



**CRETE TOWNSHIP  
CRETE, ILLINOIS**

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ANNUAL FINANCIAL REPORT

For the Year Ended March 31, 2022



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**CRETE TOWNSHIP**  
**CRETE, ILLINOIS**  
**TABLE OF CONTENTS**

---

	<u>Page(s)</u>
INDEPENDENT AUDITOR’S REPORT .....	1-3
<b>GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS</b>	
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position.....	4
Statement of Activities .....	5
Fund Financial Statements	
Governmental Funds	
Balance Sheet.....	6
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position .....	7
Statement of Revenues, Expenditures and Changes in Fund Balances .....	8
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Governmental Activities in the Statement of Activities.....	9
Notes to Financial Statements .....	10-27
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Town Fund .....	28
Road and Bridge Fund.....	29
Illinois Municipal Retirement Fund	
Schedule of Employer Contributions .....	30
Schedule of Changes in the Employer’s Net Pension Liability and Related Ratios .....	31-32
Notes to Required Supplementary Information .....	33

**CRETE TOWNSHIP**  
**CRETE, ILLINOIS**  
TABLE OF CONTENTS (Continued)

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	<u>Page(s)</u>
<b>COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES</b>	
<b>NONMAJOR GOVERNMENTAL FUNDS</b>	
Combining Balance Sheet .....	34
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	35
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Town Insurance Fund .....	36
Town Retirement Fund.....	37
Road and Bridge Insurance Fund .....	38
Road and Bridge Retirement Fund .....	39
General Assistance Fund .....	40
<b>SUPPLEMENTARY INFORMATION</b>	
Schedule of Tax Data.....	41

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## **INDEPENDENT AUDITOR'S REPORT**

Board of Trustees  
Crete Township  
Crete, Illinois

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Crete Township, Crete, Illinois (the Township) as of and for the year ended March 31, 2022, and the related notes to financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Crete Township, Crete, Illinois, as of March 31, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions.

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Other Matters**

### *Required Supplementary Information*

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America required to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Standards Accounting Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in the appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

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

### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The combining and individual fund financial statements and schedules and supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules and supplementary information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

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 combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole. The supplementary information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on this.

*Sikich LLP*

Naperville, Illinois  
September 22, 2022

**GENERAL PURPOSE EXTERNAL  
FINANCIAL STATEMENTS**

## **BASIC FINANCIAL STATEMENTS**



**CRETE TOWNSHIP  
CRETE, ILLINOIS**

STATEMENT OF NET POSITION

March 31, 2022

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	<u>Primary Government Governmental Activities</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,755,125
Receivables, net of allowance	
Property taxes	2,330,416
Other	323
Prepaid insurance	15,405
Net pension asset	484,072
Capital assets (net of accumulated depreciation)	<u>7,040,075</u>
 Total assets	 <u>11,625,416</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension items - IMRF	<u>21,105</u>
 Total deferred outflows of resources	 <u>21,105</u>
 Total assets and deferred outflows of resources	 <u>11,646,521</u>
<b>LIABILITIES</b>	
Accounts payable	29,608
Accrued health insurance	14,262
Noncurrent liabilities	
Due within one year	71,353
Due in more than one year	<u>70,062</u>
 Total liabilities	 <u>185,285</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension items - IMRF	542,001
Deferred property taxes	<u>2,330,416</u>
 Total deferred inflows of resources	 <u>2,872,417</u>
 Total liabilities and deferred inflows of resources	 <u>3,057,702</u>
<b>NET POSITION</b>	
Net investment in capital assets	7,001,228
Restricted for	
Road and bridge	273,152
General assistance	174,779
Liability insurance	111,677
Employee retirement	201,237
Unrestricted	<u>826,746</u>
 <b>TOTAL NET POSITION</b>	 <u><u>\$ 8,588,819</u></u>

See accompanying notes to financial statements.

**CRETE TOWNSHIP  
CRETE, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended March 31, 2022

FUNCTIONS/PROGRAMS PRIMARY GOVERNMENT	Program Revenues				Net (Expense) Revenue and Change in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities
Governmental Activities					
General government	\$ 835,992	\$ 17,238	\$ -	\$ -	\$ (818,754)
Road and bridge	1,172,318	33,202	-	-	(1,139,116)
General assistance	4,703	-	-	-	(4,703)
Interest	1,824	-	-	-	(1,824)
Total governmental activities	2,014,837	50,440	-	-	(1,964,397)
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 2,014,837</b>	<b>\$ 50,440</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(1,964,397)</b>
		General revenues			
		Taxes			
		Property		2,301,414	
		Replacement		107,245	
		Investment income		1,710	
		Miscellaneous		57,106	
		Total		2,467,475	
		CHANGE IN NET POSITION		503,078	
		NET POSITION, APRIL 1		8,085,741	
		<b>NET POSITION, MARCH 31</b>		<b>\$ 8,588,819</b>	

See accompanying notes to financial statements.

**CRETE TOWNSHIP  
CRETE, ILLINOIS**

BALANCE SHEET  
GOVERNMENTAL FUNDS

March 31, 2022

	<u>General Town</u>	<u>Road and Bridge</u>	<u>General Assistance</u>	<u>Nonmajor Governmental</u>	<u>Total</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 939,143	\$ 328,289	\$ 174,779	\$ 312,914	\$ 1,755,125
Receivables					
Property taxes	723,893	1,397,262	13,543	195,718	2,330,416
Other	-	323	-	-	323
Prepaid items	-	556	-	14,849	15,405
Due from other funds	35,628	-	-	-	35,628
<b>TOTAL ASSETS</b>	<b>\$ 1,698,664</b>	<b>\$ 1,726,430</b>	<b>\$ 188,322</b>	<b>\$ 523,481</b>	<b>\$ 4,136,897</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 13,299	\$ 16,309	\$ -	\$ -	\$ 29,608
Accrued health insurance	10,739	3,523	-	-	14,262
Due to other funds	-	35,628	-	-	35,628
Total liabilities	24,038	55,460	-	-	79,498
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	723,893	1,397,262	13,543	195,718	2,330,416
Total deferred inflows of resources	723,893	1,397,262	13,543	195,718	2,330,416
Total liabilities and deferred inflows of resources	747,931	1,452,722	13,543	195,718	2,409,914
<b>FUND BALANCES</b>					
Nonspendable - prepaid items	-	556	-	14,849	15,405
Restricted for					
Road and bridge	-	273,152	-	-	273,152
General assistance	-	-	174,779	-	174,779
Liability insurance	-	-	-	111,677	111,677
Employee retirement	-	-	-	201,237	201,237
Committed					
Capital improvements	525,485	-	-	-	525,485
Unrestricted					
Assigned for future capital projects	-	-	-	-	-
Unassigned	425,248	-	-	-	425,248
Total fund balances	950,733	273,708	174,779	327,763	1,726,983
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 1,698,664</b>	<b>\$ 1,726,430</b>	<b>\$ 188,322</b>	<b>\$ 523,481</b>	<b>\$ 4,136,897</b>

See accompanying notes to financial statements.

**CRETE TOWNSHIP**  
**CRETE, ILLINOIS**

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

March 31, 2022

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<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>	\$ 1,726,983
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	7,040,075
Net pension assets (IMRF) are not financial resources and are not reported in the governmental funds	484,072
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position	(520,896)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Notes payable	(38,847)
Compensated absences payable	<u>(102,568)</u>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<u><u>\$ 8,588,819</u></u>

See accompanying notes to financial statements.

**CRETE TOWNSHIP  
CRETE, ILLINOIS**

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES

For the Year Ended March 31, 2022

	<b>General Town</b>	<b>Road and Bridge</b>	<b>General Assistance</b>	<b>Nonmajor Governmental</b>	<b>Total</b>
<b>REVENUES</b>					
Property taxes	\$ 696,111	\$ 1,351,680	\$ 17,208	\$ 236,415	\$ 2,301,414
Personal property replacement taxes	34,690	72,555	-	-	107,245
Charges for services	17,238	26,576	-	-	43,814
Fines and fees	-	6,627	-	-	6,627
Investment income	1,377	215	39	79	1,710
Miscellaneous	76	43,537	-	13,491	57,104
<b>Total revenues</b>	<b>749,492</b>	<b>1,501,190</b>	<b>17,247</b>	<b>249,985</b>	<b>2,517,914</b>
<b>EXPENDITURES</b>					
Current					
General government	795,113	-	-	85,231	880,344
Road and bridge	-	1,408,190	-	123,997	1,532,187
General assistance	-	-	4,703	-	4,703
Debt service					
Principal	-	48,028	-	-	48,028
Interest	-	4,936	-	-	4,936
Capital outlay	30,780	31,594	-	-	62,374
<b>Total expenditures</b>	<b>825,893</b>	<b>1,492,748</b>	<b>4,703</b>	<b>209,228</b>	<b>2,532,572</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(76,401)</b>	<b>8,442</b>	<b>12,544</b>	<b>40,757</b>	<b>(14,658)</b>
<b>FUND BALANCES, APRIL 1</b>	<b>1,027,134</b>	<b>265,266</b>	<b>162,235</b>	<b>287,006</b>	<b>1,741,641</b>
<b>FUND BALANCES, MARCH 31</b>	<b>\$ 950,733</b>	<b>\$ 273,708</b>	<b>\$ 174,779</b>	<b>\$ 327,763</b>	<b>\$ 1,726,983</b>

See accompanying notes to financial statements.

**CRETE TOWNSHIP  
CRETE, ILLINOIS**

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

For the Year Ended March 31, 2022

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<b>NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS</b>	\$ (14,658)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	607,288
Some expenses in the statement of activities (e.g., depreciation) do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	(311,982)
The change in the Illinois Municipal Retirement Fund net pension liability (asset) and deferred outflows and inflows of resources is not a source or use of a financial resources	178,045
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	51,140
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Increase in compensated absences	<u>(6,755)</u>
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<u><u>\$ 503,078</u></u>

See accompanying notes to financial statements.

**CRETE TOWNSHIP  
CRETE, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

a. Reporting Entity

Crete Township (the Township) is duly organized and existing under the provisions of the laws of the State of Illinois and is operating under the provisions of the Township Code of the State of Illinois. The Township was incorporated on April 2, 1850. The Township is governed by an elected Board of a Township Supervisor and four Township Trustees. The Township includes all funds of its governmental operations based on financial accountability. Financial accountability includes appointment of the organization's governing body, imposition of will and fiscal dependency. The accompanying financial statements include only those funds of the Township, as there are no other organizations for which it has financial accountability.

The accounting policies and financial statements of the Township conform to accounting principles generally accepted in the United States of America and applicable to governments (herein referred to generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the more significant policies.

b. Fund Accounting

The accounts of the Township are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures or expenses as appropriate. Government resources are allocated to and accounted for individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled. Funds are classified into the following category: governmental.

Governmental funds are used to account for the Township's general activities. The General Town Fund is the primary operating fund; accounting for all financial resources not accounted for in another fund. Special revenue funds account for revenue sources that are legally restricted or committed for specific purposes.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Township. The effect of material interfund activity has been eliminated from these statements.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

c. Government-Wide and Fund Financial Statements

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, if any, which rely to a significant extent on fees and charges for support. The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and standard revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Township reports the following major governmental funds:

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

The Road and Bridge Fund, a special revenue fund, accounts for the revenues and expenditures restricted to financing the maintenance and construction of the Township's roads and bridges.

The General Assistance Fund, a special revenue fund, is used to account for the tax levy revenue and the related home relief and general assistance program. The General Assistance Fund does not meet the criteria for major fund presentation; however, the Township has elected to report it as such.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.



**CRETE TOWNSHIP**  
**CRETE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation  
(Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Township considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Township.

The Township reports unearned and deferred/unavailable revenue on its financial statements. Deferred/unavailable revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period, under the modified accrual basis of accounting. Unearned revenue arises when a revenue is measurable but not earned under the accrual basis of accounting. Unearned revenues also arise when resources are received by the Township before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Township has a legal claim to the resources, the liability and deferred inflows of resource for unearned and deferred/unavailable revenue are removed from the financial statements and revenue is recognized.

e. Cash and Investments

The Township's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Township does not have investments valued at fair value.

**CRETE TOWNSHIP**  
**CRETE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

f. Receivables and Payables

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

Advances between funds are offset by a nonspendable fund balance account to indicate that they are not available for appropriation and are not expendable available resources.

g. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items. Prepaid items are recorded as expenditures when consumed rather than when purchased.

h. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the government-wide financial statements. The Township defines capital assets as assets with an initial cost of more than \$25,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost, or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their acquisition value at the date of donation.

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings	50
Improvements	20
Equipment	5-20
Infrastructure - roads	40
Infrastructure - other	30-50

**CRETE TOWNSHIP**  
**CRETE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

i. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities. Principal payments on long-term debt are recorded as expenditures in the fund financial statements but as a reduction of a liability on the government-wide statements.

j. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the Township.

Committed fund balance, if any, is constrained by formal actions of the Township's Board of Trustees, which is considered the Township's highest level of decision-making authority. Formal actions include ordinances approved by the Township's Board of Trustees. Assigned fund balance represents amounts constrained by the Township's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Township's Supervisor. Any residual fund balance of the General Town Fund and any deficit fund balances in other governmental funds are reported as unassigned.

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

In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. Net investment in capital assets, represents the book value of capital assets, less any long-term debt principal outstanding issued to construct or acquire the capital assets.

k. Deferred Outflows/Inflows of Resources

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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

k. Deferred Outflows/Inflows of Resources (Continued)

(expense/expenditure) until then. 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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

l. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

m. Postponement of Implementation of Certain Authoritative Guidance

In accordance with the provisions of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the Township has delayed the implementation of GASB Statement No. 87, *Leases*, to March 31, 2023.

**2. DEPOSITS AND INVESTMENTS**

The Township's investment policy authorizes the Township to invest in any investment authorized by statutes. Statutes authorize the Township to invest in the following:

- Bonds, notes, certificates of indebtedness, Treasury bills or other securities which are guaranteed by the full faith and credit of the United States of America as to principal and interest.
- Bonds, notes, debentures or similar obligations of the United States of America or its agencies.
- Savings accounts, certificates of deposit, time accounts or other investments constituting direct obligations of a bank as defined by the Illinois Banking Act.

**CRETE TOWNSHIP**  
**CRETE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**2. DEPOSITS AND INVESTMENTS (Continued)**

- Securities legally issuable by savings and loan associations incorporated under the laws of any state of the United States of America. Share accounts and share certificates of a credit union chartered under the laws of the State of Illinois or United States of America, provided the principal office of the credit union is located within the State of Illinois. Short-term discount obligations of the Federal National Mortgage Association (FNMA). Investments may be made only in financial institutions which are insured by either the Federal Deposit Insurance Corporation or other applicable law for credit unions.
- Short-term obligations (maturing within 180 days of date of purchase) of corporations with assets exceeding \$500,000,000. Such obligations must be rated, at the time of purchase, at one of the three highest classifications established by at least two standard rating services. This type of obligation is limited to one-third of the Township's funds available for investment and cannot exceed 10% of the corporation's outstanding obligation.
- Money market mutual funds, registered under the Investment Company Act of 1940, which invest only in bonds, notes, certificates of indebtedness, Treasury bills and other securities which are guaranteed by the full faith and credit of the United States of America as to principal and interest and agrees to repurchase such obligations.
- Repurchase agreements of government securities subject to the Government Securities Act of 1986.
- The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than market value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

a. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Township's deposits may not be returned to it. The Township's investment policy requires all deposits with financial institutions in excess of federal depository insurance be collateralized with collateral held by the Federal Reserve Bank, the Township's agent or by the trust department or escrow agent of the pledging institution, as evidenced by a written collateral agreement.

**2. DEPOSITS AND INVESTMENTS (Continued)**

b. Investments

Investments with maturities of one year or more from the date of purchase are stated at fair value based on quoted market prices. Investments with maturities of one year or less from the date of purchase are stated at amortized cost. All other investments, which do not consider market rates, are stated at cost. Investment income has been allocated to each fund based on investments held by the fund.

The Township limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its fair value upon maturity, by primarily investing in short-term deposits.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Township limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market. Unless matched to a specific cash flow, the Township does not invest operating funds in securities maturing more than three years from the date of purchase.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Township will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Township's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third-party custodian approved by the Township Supervisor and evidenced by safekeeping receipts.

Concentration of credit risk is the risk that the Township has too high a percentage of their investments invested in one type of investment. The Township's investment policy requires diversification of investment to avoid unreasonable risk.

**3. PROPERTY TAX CALENDAR**

The following information gives significant dates on the property tax calendar of the Township:

- The property tax lien date is January 1.
- Property taxes are due to the County Collector in two installments, June 1 and September 1.

**CRETE TOWNSHIP**  
**CRETE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**3. PROPERTY TAX CALENDAR (Continued)**

- Property taxes for 2021 were levied in December 2021 and are normally received monthly beginning in June and generally ending by November 2022.
- The 2022 tax levy has not been recorded as a receivable at March 31, 2022, as the tax attached as a lien on property as of January 1, 2022; however, the tax will not be levied until December 2022 and accordingly, is not measurable at March 31, 2022.

**4. CAPITAL ASSETS**

Capital asset activity for the year ended March 31, 2022, was as follows:

	Balances April 1	Increases	Decreases	Balances March 31
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital assets being depreciated				
Buildings	\$ 1,319,025	\$ -	\$ -	\$ 1,319,025
Equipment	1,290,339	23,451	-	1,313,790
Infrastructure	7,304,379	583,837	-	7,888,216
Total capital assets being depreciated	<u>9,913,743</u>	<u>607,288</u>	<u>-</u>	<u>10,521,031</u>
Less accumulated depreciation for				
Buildings	731,335	27,142	-	758,477
Equipment	892,119	87,635	-	979,754
Infrastructure	1,545,520	197,205	-	1,742,725
Total accumulated depreciation	<u>3,168,974</u>	<u>311,982</u>	<u>-</u>	<u>3,480,956</u>
<b>TOTAL CAPITAL ASSETS BEING DEPRECIATED, NET</b>	<u>\$ 6,744,769</u>	<u>\$ 295,306</u>	<u>\$ -</u>	<u>\$ 7,040,075</u>

Depreciation expense was charged to functions of the primary government as follows:

<b>GOVERNMENTAL ACTIVITIES</b>	
General government	\$ 27,142
Road and bridge	<u>284,840</u>
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<u>\$ 311,982</u>

**CRETE TOWNSHIP**  
**CRETE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**5. LONG-TERM DEBT**

a. Changes in Long-Term Liabilities

Changes in governmental long-term liabilities of the Township for the year ended March 31, 2022 are as follows:

	Balances April 1	Increases	Decreases	Balances March 31	Current Portion
Notes payable					
Direct Placement Debt					
2017 Promissory Loan #1	\$ 15,294	\$ -	\$ 15,294	\$ -	\$ -
2017 Promissory Loan #2	6,678	-	6,678	-	-
2019 Promissory Loan #1	26,633	-	12,515	14,118	13,012
2019 Promissory Loan #2	20,953	-	8,432	12,521	8,767
2019 Promissory Loan #3	20,429	-	8,221	12,208	8,547
Total notes payable	89,987	-	51,140	38,847	30,326
Other liabilities					
Compensated absences	95,813	45,080	38,325	102,568	41,027
Net pension liability - IMRF*	-	-	-	-	-
Total other liabilities	95,813	45,080	38,325	102,568	41,027
<b>TOTAL</b>	<b>\$ 185,800</b>	<b>\$ 45,080</b>	<b>\$ 89,465</b>	<b>\$ 141,415</b>	<b>\$ 71,353</b>

\* The net pension liability - IMRF is now reported as a net pension asset as of March 31, 2021.

The Series 2019 Promissory Loan #1 call for monthly principal and interest payments of \$1,112 starting May 16, 2019 through April 16, 2023. The interest rate on the loan is 3.90%.

The Series 2019 Promissory Loan #2 call for monthly principal and interest payments of \$759 starting September 1, 2019 through August 1, 2023. The interest rate on the loan is 3.90%.

The Series 2019 Promissory Loan #3 call for monthly principal and interest payments of \$740 starting September 1, 2019 through August 1, 2023. The interest rate on the loan is 3.90%.

The notes payable are retired by the Road and Bridge Fund. The compensated absences and net pension liability have historically been repaid by the General Town and Road and Bridge Funds.



**CRETE TOWNSHIP**  
**CRETE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**5. LONG-TERM DEBT (Continued)**

b. Debt Service Requirements to Maturity

The annual requirements to amortize to maturity the notes payable outstanding as of March 31, 2022, are as follows:

Year Ending March 31,	Principal	Interest
2023	\$ 30,326	\$ 1,014
2024	8,521	86
<b>TOTAL</b>	<b>\$ 38,847</b>	<b>\$ 1,100</b>

c. Notes Payable

The assets acquired through notes payable for governmental activities are as follows:

Equipment	\$ 115,758
Less accumulated depreciation	<u>(34,727)</u>
<b>TOTAL</b>	<b><u>\$ 81,031</u></b>

**6. RISK MANAGEMENT**

The Township is exposed to various risks of loss related to litigation; theft; destruction of assets; errors; injuries of employees; or natural disasters. The Township maintains coverage for its general liability; property; casualty; workers' compensation; and health through its participation in a pool.

The Township is a member of the Town Organization Intergovernmental Risk Management Agency (TOIRMA). TOIRMA is a public entity risk pool operating as a common risk management and insurance program for member townships in Illinois. The Township pays an annual premium to TOIRMA for its general insurance coverage.

The agreement for the formation of TOIRMA provides that TOIRMA will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$5,000,000 for general liability and \$3,000,000 for workers' compensation for each insured event. In the event that member premiums in any claim year are not sufficient to cover claims incurred during that period, each participant in the pool would be assessed an additional premium to cover such losses. The Township is not aware of any additional premiums due to TOIRMA for prior claim years at March 31, 2020. Settled claims have not exceeded coverage for the current or prior two fiscal years.

**6. RISK MANAGEMENT (Continued)**

The Township participates in the Intergovernmental Personnel Benefit Cooperative (IPBC) as a member of the Eastern Will County Benefit Cooperative Subpool. IPBC is a public entity risk pool established by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical, dental and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain other governmental, quasi governmental and nonprofit public service entities.

IPBC receives, processes and pays such claims as may come within the benefit program of each member. Management consists of a Board of Directors comprised of one appointed representative from each member. In addition, there are two officers, a Benefit Administrator and a Treasurer. The Township does not exercise any control over the activities of IPBC beyond its representation on the Board of Directors.

**7. EMPLOYEE RETIREMENT SYSTEMS**

The Township contributes to one defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system. The benefits, benefit levels, employee contributions and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at [www.imrf.org](http://www.imrf.org).

Illinois Municipal Retirement Fund

*Plan Administration*

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

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

**CRETE TOWNSHIP**  
**CRETE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**7. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Plan Membership*

At December 31, 2020 (plan measurement date), IMRF membership consisted of:

Inactive employees or their beneficiaries	
currently receiving benefits	15
Inactive employees entitled to but not yet receiving benefits	5
Active employees	<u>14</u>
 TOTAL	 <u><u>34</u></u>

*Benefits Provided*

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

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

IMRF also provides death and disability benefits. These benefit provisions and all are established by state statute.

*Contributions*

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Township is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the year ended March 31, 2022, was 11.11% of covered payroll.

**CRETE TOWNSHIP**  
**CRETE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**7. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Actuarial Assumptions*

The Township's net pension liability was measured as of December 31, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2021
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	2.85% to 13.75%
Interest rate	7.25%
Asset valuation method	Fair Value

For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements were projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements were projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements were projected using scale MP-2020.

*Discount Rate*

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Township contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

**CRETE TOWNSHIP**  
**CRETE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**7. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2021	\$ 3,791,392	\$ 3,869,860	\$ (78,468)
Changes for the period			
Service cost	53,797	-	53,797
Interest	270,533	-	270,533
Difference between expected and actual experience	(31,092)	-	(31,092)
Changes in assumptions	-	-	-
Employer contributions	-	69,386	(69,386)
Employee contributions	-	26,506	(26,506)
Net investment income	-	644,900	(644,900)
Benefit payments and refunds	(173,613)	(173,613)	-
Other (net transfer)	-	(41,950)	41,950
Net changes	119,625	525,229	(406,604)
BALANCES AT DECEMBER 31, 2021	\$ 3,911,017	\$ 4,395,089	\$ (484,072)

**CRETE TOWNSHIP**  
**CRETE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**7. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*

For the year ended March 31, 2022, the Township recognized pension expense of \$(44,205).

At March 31, 2022, the Township reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 5,557	\$ 25,476
Changes in assumption	-	17,205
Net difference between projected and actual earnings on pension plan investments	-	499,320
Contributions made subsequent to the measurement date	15,550	-
	<hr/>	<hr/>
TOTAL	\$ 21,107	\$ 542,001

\$15,550 contributed following the measurement date of December 31, 2021, will be recognized as pension expense during the fiscal year March 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending March 31,</u>	
2023	\$ (131,726)
2024	(207,609)
2025	(123,376)
2026	(73,733)
Thereafter	-
	<hr/>
TOTAL	<u>\$ (536,444)</u>

**CRETE TOWNSHIP**  
**CRETE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**7. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Discount Rate Sensitivity*

The following is a sensitive analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the Township calculated using the discount rate of 7.25% as well as what the Township's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ (52,503)	\$ (484,072)	\$ (828,718)

**8. OTHER POSTEMPLOYMENT BENEFITS**

a. Plan Description

In addition to providing the pension benefits described, the Township provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and any employer contributions are governed by the Township and can be amended by the Township through its personnel manual. The plan does not issue a separate report. The activity of the plan is reported in the Township's governmental activities. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

b. Benefits Provided

The Township provides postemployment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under the Township's retirement plan or meet COBRA requirements.

All health care benefits are provided through the Township's health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care; vision care; dental care; and prescriptions. Eligibility township sponsored health care plans is discontinued upon eligibility for federally sponsored health care benefits. Retirees pay the full premium to continue in the plan; however, the premium is a blended premium, not an age adjusted premium, which creates an implicit benefit as defined by GASB Statement No. 75.

**CRETE TOWNSHIP**  
**CRETE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**8. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

c. Total OPEB Liability

Based on the size of the Township, the number of active plan members, the lack of any retirees participating in the plan and comparison of actuarial valuations for similar entities with similar benefits, the Township's total OPEB liability as of March 31, 2022, is immaterial and, therefore, not recorded by the Township and no further disclosure is deemed necessary.



**REQUIRED SUPPLEMENTARY INFORMATION**

**CRETE TOWNSHIP  
CRETE, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL TOWN FUND

For the Year Ended March 31, 2022

	<b>Original and Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>		
Property taxes	\$ 700,502	\$ 696,111
Replacement taxes	15,000	34,690
Investment income	8,700	1,377
Charges for services	18,000	17,238
Miscellaneous income	500	76
	742,702	749,492
<b>EXPENDITURES</b>		
Current		
General government		
Administration		
Salaries and employee benefits	329,511	340,346
Maintenance service	21,000	17,982
Professional service	160,050	97,799
Miscellaneous	66,100	43,652
Supplies	6,000	7,496
	582,661	507,275
Assessor		
Salaries and employee benefits	211,005	217,759
Maintenance service	500	-
Professional service	30,600	25,165
Supplies	3,000	687
	245,105	243,611
Social services		
	67,500	44,227
Contingencies		
	50,000	-
	945,266	795,113
Capital outlay		
	805,500	30,780
	1,750,766	825,893
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (1,008,064)</b>	<b>(76,401)</b>
<b>FUND BALANCE, APRIL 1</b>		<b>1,027,134</b>
<b>FUND BALANCE, MARCH 31</b>		<b>\$ 950,733</b>

(See independent auditor's report.)

**CRETE TOWNSHIP  
CRETE, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
ROAD AND BRIDGE FUND

For the Year Ended March 31, 2022

	<b>Original and Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>		
Property taxes	\$ 1,360,140	\$ 1,351,680
Replacement taxes	30,000	72,555
Fines and fees		
Road fines	2,500	1,527
Culvert fees	2,000	5,100
Investment income	200	215
Charges for services	15,000	26,576
Miscellaneous income	41,000	43,537
	1,450,840	1,501,190
<b>EXPENDITURES</b>		
Current		
Road and bridge		
Administration		
Contractual services	17,150	13,774
Commodities	3,500	1,641
Miscellaneous expenses	9,500	18,689
	30,150	34,104
Road maintenance		
Personnel	476,600	434,731
Contractual services	854,892	733,134
Commodities	245,300	206,221
	1,576,792	1,374,086
Contingencies		
	10,000	-
	1,616,942	1,408,190
Capital outlay	33,400	31,594
Debt service		
Principal	66,600	48,028
Interest	-	4,936
	66,600	52,964
	1,716,942	1,492,748
NET CHANGE IN FUND BALANCE	\$ (266,102)	8,442
FUND BALANCE, APRIL 1		265,266
FUND BALANCE, MARCH 31		\$ 273,708

(See independent auditor's report.)

**CRETE TOWNSHIP  
CRETE, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Seven Fiscal Years

<b>FISCAL YEAR ENDED MARCH 31,</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Actuarially determined contribution	\$ 66,921	\$ 64,872	\$ 62,005	\$ 65,690	\$ 81,033	\$ 67,854	\$ 59,747
Contributions in relation to the actuarially determined contribution	66,921	64,872	62,005	65,690	81,033	67,854	59,747
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Covered payroll	\$ 602,573	\$ 559,002	\$ 675,846	\$ 568,747	\$ 567,048	\$ 528,474	\$ 517,294
Contributions as a percentage of covered payroll	11.11%	11.60%	9.17%	11.55%	14.29%	12.84%	11.55%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior calendar year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 22 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 3.35% to 14.25% compounded annually and postretirement benefit increases of 3.50% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**CRETE TOWNSHIP  
CRETE, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S  
NET PENSION LIABILITY AND RELATED RATIOS  
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Seven Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2020	2020	2019	2018	2017	2016	2015
<b>TOTAL PENSION LIABILITY</b>							
Service cost	\$ 53,797	\$ 59,151	\$ 63,361	\$ 52,892	\$ 60,950	\$ 55,350	\$ 60,176
Interest	270,533	263,721	249,645	235,995	227,834	224,047	233,438
Changes of benefit terms	-	-	-	-	-	-	-
Differences between expected and actual experience	(31,092)	(10,599)	56,779	84,281	78,062	(87,745)	(257,683)
Changes of assumptions	-	(41,793)	-	90,479	(95,916)	(10,998)	3,562
Benefit payments, including refunds of member contributions	(173,613)	(174,078)	(172,985)	(171,227)	(144,955)	(144,957)	(172,260)
Net change in total pension liability	119,625	96,402	196,800	292,420	125,975	35,697	(132,767)
Total pension liability - beginning	3,791,392	3,694,990	3,498,190	3,205,770	3,079,795	3,044,098	3,176,865
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 3,911,017</b>	<b>\$ 3,791,392</b>	<b>\$ 3,694,990</b>	<b>\$ 3,498,190</b>	<b>\$ 3,205,770</b>	<b>\$ 3,079,795</b>	<b>\$ 3,044,098</b>
<b>PLAN FIDUCIARY NET POSITION</b>							
Contributions - employer	\$ 69,386	\$ 64,246	\$ 61,350	\$ 65,690	\$ 81,238	\$ 66,166	\$ 62,126
Contributions - member	26,506	31,344	34,346	25,594	26,886	24,098	23,489
Net investment income	644,900	489,360	557,255	(164,287)	465,239	181,417	13,826
Benefit payments, including refunds of member contributions	(173,613)	(174,078)	(172,985)	(171,227)	144,955	(144,957)	(172,260)
Other	(41,950)	27,512	5,555	70,466	31,815	(71,325)	(131,689)
Net change in plan fiduciary net position	525,229	438,384	485,521	(173,764)	460,223	55,399	(204,508)
Plan fiduciary net position - beginning	3,869,860	3,431,476	2,945,955	3,119,719	2,659,496	2,604,097	2,808,605
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 4,395,089</b>	<b>\$ 3,869,860</b>	<b>\$ 3,431,476</b>	<b>\$ 2,945,955</b>	<b>\$ 3,119,719</b>	<b>\$ 2,659,496</b>	<b>\$ 2,604,097</b>
<b>EMPLOYER'S NET PENSION LIABILITY (ASSET)</b>	<b>\$ (484,072)</b>	<b>\$ (78,468)</b>	<b>\$ 263,514</b>	<b>\$ 552,235</b>	<b>\$ 86,051</b>	<b>\$ 420,299</b>	<b>\$ 440,001</b>

<b>MEASUREMENT DATE DECEMBER 31,</b>	<b>2020</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Plan fiduciary net position as a percentage of the total pension liability (asset)	112.38%	102.07%	92.87%	84.21%	97.32%	86.35%	85.55%
Covered payroll	\$ 589,020	\$ 558,178	\$ 624,754	\$ 568,747	\$ 567,048	\$ 528,474	\$ 517,294
Employer's net pension liability (asset) as a percentage of covered payroll	(82.18%)	(14.06%)	42.18%	97.10%	15.18%	79.53%	85.06%

2016 - Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

2017 - Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

2018 - There were no benefit changes during the year. Changes in assumptions related to the discount rate were made since the prior measurement date.

2020 - Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**CRETE TOWNSHIP  
CRETE, ILLINOIS**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

March 31, 2022

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**BUDGET**

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

1. The Township Supervisor submits to the Township Board of Trustees a proposed combined budget and appropriation for the fiscal year. The budget includes proposed expenditures and the means of financing them for all general and special revenue funds.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of an ordinance.
4. The budget may be amended by the Township Board of Trustees through the same process used to adopt the original budget.
5. Expenditures may not legally exceed budgeted appropriations at the function level. All annual appropriations lapse at fiscal year end.

Township budgets are prepared on a basis of accounting consistent with GAAP. There were no budget amendments during the year.

**COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES**



**NONMAJOR GOVERNMENTAL FUNDS**

**CRETE TOWNSHIP  
CRETE, ILLINOIS**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

March 31, 2022

	Special Revenue				
	Township		Road and Bridge		Total
	Town	Town	Road and	Road and	
	Insurance	Retirement	Bridge	Bridge	
<b>ASSETS</b>					
Cash	\$ 63,239	\$ 96,676	\$ 48,438	\$ 104,561	\$ 312,914
Property tax receivable, net	34,513	55,046	65,530	40,629	195,718
Prepaid insurance	4,900	-	9,949	-	14,849
<b>TOTAL ASSETS</b>	<b>\$ 102,652</b>	<b>\$ 151,722</b>	<b>\$ 123,917</b>	<b>\$ 145,190</b>	<b>\$ 523,481</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
None	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	-	-	-	-	-
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	34,513	55,046	65,530	40,629	195,718
Total deferred inflows of resources	34,513	55,046	65,530	40,629	195,718
Total liabilities and deferred inflows of resources	34,513	55,046	65,530	40,629	195,718
<b>FUND BALANCES</b>					
Nonspendable - prepaid items	4,900	-	9,949	-	14,849
Restricted for liability insurance	63,239	-	48,438	-	111,677
Restricted for employee retirement	-	96,676	-	104,561	201,237
Total fund balances	68,139	96,676	58,387	104,561	327,763
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 102,652</b>	<b>\$ 151,722</b>	<b>\$ 123,917</b>	<b>\$ 145,190</b>	<b>\$ 523,481</b>

(See independent auditor's report.)

**CRETE TOWNSHIP  
CRETE, ILLINOIS**

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

For the Year Ended March 31, 2022

	Special Revenue				Total
	Township		Road and Bridge		
	Town Insurance	Town Retirement	Road and Bridge Insurance	Road and Bridge Retirement	
<b>REVENUES</b>					
Property taxes	\$ 34,826	\$ 55,722	\$ 65,558	\$ 80,309	\$ 236,415
Investment income	13	26	8	32	79
Miscellaneous	4,452	-	9,039	-	13,491
<b>Total revenues</b>	<b>39,291</b>	<b>55,748</b>	<b>74,605</b>	<b>80,341</b>	<b>249,985</b>
<b>EXPENDITURES</b>					
General government	29,450	55,781	-	-	85,231
Road and bridge	-	-	60,448	63,549	123,997
<b>Total expenditures</b>	<b>29,450</b>	<b>55,781</b>	<b>60,448</b>	<b>63,549</b>	<b>209,228</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>9,841</b>	<b>(33)</b>	<b>14,157</b>	<b>16,792</b>	<b>40,757</b>
<b>FUND BALANCES, APRIL 1</b>	<b>58,298</b>	<b>96,709</b>	<b>44,230</b>	<b>87,769</b>	<b>287,006</b>
<b>FUND BALANCES, MARCH 31</b>	<b>\$ 68,139</b>	<b>\$ 96,676</b>	<b>\$ 58,387</b>	<b>\$ 104,561</b>	<b>\$ 327,763</b>

(See independent auditor's report.)

**CRETE TOWNSHIP  
CRETE, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
TOWN INSURANCE FUND**

For the Year Ended March 31, 2022

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	<b>Original and Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>		
Property taxes	\$ 35,046	\$ 34,826
Investment income	100	13
Miscellaneous	4,500	4,452
	<hr/>	
Total revenues	39,646	39,291
	<hr/>	
<b>EXPENDITURES</b>		
General government		
Liability insurance	29,697	29,450
	<hr/>	
Total expenditures	29,697	29,450
	<hr/>	
NET CHANGE IN FUND BALANCE	<u>\$ 9,949</u>	9,841
FUND BALANCE, APRIL 1		<u>58,298</u>
<b>FUND BALANCE, MARCH 31</b>		<u><u>\$ 68,139</u></u>

(See independent auditor's report.)

**CRETE TOWNSHIP  
CRETE, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
TOWN RETIREMENT FUND**

For the Year Ended March 31, 2022

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	<b>Original and Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>		
Property taxes	\$ 56,073	\$ 55,722
Investment income	300	26
	<hr/>	<hr/>
Total revenues	56,373	55,748
	<hr/>	<hr/>
<b>EXPENDITURES</b>		
General government		
FICA	26,146	25,416
Illinois Municipal Retirement Fund	31,500	30,365
	<hr/>	<hr/>
Total expenditures	57,646	55,781
	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (1,273)</u>	(33)
FUND BALANCE, APRIL 1		<hr/> 96,709
<b>FUND BALANCE, MARCH 31</b>		<hr/> <u>\$ 96,676</u>

(See independent auditor's report.)

**CRETE TOWNSHIP  
CRETE, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
ROAD AND BRIDGE INSURANCE FUND**

For the Year Ended March 31, 2022

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	<b>Original and Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>		
Property taxes	\$ 65,968	\$ 65,558
Investment income	-	8
Miscellaneous	5,000	9,039
		<hr/>
Total revenues	70,968	74,605
		<hr/>
<b>EXPENDITURES</b>		
Road and bridge		
Unemployment compensation	500	656
Liability insurance	68,000	59,792
		<hr/>
Total expenditures	68,500	60,448
		<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ 2,468</u>	14,157
FUND BALANCE, APRIL 1		<hr/> 44,230
<b>FUND BALANCE, MARCH 31</b>		<hr/> <u>\$ 58,387</u>

(See independent auditor's report.)

**CRETE TOWNSHIP  
CRETE, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
ROAD AND BRIDGE RETIREMENT FUND

For the Year Ended March 31, 2022

	<b>Original and Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>		
Property taxes	\$ 80,811	\$ 80,309
Investment income	28	32
	80,839	80,341
Total revenues	80,839	80,341
<b>EXPENDITURES</b>		
Road and bridge		
FICA	36,000	26,993
Illinois Municipal Retirement Fund	45,000	36,556
	81,000	63,549
Total expenditures	81,000	63,549
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (161)</b>	<b>16,792</b>
<b>FUND BALANCE, APRIL 1</b>		<b>87,769</b>
<b>FUND BALANCE, MARCH 31</b>		<b>\$ 104,561</b>

(See independent auditor's report.)

**CRETE TOWNSHIP  
CRETE, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL ASSISTANCE FUND

For the Year Ended March 31, 2022

	<b>Original and Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>		
Property taxes	\$ 17,317	\$ 17,208
Investment income	305	39
	17,622	17,247
<b>EXPENDITURES</b>		
Current		
General assistance		
Emergency/general assistance	95,000	2,688
Insurance	2,500	2,015
Legal services	1,000	-
Miscellaneous expenses	25,000	-
	123,500	4,703
Total general assistance	123,500	4,703
Total expenditures	123,500	4,703
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (105,878)</b>	<b>12,544</b>
FUND BALANCE, APRIL 1		162,235
<b>FUND BALANCE, MARCH 31</b>		<b>\$ 174,779</b>

(See independent auditor's report.)



**SUPPLEMENTARY INFORMATION**

**CRETE TOWNSHIP  
CRETE, ILLINOIS**

SCHEDULE OF TAX DATA

For the Last Eight Levy Years

	Levy Year							
	2021	2020	2019	2018	2017	2016	2015	2014
<b>ASSESSED VALUATION</b>	\$ 441,282,599	\$ 412,302,712	\$ 386,592,051	\$ 379,584,224	\$ 353,417,943	\$ 352,245,649	\$ 346,024,721	\$ 353,488,428
<b>TAX RATES BY FUND</b>								
General	0.1857	0.1920	0.2067	0.2062	0.2073	0.2080	0.2123	0.2086
General assistance	0.0031	0.0042	0.0047	0.0052	0.0110	0.0136	0.0147	0.0144
Road district*	0.3441	0.3655	0.3807	0.3811	0.4006	0.3894	0.3925	0.3846
<b>TOTAL TAX RATES BY FUND</b>	0.5329	0.5617	0.5921	0.5925	0.6189	0.6110	0.5119	0.4997
<b>TAX EXTENSIONS BY FUND</b>								
General	\$ 819,462	\$ 791,621	\$ 799,086	\$ 782,703	\$ 732,635	\$ 732,668	\$ 734,610	\$ 737,376
General assistance	13,680	17,317	18,170	19,738	38,876	47,905	50,866	50,902
Road district*	1,518,607	1,506,919	1,471,566	1,446,758	1,415,624	1,371,810	1,358,295	1,359,635
<b>TOTAL TAX EXTENSIONS BY FUND</b>	\$ 2,351,749	\$ 2,315,857	\$ 2,288,822	\$ 2,249,199	\$ 2,187,135	\$ 2,152,383	\$ 2,143,771	\$ 2,147,913
<b>TAX COLLECTIONS - ALL FUNDS</b>								
Levy collections through year end	\$ -	\$ 2,301,414	\$ 2,281,429	\$ 2,236,664	\$ 2,173,721	\$ 2,143,291	\$ 2,125,998	\$ 2,136,440
<b>PERCENT COLLECTED</b>	0.00%	99.38%	99.68%	99.44%	99.39%	99.58%	99.17%	99.47%

\*Road district amounts and rates are net of municipal distribution.

(See independent auditor's report.)