200	75	(125)
Total Road Maintenance	<u>208,550</u>	<u>197,144</u>	<u>(11,406)</u>
Food Pantry			
Personnel Services			
Salaries	95,500	90,281	(5,219)
Health Insurance	2,000	5,704	3,704
Unemployment Insurance	2,300	2,474	174
Workers' Compensation	1,700	1,699	(1)
Total Personnel Services	<u>101,500</u>	<u>100,158</u>	<u>(1,342)</u>
Contractual Services			
Maintenance - Equipment	2,400	3,135	735
Printing	500	658	158
Travel	300	1,200	900
Total Contractual Services	<u>3,200</u>	<u>4,993</u>	<u>1,793</u>

(Cont.)

DUPAGE TOWNSHIP, ILLINOIS

Required Supplementary Information

General Town Fund

Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Cont.)
For the Year Ended March 31, 2016

	Original/Final Budget	Actual	Variance from Final Budget Over (Under)
Expenditures (Cont.)			
Food Pantry (Cont.)			
Commodities			
Holiday Meals	22,000	17,552	(4,448)
Operating Supplies	28,000	16,818	(11,182)
Total Commodities	<u>50,000</u>	<u>34,370</u>	<u>(15,630)</u>
Capital Outlay			
Equipment	<u>10,000</u>	<u>10,780</u>	<u>780</u>
Total Food Pantry	<u>164,700</u>	<u>150,301</u>	<u>(14,399)</u>
Debt Service			
Principal		35,196	35,196
Interest		2,251	2,251
Total Debt Service	<u>-</u>	<u>37,447</u>	<u>37,447</u>
Total Expenditures	<u>2,161,546</u>	<u>2,076,950</u>	<u>(84,596)</u>
Excess of Revenues over Expenditures	-	55,381	55,381
Other Financing Sources			
Transfer In - Banquet Fund - Debt Service		15,928	15,928
Net Change in Fund Balance	<u>\$ -</u>	<u>71,309</u>	<u>71,309</u>
Fund Balance			
Beginning		<u>1,181,603</u>	
Ending		<u>1,252,912</u>	

DUPAGE TOWNSHIP, ILLINOIS

Required Supplementary Information

General Assistance Fund

Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended March 31, 2016

	Original/Final Budget	Actual	Variance from Final Budget Over (Under)
Revenues			
Property Taxes	\$ 244,601	263,210	18,609
Interest Income	550	1,107	557
Total Revenues	245,151	264,317	19,166
Expenditures			
Administration			
Personnel Services			
Salaries	91,000	90,879	(121)
Health Insurance	11,100	11,883	783
Unemployment Insurance	1,000	829	(171)
Workers' Compensation	2,000	2,000	
Total Personnel Services	105,100	105,591	491
Contractual Services			
Legal	200		(200)
Postage	1,000	1,492	492
Telephone	2,500	1,265	(1,235)
Dues	100	100	
Travel	1,200	1,002	(198)
Training	1,500	1,526	26
Social Services	5,000	5,225	225
Total Contractual Services	11,500	10,610	(890)
Commodities			
Office Supplies	2,500	479	(2,021)
Capital Outlay			
Equipment	500	350	(150)
Miscellaneous/Contingency			
	500		(500)
Total Administration	120,100	117,030	(3,070)
Home Relief			
Contractual Services			
Physician Service	10,000		(10,000)
Hospital Service			
Inpatient	10,000		(10,000)
Outpatient	10,000		(10,000)
Drugs	4,000	430	(3,570)
Other Medical Services	9,000	6,879	(2,121)
Funeral and Burial Service	9,000	5,850	(3,150)

DUPAGE TOWNSHIP, ILLINOIS

Required Supplementary Information

General Assistance Fund

Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Cont.)
For the Year Ended March 31, 2016

	Original/Final Budget	Actual	Variance from Final Budget Over (Under)
Expenditures (Cont.)			
Home Relief (Cont.)			
Contractual Services (Cont.)			
Utilities	45,000	26,107	(18,893)
Social Services	50,000	49,297	(703)
Shelter	37,000	15,686	(21,314)
Total Contractual Services	<u>184,000</u>	<u>104,249</u>	<u>(79,751)</u>
Commodities			
Food	2,000	305	(1,695)
Job Search	1,500	1,643	143
Personal Incidentals	700	417	(283)
Transportation	2,000	1,097	(903)
Community Work Program Training	1,500	1,213	(287)
Total Commodities	<u>7,700</u>	<u>4,675</u>	<u>(3,025)</u>
Total Home Relief	<u>191,700</u>	<u>108,924</u>	<u>(82,776)</u>
Total Expenditures	<u>311,800</u>	<u>225,954</u>	<u>(85,846)</u>
Net Change in Fund Balance	<u>\$ (66,649)</u>	38,363	<u>105,012</u>
Fund Balance			
Beginning		<u>164,085</u>	
Ending		<u>202,448</u>	

DUPAGE TOWNSHIP, ILLINOIS

Notes to Required Supplementary Information
March 31, 2016

1. Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all Township funds. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year end.

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

- The Supervisor will submit a proposed budget for the fiscal year commencing April 1 to the Board at a regular or special meeting that will be held prior to June 1. The budget includes proposed expenditures and the means of financing them.
- A public meeting is held to permit a review of the budget.
- The budget is made available for public inspection for at least 30 days prior to passage by the Board.
- The budget is legally enacted through passage of the Budget and Appropriations Ordinance prior to July 1.
- The Board of Township Trustees may:
 - Amend the Budget and Appropriations Ordinance in the same manner as its original enactment.
 - Transfer between items of any fund not exceeding in the aggregate ten percent (10%) of the total amount appropriated in such fund.
 - After six months of the fiscal year, by two-thirds vote, transfer any appropriation item it anticipates will not be expended to any other appropriation item.

Management cannot amend the Budget and Appropriations Ordinance; however, expenditures may not exceed appropriations at the fund level. The Board of Trustees, as outlined above, must approve expenditures that exceed individual appropriations at the fund level. During the year, no supplemental appropriations or changes within a fund were issued.

SUPPLEMENTAL INFORMATION

PROPRIETARY FUND

DUPAGE TOWNSHIP, ILLINOIS

Proprietary Fund

Banquet Rentals Fund

Schedule of Change in Net Position - Budget and Actual
For the Year Ended March 31, 2016

	Original/Final Budget	Actual	Variance from Final Budget Over (Under)
Operating Revenues			
Caterer	\$ 8,000	9,975	1,975
Open Bar Fees	35,000	38,091	3,091
Cash Bar Fees	34,000	29,160	(4,840)
Bar Set-up Fees	8,000	10,950	2,950
Rental Fees	45,000	53,906	8,906
Miscellaneous	2,900	5,768	2,868
Total Operating Revenues	132,900	147,850	14,950
Operating Expenses			
Administration			
Personnel Services			
Salaries	36,500	40,617	4,117
Social Security	5,100	5,331	231
Unemployment Insurance	800	869	69
Workers' Compensation	725	1,008	283
Total Personnel Services	43,125	47,825	4,700
Contractual Services			
Maintenance - Building	200		(200)
Liquor License/Insurance	3,500	3,550	50
State Sales Tax	5,000	7,535	2,535
Profit Distributions			
Bus rental		13,329	13,329
Bolingbrook Liquor Tax	3,400	3,562	162
Utilities	26,000	24,239	(1,761)
Total Contractual Services	38,100	52,215	14,115
Commodities			
Operating Supplies	1,000	933	(67)
Liquor	20,000	16,360	(3,640)
Promotion	14,000	8,565	(5,435)
Equipment	500	206	(294)
Total Commodities	35,500	26,064	(9,436)
Total Operating Expenses	116,725	126,104	9,379
Operating Income	16,175	21,746	5,571
Nonoperating Income			
Interest Income	50	100	50
Income Before Transfer Out	16,225	21,846	5,621
Transfer Out - General Fund - Debt Service	(16,000)	(15,928)	72
Change in Net Position	\$ 225	5,918	5,693