

FREMONT TOWNSHIP
LAKE COUNTY, ILLINOIS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED FEBRUARY 28, 2014

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INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Fremont Township
Lake County, Illinois

We have audited the accompanying financial statements of Fremont Township, Lake County, Illinois, as of and for the year ended February 28, 2014, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation on the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to error or fraud.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the 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, Lake County, Illinois, as of February 28, 2014, and the respective changes in financial position – modified cash basis, thereof for the year ended in accordance with the basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Disclaimer of Opinion on Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Fremont Township, Lake County, Illinois basic financial statements. The management's discussion and analysis, budgetary comparison information, and schedule of funding progress, on pages 3 through 7 and 19 through 28, which are the responsibility of management, are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

EvoY, Kamschulte Jacobs & Co LLP

EVOY, KAMSCHULTE, JACOBS & CO. LLP
Waukegan, Illinois
June 21, 2014

FREMONT TOWNSHIP

OTHER INFORMATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

FREMONT TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED FEBRUARY 28, 2014

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 28, 2014. 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 28, 2014 by \$8,705,127 (net position). Of this amount \$1,694,658 (unrestricted net position) may be used to meet the Township's ongoing obligations to citizens and creditors.
- The Township's total net position increased by \$49,364.
- At February 28, 2014 the Township's governmental funds reported combined ending fund balance of \$2,632,701, a decrease of \$207,692 in comparison with the prior year. Approximately 66% of this total amount, \$1,751,032, is available for spending at the Township's discretion (unassigned fund balance).
- At February 28, 2014, the unassigned fund balance for the General Fund was \$1,751,032 or 145% of total 2014 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 28, 2014.

Please read it in conjunction with the Township's financial statements, which begin on page 8.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position – Modified Cash Basis and the Statement of Activities – Modified Cash Basis (on pages 8 and 9) 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 10. 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 Position 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 position and changes in them. You can think of the Township's net position - as one way to measure the Township's financial health, or financial position. Over time, increases or decreases in the Township's net position are one indicator of its financial health.

In the Statement of Net Position 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 7. The financial statements begin on page 10 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 Position and the Statement of Activities) and governmental funds in reconciliation in the financial statements.

FREMONT TOWNSHIP

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

THE TOWNSHIP AS A WHOLE

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

Table 1 - Net Position

	<u>Governmental Activities</u>	
	<u>2014</u>	<u>2013</u>
Current and Other Assets	\$ 2,632,701	\$ 2,840,393
Capital Assets	6,166,451	5,849,614
Total Assets	<u>\$ 8,799,152</u>	<u>\$ 8,690,007</u>
Current Liabilities	\$ (23,331)	\$ (34,244)
Long-Term Debt Outstanding	(70,694)	-
Total Liabilities	<u>\$ (94,025)</u>	<u>\$ (34,244)</u>
Net Investment in Capital Assets, Net of Related Debt	\$ 6,072,426	\$ 5,815,370
Restricted	938,043	1,023,217
Unrestricted	1,694,658	1,817,176
Total Net Position	<u><u>\$ 8,705,127</u></u>	<u><u>\$ 8,655,763</u></u>

Table 2 - Change in Net Position

Cash Receipts		
General Receipts		
Property Taxes	\$ 2,502,293	\$ 2,627,576
Replacement Taxes	28,393	24,816
Grants and Donations	10,244	23,229
SSA Receipts	22,243	6,086
Interest Earned	2,758	3,012
Other	12,119	8,142
Total Cash Receipts	<u>\$ 2,578,050</u>	<u>\$ 2,692,861</u>
Cash Disbursements		
Functions/Programs		
General Government	\$ 881,941	\$ 936,084
Public Assistance	73,571	71,485
Highways and Streets	1,390,178	879,001
Interest on Debt	934	5,164
Depreciation	182,062	166,738
Total Cash Disbursements	<u>\$ 2,528,686</u>	<u>\$ 2,058,472</u>
Increase (Decrease) in Net Position	\$ 49,364	\$ 634,389
Net Position - Beginning of Year	<u>8,655,763</u>	<u>8,021,374</u>
Net Position - End of Year	<u><u>\$ 8,705,127</u></u>	<u><u>\$ 8,655,763</u></u>

FREMONT TOWNSHIP

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

The net position of the Township's governmental activities increased by \$49,364. Unrestricted net position – the part of the net position that can be used to finance day-to-day operations without constraints established by debt covenants, or other legal requirements – was \$1,694,658 at February 28, 2014. The reason for the increase was because the Highway Department had road projects budgeted, but they were never started or completed due to permit problems.

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 10) reported a combined fund balance of \$2,632,701, which is less than last year's total of \$2,840,393. This was due to the Township spending more on park improvements and equipment purchases.

CAPITAL ASSETS

At the end of February 28, 2014, the Township had \$6,166,451 invested in capital assets, including land and land improvements. (See table)

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

	Governmental Activities	
	2014	2013
Land and Improvements	\$ 4,114,078	\$ 3,956,782
Buildings	428,359	407,515
Vehicles and Equipment	311,356	132,852
Infrastructure	1,312,658	1,352,465
	<u>\$ 6,166,451</u>	<u>\$ 5,849,614</u>

For the Fiscal year ending February 28, 2014, the Township has budgeted \$1,096,500 and the Road District has budgeted \$880,000 for Capital Expenditures.

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

	Governmental Activities	
	2014	2013
Capital Leases	<u>\$ 94,025</u>	<u>\$ 34,244</u>

FREMONT TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

FACTORS AFFECTING THE TOWNSHIP'S FUTURE

The Township has started budgeting reserve line items for future parks improvements, equipment purchases and future building improvements.

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 Diana O'Kelly, Supervisor of Fremont Township, Mundelein, IL 60060 (847) 223-2847

FREMONT TOWNSHIP

GOVERNMENT WIDE FINANCIAL STATEMENTS

FREMONT TOWNSHIP
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
FEBRUARY 28, 2014

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Current Assets	
Cash and Cash Equivalents	\$ 2,632,701
Noncurrent Assets	
Capital Assets	
Land	\$ 1,444,639
Land Improvements	3,007,897
Buildings	640,111
Vehicles and Equipment	934,146
Infrastructure	1,592,281
Less Accumulated Depreciation	(1,452,623)
Total Noncurrent Assets	<u>\$ 6,166,451</u>
<u>TOTAL ASSETS</u>	<u>\$ 8,799,152</u>
<u>LIABILITIES</u>	
Current Liabilities	
Current Portion of Long-Term Debt	
Capital Leases	\$ 23,331
Long-Term Liabilities	
Capital Leases	<u>70,694</u>
<u>TOTAL LIABILITIES</u>	<u>\$ 94,025</u>
<u>NET POSITION</u>	
Net Investment In Capital Assets	\$ 6,072,426
Restricted	
Public Assistance	417,088
Highway and Roads	520,955
Unrestricted	<u>1,694,658</u>
<u>TOTAL NET POSITION</u>	<u>\$ 8,705,127</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 28, 2014

FUNCTION/PROGRAMS	Program Receipts				Net (Expenditures) Revenues and Change In Net Position Governmental Activities Total
	Expenditures	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
General Government	\$ 881,941	\$ 2,045	\$ 10,244	\$ -	\$ 869,652
Public Assistance	73,571	-	-	-	73,571
Highways and Streets	1,390,178	-	-	-	1,390,178
Interest on Debt	934	-	-	-	934
Unallocated Depreciation	182,062	-	-	-	182,062
Total Governmental Activities	<u>\$ 2,528,686</u>	<u>\$ 2,045</u>	<u>\$ 10,244</u>	<u>\$ -</u>	<u>\$ 2,516,397</u>
General Receipts:					
Property Taxes					\$ 2,502,293
Replacement Taxes					28,393
SSA Receipts					22,243
Unrestricted Investment Earnings					2,758
Other					10,074
Total General Receipts					<u>\$ 2,565,761</u>
Change in Net Position					\$ 49,364
Net Position Beginning					<u>8,655,763</u>
Net Position Ending					<u>\$ 8,705,127</u>

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

FREMONT TOWNSHIP

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES ARISING FROM CASH TRANSACTIONS

GOVERNMENTAL FUNDS

FEBRUARY 28, 2014

FREMONT TOWNSHIP

ASSETS					
Cash and Investments	General Fund	General Assistance Fund	Road And Bridge Fund	Permanent Fund	Total Governmental Funds
	\$ 1,751,032	\$ 360,714	\$ 87,380	\$ 433,575	\$ 2,632,701

LIABILITIES AND FUND BALANCES

[illegible]FUND BALANCES

Restricted							
Public Assistance	\$	56,374	\$	360,714	\$	-	\$
Highway and Roads		-		-		87,380	
Unassigned		1,694,658		-		-	
Total Fund Balances	\$	<u>1,751,032</u>	\$	<u>360,714</u>	\$	<u>87,380</u>	\$
							\$
							417,088
							520,955
							1,694,658
	\$	<u>1,751,032</u>	\$	<u>360,714</u>	\$	<u>87,380</u>	\$
							2,632,701
TOTAL LIABILITIES AND FUND BALANCES	\$	<u><u>1,751,032</u></u>	\$	<u><u>360,714</u></u>	\$	<u><u>87,380</u></u>	\$
							2,632,701

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.

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.

Net Position of Governmental Activities

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 28, 2014

FREMONT TOWNSHIP
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED FEBRUARY 28, 2014

	General Fund	General Assistance Fund	Road and Bridge Fund	Permanent Fund	Total Governmental Funds
<u>CASH RECEIPTS</u>					
Property Taxes	\$ 1,059,123	\$ 131,201	\$ 199,649	\$ 1,112,320	\$ 2,502,293
Replacement Taxes	13,714	-	14,679	-	28,393
Interest	2,315	208	72	163	2,758
SSA Receipts	-	-	22,243	-	22,243
Grants	-	-	-	-	-
Donations	10,244	-	-	-	10,244
Half-Fare Taxi Program	2,045	-	-	-	2,045
Miscellaneous	2,942	816	1,963	-	5,721
<u>TOTAL RECEIPTS</u>	<u>\$ 1,090,383</u>	<u>\$ 132,225</u>	<u>\$ 238,606</u>	<u>\$ 1,112,483</u>	<u>\$ 2,573,697</u>
<u>CASH DISBURSEMENTS</u>					
Current					
General Government	\$ 881,941	\$ -	\$ -	\$ -	\$ 881,941
Public Assistance	768	72,803	-	-	73,571
Highway and Streets	-	-	224,470	1,165,708	1,390,178
Capital Outlay	320,717	-	-	178,182	498,899
Debt Service	-	-	-	-	-
Principal	-	-	-	49,620	49,620
Interest	-	-	100	834	934
<u>TOTAL CASH DISBURSEMENTS</u>	<u>\$ 1,203,426</u>	<u>\$ 72,803</u>	<u>\$ 224,570</u>	<u>\$ 1,394,344</u>	<u>\$ 2,895,143</u>
<u>CASH RECEIPTS OVER (UNDER) DISBURSEMENTS</u>	<u>\$ (113,043)</u>	<u>\$ 59,422</u>	<u>\$ 14,036</u>	<u>\$ (281,861)</u>	<u>\$ (321,446)</u>
<u>OTHER FINANCING SOURCES (USES)</u>					
Proceeds from Loans	-	-	-	113,754.00	113,754.00
<u>EXCESS OF RECEIPTS AND OTHER FINANCING SOURCES OVER (UNDER) DISBURSEMENTS AND OTHER FINANCING (USES)</u>	<u>(113,043)</u>	<u>59,422</u>	<u>14,036</u>	<u>(168,107)</u>	<u>(207,692)</u>
<u>FUND BALANCE - MARCH 1, 2013</u>	<u>1,864,075</u>	<u>301,292</u>	<u>73,344</u>	<u>601,682</u>	<u>2,840,393</u>
<u>FUND BALANCE - FEBRUARY 28, 2014</u>	<u>\$ 1,751,032</u>	<u>\$ 360,714</u>	<u>\$ 87,380</u>	<u>\$ 433,575</u>	<u>\$ 2,632,701</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 28, 2014

Excess of Receipts Over (Under) Expenditures Governmental Funds	\$ (207,692)
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, \$(498,899), is more than depreciation expense, (\$182,062), in the period.	316,837
Repayment of Long-Term Debt principal is an expenditure in the Governmental Funds, but the repayment reduces liabilities in the Statement of Net Position.	<u>(59,781)</u>
Change in Net Position of Governmental Activities	<u>\$ 49,364</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 28, 2014

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 Position 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 28, 2014, the carrying amount of the Township's deposits was \$2,632,498, which excludes a \$203 Petty Cash fund. At year end, the Township's bank balance was \$2,653,919. As of February 28, 2014, \$2,153,919 of the combined entity's bank balance of \$2,653,919 was exposed to custodial credit risk as follows:

	<u>Bank Balance</u>
Collateralized with securities held by the Pledging financial institution	\$2,152,767
Uncollateralized	<u>1,152</u>
	<u>\$2,153,919</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 annual required contribution rate for calendar year 2013 was 10.29 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)

3. ILLINOIS MUNICIPAL RETIREMENT FUND (Continued)

C. Annual Pension Costs

The required contribution rate for calendar year 2013 was \$74,622.

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/2013	\$ 74,622	100%	\$0
12/31/2012	68,940	100%	0
12/31/2011	66,765	93%	4,425

The required contribution for 2013 was determined as part of the December 31, 2011 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2011, 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, 2011 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, 2013, the most recent actuarial valuation date, the regular plan was 86.70% funded. The actuarial accrued liability for benefits was \$1,876,874 and the actuarial value of assets was \$1,627,321, resulting in an underfunded actuarial accrued liability (UAAL) of \$249,553. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was \$725,187 and the ratio of the UAAL to the covered payroll was 34%.

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 2012 property taxes attached as an enforceable lien on January 1, 2012. They were levied in December of the tax year. Tax bills were prepared by the County and issued on or about May 1, 2013, and were payable in two installments, on or about June 1, 2013, and September 1, 2013. 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 28, 2014 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	\$ 225,193	\$ -	\$ 3,007,897
Buildings	607,071	33,040	-	640,111
Equipment, Furniture and Vehicles	693,480	240,666	-	934,146
Infrastructure	1,592,281	-	-	1,592,281
	<u>\$ 5,675,536</u>	<u>\$ 498,899</u>	<u>\$ -</u>	<u>\$ 6,174,435</u>
Less: Accumulated Depreciation For:				
Land Improvements	\$ 270,561	\$ 67,897	\$ -	\$ 338,458
Buildings	199,556	12,196	-	211,752
Equipment, Furniture and Vehicles	560,628	62,162	-	622,790
Infrastructure	239,816	39,807	-	279,623
	<u>\$ 1,270,561</u>	<u>\$ 182,062</u>	<u>\$ -</u>	<u>\$ 1,452,623</u>
<u>GOVERNMENTAL ACTIVITIES</u>				
<u>CAPITAL ASSETS, NET</u>	<u>\$ 5,849,614</u>	<u>\$ 316,837</u>	<u>\$ -</u>	<u>\$ 6,166,451</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 28, 2014.

	Balance 3/1/2013	Additions	Retirement	Balance 2/28/2014	Current Portion
Capital Leases	<u>\$ 34,244</u>	<u>\$ 113,754</u>	<u>\$ 53,973</u>	<u>\$ 94,025</u>	<u>\$ 23,331</u>

The Capital leases consist of a Morbark chipper with annual payments of \$12,361 for 3 years, including interest of 3.53%, and a Kubota with semi-yearly payments of \$7,361 for 5 years, including interest of 4.5%.

Future lease payments are:

		Principal	Interest	Total
Morbark Chipper	2015	\$ 11,146	\$ 1,222	\$ 12,368
	2016	11,539	829	12,368
	2017	11,947	421	12,368
		<u>\$ 34,632</u>	<u>\$ 2,472</u>	<u>\$ 37,104</u>
Kubota	2015	\$ 12,185	\$ 2,537	\$ 14,722
	2016	12,740	1,984	14,724
	2017	13,319	1,403	14,722
	2018	13,926	796	14,722
	2019	7,223	138	7,361
		<u>\$ 59,393</u>	<u>\$ 6,858</u>	<u>\$ 66,251</u>
Totals		<u>\$ 94,025</u>	<u>\$ 9,330</u>	<u>\$ 103,355</u>

FREMONT TOWNSHIP

ADDITIONAL SUPPLEMENTARY INFORMATION

FREMONT TOWNSHIP
SUPPLEMENTARY INFORMATION
FEBRUARY 28, 2014

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)
12/31/2013	\$ 1,627,321	\$ 1,876,874	\$ 249,553	86.70%	\$ 725,187	34.41%
12/31/2012	2,215,015	2,346,448	131,433	94.40%	685,290	19.18%
12/31/2011	1,985,815	2,206,633	220,818	89.99%	670,327	32.94%

On a market value basis, the actuarial value of assets as of December 31, 2013, is \$1,903,208. On a market basis, the funded ration would be 101.40%.

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

FREMONT TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED FEBRUARY 28, 2014
GENERAL FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL
<u>CASH RECEIPTS</u>			
Property Taxes	\$ 1,117,730	\$ 1,117,730	\$ 1,059,123
Replacement Taxes	11,000	11,000	13,714
Interest Income	1,500	1,500	2,315
Donations	8,000	8,000	10,244
Grant - CERT	-	-	-
Half-Fare Taxi Program	2,000	2,000	2,045
Miscellaneous	2,500	2,500	2,942
	<u>\$ 1,142,730</u>	<u>\$ 1,142,730</u>	<u>\$ 1,090,383</u>
<u>CASH DISBURSEMENTS</u>			
<u>ADMINISTRATION</u>			
<u>PERSONAL SERVICES</u>			
Salaries - Officials	\$ 252,000	\$ 252,000	\$ 250,582
Salaries - Township Personnel	110,000	110,000	75,652
Health Insurance	90,000	90,000	73,289
IMRF	37,500	37,500	33,994
Social Security Tax	27,700	27,700	27,820
Unemployment Insurance	250	250	58
	<u>\$ 517,450</u>	<u>\$ 517,450</u>	<u>\$ 461,395</u>
<u>CONTRACTUAL</u>			
Maintenance Service - Building	\$ 10,000	\$ 10,000	\$ 4,931
Maintenance Service - Equipment	5,000	5,000	1,792
Maintenance Service - Parks	158,000	158,000	135,397
Accounting	3,000	3,000	2,650
Legal	6,000	6,000	140
Postage	800	800	607
Telephone	3,000	3,000	2,373
Publishing	1,000	1,000	304
Printing	1,500	1,500	121
Dues	1,500	1,500	1,159
Travel	1,200	1,200	85
Training	4,000	4,000	1,588
Utilities	5,000	5,000	3,393
Programs & Services	1,000	1,000	-
Newsletter	8,000	8,000	6,107
CERT	7,000	7,000	5,200
Lease Equipment	1,000	1,000	-
Web Page	200	200	125
Professional Services	20,000	20,000	1,140
General Insurance	9,000	9,000	7,480
Disposal Service	1,200	1,200	1,127
Pace/Taxi Service	11,000	11,000	4,554
Half-Fare Taxi Program	5,000	5,000	4,616
Well & Water Committee	1,000	1,000	806
Mosquito Control	20,000	20,000	12,822
	<u>\$ 284,400</u>	<u>\$ 284,400</u>	<u>\$ 198,517</u>

See accompanying Notes to Supplementary Information.

FREMONT TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED FEBRUARY 28, 2014
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	\$ 1,500	\$ 1,700	\$ 1,554
Operating supplies	3,500	3,500	3,488
Equipment	10,000	10,000	8,034
Food Pantry	20,000	20,000	768
	<u>\$ 35,000</u>	<u>\$ 35,200</u>	<u>\$ 13,844</u>
<u>OTHER EXPENDITURES</u>			
Miscellaneous	\$ 2,000	\$ 1,800	\$ 1,320
Social Service	11,000	11,000	2,156
Contingencies	-	-	-
	<u>\$ 13,000</u>	<u>\$ 12,800</u>	<u>\$ 3,476</u>
<u>CAPITAL OUTLAY</u>			
Building	\$ 40,000	\$ 40,000	\$ 33,040
Park Development	500,000	500,000	225,193
Park Equipment	60,000	60,000	46,173
Land Acquisition	500,000	500,000	-
	<u>\$ 1,100,000</u>	<u>\$ 1,100,000</u>	<u>\$ 304,406</u>
<u>TOTAL ADMINISTRATION</u>	<u>\$ 1,949,850</u>	<u>\$ 1,949,850</u>	<u>\$ 981,638</u>
<u>ASSESSOR</u>			
<u>PERSONAL SERVICES</u>			
Salaries	\$ 148,000	\$ 148,000	\$ 146,251
Health Insurance	20,000	20,000	17,428
Unemployment Insurance	250	250	213
Social Security Tax	11,500	11,500	11,069
IMRF	15,500	15,500	14,877
	<u>\$ 195,250</u>	<u>\$ 195,250</u>	<u>\$ 189,838</u>
<u>CONTRACTUAL</u>			
Maintenance Service - Equipment	\$ 500	\$ 500	\$ 490
Maintenance Service - Vehicle	1,500	1,500	1,268
Postage	750	750	241
Telephone	1,000	1,000	894
Publishing	500	500	-
Printing	500	500	464
Newsletter	500	500	-
Dues	250	250	235
Travel	1,750	1,750	706

See accompanying Notes to Supplementary Information.

FREMONT TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED FEBRUARY 28, 2014
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	\$ 3,500	\$ 3,500	\$ 2,548
Legal	500	500	-
Terminal Rental	7,200	7,200	6,600
Equipment Lease	300	300	-
	<u>\$ 18,750</u>	<u>\$ 18,750</u>	<u>\$ 13,446</u>
<u>COMMODITIES</u>			
Office Supplies	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 1,851</u>
<u>CAPITAL OUTLAY</u>			
Equipment	<u>\$ 3,000</u>	<u>\$ 16,600</u>	<u>\$ 16,311</u>
<u>OTHER EXPENDITURES</u>			
Contigencies	\$ 7,000	\$ -	\$ -
Miscellaneous	7,000	400	342
	<u>\$ 14,000</u>	<u>\$ 400</u>	<u>\$ 342</u>
 <u>TOTAL ASSESSOR'S OFFICE</u>	 <u>\$ 233,000</u>	 <u>\$ 233,000</u>	 <u>\$ 221,788</u>
 <u>TOTAL CASH DISBURSEMENTS</u>	 <u>\$ 2,182,850</u>	 <u>\$ 2,182,850</u>	 <u>\$ 1,203,426</u>
<u>CASH RECEIPTS OVER (UNDER) DISBURSEMENTS</u>	<u>\$ (1,040,120)</u>	<u>\$ (1,040,120)</u>	<u>\$ (113,043)</u>
<u>FUND BALANCE - MARCH 1, 2013</u>			<u>1,864,075</u>
<u>FUND BALANCE - FEBRUARY 28, 2014</u>			<u>\$ 1,751,032</u>

See accompanying Notes to Supplementary Information.

FREMONT TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED FEBRUARY 28, 2014
GENERAL ASSISTANCE

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL
<u>CASH RECEIPTS</u>			
Property Tax	\$ 138,385	\$ 138,385	\$ 131,201
Interest	120	120	208
Miscellaneous	500	500	816
	<u>\$ 139,005</u>	<u>\$ 139,005</u>	<u>\$ 132,225</u>
<u>CASH DISBURSEMENTS</u>			
<u>ADMINISTRATION</u>			
<u>PERSONAL SERVICES</u>			
Salaries	\$ 20,000	\$ 20,000	\$ 19,040
Social Security Tax	2,000	2,000	1,457
Unemployment Tax	100	100	70
IMRF	2,500	2,500	1,937
Health Insurance	8,500	8,500	8,091
	<u>\$ 33,100</u>	<u>\$ 33,100</u>	<u>\$ 30,595</u>
<u>CONTRACTUAL</u>			
Maintenance Service - Equipment	\$ 1,000	\$ 1,000	\$ -
Other Professional Service	3,000	3,000	1,300
Newsletter	3,600	3,600	2,000
Postage	650	650	512
Telephone	1,500	1,500	1,084
Publishing	500	500	-
Printing	500	500	50
Travel	500	500	-
Training	1,500	1,500	956
Disposal	900	900	-
General Insurance	4,000	4,000	4,000
Lease Equipment	400	400	-
Web Page	200	200	100
Utilities	2,500	2,500	1,411
	<u>\$ 20,750</u>	<u>\$ 20,750</u>	<u>\$ 11,413</u>
<u>COMMODITIES</u>			
Office Supplies	\$ 800	\$ 800	\$ 691
Maintenance Supplies-Equipment	500	500	490
Equipment	1,500	1,500	-
Operating Supplies	500	500	100
	<u>\$ 3,300</u>	<u>\$ 3,300</u>	<u>\$ 1,281</u>
<u>OTHER EXPENDITURES</u>			
Contingencies	\$ -	\$ -	\$ -
Miscellaneous	500	500	48
	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ 48</u>
<u>TOTAL ADMINISTRATION</u>	<u>\$ 57,650</u>	<u>\$ 57,650</u>	<u>\$ 43,337</u>

See accompanying Notes to Supplementary Information.

FREMONT TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED FEBRUARY 28, 2014
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	\$ 6,500	\$ 6,500	\$ -
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	2,645
Healthreach Clinic	10,000	10,000	10,000
Utilities	25,000	25,000	12,141
Catastrophic Insurance	3,000	3,000	1,915
Miscellaneous Home Relief	3,000	3,000	-
	<u>\$ 134,500</u>	<u>\$ 134,500</u>	<u>\$ 26,701</u>
<u>COMMODITIES</u>			
Food	\$ 1,500	\$ 1,500	\$ -
Fuel	3,000	3,000	600
Drugs	8,000	8,000	63
Personal Incidentals	4,000	4,000	13
Household Incidentals	1,500	1,500	100
Social Services	500	500	-
Flat Grant	3,000	3,000	1,609
	<u>\$ 21,500</u>	<u>\$ 21,500</u>	<u>\$ 2,385</u>
<u>OTHER EXPENDITURES</u>			
Miscellaneous	\$ 5,000	\$ 5,000	\$ 380
 <u>TOTAL HOME RELIEF</u>	 <u>\$ 161,000</u>	 <u>\$ 161,000</u>	 <u>\$ 29,466</u>
<u>TOTAL CASH DISBURSEMENTS</u>	<u>\$ 218,650</u>	<u>\$ 218,650</u>	<u>\$ 72,803</u>
<u>TOTAL CASH RECEIPTS OVER (UNDER) DISBURSEMENTS</u>	<u>\$ (79,645)</u>	<u>\$ (79,645)</u>	<u>\$ 59,422</u>
<u>FUND BALANCE - MARCH 1, 2013</u>			<u>301,292</u>
<u>FUND BALANCE - FEBRUARY 28, 2014</u>			<u>\$ 360,714</u>

See accompanying Notes to Supplementary Information.

FREMONT TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED FEBRUARY 28, 2014
ROAD AND BRIDGE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL
<u>CASH RECEIPTS</u>			
Property Taxes	\$ 203,650	\$ 203,650	\$ 199,649
Replacement Taxes	12,800	12,800	14,679
Interest	90	90	72
SSA Receipts	10,000	10,000	22,243
Sale of Equipment	6,000	6,000	-
Road Bonds	10,000	10,000	-
Miscellaneous	1,500	1,500	1,963
	<u>\$ 244,040</u>	<u>\$ 244,040</u>	<u>\$ 238,606</u>
<u>CASH DISBURSEMENTS</u>			
<u>ADMINISTRATION</u>			
<u>PERSONAL SERVICES</u>			
Salaries	\$ -	\$ -	\$ -
Social Security	-	-	-
IMRF	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>CONTRACTUAL SERVICES</u>			
Legal	\$ 200	\$ 200	\$ -
Postage	125	125	57
Telephone	4,000	4,000	3,458
Publishing	300	300	190
Printing	50	50	-
Travel	100	100	-
Training	575	575	514
Dues	700	700	619
Subscriptions	350	350	14
Insurance	13,000	13,000	11,480
Drug Testing	1,000	1,000	950
Rental Service	3,000	3,000	2,856
J.U.L.I.E.	3,500	3,500	2,161
Municipal Replacement Tax	2,500	2,600	2,582
	<u>\$ 29,400</u>	<u>\$ 29,500</u>	<u>\$ 24,881</u>
<u>COMMODITIES</u>			
Equipment	\$ 3,000	\$ 3,000	\$ 2,726
Equipment Supplies	500	200	60
Bottled Water	800	1,100	1,091
Miscellaneous Supplies	700	700	693
Office Supplies	350	350	210
	<u>\$ 5,350</u>	<u>\$ 5,350</u>	<u>\$ 4,780</u>
<u>OTHER EXPENSES</u>			
Miscellaneous	\$ 1,000	\$ 900	\$ 80
Contingencies	-	-	-
	<u>\$ 1,000</u>	<u>\$ 900</u>	<u>\$ 80</u>
<u>DEBT SERVICE</u>			
Interest	\$ -	\$ -	\$ 100
Principal	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100</u>
<u>TOTAL ADMINISTRATION</u>	<u>\$ 35,750</u>	<u>\$ 35,750</u>	<u>\$ 29,841</u>

See accompanying Notes to Supplementary Information.

FREMONT TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED FEBRUARY 28, 2014
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	\$ 2,000	\$ 2,000	\$ 734
Equipment Maintenance	13,000	13,200	13,193
Road Maintenance	25,000	25,000	5,761
Snow Removal Maintenance	15,000	15,000	12,439
Bridge Maintenance	100	100	-
Disposal Service	1,000	1,200	1,127
Uniforms	2,200	2,800	2,800
Engineering Service	15,000	15,000	8,157
Utilities	7,000	7,000	5,654
Rentals	500	500	-
Building	5,000	5,000	3,050
Vehicle Lease	6,000	6,000	-
Intersection Lights	19,000	19,000	15,051
	<u>\$ 110,800</u>	<u>\$ 111,800</u>	<u>\$ 67,966</u>
<u>COMMODITIES</u>			
Building Supplies	\$ 3,000	\$ 3,000	\$ 1,242
Equipment Supplies	45,000	45,000	42,581
Road Supplies	25,000	25,000	19,320
Snow Removal Supplies	25,000	25,000	24,925
Operating Supplies	500	500	499
Fuel/Oil	18,000	18,000	12,364
Signs and Road Striping	2,000	1,000	-
Equipment	9,000	9,000	8,650
Small Tools	1,200	1,200	1,200
	<u>\$ 128,700</u>	<u>\$ 127,700</u>	<u>\$ 110,781</u>
<u>OTHER EXPENSE</u>			
Miscellaneous	\$ 1,000	\$ 1,000	\$ 207
SSA	10,000	16,000	15,775
Road Bonds	10,000	4,000	-
	<u>\$ 21,000</u>	<u>\$ 21,000</u>	<u>\$ 15,982</u>
<u>TOTAL MAINTENANCE</u>	<u>\$ 260,500</u>	<u>\$ 260,500</u>	<u>\$ 194,729</u>
<u>TOTAL EXPENDITURES</u>	<u>\$ 296,250</u>	<u>\$ 296,250</u>	<u>\$ 224,570</u>
<u>CASH RECEIPTS OVER (UNDER) DISBURSEMENTS</u>	<u>\$ (52,210)</u>	<u>\$ (52,210)</u>	<u>\$ 14,036</u>
<u>FUND BALANCE - MARCH 1, 2013</u>			<u>73,344</u>
<u>FUND BALANCE - FEBRUARY 28, 2014</u>			<u>\$ 87,380</u>

See accompanying Notes to Supplementary Information.

FREMONT TOWNSHIP
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED FEBRUARY 28, 2014
PERMANENT ROAD FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL
<u>CASH RECEIPTS</u>			
Property Taxes	\$ 1,170,950	\$ 1,170,950	\$ 1,112,320
Interest	500	500	163
Grants	10,000	10,000	-
	<u>\$ 1,181,450</u>	<u>\$ 1,181,450</u>	<u>\$ 1,112,483</u>
<u>CASH DISBURSEMENTS</u>			
<u>ADMINISTRATION</u>			
<u>PERSONAL SERVICES</u>			
Salaries	\$ 225,500	\$ 240,500	\$ 235,177
Health Insurance	95,000	95,000	60,389
IMRF	24,750	24,750	22,004
Social Security	17,250	18,250	17,314
Unemployment	375	575	501
	<u>\$ 362,875</u>	<u>\$ 379,075</u>	<u>\$ 335,385</u>
<u>CONTRACTUAL</u>			
Engineering	\$ 80,000	\$ 80,000	\$ 77,843
Maintenance Service Environmental	20,000	20,000	5,901
Maintenance Service Road	80,000	80,000	38,125
Rentals	1,000	1,000	156
Signs & Road Striping	15,000	14,800	6,789
	<u>\$ 196,000</u>	<u>\$ 195,800</u>	<u>\$ 128,814</u>
<u>COMMODITIES</u>			
Road Supplies	\$ 55,000	\$ 55,000	\$ 26,118
Operating Supplies	500	500	59
Automotive Fuel/Oil	40,000	40,000	31,884
Snow Removal	80,000	80,000	78,221
	<u>\$ 175,500</u>	<u>\$ 175,500</u>	<u>\$ 136,282</u>
<u>CAPITAL OUTLAY</u>			
Equipment	\$ 120,000	\$ 120,000	\$ 178,182
<u>OTHER EXPENDITURES</u>			
Miscellaneous	\$ 2,000	\$ 1,000	\$ 95
Contingencies	5,000	-	-
Grant	10,000	-	-
Road Projects	750,000	750,000	565,132
	<u>\$ 767,000</u>	<u>\$ 751,000</u>	<u>\$ 565,227</u>
<u>DEBT SERVICE</u>			
Interest	\$ -	\$ -	\$ 834
Principal	70,000	70,000	49,620
	<u>\$ 70,000</u>	<u>\$ 70,000</u>	<u>\$ 50,454</u>
<u>TOTAL EXPENDITURES</u>	<u>\$ 1,691,375</u>	<u>\$ 1,691,375</u>	<u>\$ 1,394,344</u>
<u>CASH RECEIPTS OVER (UNDER) DISBURSEMENTS</u>	<u>\$ (509,925)</u>	<u>\$ (509,925)</u>	<u>\$ (281,861)</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Proceeds from Loans	-	-	113,754
<u>EXCESS OF RECEIPTS AND OTHER FINANCING SOURCES OVER (UNDER) DISBURSEMENTS AND OTHER FINANCING (USES)</u>	<u>\$ (509,925)</u>	<u>\$ (509,925)</u>	<u>\$ (168,107)</u>
<u>FUND BALANCE - MARCH 1, 2013</u>			<u>601,682</u>
<u>FUND BALANCE - FEBRUARY 28, 2014</u>			<u>\$ 433,575</u>

See accompanying Notes to Supplementary Information.

FREMONT TOWNSHIP
NOTES TO OTHER SUPPLEMENTARY INFORMATION ON BUDGETARY ACCOUNTING
FOR THE YEAR ENDED FEBRUARY 28, 2014

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, 2013 to February 28, 2014 budget was passed on April 8, 2013.

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 28, 2014, the Township Board made line item transfers as permitted by State Statute as reported on pages 20 through 27.
6. The Township Board may amend the budget by the same procedures required of its original adoption.

FREMONT TOWNSHIP

ADDITIONAL SUPPLEMENTARY INFORMATION

FREMONT TOWNSHIP
STATEMENT OF ASSESSED VALUATION, TAX EXTENSION AND TAX COLLECTIONS
FOR THE YEARS 2012, 2011, AND 2010
IN WHOLE DOLLAR AMOUNTS

<u>TAX YEAR</u>	<u>2012</u>		<u>2011</u>		<u>2010</u>	
<u>TOTAL ASSESSED VALUATION</u>	<u>\$</u>	<u>1,010,884,430</u>	<u>\$</u>	<u>1,090,655,930</u>	<u>\$</u>	<u>1,173,229,746</u>
	<u>Rates</u>	<u>Extensions</u>	<u>Rates</u>	<u>Extensions</u>	<u>Rates</u>	<u>Extensions</u>
Corporate	0.105	\$ 1,061,429	0.105	\$ 1,145,189	0.102	\$ 1,196,694
General Assistance	0.013	131,415	0.013	141,785	0.011	128,055
Permanent Road	0.100	1,111,973	0.100	1,090,656	0.110	1,173,230
* Road and Bridge	0.019	199,578	0.023	255,872	0.015	181,642
	<u>0.237</u>	<u>\$ 2,504,395</u>	<u>0.241</u>	<u>\$ 2,633,502</u>	<u>0.238</u>	<u>\$ 2,679,621</u>

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