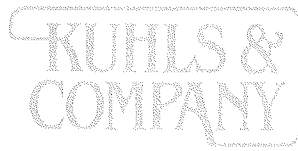


BELVIDERE TOWNSHIP, ILLINOIS  
ANNUAL FINANCIAL REPORT  
March 31, 2017

# C O N T E N T S

	<u>Page</u>
REPORT OF CERTIFIED PUBLIC ACCOUNTANTS	1-2
MANAGEMENT DISCUSSION AND ANALYSIS	3-8
FINANCIAL STATEMENTS	
Statement of Net Position	9
Statement of Activities	10
Balance Sheet - Governmental Funds	11
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net position	12
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds	13
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities	14
NOTES TO FINANCIAL STATEMENTS	15-25
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Required Pension Contributions	26
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	27-30
Notes to Budgetary Comparison Statements	31
SUPPLEMENTARY INFORMATION	
Balance Sheet - Non-Major Governmental Funds	32
Statement of Revenues, Expenditures and Changes in Fund Balance - Non-Major Governmental Funds	33
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	34-39
Statement of Revenues, Expenditures and Changes in Fund Balance	40
Assessed Valuations, Tax Rates, Extensions and Collections	41



*Kuhls & Company  
Certified Public  
Accountants*

*3934 Broadway  
Rockford, IL 61108  
(815) 397-8220  
Fax (815) 397-8550*

To the Belvidere Township Board  
Belvidere Township, Illinois

### INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Belvidere Township, Illinois, as of and for the year ended March 31, 2017, and the related notes to the financial statements which collectively comprise the Township's basic financial statements as listed in the table of contents.

#### Management's Responsibility for the Financial Statements

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

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

(Con't)

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and aggregate remaining fund information of Belvidere Township, Illinois, as of March 31, 2017, 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.

## 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, 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 of the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Belvidere Township, Illinois, basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison information, assessed valuation schedules and other supplementary information as listed in the table of contents, are presented for purpose of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole. The budgetary comparison information, assessed valuation schedules and other supplementary information have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.



September 14, 2017  
Rockford, Illinois

## BELVIDERE TOWNSHIP, ILLINOIS

### MANAGEMENT DISCUSSION AND ANALYSIS

This Management Discussion and Analysis for the Township of Belvidere's financial performance provides an overview of the Township activities for the fiscal year ended March 31, 2017. The MD&A should be reviewed in conjunction with the Township's financial statements.

#### Financial Highlights

Net position of the Township at the close of the most recent fiscal year was \$14,357,556 as compared to the beginning balance of \$14,495,871.

The Township's total net position decreased by \$138,315. This decrease is primarily due to an increase in departmental spending and a smaller increase in property taxes.

As of the close of the current fiscal year, the Township's governmental funds reported combined ending fund balances of \$7,638,996, an increase of \$94,436 in comparison with the prior year. This increase is primarily due to a decrease of road projects.

#### Overview of the Financial Statements

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

BELVIDERE TOWNSHIP, ILLINOIS  
MANAGEMENT DISCUSSION AND ANALYSIS

Government-Wide Financial Statements

The government-wide financial statements provide both short term and long term information about the Township's overall financial status, similar to a private sector business. The Township's basic services are highway and street maintenance and improvements, general assistance and welfare, culture and recreation, and general government services. Current operations of these activities are primarily financed with property taxes.

The statement of net position presents information on all of the Township's assets, liabilities and deferred inflows and outflows of resources, with the difference 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.

The statement of activities presents information showing how the net position of the Township changed during the fiscal year. All changes in net position are reported using the accrual basis of accounting. All of the current year's revenues and activities are taken into account regardless of when received or paid.

Condensed Statement of Net Position  
March 31, 2017

	<u>Governmental Activities</u>
Current assets	\$ 9,800,409
Capital assets (net)	<u>6,735,491</u>
Total assets	<u>16,535,900</u>
Total liabilities	<u>66,544</u>
Total deferred inflows of resources	<u>2,111,800</u>
Net position:	
Invested in capital assets	6,735,491
Restricted	6,087,568
Unrestricted	<u>1,534,497</u>
Total net position	<u>\$14,357,556</u>

All funds are governmental activity type funds. Belvidere Township does not have any business activity type funds.

BELVIDERE TOWNSHIP, ILLINOIS  
MANAGEMENT DISCUSSION AND ANALYSIS

Capital Assets

The Township's investment in capital assets for its government-wide activities as of March 31, 2017, approximates \$6,735,491 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, infrastructure, machinery and equipment and vehicles.

The following shows the change in the Township's capital assets, net of depreciation:

	<u>March 31, 2016</u>	<u>Change</u>	<u>March 31, 2017</u>
Land	\$ 600,583	\$ -	\$ 600,583
Buildings & improvements	1,767,383	( 63,531)	1,703,852
Infrastructure	3,851,582	( 35,326)	3,816,256
Machinery & equipment	343,618	( 65,440)	278,178
Vehicles	<u>415,192</u>	<u>( 78,570)</u>	<u>336,622</u>
Total capital assets, net	<u>\$6,978,358</u>	<u>(\$242,867)</u>	<u>\$6,735,491</u>

Noncurrent Liabilities

At the end of the current fiscal year, the Township has the following non-current liabilities:

	<u>Due more than one year</u>
Compensated absences	\$16,931

Condensed Statement of Activities  
for the year ended March 31, 2017

<u>Revenues</u>	<u>Governmental Activities</u>
Property taxes	\$2,128,145
Other taxes	238,186
Other revenues	<u>74,035</u>
Total revenues	<u>2,440,366</u>
<u>Activities:</u>	
General government	878,905
Contributions to Illinois Municipal Retirement Fund	49,783
Highways and streets	1,450,164
Welfare	61,579
Cemetery	<u>138,250</u>
Total activities	<u>2,578,681</u>
Change in net position	<u>(\$ 138,315)</u>

## BELVIDERE TOWNSHIP, ILLINOIS

### MANAGEMENT DISCUSSION AND ANALYSIS

#### Fund Financial Statements

The fund financial statements provide detailed information about the Township's major funds and non-major funds. Funds are a separate accounting of specific funding sources and specific expenditures of activities. Some funds are required by state law, while others are established to control and manage activities.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the similar information presented in the statements. By doing so, readers may better understand the long-term effect of the Township's near-term financial decisions. Both the governmental funds Balance Sheet, and the governmental funds 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 eleven individual governmental funds. Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances for all these funds. Four of the eleven governmental funds are considered major funds of the Township.

The Township adopts annual budgets for all major governmental funds. A budgetary comparison statement has been provided for the major governmental funds, which is in compliance with Governmental Accounting Standards.

#### Financial Analysis of the Governmental Funds

As noted earlier, the Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The financial reporting focus of the Township's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information may be useful in assessing the Township's financing requirements. In particular, fund balance may serve as useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Township's governmental funds reported a combined ending fund balance of \$7,638,996, an increase of \$94,436 in comparison with the prior year. This total amount constitutes fund balance, which is available to meet the future financial needs of the Township. \$6,087,568 is restricted for future operations, equipment, capital maintenance, future cash flow and other needs. The remainder of fund balance is unrestricted and available for spending.



BELVIDERE TOWNSHIP, ILLINOIS  
MANAGEMENT DISCUSSION AND ANALYSIS

Major Funds Highlights

Town Fund. The beginning fund balance as of April 1, 2016 was \$1,617,019. The revenue during the fiscal year April 1, 2016 through March 31, 2017 was \$784,661 and the expenditures were \$850,252, which leaves a fund balance of \$1,551,428. The fund balance decrease of \$65,591 was primarily due departmental spending.

Road and Bridge Fund. The beginning fund balance as of April 1, 2016 was \$911,175. The revenue during the fiscal year April 1, 2016 through March 31, 2017 was \$667,706 and the expenditures were \$688,260. The fund balance decrease of \$20,554 was due primarily to a small increase in road improvements.

Joint Bridge Fund. The beginning fund balance as of April 1, 2016 was \$2,154,162. The revenue during the fiscal year April 1, 2016 through March 31, 2017 was \$22,883. The Joint Bridge Fund had no bridge construction projects for the year.

Permanent Road Fund. The beginning fund balance as of April 1, 2016 was \$930,715. The revenue during the fiscal year April 1, 2016 through March 31, 2017 was \$281,562 and the expenditures were \$423,339. A fund balance decrease of \$141,777 was due to an increase in road improvements.

Budgetary Highlights

Town Fund. Revenues for the fund operations were greater than budgeted revenue estimates by \$8,661 and expenditures on the budgetary basis were lower than appropriated amounts by \$1,546,736.

Road and Bridge Fund. Revenues for the fund operations were greater than budgeted revenue estimates by \$10,746 and departmental expenditures on the budgetary basis were less than appropriated amounts by \$946,983.

Joint Bridge Fund. Revenues for the fund operations were greater than budgeted revenue estimates by \$16,855 and expenditures on the budgetary basis were less than appropriated amounts by \$2,143,590.

Permanent Road Fund. Revenues for the fund operations were greater than budgeted revenue estimates by \$562 and expenditures on the budgetary basis were less than appropriated amounts by \$787,674.

BELVIDERE TOWNSHIP, ILLINOIS  
MANAGEMENT DISCUSSION AND ANALYSIS

Date of Management's Review

Management has evaluated subsequent events through September 14, 2017, the date on which the financial statements were available to be issued.

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 governmental fund financial statements. The notes can be found on Pages 15 through 25.

Other Information

In addition to the Township's basic financial statements and accompanying notes, this report also presents certain required supplementary information. Required supplementary information can be found on Pages 26 through 30.

The combining and individual statements referred to earlier in connection with non-major governmental funds are presented following the required supplementary information on Pages 32 through 40.

Economic Factors and Next Year Budget and Rates

The Township receives most of its revenue from property taxes. The property tax base of the Township will increase in the next tax cycle. The current fund reserves will allow the Township to budget consistently for fiscal year 2017-2018. Current economic factors will affect interest earnings and replacement tax revenue.

Financial Contact

Belvidere Township's financial statements are designed to present users (citizens, taxpayers, investors and creditors) with a general overview of the Township's finances and to demonstrate the Township's accountability. If you have any questions about the report or need additional financial information, please contact:

Belvidere Township  
8200 Fairgrounds Road  
Belvidere, IL 61008  
Phone: (815) 544-2027

BELVIDERE TOWNSHIP, ILLINOIS

STATEMENT OF NET POSITION  
March 31, 2017

	<u>Governmental Activities</u>
ASSETS	
Cash and equivalents	\$ 1,240,360
Certificates of deposit	6,430,249
Receivables	
Property taxes	2,111,800
Interest	18,000
Capital assets	
Nondepreciable	600,583
Depreciable, net of accumulated depreciation	<u>6,134,908</u>
Total assets	<u>16,535,900</u>
LIABILITIES	
Accounts payable	49,613
Non-current liabilities	
Due in more than one year	<u>16,931</u>
Total liabilities	<u>66,544</u>
DEFERRED INFLOWS OF RESOURCES	
Unearned revenue - property taxes	<u>2,111,800</u>
Total deferred inflows of resources	<u>2,111,800</u>
NET POSITION	
Net investment in capital assets	6,735,491
Restricted	
Construction	2,177,045
Health & welfare	505,926
Highways & streets	1,861,209
Insurance	272,959
Machinery & housing	782,512
Retirement	487,917
Unrestricted	<u>1,534,497</u>
Total net position	<u>\$14,357,556</u>

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

BELVIDERE TOWNSHIP, ILLINOIS

STATEMENT OF ACTIVITIES  
for the year ended March 31, 2017

	<u>Governmental Activities</u>
ACTIVITIES	
General government	\$ 878,905
Contributions to Illinois Municipal Retirement Fund	49,783
Highways and streets	1,450,164
Welfare	61,579
Cemetery	<u>138,250</u>
Total activities	<u>2,578,681</u>
REVENUES	
Taxes	
Property	2,128,145
Replacement	135,865
Motor fuel	102,321
Investment income	34,313
Sale of trucks	1,100
Miscellaneous	<u>38,622</u>
Total revenues	<u>2,440,366</u>
Change in net position	( 138,315)
Net position-beginning of year	<u>14,495,871</u>
Net position-end of year	<u>\$14,357,556</u>

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

BALANCE SHEET  
GOVERNMENTAL FUNDS

BELVIDERE TOWNSHIP, ILLINOIS

BALANCE SHEET  
GOVERNMENTAL FUNDS  
March 31, 2017

ASSETS	Town	Road & Bridge	Joint Bridge
Cash	\$ 96,035	\$ 61,698	\$ 85,945
Certificates of deposit	1,458,229	875,000	2,075,000
Receivables			
Interest	500	200	16,100
Property taxes	710,000	560,000	1,000
Total assets	<u>\$2,264,764</u>	<u>\$1,496,898</u>	<u>\$2,178,045</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 3,336	\$ 46,277	\$ -
Total liabilities	<u>3,336</u>	<u>46,277</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue-property taxes	<u>710,000</u>	<u>560,000</u>	<u>1,000</u>
Total deferred inflows	<u>710,000</u>	<u>560,000</u>	<u>1,000</u>
FUND BALANCES			
Restricted			
Construction	-	-	2,177,045
Health & welfare	-	-	-
Highways & streets	-	890,621	-
Insurance	-	-	-
Machinery & housing	-	-	-
Retirement	-	-	-
Assigned			
Capital projects	1,100,000	-	-
Equipment replacement	165,000	-	-
Parks & recreation	85,000	-	-
Social services	140,000	-	-
Unassigned	<u>61,428</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>1,551,428</u>	<u>890,621</u>	<u>2,177,045</u>
Total liabilities, deferred inflows and fund balances	<u>\$2,264,764</u>	<u>\$1,496,898</u>	<u>\$2,178,045</u>

<u>Permanent Road</u>	<u>Non-Major Governmental</u>	<u>Totals</u>
\$ 188,738	\$ 807,944	\$1,240,360
600,000	1,422,020	6,430,249
200	1,000	18,000
<u>322,000</u>	<u>518,800</u>	<u>2,111,800</u>
<u>\$1,110,938</u>	<u>\$2,749,764</u>	<u>\$9,800,409</u>

<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,613</u>
<u>-</u>	<u>-</u>	<u>49,613</u>

<u>322,000</u>	<u>518,800</u>	<u>2,111,800</u>
<u>322,000</u>	<u>518,800</u>	<u>2,111,800</u>

-	-	2,177,045
-	505,926	505,926
788,938	181,650	1,861,209
-	272,959	272,959
-	782,512	782,512
-	487,917	487,917
-	-	1,100,000
-	-	165,000
-	-	85,000
-	-	140,000
-	-	61,428
<u>788,938</u>	<u>2,230,964</u>	<u>7,638,996</u>

<u>\$1,110,938</u>	<u>\$2,749,764</u>	<u>\$9,800,409</u>
--------------------	--------------------	--------------------

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

BELVIDERE TOWNSHIP, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
March 31, 2017

Total governmental fund balances		\$ 7,638,996
----------------------------------	--	--------------

Amounts reported for governmental activities  
in the statement of net position are  
different because:

Capital assets used in government activities  
are not financial resources and, therefore,  
are not reported as assets in governmental  
funds.

The cost of capital assets is	\$14,277,312	
Accumulated depreciation is	( <u>7,541,821</u> )	
		6,735,491

Certain noncurrent liabilities that are  
reported as an expenditure when due in  
governmental funds, but as noncurrent  
liabilities and corresponding expenses  
when accrued or earned in the statement of  
activities.

Compensated absences	( <u>16,931</u> )	( <u>16,931</u> )
----------------------	-------------------	-------------------

Net position of governmental activities		<u>\$14,357,556</u>
---	--	---------------------

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



STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS

BELVIDERE TOWNSHIP, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
for the year ended March 31, 2017

	<u>Town</u>	<u>Road &amp; Bridge</u>	<u>Joint Bridge</u>
REVENUES			
Property taxes	\$ 724,819	\$ 581,961	\$ 1,071
Replacement taxes	55,355	57,956	-
Motor fuel taxes	-	-	-
Interest	3,932	2,272	21,812
Fees and fines	-	22,517	-
Reimbursements	132	3,000	-
Miscellaneous	<u>423</u>	<u>-</u>	<u>-</u>
Total revenues	784,661	667,706	22,883
EXPENDITURES			
General government	759,604	-	-
Contributions to Illinois Municipal Retirement Fund	-	-	-
Highways and streets	67,648	688,260	-
Welfare	23,000	-	-
Cemetery	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>850,252</u>	<u>688,260</u>	<u>-</u>
Excess of revenues over (under) expenditures	( 65,591)	( 20,554)	22,883
OTHER FINANCING SOURCES (USES)			
Sale of trucks	<u>-</u>	<u>-</u>	<u>-</u>
Total other financial sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	( 65,591)	( 20,554)	22,883
FUND BALANCES, beginning	<u>1,617,019</u>	<u>911,175</u>	<u>2,154,162</u>
FUND BALANCES, ending	<u>\$1,551,428</u>	<u>\$ 890,621</u>	<u>\$2,177,045</u>

<u>Permanent Road</u>	<u>Non-Major Governmental</u>	<u>Totals</u>
\$ 279,625	\$ 540,669	\$2,128,145
-	22,554	135,865
-	102,321	102,321
1,937	4,360	34,313
-	1,425	23,942
-	10,725	13,857
-	400	823
<u>281,562</u>	<u>682,454</u>	<u>2,439,266</u>
-	82,238	841,842
-	49,783	49,783
423,339	75,229	1,254,476
-	38,579	61,579
-	138,250	138,250
<u>423,339</u>	<u>384,079</u>	<u>2,345,930</u>
( 141,777)	298,375	93,336
<u>-</u>	<u>1,100</u>	<u>1,100</u>
<u>-</u>	<u>1,100</u>	<u>1,100</u>
( 141,777)	299,475	94,436
<u>930,715</u>	<u>1,931,489</u>	<u>7,544,560</u>
<u>\$ 788,938</u>	<u>\$2,230,964</u>	<u>\$7,638,996</u>

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

BELVIDERE TOWNSHIP, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
TO THE STATEMENT OF ACTIVITIES

March 31, 2017

Net change in fund balances-total governmental funds \$ 94,436

Amounts reported for governmental activities in the  
statement of activities are different because:

Capital outlays are reported as expenditures  
in governmental funds. However, in the  
statement of activities, the cost of capital  
assets is allocated over their estimated  
useful lives as depreciation expense.  
In the current period, these amounts are:

Capital outlay	\$ 723,559
Depreciation expense	( <u>966,426</u> )

Excess of depreciation expense over capital outlay and costs ( 242,867 )

The change in certain noncurrent liabilities  
is reported as an expenditure when due in  
governmental funds, but as noncurrent  
liabilities and corresponding expenses  
when accrued or earned in the statement of  
activities.

Decrease in compensated absences 10,116

Change in net position of governmental activities (\$138,315)

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

BELVIDERE TOWNSHIP, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

March 31, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Belvidere Township operates under a Supervisor - Board of Trustees form of government and provides the following services as authorized by state statutes: highway and street maintenance and improvements, health and social services, culture and recreation, and general government services.

The accounting and reporting policies of the Township relating to the accompanying financial statements conform to accounting principles generally accepted in the United States of America (GAAP) applicable to local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following represents the more significant accounting and reporting policies and practices used in the preparation of these financial statements.

Reporting Entity

The Township's financial statements include the accounts of all Township operations and those of separately administered organizations that are controlled or dependent on the Township control or dependency, determined by financial interdependency, selection of governing board, designation of management, accountability for fiscal matters, and ability to significantly influence operations. The Township has considered all other organizations for the nature and significance of the relationships which would cause the Township's financial statements to be misleading. Because of the closeness of Belvidere Township's relationship with the county motor fuel tax unit, those financial statements are blended as though they are part of Belvidere Township.

Government-Wide and Fund Financial Statements

Government-Wide Statements: The Statement of Net Position and the Statement of Activities report information about the Township. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. These statements report the Township's governmental activities which generally are financed through taxes, intergovernmental revenues, and other transactions. The Township has no business-type activities, financed in whole or in part by fees charged to external parties, to report.

The Statement of Net Position presents the Township's assets, liabilities and deferred inflow of resources with the difference reported as net position. Net position is reported in three categories.

BELVIDERE TOWNSHIP, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

March 31, 2017

NOTE 1 CONTINUED

Net investment in capital assets consists of capital assets, net of accumulated depreciation.

Restricted net position, amounts that can only be used for specific purposes because enabling legislation establishes restrictions if it includes an enforceable requirement.

Unrestricted net position are assets not meeting the definition of the preceding category.

The Statement of Activities presents a comparison between direct activity costs and revenues for each function of the governmental activities. Direct activities are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. No indirect cost allocations have been made in the funds which require reversal for the statement of activities. Revenues that are not classified as program revenues, including all taxes and related revenues, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Township's funds. The emphasis of the Township's governmental fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

BELVIDERE TOWNSHIP, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

March 31, 2017

NOTE 1 CONTINUED

Grants and similar items, if any, are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Property taxes are recognized as revenue in the year for which they have been levied, provided they are collected within 60 days after year-end. Sales taxes are considered measurable and available at the time the underlying transaction occurs provided they are collected within 60 days after year-end. Other taxes are considered measurable and available when they have been collected by the state or other levying authority. Special assessments receivable are recognized at the time of their levy. The related revenue is recognized at the time the assessment is due or collected. Licenses and permits, fines and forfeitures, and miscellaneous revenues are generally recognized as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recognized as earned.

The Township reports the following major governmental funds:

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

The Road and Bridge Fund, a special revenue fund type, accounts for the financing and maintenance of various road improvements of the Township.

BELVIDERE TOWNSHIP, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
March 31, 2017

NOTE 1 CONTINUED

The Joint Bridge Fund, a special revenue fund type, accounts for the financing and construction of various bridge and culvert maintenance projects through joint agreements with various municipalities.

The Permanent Road Fund, a special revenue fund type, accounts for the financing and maintenance of various road improvements of the Township.

The Township also reports other governmental funds, which are individually non-major, in total. They are the General Insurance, General Assistance, Cemetery, Social Security, Illinois Municipal Retirement, Machinery and Housing and Motor Fuel Tax Funds.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position or balance sheets will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources, expense or expenditure until then. In addition to liabilities, the statement of net position or balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources or revenue until that time.

Cash and Equivalents

Cash and cash equivalents are stated at cost, which approximates market. Cash and certificates of deposit are in financial institutions to be collateralized by the U. S. Government or its obligations or its agencies or direct obligations to the Township. The cash and cash equivalents balance at March 31, 2017 was \$7,670,609 of which the Federal Depository Insurance Corporation covered \$1,200,000 and collateral held by authorized institutions was \$6,470,609.

The Township has a written investment policy which is also governed by state statutes. Cash, cash equivalents and investments are to be invested for a reasonable return and safety of original principal.



BELVIDERE TOWNSHIP, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

March 31, 2017

NOTE 1 CONTINUED

Property Tax Receivable

The Township is responsible for levying property taxes, but the County Treasurer bills and collects taxes for the Township. Taxes for the year ended March 31, 2017 were certified with the County during the year and were due in two equal installments, June 2016 and September 2016. Any tax collections remitted to the Township within sixty days subsequent to March 31, 2017, are recorded as property tax revenues.

The property tax receivable represents taxes approved by the County to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. Although the property tax receivable has been recorded in the financial statements, the related revenue is a deferred inflow of resources and will not be recognized as revenue until the year for which it is levied.

Capital Assets - Government-wide Statements

Capital assets, which include land, buildings, infrastructure, furniture, machinery and equipment are reported in the applicable governmental activities column in the government-wide financial statements. The Township has elected not to report major general infrastructure assets retroactively, per GASB Statement No. 34.

Capital assets are defined by the Township as assets with an initial individual cost as follows: equipment, \$2,500; building and improvements, \$10,000; and infrastructure, \$50,000, or greater, and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements with total project costs of \$50,000 or greater are capitalized as projects are constructed.

BELVIDERE TOWNSHIP, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

March 31, 2017

NOTE 1 CONTINUED

Building and road improvements, buildings, tools and equipment of the Township are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Appliances	5
Tools	5
Equipment	7
Vehicles (under 13,000 lbs)	5
Vehicles (over 13,000 lbs)	7
Building improvements	20
Buildings	40
Road improvements	10
New infrastructure	40

Changes in capital assets for the year ended March 31, 2017 were as follows:

<u>Governmental Activities</u>	<u>April 1 2016</u>	<u>Additions</u>	<u>Retirements</u>	<u>March 31 2017</u>
Non-depreciable assets:				
Land	\$ 600,583	\$ -	\$ -	\$ 600,583
Depreciable assets:				
Admin building	1,669,915	-	-	1,669,915
Buildings & improvements	947,354	7,600	-	954,954
Infrastructure	8,105,057	644,210	-	8,749,267
Machinery & equipment	1,276,551	32,594	-	1,309,145
Vehicles	954,293	39,155	-	993,448
Total	<u>13,553,753</u>	<u>723,559</u>	<u>-</u>	<u>14,277,312</u>
		<u>Depreciation</u>	<u>Retirements</u>	
Less, accumulated depreciation:				
Admin building	459,227	41,747	-	500,974
Buildings & improvements	390,659	29,384	-	420,043
Infrastructure	4,253,475	679,536	-	4,933,011
Machinery & equipment	932,933	98,034	-	1,030,967
Vehicles	539,101	117,725	-	656,826
Total	<u>6,575,395</u>	<u>\$ 966,426</u>	<u>\$ -</u>	<u>7,541,821</u>
Capital assets, net	<u>\$ 6,978,358</u>			<u>\$ 6,735,491</u>

BELVIDERE TOWNSHIP, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

March 31, 2017

NOTE 1 CONTINUED

Current year depreciation was charged to governmental activities as follows:

General government	\$ 47,179
Highways and streets	<u>919,247</u>
Total depreciation	<u>\$966,426</u>

Compensated Absences

Full-time Township employees are entitled to vacation and sick leave. Amounts vary depending on years of employment. Vacation or sick leave that either accumulates or vests is accrued when earned. Employees are allowed to carryover five days of vacation and nine days of sick time. The unused accumulation of time at termination or retirement will be converted to IMRF service credit.

Use of Estimates

The preparation of basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred inflows and disclosures at the date of the basic financial statements and the reported amounts of the revenues and expenditures during the fiscal year. Actual results could vary from estimates that were used.

Fund Balances

In the governmental fund financial statements, fund balances are classified as Nonspendable - amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact; Restricted - amounts constrained for specific purposes because externally imposed by creditors, grantors, contributors or laws and regulations establish restrictions if it includes an enforceable requirement; Committed - amounts that can be used only for specific purposes determined by

BELVIDERE TOWNSHIP, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

March 31, 2017

NOTE 1 CONTINUED

a formal action of the Township and may also be created by contract; Assigned - amounts that are constrained by the Township's intent to be used for specific purposes but are not restricted or committed; Unassigned - all amounts not included in other spendable classifications. The flow of funds assumption is that the funds with higher level of constraint are expended first. In the order of restricted, committed, assigned and then unassigned. The Township has not established a formal minimum fund balance policy for governmental funds.

NOTE 2 FUND BALANCE SURPLUS/DEFICITS

The Township is solely responsible for financing deficits and operating deficiencies and for disposition of surplus funds.

NOTE 3 BUDGETS AND BUDGETARY ACCOUNTING

The Township annually adopts a budget following the required public notice and hearing for all funds and appropriates the amount deemed necessary for each of the different Township activities. The budget may be amended during the year utilizing similar statutorily prescribed procedures and time limitations. Encumbrances are not recognized on the budget and appropriations lapse at year-end.

Budget amounts included in this financial statement represent the Township's appropriations for the year ended March 31, 2017, which was adopted on May 10, 2016. In some instances the Township does not budget revenue by individual line items and in some instances expenditures are not budgeted by individual line items. When revenue and expenditures are not budgeted by line items, composite revenue and expenditure amounts are budgeted. In the budgetary comparison statements, original and final budget amounts were the same, as no budget changes were made during the year.

NOTE 4 RISK MANAGEMENT

The Township participates in the Township Officials of Illinois Risk Management Association (TOIRMA) to provide workers compensation coverage, general liability and property insurance. Belvidere Township, along with other participating townships, contributes annual amounts determined by TOIRMA. As claims arise, they are submitted to and paid by TOIRMA. During 2017, the Township contributed \$32,825 to TOIRMA for this insurance coverage. Coverage was reviewed during the year because of significant asset acquisitions.

BELVIDERE TOWNSHIP, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

March 31, 2017

NOTE 5 RETIREMENT FUND

Illinois Municipal Retirement Fund

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

*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.

*Plan Membership.* At December 31, 2016, IMRF membership consisted of:

Inactive employees or their beneficiaries	
currently received benefits	7
Inactive employees entitled to but not yet	
receiving benefits	4
Active employees	<u>13</u>
Total	<u>24</u>

*Benefits Provided.* IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011 are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten

BELVIDERE TOWNSHIP, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

March 31, 2017

NOTE 5 CONTINUED

years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

*Funding Policy.* As set by statute, your employer Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2016 was 8.38 percent. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

*Annual Pension Cost.* The required contribution for calendar year 2016 was \$50,085.

Three-Year Trend Information for the Regular Plan

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12-31-16	\$ 50,085	100%	\$ -0-
12-31-15	47,473	100	-0-
12-31-14	53,545	100	-0-

The required contribution for 2016 was determined as part of the December 31, 2014, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2014, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 3.5% a year, attributable to inflation,<sup>©</sup> additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of your employer Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The employer Regular plan's over funded actuarial accrued liability at December 31, 2014 is being amortized as a level percentage of projected payroll on an open 27 year basis.

BELVIDERE TOWNSHIP, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

March 31, 2017

NOTE 5 CONTINUED

*Funded Status and Funding Progress.* As of December 31, 2016, the most recent actuarial valuation date, the Regular plan was 104.17 percent funded. The actuarial accrued liability for benefits was \$1,893,082 and the actuarial value of assets was \$1,971,978, resulting in an over funded actuarial accrued liability (UAAL) of \$78,896. The covered payroll for calendar year 2016 (annual payroll of active employees covered by the plan) was \$597,669. Because the plan is over funded, there is no ratio of the UAAL to the covered payroll.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Required Supplementary Information - Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability(AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll ©	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12-31-16	\$1,971,978	\$1,893,082	(\$ 78,896)	104.17%	\$597,669	0.00%
12-31-15	1,812,397	1,829,439	17,042	99.07	583,210	2.92
12-31-14	1,646,918	1,682,473	35,555	97.89	558,926	6.36

On a market value basis, the actuarial value of assets as of December 31, 2016 is \$1,942,676. On a market basis, the funded ratio would be 102.62%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with Belvidere Township. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

REQUIRED  
SUPPLEMENTARY INFORMATION



BELVIDERE TOWNSHIP, ILLINOIS

SCHEDULE OF REQUIRED PENSION CONTRIBUTIONS

March 31, 2017

<u>Year</u>	<u>Annual Required Contribution</u>	<u>Contribution Percentage</u>	<u>Net Pension Obligation</u>
2016	\$ 50,085	100%	\$ -0-
2015	47,473	100	-0-
2014	53,545	100	-0-
2013	59,914	100	-0-
2012	46,441	100	-0-
2011	39,455	100	-0-
2010	43,442	100	-0-
2009	38,302	100	-0-
2008	40,169	100	-0-
2007	38,543	100	-0-

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

BELVIDERE TOWNSHIP, ILLINOIS

TOWN FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL

for the year ended March 31, 2017

	Budget		Variance to
	Original/Final	Actual	Final Budget
REVENUES			Positive(Negative)
Property taxes	\$ 730,000	\$ 724,819	(\$ 5,181)
Replacement taxes	45,000	55,355	10,355
Interest	1,000	3,932	2,932
Reimbursements	-	132	132
Miscellaneous	-	423	423
Total revenues	<u>776,000</u>	<u>784,661</u>	<u>8,661</u>
EXPENDITURES			
Township board	13,134	13,134	-
Clerk's salary	15,244	15,244	-
Supervisor's office	195,169	122,299	72,870
Road and bridge department	67,648	67,648	-
Assessor's office	402,800	374,730	28,070
Insurance	135,000	107,645	27,355
Community support	87,000	19,205	67,795
Professional fees	70,000	45,894	24,106
Social service	100,000	23,000	77,000
Building maintenance	185,000	36,640	148,360
Real estate acquisitions	500,000	-	500,000
Capital projects	540,000	2,741	537,259
Utilities	28,000	14,973	13,027
Energy assistance	5,000	2,000	3,000
Miscellaneous	<u>52,993</u>	<u>5,099</u>	<u>47,894</u>
Total expenditures	<u>2,396,988</u>	<u>850,252</u>	<u>1,546,736</u>
Excess of revenues over (under)expenditures	( 1,620,988)	( 65,591)	1,555,397
FUND BALANCE, beginning	<u>1,617,019</u>	<u>1,617,019</u>	<u>-</u>
FUND BALANCE, ending	<u>(\$ 3,969)</u>	<u>\$1,551,428</u>	<u>\$1,555,397</u>

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

BELVIDERE TOWNSHIP, ILLINOIS

ROAD AND BRIDGE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
for the year ended March 31, 2017

	Budget		Variance to
	Original/Final	Actual	Final Budget
REVENUES			Positive (Negative)
Property taxes	\$ 590,960	\$ 581,961	(\$ 8,999)
Replacement taxes	50,000	57,956	7,956
Interest	1,000	2,272	1,272
Fees and fines	15,000	22,517	7,517
Reimbursements	-	3,000	3,000
Total revenues	<u>656,960</u>	<u>667,706</u>	<u>10,746</u>
EXPENDITURES			
Administrative:			
Supplies	8,000	5,922	2,078
Insurance	139,000	137,555	1,445
Legal	10,000	-	10,000
Street expenditures:			
Salaries	250,000	187,975	62,025
Oiling and blacktopping	460,000	228,891	231,109
Materials and supplies	407,000	85,525	321,475
Gas, oil and fees	50,000	15,374	34,626
Machine rental	5,000	1,500	3,500
Bridge maintenance	2,000	-	2,000
Equipment and maintenance	25,000	15,611	9,389
Equipment purchases	100,000	-	100,000
Building and maintenance	7,500	2,039	5,461
Design engineering	100,000	6,260	93,740
Miscellaneous	<u>71,743</u>	<u>1,608</u>	<u>70,135</u>
Total expenditures	<u>1,635,243</u>	<u>688,260</u>	<u>946,983</u>
Excess of revenues over (under)expenditures	( 978,283)	( 20,554)	957,729
FUND BALANCE, beginning	<u>911,175</u>	<u>911,175</u>	<u>-</u>
FUND BALANCE, ending	<u>(\$ 67,108)</u>	<u>\$ 890,621</u>	<u>\$ 957,729</u>

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

BELVIDERE TOWNSHIP, ILLINOIS

JOINT BRIDGE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
for the year ended March 31, 2017

	Budget Original/Final	Actual	Variance to Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 1,028	\$ 1,071	\$ 43
Interest	<u>5,000</u>	<u>21,812</u>	<u>16,812</u>
Total revenues	<u>6,028</u>	<u>22,883</u>	<u>16,855</u>
EXPENDITURES			
Bridge maintenance	60,000	-	60,000
Bridge construction	1,985,000	-	1,985,000
Miscellaneous	<u>98,590</u>	<u>-</u>	<u>98,590</u>
Total expenditures	<u>2,143,590</u>	<u>-</u>	<u>2,143,590</u>
Excess of revenues over (under)expenditures	( 2,137,562)	22,883	2,160,445
FUND BALANCE, beginning	<u>2,154,162</u>	<u>2,154,162</u>	<u>-</u>
FUND BALANCE, ending	<u>\$ 16,600</u>	<u>\$2,177,045</u>	<u>\$2,160,445</u>

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

BELVIDERE TOWNSHIP, ILLINOIS

PERMANENT ROAD FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
for the year ended March 31, 2017

	Budget Original/Final	Actual	Variance to Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 280,000	\$ 279,625	(\$ 375)
Interest	<u>1,000</u>	<u>1,937</u>	<u>937</u>
Total revenues	<u>281,000</u>	<u>281,562</u>	<u>562</u>
EXPENDITURES			
Road improvements	1,150,000	423,339	726,661
Miscellaneous	<u>61,013</u>	<u>-</u>	<u>61,013</u>
Total expenditures	<u>1,211,013</u>	<u>423,339</u>	<u>787,674</u>
Excess of revenues over (under)expenditures	( 930,013)	( 141,777)	788,236
FUND BALANCE, beginning	<u>930,715</u>	<u>930,715</u>	<u>-</u>
FUND BALANCE, ending	<u>\$ 702</u>	<u>\$ 788,938</u>	<u>\$ 788,236</u>

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

BELVIDERE TOWNSHIP, ILLINOIS

NOTES TO BUDGETARY COMPARISON STATEMENTS

March 31, 2017

NOTE 1 BUDGETING AND BUDGETARY ACCOUNTING

The Township annually adopts a budget following the required public notice and hearing for all funds and appropriates the amount deemed necessary for each of the different Township activities. The budget may be amended during the year utilizing similar statutorily prescribed procedures and time limitations. Encumbrances are not recognized on the budget and appropriations lapse at year-end.

Budget amounts included in this financial statement represent the Township's appropriations for the year ended March 31, 2017, which was adopted on May 10, 2016. In some instances the Township does not budget revenue by individual line items and in some instances expenditures are not budgeted by individual line items. When revenue and expenditures are not budgeted by line items, composite revenue and expenditure amounts are budgeted.

In the budgetary comparison statements, original and final budget amounts were the same, as no budget changes were made during the year.

## SUPPLEMENTARY INFORMATION

BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS



BELVIDERE TOWNSHIP, ILLINOIS

BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
March 31, 2017

	<u>General Insurance</u>	<u>General Assistance</u>	<u>Cemetery</u>
ASSETS			
Cash	\$ 22,659	\$117,735	\$115,971
Certificates of deposit	250,000	175,000	97,020
Receivables			
Interest	300	100	100
Property taxes	<u>1,000</u>	<u>35,000</u>	<u>163,800</u>
Total assets	<u>\$273,959</u>	<u>\$327,835</u>	<u>\$376,891</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES			
LIABILITIES			
Accounts payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	<u>1,000</u>	<u>35,000</u>	<u>163,800</u>
Total deferred inflows	<u>1,000</u>	<u>35,000</u>	<u>163,800</u>
FUND BALANCES			
Restricted	<u>272,959</u>	<u>292,835</u>	<u>213,091</u>
Total fund balance	<u>272,959</u>	<u>292,835</u>	<u>213,091</u>
Total liabilities, deferred inflows and fund balances	<u>\$273,959</u>	<u>\$327,835</u>	<u>\$376,891</u>

<u>Social Security</u>	<u>Illinois Municipal Retirement</u>	<u>Machinery &amp; Housing</u>	<u>Motor Fuel Tax</u>	<u>Totals</u>
\$ 95,218	\$142,599	\$132,112	\$181,650	\$ 807,944
175,000	75,000	650,000	-	1,422,020
-	100	400	-	1,000
<u>85,000</u>	<u>85,000</u>	<u>149,000</u>	<u>-</u>	<u>518,800</u>
<u>\$355,218</u>	<u>\$302,699</u>	<u>\$931,512</u>	<u>\$181,650</u>	<u>\$2,749,764</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>85,000</u>	<u>85,000</u>	<u>149,000</u>	<u>-</u>	<u>518,800</u>
<u>85,000</u>	<u>85,000</u>	<u>149,000</u>	<u>-</u>	<u>518,800</u>
<u>270,218</u>	<u>217,699</u>	<u>782,512</u>	<u>181,650</u>	<u>2,230,964</u>
<u>270,218</u>	<u>217,699</u>	<u>782,512</u>	<u>181,650</u>	<u>2,230,964</u>
<u>\$355,218</u>	<u>\$302,699</u>	<u>\$931,512</u>	<u>\$181,650</u>	<u>\$2,749,764</u>

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
NON-MAJOR GOVERNMENTAL FUNDS

BELVIDERE TOWNSHIP, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

NON-MAJOR GOVERNMENTAL FUNDS

for the year ended March 31, 2017

	<u>General Insurance</u>	<u>General Assistance</u>	<u>Cemetery</u>
REVENUES			
Property taxes	\$ 1,025	\$ 34,790	\$156,160
Replacement taxes	-	14,763	-
Motor fuel taxes	-	-	-
Interest	734	503	250
Fees and fines	-	1,425	-
Reimbursements	4,725	6,000	-
Miscellaneous	<u>-</u>	<u>-</u>	<u>400</u>
Total revenues	6,484	57,481	156,810
EXPENDITURES			
General government	32,825	-	-
Contributions to Illinois			
Municipal Retirement Fund	-	-	-
Highways and streets	1,985	-	-
Welfare	-	38,579	-
Cemetery	<u>-</u>	<u>-</u>	<u>138,250</u>
Total expenditures	<u>34,810</u>	<u>38,579</u>	<u>138,250</u>
Excess of revenues over (under) expenditures	( 28,326)	18,902	18,560
OTHER FINANCING SOURCES (USES)			
Sale of trucks	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	( 28,326)	18,902	18,560
FUND BALANCES, beginning	<u>301,285</u>	<u>273,933</u>	<u>194,531</u>
FUND BALANCES, ending	<u>\$272,959</u>	<u>\$292,835</u>	<u>\$213,091</u>

<u>Social Security</u>	<u>Illinois Municipal Retirement</u>	<u>Machinery &amp; Housing</u>	<u>Motor Fuel Tax</u>	<u>Totals</u>
\$ 84,438	\$ 77,498	\$186,758	\$ -	\$ 540,669
-	7,791	-	-	22,554
-	-	-	102,321	102,321
473	261	1,803	336	4,360
-	-	-	-	1,425
-	-	-	-	10,725
-	-	-	-	400
<u>84,911</u>	<u>85,550</u>	<u>188,561</u>	<u>102,657</u>	<u>682,454</u>
49,413	-	-	-	82,238
-	49,783	-	-	49,783
-	-	73,244	-	75,229
-	-	-	-	38,579
-	-	-	-	138,250
<u>49,413</u>	<u>49,783</u>	<u>73,244</u>	<u>-</u>	<u>384,079</u>
35,498	35,767	115,317	102,657	298,375
-	-	1,100	-	1,100
-	-	1,100	-	1,100
35,498	35,767	116,417	102,657	299,475
<u>234,720</u>	<u>181,932</u>	<u>666,095</u>	<u>78,993</u>	<u>1,931,489</u>
<u>\$270,218</u>	<u>\$217,699</u>	<u>\$782,512</u>	<u>\$181,650</u>	<u>\$2,230,964</u>

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

BELVIDERE TOWNSHIP, ILLINOIS

GENERAL INSURANCE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
for the year ended March 31, 2017

	Budget Original/Final	Actual	Variance to Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 1,000	\$ 1,025	\$ 25
Interest	500	734	234
Reimbursements	<u>-</u>	<u>4,725</u>	<u>4,725</u>
Total revenues	<u>1,500</u>	<u>6,484</u>	<u>4,984</u>
EXPENDITURES			
Insurance	250,000	32,825	217,175
Unemployment	20,000	1,985	18,015
Miscellaneous	<u>32,485</u>	<u>-</u>	<u>32,485</u>
Total expenditures	<u>302,485</u>	<u>34,810</u>	<u>267,675</u>
Excess of revenues over (under)expenditures	( 300,985)	( 28,326)	272,659
FUND BALANCE, beginning	<u>301,285</u>	<u>301,285</u>	<u>-</u>
FUND BALANCE, ending	<u>\$ 300</u>	<u>\$272,959</u>	<u>\$272,659</u>

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

BELVIDERE TOWNSHIP, ILLINOIS

GENERAL ASSISTANCE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
for the year ended March 31, 2017

	Budget Original/Final	Actual	Variance to Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 35,000	\$ 34,790	(\$ 210)
Replacement taxes	12,000	14,763	2,763
Interest	-	503	503
Intergovernmental fees	1,500	1,425	( 75)
Reimbursements	<u>-</u>	<u>6,000</u>	<u>6,000</u>
Total revenues	<u>48,500</u>	<u>57,481</u>	<u>8,981</u>
EXPENDITURES			
Salaries	32,500	25,560	6,940
Administrative supplies	2,500	217	2,283
Insurance	2,500	2,360	140
Office equipment	3,000	792	2,208
Legal	10,000	-	10,000
Burial	10,000	-	10,000
Medical	100,000	-	100,000
Rent and living	77,500	9,650	67,850
Transient	2,000	-	2,000
Utilities	6,000	-	6,000
Miscellaneous	<u>76,333</u>	<u>-</u>	<u>76,333</u>
Total expenditures	<u>322,333</u>	<u>38,579</u>	<u>283,754</u>
Excess of revenues over (under)expenditures	( 273,833)	18,902	292,735
FUND BALANCE, beginning	<u>273,933</u>	<u>273,933</u>	<u>-</u>
FUND BALANCE, ending	<u>\$ 100</u>	<u>\$292,835</u>	<u>\$292,735</u>

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

BELVIDERE TOWNSHIP, ILLINOIS

CEMETERY FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
for the year ended March 31, 2017

	Budget Original/Final	Actual	Variance to Final Budget Positive (Negative)
REVENUES			
Property taxes	\$157,050	\$156,160	(\$ 890)
Interest	-	250	250
Miscellaneous	<u>-</u>	<u>400</u>	<u>400</u>
Total revenues	<u>157,050</u>	<u>156,810</u>	( <u>240</u> )
EXPENDITURES			
Salaries	1,500	1,500	-
Belvidere Cemetery	129,000	126,000	3,000
Orth Cemetery	5,500	5,500	-
Davis Cemetery	4,750	3,750	1,000
Legal	1,500	1,500	-
Miscellaneous	<u>15,000</u>	<u>-</u>	<u>15,000</u>
Total expenditures	<u>157,250</u>	<u>138,250</u>	<u>19,000</u>
Excess of revenues over (under)expenditures	( 200)	18,560	18,760
FUND BALANCE, beginning	<u>194,531</u>	<u>194,531</u>	<u>-</u>
FUND BALANCE, ending	<u>\$194,331</u>	<u>\$213,091</u>	<u>\$18,760</u>

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



BELVIDERE TOWNSHIP, ILLINOIS

SOCIAL SECURITY FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
for the year ended March 31, 2017

	Budget <u>Original/Final</u>	<u>Actual</u>	Variance to Final Budget <u>Positive (Negative)</u>
REVENUES			
Property taxes	\$ 85,000	\$ 84,438	(\$ 562)
Interest	<u>-</u>	<u>473</u>	<u>473</u>
Total revenues	<u>85,000</u>	<u>84,911</u>	<u>( 89)</u>
EXPENDITURES			
Payroll taxes	250,000	49,413	200,587
Miscellaneous	<u>69,720</u>	<u>-</u>	<u>69,720</u>
Total expenditures	<u>319,720</u>	<u>49,413</u>	<u>270,307</u>
Excess of revenues over (under)expenditures	( 234,720)	35,498	270,218
FUND BALANCE, beginning	<u>234,720</u>	<u>234,720</u>	<u>-</u>
FUND BALANCE, ending	<u>\$ -</u>	<u>\$270,218</u>	<u>\$270,218</u>

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

BELVIDERE TOWNSHIP, ILLINOIS

ILLINOIS MUNICIPAL RETIREMENT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
for the year ended March 31, 2017

	Budget Original/Final	Actual	Variance to Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 78,000	\$ 77,498	(\$ 502)
Replacement taxes	6,000	7,791	1,791
Interest	<u>-</u>	<u>261</u>	<u>261</u>
Total revenues	<u>84,000</u>	<u>85,550</u>	<u>1,550</u>
EXPENDITURES			
Contributions to Illinois Municipal Retirement Fund	265,332	49,783	215,549
Miscellaneous	<u>500</u>	<u>-</u>	<u>500</u>
Total expenditures	<u>265,832</u>	<u>49,783</u>	<u>216,049</u>
Excess of revenues over (under)expenditures	( 181,832)	35,767	217,599
FUND BALANCE, beginning	<u>181,932</u>	<u>181,932</u>	<u>-</u>
FUND BALANCE, ending	<u>\$ 100</u>	<u>\$217,699</u>	<u>\$217,599</u>

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

BELVIDERE TOWNSHIP, ILLINOIS

MACHINERY AND HOUSING FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 for the year ended March 31, 2017

	Budget Original/Final	Actual	Variance to Final Budget Positive (Negative)
REVENUES			
Property taxes	\$187,000	\$186,758	(\$ 242)
Interest	<u>1,000</u>	<u>1,803</u>	<u>803</u>
Total revenues	<u>188,000</u>	<u>188,561</u>	<u>561</u>
EXPENDITURES			
Capital outlay	500,000	55,498	444,502
General expenditures	275,000	17,746	257,254
Miscellaneous	<u>78,121</u>	<u>-</u>	<u>78,121</u>
Total expenditures	<u>853,121</u>	<u>73,244</u>	<u>779,877</u>
Excess of revenues over (under)expenditures	( 665,121)	115,317	780,438
OTHER FINANCING SOURCES (USES)			
Sale of trucks	<u>-</u>	<u>1,100</u>	<u>1,100</u>
Total other financing sources (uses)	<u>-</u>	<u>1,100</u>	<u>1,100</u>
NET CHANGE IN FUND BALANCE	( 665,121)	116,417	781,538
FUND BALANCE, beginning	<u>666,095</u>	<u>666,095</u>	<u>-</u>
FUND BALANCE, ending	<u>\$ 974</u>	<u>\$782,512</u>	<u>\$781,538</u>

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

BELVIDERE TOWNSHIP, ILLINOIS

MOTOR FUEL TAX FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
for the year ended March 31, 2017

REVENUES	
Motor fuel taxes	\$102,321
Interest	<u>336</u>
Total revenues	<u>102,657</u>
EXPENDITURES	
Maintenance projects	<u>-</u>
Total expenditures	<u>-</u>
Excess of revenues over (under)expenditures	102,657
FUND BALANCE, beginning	<u>78,993</u>
FUND BALANCE, ending	<u>\$181,650</u>

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

ASSESSED VALUATIONS, TAX RATES,  
EXTENSIONS AND COLLECTIONS

BELVIDERE TOWNSHIP, ILLINOIS

ASSESSED VALUATIONS, TAX RATES,  
EXTENSIONS AND COLLECTIONS  
March 31, 2017

	- - - - -Tax Year- -	
	<u>2016</u>	<u>2015</u>
ASSESSED VALUATIONS	<u>\$492,321,396</u>	<u>\$466,390,839</u>
TAX RATES		
Town Fund	.14422	.15563
Road and Bridge Fund	.16859	.17797
General Assistance Fund	.00711	.00747
Cemetery Fund	.03328	.03353
Illinois Municipal Retirement Fund	.01727	.01664
General Liability Fund	.00021	.00022
Machinery & Housing Fund	.03027	.04010
Permanent Road Fund	.06541	.06004
Joint Bridge Fund	.00021	.00023
Social Security Fund	<u>.01727</u>	<u>.01813</u>
	<u>.48384</u>	<u>.50996</u>
TAX EXTENSIONS		
Town Fund	\$ 710,026	\$ 725,844
Road and Bridge Fund	830,005	830,036
General Assistance Fund	35,004	34,839
Cemetery Fund	163,844	156,381
Illinois Municipal Retirement Fund	85,024	77,607
General Liability Fund	1,034	1,026
Machinery & Housing Fund	149,026	187,023
Permanent Road Fund	322,027	280,021
Joint Bridge Fund	1,034	1,073
Social Security Fund	<u>85,024</u>	<u>84,557</u>
	<u>\$ 2,382,048</u>	<u>\$ 2,378,407</u>
TAX COLLECTIONS		
Town Fund		\$ 724,819
Road and Bridge Fund		581,961
General Assistance Fund		34,790
Cemetery Fund		156,160
Illinois Municipal Retirement Fund		77,498
General Liability Fund		1,025
Machinery & Housing Fund		186,758
Permanent Road Fund		279,625
Joint Bridge Fund		1,071
Social Security Fund		<u>84,438</u>
		<u>\$ 2,128,145</u>

<u>2014</u>	<u>2013</u>	<u>2012</u>
<u>\$461,901,056</u>	<u>\$465,204,908</u>	<u>\$500,819,786</u>
.15697	.15585	.13978
.17645	.17524	.16973
.00650	.00645	.00899
.03285	.03103	.02776
.01559	.01505	.01199
.00022	.00022	.00300
.04417	.04715	.04010
.05521	.05394	.04010
.00023	.00023	.00204
<u>.01841</u>	<u>.01828</u>	<u>.01498</u>
<u>.50660</u>	<u>.50344</u>	<u>.45847</u>
\$ 725,046	\$ 725,022	\$ 700,046
815,024	815,225	850,041
30,024	30,006	45,024
151,735	144,353	139,027
72,010	70,013	60,048
1,016	1,023	15,024
204,022	219,344	200,829
255,016	250,932	200,829
1,062	1,070	10,217
<u>85,036</u>	<u>85,040</u>	<u>75,023</u>
<u>\$ 2,339,991</u>	<u>\$ 2,342,028</u>	<u>\$ 2,296,108</u>
\$ 723,873	\$ 722,718	\$ 700,365
570,805	568,394	589,067
29,975	29,910	45,044
151,490	143,894	139,090
71,894	69,791	60,076
1,014	1,021	15,032
203,681	218,637	200,903
254,590	250,123	200,903
1,060	1,067	10,220
<u>84,898</u>	<u>84,769</u>	<u>75,057</u>
<u>\$ 2,093,280</u>	<u>\$ 2,090,324</u>	<u>\$ 2,035,757</u>

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