

**TOWNSHIP OF PALATINE**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED FEBRUARY 28, 2015 ALL FUNDS**  
**EXCEPT**  
**ROAD AND BRIDGE FUND ENDED MARCH 31, 2015**



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## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Township of Palatine  
Palatine, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Township of Palatine as of and for the year ended February 28, 2015, and for the Road and Bridge Fund for the year ended March 31, 2015, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

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

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

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the remaining fund information of the Township of Palatine, as of February 28, 2015, and the Road and Bridge Fund as of March 31, 2015, and the respective changes in financial position thereof for the year then ended in accordance 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 on pages 3 through 7 and 25 through 29 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Palatine basic financial statements. The accompanying financial information listed as Additional Information in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

*McClure, Ingersoll & Co., Chtd.*

July 21, 2015

TOWNSHIP OF PALATINE

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED FEBRUARY 28, 2015 AND MARCH 31, 2015

As the Township of Palatine, Illinois (Township) Board, we offer readers of the Township's financial statements this narrative overview and analysis of the financial activities of the Township for the fiscal year ended February 28, 2015 and March 31, 2015. 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 net position of the Township of Palatine as of February 28 and March 31, 2015 and 2014, was \$9,474,779 and \$9,220,135, respectively. The Township's net position increased by \$254,644 and \$413,333 for the years ended February 28 and March 31, 2015 and 2014, respectively. The term "net position" represents the difference between total assets and liabilities/deferred inflows.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Township of Palatine'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 additional information.

**Government-Wide Financial Analysis**

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

The statement of net position presents financial information on all of the Township of Palatine's assets and liabilities/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 of Palatine 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 of Palatine 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 of Palatine include general government, road projects, transportation for senior citizens and disabled individuals, social services assistance, and the funding of social service agencies that provide essential human care services to Township residents. The Township of Palatine Board is responsible for the maintenance of the Township of Palatine Cemeteries.

**Fund Financial Statements**

All of the funds of the Township of Palatine 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 four 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 financial statements

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

### Required Supplementary Information

In addition to the basic financial statements and the accompanying notes, this report also presents certain required supplementary information concerning the Township of Palatine's progress in funding its obligation to provide pension benefits to its employees and other post-employment benefit plans. Additionally, required supplementary information regarding a schedule of revenues and expenditures – budget vs. actual for each major fund is presented in this section.

### Financial Analysis

As noted earlier, increases or decreases in net position may serve over time as a useful indicator of a government's financial position. In the case of the Township of Palatine, assets exceeded liabilities/deferred inflows by \$9,474,779 and \$9,220,135, for the years ended February 28 and March 31, 2015 and 2014, respectively. A portion of the Township's net position reflects its investment in capital assets, \$3,920,180. 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 made up of \$3,875,388 which is restricted, and \$1,679,211 that is unrestricted.

### Condensed Statement of Net Position

	For Years Ended	
	February 28 and March 31, 2015	February 28 and March 31, 2014
Current and Other Assets	\$ 9,331,389	\$ 8,989,806
Capital Assets, net of accumulated depreciation	3,920,180	3,937,105
<b>Total Assets</b>	<b>13,251,569</b>	<b>12,926,911</b>
Current Liabilities	189,275	112,771
Non-Current Liabilities	27,789	27,789
<b>Total Liabilities</b>	<b>217,064</b>	<b>140,560</b>
Deferred Inflows of Resources	3,559,726	3,566,216
Net Position		
Invested in Capital Assets	3,920,180	3,937,105
Restricted	3,875,388	3,941,350
Unrestricted	1,679,211	1,341,680
<b>Total Net Position</b>	<b>\$ 9,474,779</b>	<b>\$ 9,220,135</b>

### Condensed Statement of Activities

	For Years Ended	
	February 28 and March 31, 2015	February 28 and March 31, 2014
<b>Revenues</b>		
<b>Program Revenues</b>		
Charges for Services	\$ 266,093	\$ 362,594
Grants and Contributions	173,434	175,475
<b>General Revenues</b>		
Property Taxes	3,611,225	3,526,035
Replacement Taxes	128,561	132,483
Motor Fuel Taxes	-	139,507
Interest Income	14,444	15,618
Other	18,463	18,398
<b>Total Revenues</b>	<b>4,212,220</b>	<b>4,370,110</b>
<b>Expenses</b>		
<b>Program Expenses</b>		
Administration	1,047,062	1,094,597
Assessor	112,926	127,305
Senior and Disabled Transportation	322,828	326,346
Human Needs Funding	609,050	609,668
Home Relief	189,805	192,382
Cemetery Maintenance	37,991	38,591
Quentin Road Facilities	38,070	24,340
Maintenance of Roads	1,119,909	1,082,136
Depreciation/Amortization - Unallocated	479,935	461,412
<b>Total Expenses</b>	<b>3,957,576</b>	<b>3,956,777</b>
Change in Net Position	254,644	413,333
Net Position, Beginning of Year	9,220,135	8,806,802
Net Position, End of Year	<b>\$ 9,474,779</b>	<b>\$ 9,220,135</b>

The following is a summary of changes in fund balances for the years ended February 28 and March 31, 2015:

Governmental Funds	Fund Balance February 28 and March 31, 2014	Increase (Decrease)	Fund Balance February 28 and March 31, 2015
General (Town)	\$ 1,345,058	\$ 314,339	\$ 1,659,397
General Assistance	419,621	133,501	553,122
Road and Bridge	3,159,895	(203,259)	2,956,636
Needy Family	460,529	27,001	487,530
	<b>\$ 5,385,103</b>	<b>\$ 271,582</b>	<b>\$ 5,656,685</b>

From March 1, 2014 through February 28, 2015, \$205,208 was transferred from the Road and Bridge Fund to the Town Fund.

#### **Budgetary Highlights**

There were line item changes to the original appropriations for the Town Fund, General Assistance Fund and the Road and Bridge Fund which did not impact the budget overall. Revenues in the Town Fund of

\$1,991,052 exceeded expenditures by \$109,131 and expenditures were \$210,055 less than the appropriation of \$2,091,976. Revenues in both the General Assistance and Road and Bridge funds adequately funded expenditures as well.

**General Assistance**, a mandated local form of public aid administered solely by Township government, must budget sufficient funds to accommodate all those that seek service. The number of residents seeking services through the General Assistance Department continued to increase from fiscal year end February 28, 2014. However, many of the residents seeking assistance for programs such as Food Pantry, Angel Tree, Adopt a Family Program, Apple Tree Program, etc. were serviced by paid staff, the commodity was not expensed in the General Assistance budget. These programs were funded by community donations made to the Needy Family Fund and for the most part coordinated by volunteers, who are supervised by the Outreach & Food Pantry Coordinators.

During the year ended February 28, 2015 Township of Palatine partnered with 26 social service agencies to provide various programs for children, teens, adults, senior citizens and disabled individuals. The Township of Palatine provided \$609,050 in funding to these not-for-profit agencies so that services would be available to Township residents.

### Capital Assets

The following is a summary of capital assets, net of accumulated depreciation, for the years ended:

	February 28 and March 31, 2015	February 28 and March 31, 2014
Land	\$ 119,098	\$ 119,098
Infrastructure Work in Progress	63,072	126,145
Land Improvements	425,616	396,186
Buildings	2,685,807	2,685,807
Building Improvements	114,852	76,787
Machinery and Equipment	1,268,703	1,067,364
Infrastructure	3,561,035	3,552,906
Intangibles	6,300	6,300
	<hr/>	<hr/>
Cost of Capital Assets	8,244,483	8,030,593
	<hr/>	<hr/>
Less Accumulated Depreciation/Amortization	4,324,303	4,093,488
	<hr/>	<hr/>
Net Capital Assets	<u>\$ 3,920,180</u>	<u>\$ 3,937,105</u>

The most significant capital asset additions during the year were for building improvements and machinery. Additional information regarding the Township's capital assets can be found in note 4 on page 19.

### Description of Current and Expected Conditions

A sample of the services provided to the Township of Palatine residents during the past calendar year include:

- 11,141 bus and van rides (-13.91%)
- 4,053 visits to the Food Pantry (+2.71%)
- 2,917 Taxi Rides (+5.57%)
- 2,095 Cook County Vehicle Stickers sold (+22.51%)



- 900 students received assistance with school supplies from the Apple Tree program (-13.46%)
- 774 Senior citizens and children in need received Angel Tree gifts (+1.18%)
- 791 Thanksgiving baskets were distributed to needy families and senior citizens (+26.56%)
- 206 families received gifts thru the holiday Adopt-a-Family Program (-12.71%)
- 179 RTA Senior Passes issued (-7.25%)
- 167 Temporary Handicap Placards issued -12.11%)
- 62 Emergency Fund requests (-47.46%)
- 28 Voters registered (64.71%)

The Township of Palatine's Mission Statement is "Serving People". The Board responsibly applies tax dollars to meet the growing needs of residents, while controlling expenses and balancing budgets. Resources were used efficiently by maintaining and expanding partnership relationships with individuals, organizations, businesses, local governments, churches, hospitals and volunteers. The results are numerous cost effective programs that assist the greatest number of residents with a multitude of services, while keeping levies and expense budgets as low as possible.

Currently, management is not aware of any changes in conditions that could have a significant effect on the financial position or results of activities of the Township in the near future.

### **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 financial information should be addressed to Administrator, Township of Palatine, 721 S. Quentin Road, Palatine, Illinois 60067.

## **BASIC FINANCIAL STATEMENTS**

TOWNSHIP OF PALATINE

STATEMENT OF NET POSITION

FEBRUARY 28 AND MARCH 31, 2015

	<b>GOVERNMENTAL ACTIVITIES</b>
<b>ASSETS</b>	
Cash and Investments	\$ 6,734,330
Receivables	
Property Taxes, net	2,486,289
Replacement Taxes	27,463
Other	48,762
Other Current Assets	15,300
Prepaid Expenses	19,245
Capital Assets, Net of Accumulated Depreciation/Amortization	3,920,180
Total Assets	13,251,569
<b>LIABILITIES</b>	
Accounts Payable	75,181
Accrued Salaries and Wages	24,809
Payroll Liabilities	14,988
Compensated Absences	74,297
Non-Current Liabilities:	
Net Other Post-Employment Benefit Payable	27,789
Total Liabilities	217,064
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Revenue	3,559,726
Total Liabilities and Deferred Inflows of Resources	3,776,790
<b>NET POSITION</b>	
Invested in Capital Assets	3,920,180
Restricted	3,875,388
Unrestricted	1,679,211
Total Net Position	\$ 9,474,779

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

TOWNSHIP OF PALATINE

STATEMENT OF ACTIVITIES

FOR THE YEARS ENDED FEBRUARY 28 AND MARCH 31, 2015

FUNCTIONS / PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
					GOVERNMENTAL ACTIVITIES
<b>GOVERNMENTAL ACTIVITIES</b>					
Administration	\$ 1,047,062	\$ 136,725	\$ -	\$ 24,642	\$ (885,695)
Assessor	112,926	-	-	-	(112,926)
Senior and Disabled Transportation	322,828	50,669	-	-	(272,159)
Human Needs Funding	609,050	-	-	-	(609,050)
Home Relief	189,805	13,247	147,792	-	(28,766)
Cemetery Maintenance	37,991	1,100	1,000	-	(35,891)
Quentin Road Facilities	38,070	-	-	-	(38,070)
Maintenance of Roads	1,119,909	64,352	-	-	(1,055,557)
Depreciation/Amortization - Unallocated	479,935	-	-	-	(479,935)
<b>Total Governmental Activities</b>	<b>\$ 3,957,576</b>	<b>\$ 266,093</b>	<b>\$ 148,792</b>	<b>\$ 24,642</b>	<b>(3,518,049)</b>
<b>GENERAL REVENUES</b>					
Taxes					
Property Taxes, Levied for General Purposes					
					3,611,225
Replacement Taxes					
					128,561
Motor Fuel Taxes					
					-
Interest Income					
					14,444
Miscellaneous					
					18,463
<b>Total General Revenues</b>					
					<b>3,772,693</b>
Change in Net Position					
					254,644
<b>NET POSITION</b>					
Beginning of Year					
					9,220,135
End of Year					
					<b>\$ 9,474,779</b>

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

TOWNSHIP OF PALATINE  
GOVERNMENTAL FUNDS BALANCE SHEET  
FEBRUARY 28 AND MARCH 31, 2015

	TOWN FUND	GENERAL ASSISTANCE FUND	ROAD AND BRIDGE FUND	NEEDY FAMILY FUND	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS</b>					
Cash and Investments	\$ 1,926,145	\$ 638,492	\$ 3,685,264	\$ 484,429	\$ 6,734,330
Receivables					
Property Taxes, net	1,473,915	416,497	595,877	-	2,486,289
Replacement Taxes	2,734	-	24,729	-	27,463
Other	11,827	-	36,935	-	48,762
Other Current Assets	-	-	-	15,300	15,300
Prepaid Expenses	10,419	293	8,533	-	19,245
<b>Total Assets</b>	<b>\$ 3,425,040</b>	<b>\$ 1,055,282</b>	<b>\$ 4,351,338</b>	<b>\$ 499,729</b>	<b>\$ 9,331,389</b>
<b>LIABILITIES</b>					
Accounts Payable	\$ 4,593	\$ -	\$ 70,588	\$ -	\$ 75,181
Accrued Salaries and Wages	8,853	3,260	12,696	-	24,809
Payroll Liabilities	5,072	2,324	7,592	-	14,988
<b>Total Liabilities</b>	<b>18,518</b>	<b>5,584</b>	<b>90,876</b>	<b>-</b>	<b>114,978</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred Revenue	1,747,125	496,576	1,303,826	12,199	3,559,726
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>1,765,643</b>	<b>502,160</b>	<b>1,394,702</b>	<b>12,199</b>	<b>3,674,704</b>
<b>FUND BALANCES</b>					
Nonspendable	10,419	293	8,533	-	19,245
Restricted for Statutory Purposes	-	552,829	2,948,103	-	3,500,932
Restricted by Donors	-	-	-	374,456	374,456
Committed	320,000	-	-	-	320,000
Unassigned	1,328,978	-	-	113,074	1,442,052
<b>Total Fund Balances</b>	<b>1,659,397</b>	<b>553,122</b>	<b>2,956,636</b>	<b>487,530</b>	<b>5,656,685</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 3,425,040</b>	<b>\$ 1,055,282</b>	<b>\$ 4,351,338</b>	<b>\$ 499,729</b>	<b>\$ 9,331,389</b>

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

TOWNSHIP OF PALATINE

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

FEBRUARY 28 AND MARCH 31, 2015

Total Fund Balances - Governmental Funds Balance Sheet	\$ 5,656,685
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	3,920,180
Compensated Absences are only recognized in the Statement of Net Position	(74,297)
The Net Other Post-Employment Benefit Payable, listed as Noncurrent Liabilities, are only recognized in the Statement of Net Position	<u>(27,789)</u>
Net Position of Governmental Activities - Statement of Net Position	<u>\$ 9,474,779</u>

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

TOWNSHIP OF PALATINE

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

FOR THE YEARS ENDED FEBRUARY 28 AND MARCH 31, 2015

	TOWN FUND	GENERAL ASSISTANCE FUND	ROAD AND BRIDGE FUND	NEEDY FAMILY FUND	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES</b>					
Property Taxes	\$ 1,703,052	\$ 499,565	\$ 1,408,608	\$ -	\$ 3,611,225
Replacement Taxes	63,517	-	65,044	-	128,561
Motor Fuel Taxes	-	-	-	-	-
Interest Income	1,276	395	11,965	808	14,444
Reimbursements	-	13,247	-	135	13,382
Grants	24,642	5,000	-	-	29,642
Contributions	1,000	-	-	142,792	143,792
Fees and Permits	27,206	-	789	-	27,995
Fines	-	-	4,506	-	4,506
Charges for Services	23,463	-	59,057	-	82,520
Cemetery Receipts	1,100	-	-	-	1,100
Donated Rental Income	136,590	-	-	-	136,590
Miscellaneous	9,206	-	9,257	-	18,463
<b>Total Revenues</b>	<b>1,991,052</b>	<b>518,207</b>	<b>1,559,226</b>	<b>143,735</b>	<b>4,212,220</b>
<b>EXPENDITURES</b>					
<b>Current</b>					
Administration	761,056	278,691	73,582	32,944	1,146,273
Assessor	112,926	-	-	-	112,926
Senior and Disabled Transportation	322,828	-	-	-	322,828
Human Needs Funding	609,050	-	-	-	609,050
Home Relief	-	106,015	-	83,790	189,805
Cemetery Maintenance	37,991	-	-	-	37,991
Quentin Road Facilities	38,070	-	-	-	38,070
Maintenance of Roads	-	-	1,483,695	-	1,483,695
<b>Total Expenditures</b>	<b>1,881,921</b>	<b>384,706</b>	<b>1,557,277</b>	<b>116,734</b>	<b>3,940,638</b>
<b>Excess of Revenues Over Expenditures</b>	<b>109,131</b>	<b>133,501</b>	<b>1,949</b>	<b>27,001</b>	<b>271,582</b>
<b>Other Financing Sources (Uses)</b>					
Operating Transfers	205,208	-	(205,208)	-	-
<b>Net Change in Fund Balances</b>	<b>314,339</b>	<b>133,501</b>	<b>(203,259)</b>	<b>27,001</b>	<b>271,582</b>
<b>FUND BALANCES</b>					
Beginning of Year	1,345,058	419,621	3,159,895	460,529	5,385,103
End of Year	\$ 1,659,397	\$ 553,122	\$ 2,956,636	\$ 487,530	\$ 5,656,685

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

TOWNSHIP OF PALATINE

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

FEBRUARY 28 AND MARCH 31, 2015

Net Change in Fund Balances - Statement of Revenues, Expenditures,  
and Changes in Fund Balances \$ 271,582

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

Governmental funds report capital outlays as expenditures.  
However, in the statement of activities, the cost of those assets  
is allocated over their estimated useful lives as depreciation  
expense. This is the amount by which capital outlays exceeded  
depreciation expense in the current period.

Capital Outlay	588,363
Gain (Loss) on Disposal of Assets	(125,353)
Depreciation Expense	<u>(479,935)</u>
Difference	(16,925)

Some expenses reported in the statement of activities do not require  
the use of current financial resources and therefore are not  
reported as expenditures in governmental funds. The expenses  
include the changes in:

Compensated Absences	<u>(13)</u>
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Change in Net Position of Governmental Activities - Statement of Activities \$ 254,644

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



# TOWNSHIP OF PALATINE

## NOTES TO FINANCIAL STATEMENTS

FEBRUARY 28 AND MARCH 31, 2015

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Township of Palatine, Illinois (Township) operates under the Township Act (60 ILCS) and the Revenue code (35 ILCS) of the Illinois Compiled Statutes (ILCS). The Township provides the following services as authorized by its charter: maintenance of roads in the unincorporated area, senior and disabled services, general assistance, property tax related matters and general administrative services.

The financial statements of the Township of Palatine have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Township's accounting policies are described below.

#### Reporting Entity

The Township's reporting entity includes all entities for which the Township exercises oversight responsibility as defined by the Governmental Accounting Standards Board (GASB). The financial reporting entity consists of a primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable.

The Township has developed criteria to determine whether these legally separate organizations should be included within its financial reporting entity. The criteria include, but are not limited to, whether the Township (1) selects the governing authority or management, (2) has the ability to significantly influence operations, or (3) has accountability for fiscal matters (e.g., final budget approval, responsibility for funding deficits, management of assets, etc.). In applying these criteria, the Township has included in its financial statements the activities of the Township of Palatine Road District, Palatine Township Needy Family Fund, Inc. and Palatine Township Report, Inc. Although a legally separate entity, the Road District shares the same Board of Trustees as the Township and is, therefore, a component unit blended with the Township identified as the Road and Bridge Fund. Palatine Township Needy Family Fund, Inc. and Palatine Township Report, Inc. are nonprofit corporations which exist solely to serve the Township of Palatine and are, therefore, component units blended with the Township.

#### Basis of Presentation

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) display information about the reporting government as a whole. They include all the governmental funds of the reporting entity. The governmental fund financial statements (i.e. the Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balance) are organized by fund. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Major individual governmental funds are reported as separate columns in the fund financial statements. The major funds are the Town Fund, General Assistance Fund, and Road and Bridge Fund. Following is a description of major and non-major 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** - The Special Revenue Funds account for the proceeds of specific revenue sources, or to finance specified activities as required by law or administrative regulations. The Special Revenue Funds and their purposes are as follows:

General Assistance Fund - Accounts for expenditures for general assistance services.

Road and Bridge Fund - Accounts for the operations of the Road District. It is used to account for all financial resources at the Road District and accounts for expenditures related to maintenance and improvement of Township Roads. The Road District levies a separate property tax.

Needy Family Fund - Accounts for contributions and emergency payments for residents who do not qualify for general assistance.

### **Basis of Accounting**

The government-wide statements (the Statement of Net Position and the Statement of Activities) are prepared using the economic resources measurement focus and the accrual basis of accounting. Under this method of accounting, revenues are recognized when earned and expenses are recorded when liabilities are incurred without regard to receipt or disbursement of cash.

The fund financial statements (the Governmental Funds Balance Sheet and Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances) are accounted for using a current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities/deferred inflows of resources generally are included on the balance sheet. Revenues are recognized in the accounting period in which they become measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or within sixty days after the year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

The Township recognizes property taxes receivable during the fiscal year in which the taxes are levied and become a legal claim of the Township; however, property taxes are not recognized as revenue until the subsequent fiscal year when the property taxes are extended by Cook County and remitted to the Township. Accordingly, the property tax levy for the 2014 tax year, including collections thereon, is recognized as deferred inflows of resources in the accompanying balance sheet. Expenditures are recognized when the related obligations are incurred.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the Town, General Assistance, and Road and Bridge Funds. All appropriated amounts lapse at the end of the fiscal year. Spending control for funds is established by the amount of the total appropriation for the fund, but management control is exercised at appropriation line item levels.

### Cash and Investments

Cash includes amounts in demand deposits (checking, NOW and money market accounts) and time deposits (certificates of deposit with maturity dates that range from twelve to twenty-four months). Investments include negotiable certificates of deposit with maturity dates that range from twenty-four to thirty-six months.

Illinois Revised Statutes authorize the Township to invest in securities guaranteed by the full faith and credit of the United States of America, interest-bearing savings accounts, certificates of deposit or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act, the State Treasurer's investment pool (authorized by ICLS 30, 235-2, e), and other permitted investments under paragraph 902, chapter 85 of the Statutes as amended by Public Act 86-426. Investments may only be made in banks, which are insured by the Federal Deposit Insurance Corporation.

Investments are stated at cost, which approximates market.

### Capital Assets

The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements.

#### *Government-wide Statements*

In the government-wide financial statements capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets, which are recorded at their estimated fair value at the date of donation.

Depreciation and amortization of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation/amortization reflected in the Statement of Net Position. Depreciation or amortization is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Land Improvements	20 years
Buildings	50 years
Building Improvements	10-20 years
Infrastructure	10 years
Machinery and Equipment	5 - 20 years
Intangibles	5 years

The minimum capitalization threshold is any item of Machinery and Equipment with a total cost greater than \$1,000, Buildings and Land Improvements of \$10,000 and Infrastructure of \$50,000. The Township began capitalizing infrastructure assets as capital assets as of February 28 and March 31, 2012.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### *Fund Financial Statements*

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

### Deferred Inflows of Resources

The Township follows GASB Statement 65 which pertains to the classification of certain items previously reported as assets and liabilities. The Township has only one type of item, under the modified accrual basis of accounting, which is affected by this classification; deferred property taxes. Deferred property taxes do not fit the definition of a liability, that is, the use of resources to satisfy an obligation. Rather deferred property taxes represent a future recognition of revenue, therefore are classified as deferred inflows of resources.

### Compensated Absences

In the event of termination, Township employees are not reimbursed for accumulated sick leave. Vacation pay does not carryover; employees must take vacation by the end of the calendar year. Terminated employees are reimbursed for any accumulated unpaid vacation pay. Non-exempt employees accrue overtime in the form of compensatory time. Accumulated compensatory time must be taken as time off or as payment by the end of the 26<sup>th</sup> pay period after the pay period in which it was earned. Vacation pay and compensatory time are accrued in the Statement of Net Position and Statement of Activities.

### Fund Equity

The Township follows GASB statement 54 "Fund Balance Reporting and Government Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Non-spendable fund balance – amounts that are not in a spendable form (such as prepaid expense) or are required to be maintained intact;
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grants, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body or by an official or body to which the governing body delegates authority;
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The Board of Trustees establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. An assigned fund balance is established by the Board of Trustees through adoption or amendment of the budget as intended for specific purpose (but is neither restricted nor committed).

When an expenditure is incurred for purposes for which both restricted and unrestricted amounts are available, management applies restricted amounts first, unless a determination is made to use unrestricted fund balance. The Township’s policy concerning which to apply first varies with the intended use and legal requirements. Management typically makes this decision on a transactional basis at the incurrence of the expenditure.

**Reimbursements**

Other organizations occupy space in the Township building. The Township bills any operating costs to the organizations on a monthly basis. These receipts are classified as charges for services in the statement of activities and as reimbursements in the statement of revenues, expenditures and changes in fund balance.

**Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**NOTE 2 - DEPOSITS AND INVESTMENTS**

**Deposits.** At year-end, the carrying amount of the Township’s deposits, excluding petty cash of \$565, was \$5,860,765 and the bank balance was \$5,970,339. Of the bank balance, \$1,723,147 was covered by federal depository insurance, \$4,152,510 was collateralized with securities held by the pledging financial institution’s agent in the Township’s name, and \$94,682 was uncollateralized. The uncollateralized portion relates to the Needy Family Fund.

Included in deposits are two certificates of deposit totaling \$640,977 with terms of 12 to 24 months and rates of .25% to 1.00%.

**Investments.** At year-end, the Township’s investment balances were as follows:

<u>INVESTMENT</u>	<u>WEIGHTED AVERAGE MATURITY (IN MONTHS)</u>	<u>WEIGHTED AVERAGE RATE</u>	<u>COST</u>	<u>FAIR VALUE</u>
Negotiable Certificates	30	1.09%	<u>\$ 873,000</u>	<u>\$ 873,655</u>

The Township has investments in negotiable certificates of deposit. Each certificate is a marketable security that can be actively traded. The Township has the ability and intent to

**NOTE 2 - DEPOSITS (Continued)**

hold each certificate to maturity. Each certificate is fully covered by federal depository insurance.

**NOTE 3 - PROPERTY TAXES**

The Township passed the Tax Levy Ordinances for the Township and for the Road District on December 22, 2014. Property Taxes from the 2014 levy attached as an enforceable lien on property as of January 1, 2014. Taxes are payable in two installments on or around March 1 and August 1. As such, significant tax monies are received between March and December. The County of Cook collects such taxes and remits them periodically.

The current property tax levy is recorded as a receivable, net of estimated uncollectibles approximating 3%. Property tax revenue is recognized to the extent of taxes due and collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current period, less the taxes collected soon enough after the end of the previous fiscal year. Such time thereafter does not exceed 60 days. The current net tax levy receivable is recorded on the balance sheet along with a corresponding amount of deferred revenue. Deferred revenue represents the 2014 levy which is used to fund fiscal 2016 operations. All uncollected taxes receivable relating to prior years' levies have been written off.

**NOTE 4 - CAPITAL ASSETS**

Capital asset activity for the years ended February 28 and March 31, 2015 was as follows:

	Balance February 28 and March 31, 2014	Additions	Retirements	Balance February 28 and March 31, 2015
Capital assets, not being depreciated				
Land	\$ 119,098	\$ -	\$ -	\$ 119,098
Infrastructure Work in Progress	126,145	-	(63,073)	63,072
<b>Total Capital assets, not being depreciated</b>	<b>245,243</b>	<b>-</b>	<b>(63,073)</b>	<b>182,170</b>
Capital assets, being depreciated/amortized				
Land Improvements	396,186	29,430	-	425,616
Buildings	2,685,807	-	-	2,685,807
Building Improvements	76,787	38,065	-	114,852
Machinery and Equipment	1,067,364	201,339	-	1,268,703
Infrastructure	3,552,906	319,529	(311,400)	3,561,035
Intangibles	6,300	-	-	6,300
<b>Total capital assets being depreciated/amortized</b>	<b>7,785,350</b>	<b>588,363</b>	<b>(311,400)</b>	<b>8,062,313</b>
Less accumulated depreciation/amortization for				
Land Improvements	(325,677)	(9,020)	-	(334,697)
Buildings	(1,684,000)	(39,736)	-	(1,723,736)
Building Improvements	(6,320)	(7,928)	-	(14,248)
Machinery and Equipment	(800,544)	(66,294)	-	(866,838)
Infrastructure	(1,272,537)	(355,697)	249,120	(1,379,114)
Intangibles	(4,410)	(1,260)	-	(5,670)
<b>Total accumulated depreciation/amortization</b>	<b>(4,093,488)</b>	<b>(479,935)</b>	<b>249,120</b>	<b>(4,324,303)</b>
<b>Total capital assets being depreciated/amortized, net</b>	<b>3,691,862</b>	<b>108,428</b>	<b>(62,280)</b>	<b>3,738,010</b>
<b>Capital assets, net</b>	<b>\$ 3,937,105</b>	<b>\$ 108,428</b>	<b>\$ (125,353)</b>	<b>\$ 3,920,180</b>

In the government-wide statement of activities depreciation/amortization expense is not allocated among Government Activities.

**NOTE 5 - DEFINED BENEFIT PENSION PLAN**

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

**Funding Policy:** As set by statute, the Township’s Regular plan members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2014 was 12.29%. The Township also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**Annual Pension Cost:** The required contribution for fiscal year ending February 28 and March 31, 2015 was \$126,542.

**THREE YEAR TREND INFORMATION FOR THE REGULAR PLAN**

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2/28/15 & 3/31/15	\$126,542	100%	\$0
2/28/14 & 3/31/14	149,834	100%	0
2/28/13 & 3/31/13	141,370	100%	0

The required contribution for 2014 was determined as part of the December 31, 2012, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2012, included (a) 7.5% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from .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 the Township’s 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 Township’s Regular plan unfunded actuarial accrued liability at December 31, 2012 is being amortized as a level percentage of projected payroll on an open 29 year basis.

**Funded Status and Funding Progress:** As of December 31, 2014, the most recent actuarial valuation date, the Regular plan was 76.79% funded. The actuarial accrued liability for benefits was \$2,879,405 and the actuarial value of assets was \$2,211,137, resulting in an underfunded actuarial accrued liability (UAAL) of \$668,268. The covered payroll for calendar year 2014 (annual payroll of active employees covered by the plan) was \$1,092,764 and the ratio of the UAAL to the covered payroll was 61%.

**NOTE 5 - DEFINED BENEFIT PENSION PLAN (Continued)**

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.

**NOTE 6 - OTHER POST-EMPLOYMENT BENEFITS**

**Plan Descriptions, Provisions and Funding Policies**

The Township provides post-employment health care benefits (OPEB) for retired employees of the Township. The benefits, benefit levels, employee contributions and employer contributions are governed by the Township and can be amended by the Township through its personnel manual.

The plan is not accounted for as a trust fund; as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the Township's Town Fund. To be eligible for benefits, an employee must qualify for retirement through the Illinois Municipal Retirement Fund.

All health care benefits are available to retired employees of the Township and are provided through the Township's health plan. The benefit levels are the same as those afforded to active employees.

All retirees contribute 100% of the actuarially determined premium to the plan. Active employees do not contribute to the OPEB plan until retirement.

Membership in the plan consisted of the following as of:

	<u>February 28, 2013</u>
Retirees and beneficiaries receiving benefits	1
Terminated plan members entitled to but not yet receiving benefits	0
Active vested plan members	8
Active nonvested plan members	<u>8</u>
Total	<u>17</u>
Number of participating employers	<u>1</u>

**Annual OPEB Costs and Net OPEB Obligation**

The District had an actuarial valuation performed for the plan as of February 28, 2013 to determine the funded status of the plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended February 28, 2013.

The annual OPEB cost and net OPEB obligation as of February 28, 2013, was calculated as follows:



NOTE 6 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

	<u>Governmental Activities</u>
Annual Required Contribution	\$ 9,385
Interest on the net OPEB obligation	1,065
Adjustment to the annual required contribution	<u>(887)</u>
Annual OPEB Cost	10,013
Contributions made	<u>8,843</u>
Increase in the net OPEB obligation	1,170
NOPEBO – Beginning of Year	<u>26,619</u>
NOPEBO – End of Year	<u>\$ 27,789</u>

The funded status and funding progress of the plan as of February 28 and March 31, 2013, is estimated based upon the actuarial valuation determined as of March 1, 2013:

Actuarial Accrued Liability (AAL)	\$ 65,565
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	\$ 65,565
Funded Ratio (actuarial value of plan assets/AAL)	0%
Covered Payroll (active plan members)	N/A
UAAL as a percentage of covered payroll	0%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding statements, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projection of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

#### NOTE 6 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

In the March 1, 2013 actuarial valuation the unit credit cost method was used. The actuarial assumptions included, a 3% price inflation assumption, a 4% wage inflation assumption as well as an initial healthcare cost trend rate of 8% trending down to 6% for 2017 and beyond. The actuarial value of assets was not determined as the Township has not advanced funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at March 1, 2013 was 30 years.

#### NOTE 7 - FUND BALANCES

As of February 28, 2015, the Township has \$374,456 that is restricted by donors for social service emergencies which include a food pantry and other one-time emergency payments for residents of the Township who do not qualify for General Assistance from the Township. The program is funded through contributions from the community through a nonprofit organization, Township of Palatine Needy Family Fund, Inc.

The Board of Trustees has committed \$120,000 of the General Fund balance for capital equipment replacement. The funds have been set aside into a separate cash account.

In addition, \$200,000 was transferred from the Road District to the Township of Palatine during the year ended June 30, 2015. The intergovernmental agreement states that the funds are committed for the purchase and maintenance of future bus purchases. The Board approved the commitment through a Board Resolution.

#### NOTE 8 - IN-KIND SUPPORT

The Township records in-kind support in the form of rental income and agency support. Two not-for-profit agencies occupy space in the Township building. In lieu of charging each rent and providing financial support to them as agencies, the Township records \$136,590 as Donated Rental Income and the same amount classified as "Human Needs Funding" expense/expenditure in the Statement of Activities and the Funds Statement of Revenue and Expenditures.

#### NOTE 9 - NONPROFIT CORPORATION

##### Palatine Township Needy Family Fund, Inc.

In 1995, the Township formed a nonprofit corporation entitled the Palatine Township Needy Family Fund, Inc. The corporation is a qualified tax exempt organization under Section 501(c)(3) of the Internal Revenue Code. The corporation was established for the purpose of generating contributions and providing assistance to residents not covered under the Township's general assistance program. All activities for the corporation are recorded in a separate fund column of the Township's balance sheet and statement of revenues, expenditures and changes in fund balances.

##### Palatine Township Report, Inc.

Palatine Township Report, Inc. qualifies as a tax exempt organization under Section 501(c)(3) of the Internal Revenue Code. The corporation was established for the purpose of generating and mailing the Township newsletter. The corporation had expenditures of \$31,839 funded by the General Fund and a cash balance of \$21 as of February 28, 2015. These amounts are included in the General (Town) Fund.

#### **NOTE 10 - RISK MANAGEMENT**

The Township is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Township carries commercial insurance.

#### **NOTE 11 – MOTOR FUEL TAX FUNDS**

Every year the Township of Palatine Road District receives an allotment of Motor Fuel Tax (MFT) money from the State of Illinois. This money is disbursed by the State to Cook County where it is held for pending projects. Projects are petitioned by the Palatine Township's Highway Commissioner to the Cook County Highway Department for approval to use these MFT funds. When the projects are approved, all management, payment and accounting for the projects are done through Cook County. These funds are reflected in the financial statements of the Township as MFT Revenue and capitalized as infrastructure assets. The unused allotment is not reflected in the financial statements of the Township. No MFT funds were spent during the year ended March 31, 2015.

#### **NOTE 12 – OPERATING TRANSFER**

Interfund transfers are reported as operating transfers. During the year ended February 28, 2015, the Road and Bridge Fund transferred \$205,208 to the General Fund to support the Senior and Disabled Transportation Program.

#### **NOTE 13 – FUTURE CHANGE IN PENSION ACCOUNTING**

In June 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 68, *Accounting and Financial Reporting for Pensions*. This Statement will require state and local governments to reflect any unfunded actuarial accrued liability of its pensions as a liability on the statement of net position of the government. Presently, the Township's IMRF liability is only disclosed in the footnotes. The Township is required to implement this standard for the fiscal year ending February 29, 2016. The full impact of adoption of GASB Statement No. 68 on the financial statements of the District has not yet been determined.

**REQUIRED SUPPLEMENTARY INFORMATION**

TOWNSHIP OF PALATINE

REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED

SCHEDULE OF FUNDING PROGRESS

ILLINOIS MUNICIPAL RETIREMENT FUND

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 ( c )	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/14	\$ 2,211,137	\$ 2,879,405	\$ 668,268	76.79%	\$ 1,092,764	61.15%
12/31/13	1,967,679	2,582,297	614,618	76.20%	1,096,049	56.08%
12/31/12	1,726,631	2,568,237	841,606	67.23%	1,132,857	74.29%

On a market value basis, then actuarial value of assets as December 31, 2014 is \$2,705,326. On a market basis, the funded ratio would be 93.95%.

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

TOWNSHIP OF PALATINE

REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED

SCHEDULE OF FUNDING PROGRESS

OTHER POST-EMPLOYMENT BENEFITS PLAN

Actuarial Valuation Date	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) --Entry Age	Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2/28/2015	N/A	N/A	N/A	N/A	N/A	N/A
2/28/2014	N/A	N/A	N/A	N/A	N/A	N/A
2/28/2013	N/A	65,565	0%	65,565	N/A	0%

The Township implemented GASB Statement No. 45 for the fiscal year ended February 28, 2010 and has an actuarial valuation performed triennially.

TOWNSHIP OF PALATINE  
 SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL

TOWN FUND

FOR THE YEAR ENDED FEBRUARY 28, 2015

	APPROPRIATION		ACTUAL	VARIANCE
	ORIGINAL	FINAL		
<b>REVENUES</b>				
Property Taxes	\$ 1,701,274	\$ 1,701,274	\$ 1,703,052	\$ 1,778
Replacement Taxes	50,000	50,000	63,517	13,517
Interest Income	1,500	1,500	1,276	(224)
Fees	31,000	31,000	27,206	(3,794)
PACE Charges for Services	30,000	30,000	23,463	(6,537)
Cemetery Receipts	1,000	1,000	1,100	100
Cemetery Contributions	-	-	1,000	1,000
Donated Rental Income	136,590	136,590	136,590	-
Grants	-	-	24,642	24,642
Miscellaneous	1,000	1,000	9,206	8,206
<b>Total Revenues</b>	<b>1,952,364</b>	<b>1,952,364</b>	<b>1,991,052</b>	<b>38,688</b>
<b>EXPENDITURES</b>				
<b>Current</b>				
Administration	840,532	840,946	761,056	79,890
Assessor	120,975	120,975	112,926	8,049
Senior and Disabled Transportation	405,719	405,719	322,828	82,891
Human Needs Funding	620,000	620,000	609,050	10,950
Cemetery Maintenance	46,750	46,750	37,991	8,759
Quentin Road Facilities	58,000	57,586	38,070	19,516
<b>Total Expenditures</b>	<b>2,091,976</b>	<b>2,091,976</b>	<b>1,881,921</b>	<b>210,055</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(139,612)</b>	<b>(139,612)</b>	<b>109,131</b>	<b>248,743</b>
<b>Other Financing Sources (Uses)</b>				
Operating Transfers	200,000	200,000	205,208	5,208
<b>Net Change in Fund Balance</b>	<b>\$ 60,388</b>	<b>\$ 60,388</b>	<b>\$ 314,339</b>	<b>\$ 253,951</b>

TOWNSHIP OF PALATINE  
 SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL

GENERAL ASSISTANCE FUND

FOR THE YEAR ENDED FEBRUARY 28, 2015

	APPROPRIATION		ACTUAL	VARIANCE
	ORIGINAL	FINAL		
<b>REVENUES</b>				
Property Taxes	\$ 486,078	\$ 486,078	\$ 499,565	\$ 13,487
Interest Income	300	300	395	95
SSI Reimbursements	1,700	1,700	3,723	2,023
LIHEAP Reimbursements	6,000	6,000	9,524	3,524
CDBG Grants	5,000	5,000	5,000	-
<b>Total Revenues</b>	<b>499,078</b>	<b>499,078</b>	<b>518,207</b>	<b>19,129</b>
<b>EXPENDITURES</b>				
Current				
Administration	321,408	321,408	278,691	42,717
Home Relief	177,670	177,670	106,015	71,655
<b>Total Expenditures</b>	<b>499,078</b>	<b>499,078</b>	<b>384,706</b>	<b>114,372</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 133,501</b>	<b>\$ 133,501</b>



TOWNSHIP OF PALATINE  
 SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL

ROAD AND BRIDGE FUND

FOR THE YEAR ENDED MARCH 31, 2015

	<u>APPROPRIATION</u>		<u>ACTUAL</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES</b>				
Property Taxes	\$ 1,318,190	\$ 1,318,190	\$ 1,408,608	\$ 90,418
Replacement Taxes	65,000	65,000	65,044	44
Motor Fuel Taxes	-	-	-	-
Interest Income	20,000	20,000	11,965	(8,035)
Charges for Services	75,000	75,000	59,057	(15,943)
Fines	5,000	5,000	4,506	(494)
Leaf Bags/Stickers	1,250	1,250	789	(461)
Miscellaneous	57,800	57,800	9,257	(48,543)
<b>Total Revenues</b>	<u>1,542,240</u>	<u>1,542,240</u>	<u>1,559,226</u>	<u>16,986</u>
<b>EXPENDITURES</b>				
Administration	83,875	83,875	73,582	10,293
Maintenance of Roads	1,612,850	1,662,850	1,483,695	179,155
Contingency	50,000	-	-	-
<b>Total Expenditures</b>	<u>1,746,725</u>	<u>1,746,725</u>	<u>1,557,277</u>	<u>189,448</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(204,485)	(204,485)	1,949	206,434
<b>Other Financing Sources (Uses) Operating Transfers</b>	<u>(200,000)</u>	<u>(200,000)</u>	<u>(205,208)</u>	<u>(5,208)</u>
<b>Net Change in Fund Balance</b>	<u>\$ (404,485)</u>	<u>\$ (404,485)</u>	<u>\$ (203,259)</u>	<u>\$ 201,226</u>

## **ADDITIONAL INFORMATION**

TOWNSHIP OF PALATINE

TOWN FUND

STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL

FOR THE YEAR ENDED FEBRUARY 28, 2015

	<u>APPROPRIATION</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>ADMINISTRATION</b>			
Personnel Services			
Salaries			
Supervisor	\$ 21,000	\$ 21,000	\$ -
Clerk	18,000	18,000	-
Assessor	20,000	20,000	-
Highway Commissioner	10,000	10,000	-
Board Of Trustees	20,000	20,000	-
Board Meetings	2,400	1,800	600
Road District Treasurer	1,000	1,000	-
Committees	4,800	3,150	1,650
Office Personnel	223,879	216,929	6,950
Temporary Personnel	250	-	250
Janitorial	19,443	14,040	5,403
Salary Increases	13,012	11,851	1,161
Social Security/Medicare Expense	27,064	23,895	3,169
Illinois Retirement Contribution	31,503	28,247	3,256
Health And Life Insurance	42,330	40,861	1,469
Workers' Compensation Insurance	2,600	1,779	821
	<u>457,281</u>	<u>432,552</u>	<u>24,729</u>
Total Personnel Services			
Contractual Services			
Building Maintenance	16,856	16,903	(47)
Grounds Maintenance	6,400	5,524	876
Equipment Maintenance	3,000	1,792	1,208
Building Improvements Non-Capital	5,273	6,485	(1,212)
Office Equipment Maintenance	7,000	6,241	759
General Insurance	30,137	29,515	622
Telephone and Communications	3,500	1,626	1,874
Alarm	3,000	2,417	583
Utilities	15,853	14,741	1,112
Scavenger	5,644	5,644	-
Conferences and Seminars	4,500	1,781	2,719
Travel Expenses	2,000	793	1,207
Printing and Publishing	2,500	1,847	653
Audit	10,000	9,100	900
Legal Services	17,000	6,074	10,926
Engineering	5,000	-	5,000
Professional Services	8,000	4,319	3,681
Community Events	5,000	4,396	604
Officials Bonding	750	150	600

(Continued)

TOWN FUND STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - CONTINUED

	<u>APPROPRIATION</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Supervisor Bonding	\$ 7,222	\$ 4,604	\$ 2,618
Training	1,000	663	337
Dues and Subscriptions	2,605	2,615	(10)
Recognitions	3,338	1,805	1,533
Copier	6,000	5,003	997
Employment Counseling	13,415	13,415	-
Communications	32,500	31,839	661
Health And Safety Programs	-	-	-
Website Services	2,400	2,226	174
Recruitment Expense	1,022	1,022	-
Payroll Service	4,000	3,409	591
Miscellaneous	4,023	3,729	294
	<u>228,938</u>	<u>189,678</u>	<u>39,260</u>
<b>Total Contractual Services</b>			
Commodities			
Janitorial Supplies	2,500	2,471	29
Postage	2,000	1,030	970
Office Supplies	5,000	3,770	1,230
	<u>9,500</u>	<u>7,271</u>	<u>2,229</u>
<b>Total Commodities</b>			
Capital Outlay			
Building & Improvements	128,727	129,169	(442)
Equipment Replacement	16,500	2,386	14,114
	<u>145,227</u>	<u>131,555</u>	<u>13,672</u>
<b>Total Capital Outlay</b>			
<b>Total Administration</b>	<u>840,946</u>	<u>761,056</u>	<u>79,890</u>
<b>TOWNSHIP ASSESSOR</b>			
Personnel Services			
Salaries	77,575	77,270	305
Salary Increases	2,625	2,625	-
Social Security/Medicare Expense	6,315	5,884	431
Illinois Retirement Contribution	8,200	8,044	156
Health And Life Insurance	12,550	8,674	3,876
Workers' Compensation Insurance	300	293	7
	<u>107,565</u>	<u>102,790</u>	<u>4,775</u>
<b>Total Personnel Services</b>			
Contractual Services			
Equipment Maintenance	\$ 700	\$ 63	\$ 637
Travel	975	877	98
Outreach Seminar	49	49	-

(Continued)

TOWN FUND STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - CONTINUED

	<u>APPROPRIATION</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Computer Program	\$ 1,300	\$ 962	\$ 338
IPA Institute Workshop	1,850	1,414	436
Training	500	90	410
Printing	559	489	70
Dues And Subscriptions	440	430	10
Professional Services	85	50	35
Publications	135	1,254	(1,119)
Telephone	900	900	-
Copier	2,192	2,192	-
Miscellaneous	100	62	38
SID Annual Rental	700	528	172
Equipment Rental	10	-	10
Contingency Provision	5	-	5
	<u>10,500</u>	<u>9,360</u>	<u>1,140</u>
<b>Total Contractual Services</b>			
Commodities			
Postage	356	356	-
Office Supplies	1,254	-	1,254
	<u>1,610</u>	<u>356</u>	<u>1,254</u>
<b>Total Commodities</b>			
Capital Outlay			
Equipment	1,300	420	880
	<u>1,300</u>	<u>420</u>	<u>880</u>
<b>Total Capital Outlay</b>			
<b>Total Township Assessor</b>	<u>120,975</u>	<u>112,926</u>	<u>8,049</u>
<b>SENIOR AND DISABLED TRANSPORTATION</b>			
Personnel Services			
Salaries	164,680	164,533	147
Salary Increases	5,076	3,315	1,761
Social Security/Medicare Expense	13,562	12,330	1,232
Illinois Retirement Contribution	17,460	17,460	-
Health And Life Insurance	31,132	30,920	212
Workers Compensation	5,000	5,335	(335)
	<u>236,910</u>	<u>233,893</u>	<u>3,017</u>
<b>Total Personnel Services</b>			
Contractual Services			
Fuel And Oil	28,000	23,361	4,639
Maintenance	40,931	40,931	-
Travel	350	330	20
Telephone	3,000	2,949	51
Advertising	1,950	1,897	53

(Continued)

TOWN FUND STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - CONTINUED

	<u>APPROPRIATION</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Equipment Maintenance	\$ 1,445	\$ 1,445	\$ -
Taxi	11,800	10,066	1,734
Training	300	-	300
Copier	1,209	1,209	-
DOT Testing	1,032	915	117
Legal	500	158	342
Miscellaneous	2,800	1,040	1,760
Vehicle Insurance	1,728	2,074	(346)
<b>Total Contractual Services</b>	<b>95,045</b>	<b>86,375</b>	<b>8,670</b>
<b>Commodities</b>			
Office Supplies	150	126	24
Postage	114	114	-
<b>Total Commodities</b>	<b>264</b>	<b>240</b>	<b>24</b>
<b>Capital Outlay</b>			
New Vehicle	70,000	-	70,000
Equipment	3,500	2,320	1,180
<b>Total Capital Outlay</b>	<b>73,500</b>	<b>2,320</b>	<b>71,180</b>
<b>Total Senior and Disabled Transportation</b>	<b>405,719</b>	<b>322,828</b>	<b>82,891</b>
<b>HUMAN NEEDS FUNDING</b>			
<b>Contractual Services</b>			
Day Care Brokerage Service	30,000	30,000	-
Behavioral Health	5,000	5,000	-
The Bridge	190,000	190,000	-
Clearbrook	2,000	2,000	-
Community Child Care Center	120,000	120,000	-
Alexian Brothers Mental Health	35,000	35,000	-
Palatine Opportunity Center	9,000	9,000	-
Countryside Association	17,000	17,000	-
Rolling Meadows Golden Years	3,500	3,500	-
Salvation Army	14,000	14,000	-
Shelter, Inc	8,000	8,000	-
Community Living	8,000	8,000	-
Community Initiative	2,000	2,000	-
NW Casa	3,000	3,000	-
Palatine Township Senior Center	100,000	99,980	20
PHD	3,000	3,000	-
Catholic Charities	6,000	-	6,000
Dental Care Program	25,000	25,000	-

(Continued)

TOWN FUND STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - CONTINUED

	<u>APPROPRIATION</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Barrington Career Center	\$ 6,000	\$ 4,500	\$ 1,500
Access To Care	6,000	4,500	1,500
Escorted Transportation Services	4,000	4,000	-
JourneyCare Hospice Of NE IL	2,000	1,500	500
Journey PADS To Hope	3,000	3,000	-
Glenkirk	2,000	1,000	1,000
Little City Foundation	2,000	2,000	-
Volunteer Center	4,000	4,000	-
Midwest Palliative & Hospice CareCenter	2,000	2,000	-
Faith Community Homes	7,500	7,500	-
FitMS Neorobalance Center	1,000	570	430
	<u>620,000</u>	<u>609,050</u>	<u>10,950</u>
Total Contractual Services			
Total Human Needs Funding	<u>620,000</u>	<u>609,050</u>	<u>10,950</u>
<b>CEMETERY MAINTENANCE</b>			
Contractual Services			
Maintenance/Improvements	20,000	15,198	4,802
Ground Upkeep	25,000	21,724	3,276
Memorial Day	500	369	131
Cemetery Burial	1,000	700	300
Miscellaneous	250	-	250
	<u>46,750</u>	<u>37,991</u>	<u>8,759</u>
Total Contractual Services			
Total Cemetery Maintenance	<u>46,750</u>	<u>37,991</u>	<u>8,759</u>
<b>QUENTIN ROAD FACILITIES</b>			
Contractual Services			
Alarm	2,088	2,088	-
Grounds Maintenance	1,400	795	605
Building Maintenance	10,000	7,517	2,483
Permanent Building Improvements	22,500	6,253	16,247
Utilities	21,598	21,417	181
	<u>57,586</u>	<u>38,070</u>	<u>19,516</u>
Total Contractual Services			
Total Quentin Road Facilities	<u>57,586</u>	<u>38,070</u>	<u>19,516</u>
Total Expenditures	<u>\$ 2,091,976</u>	<u>\$ 1,881,921</u>	<u>\$ 210,055</u>

TOWNSHIP OF PALATINE

GENERAL ASSISTANCE FUND

STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL

FOR THE YEAR ENDED FEBRUARY 28, 2015

	<u>APPROPRIATION</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>ADMINISTRATION</b>			
Personnel Services			
Salaries	\$ 186,524	\$ 173,362	\$ 13,162
Salary Increases	6,000	3,988	2,012
Temporary Personnel	100	-	100
Social Security/Medicare Expense	12,968	12,508	460
Illinois Retirement Contribution	23,661	21,332	2,329
Health And Life Insurance	66,095	44,676	21,419
Workers' Compensation Insurance	500	238	262
<b>Total Personnel Services</b>	<u>295,848</u>	<u>256,104</u>	<u>39,744</u>
Contractual Services			
Equipment Maintenance	1,200	588	612
Travel Expense	608	608	-
Printing	500	-	500
Legal	1,500	140	1,360
Telephone	1,400	1,200	200
Training	1,248	1,248	-
Copier	2,123	2,123	-
Miscellaneous	300	(1)	301
<b>Total Contractual Services</b>	<u>8,879</u>	<u>5,906</u>	<u>2,973</u>
Commodities			
Office Supplies	2,216	2,216	-
Postage	465	465	-
<b>Total Commodities</b>	<u>2,681</u>	<u>2,681</u>	<u>-</u>
Capital Outlay			
Equipment Purchases	14,000	14,000	-
<b>Total Capital Outlay</b>	<u>14,000</u>	<u>14,000</u>	<u>-</u>
<b>Total Administration</b>	<u>321,408</u>	<u>278,691</u>	<u>42,717</u>

(Continued)



GENERAL ASSISTANCE FUND - STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
- CONTINUED

	<u>APPROPRIATION</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>HOME RELIEF</b>			
Contractual Services			
Medical Care	\$ 1,500	\$ 92	\$ 1,408
Telephone	4,400	1,016	3,384
Utilities	11,000	8,570	2,430
Burial	4,000	-	4,000
Rental	67,500	60,313	7,187
Travel	8,753	8,109	644
Food	23,000	21,603	1,397
Clothing And Personnel	2,062	2,062	-
Health Insurance	4,432	4,250	182
Transient	500	-	500
Unforeseen GA Expense	50,523	-	50,523
	<u>177,670</u>	<u>106,015</u>	<u>71,655</u>
<b>Total Contractual Services</b>			
	<u>177,670</u>	<u>106,015</u>	<u>71,655</u>
<b>Total Home Relief</b>			
	<u>177,670</u>	<u>106,015</u>	<u>71,655</u>
<b>Total Expenditures</b>	<u>\$ 499,078</u>	<u>\$ 384,706</u>	<u>\$ 114,372</u>

TOWNSHIP OF PALATINE

ROAD AND BRIDGE FUND

STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL

FOR THE YEAR ENDED MARCH 31, 2015

	<u>APPROPRIATION</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>ADMINISTRATION</b>			
Personnel Services			
Salaries	\$ 10,000	\$ 10,000	\$ -
Social Security/Medicare Expense	800	772	28
Illinois Retirement Contribution	-	-	-
Workers Compensation	125	89	36
Health Insurance	-	-	-
<b>Total Personnel Services</b>	<b>10,925</b>	<b>10,861</b>	<b>64</b>
Contractual Services			
General Insurance	34,250	32,894	1,356
Accounting Service	6,500	6,363	137
Telephone	6,250	4,802	1,448
Printing	3,000	2,574	426
Legal Services	10,000	8,736	1,264
Dues and Subscriptions	5,800	5,248	552
Training	750	-	750
Travel Expenses	1,000	50	950
<b>Total Contractual Services</b>	<b>67,550</b>	<b>60,667</b>	<b>6,883</b>
Commodities			
Office Supplies	1,200	590	610
Postage	500	250	250
Operating Supplies	500	180	320
Miscellaneous	200	148	52
<b>Total Commodities</b>	<b>2,400</b>	<b>1,168</b>	<b>1,232</b>
Capital Outlay			
Computer Software	1,000	343	657
Equipment	1,000	279	721
Office Remodeling	500	-	500
Real Estate	500	264	236
<b>Total Capital Outlay</b>	<b>3,000</b>	<b>886</b>	<b>2,114</b>
<b>Total Administration</b>	<b>83,875</b>	<b>73,582</b>	<b>10,293</b>
<b>MAINTENANCE OF ROADS</b>			
Personnel Services			
Salaries	407,000	398,413	8,587
Overtime and Comp Time	47,500	32,882	14,618

(Continued)

ROAD AND BRIDGE FUND - STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
- CONTINUED

	<u>APPROPRIATION</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Salary Increases	\$ -	\$ -	-
Social Security/Medicare Expense	35,500	30,466	5,034
Illinois Retirement Contribution	56,750	51,458	5,292
Workers Compensation	48,000	55,923	(7,923)
Health Insurance	82,500	78,431	4,069
<b>Total Personnel Services</b>	<b>677,250</b>	<b>647,573</b>	<b>29,677</b>
<b>Contractual Services</b>			
Engineering Services	68,000	66,893	1,107
Building Maintenance	6,500	470	6,030
Equipment Maintenance	30,000	26,435	3,565
Drainage Maintenance	34,500	33,989	511
Roadway Maintenance	5,000	-	5,000
Bridge Maintenance	2,000	-	2,000
Utilities	12,500	11,162	1,338
Equipment Rental	5,000	5,000	-
Street Signs/Lights	7,000	5,686	1,314
Contract Work	340,000	337,314	2,686
Right-Of-Way Maintenance	35,000	51,049	(16,049)
Testing Services	1,000	644	356
<b>Total Contractual Services</b>	<b>546,500</b>	<b>538,642</b>	<b>7,858</b>
<b>Commodities</b>			
Operating Supplies	7,750	7,139	611
Automotive Fuel/Oil	32,000	18,550	13,450
Building Supplies	3,000	1,462	1,538
Materials	15,000	13,476	1,524
Small Tools	1,250	998	252
Road Salt	180,000	77,640	102,360
In House Engineering / Software	4,100	1,195	2,905
<b>Total Commodities</b>	<b>243,100</b>	<b>120,460</b>	<b>122,640</b>
<b>Capital Outlay</b>			
Equipment	19,750	5,520	14,230
Vehicle	170,000	165,551	4,449
Buildings	6,250	5,949	301
<b>Total Capital Outlay</b>	<b>196,000</b>	<b>177,020</b>	<b>18,980</b>
<b>Total Maintenance of Roads</b>	<b>1,662,850</b>	<b>1,483,695</b>	<b>179,155</b>
<b>Provision For Contingencies</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Provision For Contingencies</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$ 1,746,725</b>	<b>\$ 1,557,277</b>	<b>\$ 189,448</b>

TOWNSHIP OF PALATINE

NEEDY FAMILY FUND

STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL

FOR THE YEAR ENDED FEBRUARY 28, 2015

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>ADMINISTRATION</b>			
Contractual Services			
Printing	\$ -	\$ 540	\$ (540)
Copier	-	213	(213)
Legal	-	800	(800)
Food Pantry Truck	-	877	(877)
YHOP	-	1,453	(1,453)
Apple Tree Campaign	-	8,321	(8,321)
Spring & Thanksgiving Baskets	-	633	(633)
Adopt-A-Family	-	1,090	(1,090)
Gift Card Disbursements	-	17,930	(17,930)
Miscellaneous	-	352	(352)
<b>Total Contractual Services</b>	<b>-</b>	<b>32,209</b>	<b>(32,209)</b>
Commodities			
Office Supplies	-	326	(326)
Postage	-	409	(409)
<b>Total Commodities</b>	<b>-</b>	<b>735</b>	<b>(735)</b>
<b>Total Administration</b>	<b>-</b>	<b>32,944</b>	<b>(32,944)</b>
<b>HOME RELIEF</b>			
Contractual Services			
Medical Care	-	-	-
Utilities	-	5,288	(5,288)
Rental	-	25,373	(25,373)
Travel	-	441	(441)
Clothes/Personal	-	90	(90)
Food	-	52,598	(52,598)
<b>Total Contractual Services</b>	<b>-</b>	<b>83,790</b>	<b>(83,790)</b>
<b>Total Home Relief</b>	<b>-</b>	<b>83,790</b>	<b>(83,790)</b>
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ 116,734</b>	<b>\$ (116,734)</b>