

FREMONT TOWNSHIP
LAKE COUNTY, ILLINOIS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED FEBRUARY 29, 2012

TABLE OF CONTENTS

	<u>PAGE</u>
<u>Independent Auditor's Report</u>	1-2
<u>Required Supplementary Information</u>	
Management's Discussion and Analysis	3-6
<u>Basic Financial Statements</u>	
<u>Government-Wide Financial Statements</u>	
Statement of Net Assets – Modified Cash Basis	7
Statement of Activities – Modified Cash Basis	8
<u>Fund Financial Statements</u>	
Statement of Assets, Liabilities, and Fund Balances Arising from Cash Transactions – Governmental Funds	9
Statement of Cash Receipts, Disbursements, and Changes in Fund Balance – Governmental Funds	10
Reconciliation of Governmental Funds Statement of Cash Receipts, Disbursements and Changes in Fund Balance to the Statement of Activities	11
<u>Notes to Financial Statements</u>	12-17
<u>Required Supplementary Information</u>	
Schedule of Funding Progress	18
Schedule of Cash Receipts, Disbursements and Changes in Fund Balances - Budget and Actual	
General Fund	19 -21
General Assistance Fund	22-23
Road and Bridge Fund	24-25
Permanent Road Fund	26
<u>Notes to Required Supplementary Information</u>	27
<u>Additional Supplementary Information</u>	
Statement of Assessed Valuation, Tax Extension and Tax Collections	28



Evoy, Kamschulte, Jacobs & Co. LLP

Certified Public Accountants

2122 YEOMAN STREET • WAUKEGAN, ILLINOIS 60087
TELEPHONE (847) 662-8300 • FAX (847) 662-8305

VINCENT A. VARSEK, C.P.A.
DOUGLAS L. WAGNER, C.P.A.
JAMES R. HENRY, C.P.A.
KEVIN P. KINNAVY, C.P.A.
JOHN D. ACETO, JR., C.P.A.

ALLAN J. JACOBS, C.P.A., OF COUNSEL

PAUL E. KAMSCHULTE, C.P.A., RETIRED

RALPH S. JACOBS, C.P.A., 1935-1976
JAMES E. EVOY, C.P.A., 1970-2008

INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Fremont Township
Lake County, Illinois

We have audited the accompanying basic financial statements of the governmental activities and each major fund of Fremont Township, Lake County, Illinois, as of and for the year ended February 29, 2012, which collectively comprise the Township's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note #1, these financial statements were prepared on a modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position – modified cash basis of the governmental activities and each major fund of the Fremont Township, as of February 29, 2012, and the respective changes in financial position – modified cash basis, thereof for the year ended in conformity with the basis of accounting described in Note #1.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information and Schedule of Funding Progress on Pages 3 through 6 and 18 through 27, be presented to supplement the basic financial statement. Such information, although not a part of the basic financial statements, is required by the Government 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 regarding 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.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of Fremont Township, taken as a whole. The additional supplementary information listed in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America, or required by management. We subjected this information to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects, in relation to the basic financial statements taken as a whole.

Evoy, Kamschulte Jacobs & Co LLP

EVOY, KAMSCHULTE, JACOBS & CO. LLP
Waukegan, Illinois
June 26, 2012

FREMONT TOWNSHIP

REQUIRED SUPPLEMENTARY INFORMATION

FREMONT TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED FEBRUARY 29, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Fremont Township (Township), we offer readers of the Township's statements this narrative overview and analysis of the financial activities of the Township for the fiscal year ended February 29, 2012. We encourage readers to consider the information presented here in conjunction with additional information found in the Notes to the Financial Statements.

FINANCIAL HIGHLIGHTS

- The assets of the Township exceeded its liabilities at February 29, 2012 by \$8,021,374 (net assets). Of this amount \$1,622,819 (unrestricted net assets) may be used to meet the Township's ongoing obligations to citizens and creditors.
- The Township's total net assets increased by \$260,682.
- At February 29, 2012 the Township's governmental funds reported combined ending fund balances of \$2,087,432, an increase of \$383,455 in comparison with the prior year. Approximately 78% of this total amount, \$1,622,819, is available for spending at the Township's discretion (unassigned fund balance).
- At February 29, 2012, the unassigned fund balance for the General Fund was \$1,622,819 or 92% of total 2012 General Fund expenditures.

Our discussion and analysis of the Fremont's Township's financial performance provides an overview of the Township's financial activities for the fiscal year ended February 29, 2012.

Please read it in conjunction with the Township's financial statements, which begin on page 7.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets – Modified Cash Basis and the Statement of Activities – Modified Cash Basis (on pages 7 and 8) provide information about the activities of the Township as a whole, and present a longer-term view of the Township's finances. Fund financial statements start on page 9. For the governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the Township's operations in more detail than the government-wide statements by providing information about the Township's most significant funds.

FREMONT TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

REPORTING THE TOWNSHIP AS A WHOLE

Our analysis of the Township as a whole begins on page 5. One of the most important questions asked about the Township's finances is, "Is the Township as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the Township as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the modified cash basis of accounting.

These two statements report the Township's net assets and changes in them. You can think of the Township's net assets—as one way to measure the Township's financial health, or financial position. Over time, increases or decreases in the Township's net assets are one indicator of its financial health.

In the Statement of Net Assets and Statement of Activities, we reported the Township's Governmental activities. All of the Township's services are reported here, including general government, public assistance, recreation and social services and highways and streets. Property taxes, interest income, and direct fees finance most of these activities.

REPORTING THE TOWNSHIP'S MOST SIGNIFICANT FUNDS

Our analysis of the Township's major funds begins on page 6. The financial statements begin on page 9 and provide detailed information about the most significant funds—not the Township as a whole. Some funds are required to be established by State law.

Governmental funds—All of the Township's services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. The Township maintains its accounting records for all funds on the cash basis of accounting. Accordingly, revenues are recognized and recorded when cash is received. In the same manner, expenditures are recognized and recorded upon the disbursement of cash. Cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions. The governmental fund statements provide a detailed short-term view of the Township's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more funds that can be spent in the near future to finance the Township's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in a reconciliation in the financial statements.

FREMONT TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

THE TOWNSHIP AS A WHOLE

A condensed statement of net assets and statement of activities is presented below:

Table 1 - Net Assets

	Governmental Activities	
	2012	2011
Current and Other Assets	\$ 2,087,432	\$ 5,370,646
Capital Assets	6,016,352	7,903,927
Total Assets	<u>\$ 8,103,784</u>	<u>\$ 13,274,573</u>
Current Liabilities	\$ (48,469)	\$ (44,490)
Long-Term Debt Outstanding	(33,941)	(82,410)
Total Liabilities	<u>\$ (82,410)</u>	<u>\$ (126,900)</u>
Net Assets Invested in Capital Assets,		
Net of Related Debt	\$ 5,933,942	\$ 6,056,715
Restricted	464,613	470,280
Unrestricted	1,622,819	1,233,697
Total Net Assets	<u><u>\$ 8,021,374</u></u>	<u><u>\$ 7,760,692</u></u>

Table 2 - Change in Net Assets

Cash Receipts		
General Receipts		
Property Taxes	\$ 2,682,901	\$ 2,766,912
Replacement Taxes	25,683	27,428
Grants and Donations	78,431	29,797
SSA Receipts	40,794	-
Interest Earned	2,321	3,096
Other	14,928	10,095
Total Cash Receipts	<u>\$ 2,845,058</u>	<u>\$ 2,837,328</u>
Cash Disbursements		
Functions/Programs		
General Government	\$ 846,928	\$ 841,860
Public Assistance	86,668	91,799
Highways and Streets	1,474,678	1,383,786
Interest on Debt	8,839	12,083
Depreciation	167,263	172,246
Total Cash Disbursement	<u>\$ 2,584,376</u>	<u>\$ 2,501,774</u>
Increase (Decrease) in Net Assets	\$ 260,682	\$ 335,554
Net Assets - Beginning of Year	<u>7,760,692</u>	<u>7,425,138</u>
Net Assets - End of Year	<u><u>\$ 8,021,374</u></u>	<u><u>\$ 7,760,692</u></u>

FREMONT TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

The net assets of the Township's governmental activities increased by \$260,682. Unrestricted net assets – the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, or other legal requirements – was \$1,622,819 at February 29, 2012. This is money for possible land acquisition at approximately \$400,000 and another \$300,000 is for a planned shelter at Behm Park. There is also \$40,000 for building maintenances that did not get done last year.

THE TOWNSHIP'S FUND

As the Township completed the year, its Governmental Funds (as presented in the Statement of Assets, Liabilities and Fund Balance Arising from Cash Transactions on page 9) reported a combined fund balance of \$2,087,432, which is more than last year's total of \$1,703,977.

CAPITAL ASSETS

At the end of February 29, 2012, the Township had \$6,016,352 invested in capital assets, including land and land improvements. (See table)

Table 3- Capital assets at Year End (See Note 6)

	Governmental Activities	
	2012	2011
Land and Improvements	\$ 4,023,741	\$ 4,090,700
Buildings	419,656	431,797
Vehicles and Equipment	180,683	229,039
Infrastructure	1,392,272	1,432,079
	<u>\$ 6,016,352</u>	<u>\$ 6,183,615</u>

For the Fiscal year ending February 29, 2013, the Township has budgeted \$ 1,110,000 and the Road District has budgeted \$ 625,000 for Capital Expenditures.

Table 4 - Outstanding Debt at Year-End (See Note 7)

	Governmental Activities	
	2012	2011
Capital Leases	<u>\$ 82,410</u>	<u>\$ 126,900</u>

CONTACTING THE TOWNSHIP'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors and creditors with an overview of the Township's finances and to show the Township's accountability for the money it receives. If you have questions about this report or need additional information, contact Peter Tekampe, Supervisor of Fremont Township, Mundelein, IL 60060 (847) 223-2847

FREMONT TOWNSHIP

BASIC FINANCIAL STATEMENTS

FREMONT TOWNSHIP

GOVERNMENT-WIDE FINANCIAL STATEMENTS

FREMONT TOWNSHIP
STATEMENT OF NET ASSETS - MODIFIED CASH BASIS
FEBRUARY 29, 2012

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Current Assets	
Cash and Cash Equivalents	\$ 2,087,432
Noncurrent Assets	
Capital Assets	
Land	\$ 1,444,639
Land Improvements	2,782,704
Buildings	607,071
Vehicles and Equipment	693,480
Infrastructure	1,592,281
Less Accumulated Depreciation	(1,103,823)
Total Noncurrent Assets	\$ 6,016,352
<u>TOTAL ASSETS</u>	<u>\$ 8,103,784</u>
<u>LIABILITIES</u>	
Current Liabilities	
Current Portion of Long-Term Debt	
Capital Leases	\$ (48,469)
Long-Term Liabilities	
Capital Leases	(33,941)
<u>TOTAL LIABILITIES</u>	<u>\$ (82,410)</u>
<u>NET ASSETS</u>	
Invested In Capital Assets	\$ 5,933,942
Restricted	
Public Assistance	224,344
Highway and Roads	240,269
Unrestricted	1,622,819
<u>TOTAL NET ASSETS</u>	<u>\$ 8,021,374</u>

The accompanying Notes are an integral part of these Financial Statements.

FREMONT TOWNSHIP
STATEMENT OF ACTIVITIES MODIFIED CASH BASIS
FOR THE YEAR ENDED FEBRUARY 29, 2012

FUNCTION/PROGRAMS	Program Receipts				Net (Expenditures) Revenues and Change In Net Assets
	Expenditures	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
General Government	\$ 846,928	\$ 2,640	\$ 15,036	\$ -	\$ (829,252)
Public Assistance	86,668	-	-	-	(86,668)
Highways and Streets	1,474,678	-	63,395	-	(1,411,283)
Interest on Debt	8,839	-	-	-	(8,839)
Depreciation	167,263	-	-	-	(167,263)
Total Governmental Activities	<u>\$ 2,584,376</u>	<u>\$ 2,640</u>	<u>\$ 78,431</u>	<u>\$ -</u>	<u>\$ (2,503,305)</u>
General Receipts:					
Property Taxes					\$ 2,682,901
Replacement Taxes					25,683
SSA Receipts					40,794
Unrestricted Investment Earnings					2,321
Other					12,288
Total General Receipts					<u>\$ 2,763,987</u>
Change in Net Assets					\$ 260,682
Net Assets Beginning					<u>7,760,692</u>
Net Assets Ending					<u>\$ 8,021,374</u>

The accompanying Notes are an integral part of these Financial Statements.

FREMONT TOWNSHIP

FUND FINANCIAL STATEMENTS

FREMONT TOWNSHIP
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES ARISING FROM CASH TRANSACTIONS
GOVERNMENTAL FUNDS
FEBRUARY 29, 2012

<u>ASSETS</u>					
	General Fund	General Assistance Fund	Road And Bridge Fund	Permanent Fund	Total Governmental Funds
Cash and Investments	\$ 1,622,819	\$ 224,344	\$ 99,558	\$ 140,711	\$ 2,087,432
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
<u>FUND BALANCES</u>					
Restricted					
Public Assistance	\$ -	\$ 224,344	\$ -	\$ -	\$ 224,344
Highway and Roads	-	-	99,558	140,711	240,269
Unassigned	1,622,819	-	-	-	1,622,819
Total Fund Balances	\$ 1,622,819	\$ 224,344	\$ 99,558	\$ 140,711	\$ 2,087,432
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	<u>\$ 1,622,819</u>	<u>\$ 224,344</u>	<u>\$ 99,558</u>	<u>\$ 140,711</u>	<u>\$ 2,087,432</u>
Amounts reported for governmental activities are different because: Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.					6,016,352
Long-Term liabilities, including capital leases payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.					(82,410)
Net Assets of Governmental Activities					\$ 8,021,374

The accompanying Notes are an integral part of these Financial Statements.

FREMONT TOWNSHIP
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED FEBRUARY 29, 2012

	General Fund	General Assistance Fund	Road and Bridge Fund	Permanent Fund	Total Governmental Funds
<u>CASH RECEIPTS</u>					
Property Taxes	\$ 1,197,642	\$ 129,235	\$ 181,947	\$ 1,174,077	\$ 2,682,901
Replacement Taxes	12,405	-	13,278	-	25,683
Interest	1,987	122	83	129	2,321
SSA Receipts	-	-	40,794	-	40,794
Grants	5,500	-	-	63,395	68,895
Donations	9,536	-	-	-	9,536
Half-Fare Taxi Program	2,640	-	-	-	2,640
Miscellaneous	6,340	4,221	1,727	-	12,288
<u>TOTAL RECEIPTS</u>	<u>\$ 1,236,050</u>	<u>\$ 133,578</u>	<u>\$ 237,829</u>	<u>\$ 1,237,601</u>	<u>\$ 2,845,058</u>
<u>CASH DISBURSEMENTS</u>					
Current					
General Government	\$ 846,928	\$ -	\$ -	\$ -	\$ 846,928
Public Assistance	-	86,668	-	-	86,668
Highway and Streets	-	-	278,007	1,196,671	1,474,678
Debt Service					
Principal	-	-	5,096	39,394	44,490
Interest	-	-	870	7,969	8,839
<u>TOTAL CASH DISBURSEMENTS</u>	<u>\$ 846,928</u>	<u>\$ 86,668</u>	<u>\$ 283,973</u>	<u>\$ 1,244,034</u>	<u>\$ 2,461,603</u>
<u>CASH RECEIPTS OVER (UNDER) DISBURSEMENTS</u>	\$ 389,122	\$ 46,910	\$ (46,144)	\$ (6,433)	\$ 383,455
<u>FUND BALANCE - MARCH 1, 2011</u>	<u>1,233,697</u>	<u>177,434</u>	<u>145,702</u>	<u>147,144</u>	<u>1,703,977</u>
<u>FUND BALANCE - FEBRUARY 29, 2012</u>	<u>\$ 1,622,819</u>	<u>\$ 224,344</u>	<u>\$ 99,558</u>	<u>\$ 140,711</u>	<u>\$ 2,087,432</u>

The accompanying Notes are an integral part of these Financial Statements.

FREMONT TOWNSHIP

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF CASH RECEIPTS,
DISBURSEMENTS AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES –
FOR THE YEAR ENDED FEBRUARY 29, 2012

Excess of Receipts Over (Under) Expenditures Governmental Funds	\$ 383,455
--	------------

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

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful life as depreciation expense. This is the amount by which capital outlay, \$(-0-), is less than depreciation expense, (\$167,263), in the period.	(167,263)
---	-----------

Repayment of Long-Term Debt principal is an expenditure in the Governmental Funds, but the repayment reduces liabilities in the Statement of Net Assets.	<u>44,490</u>
--	---------------

Change in Net Assets of Governmental Activities	<u>\$ 260,682</u>
---	-------------------

The accompanying Notes are an integral part of these Financial Statement

FREMONT TOWNSHIP

NOTES TO FINANCIAL STATEMENTS

FREMONT TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 29, 2012

1. SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

A reporting entity consists of the primary government and its component units. Generally Accepted Accounting Principles require that legally separate organizations for which the elected officials of the primary government are financially accountable be included in the primary government's basic financial statements as component units. Fremont Township has determined that the Township Road District fits the definition of a component unit. The Road District's purpose is to construct and maintain roads within the Township. It is recorded in the Township's financial statements as Special Revenue Fund.

B. Basis of Presentation and Basis of Accounting

Basis of Presentation

Government-Wide Financial Statements: The Statement of Net Assets and the Statement of Activities display information about the financial activities of the overall Township. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and the business-type activities of the Township. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. The Township has no business-type activities.

The Statement of Activities present a comparison between direct expenses and program receipts for each function of the Township's governmental activities.

Direct expenses are those that are specifically associated with a program or function and, therefore are clearly identifiable to a particular function. Indirect expenses-expenses of the township related to the administration and support of the Township's programs, such as personnel and accounting-are not allocated to programs.

Program receipts include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes are presented as general revenue.

Governmental Fund Financial Statements: The fund financial statements provide information about the Township's funds. Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. The Township reports all its funds as major governmental funds.

The Township reports the following major governmental funds:

General Fund. This 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.

FREMONT TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Basis of Presentation and Basis of Accounting (Continued)

Special Revenue Funds. These funds included the General Assistance, Road and Bridge, and Permanent Road Funds, which are used to account for the proceeds of specific revenue sources (other than those that are legally restricted to cash disbursements for specific purposes).

Basis of Accounting

The government-wide financial statements are reported using the modified cash basis of accounting. The cash basis of accounting is modified to account for: recording of depreciation on fixed assets, recognition of the net depreciated value of fixed assets, and, recognition of long-term liabilities. Non-exchange transactions, in which the Township gives (or receives) value in exchange, include property taxes, grants, entitlements, and donations. Receipts from property taxes, grants, entitlements and donations are recognized when received consistent with the cash basis of accounting.

The governmental fund financial statements, and all other financial statements, are reported using the cash basis of accounting. Accordingly, revenue are recognized and recorded in the accounts when cash is received. In the same manner, expenditures are recognized and recorded upon the disbursement of cash. Assets of a fund are only recorded when a right to receive cash exists which arises from a previous cash transaction. Liabilities of a fund, similarly, result from previous cash transactions. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources.

C. Capital Assets

Capital Assets are reported at actual or estimated historical cost. Contributed assets are reported at estimated fair value at the time received.

Depreciation methods, and estimated useful live of capital assets reported in the Township-wide statements as follows:

	Depreciation Method	Estimated Useful Life	Capitalization Threshold
Land Improvements	Straight Line	20 Years	\$ 100,000
Buildings	Straight Line	50 Years	25,000
Equipment	Straight Line	5 -12 Years	10,000
Infrastructure	Straight Line	40 Years	\$ 100,000

Depreciation is used to allocate the actual or estimated historical cost of all capital assets over their estimated useful lives.

D. Restricted Resources

The Township applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

FREMONT TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
(Continued)

2. CASH AND INVESTMENTS

The Township is allowed to invest in securities as authorized by the State of Illinois Statutes, including Securities of the Federal Government, in Federally Insured Savings and Loans Associations, in Federally Insured Banks as defined in the Illinois Banking Act, or in Pool Funds provided by the Illinois Treasurer's Office.

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Township's deposits may not be returned or the Township will not be able to recover collateral securities in the possession of an outside party. The Township's policy requires deposits to be at least 100 percent secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance (FDIC). The Township's Board of Trustees approves and designates a list of authorized depository institutions based on evaluation of solicited responses and certificates provided by financial institutions.

At February 29, 2012, the carrying amount of the Township's deposits was \$2,087,218, which excludes a \$214 Petty Cash fund. At year end, the Township's bank balance was \$2,091,345. As of February 29, 2012, \$1,341,345 of the combined entity's bank balance of \$2,091,345 was exposed to custodial credit risk as follows:

	<u>Bank Balance</u>
Collateralized with securities held by the Pledging financial institution	<u>\$1,341,345</u>

3. ILLINOIS MUNICIPAL RETIREMENT FUND

A. 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. That report may be obtained on-line at www.imrf.org.

B. Funding Policy and Progress

As set by statute, the Township regular plan members are required to contribute 4.50 percent of their annual covered salary. The statutes require the Township to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2011 was 9.30 percent of annual covered payroll. The employer annual required contribution rate for calendar year 2011 was 9.96 percent. The Township also contributes for disability benefits, death benefits and supplementary 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.

FREMONT TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
(Continued)

C. Annual Pension Costs

For 2011, the Township's actual contribution for pension costs for the regular plan was \$62,340. It's required contribution for the calendar year 2011 was \$66,765.

THREE YEAR TREND INFORMATION

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/11	\$ 66,765	93%	\$4,425
12/31/10	68,278	100%	0
12/31/09	45,431	100%	0

The required contribution for 2011 was determined as part of the December 31, 2009 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2009, included (a) 7.50% investment rate of return (net of administrative and direct expenses), (b) projected salary increases of 4.00% per year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10.0% 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's unfunded actuarial accrued liability at December 31, 2009 is being amortized as a level percentage of projected payroll on an open 30 year basis.

D. Fund Status and Funding Progress

As of December 31, 2011, the most recent actuarial valuation date, the regular plan was 89.99% funded. The actuarial accrued liability for benefits was \$2,206,633 and the actuarial value of assets was \$1,985,815, resulting in an underfunded actuarial accrued liability (UAAL) of \$220,818. The covered payroll for calendar year 2011 (annual payroll of active employees covered by the plan) was \$670,327 and the ratio of the UAAL to the covered payroll was 33%.

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

FREMONT TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
(Continued)

4. PROPERTY TAXES

The 2010 property taxes attached as an enforceable lien on January 1, 2010. They were levied in December of the tax year. Tax bills were prepared by the County and issued on or about May 1, 2011, and were payable in two installments, on or about June 1, 2011, and September 1, 2011. The County Collected such taxes and remitted them periodically. Property Tax revenues are recognized in the same accounting period as when they are received. The Township received significant distributions of tax receipts approximately one month after the due dates.

5. 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. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

6. CAPITAL ASSETS

Capital asset activity for the year ended February 29, 2012 was as follows:

	<u>BEGINNING BALANCE</u>	<u>ADDITONS</u>	<u>RETIREMENTS</u>	<u>ENDING BALANCE</u>
<u>GOVERNMENTAL ACTIVITIES</u>				
Capital Assets Not Being Depreciated				
Land	\$ 1,444,639	\$ -	\$ -	\$ 1,444,639
Capital Assets Being Depreciated				
Land Improvements	\$ 2,782,704	\$ -	\$ -	\$ 2,782,704
Buildings	607,071	-	-	607,071
Equipment, Furniture and Vehicles	693,480	-	-	693,480
Infrastructure	1,592,281	-	-	1,592,281
	<u>\$ 5,675,536</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,675,536</u>
Less: Accumulated Depreciation For:				
Land Improvements	\$ 136,643	\$ 66,959	\$ -	\$ 203,602
Buildings	175,274	12,141	-	187,415
Equipment, Furniture and Vehicles	464,441	48,356	-	512,797
Infrastructure	160,202	39,807	-	200,009
	<u>\$ 936,560</u>	<u>\$ 167,263</u>	<u>\$ -</u>	<u>\$ 1,103,823</u>
<u>GOVERNMENTAL ACTIVITIES</u>				
<u>CAPITAL ASSETS, NET</u>	<u>\$ 6,183,615</u>	<u>\$ (167,263)</u>	<u>\$ -</u>	<u>\$ 6,016,352</u>

FREMONT TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
(Continued)

7. LONG-TERM DEBT

The following is a summary of the Township's Long-Term Debt for the year ended February 29, 2012.

	Balance 3/1/11	Additions	Retirement	Balance 2/29/12	Current Portion
Capital Lease	<u>\$ 126,900</u>	<u>\$ -</u>	<u>\$ 44,490</u>	<u>\$ 82,410</u>	<u>\$ 48,469</u>

The Capital lease consists of a 2007 Mack Truck with monthly payments of \$2,261 for 60 months, including interest of 10.5%, and a Ford F550 and 2009 Ford F150 with semi-yearly payments of \$13,102 for 5 years, including interest of 5.82%.

2007 Mack Truck Lease Payments are:

	Principal	Interest	Total
February 28, 2013	<u>\$ 24,767</u>	<u>\$ 2,359</u>	<u>\$ 27,126</u>
February 28, 2014	<u>8,839</u>	<u>203</u>	<u>9,042</u>
	<u>\$ 33,606</u>	<u>\$ 2,562</u>	<u>\$ 36,168</u>

Ford F550 and F150 Lease Payments are:

	Principal	Interest	Total
February 28, 2013	<u>\$ 23,702</u>	<u>\$ 2,501</u>	<u>\$ 26,203</u>
February 28, 2014	<u>25,102</u>	<u>1,101</u>	<u>26,203</u>
	<u>\$ 48,804</u>	<u>\$ 3,602</u>	<u>\$ 52,406</u>

FREMONT TOWNSHIP

REQUIRED SUPPLEMENTARY INFORMATION

FREMONT TOWNSHIP
REQUIRED SUPPLEMENTARY INFORMATION
FEBRUARY 29, 2012

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll ©	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/11	\$ 1,985,815	\$ 2,206,633	\$ 220,818	89.99%	\$ 670,327	32.94%
12/31/10	1,861,601	2,071,736	210,135	89.81%	693,182	30.31%
12/31/09	1,681,224	1,870,420	189,196	89.88%	649,947	29.11%

On a market value basis, the actuarial value of assets as of December 31, 2011, is \$1,925,006. On a market basis, the funded ratio would be 87.24%.

FREMONT TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED FEBRUARY 29, 2012
GENERAL FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
<u>CASH RECEIPTS</u>			
Property Taxes	\$ 1,196,694	\$ 1,196,694	\$ 1,197,642
Replacement Taxes	13,000	13,000	12,405
Interest Income	2,000	2,000	1,987
Donations	6,000	6,000	9,536
Grant - CERT	5,500	5,500	5,500
Half-Fare Taxi Program	4,000	4,000	2,640
Miscellaneous	1,500	1,500	6,340
	<u>\$ 1,228,694</u>	<u>\$ 1,228,694</u>	<u>\$ 1,236,050</u>
<u>CASH DISBURSEMENTS</u>			
<u>ADMINISTRATION</u>			
<u>PERSONAL SERVICES</u>			
Salaries - Officials	\$ 248,000	\$ 248,000	\$ 247,998
Salaries - Township Personnel	110,000	110,000	63,585
Health Insurance	115,000	115,000	80,872
IMRF	34,000	34,000	27,894
Social Security Tax	27,400	27,400	23,928
Unemployment Insurance	250	250	92
	<u>\$ 534,650</u>	<u>\$ 534,650</u>	<u>\$ 444,369</u>
<u>CONTRACTUAL</u>			
Maintenance Service - Building	\$ 30,000	\$ 30,000	\$ 3,611
Maintenance Service - Equipment	4,000	4,000	1,692
Maintenance Service - Parks	100,000	100,000	93,490
Accounting	3,000	3,000	3,000
Legal	12,000	12,000	3,873
Postage	800	800	429
Telephone	4,000	4,000	2,896
Publishing	1,000	1,000	611
Printing	1,500	1,500	332
Dues	1,500	1,500	1,347
Travel	1,200	1,200	128
Training	4,500	4,500	2,356
Utilities	7,000	7,000	3,981
Programs & Services	1,000	1,000	-
Newsletter	9,000	9,000	6,665
CERT	7,000	7,000	4,899
Lease Equipment	1,000	1,000	-
Web Page	200	200	-
Professional Services	50,000	50,000	1,235
General Insurance	8,000	8,000	7,430
Disposal Service	800	800	930
Pace/Taxi Service	7,000	7,000	1,298
Half-Fare Taxi Program	8,000	8,000	4,486
Well & Water Committee	1,000	1,000	-
Mosquito Control	16,500	16,500	14,371
	<u>\$ 280,000</u>	<u>\$ 280,000</u>	<u>\$ 159,060</u>

See accompanying Notes to Required Supplementary Information.

FREMONT TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED FEBRUARY 29, 2012
GENERAL FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
<u>CASH DISBURSEMENTS (Continued)</u>			
<u>ADMINISTRATION</u>			
<u>COMMODITIES</u>			
Office Supplies	\$ 2,000	\$ 2,000	\$ 837
Operating supplies	3,500	3,500	2,137
Equipment	10,000	19,200	19,188
Food Pantry	20,000	20,000	2,809
	<u>\$ 35,500</u>	<u>\$ 44,700</u>	<u>\$ 24,971</u>
<u>OTHER EXPENDITURES</u>			
Miscellaneous	\$ 2,000	\$ 2,000	\$ 184
Social Service	12,000	12,000	5,324
Contingencies	5,000	5,000	-
	<u>\$ 19,000</u>	<u>\$ 19,000</u>	<u>\$ 5,508</u>
<u>CAPITAL OUTLAY</u>			
Building	\$ 50,000	\$ 40,800	\$ -
Park Development	398,000	398,000	-
Land Acquisition	350,000	350,000	-
Park Equipment	10,000	10,000	-
	<u>\$ 808,000</u>	<u>\$ 798,800</u>	<u>\$ -</u>
<u>TOTAL ADMINISTRATION</u>	<u>\$ 1,677,150</u>	<u>\$ 1,677,150</u>	<u>\$ 633,908</u>
<u>ASSESSOR</u>			
<u>PERSONAL SERVICES</u>			
Salaries	\$ 146,000	\$ 146,000	\$ 145,954
Health Insurance	20,500	20,500	19,965
Unemployment Insurance	300	300	268
Social Security Tax	11,200	11,200	11,166
IMRF	13,800	13,800	13,745
	<u>\$ 191,800</u>	<u>\$ 191,800</u>	<u>\$ 191,098</u>
<u>CONTRACTUAL</u>			
Maintenance Service - Equipment	\$ 500	\$ 500	\$ 478
Maintenance Service - Vehicle	1,000	1,000	162
Postage	1,000	1,000	440
Telephone	2,500	2,500	1,574
Publishing	500	500	-
Printing	750	750	627
Newsletter	500	500	500
Dues	500	500	315
Travel	2,000	2,000	526

See accompanying Notes to Required Supplementary Information.

FREMONT TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED FEBRUARY 29, 2012
GENERAL FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
<u>CASH DISBURSEMENTS (Continued)</u>			
<u>ASSESSOR (Continued)</u>			
<u>CONTRACTUAL</u>			
Training	\$ 4,000	\$ 4,000	\$ 2,427
Legal	500	500	100
Terminal Rental	7,200	7,800	7,800
Equipment Lease	250	250	-
	<u>\$ 21,200</u>	<u>\$ 21,800</u>	<u>\$ 14,949</u>
<u>COMMODITIES</u>			
Equipment	\$ 4,000	\$ 5,035	\$ 5,034
Office Supplies	2,000	2,000	1,789
	<u>\$ 6,000</u>	<u>\$ 7,035</u>	<u>\$ 6,823</u>
<u>OTHER EXPENDITURES</u>			
Contingencies	\$ 10,000	\$ 8,365	\$ -
Miscellaneous	10,000	10,000	150
	<u>20,000</u>	<u>18,365</u>	<u>150</u>
 <u>TOTAL ASSESSOR'S OFFICE</u>	 <u>\$ 239,000</u>	 <u>\$ 239,000</u>	 <u>\$ 213,020</u>
 <u>TOTAL CASH DISBURSEMENTS</u>	 <u>\$ 1,916,150</u>	 <u>\$ 1,916,150</u>	 <u>\$ 846,928</u>
 <u>CASH RECEIPTS OVER (UNDER) DISBURSEMENTS</u>	 <u>\$ (687,456)</u>	 <u>\$ (687,456)</u>	 <u>\$ 389,122</u>
 <u>FUND BALANCE - MARCH 1, 2011</u>			<u>1,233,697</u>
 <u>FUND BALANCE - FEBRUARY 29, 2012</u>			<u>\$ 1,622,819</u>

See accompanying Notes to Required Supplementary Information.

FREMONT TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED FEBRUARY 29, 2012
GENERAL ASSISTANCE

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
<u>CASH RECEIPTS</u>			
Property Tax	\$ 129,055	\$ 129,055	\$ 129,235
Interest	500	500	122
Miscellaneous	500	500	4,221
	<u>\$ 130,055</u>	<u>\$ 130,055</u>	<u>\$ 133,578</u>
<u>CASH DISBURSEMENTS</u>			
<u>ADMINISTRATION</u>			
<u>PERSONAL SERVICES</u>			
Salaries	\$ 18,500	\$ 18,500	\$ 17,675
Social Security Tax	1,500	1,500	1,352
Unemployment Tax	100	100	87
IMRF	1,700	1,700	1,665
Health Insurance	13,000	13,000	11,164
	<u>\$ 34,800</u>	<u>\$ 34,800</u>	<u>\$ 31,943</u>
<u>CONTRACTUAL</u>			
Maintenance Service - Equipment	\$ 1,000	\$ 1,000	\$ 417
Other Professional Service	3,000	3,000	-
Newsletter	3,600	3,600	1,500
Postage	650	650	396
Telephone	1,325	1,325	1,235
Publishing	500	500	-
Printing	500	500	134
Travel	500	500	-
Training	1,500	1,500	655
Disposal	600	600	-
General Insurance	400	400	3,715
Lease Equipment	400	400	-
Web Page	200	200	-
Utilities	2,500	2,500	1,380
	<u>\$ 16,675</u>	<u>\$ 16,675</u>	<u>\$ 9,432</u>
<u>COMMODITIES</u>			
Office Supplies	\$ 800	\$ 800	\$ 407
Maintenance Supplies-Equipment	500	500	-
Equipment	1,500	1,500	-
Operating Supplies	500	500	-
	<u>\$ 3,300</u>	<u>\$ 3,300</u>	<u>\$ 407</u>
<u>OTHER EXPENDITURES</u>			
Contingencies	\$ 5,000	\$ 5,000	\$ -
Miscellaneous	500	500	-
	<u>\$ 5,500</u>	<u>\$ 5,500</u>	<u>\$ -</u>
<u>TOTAL ADMINISTRATION</u>	<u>\$ 60,275</u>	<u>\$ 60,275</u>	<u>\$ 41,782</u>

See accompanying Notes to Required Supplementary Information.

FREMONT TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED FEBRUARY 29, 2012
GENERAL ASSISTANCE

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
<u>CASH DISBURSEMENTS</u>			
<u>HOME RELIEF</u>			
<u>CONTRACTUAL SERVICES</u>			
Physician Service	\$ 6,000	\$ 6,000	\$ -
Hospital Service - In Patient	25,000	25,000	-
Hospital Service - Out Patient	25,000	25,000	-
Dental	3,500	3,500	-
Other Medical	1,500	1,500	-
Funeral and Burial	2,000	2,000	-
Shelter	30,000	30,000	18,728
Healthreach Clinic	6,600	6,600	6,000
Utilities	25,000	25,000	15,161
Catastrophic Insurance	2,500	2,500	2,360
Miscellaneous Home Relief	3,000	3,000	-
	<u>\$ 130,100</u>	<u>\$ 130,100</u>	<u>\$ 42,249</u>
<u>COMMODITIES</u>			
Food	\$ 1,500	\$ 1,500	\$ -
Fuel	3,000	3,000	800
Drugs	7,500	7,500	1,274
Personal Incidentals	4,000	4,000	311
Household Incidentals	1,500	1,500	-
Social Services	500	500	-
Flat Grant	3,000	3,000	252
	<u>\$ 21,000</u>	<u>\$ 21,000</u>	<u>\$ 2,637</u>
<u>OTHER EXPENDITURES</u>			
Miscellaneous	\$ 5,000	\$ 5,000	\$ -
<u>TOTAL HOME RELIEF</u>	<u>\$ 156,100</u>	<u>\$ 156,100</u>	<u>\$ 44,886</u>
<u>TOTAL CASH DISBURSEMENTS</u>	<u>\$ 216,375</u>	<u>\$ 216,375</u>	<u>\$ 86,668</u>
<u>TOTAL CASH RECEIPTS OVER (UNDER) DISBURSEMENTS</u>	<u>\$ (86,320)</u>	<u>\$ (86,320)</u>	<u>\$ 46,910</u>
<u>FUND BALANCE - MARCH 1, 2011</u>			<u>177,434</u>
<u>FUND BALANCE - FEBRUARY 29, 2012</u>			<u>\$ 224,344</u>

See accompanying Notes to Required Supplementary Information.

FREMONT TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED FEBRUARY 29, 2012
ROAD AND BRIDGE FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
<u>CASH RECEIPTS</u>			
Property Taxes	\$ 168,241	\$ 168,241	\$ 181,947
Replacement Taxes	14,000	14,000	13,278
Interest	250	250	83
SSA Receipts	32,688	32,688	40,794
Road Bonds	10,000	10,000	-
Miscellaneous	1,500	1,500	1,727
	<u>\$ 226,679</u>	<u>\$ 226,679</u>	<u>\$ 237,829</u>
<u>CASH DISBURSEMENTS</u>			
<u>ADMINISTRATION</u>			
<u>PERSONAL SERVICES</u>			
Salaries	\$ 1,000	\$ 1,000	\$ 1,000
Social Security	77	77	77
IMRF	95	95	101
	<u>\$ 1,172</u>	<u>\$ 1,172</u>	<u>\$ 1,178</u>
<u>CONTRACTUAL SERVICES</u>			
Legal	\$ 500	\$ 500	\$ -
Postage	150	150	-
Telephone	4,700	4,700	4,209
Publishing	300	300	128
Printing	50	50	-
Travel	100	100	-
Training	500	500	359
Dues	800	800	585
Subscriptions	250	250	250
Insurance	13,630	13,630	11,145
Drug Testing	920	920	770
Rental Service	4,000	4,000	2,592
J.U.L.I.E.	3,000	3,000	2,603
Municipal Replacement Tax	3,000	3,000	2,335
	<u>\$ 31,900</u>	<u>\$ 31,900</u>	<u>\$ 24,976</u>
<u>COMMODITIES</u>			
Equipment	\$ 2,500	2,500	\$ 2,500
Equipment Supplies	300	300	136
Miscellaneous Supplies	1,700	1,700	1,359
Office Supplies	400	400	255
	<u>\$ 4,900</u>	<u>\$ 4,900</u>	<u>\$ 4,250</u>
<u>OTHER EXPENSES</u>			
Miscellaneous	\$ 1,000	\$ 1,000	\$ 139
Contingencies	5,000	5,000	-
	<u>6,000</u>	<u>6,000</u>	<u>139</u>
<u>DEBT SERVICE</u>			
Interest	\$ -	\$ -	\$ 870
Principal	6,000	6,000	5,096
	<u>6,000</u>	<u>6,000</u>	<u>5,966</u>
<u>TOTAL ADMINISTRATION</u>	<u>\$ 49,972</u>	<u>\$ 49,972</u>	<u>\$ 36,509</u>

See accompanying Notes to Required Supplementary Information.

FREMONT TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED FEBRUARY 29, 2012
ROAD AND BRIDGE FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
<u>CASH DISBURSEMENTS (Continued)</u>			
<u>MAINTENANCE</u>			
<u>CONTRACTUAL SERVICE</u>			
Building Maintenance	\$ 1,000	\$ 1,000	\$ 747
Equipment Maintenance	3,000	3,000	2,848
Road Maintenance	15,000	45,000	44,225
Snow Removal Maintenance	1,000	1,000	661
Bridge Maintenance	100	100	-
Disposal Service	900	900	930
Uniforms	4,200	4,200	2,494
Engineering Service	12,500	12,500	12,332
Utilities	8,000	8,000	6,004
Rentals	500	500	-
Building	30,000	-	-
Intersection Lights	23,000	23,000	17,073
	<u>\$ 99,200</u>	<u>\$ 99,200</u>	<u>\$ 87,314</u>
<u>COMMODITIES</u>			
Building Supplies	\$ 3,500	\$ 3,500	\$ 1,627
Equipment Supplies	40,000	40,000	40,659
Road Supplies	50,000	50,000	44,716
Snow Removal Supplies	50,000	50,000	47,715
Operating Supplies	750	750	812
Fuel/Oil	20,000	20,000	18,714
Signs and Road Striping	1,500	1,500	585
Equipment	9,000	9,000	4,113
Small Tools	1,200	1,200	112
	<u>\$ 175,950</u>	<u>\$ 175,950</u>	<u>\$ 159,053</u>
<u>OTHER EXPENSE</u>			
Miscellaneous	\$ 1,000	\$ 1,000	\$ -
SSA	10,000	10,000	1,097
Road Bonds	10,000	10,000	-
	<u>21,000</u>	<u>21,000</u>	<u>1,097</u>
<u>TOTAL MAINTENANCE</u>	<u>\$ 296,150</u>	<u>\$ 296,150</u>	<u>\$ 247,464</u>
<u>TOTAL EXPENDITURES</u>	<u>\$ 346,122</u>	<u>\$ 346,122</u>	<u>\$ 283,973</u>
<u>CASH RECEIPTS OVER (UNDER) DISBURSEMENTS</u>	<u>\$ (119,443)</u>	<u>\$ (119,443)</u>	<u>\$ (46,144)</u>
<u>FUND BALANCE - MARCH 1, 2011</u>			<u>145,702</u>
<u>FUND BALANCE - FEBRUARY 29, 2012</u>			<u>\$ 99,558</u>

See accompanying Notes to Required Supplementary Information.

FREMONT TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED FEBRUARY 29, 2012
PERMANENT ROAD FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>
<u>CASH RECEIPTS</u>			
Property Taxes	\$ 1,173,230	\$ 1,173,230	\$ 1,174,077
Interest	750	750	129
Grants	93,894	93,894	63,395
	<u>\$ 1,267,874</u>	<u>\$ 1,267,874</u>	<u>\$ 1,237,601</u>
<u>CASH DISBURSEMENTS</u>			
<u>ADMINISTRATION</u>			
<u>PERSONAL SERVICES</u>			
Salaries	\$ 220,000	\$ 220,000	\$ 190,203
Health Insurance	163,000	133,000	86,969
IMRF	20,500	20,500	17,371
Social Security	16,850	16,850	14,551
Unemployment	625	625	498
	<u>\$ 420,975</u>	<u>\$ 390,975</u>	<u>\$ 309,592</u>
<u>CONTRACTUAL</u>			
Engineering	\$ 50,000	\$ 80,000	\$ 78,516
Maintenance Service Road	32,000	32,000	21,919
Rentals	1,000	1,000	-
Signs & Road Striping	10,000	10,000	10,000
	<u>\$ 93,000</u>	<u>\$ 123,000</u>	<u>\$ 110,435</u>
<u>COMMODITIES</u>			
Road Supplies	\$ 32,000	\$ 32,000	\$ -
Operating Supplies	500	500	12
Automotive Fuel/Oil	30,000	30,000	13,675
Snow Removal	50,000	50,000	36,360
	<u>\$ 112,500</u>	<u>\$ 112,500</u>	<u>\$ 50,047</u>
<u>OTHER EXPENDITURES</u>			
Miscellaneous	\$ 2,000	\$ 2,000	\$ 1,000
Grants	70,000	30,000	28,958
Road Projects	640,000	680,000	696,639
	<u>\$ 712,000</u>	<u>\$ 712,000</u>	<u>\$ 726,597</u>
<u>DEBT SERVICE</u>			
Interest	\$ -	\$ -	\$ 7,969
Principal	47,400	47,400	39,394
	<u>\$ 47,400</u>	<u>\$ 47,400</u>	<u>\$ 47,363</u>
<u>TOTAL EXPENDITURES</u>	<u>\$ 1,385,875</u>	<u>\$ 1,385,875</u>	<u>\$ 1,244,034</u>
<u>CASH RECEIPTS OVER (UNDER) DISBURSEMENTS</u>	<u>\$ (118,001)</u>	<u>\$ (118,001)</u>	<u>\$ (6,433)</u>
<u>FUND BALANCE - MARCH 1, 2011</u>			<u>147,144</u>
<u>FUND BALANCE - FEBRUARY 29, 2012</u>			<u>\$ 140,711</u>

See accompanying Notes to Required Supplementary Information.

FREMONT TOWNSHIP

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION ON BUDGETARY ACCOUNTING

FOR THE YEAR ENDED FEBRUARY 29, 2012

The budget for all major Governmental Funds is prepared on the modified cash basis of accounting, which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. This is an acceptable method in accordance with Chapter 105, Section 5/17-1 of Illinois Compiles Statutes. The March 1, 2011 to February 29, 2012 budget was passed on May 9, 2011.

For each fund, total fund disbursements may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year.

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

1. Prior to March 1, the Supervisor submits to the Board a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to August 1, the budget is legally adopted through passage of a resolution.
4. Formal budgetary integration is employed as a management control device during the year.
5. The Township Board may make transfers between the various items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget. During the year ended February 29, 2012, the Township Board made line item transfers as permitted by State Statute as reported on pages 18 through 26.
6. The Township Board may amend the budget by the same procedures required of its original adoption.

FREMONT TOWNSHIP

ADDITIONAL SUPPLEMENTARY INFORMATION

FREMONT TOWNSHIP

SCHEDULE OF ASSESSED VALUATION, TAX EXTENSION AND TAX COLLECTIONS

FOR THE YEARS 2010, 2009, AND 2008

IN WHOLE DOLLAR AMOUNTS

<u>TAX YEAR</u>	2010		2009		2008	
<u>TOTAL ASSESSED VALUATION</u>	<u>\$1,173,229,743</u>		<u>\$1,212,875,134</u>		<u>\$1,216,662,832</u>	
	<u>Rates</u>	<u>Extensions</u>	<u>Rates</u>	<u>Extensions</u>	<u>Rates</u>	<u>Extensions</u>
Corporate	0.102	\$ 1,196,694	0.104	\$1,261,390	0.104	\$ 1,265,329
General Assistance	0.011	128,055	0.009	109,159	0.001	73,000
Permanent Road	0.110	1,173,230	0.099	1,200,746	0.019	1,167,996
*Road and Bridge	<u>0.015</u>	<u>181,642</u>	<u>0.016</u>	<u>194,842</u>	<u>0.005</u>	<u>316,332</u>
	<u>0.225</u>	<u>\$ 2,679,621</u>	<u>0.228</u>	<u>\$2,766,137</u>	<u>0.232</u>	<u>\$ 2,822,657</u>

* Extensions for Road and Bridge are shown net, after deducting the portion of the taxes extended which are allocable to the underlying municipalities.