

MILTON TOWNSHIP, ILLINOIS  
ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED  
MARCH 31, 2021

**MILTON TOWNSHIP, ILLINOIS**

**TABLE OF CONTENTS**

**PAGE**

**INTRODUCTORY SECTION**

Letter of Transmittal

1

**FINANCIAL SECTION**

**INDEPENDENT AUDITORS' REPORT**

9

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

13

**BASIC FINANCIAL STATEMENTS**

Government-Wide Financial Statements

Statement of Net Position

22

Statement of Activities

24

Fund Financial Statements

Balance Sheet – Governmental Funds

25

Reconciliation of Total Governmental Fund Balance to the

Statement of Net Position – Governmental Activities

26

Statement of Revenues, Expenditures and Changes in

Fund Balances – Governmental Funds

28

Reconciliation of the Statement of Revenues, Expenditures and Changes in

Fund Balances to the Statement of Activities – Governmental Activities

29

Statement of Fiduciary Net Position

30

Statement of Changes in Fiduciary Net Position

31

Notes to Financial Statements

32

**REQUIRED SUPPLEMENTARY INFORMATION**

Schedule of Employer Contributions

Illinois Municipal Retirement Fund

58

Schedule of Changes in the Employer's Net Pension Liability

Illinois Municipal Retirement Fund

59

Schedule of Changes in the Employer's Total OPEB Liability

Retiree Benefits Plan

61

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

General Fund

62

Road and Bridge – Special Revenue Fund

63

Permanent Road – Permanent Fund

64

**MILTON TOWNSHIP, ILLINOIS**

**TABLE OF CONTENTS**

**PAGE**

**FINANCIAL SECTION – Continued**

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

Schedule of Expenditures – Budget and Actual	
General Fund	
Road and Bridge – Special Revenue Fund	68
Combining Balance Sheet – Nonmajor Governmental Funds	71
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	73
Nonmajor Governmental Funds	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	75
General Assistance – Special Revenue Fund	
Schedule of Expenditures – Budget and Actual – General Assistance	77
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	78
Road IMRF – Special Revenue Fund	
Road Social Security – Special Revenue Fund	79
Road Tort Liability – Special Revenue Fund	80
Mosquito Abatement – Special Revenue Fund	81
Police District – Special Revenue Fund	82
Combining Statement of Fiduciary Net Position - Custodial Funds	83
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds	84
	85

**SUPPLEMENTAL SCHEDULE**

Schedule of Assessed Valuation, Tax Rates, and Tax Extension - Last Eight Tax Levy Years	88
--	----

## **INTRODUCTORY SECTION**

This section includes miscellaneous data regarding the Milton Township:

- Transmittal Letter



# MILTON TOWNSHIP A.F.R. TRANSMITTAL LETTER

Milton Township  
1492 N. Main Street,  
Wheaton, IL 60187  
PH: 630.668.1616

June 1, 2022

Board of Trustees  
Milton Township  
1492 N. Main Street,  
Wheaton, IL 60187

Honorable Trustees:

State law requires that all general-purpose local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed, certified public accountants (CPA). Pursuant to said requirement, we hereby submit our Annual Financial Report (AFR) for the fiscal year ended March 31<sup>st</sup>, 2021. This report, pertaining to a fiscal year prior to their installment, was completed by the Township Supervisor, Manager and Accountant and consists of management's representations concerning the finances of Milton Township. The accuracy of all data presented, the completeness and reliability of the presentation, including all disclosures, is the complete responsibility of Milton Township, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable rather than an absolute assurance that the financial statements are free of any material misstatements.

Milton Township's financial statements have been audited by Lauterbach & Amen, LLP, a firm of licensed certified public accountants. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Based upon the audit, the independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that Milton Township's financial statements for the fiscal year ended March 31<sup>st</sup>, 2021, are fairly presented in conformity with GAAP. Accordingly, the independent auditor's report is presented as the first component of the financial section of this report.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement Management's Discussion and Analysis and should be read in conjunction with it. Milton Township's MD&A can be found immediately following the independent auditor's report.

## **Profile of the Town of Milton**

Established by statute in 1850, Milton Township is a non-home rule municipal corporation located approximately 25 miles west of the City of Chicago in the center of DuPage County. As a survey township, Milton contains all of Wheaton, Glen Ellyn, a significant portion of South Carol Stream, and small parts of the villages of Lombard, Winfield, Downers Grove, Naperville, Lisle, and Glendale Heights within its 36 square mile borders. The Township maintains two locations: the Town Hall at 1492 N. Main Street in Wheaton and the Highway Department Facility at 330 Poss Street in Glen Ellyn.

The Township operates under a trustee form of government defined by Illinois Compiled Statutes. The Township Supervisor, Township Clerk, and four trustees are elected at large to serve four-year terms. The Trustees for the fiscal year 2020 were Salvatore Falbo, Yadav Nathwani, David Molitor, and John Monino. Township Trustees, formerly known as "Town Auditors," are responsible for a monthly review of all incurred claims and are voting members of the Town Board. The Township Supervisor, at that time, Chris Heidorn, is Chairman and a voting member of the Town board. The Township Clerk, a non-voting member of the board responsible for taking meeting minutes, was Gail Hinkle. The Township Board acts as the legislative branch of the Township and is responsible for general policies and oversight outside the individual jurisdictions of the other Township elected officials. The Township Assessor, Highway Commissioner, and Supervisor of General Assistance (also Township Supervisor) are elected at large for four-year terms to administer their respective duties: property assessment, road improvement and maintenance, and the administration of General Assistance as provided in 60 ILCS 1/. The Township Board is responsible for adopting all budgets and levies of the Township.

Upon the 2021 consolidated election, all new Milton Town Board members were elected with their term beginning May 17<sup>th</sup>, 2021. Town Board members now include Trustees Jeff Castle, Drew Ellis, Joe Soto, Dan Milinko, Clerk Yadav Nathwani, and Supervisor John Monino. In addition, Highway Commissioner Gary Muehlfelt and Assessor Chris LeVan retained their offices.

According to the American Community Survey, Milton serves approximately 120,237 residents, a marginal increase from the 117,067-person population in 2010. The Township is primarily residential and commercial in nature, with 43,088 individual households and a median household income of \$103,462. The per capita income is \$52,520. Milton businesses operate across 1,731 commercial and 242 industrial properties. Milton Township has modest growth potential, with the primary source of residential mobility deriving from residents moving from within DuPage County (6.4%). The second largest source is residents incoming from a different county in Illinois (3.1%).

Milton Township contains many mature and developed communities with limited new construction bringing slight year-over-year increases to the Township's equalized assessed value (EAV) in addition to other factors. As a result, Milton's EAV has increased by 4.2% throughout the last three tax years.

Table 1 - 8 Year EAV History

Year	Total EAV	Base EAV	New Property EAV	% of Total EAV	Total EAV % Increase	Total EAV \$ Increase
2014	\$4,541,296,491	\$4,511,617,841	\$29,678,650	0.0065	-	-
2015	\$4,722,013,366	\$4,689,269,858	\$32,743,508	0.0069	4.0%	\$180,716,875
2016	\$4,985,813,964	\$4,953,475,804	\$32,338,160	0.0065	5.6%	\$263,800,598
2017	\$5,229,359,860	\$5,196,556,675	\$32,803,185	0.0063	4.9%	\$243,545,896
2018	\$5,461,430,123	\$5,431,845,413	\$29,584,710	0.0054	4.4%	\$232,070,263
2019	\$5,600,320,737	\$5,575,732,085	\$24,588,652	0.0044	2.5%	\$138,890,614
2020	\$5,734,493,611	\$5,709,322,461	\$25,171,150	0.0044	2.4%	\$134,172,874
2021	\$5,837,710,349	\$5,801,266,579	\$36,443,770	0.0062	1.8%	\$103,216,738

In FY2020, Milton Township taxed for three agencies: Town of Milton, Public (General) Assistance, and Milton Township Road District, collectively comprising the Township's levies, budgets, and services. Within the taxing bodies, there are several distinct funds: Town Fund (corporate), General Assistance Fund, Road and Bridge Fund, Permanent Road Fund, Highway Pension Fund (IMRF), Highway Insurance Fund (TORT Liability), Highway Social Security Fund, Special Police Fund, and the Consolidated Milton-Glen Ellyn Mosquito Abatement District Fund.

### Financial Information

The financial reporting entity (the Township) includes all the funds of the primary government (i.e., the Town of Milton) and any component units. The Township's levies provide for a full range of services, including senior wellness and transportation services; veteran's community services; youth and family services; community emergency response services (Citizens Corps); general assistance services for the impoverished; cultural and recreational activities; cemetery maintenance and restoration services; complete highway, drainage, right-of-way maintenance, and construction services through the Township Road District; and property valuation and assessment services through the Township Assessor's Department. The Township also provides three public safety officers to patrol unincorporated land (dedicated DuPage County Sheriff's Deputies) through a voter-approved special taxing district. Lastly, the Township contracts for mosquito abatement services covering Milton (all unincorporated) and Glen Ellyn (incorporated), helping reduce the nuisance and transmission of vector-borne arboviral diseases.

The accounts of the Township are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that make up its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures. Resources are allocated to and accounted for in individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled.

The Township also participates in the Illinois Municipal Retirement fund, a separate legal entity because (1) it is an organized entity, (2) has governmental character, and (3) is substantially autonomous. Therefore, audited financial statements for IMRF are not included in this report. However, such statements are available upon request from their office.

The Township's accounting practices can be best described as Modified Cash-Basis; this best uses the practices of both cash and accrual accounting. The Township has both short- and long-term obligations with budgetary expectations that draw from a static, primarily property tax funded revenue stream. In order for the Township to be financially responsible and remain solvent, a Modified Cash-Basis of recordkeeping is needed. Short-term assets/liabilities are recorded on a cash basis, and long-term assets/liabilities are recorded on an accrual basis. At the conclusion of our fiscal year, certain modifications to Milton Township's accounting records are needed for governmental reporting of multi-fund financial statements on the accrual basis of accounting. Under this basis, revenues are recorded when earned, and expenses are recorded when incurred.

In developing and maintaining the Township's accounting system, consideration is given to the adequacy of the internal control structure. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. As a result, we believe that the Township's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary control has been established at the individual fund level. Financial reports are produced showing budget and actual expenditures by line item. They are distributed monthly to Township departmental management and the members of the Town Board and are available online or at the Township upon request by others.

Individual line items are reviewed and analyzed for budgetary compliance. Personnel expenditures are monitored and controlled at a position level, and capital expenditures are monitored and controlled by item. Revenue budgets are reviewed monthly.

Additionally, as aforementioned, all expenditures are reviewed by the Town Board prior to the release of payments.

### **Annual Financial Highlights**

Milton Township continued to run with a balanced budget and no debt. Additionally, the Township pursued several new cost savings initiatives and expanded youth service offerings.

The Township was instrumental in creating the Township Road District Alliance of DuPage, an Inter-governmental Agreement (IGA) to help increase the ability for resource sharing, cost savings, and efficiencies.



The Township initiated the revival of the Milton Township Youth Scholarship Program, providing funding for qualifying adolescents' participation in recreational and extracurricular activities. The scholarship can be used to cover fees and equipment costs or any other fees not otherwise covered by alternative programs and subsidies.

The Township negotiated with Metlife Dental Insurance, receiving a 0% increase for the year 2020, and maintained low employee benefits expenditures.

The Milton Township Cemeteries Authority administered the installation of a new flagpole and lighting at the beautiful Pleasant Hill Cemetery on Geneva Road. The Township also renovated the Jewell Family gravesite, installing a brand-new rod iron fence.

### **Long-term Financial Planning**

Milton Township is dedicated to long-term financial planning and annually prepares and updates detailed operational budgets. The Township intends on opening a Capital Projects Fund (CPF) in the current fiscal year (2022) to address all capital expenditures (those exceeding \$5,000 with a life expectancy of 1+ years) governed by a 5-year plan. The Township has developed a two-year capital plan and is exploring options to address long-term facility needs, including the potential relocation/redevelopment of the Town Hall. The current short-term capital plan seeks to address emergency conditions of the Township, primarily structural and mechanical issues, ultimately providing for the minimum repairs necessary to bring the Town Hall to suitable condition. In creating the short-term capital plan, the Town Board concurred that no matter the fate of the current Town Hall, emergency repairs were necessary.

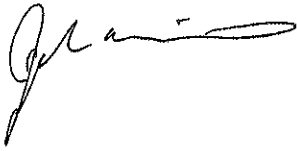
The Town Board and staff also participate in an ongoing, strategic planning process that allows for developing long-range objectives and implementation strategies. This strategic plan, coupled with the capital and operating budgets, ensures that the Township comprehensively identifies, prioritizes, and addresses areas of concern.

The Township intends to continue its long heritage of providing services to its citizens as efficiently and cost-effectively as possible, focusing on expanding and enhancing offerings that most directly impact the lives of residents and the community.

We want to thank the Milton Township board and elected officials for their interest and support in planning and conducting the financial operation of the Township responsibly and progressively.

Respectfully transmitted,

John Monino  
Supervisor



Alexander Heinz  
Manager



Patrick Ullrich  
Finance



## **FINANCIAL SECTION**

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information
- Supplemental Schedule

## **INDEPENDENT AUDITORS' REPORT**

This section includes the opinion of the Township's independent auditing firm.



**INDEPENDENT AUDITOR'S REPORT**

June 1, 2022

The Honorable Supervisor  
Members of the Board of Trustees  
Milton Township  
Wheaton, Illinois

**Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Milton Township, Illinois, as of and for the year ended March 31, 2021, and the related notes to the financial statements, which collectively comprise the Township's 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, each major fund, and the aggregate remaining fund information of the Milton Township, Illinois, as of March 31, 2021, 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, 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's 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's 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's 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 and budgetary comparison information, as listed in the table of contents, 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 Milton Township, Illinois' basic financial statements. The other supplementary information and supplemental schedule 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, other supplementary information and supplemental schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*Lauterbach & Amen, LLP*  
LAUTERBACH & AMEN, LLP

## **MANAGEMENT'S DISCUSSION AND ANALY**



## **MILTON TOWNSHIP, ILLINOIS**

### **Management's Discussion and Analysis March 31, 2021**

---

Our discussion and analysis of the Milton Township, Illinois' financial performance provides an overview of the Township's financial activities for the fiscal year ended March 31, 2021. Please read it in conjunction with the basic financial statements.

#### **FINANCIAL HIGHLIGHTS**

- The Township's net position increased by \$2,263,420, or 7.2 percent, as a result of this year's operations.
- During the year, government-wide revenues totaled \$6,581,158, while expenses totaled \$4,317,738, resulting in an increase to net position of \$2,263,420.
- The Township's net position totaled \$33,709,015 on March 31, 2021, which includes \$29,105,969 net investment in capital assets, \$2,613,539 subject to external restrictions, and \$1,989,507 unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors.
- The General Fund reported a decrease fund balance for the current year of \$131,455, resulting in ending fund balance of \$1,844,260, a decrease of 6.7 percent.

#### **USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Township as a whole and present a longer-term view of the Township's finances. The government-wide financial statements provide readers with a broad overview of the Township's finances, in a matter similar to a private-sector business. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Township's operations in more detail than the government-wide statements by providing information about the Township's most significant funds.

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

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

## MILTON TOWNSHIP, ILLINOIS

### Management's Discussion and Analysis March 31, 2021

---

#### USING THIS ANNUAL REPORT – Continued

##### **Government-Wide Financial Statements**

Both of the government-wide financial statements distinguish functions of the Township that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The Township only reports governmental activities, which include general government, public safety, highways and streets, and health and welfare.

##### **Governmental Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Township, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Township are reported as governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Township's near-term financing requirements.

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

The Township maintains ten individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Road and Bridge Fund, and the Permanent Road Fund which are considered major funds. Data from the other seven governmental funds are combined into a single, aggregated presentation. The Township adopts an annual appropriated budget for all of the governmental funds, except the Motor Fuel Tax Fund. A budgetary comparison schedule for all funds has been provided to demonstrate compliance with this budget.

##### **Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Township's own programs. The accounting use for fiduciary funds is much like that used for proprietary funds.

# MILTON TOWNSHIP, ILLINOIS

## Management's Discussion and Analysis March 31, 2021

---

### USING THIS ANNUAL REPORT – Continued

#### Notes to the Financial Statements

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

#### Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Township's I.M.R.F. employee pension obligations and budgetary comparison schedules for the General Fund and special revenue funds. The individual fund schedules can be found immediately after the required supplementary information.

#### GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Milton Township, assets/deferred outflows exceeded liabilities/deferred inflows by \$33,709,015.

	Net Position	
	2021	2020
Current and Other Assets	\$ 13,760,432	12,053,872
Capital Assets	29,105,969	27,524,333
Total Assets	42,866,401	39,578,205
Deferred Outflows	26,415	94,071
Total Assets/Deferred Outflows	42,892,816	39,672,276
Long-Term Debt	289,241	415,092
Other Liabilities	912,076	811,401
Total Liabilities	1,201,317	1,226,493
Deferred Inflows	7,982,484	7,053,724
Total Liabilities/Deferred Inflows	9,183,801	8,280,217
Net Position		
Investment in Capital Assets	29,105,969	27,524,333
Restricted	2,613,539	2,515,213
Unrestricted	1,989,507	1,352,513
Total Net Position	33,709,015	31,392,059

**MILTON TOWNSHIP, ILLINOIS**

**Management's Discussion and Analysis  
March 31, 2021**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued**

A large portion of the Township's net position, \$29,105,969 or 86.3 percent, reflects its investment in capital assets (for example, land, building and improvements, road equipment, office, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The Township uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

An additional portion, \$2,613,539 or 7.8 percent, of the Township's net position represents resources that are subject to external restrictions on how they may be used. The remaining 5.9 percent, or \$1,989,507, represents unrestricted net position that may be used to meet the government's ongoing obligations to citizens and creditors.

	Change in Net Position	
	2021	2020
Revenues		
Program Revenues		
Charges for Services	\$ -	-
Operating/Capital Grants/Contrib.	417,010	172,129
General Revenues		
Property Taxes	5,761,941	5,732,390
Personal Property Replacement	237,107	264,029
Interest Income	164,003	355,982
Miscellaneous	1,097	14,475
Total Revenues	<u>6,581,158</u>	<u>6,539,005</u>
Expenses		
General Government	1,223,993	2,247,172
Public Safety	601,838	568,107
Highways and Streets	2,339,481	4,110,061
Health and Welfare	152,426	186,276
Total Expenses	<u>4,317,738</u>	<u>7,111,616</u>
Change in Net Position	2,263,420	(572,611)
Net Position - Beginning as Restated	<u>31,445,595</u>	<u>31,964,670</u>
Net Position - Ending	<u>33,709,015</u>	<u>31,392,059</u>

Net position of the Township's governmental activities increased by 7.2 percent (\$33,709,015 in 2021 compared to \$31,392,059 in 2020). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, totaled \$1,989,507 at March 31, 2021.

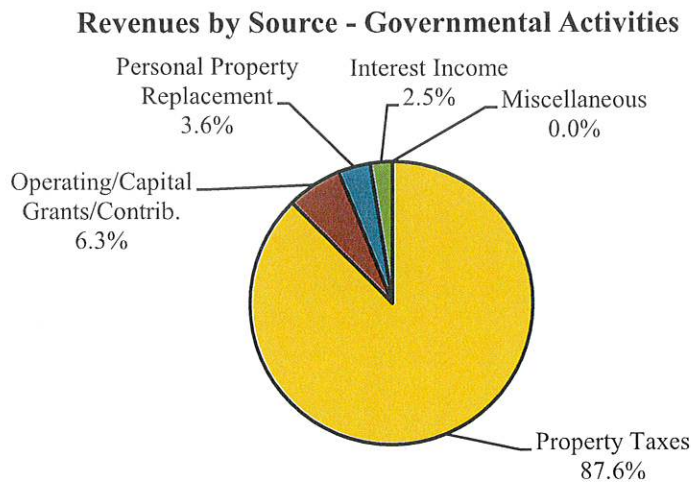
**MILTON TOWNSHIP, ILLINOIS**

**Management’s Discussion and Analysis  
March 31, 2021**

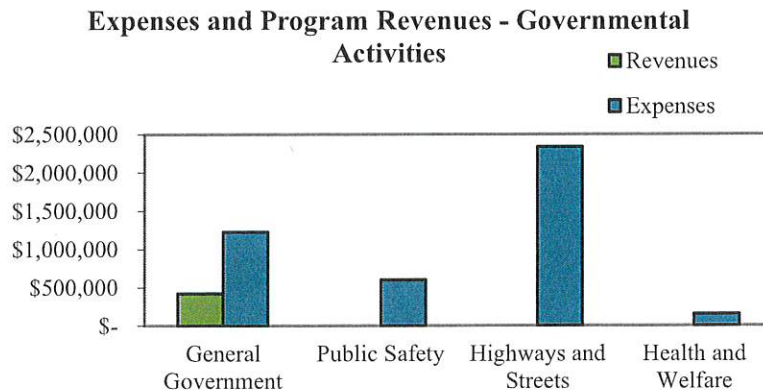
**GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued**

Revenues for governmental activities totaled \$6,581,158, while the cost of all governmental functions totaled \$4,317,738. This results in an increase of \$2,263,420. In 2020, revenues totaled \$6,539,005 while the cost of all functions totaled \$7,111,616 resulting in a decrease of \$572,611. The increase for 2021 was the result of the changes in the net pension asset for IMRF and related deferred items, coupled with the increase in operating grants.

The Township relies on a combination of grants and taxes to fund its services and programs. The following table graphically depicts the major revenue sources of the Milton Township. It depicts very clearly the reliance of property taxes to fund governmental activities. It also clearly identifies the less significant percentage the Township receives from replacement taxes.



The ‘Expenses and Program Revenues’ Table identifies that governmental functions are not supported by program revenues. All functions of the Township are supplemented with receipts from property taxes, replacement taxes, interest income and miscellaneous income (general revenues).



## **MILTON TOWNSHIP, ILLINOIS**

### **Management's Discussion and Analysis March 31, 2021**

---

#### **FINANCIAL ANALYSIS OF THE TOWNSHIP'S GOVERNMENTAL FUNDS**

As noted earlier, the Milton Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the Township's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The Township's governmental funds reported combining ending fund balances of \$4,481,934, which is \$23,090, or less than one percent, less than last year's total of \$4,505,024. Of the \$4,481,934 total, \$1,817,176, or approximately 40.5 percent, of the fund balance constitutes unassigned fund balance.

The General Fund reported a decrease in fund balance for the year of \$131,455, a decrease of 6.7 percent. Total revenues in the General Fund came in \$47,412 over budget. At the same time, expenditures of \$1,928,867 came in \$481,029 under budget, therefore resulting in an overall increase to the fund of \$368,545, prior to transfers out of \$500,000. The General Fund is the chief operating fund of the Milton Township. At March 31, 2021, unassigned fund balance in the General Fund was \$1,836,412, which represents 99.6 percent of the total fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents approximately 95.2 percent of total General Fund expenditures.

The Road and Bridge Fund reported a decrease of \$577,629 to fund balance, which was originally budgeted at a decrease of \$896,856. Ending fund balance is reported at a deficit of \$19,236. This decrease in the current year is due to planned spending more on current year expenditures, then the revenue that was received.

The Permanent Road Fund reported an increase of \$536,327 to fund balance, which was originally budgeted at an increase of \$520,600. Ending fund balance is reported at \$536,327. This increase in the current year is due to spending less on current year expenditures than the property taxes that were received.

#### **GENERAL TOWNSHIP FUND BUDGETARY HIGHLIGHTS**

The Milton Township's Board did not make any budget amendments to the General Fund during the year. General Fund actual revenues for the year totaled 2,297,412, compared to final budgeted revenues of \$2,250,000. This was due in large part to replacement taxes and grants and donations being higher than budgeted.

The General Fund actual expenditures for the year were \$481,029 lower than budgeted (\$1,928,867 actual compared to \$2,409,896 final budgeted). This was due to all expenditure functions coming in lower than what was budgeted, except the cemetery/weeks park function.

# MILTON TOWNSHIP, ILLINOIS

## Management's Discussion and Analysis March 31, 2021

---

### CAPITAL ASSETS

The Township's investment in capital assets for its governmental activities as of March 31, 2021, was \$29,105,969 (net of accumulated depreciation). This investment in capital assets includes land, building and improvements, road equipment, office, and infrastructure.

	Capital Assets - Net of Depreciation	
	2021	2020
Land	\$ 60,000	60,000
Building and Improvements	458,105	506,563
Road Equipment	950,732	905,667
Office	53,710	47,143
Infrastructure	27,583,422	26,004,960
Total	29,105,969	27,524,333

This year's major additions included:

Road Equipment	\$ 187,072
Office	28,840
Infrastructure	2,063,917
	<u>2,279,829</u>

Additional information on the Township's capital assets can be found in note 3 of this report.

### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Township's elected and appointed officials considered many factors when setting the fiscal year 2022 budget and the associated property tax rates and charges for services.

In preparing the budget, the Township Board, Management and Treasurer take into consideration long-term goals of the Township, along with any unforeseen expenses that might occur, as well as the potential impact of current economic conditions.

### REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Milton Township's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Township's Supervisor/Treasurer at the Township offices at 1492 North Main Street, Wheaton, Illinois 60187.

## **BASIC FINANCIAL STATEMENTS**

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.



**MILTON TOWNSHIP, ILLINOIS**

**Statement of Net Position**

**March 31, 2021**

---

**See Following Page**

**MILTON TOWNSHIP, ILLINOIS**

**Statement of Net Position**

**March 31, 2021**

---

---

<b>ASSETS</b>	
Current Assets	
Cash and Investments	\$ 4,431,055
Cash Held by Other Governmental Units	903,501
Receivables - Net of Allowances	6,835,286
Prepays	<u>51,219</u>
Total Current Assets	<u>12,221,061</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable Capital Assets	60,000
Depreciable Capital Assets	50,593,566
Accumulated Depreciation	<u>(21,547,597)</u>
Total Capital Assets	29,105,969
Other Assets	
Net Pension Asset - IMRF	<u>1,539,371</u>
Total Noncurrent Assets	<u>30,645,340</u>
Total Assets	42,866,401
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Items - IMRF	<u>26,415</u>
Total Assets and Deferred Outflows of Resources	<u>42,892,816</u>

The notes to the financial statements are an integral part of this statement.

---

---

**LIABILITIES**

Current Liabilities	
Accounts Payable	\$ 903,841
Current Portion of Long-Term Debt	8,235
Total Current Liabilities	<u>912,076</u>
Noncurrent Liabilities	
Compensated Absences	32,940
Total OPEB Liability - RBP	256,301
Total Noncurrent Liabilities	<u>289,241</u>
Total Liabilities	<u>1,201,317</u>

**DEFERRED INFLOWS OF RESOURCES**

Property Taxes	6,835,286
Deferred Items - IMRF	1,147,198
Total Deferred Inflows of Resources	<u>7,982,484</u>
Total Liabilities and Deferred Inflows of Resources	<u>9,183,801</u>

**NET POSITION**

Investment in Capital Assets	29,105,969
Restricted	
Maintenance of Roads	1,954,427
Public Safety	295,696
General Assistance	363,416
Unrestricted	<u>1,989,507</u>
Total Net Position	<u>33,709,015</u>

The notes to the financial statements are an integral part of this statement.

MILTON TOWNSHIP, ILLINOIS

Statement of Activities  
For the Fiscal Year Ended March 31, 2021

	Expenses	Program Revenues Charges for Services	Operating Grants	Net (Expenses)/ Revenues and Change in Net Position
Functions/Programs				
Governmental Activities				
General Government	\$ 1,223,993	-	417,010	(806,983)
Public Safety	601,838	-	-	(601,838)
Highways and Streets	2,339,481	-	-	(2,339,481)
Health and Welfare	152,426	-	-	(152,426)
Total Governmental Activities	<u>4,317,738</u>	-	<u>417,010</u>	<u>(3,900,728)</u>
General Revenues				
Taxes				
Property Taxes				5,761,941
Replacement Taxes				237,107
Miscellaneous				164,003
Investment Income				1,097
				<u>6,164,148</u>
Change in Net Position				2,263,420
Net Position - Beginning as Restated				<u>31,445,595</u>
Net Position - Ending				<u><u>33,709,015</u></u>

The notes to the financial statements are an integral part of this statement.

**MILTON TOWNSHIP, ILLINOIS**

**Balance Sheet - Governmental Funds  
March 31, 2021**

	Special Revenue				Totals
	General	Road and Bridge	Permanent Road	Nonmajor	
<b>ASSETS</b>					
Cash and Investments	\$ 2,468,877	402,611	677,709	881,858	4,431,055
Cash Held by Other					
Governmental Units	-	-	-	903,501	903,501
Receivables - Net of Allowances					
Property Taxes	2,064,900	1,563,348	2,091,578	1,115,460	6,835,286
Due from Other Funds	206,558	-	13,441	137,030	357,029
Prepays	7,848	-	-	43,371	51,219
Total Assets	<u>4,748,183</u>	<u>1,965,959</u>	<u>2,782,728</u>	<u>3,081,220</u>	<u>12,578,090</u>
<b>LIABILITIES</b>					
Accounts Payable	837,994	65,847	-	-	903,841
Due to Other Funds	1,029	356,000	-	-	357,029
Total Liabilities	<u>839,023</u>	<u>421,847</u>	<u>-</u>	<u>-</u>	<u>1,260,870</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property Taxes	2,064,900	1,563,348	2,091,578	1,115,460	6,835,286
Total Liabilities and Deferred Inflows of Resources	<u>2,903,923</u>	<u>1,985,195</u>	<u>2,091,578</u>	<u>1,115,460</u>	<u>8,096,156</u>
<b>FUND BALANCES</b>					
Nonspendable	7,848	-	-	43,371	51,219
Restricted	-	-	691,150	1,922,389	2,613,539
Unassigned	1,836,412	(19,236)	-	-	1,817,176
Total Fund Balances	<u>1,844,260</u>	<u>(19,236)</u>	<u>691,150</u>	<u>1,965,760</u>	<u>4,481,934</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>4,748,183</u>	<u>1,965,959</u>	<u>2,782,728</u>	<u>3,081,220</u>	<u>12,578,090</u>

The notes to the financial statements are an integral part of this statement.

**MILTON TOWNSHIP, ILLINOIS**

**Reconciliation of Total Fund Balances to the Statement of Net Position  
March 31, 2021**

---

<b>Total Fund Balances</b>	\$ 4,481,934
Amounts reported in the Statement of Net Position are different because:	
Capital assets are not financial resources and therefore, are not reported in the funds.	29,105,969
Deferred outflows (inflows) of resources related to the pensions not reported in the funds. Deferred Items - IMRF	(1,120,783)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences	(41,175)
Net Pension Liability/(Asset) - IMRF	1,539,371
Total OPEB Liability - RBP	<u>(256,301)</u>
<b>Net Position</b>	<u><u>33,709,015</u></u>

The notes to the financial statements are an integral part of this statement.

**MILTON TOWNSHIP, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Fiscal Year Ended March 31, 2021**

---

**See Following Page**

**MILTON TOWNSHIP, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended March 31, 2021**

	General	Special Revenue		Nonmajor	Totals
		Road and Bridge	Permanent Road		
<b>Revenues</b>					
Taxes	\$ 2,167,319	1,156,775	1,782,950	892,004	5,999,048
Intergovernmental	117,088	-	-	299,922	417,010
Investment Income	-	(3,268)	41	4,324	1,097
Miscellaneous	13,005	150,998	-	-	164,003
<b>Total Revenues</b>	<b>2,297,412</b>	<b>1,304,505</b>	<b>1,782,991</b>	<b>1,196,250</b>	<b>6,581,158</b>
<b>Expenditures</b>					
General Government	1,928,867	-	-	-	1,928,867
Public Safety	-	-	-	601,838	601,838
Highways and Streets	-	2,392,562	1,246,664	292,319	3,931,545
Health and Welfare	-	-	-	152,426	152,426
<b>Total Expenditures</b>	<b>1,928,867</b>	<b>2,392,562</b>	<b>1,246,664</b>	<b>1,046,583</b>	<b>6,614,676</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>368,545</b>	<b>(1,088,057)</b>	<b>536,327</b>	<b>149,667</b>	<b>(33,518)</b>
<b>Other Financing Sources (Uses)</b>					
Disposal of Capital Assets	-	10,428	-	-	10,428
Transfers In	-	500,000	-	-	500,000
Transfers Out	(500,000)	-	-	-	(500,000)
	(500,000)	510,428	-	-	10,428
<b>Net Change in Fund Balance</b>	<b>(131,455)</b>	<b>(577,629)</b>	<b>536,327</b>	<b>149,667</b>	<b>(23,090)</b>
<b>Fund Balances - Beginning as Restated</b>	<b>1,975,715</b>	<b>558,393</b>	<b>154,823</b>	<b>1,816,093</b>	<b>4,505,024</b>
<b>Fund Balances - Ending</b>	<b>1,844,260</b>	<b>(19,236)</b>	<b>691,150</b>	<b>1,965,760</b>	<b>4,481,934</b>

The notes to the financial statements are an integral part of this statement.



**MILTON TOWNSHIP, ILLINOIS**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances  
to the Statement of Activities**

**For the Fiscal Year Ended March 31, 2021**

---

---

**Net Change in Fund Balances** \$ (23,090)

Amounts reported in the Statement of Activities  
are different because:

Governmental funds report capital outlays as expenditures. However, in the  
Statement of Activities the cost of those assets is allocated over their estimated  
useful lives and reported as depreciation expense.

Capital Outlays	2,279,829
Depreciation Expense	(698,193)

The net effect of deferred outflows (inflows) of resources related to the pensions  
not reported in the funds.

Change in Deferred Items - IMRF	(517,339)
---------------------------------	-----------

The issuance of long-term debt provides current financial resources to  
governmental funds, while the repayment of the principal on long-term  
debt consumes the current financial resources of the governmental funds.

Change in Compensated Absences	(1,609)
Change in Net Pension Liability - IMRF	1,096,684
Change in Total OPEB Liability - RBP	<u>127,138</u>

**Changes in Net Position**

2,263,420

The notes to the financial statements are an integral part of this statement.

**MILTON TOWNSHIP, ILLINOIS**

**Statement of Fiduciary Net Position  
March 31, 2021**

---

---

	<u>Custodial Funds</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	<u>\$ -</u>
<b>NET POSITION</b>	
Restricted for Individuals, Organizations, and Other Governments	<u>-</u>

The notes to the financial statements are an integral part of this statement.

MILTON TOWNSHIP, ILLINOIS

Statement of Changes in Fiduciary Net Position  
For the Fiscal Year Ended March 31, 2021

---

---

	<u>Custodial Funds</u>
Additions	
Interest Income	<u>\$ -</u>
Deductions	
Adminstration	<u>10,255</u>
Change in Fiduciary Net Position	(10,255)
Net Position Restricted for Individuals, Organizations, and Other Governments	
Beginning	<u>10,255</u>
Ending	<u><u>-</u></u>

The notes to the financial statements are an integral part of this statement.

## **MILTON TOWNSHIP, ILLINOIS**

### **Notes to the Financial Statements March 31, 2021**

---

#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Milton Township (the "Township") is a municipal corporation of the State of Illinois headquartered in the County of DuPage and duly chartered pursuant to Illinois statute. The Township serves approximately 120,000 residents and is comprised of Wheaton, Glen Ellyn, and a significant portion of Carol Stream. Additionally, small parts of Lombard, Winfield, Downers Grove, Naperville, Glendale Heights and Lisle lie within its 36 square mile border.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Township's accounting policies established in GAAP and used by the Township are described below.

#### **REPORTING ENTITY**

In determining the financial reporting entity, the Township complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Township. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

#### **BASIS OF PRESENTATION**

##### **Government-Wide Statements**

The Township's basic financial statements include both government-wide (reporting the Township as a whole) and fund financial statements (reporting the Township's major funds). The Township's general assistance welfare programs, senior services, maintenance of highways and streets, public improvements, property assessing for tax purposes, and other programs are classified as governmental activities.

In the government-wide Statement of Net Position, the governmental activities column is presented on a consolidated basis. The Township's net position is reported in three parts: investment in capital assets; restricted; and unrestricted. The Township first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Township's functions (general government, highways and streets, etc.). These functions are supported by general government revenues (property taxes, certain intergovernmental revenues, and charges, etc.).

# MILTON TOWNSHIP, ILLINOIS

## Notes to the Financial Statements March 31, 2021

---

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

##### Government-Wide Statements – Continued

The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which 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. The net costs (by function) are normally covered by general revenue (property tax, intergovernmental revenues, interest income, etc.). The Township does not allocate indirect costs. This government-wide focus is more on the sustainability of the Township as an entity and the change in the Township's net position resulting from the current year's activities.

##### Fund Financial Statements

The financial transactions of the Township are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. The Township's funds are all reported as governmental funds. The emphasis in fund financial statements is on the major funds.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses) for the determination of major funds. The Township electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements.

A fund is considered major if it is the primary operating fund of the Township or total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund are at least 10 percent of the corresponding total for all governmental funds combined.

The various funds are reported by generic classification within the financial statements. The following fund type is used by the Township:

##### Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Township:

*General Fund* accounts for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

## MILTON TOWNSHIP, ILLINOIS

### Notes to the Financial Statements March 31, 2021

---

#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

##### BASIS OF PRESENTATION – Continued

##### Fund Financial Statements – Continued

##### Governmental Funds – Continued

*Special revenue funds* are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Township maintains nine special revenue funds. The Road and Bridge Fund, a major fund, is used to account for all financial resources relating to the repair and maintenance of the Township's infrastructure. The Permanent Road Fund is a major fund used to account for all financial resources relating to the major road improvement and maintenance projects.

##### Fiduciary Fund

*Fiduciary funds* are used to report assets held in a trustee or agency capacity for others and therefore are not available to support Township programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

*Custodial Funds* are used to account for assets held by the Township in a purely custodial capacity. The Cemetery Fund is used to account for the perpetual care trust funds to be used for the perpetual care of the Township's cemetery. The Salt Council Fund is used to account for the donations made by the public to support the mission of the Seniors And Law-enforcement Together program of the Township Seniors' programs.

The Township's custodial funds are presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the Township, these funds are not incorporated into the government-wide statements.

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

On the government-wide Statement of Net Position and the Statement of Activities, governmental funds are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as defined below. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

## MILTON TOWNSHIP, ILLINOIS

### Notes to the Financial Statements

March 31, 2021

---

#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

##### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

###### Measurement Focus

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All custodial funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Custodial funds equity is classified as net position.

###### Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflows is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Township recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, personal property taxes, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

**MILTON TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements**

**March 31, 2021**

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued**

**Basis of Accounting – Continued**

All custodial funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY**

**Cash and Investments**

For purpose of the Statement of Net Position, the Township's cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Township categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Township has no investments at year-end.

**Prepays**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. Prepaids are valued at cost. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

**Capital Assets**

Capital assets purchased or acquired with an original cost of more than \$1,000 (\$10,000 for building and equipment, and \$50,000 for infrastructure assets), depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expenses as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Township as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation basis for general capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.



**MILTON TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements  
March 31, 2021**

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued**

**Capital Assets – Continued**

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Building and Improvements	40 Years
Road Equipment	5 - 7 Years
Office	3-5 Years
Infrastructure	10 - 40 Years

**Deferred Outflows/Inflows of Resources**

Deferred outflow/inflow of resources represents an acquisition/reduction of net position that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

**Compensated Absences**

The Township accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. Any accrued vacation time for Township employees that the employee fails to use by December 31 of the current year will be forfeited and may not be rolled over.

The Highway Department will not issue payment to any employee for accrued vacation time that the employee fails to use by December 31 of the current year in excess of five (5) days. Any accrued vacation time beyond the five (5) days the employee fails to use by December 31 of the current year will be forfeited and may not be rolled over.

All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Position.

## MILTON TOWNSHIP, ILLINOIS

### Notes to the Financial Statements March 31, 2021

---

#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

##### Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Investment in Capital Assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – Consists of net position with constraints placed on the 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 legislations.

Unrestricted – All other net position balances that do not meet the definition of “restricted” or “investment in capital assets.”

#### NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

##### BUDGETARY INFORMATION

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

- The Township Supervisor submits to the Board of Trustees a proposed operating budget for the fiscal year. The operating budget (modified cash basis) includes proposed expenditures and the means of financing them.
- The budget is then approved by the Board and holds public hearings to solicit comments and may add to, subtract from, or change appropriations, but may not change the form of the budget.
- The final budget is passed by an appropriation ordinance. The tax levy ordinance is filed with the County Clerk by the last Tuesday in December to obtain tax revenue.

**MILTON TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements  
March 31, 2021**

---

**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued**

**BUDGETARY INFORMATION – Continued**

- The Board of Trustees must approve all formal appropriation transfers. Any increases to the final budget require a public hearing before the Board of Trustees' approval. No formal supplemental appropriation was made during the fiscal year. The Supervisor can approve expenditures that exceed any line item within the fund as long as the expenditures do not exceed appropriations. Thus, the legal level of budgetary control is determined by fund.
- The legal budgetary authority lapses at the end of the fiscal year.

The legal level of budgetary control has been established at the fund level. During the current year, budgets were adopted for the General, General Assistance, Road and Bridge, Permanent Road, Road IMRF, Road Social Security, Road Tort Liability, Police District and Mosquito Abatement Funds.

No budget was adopted for the Motor Fuel Tax Fund, as those monies are controlled by DuPage County.

**EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS**

The following fund had an excess of actual expenditures over budget as of the date of this report:

Fund	Excess
Road Tort Liability	\$ 10,576
Mosquito Abatement	27,412

**DEFICIT FUND BALANCE**

The following fund had a deficit fund balance of the date of this report:

Fund	Deficit
Road and Bridge	\$ 19,236

## MILTON TOWNSHIP, ILLINOIS

### Notes to the Financial Statements March 31, 2021

---

#### NOTE 3 – DETAIL NOTES ON ALL FUNDS

##### DEPOSITS AND INVESTMENTS

The Township maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash and investments." In addition, investments are separately held by several of the Township's funds.

Permitted Deposits and Investments – Statutes authorize the Township to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services.

##### **Interest Rate Risk, Credit Risk, Concentration Risk, and Custodial Credit Risk**

*Deposits.* At year-end, the carrying amount of the Township's deposits totaled \$4,431,055 and the bank balances totaled \$4,811,723.

*Interest Rate Risk.* Interest rate risk is the risk that changes in 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. Safety of principal is the foremost objective of the investment program. Investments of the Township shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Township does not have an investment policy that addresses credit risk.

*Concentration Risk.* Concentration of credit risk is the risk of loss attributed to the magnitude of the Township's investment in a single issuer. The Township does not have an investment policy that addresses concentration risk. At year-end, the Township does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. The Township's investment policy requires pledging of collateral for all bank balances in excess of the federal depository insurance, at an amount of not less than 110% of the fair market value of the funds secured. At year-end, the entire bank balance of the deposits was covered by federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Township's investment policy does not address custodial credit risk for investments.

**MILTON TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements  
March 31, 2021**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**PROPERTY TAXES**

Property taxes for 2019 attach as an enforceable lien on January 1, 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 Boone County and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically.

**CAPITAL ASSETS**

**Governmental Activities**

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Nondepreciable Capital Assets</b>				
Land	\$ 60,000	-	-	60,000
<b>Depreciable Capital Assets</b>				
Building and Improvements	1,341,956	-	-	1,341,956
Road Equipment	2,988,663	187,072	112,600	3,063,135
Office	211,254	28,840	-	240,094
Infrastructure	43,884,464	2,063,917	-	45,948,381
	<u>48,426,337</u>	<u>2,279,829</u>	<u>112,600</u>	<u>50,593,566</u>
<b>Less Accumulated Depreciation</b>				
Building and Improvements	835,393	48,458	-	883,851
Road Equipment	2,082,996	142,007	112,600	2,112,403
Office	164,111	22,273	-	186,384
Infrastructure	17,879,504	485,455	-	18,364,959
	<u>20,962,004</u>	<u>698,193</u>	<u>112,600</u>	<u>21,547,597</u>
<b>Total Net Depreciable Capital Assets</b>	<u>27,464,333</u>	<u>1,581,636</u>	<u>-</u>	<u>29,045,969</u>
<b>Total Net Capital Assets</b>	<u>27,524,333</u>	<u>1,581,636</u>	<u>-</u>	<u>29,105,969</u>

The depreciation expense was charged to governmental activities as follows:

General Government	\$ 65,351
Highways and Streets	<u>632,842</u>
	<u>698,193</u>

**MILTON TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements  
March 31, 2021**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**INTERFUND BALANCES**

The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
General	Road and Bridge	\$ 206,558
Permanent Road	Road and Bridge	13,441
Nonmajor Governmental	Road and Bridge	136,001
Nonmajor Governmental	General	<u>1,029</u>
		<u>357,029</u>

**INTERFUND TRANSFERS**

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
Road and Bridge	General	\$ 500,000

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

**LONG-TERM DEBT**

**Long-Term Liability Activity**

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
<b>Governmental Activities</b>					
Compensated Absences	\$ 39,566	3,218	1,609	41,175	8,235
Net Pension Liability/(Asset) - IMRF	(442,687)	-	1,096,684	(1,539,371)	-
Total OPEB Liability - RBP	<u>383,439</u>	<u>-</u>	<u>127,138</u>	<u>256,301</u>	<u>-</u>
	<u>(19,682)</u>	<u>3,218</u>	<u>1,225,431</u>	<u>(1,241,895)</u>	<u>8,235</u>

The compensated absences, the net pension liability/(asset) and the total OPEB liability are liquidated by the General Fund.

**MILTON TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements  
March 31, 2021**

---

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Legal Debt Margin**

Chapter 85, Section 50/405-1 of the Illinois Compiled Statutes provides, “Except as hereinafter provided in this Act or otherwise specifically provided by law, no county having a population of less than 500,000 and no township, school district or other municipal corporation having a population of less than 300,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness, in the aggregate exceeding 2.875% on the value of the taxable property therein, to be ascertained by the last assessment for State and county taxes, previous to the incurring of such indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying such governmental unit's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979.”

Assessed Valuation - 2020	<u>\$ 5,335,658,481</u>
Legal Debt Limit - 2.875% of Assessed Value	306,800,363
Amount of Debt Applicable to Limit	
None	<u>-</u>
Legal Debt Margin	<u>306,800,363</u>

**NET POSITION/FUND BALANCE CLASSIFICATIONS**

**Investment in Capital Assets**

Investment in capital assets was comprised of the following as of March 31, 2021:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	<u>\$ 29,105,969</u>

**Fund Balance Classifications**

In the governmental fund's financial statements, the Township considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Township first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

MILTON TOWNSHIP, ILLINOIS

Notes to the Financial Statements  
March 31, 2021

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCE CLASSIFICATIONS – Continued

Fund Balance Classifications

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Special Revenue Road and Bridge	Permanent Road	Nonmajor	Totals
Fund Balances					
Nonspendable					
Prepays	\$ 7,848	-	-	43,371	51,219
Restricted					
Maintenance of Roads	-	-	691,150	1,263,277	1,954,427
General Assistance	-	-	-	295,696	295,696
Public Safety	-	-	-	363,416	363,416
	-	-	691,150	1,922,389	2,613,539
Unassigned	1,836,412	(19,236)	-	-	1,817,176
Total Fund Balances	1,844,260	(19,236)	691,150	1,965,760	4,481,934

*Nonspendable Fund Balance.* Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

*Restricted Fund Balance.* Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

*Committed Fund Balance.* Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Trustees; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.



**MILTON TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements**

**March 31, 2021**

---

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**NET POSITION/FUND BALANCE CLASSIFICATIONS – Continued**

**Fund Balance Classifications – Continued**

*Assigned Fund Balance.* Consists of amounts that are constrained by the Board of Trustees' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Trustees itself or b) a body or official to which the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. The Township's highest level of decision-making authority is the Board of Trustees, who is authorized to assign amounts to a specific purpose.

*Unassigned Fund Balance.* Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

**Fund Balance/Net Position Restatements**

Beginning net position/fund balance was restated due to the implementation of GASB Statement 84. The following is a summary of the net position/fund balance as originally reported and restated:

<u>Net Position/Fund Balance</u>	<u>As Reported</u>	<u>As Restated</u>	<u>Increase (Decrease)</u>
Governmental Activities	\$ 31,392,059	31,445,595	53,536
General Fund	1,922,179	1,975,715	53,536

**NOTE 4 – OTHER INFORMATION**

**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; natural disasters; and injuries to the Township's employees. The Township has purchased insurance from private insurance companies. Risks covered included certain types of liabilities and bonds. Premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

## **MILTON TOWNSHIP, ILLINOIS**

### **Notes to the Financial Statements March 31, 2021**

---

#### **NOTE 4 – OTHER INFORMATION – Continued**

#### **CONTINGENT LIABILITIES**

##### **Grants**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Township expects such amounts, if any, to be immaterial.

##### **Financial Impact from COVID-19**

In March 2020, the World Health Organization declared the COVID-19 virus a public health emergency. As of the date of this report, the extent of the impact of COVID-19 on the Township's operations and financial position cannot be determined.

##### **Litigation**

Per administration, several employees were terminated in January 2014 and filed complaints with the Equal Opportunity Commission ("EEOC") in June 2014. These complaints were dismissed in March 2015 by the EEOC. On June 17, 2015 these employees filed claims in Federal Court against Milton Township and its Assessor. It is the opinion of legal counsel that the Township and its Assessor are not liable in this matter. Accordingly, no provision has been made in the accompanying financial statements for settlement costs.

The other matters of material or pending litigation, claims, or assessments involving the Township were tax rate objections cases, wherein the petitioners object to the various tax levies of the Township for specific years. Accordingly, no provision has been made in the accompanying financial statements for settlement costs.

**MILTON TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements  
March 31, 2021**

---

**NOTE 4 – OTHER INFORMATION – Continued**

**CONTINGENT LIABILITIES – Continued**

**Motor Fuel Tax Fund**

Every year the Township receives an allotment of Motor Fuel Tax (MFT) money from the State of Illinois. This money is disbursed by the State to DuPage County where it is held for pending projects approved by Milton Township’s Highway Commissioner. When the projects are approved, all management, payment, and accounting for the projects are done through DuPage County.

Balance at March 31, 2020	\$ 722,945
Allotments Received	299,922
Interest Earned	4,324
Less Disbursements	<u>(123,690)</u>
Balance at March 31, 2021	<u><u>903,501</u></u>

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN**

**Illinois Municipal Retirement Fund (IMRF)**

The Township contributes to one defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at [www.imrf.org](http://www.imrf.org). The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

**MILTON TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements  
March 31, 2021**

---

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued**

**Illinois Municipal Retirement Fund (IMRF) – Continued**

**Plan Descriptions**

*Plan Administration.* All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

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

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

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

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

**MILTON TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements**

**March 31, 2021**

---

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued**

**Illinois Municipal Retirement Fund (IMRF) – Continued**

**Plan Descriptions – Continued**

*Plan Membership.* As of December 31, 2020, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	49
Inactive Plan Members Entitled to but not yet Receiving Benefits	19
Active Plan Members	<u>23</u>
Total	<u>91</u>

*Contributions.* As set by statute, the Township's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended March 31, 2021, the Township's contribution was 6.12% of covered payroll.

*Net Pension Liability/(Asset).* The Township's net pension liability/(asset) was measured as of December 31, 2020. 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 was determined by an actuarial valuation performed, as of December 31, 2020, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	2.25%
Inflation	2.25%

**MILTON TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements  
March 31, 2021**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued**

**Illinois Municipal Retirement Fund (IMRF) – Continued**

**Plan Descriptions – Continued**

*Actuarial Assumptions – Continued.* 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.

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:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	28.00%	1.30%
Domestic Equities	37.00%	5.00%
International Equities	18.00%	6.00%
Real Estate	9.00%	6.20%
Blended	7.00%	2.85% - 6.95%
Cash and Cash Equivalents	1.00%	0.70%

**MILTON TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements**

**March 31, 2021**

---

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued**

**Illinois Municipal Retirement Fund (IMRF) – Continued**

**Discount Rate**

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

**Discount Rate Sensitivity**

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset) \$	(313,298)	(1,539,371)	(2,537,134)

**MILTON TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements  
March 31, 2021**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued**

**Illinois Municipal Retirement Fund (IMRF) – Continued**

**Changes in the Net Pension Liability/(Asset)**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/ (Asset) (A) - (B)
Balances at December 31, 2019	\$ 11,658,381	12,101,068	(442,687)
Changes for the Year:			
Service Cost	142,817	-	142,817
Interest on the Total Pension Liability	827,823	-	827,823
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience of the Total Pension Liability	(1,446)	-	(1,446)
Changes of Assumptions	(85,127)	-	(85,127)
Contributions - Employer	-	114,750	(114,750)
Contributions - Employees	-	64,790	(64,790)
Net Investment Income	-	1,734,713	(1,734,713)
Benefit Payments, including Refunds of Employee Contributions	(623,077)	(623,077)	-
Other (Net Transfer)	-	66,498	(66,498)
Net Changes	260,990	1,357,674	(1,096,684)
Balances at December 31, 2020	11,919,371	13,458,742	(1,539,371)

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

For the year ended March 31, 2021, the Township recognized pension expense of \$468,871. At March 31, 2021, the Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:



**MILTON TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements  
March 31, 2021**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued**

**Illinois Municipal Retirement Fund (IMRF) – Continued**

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ -	(16,001)	(16,001)
Change in Assumptions	-	(45,798)	(45,798)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(1,085,399)	(1,085,399)
Total Pension Expense to be Recognized in Future Periods	-	(1,147,198)	(1,147,198)
Pension Contributions Made Subsequent to the Measurement Date	26,415	-	26,415
Total Deferred Amounts Related to IMRF	<u>26,415</u>	<u>(1,147,198)</u>	<u>(1,120,783)</u>

\$26,415 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended March 31, 2022. 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:

Fiscal Year	Net Deferred (Inflows) of Resources
2022	\$ (396,685)
2023	(138,648)
2024	(437,656)
2025	(174,209)
2026	-
Thereafter	-
Total	<u>(1,147,198)</u>

**MILTON TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements  
March 31, 2021**

---

**NOTE 4 – OTHER INFORMATION – Continued**

**OTHER POST-EMPLOYMENT BENEFITS PLAN**

**General Information about the OPEB Plan**

*Plan Description.* The Township's defined benefit OPEB plan, Milton Township Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general employees of the Township. RBP is a single-employer defined benefit OPEB plan administered by the Township. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Township Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

*Benefits Provided.* RBP provides Dental and Vision benefits for retirees and their dependents. The Retiree is responsible for the full cost of coverage. Coverage may continue past Medicare eligibility.

*Plan Membership.* As of March 31, 2020, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	2
Inactive Plan Members Entitled to but not yet Receiving Benefits	-
Active Plan Members	<u>24</u>
Total	<u><u>26</u></u>

**Total OPEB Liability**

The Township's total OPEB liability was measured as of March 31, 2021, and was determined by an actuarial valuation as of March 31, 2020.

**MILTON TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements**

**March 31, 2021**

**NOTE 4 – OTHER INFORMATION – Continued**

**OTHER POST-EMPLOYMENT BENEFITS – Continued**

**Total OPEB Liability – Continued**

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the March 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inactive Plan Members Currently Receiving Benefits	2
Inactive Plan Members Entitled to but not yet Receiving Benefits	-
Active Plan Members	<u>24</u>
 Total	 <u><u>26</u></u>

The discount rate was based on a combination of the Expected Long-Term Rate of Return on Plan Assets and the municipal bond rate.

Mortality rates were based on the Sex Distinct Raw Rates as developed in the RP-2014 Study, with Blue Collar Adjustment. These Rates are Improved Generationally using MP-2016 Improvement Rates.

**Change in the Total OPEB Liability**

	<u>Total OPEB Liability</u>
Balance at March 31, 2020	<u>\$ 383,439</u>
Changes for the Year:	
Service Cost	6,131
Interest on the Total Pension Liability	8,364
Changes of Benefit Terms	-
Difference Between Expected and Actual Experience	(120,405)
Changes of Assumptions or Other Inputs	8,732
Benefit Payments	<u>(29,960)</u>
Net Changes	<u>(127,138)</u>
Balance at March 31, 2021	<u><u>256,301</u></u>

**MILTON TOWNSHIP, ILLINOIS**

**Notes to the Financial Statements  
March 31, 2021**

**NOTE 4 – OTHER INFORMATION – Continued**

**OTHER POST-EMPLOYMENT BENEFITS – Continued**

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The discount rate used to measure the total pension liability was 2.35%, while the prior valuation used 2.27%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percent point lower or one percentage point higher:

	1% Decrease (1.35%)	Current Discount Rate (2.35%)	1% Increase (3.35%)
Total OPEB Liability	\$ 273,043	256,301	241,790

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The following presents the total OPEB liability, calculated using a varied Healthcare Trend Rate, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 241,483	256,301	273,115

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended March 31, 2021, the Township recognized OPEB revenue of \$97,178. Per GASB Statement No. 75, under the Alternative Measurement Method, changes in Total OPEB Liability are immediately recognized as expense, resulting in no deferred outflows of resources or deferred inflows of resources related to OPEB.

## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Employer Contributions  
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability  
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Total OPEB Liability  
Retiree Benefits Plan
- Budgetary Comparison Schedule  
General Fund  
Road and Bridge – Special Revenue Fund  
Permanent Road – Special Revenue Fund

### Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

**MILTON TOWNSHIP, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information  
Schedule of Employer Contributions  
March 31, 2021**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 158,841	\$ 158,841	\$ -	\$ 1,408,157	11.28%
2017	148,844	155,254	6,410	1,479,550	10.49%
2018	129,185	129,185	-	1,463,018	8.83%
2019	115,594	115,594	-	1,452,039	7.96%
2020	90,059	90,059	-	1,471,258	6.12%
2021	110,474	110,474	-	1,424,130	7.76%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	24 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.50%
Salary Increases	3.35% - 14.25%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015)

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

**MILTON TOWNSHIP, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information  
Schedule of Changes in the Employer's Net Pension Liability  
March 31, 2021**

	<u>12/31/15</u>
Total Pension Liability	
Service Cost	\$ 150,211
Interest	769,274
Differences Between Expected and Actual Experience	(416,715)
Change of Assumptions	12,162
Benefit Payments, Including Refunds of Member Contributions	<u>(505,961)</u>
Net Change in Total Pension Liability	8,971
Total Pension Liability - Beginning	<u>10,434,858</u>
Total Pension Liability - Ending	<u><u>10,443,829</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 158,841
Contributions - Members	63,367
Net Investment Income	51,400
Benefit Payments, Including Refunds of Member Contributions	(505,961)
Other (Net Transfer)	<u>(238,911)</u>
Net Change in Plan Fiduciary Net Position	(471,264)
Plan Net Position - Beginning	<u>10,421,820</u>
Plan Net Position - Ending	<u><u>9,950,556</u></u>
Employer's Net Pension Liability/(Asset)	<u><u>\$ 493,273</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	95.28%
Covered Payroll	\$ 1,408,157
Employer's Net Pension Liability as a Percentage of Covered Payroll	35.03%

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

12/31/16	12/31/17	12/31/18	12/31/19	12/31/20
150,574	159,930	145,920	138,912	142,817
769,225	796,406	798,534	824,797	827,823
(60,342)	(36,419)	131,147	-	(1,446)
(12,546)	(329,458)	286,061	(284,909)	(85,127)
(498,176)	(507,554)	(602,605)	(654,945)	(623,077)
348,735	82,905	759,057	23,855	260,990
10,443,829	10,792,564	10,875,469	11,634,526	11,658,381
10,792,564	10,875,469	11,634,526	11,658,381	11,919,371
155,254	129,185	136,135	81,594	114,750
71,255	65,952	66,049	64,043	64,790
691,866	1,803,797	(657,823)	2,074,584	1,734,713
(498,176)	(507,554)	(602,605)	(654,945)	(623,077)
(64,371)	(118,924)	245,697	(330,501)	66,498
355,828	1,372,456	(812,547)	1,234,775	1,357,674
9,950,556	10,306,384	11,678,840	10,866,293	12,101,068
10,306,384	11,678,840	10,866,293	12,101,068	13,458,742
486,180	(803,371)	768,233	(442,687)	(1,539,371)
95.50%	107.39%	93.40%	103.80%	112.91%
1,479,550	1,463,018	1,467,745	1,423,186	1,439,760
32.86%	(54.91%)	52.34%	(31.11%)	(106.92%)



**MILTON TOWNSHIP, ILLINOIS**

**Retiree Benefits Plan**

**Required Supplementary Information  
Schedule of Changes in the Employer's Total OPEB Liability  
March 31, 2021**

	2019	2020	2021
Total OPEB Liability			
Service Cost	\$ 5,266	5,506	6,131
Interest	13,982	13,314	8,364
Changes in Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	-	-	(120,405)
Change of Assumptions or Other Inputs	1,911	29,669	8,732
Benefit Payments	(26,483)	(32,403)	(29,960)
Net Change in Total OPEB Liability	(5,324)	16,086	(127,138)
Total OPEB Liability - Beginning	372,677	367,353	383,439
Total OPEB Liability - Ending	367,353	383,439	256,301
Covered-Employee Payroll	\$ 1,464,991	1,464,991	1,551,345
Total OPEB Liability as a Percentage of Covered-Employee Payroll	25.08%	26.17%	16.52%

Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

*Changes of Assumptions.* Changes in assumptions related to the discount rate were made in 2019, 2020 and 2021.

**MILTON TOWNSHIP, ILLINOIS**

**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended March 31, 2021**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 2,060,000	2,060,000	2,058,162
Replacement Taxes	90,000	90,000	109,157
Intergovernmental			
Grants and Donations	93,000	93,000	117,088
Investment Income	1,000	1,000	-
Miscellaneous	6,000	6,000	13,005
Total Revenues	<u>2,250,000</u>	<u>2,250,000</u>	<u>2,297,412</u>
Expenditures			
General Government			
Administrative	1,214,100	1,214,100	874,692
Assessor's Office	984,848	984,848	932,199
Cemetery/Weeks Park	35,500	35,500	40,319
Citizen's Corps Program	75,448	75,448	44,385
Social Services	100,000	100,000	37,272
Total Expenditures	<u>2,409,896</u>	<u>2,409,896</u>	<u>1,928,867</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(159,896)	(159,896)	368,545
Other Financing (Uses)			
Transfer Out	-	-	(500,000)
Net Change in Fund Balance	<u>(159,896)</u>	<u>(159,896)</u>	(131,455)
Fund Balance - Beginning as Restated			<u>1,975,715</u>
Fund Balance - Ending			<u><u>1,844,260</u></u>

**MILTON TOWNSHIP, ILLINOIS**

**Road and Bridge - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended March 31, 2021**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 942,753	942,753	1,028,825
Replacement Taxes	119,014	119,014	127,950
Investment Income	2,300	2,300	(3,268)
Miscellaneous	635,000	635,000	150,998
Total Revenues	<u>1,699,067</u>	<u>1,699,067</u>	<u>1,304,505</u>
Expenditures			
Highways and Streets			
Administrative	345,938	345,938	358,133
Maintenance Division	2,249,985	2,249,985	2,034,429
Total Expenditures	<u>2,595,923</u>	<u>2,595,923</u>	<u>2,392,562</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(896,856)</u>	<u>(896,856)</u>	<u>(1,088,057)</u>
Other Financing Sources			
Disposal of Capital Assets	-	-	10,428
Transfers In	-	-	500,000
	<u>-</u>	<u>-</u>	<u>510,428</u>
Net Change in Fund Balance	<u>(896,856)</u>	<u>(896,856)</u>	<u>(577,629)</u>
Fund Balance - Beginning			<u>558,393</u>
Fund Balance - Ending			<u>(19,236)</u>

**MILTON TOWNSHIP, ILLINOIS**

**Permanent Road - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended March 31, 2021**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 1,815,600	1,815,600	1,782,950
Investment Income	-	-	41
Total Revenues	<u>1,815,600</u>	<u>1,815,600</u>	<u>1,782,991</u>
Expenditures			
Highways and Streets			
Road Maintenance Projects	<u>1,295,000</u>	<u>1,295,000</u>	<u>1,246,664</u>
Net Change in Fund Balance	<u>520,600</u>	<u>520,600</u>	536,327
Fund Balance - Beginning			<u>154,823</u>
Fund Balance - Ending			<u><u>691,150</u></u>

## **OTHER SUPPLEMENTARY INFORMATION**

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Combining Statements - Custodial Funds

# COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

---

## GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

---

## SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital projects funds) that are legally restricted to expenditure for specified purposes.

### Road and Bridge Fund

The Road and Bridge Fund is used to account for all financial resources relating to the repair and maintenance of the Township's infrastructure.

### Permanent Road Fund

The Permanent Road Fund is used to account for all financial resources relating to the major road improvement and maintenance projects.

### General Assistance Fund

The General Assistance Fund is used to account for taxes levied and expenditures incurred to provide benefits for needy residents.

### Road IMRF Fund

The Road IMRF Fund is used to account for taxes levied and expenditures incurred to provide retirement benefits for Township employees.

### Road Social Security Fund

The Road Social Security Fund is used to account for taxes levied and expenditures incurred to provide retirement benefits for Township employees.

### Road Tort Liability Fund

The Road Tort Liability Fund is used to account for taxes levied and expenditures incurred to provide insurance coverage to the Road District.

## **COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

---

### **SPECIAL REVENUE FUNDS - Continued**

#### **Mosquito Abatement Fund**

The Mosquito Abatement Fund is used to account for taxes levied and expenditures incurred to provide control and abatement of larval and adult mosquito to Township residents who are not within incorporated areas.

#### **Police District Fund**

The Police District Fund is used to account for taxes levied and expenditures incurred to provide public safety to Township residents who are not within incorporated areas.

#### **Motor Fuel Tax Fund**

The Motor Fuel Tax Fund is used to account for the Township's share of motor fuel tax revenue.

---

### **CUSTODIAL FUNDS**

#### **Cemetery Fund**

The Cemetery Fund is used to account for perpetual care trust funds to be used for the perpetual care of the Township's cemetery.

#### **Salt Council Pantry Fund**

The Salt Council Fund is used to account for the donations made by the public to support the mission of the Seniors And Law-enforcement Together program of the Township Seniors' programs.

---

**MILTON TOWNSHIP, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual  
For the Fiscal Year Ended March 31, 2021**

	Budget		Actual
	Original	Final	
General Government			
Administrative			
Salaries	\$ 500,000	500,000	482,908
Health Insurance	140,000	140,000	130,462
Unemployment Insurance	3,000	3,000	746
Social Security/Medicare	38,250	38,250	36,417
IMRF Expenditure	39,850	39,850	22,831
Building Maintenance Service	78,500	78,500	36,798
Accounting and Auditing	6,500	6,500	5,250
Legal	25,000	25,000	5,014
Postage	1,000	1,000	3,469
Telephone	3,000	3,000	-
Information Technology	10,000	10,000	12,471
Publishing and Printing	1,500	1,500	173
Dues and Subscriptions	10,000	10,000	12,041
Travel, Training and Meeting	5,000	5,000	694
Utilities	12,500	12,500	11,452
General Insurance	35,500	35,500	29,770
Payroll Services	5,000	5,000	3,540
Public Relations and Newsletter	26,000	26,000	-
Town Election	500	500	-
Office and Operating Supplies	5,000	5,000	4,438
Copies	1,000	1,000	802
Contingencies	220,000	220,000	67,115
Equipment	4,000	4,000	624
Building and Site Improvements	30,000	30,000	-
Dial-A-Ride Expenditures	13,000	13,000	7,677
	<u>1,214,100</u>	<u>1,214,100</u>	<u>874,692</u>
Assessor's Office			
Salaries	540,000	540,000	487,081
Health Insurance	104,000	104,000	90,665
Unemployment Insurance	1,000	1,000	641
Workers Compensation Insurance	10,000	10,000	10,434
Social Security/Medicare	41,310	41,310	36,330
IMRF Expenditure	43,038	43,038	37,901



**MILTON TOWNSHIP, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued  
For the Fiscal Year Ended March 31, 2021**

	Budget		Actual
	Original	Final	
General Government - Continued			
Assessor's Office - Continued			
Maintenance Service	\$ 2,000	2,000	1,324
Other Contracted Service	131,000	131,000	122,483
Postage	1,000	1,000	199
Internet and Telephone	8,000	8,000	7,030
Dues and Subscriptions	4,000	4,000	3,259
Travel, Training and Meeting	5,000	5,000	1,339
Mileage Reimbursement	12,000	12,000	6,644
Contracted Software	44,500	44,500	45,121
Office Supplies	6,000	6,000	4,882
Equipment	10,000	10,000	24,096
Computer Equipment	20,000	20,000	34,785
Miscellaneous	2,000	2,000	17,985
	<u>984,848</u>	<u>984,848</u>	<u>932,199</u>
Cemetery/Weeks Park			
Stipends for Board	3,000	3,000	-
Maintenance of Grounds	19,700	19,700	26,858
Public Events	6,500	6,500	6,796
Office Supplies	500	500	15
Fences	2,500	2,500	-
Markers, Gravestone, Etc.	800	800	1,200
Weed Ordinance Enforcement	2,500	2,500	5,450
	<u>35,500</u>	<u>35,500</u>	<u>40,319</u>
Citizen's Corps Program			
Salaries	32,000	32,000	29,659
Social Security/Medicare	2,448	2,448	2,269
Telephone	300	300	30
General Supplies and Promotions	9,000	9,000	523
Fuel, Oil and Miscellaneous	5,700	5,700	5,535
Office Supplies and Postage	1,500	1,500	1,446
CERT Supplies	14,500	14,500	1,777
CERT Advanced Training	10,000	10,000	3,146
	<u>75,448</u>	<u>75,448</u>	<u>44,385</u>

MILTON TOWNSHIP, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued  
For the Fiscal Year Ended March 31, 2021

	Budget		Actual
	Original	Final	
General Government - Continued			
Social Services			
Scholarship and Grants	\$ 40,000	40,000	1,341
Salaries	10,000	10,000	9,000
Operating Expenditures	50,000	50,000	26,931
	<u>100,000</u>	<u>100,000</u>	<u>37,272</u>
 Total Expenditures	 <u>2,409,896</u>	 <u>2,409,896</u>	 <u>1,928,867</u>

**MILTON TOWNSHIP, ILLINOIS**

**Road and Bridge - Special Revenue Fund**

**Schedule of Expenditures - Budget and Actual  
For the Fiscal Year Ended March 31, 2021**

	Budget		Actual
	Original	Final	
Highways and Streets			
Administrative			
Salaries	\$ 66,800	66,800	67,401
Health Insurance	175,000	175,000	167,351
Unemployment Insurance	2,000	2,000	860
Information Technology	3,000	3,000	2,207
Accounting and Auditing	5,500	5,500	5,500
Legal and Other Professional Services	14,000	14,000	13,279
Postage	2,000	2,000	2,734
Telephone	18,000	18,000	33,461
Printing	13,000	13,000	10,342
Dues and Subscriptions	1,200	1,200	810
Travel and Training	2,200	2,200	170
Drug and Alcohol	1,300	1,300	981
Office Supplies	3,000	3,000	2,601
Equipment	-	-	(627)
Miscellaneous	38,938	38,938	51,063
	<u>345,938</u>	<u>345,938</u>	<u>358,133</u>
Maintenance Division			
Salaries	500,000	500,000	497,454
Building Maintenance	11,000	11,000	17,019
Equipment Maintenance	12,000	12,000	9,336
Road Maintenance	400,000	400,000	418,836
Engineering	241,450	241,450	258,625
Utilities	11,000	11,000	8,310
Rentals	5,000	5,000	-
Striping of Roads	10,000	10,000	-
Tree Removal	25,000	25,000	18,526
Building Maintenance Supplies	2,500	2,500	1,191
Equipment Maintenance Supplies	40,000	40,000	31,616
Operating Supplies	100,000	100,000	78,219
JULIE Program	8,000	8,000	2,940
Small Tools	3,500	3,500	-
Contingencies	4,000	4,000	-
Automotive Fuel and Oil	50,000	50,000	31,826

MILTON TOWNSHIP, ILLINOIS

Road and Bridge - Special Revenue Fund

Schedule of Expenditures - Budget and Actual - Continued  
For the Fiscal Year Ended March 31, 2021

	Budget		Actual
	Original	Final	
Highways and Streets - Continued			
Maintenance Division - Continued			
Salt and Calcium Chloride	\$ 110,000	110,000	43,350
Building	11,100	11,100	3,900
Equipment	200,000	200,000	190,933
Sidewalk Program	5,000	5,000	750
Miscellaneous	500,435	500,435	421,598
	<u>2,249,985</u>	<u>2,249,985</u>	<u>2,034,429</u>
Total Expenditures	<u>2,595,923</u>	<u>2,595,923</u>	<u>2,392,562</u>

**MILTON TOWNSHIP, ILLINOIS**

**Nonmajor Governmental Funds**

**Combining Balance Sheet  
March 31, 2021**

---

---

	<u>General Assistance</u>
<b>ASSETS</b>	
Cash and Investments	\$ 294,667
Cash Held by Other Governmental Units	-
Receivables - Net of Allowances	
Property Taxes	250,776
Due from Other Funds	1,029
Prepays	-
	<hr/>
Total Assets	<u>546,472</u>
<b>LIABILITIES</b>	
Due to Other Funds	-
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Taxes	<u>250,776</u>
Total Liabilities and Deferred Inflows of Resources	<u>250,776</u>
<b>FUND BALANCES</b>	
Nonspendable	-
Restricted	<u>295,696</u>
Total Fund Balances	<u>295,696</u>
	<hr/>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>546,472</u>

Special Revenue						
Road IMRF	Road Social Security	Road Tort Liability	Mosquito Abatement	Police District	Motor Fuel Tax	Totals
102,643	63,076	58,056	326,663	36,753	-	881,858
-	-	-	-	-	903,501	903,501
64,028	53,357	96,042	239,370	411,887	-	1,115,460
28,338	22,594	85,069	-	-	-	137,030
-	-	14,096	-	29,275	-	43,371
195,009	139,027	253,263	566,033	477,915	903,501	3,081,220
-	-	-	-	-	-	-
64,028	53,357	96,042	239,370	411,887	-	1,115,460
64,028	53,357	96,042	239,370	411,887	-	1,115,460
-	-	14,096	-	29,275	-	43,371
130,981	85,670	143,125	326,663	36,753	903,501	1,922,389
130,981	85,670	157,221	326,663	66,028	903,501	1,965,760
195,009	139,027	253,263	566,033	477,915	903,501	3,081,220

MILTON TOWNSHIP, ILLINOIS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Fiscal Year Ended March 31, 2021

---

---

	<u>General Assistance</u>
Revenues	
Taxes	\$ 62,147
Intergovernmental	
Motor Fuel Tax Allotments	-
Investment Income	-
Total Revenues	<u>62,147</u>
Expenditures	
Public Safety	-
Highways and Streets	-
Health and Welfare	152,426
Total Expenditures	<u>152,426</u>
Change in Fund Balances	(90,279)
Fund Balances - Beginning	<u>385,975</u>
Fund Balances - Ending	<u><u>295,696</u></u>

Special Revenue						
Road IMRF	Road Social Security	Road Tort Liability	Mosquito Abatement	Police District	Motor Fuel Tax	Totals
50,345	51,972	105,067	235,856	386,617	-	892,004
-	-	-	-	-	299,922	299,922
-	-	-	-	-	4,324	4,324
50,345	51,972	105,067	235,856	386,617	304,246	1,196,250
-	-	-	185,386	416,452	-	601,838
43,606	40,447	84,576	-	-	123,690	292,319
-	-	-	-	-	-	152,426
43,606	40,447	84,576	185,386	416,452	123,690	1,046,583
6,739	11,525	20,491	50,470	(29,835)	180,556	149,667
124,242	74,145	136,730	276,193	95,863	722,945	1,816,093
130,981	85,670	157,221	326,663	66,028	903,501	1,965,760



MILTON TOWNSHIP, ILLINOIS

General Assistance - Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended March 31, 2021

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 56,800	56,800	62,147
Investment Income	40	40	-
Total Revenues	<u>56,840</u>	<u>56,840</u>	<u>62,147</u>
Expenditures			
Health and Welfare			
Administrative	108,579	148,700	134,067
Services and Grants	101,500	101,500	18,359
Total Expenditures	<u>210,079</u>	<u>250,200</u>	<u>152,426</u>
Change in Fund Balance	<u>(153,239)</u>	<u>(193,360)</u>	(90,279)
Fund Balance - Beginning			<u>385,975</u>
Fund Balance - Ending			<u>295,696</u>

MILTON TOWNSHIP, ILLINOIS

General Assistance - Special Revenue Fund

Schedule of Expenditures - Budget and Actual  
For the Fiscal Year Ended March 31, 2021

	Budget		Actual
	Original	Final	
Health and Welfare			
Administrative			
Salaries	\$ 82,000	82,300	78,704
Health Insurance	4,871	44,841	38,675
Unemployment Insurance	300	300	98
Social Security/Medicare	6,273	6,273	5,434
IMRF Expenditure	6,535	6,535	6,136
Postage	500	500	133
Telephone	2,500	2,500	2,480
Travel and Training	1,500	1,500	(227)
Office and Operating Supplies	1,500	1,500	986
Computer Software	1,500	1,500	1,200
Computer, Peripherals and Technology	750	750	-
Fax Machine	100	100	-
Miscellaneous	250	101	448
	<u>108,579</u>	<u>148,700</u>	<u>134,067</u>
Services and Grants			
Shelter	50,000	50,000	18,939
Utilities	20,000	20,000	452
Food	1,500	1,500	-
Flat Grants	20,000	20,000	(1,032)
Medical, Drugs and Dental	10,000	10,000	-
	<u>101,500</u>	<u>101,500</u>	<u>18,359</u>
Total Expenditures	<u>210,079</u>	<u>250,200</u>	<u>152,426</u>

**MILTON TOWNSHIP, ILLINOIS**

**Road IMRF - Special Revenue Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended March 31, 2021**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$		
Property Taxes	65,000	65,000	50,345
Expenditures			
Highways and Streets			
Employer IMRF Contributions	45,000	45,000	43,606
Change in Fund Balance	20,000	20,000	6,739
Fund Balance - Beginning			124,242
Fund Balance - Ending			130,981

MILTON TOWNSHIP, ILLINOIS

Road Social Security - Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended March 31, 2021

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$		
Property Taxes	50,000	50,000	51,972
Expenditures			
Highways and Streets			
Payroll Taxes	43,360	43,360	40,447
Change in Fund Balance	<u>6,640</u>	<u>6,640</u>	11,525
Fund Balance - Beginning			<u>74,145</u>
Fund Balance - Ending			<u>85,670</u>

MILTON TOWNSHIP, ILLINOIS

Road Tort Liability - Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended March 31, 2021

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$		
Property Taxes	95,000	95,000	105,067
Expenditures			
Highways and Streets			
Insurance Premiums	74,000	74,000	84,576
Change in Fund Balance	21,000	21,000	20,491
Fund Balance - Beginning			136,730
Fund Balance - Ending			157,221

MILTON TOWNSHIP, ILLINOIS

Mosquito Abatement - Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended March 31, 2021

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 234,486	234,486	235,856
Investment Income	10	10	-
Total Revenues	<u>234,496</u>	<u>234,496</u>	<u>235,856</u>
Expenditures			
Public Safety			
Mosquito Abatement Expenditures	231,618	231,618	184,869
Miscellaneous	400	400	517
Total Expenditures	<u>232,018</u>	<u>232,018</u>	<u>185,386</u>
Change in Fund Balance	<u>2,478</u>	<u>2,478</u>	50,470
Fund Balance - Beginning			<u>276,193</u>
Fund Balance - Ending			<u>326,663</u>

MILTON TOWNSHIP, ILLINOIS

Police District - Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended March 31, 2021

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 387,540	387,540	386,617
Expenditures			
Public Safety			
Special Police Contract	387,540	387,540	414,942
Telephone	500	500	1,056
Contingencies	500	500	-
Miscellaneous	500	500	454
Total Expenditures	<u>389,040</u>	<u>389,040</u>	<u>416,452</u>
Change in Fund Balance	<u>(1,500)</u>	<u>(1,500)</u>	(29,835)
Fund Balance - Beginning			<u>95,863</u>
Fund Balance - Ending			<u><u>66,028</u></u>

**MILTON TOWNSHIP, ILLINOIS**

**Custodial Funds**

**Combining Statement of Changes in Fiduciary Net Position  
March 31, 2021**

---

---

	Cemetery	Salt Council	Totals
Additions			
Interest Income	\$ -	-	-
Deductions			
Administration	526	9,729	10,255
Change in Fiduciary Net Position	(526)	(9,729)	(10,255)
Net Position Restricted for Individuals, Organizations, and Other Governments			
Beginning	526	9,729	10,255
Ending	-	-	-

---

---



MILTON TOWNSHIP, ILLINOIS

Custodial Funds

Combining Statement of Changes in Fiduciary Net Position  
For the Fiscal Year Ended March 31, 2021

---

---

	Cemetary	Salt Council	Totals
Additions			
Interest Income	\$ -	-	-
Deductions			
Administration	526	9,729	10,255
Change in Fiduciary Net Position	(526)	(9,729)	(10,255)
Net Position Restricted for Individuals, Organizations, and Other Governments			
Beginning	526	9,729	10,255
Ending	-	-	-

---

---

**SUPPLEMENTAL SCHEDULE**

**MILTON TOWNSHIP, ILLINOIS**

**Schedule of Assessed Valuation, Tax Rates, and Tax Extension  
Last Eight Tax Levy Years  
March 31, 2021**

---

**See Following Page**

**MILTON TOWNSHIP, ILLINOIS**

**Schedule of Assessed Valuation, Tax Rates, and Tax Extension  
Last Eight Tax Levy Years  
March 31, 2021**

	2013	2014
<b>Assessed Valuation</b>		
Township	\$ 4,266,396,181	4,219,533,140
Police District	\$ 758,782,655	758,301,725
Mosquito Abatement District	\$ 304,753,478	303,774,837
<b>Tax Rates</b>		
Town Fund	0.0403	0.0418
General Assistance Fund	0.0065	0.0066
Road and Bridge Fund	0.0767	0.0620
Permanent Road Fund	-	0.0111
Road IMRF Fund	-	0.0024
Road Social Security Fund	-	0.0015
Road Tort Liability Fund	-	0.0023
Police District Fund	0.0357	0.0379
Mosquito Abatement Fund	0.0212	0.0219
Total Tax Rates	0.18040	0.18750
<b>Tax Extensions</b>		
Town Fund	\$ 1,719,354	1,763,765
General Assistance Fund	277,315	278,489
Road and Bridge Fund*	1,636,159	1,569,666
Permanent Road Fund	-	468,368
Road IMRF Fund	-	101,269
Road Social Security Fund	-	63,293
Road Tort Liability Fund	-	97,049
Police District Fund	270,685	287,396
Mosquito Abatement Fund	64,608	66,527
Total Tax Extensions	3,968,121	4,695,822

\*Road and Bridge tax levy is shared with the Village.

2015	2016	2017	2018	2019	2020
4,375,781,424	4,643,999,983	4,869,112,692	5,088,716,025	5,211,398,312	5,335,658,481
752,393,277	788,794,481	829,062,203	859,898,675	885,272,104	907,239,242
296,009,833	307,536,880	322,756,660	334,312,585	1,908,882,858	1,962,045,646
0.0469	0.4040	0.0397	0.0390	0.0396	0.0404
0.0006	0.0053	0.0052	0.0052	0.0012	0.0049
0.0566	0.0506	0.0424	0.0367	0.0339	0.0293
0.0163	0.0196	0.0266	0.0314	0.0343	0.0392
0.0015	0.0014	0.0013	0.0012	0.0012	0.0012
0.0012	0.0011	0.0011	0.0010	0.0010	0.0010
0.0022	0.0021	0.0020	0.0019	0.0018	0.0018
0.0406	0.0411	0.0415	0.0425	0.0438	0.0454
0.0229	0.0228	0.0225	0.0225	0.0124	0.0122
0.18880	0.54800	0.18230	0.18140	0.16920	0.17540
2,052,241	1,876,176	1,933,038	1,984,599	2,063,714	2,155,606
26,255	246,132	253,194	264,613	62,537	261,447
1,238,346	1,409,918	1,032,252	1,867,559	1,766,664	1,563,348
713,252	910,224	1,295,184	1,597,857	1,787,510	2,091,578
65,637	65,016	63,298	61,065	62,537	64,028
52,509	51,084	53,560	50,887	52,114	53,357
96,267	97,524	97,382	96,685	93,805	96,042
305,472	324,195	344,061	365,457	387,749	411,887
67,786	70,118	72,620	75,220	236,701	239,370
4,617,765	5,050,387	5,144,589	6,363,942	6,513,331	6,936,663