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Accounting • Auditing • Consulting

Rutland Township, Illinois

Annual Financial Report
For the Year Ended March 31, 2021

RUTLAND TOWNSHIP, ILLINOIS

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Year Ended March 31, 2021

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RUTLAND TOWNSHIP, ILLINOIS

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INDEPENDENT AUDITOR'S REPORT

To the Township Supervisor and
the Members of the Rutland Township Board
Gilberts, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Rutland 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 accompanying table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers

internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation of the financial statements.

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

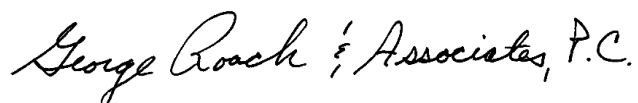
Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Rutland Township, as of March 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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



George Roach & Associates, P.C.

Crystal Lake, Illinois

July 20, 2021

OTHER INFORMATION
MANAGEMENT DISCUSSION
AND ANALYSIS - UNAUDITED

RUTLAND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2021

As management of Rutland Township, Illinois (Township), we offer readers of the Township's statements this narrative overview and analysis of the financial activities of the Township for the fiscal year ended March 31, 2021. The Management of the Township encourages the readers of this financial information presented in conjunction with the financial statements to obtain a better understanding of the Township's financial operations.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the Township exceeded its liabilities and deferred inflows at March 31, 2021 by \$2,312,967 (*net position*). Of this amount, \$72,544 (*unrestricted net position*) may be used to meet the Township's ongoing obligations to citizens and creditors.
- The Township's total net position increased by \$60,696.
- At March 31, 2021, the Township's governmental funds reported combined ending fund balances of \$437,774, an increase of \$88,036 from the prior year.
- At March 31, 2021, the fund balance for the Town Fund was \$72,544, a decrease of \$22,323 from the prior year.
- The Township's total net fixed assets decreased by \$27,340 during the year ended March 31, 2021.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Township's basic financial statements. The Township's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic financial statements, this report also contains required supplementary information and other supplementary information.

Government-wide financial statements

The government-wide financial statements are prepared using the accrual basis of accounting and are designed to provide readers with a broad overview of the Township's finances, in a manner similar to private-sector businesses.

RUTLAND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2021

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

The statement of net position presents financial information on all of the Township's assets and liabilities plus deferred inflows, 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.

The statement of activities presents information showing how the Township's net position changed during the most recent fiscal year.

Both of the government-wide financial statements distinguish functions of the Township that are principally supported by property taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover a portion of the costs through user fees and charges. The governmental activities of the Township include general government, services for youth, family, and seniors, general assistance and mental health, and road and bridge projects.

Fund financial statements

All of the funds of the Township are governmental funds. The fund financial statements are prepared using the modified accrual basis of accounting. Unlike the government-wide financial statements, 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. The fund financial statements report the Township's operations in more detail than the government-wide statements by providing information about the Township's five funds and one blended component unit (road and bridge type funds).

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and government-wide activities.

Notes to the financial statements

Notes to the financial statements provide additional information that is essential to a full understanding of the information provided in the basic financial statements. Required supplementary information consists of more detailed data on budget to actual revenues and expenditures.

RUTLAND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2021

OVERVIEW OF THE FINANCIAL STATEMENTS (CONCLUDED)

Required Supplementary Information

In addition to the basic financial statements and the accompanying notes, this report also presents certain required supplementary information concerning Rutland Township's progress in funding its obligation to provide pension benefits, if any, to its employees. Additionally, required supplementary information regarding a statement of revenues, expenditures, and changes in fund balance - budget vs. actual for each major fund is presented in this section.

The Township adopts an annual budget for all funds except the Motor Fuel Tax fund which is managed and administered by the county on behalf of the Township. A budgetary comparison statement has been provided for the Town Fund and other governmental funds to demonstrate compliance with the budget.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve, over time, as a useful indicator of a government's financial position. In the case of the Township, assets and deferred outflows exceeded liabilities and deferred inflows by \$2,312,967 for the year ended March 31, 2021. A portion of the Township's net position reflects its investment in capital assets of \$1,875,193. The Township uses these capital assets to provide services, and consequently these assets are not available to liquidate liabilities or for other spending. The remaining net position balance is \$437,774, of which \$365,230 is restricted and \$72,544 is unrestricted.

Rutland Township Net Position

	Governmental Activities	
	3/31/2020	3/31/2021
Current and Other Assets	\$ 1,160,628	\$ 1,286,268
Fixed Assets	1,902,533	1,875,193
Total Assets	\$ 3,063,161	\$ 3,161,461
Liabilities	\$ 13,989	\$ 19,554
Total Liabilities	13,989	19,554
Deferred Inflows	796,901	828,940
Net Position:		
Net Investment in Capital Assets	1,902,533	1,875,193
Restricted	254,871	365,230
Unrestricted	94,867	72,544
Total Net Position	\$ 2,252,271	\$ 2,312,967

RUTLAND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2021

An additional portion of the Township's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position \$72,544 may be used to meet the Township's ongoing obligations to citizens and creditors.

Governmental activities

Governmental activities increased the Township's net position by \$60,696.

Key elements of the increase to net position by governmental activities is as follows:

	Rutland Township Changes in Net Position	
	Governmental Activities	
	<u>3/31/2020</u>	<u>3/31/2021</u>
Revenues		
Program Revenues		
Charges for Services	\$ 9,523	\$ 14,462
Operating Grants	-	587
General Revenues		
Property Taxes	744,097	775,165
Replacement Taxes	8,030	1,259
Motor Fuel Taxes	48,699	97,660
Interest	4,913	1,419
TOIRMA	-	882
Other Income	9,688	11,775
Total Revenues	<u>824,950</u>	<u>903,209</u>
Expenses		
General Government	164,201	155,401
General Assistance	3,440	6,279
Assessor	167,544	163,302
Road & Bridge activities	503,641	517,531
Total Expenses	<u>838,826</u>	<u>842,513</u>
Increase/(Decrease) in Net Assets	(13,876)	60,696
Net Position - Beginning of Year	<u>2,266,147</u>	<u>2,252,271</u>
Net Position - End of Year	<u>\$ 2,252,271</u>	<u>\$ 2,312,967</u>

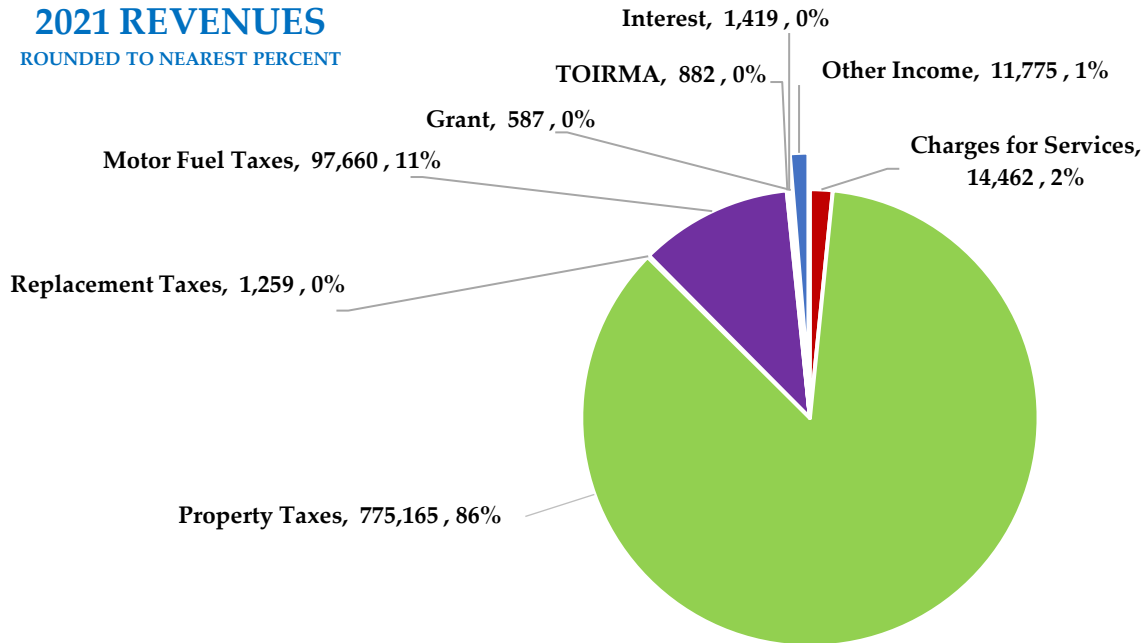
RUTLAND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2021

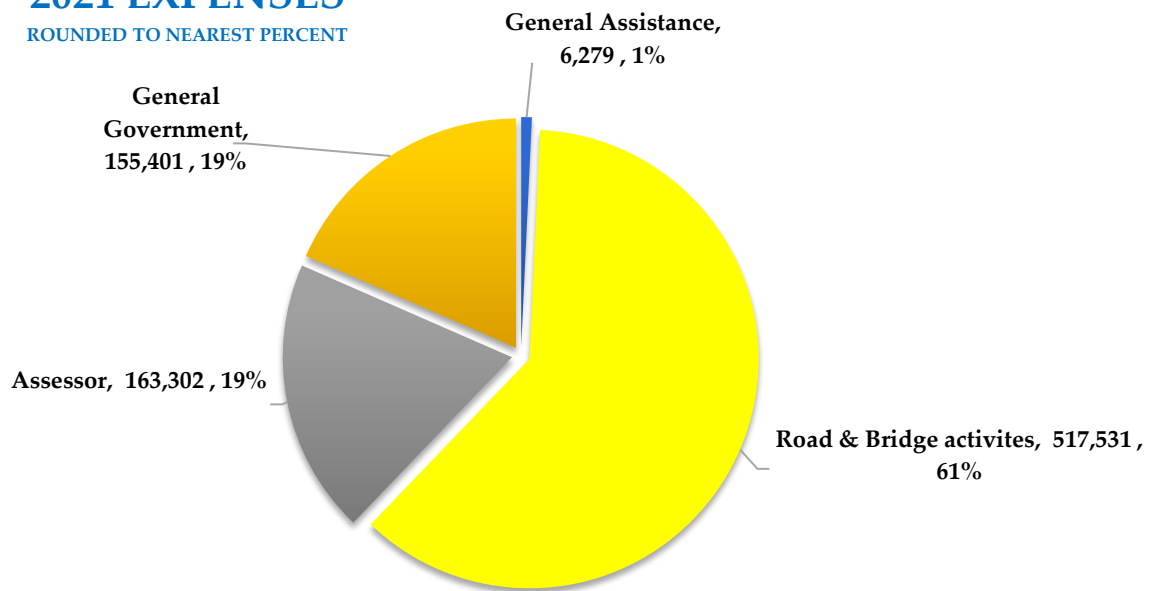
2021 REVENUES

ROUNDED TO NEAREST PERCENT



2021 EXPENSES

ROUNDED TO NEAREST PERCENT



RUTLAND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2021

FINANCIAL ANALYSIS OF THE TOWNSHIP'S FUNDS

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

Governmental funds

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

At March 31, 2021, the Township's governmental funds reported combined ending fund balances of \$437,774, an increase of \$88,036 in comparison with the prior year.

The Town Fund is the chief operating fund of the Township. At March 31, 2021, the fund balance of the Town Fund was \$72,544. This represents a decrease of \$22,323, compared to the prior fiscal year.

Town Fund Budgetary Highlights

Expenditures in the Town Fund of \$318,703, were over revenues by \$22,323, and expenditures were \$53,521 less than the appropriation of \$372,224.

CAPITAL ASSETS

The Township's capital fixed assets for its governmental activities as of March 31, 2021, amount to \$1,875,193 (net of accumulated depreciation). This investment in fixed assets includes land, roads and improvements, buildings and improvements, vehicles, and other equipment.

RUTLAND TOWNSHIP, ILLINOIS

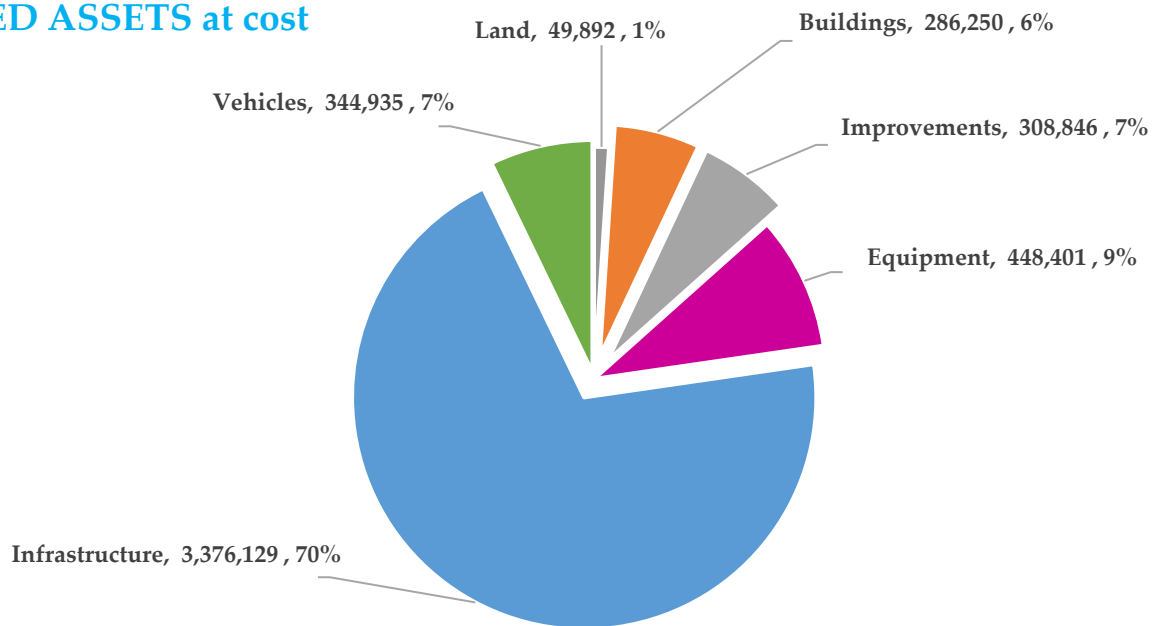
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2021

Major fixed asset events during the current fiscal year included the following:

Fixed Assets	Balance			Balance March 31, 2021
	April 1, 2020	Increases	Decreases	
Land	\$ 49,892	\$ -	\$ -	\$ 49,892
Buildings	286,250	-	-	286,250
Improvements	308,846	-	-	308,846
Equipment	448,401	-	-	448,401
Infrastructure	3,191,728	184,401	-	3,376,129
Vehicles	344,935	-	-	344,935
Total Fixed Assets	4,630,052	184,401	-	4,814,453
Less: Accumulated Depreciation	2,727,519	211,741	-	2,939,260
Fixed Assets (Net)	\$ 1,902,533			\$ 1,875,193

FIXED ASSETS at cost



ECONOMIC FACTORS AND PROPERTY TAXES

The equalized assessed valuation (EAV) of the Township for 2020 is \$927,434,116. That represents an increase in EAV of \$ 43,069,841 over the prior year's EAV. Taxes recorded in these financial statements are from the 2019 levy. A summary of the assessed valuations and extensions for tax years 2020, 2019, and 2018 is as follows:

RUTLAND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2021

ASSESSED VALUATIONS, EXTENDED TAX RATE PERCENTAGE ALLOCATIONS, EXTENDED TAX RATES AND TAX EXTENSIONS

TAX LEVY YEAR	2020		2019		2018	
Assessed Valuation						
Kane County	\$	927,434,116	\$	884,364,275	\$	807,070,243
Tax Rates and Percentage Allocations by Fund						
Funds	<u>Rate</u>	<u>Percentage</u>	<u>Rate</u>	<u>Percentage</u>	<u>Rate</u>	<u>Percentage</u>
Corporate	0.032577	36.45	0.032846	36.45	0.034391	36.45
Public Assistance	0.000113	0.13	0.000114	0.13	0.000124	0.13
Road & Bridge	0.004918	5.50	0.004959	5.50	0.004089	4.33
Hard Road	0.051268	57.36	0.051684	57.36	0.0552	58.50
Equipment & Building	0.000504	0.56	0.000507	0.56	0.000558	0.59
Totals	<u>0.089380</u>	<u>100.00</u>	<u>0.090110</u>	<u>100.00</u>	<u>0.094362</u>	<u>100.00</u>
Property Tax Extensions						
Funds	<u>2020</u>		<u>2019</u>		<u>2018</u>	
Corporate	\$	302,130	\$	290,478	\$	277,568
Public Assistance		1,048		1,008		1,001
Road & Bridge		45,611		43,856		33,001
Hard Road		475,477		457,075		445,503
Equipment & Building		4,674		4,484		4,503
Totals	<u>\$</u>	<u>828,940</u>	<u>\$</u>	<u>796,901</u>	<u>\$</u>	<u>761,576</u>

RUTLAND TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED

Year Ended March 31, 2021

Description of Current or Expected Conditions

Currently, management is not aware of any other significant changes in conditions that could have a significant effect on the financial position or results of activities of the Township in the near future. However, management continues to monitor items that may impact future receipts, especially noting a potential decline in state funds as well as losses due to the tax cap.

Requests for Information

This financial report is designed to provide a general overview of the Township's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Supervisor, Rutland Township, 16N491 Powers Rd., Gilberts, Illinois, 60136.

BASIC FINANCIAL STATEMENTS

RUTLAND TOWNSHIP, ILLINOIS

Government-wide Statement of Net Position

March 31, 2021

Assets	
Cash	\$ 457,328
Property tax receivable	828,940
Fixed assets, net of depreciation (\$1,902,533)	1,875,193
Total Assets	\$ 3,161,461
Liabilities	
Accounts payable	\$ 19,554
Total Liabilities	19,554
Deferred Inflows - Property Taxes	828,940
Net Position	
Net investment in capital assets	1,875,193
Restricted - general assistance	34,993
Restricted - general road & bridge	31,134
Restricted - permanent road & bridge	135,712
Restricted - equipment & building	12,401
Restricted - motor fuel tax	150,990
Unrestricted	72,544
Total Net Position	\$ 2,312,967

The accompanying notes are an integral part of these financial statements.

RUTLAND TOWNSHIP, ILLINOIS

Government-wide Statement of Activities and Changes in Net Position

Year Ended March 31, 2021

Functions/Programs	Program Revenues			Net (Expense) Revenue & Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	
Governmental Activities				
General Government	\$ 155,401	\$ 1,212	\$ 587	\$ (153,602)
General Assistance Assessor	6,279	-	-	(6,279)
Road & Bridge activities	163,302	-	-	(163,302)
	517,531	13,250	-	(504,281)
Total Governmental Activities	\$ 842,513	\$ 14,462	\$ 587	\$ (827,464)

General Revenues:

Property tax	775,165
Replacement tax	1,259
Motor fuel tax	97,660
TOIRMA	882
Miscellaneous revenue	11,775
Investment income	1,419
Total Revenues	888,160
Changes in Net Position	60,696
Net Position Beginning of Year	2,252,271
Total Net Position	\$ 2,312,967

The accompanying notes are an integral part of these financial statements.

RUTLAND TOWNSHIP, ILLINOIS

Governmental Fund Types - Balance Sheet

March 31, 2021

Assets	Town Fund	General Assistance Fund	General Road & Bridge Fund	Permanent Road & Bridge Fund	Equipment & Building Fund	Motor Fuel Tax Fund	Total
Cash	\$ 80,435	\$ 34,993	\$ 31,134	\$ 147,375	\$ 12,401	\$ 150,990	\$ 457,328
Total cash and investments	80,435	34,993	31,134	147,375	12,401	150,990	457,328
Property taxes receivable, current levy, net of 1% allowance for loss	302,130	1,048	45,611	475,477	4,674	-	828,940
Total Assets	\$ 382,565	\$ 36,041	\$ 76,745	\$ 622,852	\$ 17,075	\$ 150,990	\$ 1,286,268
Liabilities							
Accounts payable/accruals	\$ 7,891	-	-	\$ 11,663	-	-	\$ 19,554
Total Liabilities	7,891	-	-	11,663	-	-	19,554
Deferred Inflows - Property Taxes	302,130	1,048	45,611	475,477	4,674	-	828,940
Total Liabilities & Deferred Inflows	310,021	1,048	45,611	487,140	4,674	-	848,494
Fund Balance							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	34,993	31,134	135,712	12,401	150,990	365,230
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	72,544	-	-	-	-	-	72,544
Total Fund Balance	72,544	34,993	31,134	135,712	12,401	150,990	437,774
Total Liabilities, Deferred Inflows & Fund Balance	\$ 382,565	\$ 36,041	\$ 76,745	\$ 622,852	\$ 17,075	\$ 150,990	\$ 1,286,268

The accompanying notes are an integral part of these financial statements.

RUTLAND TOWNSHIP, ILLINOIS

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

Year Ended March 31, 2021

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

Total Governmental Fund Balances	\$	437,774
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Amount net of depreciation		
Capital assets net of accumulated depreciation		1,875,193
Total Net Position of Governmental Activities	\$	2,312,967

The accompanying notes are an integral part of these financial statements.

RUTLAND TOWNSHIP, ILLINOIS

Government Fund Types - Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended March 31, 2021

	Town Fund	General Assistance Fund	General Road & Bridge Fund	Permanent Road & Bridge Fund	Equipment & Building Fund	Motor Fuel Tax Fund	Total
Revenues							
Property tax	\$ 289,684	\$ 1,006	\$ 24,098	\$ 455,930	\$ 4,447	\$ -	\$ 775,165
Replacement tax	854	-	405	-	-	-	1,259
Motor fuel tax	-	-	-	-	-	97,660	97,660
Road permits	-	-	-	13,250	-	-	13,250
TOIRMA	882	-	-	-	-	-	882
Fines	1,212	-	-	-	-	-	1,212
Interest income	24	16	12	381	-	986	1,419
Grant	587	-	-	-	-	-	587
Miscellaneous revenue	3,137	-	-	7,443	1,195	-	11,775
Total Revenues	296,380	1,022	24,515	477,004	5,642	98,646	903,209
Expenditures							
Administrative	155,401	-	-	305,790	-	-	461,191
Assessor	163,302	-	-	-	-	-	163,302
General assistance	-	6,279	-	-	-	-	6,279
Capital expenditures	-	-	-	184,401	-	-	184,401
Total Expenditures	318,703	6,279	-	490,191	-	-	815,173
Excess (Deficiency) of Revenues Over Expenditures	(22,323)	(5,257)	24,515	(13,187)	5,642	98,646	88,036
Other Financing Sources (Uses)							
Operating transfers in/(out)	-	-	(29,329)	29,329	-	-	-
Total Other Financing Sources (Uses)	-	-	(29,329)	29,329	-	-	-
Net Change in Fund Balance	(22,323)	(5,257)	(4,814)	16,142	5,642	98,646	88,036
Fund Balance							
Balance, Beginning of Year	94,867	40,250	35,948	119,570	6,759	52,344	349,738
Total Fund Balance	\$ 72,544	\$ 34,993	\$ 31,134	\$ 135,712	\$ 12,401	\$ 150,990	\$ 437,774

The accompanying notes are an integral part of these financial statements.

RUTLAND TOWNSHIP, ILLINOIS

Reconciliation of the Governmental Funds to the Statement of Activities

Year Ended March 31, 2021

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

Net Change in Fund Balance	\$	88,036
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Governmental funds report capital outlays as expenditures;
however for the Statement of Activities the amounts are
capitalized and depreciated over their useful life.
(amount shown is net of depreciation)

Net capital asset additions	(27,340)
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Changes in Net Position Governmental Funds	<u>\$</u>	<u>60,696</u>
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The accompanying notes are an integral part of these financial statements.

NOTES TO THE BASIC
FINANCIAL STATEMENTS

RUTLAND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Rutland Township, Illinois (Township) conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the significant accounting policies:

In June 1999, GASB issued Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. Certain significant changes in the Statement include the following:

- A Management's Discussion and Analysis (MD&A) section providing an analysis of the Township's overall financial position and results of operations.
- A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements).

REPORTING ENTITY –

The Township is located near the Village of Pingree Grove, Illinois and is governed by a board. The Township is primarily funded through a tax levy, operating grants, fines and fees, and charitable donations. Revenue is used to operate and staff the Township. The accompanying general purpose financial statements have been prepared in accordance with criteria established by the Governmental Accounting Standards Board for determining the various governmental organizations to be included in the reporting entity. Based on the significance of any operational or financial relationships with the Township, is a blended component unit (Road & Bridge) to be included in these financial statements.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION –

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

RUTLAND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Statement of Net Position includes and recognizes all long-term assets and receivables as well as long-term debt and obligations. The Township's net position is reported in three parts – net investment in capital assets, restricted net position and unrestricted net position.

The Statement of Activities demonstrates the degree to which the direct expense of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes (1) charges to Township patrons 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 meet the operational or capital requirements of a particular function or segment. Taxes and other items are not properly included among program revenues, and are reported instead as general revenue.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Township considers revenue to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgements are recorded only when payment is due.

Primary sources of revenue are property taxes, state-shared revenue, and interest associated with the current fiscal period. All are considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be available only when cash is received by the Township.

Program revenues include permits and other miscellaneous charges, and are reported as charges for services in the government-wide financial statements.

The following fund types are used by the Township:

Governmental Funds

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

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The General Assistance, Road & Bridge, Permanent Road & Bridge, Equipment & Building and Motor Fuel Tax Funds are all Special Revenue Funds.

RUTLAND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

THE TOWNSHIP REPORTS ALL THE FUNDS AS MAJOR GOVERNMENTAL FUNDS –

The Town Fund is the Township’s primary operating fund. It accounts for all financial resources of the Township, except those required to be accounted for in another fund, while the Township Road & Bridge Fund accounts for the resources associated with taxes levied specifically for the maintenance of the Township’s road and bridges.

FINANCIAL STATEMENT AMOUNTS –

Bank Deposits and Investments - The Township has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value. The Township maintains a cash and investment pool which is available for use by the Town and General Assistance Funds.

The Township's investment policies are governed by state statutes. All funds are deposited in federally insured banks and savings and loans. The cash and investments reflected in the combined balance sheet consist of demand accounts.

Receivables and Payables - In general, outstanding balances between funds are reported as “due to/from other funds.” Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “advances to/from other funds.”

All trade and property taxes receivable are shown net of an allowance for uncollectible amounts. Property taxes are levied on January 1st based on the taxable valuation of the property as of the preceding December 31st. The 2020 levy was passed by the Board on December 8, 2020.

Capital Assets - Capital assets are defined by the Township as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost. Donated assets are reported at estimated fair market value at the date of donation. 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 expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Building and improvements	20-50 years
Equipment, furniture, and fixtures	5-20 years

Compensated Absences - (Vacation and Sick Leave) - It is the Township’s policy to permit employees to accumulate earned but unused sick and vacation pay benefits. However, there is no liability for unpaid accumulated sick leave since the Township does not have a policy to pay any amounts

RUTLAND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

when employees separate from service with the Township.

Long-term Obligations - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. In the fund financial statements, debt issued is reported as another financing source and payments are reported as debt service expenditures.

The budget represents departmental appropriations as authorized by the Township's appropriation ordinance and includes revisions authorized by the Township Board to reflect changes in departmental programs. At March 31, 2021, unexpended appropriations of the budgetary funds (town fund and special revenue funds) automatically lapse. The budget is prepared on the modified accrual basis. The 2020-2021 appropriations ordinance was adopted June 23, 2020.

FUND BALANCE CLASSIFICATION –

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Township is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable –

This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The Township has not classified any items as being Nonspendable.

Restricted –

This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Debt service resources are to be used for future servicing of the revenue note and are restricted through debt covenants. Infrastructure Projects are restricted by State Statute and County laws and are legally segregated for funding of infrastructure improvements.

RUTLAND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Committed –

This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Township Board. These amounts cannot be used for any other purpose unless the Township Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Township did not have any committed resources as of March 31, 2021.

Assigned –

This classification includes amounts that are constrained by the Township's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Township Board or through the Township Board delegating this responsibility to the Township Supervisor through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the Town Fund.

Unassigned –

This classification includes the residual fund balance for the Town Fund and the amount established for minimum funding which represents the portion of the Town Fund balance that has been established by the board to be used for debt service or in emergency situations.

The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The Township would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

The classifications used in the government-wide financial statements are as follows:

Net Investment in Capital Assets – consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.

Restricted Net Position - This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a

RUTLAND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The Township's policy is to use restricted net position first, followed by unrestricted, but reserves the right to selectively spend Unrestricted resources first to defer the use of these other classified funds.

Unrestricted Net Position – all other net position is reported in this category.

NOTE – 2 CASH AND INVESTMENTS

The Township's investment policies are governed by state statutes whereby Township money must be deposited in FDIC insured banks located within the state. Permissible investments include demand accounts and certificates of deposits. The carrying cash balance of the Township is \$306,338 and the bank balance is \$347,591. Of the bank balances in the Township's name, \$333,904 is FDIC insured.

Interest Rate Risk – The Township limits its interest rate risk by having demand deposits.

Custodial Credit Risk – The Township limits its credit risk by holding its deposits in FDIC insured institutions with collateral backing its deposits.

Concentration of Credit Risk - The Township places no limit on the amount held in any one institution.

RUTLAND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2021

NOTE 3 – CHANGES IN FIXED ASSETS

	Balance			Balance
Fixed Assets	April 1, 2020	Increases	Decreases	March 31, 2021
Land	\$ 49,892	\$ -	\$ -	\$ 49,892
Buildings	286,250	-	-	286,250
Improvements	308,846	-	-	308,846
Equipment	448,401	-	-	448,401
Infrastructure	3,191,728	184,401	-	3,376,129
Vehicles	344,935	-	-	344,935
Total Fixed Assets	4,630,052	184,401	-	4,814,453
Less: Accumulated				
Depreciation	2,727,519	211,741	-	2,939,260
Fixed Assets (Net)	\$ 1,902,533			\$ 1,875,193

Depreciation by Governmental Activity

General Government	\$ 8,753
Road & Bridge	202,988
Total Governmental Activities	\$ 211,741

NOTE 4 – RISK MANAGEMENT

Significant losses are covered by commercial insurance for all major programs. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE 5 – FUND BALANCES

As of these financial statements, the Township has adopted GASB Statement No. 54, which redefined how fund balances of the governmental funds are presented in the financial statements. Fund balances are classified as follows:

Nonspendable –

Amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.

Restricted –

Amounts that can be spent only for specific purposes because of the Township Charter, Township Code, state or federal laws, or externally imposed conditions by grantors or creditors.

RUTLAND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2021

NOTE 5 – FUND BALANCES (CONCLUDED)

Committed –

Amounts that can be used only for specific purposes determined by a formal action by Township Board ordinance or resolution. This includes the budget reserve account.

Assigned –

Amounts that are designated by the Township manager for a specific purpose but are not spendable until a budget ordinance is passed by Township Board.

Unassigned –

All amounts not included in other spendable classifications.

The details of the fund balances are included in the Governmental Funds Balance Sheet. As discussed in Note 1, restricted funds are used first as appropriate. Assigned Funds are reduced to the extent that expenditure authority has been budgeted or the Assignment has been changed by the Township management. Decreases to fund balance first reduce Unassigned Fund balance; in the event that Unassigned Fund Balance becomes zero, then Assigned and Committed Fund Balances are used in that order.

NOTE 6 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

The Township has adopted GASB Statement No. 65, which redefined how certain financial statement elements are presented in the statement of financial position. The elements are classified as follows:

In addition to assets, the statement of financial position 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 position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The Township has no items in this category.

In addition to liabilities, the statement of financial position 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 position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Township has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. Deferred inflows of resources (\$828,940) reported in the governmental funds for unavailable revenues are all from property taxes to be received in the following year.

RUTLAND TOWNSHIP, ILLINOIS

Notes to the Basic Financial Statements

Year Ended March 31, 2021

NOTE 7 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the balance sheet date but before the financial statements are issued or available to be issued. There are two types of subsequent events: recognized (events that relate to conditions present at the balance sheet date) and non-recognized (events or conditions that did not exist at the balance sheet date but arose after that date).

There have been no recognized or non-recognized subsequent events that have occurred between March 31, 2021 and the date of this audit report requiring disclosure in the financial statements.

NOTE 8 – CONTINGENCIES

The Organization is not aware of any pending litigation or potential non-disclosed liabilities that management believes would have a material adverse effect on the financial statements.

OTHER INFORMATION

RUTLAND TOWNSHIP, ILLINOIS

Town Fund - Schedule of Revenues and Expenditures - Budget and Actual

Year Ended March 31, 2021

	Original Budget	Final Budget	Modified Accrual Basis
Revenues			
Property tax	\$ 292,488	\$ 292,488	\$ 289,684
Replacement tax	3,500	3,500	854
Interest income	520	520	24
TOIRMA rebate	800	800	882
Rentals	700	700	-
Fines	-	-	1,212
Grant	-	-	587
Miscellaneous	-	-	3,137
Total Revenues	298,008	298,008	296,380
General and Administrative			
Personnel			
Salaries	98,250	98,250	98,746
Social Security	7,000	7,000	5,880
Payroll taxes	-	-	84
Total Personnel	105,250	105,250	104,710
Contractual Services			
Maintenance - buildings	2,000	2,000	3,428
Maintenance - equipment	500	500	990
Accounting services	2,000	2,000	6,771
Legal services	6,000	6,000	680
Housekeeping	400	400	-
Postage	200	200	237
Publications	400	400	136
Telephone	4,200	4,200	4,337
Lawn maintenance	2,200	2,200	2,120
Dues and subscriptions	1,700	1,700	3,217
Travel & auto reimbursement	1,000	1,000	-
Training	2,000	2,000	673
Utilities	1,000	1,000	1,000
Trustee fees	6,480	6,480	6,615
Web maintenance	1,400	1,400	3,597
Audit expenses	3,500	3,500	3,550
Insurance - workers comp.	3,300	3,300	3,185
Insurance - property & liability	2,744	2,744	2,709

Continued

RUTLAND TOWNSHIP, ILLINOIS

Town Fund - Schedule of Revenues and Expenditures - Budget and Actual

Year Ended March 31, 2021

	Original Budget	Final Budget	Modified Accrual Basis
General and Administrative (continued)			
Contractual Services			
Other expense	\$ 400	\$ 400	\$ 4,762
Total Contractual Services	41,424	41,424	48,007
Commodities			
Office supplies	700	700	323
Operating supplies	300	300	394
Total Commodities	1,000	1,000	717
Capital Expenditures			
Building	6,000	6,000	-
Equipment	1,000	1,000	47
Total Capital Expenditures	7,000	7,000	47
Cemetery			
Contractual services	2,200	2,200	1,920
Total Cemetery	2,200	2,200	1,920
Building & Grounds			
Building improvements	48,350	48,350	-
Total Building & Grounds	48,350	48,350	-
Total Administrative	205,224	205,224	155,401
Assessor Office			
Personnel			
Salaries	131,190	131,190	128,202
Payroll tax	12,000	12,000	11,669
Total Personnel	143,190	143,190	139,871
Contractual Services			
Maintenance equipment	800	800	780
Maintenance & cleaning - office	200	200	168
Postage	100	100	99
Telephone & fax	3,000	3,000	2,993
Dues and subscriptions	600	600	518
Travel & mileage	1,200	1,200	1,102

Continued

RUTLAND TOWNSHIP, ILLINOIS

Town Fund - Schedule of Revenues and Expenditures - Budget and Actual

Year Ended March 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Modified Accrual Basis</u>
Assessors Office (concluded)			
Contractual Services			
Training & meetings	\$ 3,600	\$ 3,600	\$ 3,535
Utilities	2,800	2,800	2,795
Transportation	-	-	-
Manuals/publications/maps	-	-	-
Web maintenance/other	-	-	-
Software & licenses	7,800	7,800	7,780
Computer tech support	1,380	1,380	1,370
Legal fees	-	-	-
Other expenses	540	540	464
Total Contractual Services	<u>22,020</u>	<u>22,020</u>	<u>21,604</u>
Commodities			
Office supplies	590	590	581
Total Commodities	<u>590</u>	<u>590</u>	<u>581</u>
Capital Expenditures			
Equipment	1,200	1,200	1,180
Total Capital Expenditures	<u>1,200</u>	<u>1,200</u>	<u>1,180</u>
Other Expenditures			
Misc. expense	-	-	66
Total Other Expenditures	<u>-</u>	<u>-</u>	<u>66</u>
Total Assessor Office	<u>167,000</u>	<u>167,000</u>	<u>163,302</u>
Total Expenditures Town Fund	<u>372,224</u>	<u>372,224</u>	<u>318,703</u>
Net Change in Fund Balance	<u>\$ (74,216)</u>	<u>\$ (74,216)</u>	<u>\$ (22,323)</u>

Concluded

RUTLAND TOWNSHIP, ILLINOIS

General Assistance Fund - Schedule of Revenues and Expenditures - Budget and Actual

Year Ended March 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Modified Accrual Basis</u>
Revenues			
Property tax	\$ 1,000	\$ 1,000	\$ 1,006
Interest income	-	-	16
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>1,022</u>
General and Administrative			
General Assistance			
Flat grants/subsistence	3,015	3,015	800
Miscellaneous expense	6,000	6,000	5,479
Total General Assistance	<u>9,015</u>	<u>9,015</u>	<u>6,279</u>
Total General and Administrative	<u>9,015</u>	<u>9,015</u>	<u>6,279</u>
Total Expenditures General Assistance Fund	<u>9,015</u>	<u>9,015</u>	<u>6,279</u>
Net Change in Fund Balance	<u>\$ (8,015)</u>	<u>\$ (8,015)</u>	<u>\$ (5,257)</u>

RUTLAND TOWNSHIP, ILLINOIS

Road & Bridge Fund - Schedule of Revenues and Expenditures - Budget and Actual

Year Ended March 31, 2021

	Original Budget	Final Budget	Modified Accrual Basis
Revenues			
Property tax	\$ -	\$ -	\$ 24,098
Replacement tax	-	-	405
Interest income	-	-	12
Total Revenues	-	-	24,515
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	24,515
Other Financing Sources/(Uses)			
Transfers in/(out)	-	-	(29,329)
Total Other Financing Sources/(Uses)	-	-	(29,329)
Net Change in Fund Balance	\$ -	\$ -	\$ (4,814)

RUTLAND TOWNSHIP, ILLINOIS

Permanent Road Fund - Schedule of Revenues and Expenditures - Budget and Actual

Year Ended March 31, 2021

	Original Budget	Final Budget	Modified Accrual Basis
Revenues			
Property tax	\$ -	\$ -	\$ 455,930
Interest income	-	-	381
Road permits	-	-	13,250
Other income	-	-	7,443
Total Revenues	-	-	477,004
General and Administrative			
Personnel			
Salary - road commissioner	17,500	17,500	17,500
Wages - road crew	170,810	170,810	170,806
Payroll taxes	11,675	11,675	13,459
Employee benefits	21,515	21,515	21,512
Total Personnel	221,500	221,500	223,277
Contractual Services			
Trash service	1,500	1,500	1,148
Road supplies	800	800	796
Vehicle maintenance	14,000	14,000	13,556
Road contract	188,300	188,300	184,401
Total Contractual Services	204,600	204,600	199,901
Commodities			
Operating supplies	1,500	1,500	1,277
Gravel	3,000	3,000	1,647
Salt/sand	31,500	31,500	28,761
Vehicle fuel	8,000	8,000	7,403
Total Commodities	44,000	44,000	39,088

Continued

RUTLAND TOWNSHIP, ILLINOIS

Permanent Road Fund - Schedule of Revenues and Expenditures - Budget and Actual

Year Ended March 31, 2021

	Original Budget	Final Budget	Modified Accrual Basis
Administration			
Insurance - work comp	\$ 8,000	\$ 8,000	\$ 6,275
Insurance - liability & property	6,550	6,550	3,466
Office supplies	800	800	672
Heating fuel	6,000	6,000	5,805
Audit services	4,000	4,000	3,550
Utilities	3,500	3,500	2,068
Telephone	4,000	4,000	3,995
Dues & subscriptions	200	200	100
Accounting	2,000	2,000	1,216
Other expenses	2,000	2,000	778
	37,050	37,050	27,925
Total Administration	37,050	37,050	27,925
Total General and Administration	507,150	507,150	490,191
Excess (Deficiency) of Revenues Over (Under) Expenditures	(507,150)	(507,150)	(13,187)
Other Financing Sources/(Uses)			
Transfers in/(out)	-	-	29,329
Total Other Financing Sources/(Uses)	-	-	29,329
Net Change in Fund Balance	\$ (507,150)	\$ (507,150)	\$ 16,142

Concluded

RUTLAND TOWNSHIP, ILLINOIS

Building & Equipment Fund - Schedule of Revenues and Expenditures - Budget and Actual

Year Ended March 31, 2021

	Original Budget	Final Budget	Modified Accrual Basis
Revenues			
Property tax	\$ -	\$ -	\$ 4,447
Other income	-	-	1,195
Total Revenues	-	-	5,642
Capital Expenditures			
Vehicle & equip. purchases	4,000	4,000	-
Total Capital Expenditures	4,000	4,000	-
Total Expenditures			
Building & Equipment Fund	4,000	4,000	-
Net Change in Fund Balance	\$ (4,000)	\$ (4,000)	\$ 5,642

NOTES TO OTHER
INFORMATION

RUTLAND TOWNSHIP, ILLINOIS

*Notes to Required Supplementary Information
Year Ended March 31, 2021*

NOTE 1 - BUDGETARY INFORMATION

The accounting policies of Rutland Township include the preparation of financial statements on the modified accrual basis of accounting. The Township also prepares its budget on the modified accrual basis of accounting.

Under the modified accrual basis of accounting, revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. General capital assets acquisitions are reported as expenditures in the governmental funds. Proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures relating to compensated absences, debt service expenditures, and claims and judgments are recognized only when payment is due.

Budgets are adopted at the function level in the Town Fund and total Town Fund expenditures disbursed may not legally exceed the budgeted amount. Appropriations lapse at year end unless specifically carried over. There were no carryovers to the following year.

The Township procedures in establishing the budgetary data reflected in the Town Fund Financial Statements are presented below:

1. Prior to June 15th the Township Board receives a proposed operating budget (appropriation ordinance) for the fiscal year commencing on proceeding April 1st. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted at a public meeting to obtain taxpayers comments.
3. The budget is legally enacted through passage of an ordinance prior to June 30th.
4. The Township Treasurer, in conjunction with the Township Board, is authorized to expend the unexpensed balance of any item or items of any general appropriation in making up any deficiency in any item or items of the same general appropriation.
5. The original budget was not amended during the fiscal year.
6. Formal budgetary integration is not employed as a management control device during the year for any fund.

RUTLAND TOWNSHIP, ILLINOIS

*Notes to Required Supplementary Information
Year Ended March 31, 2021*

NOTE 1 - BUDGETARY INFORMATION (CONCLUDED)

7. Budgetary comparisons presented in the accompanying financial statements are prepared on the modified accrual basis of accounting, which is comprehensive basis of accounting other than generally accepted accounting principles. All funds utilize the same basis of accounting for both budgetary purposes and actual results.
8. Expenditures cannot legally exceed appropriations at the fund level.
9. All appropriations lapse at year-end.
10. The budget for Town Fund was adopted on June 23, 2020 and the budget for Road & Bridge Fund was adopted on March 10, 2020.
11. The Motor Fuel Tax Fund is not required to adopt a budget and therefore is not included in the Budget and Actual Schedules.