

**TOWNSHIP OF SCHAUMBURG  
COOK COUNTY, ILLINOIS  
ANNUAL COMPREHENSIVE  
FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
FEBRUARY 28, 2022**

# TOWNSHIP OF SCHAUMBURG

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## ***INTRODUCTORY SECTION***



October 26, 2022

Board of Trustees  
Township of Schaumburg  
1 Illinois Boulevard  
Hoffman Estates, Illinois 60169

Honorable Trustees:

The Comprehensive Annual Financial Report (CAFR) of the Township of Schaumburg (the “Township”) for the fiscal year ending February 28, 2022 is submitted herewith. The report was prepared by the Township’s Supervisor, Administrator, and accountant. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Township of Schaumburg. We believe the data presented is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and the results of operations of the Township as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the Township's financial affairs have been included.

The audit is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter and the Township’s organizational chart. The financial section includes the Independent Auditor’s Report, Management’s Discussion & Analysis (MD&A), basic financial statements, and schedules for the major and non-major funds. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

This letter of transmittal is designed to complement the MD&A which begins on page 4.

This report includes all funds of the Township. The Township's main emphasis is on providing human care services in the areas of mental health, disability services, senior services, youth services, welfare services and road care to the unincorporated areas. The Township also provides a myriad of other services including, but not limited to, voter registration, passport services, notary public services, property and tax assessment information, as well as general information and referral services.

## ECONOMIC CONDITION AND OUTLOOK

Township of Schaumburg is a municipal corporation of the State of Illinois. The Township covers approximately 30 square miles and includes portions of Elk Grove Village, Hanover Park, Hoffman Estates, Rolling Meadows, Roselle, Schaumburg, and Streamwood. It is located in Cook County and is approximately 28 miles northwest of the Chicago Loop. The Township maintains one town hall facility built in 1996 at 1 Illinois Boulevard, Hoffman Estates, IL 60169 along with the Township Road District building built on the same campus.

The 2021 population of 131,964 for the Township represents a 0.78% increase from the 2015 population of 130,942. The 2021 median household income is \$81,949 and per capita income is \$35,767. The potential for future population growth is modest even with a slightly improving housing market as the Township has minimal buildable land available for future development. Throughout the last three tax years ('18 through '20), the Township's equalized assessed valuation has increased by 18.0%.

The Township levies taxes for three agencies. The agencies are the Town of Schaumburg, General Assistance, and Road and Bridge. Within the Township of Schaumburg are the following funds: Corporate, Social Security, Auditing, Workmen's Compensation, and Unemployment Insurance. The annual assessed valuation (EAV) is shown below.

Tax Year	EAV	Town Tax Rate	General Asst. Tax Rate	Road & Bridge Tax Rate
2015	\$ 3,892,142,412	0.120	0.017	0.034
2016	4,496,664,565	0.103	0.015	0.030
2017	4,549,264,916	0.105	0.016	0.031
2018	4,449,497,516	0.110	0.017	0.033
2019	5,167,552,974	0.097	0.015	0.030
2020	5,248,209,222	0.098	0.015	0.031

According to the 2021 ACS, the total housing units for the Township amounted to 48,690 with an average household containing three individuals and 29% had children under the age of 18 living with them. Additionally, this contributes to the Township's strong demand for community-based adult and youth services.

## MAJOR INITIATIVES/HAPPENINGS FOR THE YEAR

The 2022 Budget for Operations remained fairly static for the year. The Township's total major funds were 14.8% under budget. Tax revenues increased 3.1%, relative to the previous year and charges for services revenue increased by 111% due to lifted COVID-19 mandates. The following capital projects were funded during the year: Board Room Furniture, Outdoor Security Cameras and Server upgrades.

## FUTURE INITIATIVES/FUTURE DIRECTION

The Township is working on a Capital Improvement Program that anticipates expenditures over a five-year period. For fiscal 2023, the Town Board has allocated \$860,000 to be expended on capital improvements. The majority of these improvements will be derived from local property tax revenues and reserves. These funds are to be budgeted on the following primary projects: roof, HVAC, vehicles, lobby upgrades, and building improvements.

## FINANCIAL INFORMATION

Accounting System and Budgetary Control - The Township's records for general governmental operations are maintained on an accrual basis, with the revenues being recorded when earned and expenditures being recorded when the liability is incurred or the economic asset is used.

In developing and maintaining the Township's accounting system, consideration is given to the adequacy of the internal control structure. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the Township's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary control has been established at the individual fund level. Financial reports are produced showing budget and actual expenditures by line item, and are distributed monthly to Township departmental and divisional management and to others upon request.

Individual line items are reviewed and analyzed for budgetary compliance. Personnel expenditures are monitored and controlled at a position level and capital expenditures (items over \$5,000 and having a useful life of more than 1 year) are monitored and controlled item by item. Revenue budgets are reviewed monthly.

Additionally, all expenditures are reviewed by the Supervisor and the Board prior to the release of payments.

The Reporting Entity and its Services - This report includes all of the funds and activities controlled by the Township.

The Township participates in the Illinois Counties Risk Management Trust. That organization is a separate governmental unit because (1) they are organized entities, (2) have governmental character, and (3) are substantially autonomous. Audited financial statements for these organizations are not included in this report. However, such statements are available upon request from their respective business offices.

General Government Functions - The reporting period covered by these financial statements encompasses twelve months. Funds are provided for services by taxes, user fees, interest income, grants, donations, and miscellaneous sources.

Property taxes are a major source of income for general operations. The Township's property taxes make up 92% of the total revenue for the major governmental funds.

Assessed valuation of \$5,248,209,222 represents an increase from prior fiscal year. As a result, the tax rates for 2020 decreased.



Allocation of the property tax levy for 2020 and the preceding tax year are as follows (amounts for each \$100 of assessed value).

<u>Purpose</u>	<u>2020</u>	<u>2019</u>
Town of Schaumburg	.098	.097
General Assistance Fund	.015	.015
Road and Bridge Fund	.031	.030
Total Tax Rate	.144	.142

The maximum tax rate for the Corporate Fund is .2500. The maximum tax rate for the Audit Fund is .005.

Capital Assets Additions - As of February 28, 2022 the general capital assets of the Township of Schaumburg amounted to \$4,275,733. The major category of increase results from building improvements.

Independent Audit - Chapter 50, Section 310/2 of the Illinois Revised Statutes requires that Townships secure a licensed public accountant to perform an annual audit of accounts. The firm of Mack & Associates has performed the audit for the year ended February 28, 2022. Their unmodified opinion on the general-purpose financial statements is presented in this report.

#### OTHER INFORMATION

Awards & Acknowledgments – The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff. Appreciation is expressed to the Township's employees throughout the organization, especially those employees who were instrumental in the successful completion of this report.

We would like to thank the Township of Schaumburg board and elected officials for their interest and support in planning and conducting the financial operation of the Township in a responsible and progressive manner.

Respectfully submitted,

Timothy Heneghan  
Supervisor

Melissa Williams  
Administrator

James Howard  
Finance

**Schaumburg Township**  
**Principal Officials**  
**For the Year Ended February 28, 2022**

**Elected Officials**

Timothy M. Heneghan  
*Supervisor*

W. Robert Vinnedge  
*Clerk*

John R. Lawson  
*Assessor*

Scott M. Kegarise  
*Highway Commissioner*

Robert Fiorio

Demetrius Gibson

Lauren Saternus

Matthew Steward  
*Trustees*

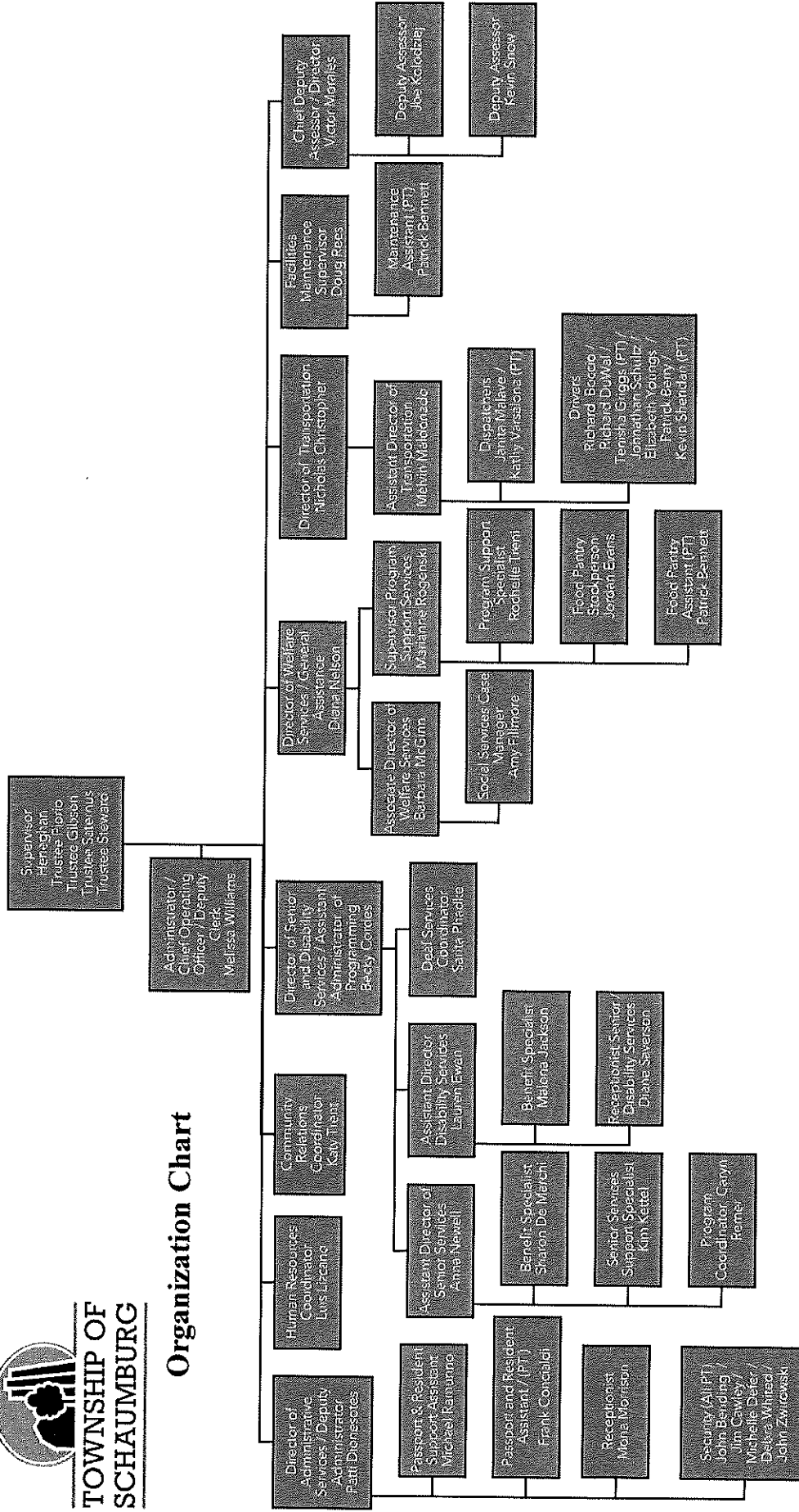
**Administrative Staff**

Melissa Williams  
*Township Administrator*





## Organization Chart





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Township of Schaumburg  
Illinois**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

February 28, 2021

*Christopher P. Morrell*

Executive Director/CEO

## ***FINANCIAL SECTION***

*INDEPENDENT AUDITORS' REPORT*



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LAURI POPE, CPA

CATE MOULTON, CPA  
CHRIS CHRISTENSEN

CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of  
Township of Schaumburg  
Hoffman Estates, Illinois

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component unit, and each major fund of the Township of Schaumburg as of and for the year ended February 28, 2022, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component unit, and each major fund of the Township of Schaumburg, as of February 28, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinions

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

#### Responsibility of Management for the Financial Statements

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

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

## **Auditors' Responsibility for the Audit of the Financial Statements**

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

In performing an audit in accordance with GAAS, we:

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

## **Other Matters**

### *Required Supplementary Information*

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



## Supplemental Information

Management is responsible for the supplemental information included in the annual report. The supplemental information comprises the introductory section and the statistical section but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the supplemental information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the supplemental information exists, we are required to describe it in our report.

*Mack & Associates, P.C.*

Mack & Associates, P.C.  
Certified Public Accountants

Morris, Illinois  
October 24, 2022

*MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)*

**Township of Schaumburg  
Management's Discussion and Analysis  
For the Year Ended February 28, 2022**

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As the Township of Schaumburg (the "Township") management we offer readers of the Township's financial statements this narrative overview and analysis of the financial activities of the Township for the fiscal year ended February 29, 2022. The management of the Township encourages the readers of this financial information presented in conjunction with the financial statements to obtain a better understanding of the Township's financial operations.

**Financial Highlights**

The assets and deferred outflows of resources of the Township of Schaumburg exceeded its liabilities and deferred inflows of resources by \$10,876,947 and \$9,972,778 as of February 28, 2022 and February 29, 2021, respectively. The Township's net position increased \$904,169 in fiscal year 2022 as the Township had increased revenues for taxes and saw and in charges for services since mandates were lifted from Covid 19.

Positive budgetary variances included both revenues and expenditures across all funds.

**Overview of the Financial Statements**

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

**Government-wide Financial Analysis**

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

The Statement of Net Position presents financial information on all of the Township of Schaumburg's assets and deferred outflows of resources and liabilities and deferred inflow of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Township of Schaumburg is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the Township of Schaumburg that are principally supported by property taxes, donations from other functions that are intended to recover a portion of the costs through user fees and charges. The governmental activities of the Township of Schaumburg include general government, road care, and services for disabled, seniors, community relations, general assistance, mental health as well as transportation projects.

**Township of Schaumburg  
Management's Discussion and Analysis  
For the Year Ended February 28, 2022**

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**Government-wide Financial Analysis (Continued):**

**Fund Financial Statements**

All of the funds of the Township of Schaumburg are governmental funds. The fund financial statements are prepared using the modified accrual basis of accounting. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. The fund financial statements report the Township's operations in more detail than the government-wide statements by providing information about the Township's three funds.

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

**Notes to Financial Statements**

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

**Required Supplementary Information**

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

**Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Township of Schaumburg, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$11,135,948 (including the component unit) for the year ended February 28, 2022, which was an increase of \$955,379 from prior year. The increase indicates the financial position of the Township grew by 6.08% during fiscal year 2022, as the Township completed server upgrades board room furniture and outdoor security cameras.

A portion of the Township's net position reflects its investment in capital assets of \$4,275,733. The Township uses these capital assets to provide services and consequently these assets are not available to liquidate liabilities or for other spending.

The unrestricted net position of \$4,612,107 on February 28, 2022, is available to fund future Township obligations.

**Township of Schaumburg  
Management's Discussion and Analysis  
For the Year Ended February 28, 2022**

**Government-wide Financial Analysis (Continued):**

Condensed Financial Information (\*excludes component unit)

<b>Statement of Net Position</b>		
	<b>2022</b>	<b>2021</b>
<u>Assets</u>		
Current assets	\$ 14,085,048	\$ 12,879,134
Capital assets	4,275,733	4,646,814
Total assets	18,360,781	17,525,948
<u>Deferred Outflows of Resources</u>		
Changes in net pension liabilities	35,261	59,113
Total deferred outflows of resources	35,261	59,113
<u>Liabilities</u>		
Current liabilities	536,653	223,048
Noncurrent liabilities	218,011	426,396
Total liabilities	754,664	649,444
<u>Deferred Inflows of Resources</u>		
Deferred Revenue	6,764,431	6,755,048
Total deferred inflows of resources	6,764,431	6,755,048
<u>Net Position</u>		
Net investment in capital assets	4,275,733	4,646,814
Restricted	1,989,107	1,596,948
Unrestricted	4,612,107	3,936,807
Total net position	\$ 10,876,947	\$ 10,180,569

**Township of Schaumburg  
Management's Discussion and Analysis  
For the Year Ended February 28, 2022**

**Government-wide Financial Analysis (Continued):**

Condensed Financial Information (\*excludes component unit)

	<b>Changes in Net Position</b>	
	<b>For the Year Ended February 28,</b>	
	<b>2022</b>	<b>2021</b>
Revenues:		
Program revenues:		
Charges for services	\$ 148,820	165,562
Operating grants and contributions	139,033	243,577
General revenues:		
Property taxes	6,574,225	6,374,849
Personal property replacement taxes	228,336	106,989
Interest income	10,100	31,300
Other revenues	11,660	-
Total revenues	7,112,174	6,922,277
Expenses:		
General government	3,228,898	2,940,454
Human services and public welfare	2,584,768	2,231,250
Home Relief	149,549	464,351
Roads and Bridges	274,638	371,213
Depreciation - unallocated	-	243,604
Total expenses	6,237,853	6,250,872
Change in net position	874,321	671,405
Net position, beginning of year	9,972,778	9,301,373
Prior Period Adjustment	29,848	-
Net position, beginning of year, restated	10,002,626	9,301,373
Net position, end of year	\$ 10,876,947	9,972,778

**Township of Schaumburg  
Management's Discussion and Analysis  
For the Year Ended February 28, 2022**

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**Financial Analysis of the Township's Funds**

The following is a summary of changes in fund balances for the year ended February 28, 2022:

Governmental Funds	Fund Balance February 28, 2021, Restated	Increase (Decrease)	Fund Balance February 28, 2022
General (Town)	\$ 4,119,317	686,496	4,805,813
General Assistance	899,904	136,791	1,036,695
Road and Bridge	703,874	258,073	961,947
Totals	<u>\$ 5,723,095</u>	<u>1,081,360</u>	<u>6,804,455</u>

Most of the change in General (Town) fund balance is due to better than budgeted results for replacement taxes and donations as well as decreases in administrative expenditures. The majority of the change in the General Assistance fund was a result of less anticipated expenditures for Home Relief. The reason for the increase in the Road and Bridge Fund balance was better than budgeted results across the board for revenues and expenditures.

**Budgetary Highlights**

There were no revisions to the original budget. Expenditures in the General Town Fund of \$4,670,832 were less than revenues by \$686,496 and were \$568,065 less than the appropriation of \$5,238,897.

**Capital Assets**

The following is a summary of the Township's capital assets, net of accumulated depreciation:

	February 28, 2022	February 28, 2021
Land	\$ 136,904	\$ 136,904
Construction in Progress	-	657,357
Buildings	4,361,139	4,285,239
Infrastructure - roadways	2,577,444	1,995,986
Equipment	486,968	409,486
Transportation	975,862	975,862
Cost of capital assets	<u>8,538,317</u>	<u>8,460,834</u>
Less accumulated depreciation	<u>(4,262,584)</u>	<u>(3,814,020)</u>
Net capital assets	<u>\$ 4,275,733</u>	<u>\$ 4,646,814</u>

For more information please refer to Note 7 of the financial statements on page 29.

**Long-Term Debt**

The Township has no debt. The non-current liabilities are related to compensated absences and the net pension liability, as described in Note 8.

**Township of Schaumburg  
Management's Discussion and Analysis  
For the Year Ended February 28, 2022**

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**Description of Current of Expected Conditions**

Currently, management is assessing and monitoring cash flows based on a late property tax disbursements from cook county.

**Requests for Information**

This financial report is designed to provide a general overview of the Township's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Administrator, The Township of Schaumburg, 1 Illinois Blvd, Hoffman Estates, Illinois 60169.



## *BASIC FINANCIAL STATEMENTS*

**Government-wide Financial Statement**  
**Statement of Net Position**  
**February 28, 2022**

	Governmental Activities	Component Unit
<b>Assets and Deferred Outflows of Resources</b>		
Current Assets:		
Cash and investments	\$ 4,505,418	259,001
Investments	3,670,087	-
Receivables, net allowance for uncollectible accounts	5,877,760	-
Prepaid expenses	31,783	-
Total Current Assets	14,085,048	259,001
Non-Current Assets:		
Capital assets, net of accumulated depreciation	4,275,733	-
Total Assets	18,360,781	259,001
Deferred Outflows of Resources:		
Deferred items related to pension	35,261	-
Total Assets and Deferred Outflow of Resources	18,396,042	259,001
<b>Liabilities and Deferred Inflows of Resources</b>		
Accounts payable and other current liabilities	536,653	-
Non-Current liabilities:		
Due in less than one year:		
Compensated absences	61,290	-
Due in more than one year:		
Compensated absences	74,910	-
Net pension liability	81,811	-
Total Liabilities	754,664	-
Deferred Inflows of Resources:		
Deferred revenue	6,743,940	-
Deferred items related to pension	20,491	-
Total Deferred Inflows of Resources	6,764,431	-
Total Liabilities and Deferred Inflows of Resources	7,519,095	-
<b>Net Position</b>		
Net Position:		
Net investment in capital assets	4,275,733	-
Restricted for General Assistance	1,036,695	-
Restricted for Road and Bridge	952,412	-
Unrestricted	4,612,107	259,001
Total Net Position	\$ 10,876,947	259,001

The Notes to Basic Financial Statements are an integral part of this statement.

**Government-wide Financial Statement**  
**Statement of Activities**  
**For the Year Ended February 28, 2022**

Functions/Programs:	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) / Revenue and Changes in Net Position	
					Governmental Activities	Component Unit
Government Activities:						
General government	\$ 3,228,898	140,115	139,033	-	(2,949,750)	-
Human services and public welfare	2,584,768	-	-	-	(2,584,768)	-
Home relief	149,549	8,705	-	-	(140,844)	-
Roads and bridges	274,638	-	-	-	(274,638)	-
Total Governmental Activities	<u>\$ 6,237,853</u>	<u>148,820</u>	<u>139,033</u>	<u>-</u>	<u>(5,950,000)</u>	
Component Unit:						
Schaumburg Township Foundation Fund	<u>\$ 545</u>	<u>-</u>	<u>51,755</u>	<u>-</u>	<u>-</u>	<u>51,210</u>
General Revenues:						
Property taxes, levied for general purposes					6,574,225	-
Intergovernmental revenue - replacement tax					228,336	-
Unrestricted investment earnings					10,100	-
Miscellaneous					11,660	
Total General Revenues					<u>6,824,321</u>	<u>-</u>
Change in Net Position					<u>874,321</u>	<u>51,210</u>
Net Position - Beginning of Year					9,972,778	207,791
Prior Period Adjustment					29,848	-
Net Position - Beginning of Year, Restated					<u>10,002,626</u>	<u>207,791</u>
Net Position - End of Year					<u>\$ 10,876,947</u>	<u>259,001</u>

The Notes to Basic Financial Statements are an integral part of this statement.

**Balance Sheet**  
**Governmental Funds**  
**February 28, 2022**

	Town Fund	General Assistance Fund	Road and Bridge Fund	Total Governmental Funds
<b>Assets</b>				
Assets:				
Cash and cash equivalents	\$ 2,885,659	596,737	1,023,022	4,505,418
Investments	2,750,261	673,746	246,080	3,670,087
Receivables, net of allowance for uncollectible accounts	4,503,808	672,843	701,109	5,877,760
Interfund receivable	308,310	-	-	308,310
Prepaid items	22,248	-	9,535	31,783
Total assets	<u>\$ 10,470,286</u>	<u>1,943,326</u>	<u>1,979,746</u>	<u>14,393,358</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>				
Liabilities:				
Accounts payable	\$ 463,450	-	-	463,450
Salaries and wages payable	57,777	8,922	6,504	73,203
Interfund payable	-	110,488	197,822	308,310
Total Liabilities	<u>521,227</u>	<u>119,410</u>	<u>204,326</u>	<u>844,963</u>
Deferred Inflows of Resources:				
Deferred revenue	<u>5,143,246</u>	<u>787,221</u>	<u>813,473</u>	<u>6,743,940</u>
Total Liabilities and Deferred Inflows of Resources	<u>5,664,473</u>	<u>906,631</u>	<u>1,017,799</u>	<u>7,588,903</u>
Fund Balances:				
Nonspendable	22,248	-	9,535	31,783
Restricted	-	1,036,695	952,412	1,989,107
Unassigned	4,783,565	-	-	4,783,565
Total Fund Balances	<u>4,805,813</u>	<u>1,036,695</u>	<u>961,947</u>	<u>6,804,455</u>
Total Liabilities and Fund Balances	<u>\$ 10,470,286</u>	<u>1,943,326</u>	<u>1,979,746</u>	<u>14,393,358</u>

**Reconciliation of Fund Balances of Governmental Funds**

	Total Governmental Funds
Funds Balances of Governmental Funds	\$ 6,804,455
Amounts reported in governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental fund balance	4,275,733
Net deferred outflows of resources for pension are not recognized on governmental fund statement	35,261
Net deferred inflows of resources for pension are not recognized on governmental fund statement	(20,491)
Compensated absences are only recognized in the Statement of Net Position	(136,200)
The net pension asset is not an available resource and, therefore, is not reported in the Statement of Net Position	(81,811)
Net Position of Governmental Activities	<u>\$ 10,876,947</u>

The Notes to Basic Financial Statements are an integral part of this statement.

**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended February 28, 2022**

	Town Fund	General Assistance Fund	Road and Bridge Fund	Total Governmental Funds
Revenues:				
Property taxes	\$ 4,984,659	763,264	826,302	6,574,225
Intergovernmental revenue - replacement tax	200,461	-	27,875	228,336
Earnings on investments	5,866	1,615	2,619	10,100
Rental	200	-	-	200
Donations	17,674	121,359	-	139,033
Charges for services	139,915	8,705	-	148,620
Other	8,553	50	3,057	11,660
Total Revenues	5,357,328	894,993	859,853	7,112,174
Expenditures:				
Current:				
General government	2,086,064	606,274	413,113	3,105,451
Human services and public welfare	2,584,768	-	-	2,584,768
Home relief - general assistance	-	64,721	-	64,721
Home relief - emergency assistance	-	84,828	-	84,828
Roads and bridges	-	-	168,683	168,683
Capital outlay:				
Equipment	-	2,379	19,984	22,363
Total Expenditures	4,670,832	758,202	601,780	6,030,814
Net Change in Fund Balances	686,496	136,791	258,073	1,081,360
Fund Balance - Beginning of Year	4,096,299	899,904	697,044	5,693,247
Prior Period Adjustment	23,018	-	6,830	29,848
Fund Balance - Beginning of Year - Restated	4,119,317	899,904	703,874	5,723,095
Fund Balance - End of Year	\$ 4,805,813	1,036,695	961,947	6,804,455

The Notes to Basic Financial Statements are an integral part of this statement.

**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended February 28, 2022**

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**Reconciliation of the Governmental Funds Statements of Revenues, Expenditures,  
and Changes in Fund Balances**

	Total Governmental Funds
Net Change in Fund Balances - Total Governmental Funds	\$ 1,081,360
Amounts reported in governmental activities in the statement of net position are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Depreciation expense	(448,564)
Capitalized expenditures	77,483
The change in the compensated absences liability is shown as an increase/decrease of expense on the Statement of Activities.	39,884
Certain expenses reported in the Statement of Activities do not require the use of Pension expense	124,158
Change in Net Position of Governmental Activities	<u>\$ 874,321</u>

The Notes to Basic Financial Statements are an integral part of this statement.

**Statement of Fiduciary Net Position**  
**Employee Pension Plan**  
**For the Year Ended February 28, 2022**

	<u>Township Employees Pension Fund</u>
Assets:	
Cash and cash equivalents	\$ 129,741
US Treasuries	40,238
Agency Securities	10,114
Corporate Bonds Equities	5,081
Mutual Funds	100,656
Exchange Traded Funds	11,800
Total Assets	<u>\$ 297,630</u>
Net Position	
Restricted for pensions	<u>\$ 297,630</u>
Total Net Position	<u>\$ 297,630</u>

The Notes to Basic Financial Statements are an integral part of this statement.

**Statement of Changes in Fiduciary Net Position**  
**Employee Pension Plan**  
**For the Year Ended February 28, 2022**

	<u>Township Employees Pension Fund</u>
Additions:	
Contributions:	
Employer	\$ 130,000
Investment earnings:	
Investment income	144
Net decrease on the fair value of investments	<u>(29,287)</u>
Total investment earnings	<u>(29,143)</u>
Total Additions	<u>100,857</u>
Deductions:	
Benefits	<u>297,221</u>
Total Deductions	<u>297,221</u>
Change in Net Position	(196,364)
Net Position - Beginning	<u>493,994</u>
Net Position - Ending	<u><u>\$ 297,630</u></u>

The Notes to Basic Financial Statements are an integral part of this statement.



*NOTES TO BASIC FINANCIAL STATEMENTS*

## TOWNSHIP OF SCHAUMBURG

### Notes to Basic Financial Statements For the Year Ended February 28, 2022

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#### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Township of Schaumburg, Hoffman Estates, Illinois (the "Township") was incorporated on April 2, 1850. The Township operates under the Township Act (60 ILCS) and the Revenue Code (35 ILCS) of the *Illinois Compiled Statutes* (ILCS). The Township provides the following services as authorized by its charter: maintenance of roads in the unincorporated area, senior and disabled services, mental health services including individual and family counseling, general assistance, property tax related matters and general administrative services.

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

##### A. *The Reporting Entity*

The Township follows the provisions of Governmental Accounting Standards Board Statement No. 39, "Determining Whether Certain Organizations Are Component Units – an amendment of Statement No. 14." As defined by generally accepted accounting principles established by GASB, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate, tax-exempt entities and meet all of the following criteria:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents.
2. The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.
3. The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

The Township, for financial purposes, includes all funds relevant to the operations of the Township. The accompanying financial statements present the Township's primary government over which the Township exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the Township.

##### *Discretely Presented Component Unit*

The Schaumburg Township Foundation Fund (the "Fund") has been included as a discretely presented component unit of the Township as it meets the definition on the previous page. The component unit column in the basic financial statements includes the financial data of the Schaumburg Township Foundation Fund. The component unit is reported in a separate column to emphasize that it is legally separate from the Township.

## TOWNSHIP OF SCHAUMBURG

### Notes to Basic Financial Statements For the Year Ended February 28, 2022

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#### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

##### *B. Financial Statement Presentation*

###### Government-wide Financial Statements

The government-wide financial statements (i.e., The Statement of Net Position and Statement of Activities) report information on all of the non-fiduciary activities of the Township. The effect of inter-fund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The Statement of Net Position presents the financial condition of the governmental activities of the Township at year end. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

###### Fund Financial Statements

Governmental activities of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures/expenses. All of the Township's funds are governmental. An emphasis is placed on major funds within the governmental category.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. The Township does not report any proprietary or fiduciary funds.

A fund is considered major if it is the primary operating fund of the Township or meets the following criteria:

- a. at least 10 percent of the corresponding total for all funds of total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at that category or type, and
- b. total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

## TOWNSHIP OF SCHAUMBURG

### Notes to Basic Financial Statements For the Year Ended February 28, 2022

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#### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

##### *B. Financial Statement Presentation – (Continued)*

The funds reported by the Township are described below.

Governmental Funds Types – The focus of the governmental funds measurement (in the fund statements) is upon determination of financial position and changes in financial position rather than upon net income. The following is a description of the major governmental funds of the Township:

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

Special Revenue Funds – These funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The major Special Revenue Funds of the Township are:

General Assistance Fund - The General Assistance Fund is used to account for the proceeds of specific revenue sources related to local public aid for the Township's residents. Property taxes and donations are the major source of revenue for the General Assistance Fund.

Road and Bridge Fund – The Road and Bridge Fund is to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified road maintenance activity. Major sources of revenue include property taxes and replacement taxes.

The Township also reports fiduciary funds which focus on net position and changes in net position. The Township's fiduciary fund is the Pension Trust Fund.

The Township's fiduciary funds are presented in the fiduciary fund financial statements by type. Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

## TOWNSHIP OF SCHAUMBURG

### Notes to Basic Financial Statements For the Year Ended February 28, 2022

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#### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

##### C. *Measurement Focus and Basis of Accounting*

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

In the fund financial statements, the current financial resources measurement focus and the modified accrual basis of accounting are used. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e., both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Township considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures are recorded when the related fund liability is incurred.

Those revenues susceptible to accrual are property taxes, interest revenue, and charges for services. Donations are not susceptible to accrual because they are generally not measurable until received in cash.

##### D. *Cash, Cash Equivalents, and Investments*

Cash Equivalents – The Township considers cash equivalents as cash on hand, demand deposits, money market accounts and short-term investments with original maturities of three months or less from the date of acquisition.

Investments – Investments with a maturity of one year or less when purchased and all non-negotiable certificates of deposit are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are reported at fair value. All investments of the pension trust fund, regardless of length of maturity, are reported at fair value. Fair value is based on published market quotes as of February 28, 2022. Under Illinois law, the Township is restricted to investing funds in specified types of investment instruments.

## TOWNSHIP OF SCHAUMBURG

### Notes to Basic Financial Statements For the Year Ended February 28, 2022

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#### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

##### *D. Cash, Cash Equivalents, and Investments – (Continued)*

The following generally represent the types of instruments allowable by State Law:

1. Securities issued or guaranteed by the United States.
2. Interest-bearing accounts of bank and savings and loans insured up to \$250,000 by the Federal Deposit Insurance Corporation.
3. Short-term obligations (less than 180 days) of U.S. corporations with assets over \$500 million rated in the highest classification by at least two rating agencies.
4. Insured accounts of an Illinois credit union chartered under United States or Illinois law.
5. Money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these types of obligations.
6. The Illinois Funds.

In addition, the Pension Trust Fund is also permitted to invest in the following instruments:

1. Repurchase agreements, which meet instrument transaction requirements of Illinois law.
2. General accounts of Illinois-licensed life insurance companies.
3. Separate accounts of Illinois-licensed insurance companies invested in stocks, bonds and real estate, limited to 10% of the funds' investments and mutual funds limited to 35% of the funds' investments.

##### *E. Prepaid Expenses*

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements using the consumption method. Prepaid expenses are comprised primarily of insurance premiums that were paid before February 28, 2022, while the service period extends beyond the fiscal year end.

##### *F. Capital Assets*

Capital assets, which include property, plant and equipment, are reported in the applicable governmental activities columns in the government-wide financial statements. All capital assets are reported at historical cost, or estimated historical cost if actual is unavailable. Estimated historical cost was used to value the majority of the assets acquired prior to 2004. Donated capital assets are reported at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

## TOWNSHIP OF SCHAUMBURG

### Notes to Basic Financial Statements For the Year Ended February 28, 2022

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#### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Depreciation of all exhaustible capital assets are recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation.

A capitalization threshold of \$5,000 or more for equipment and transportation equipment, and \$20,000 or more for land, buildings, and improvements, is used to report capital assets. The range of estimated useful lives by type of asset is as follows:

Buildings and improvements	10-40 years
Infrastructure	20 years
Equipment and vehicles	5-10 years

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

#### *G. Due from and Due to Other Funds*

During the course of its operations, the Township has numerous transactions among funds. To the extent certain transactions between funds had not been paid or received as of February 28, 2022, balances of interfund amounts receivable or payable have been reported in the fund financial statements. Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position.

#### *H. Pensions*

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions and pension expense, information about the fiduciary net position of Township Pension Fund and additions to/ deductions from the Township Pension Fund fiduciary net position have been determined on the same basis as they are reported by the Plan.

#### *I. Compensated Absences*

Vested or accumulated vacation and sick leave are reported as an expenditure and a fund liability of the governmental function that will pay out once retirement or separation has occurred. Vested or accumulated vacation and sick leave of governmental activities are recorded as an expense and liability as the benefits accrue to employees.

## TOWNSHIP OF SCHAUMBURG

### Notes to Basic Financial Statements For the Year Ended February 28, 2022

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#### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

##### J. *Interfund Transactions*

Interfund services are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

All other interfund transactions, except interfund services and reimbursements, are reported as transfers.

##### K. *Deferred Outflows/Inflows of Resources*

In addition to assets, the Statement of Net Position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Township has one item that qualifies for reporting in this category:

In addition to assets, the Statement of Net Position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Township has one item that qualifies for reporting in this category:

1. The deferred outflows of resources related to changes in net pension liabilities result from differences between actuarially expected and actual experience, net differences between actuarially projected and actual earnings on plan investments, changes in actuarial assumptions, changes in proportion and differences between contributions and proportionate share of contributions, and timing differences.

In addition to liabilities, the Statement of Net Position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will *not* be recognized as an inflow of resources (revenues) until that time. The Township has two items that qualify for reporting in this category:

1. The property taxes levied for subsequent years representing the portion of the 2021 are reported as deferred inflows on the govern-wide financial statements.
2. The deferred outflows of resources related to changes in net pension liabilities result from differences between actuarially expected and actual experience, net differences between actuarially projected and actual earnings on plan investments, changes in actuarial assumptions, changes in proportion and differences between contributions and proportionate share of contributions, and timing differences.



## TOWNSHIP OF SCHAUMBURG

### Notes to Basic Financial Statements For the Year Ended February 28, 2022

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#### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

*L. Net Position Flow Assumption*

Sometimes the Township will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Township's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

*M. Fund Balance Flow Assumption*

Sometimes the Township will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Township's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

*N. Fund Balance Policies*

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Township itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). See Note 15 for further details regarding fund balances.

*O. Estimates*

The preparation of financial statements in conformity with the accrual basis of accounting requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

## TOWNSHIP OF SCHAUMBURG

### Notes to Basic Financial Statements For the Year Ended February 28, 2022

#### NOTE 2: DEPOSITS AND INVESTMENTS

Cash and investments are held separately by several of the Township's funds. The Township invests these funds pursuant to an investment policy established by the Board of Trustees. Investments consist solely of certificates of deposit and Illinois Funds.

##### *Custodial Credit Risk*

In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of February 28, 2022, the carrying amount of the Township's deposits totaled \$4,505,018, excluding cash on hand of \$400, and the Township's bank balances totaled \$4,660,724. All deposits were covered by federal depository insurance or by collateral held by the Township or its agent in the Township's name.

For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Township invests in certificates of deposit and money market accounts. As of February 28, 2022, the carrying amount and bank balances of the Township's investments totaled \$3,670,087. All deposit were covered by federal depository insurance or by collateral held by the Township or its agent in the Township's name.

The Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company but operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940. Investments in The Illinois Funds are valued at Illinois Fund's net assets value (NAV) per share price, which is the price at which the investment could be sold, as determined by the pool.

Annual financial audits for The Illinois Funds are available at the Illinois State Treasurer's website, [www.treasurer.il.gov/programs/illinois-funds/annual-financial-audit.aspx](http://www.treasurer.il.gov/programs/illinois-funds/annual-financial-audit.aspx).

*Interest Rate Risk.* The Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for cash requirements for ongoing operations, while providing a reasonable rate of return based on the current market.

*Credit Risk and Fair Value Disclosure.* Under Illinois law, the Township is restricted to investing funds in specified types of investment instruments. As mentioned earlier, non-negotiable certificates of deposit are stated at amortized cost and the Illinois Funds is measured at net asset value. During the fiscal year ended February 28, 2022, the Township invested in certificates of deposit and the Illinois Funds with investment maturities and fair value disclosures as follows:

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1-5	6-10	Greater than 10
The Illinois Funds	\$ 3,400,650	3,400,650	-	-	-
Negotiable CDs	269,437	269,437	-	-	-
Total	<u>\$ 3,670,087</u>	<u>3,670,087</u>	<u>-</u>	<u>-</u>	<u>-</u>

## TOWNSHIP OF SCHAUMBURG

### Notes to Basic Financial Statements For the Year Ended February 28, 2022

#### NOTE 2: DEPOSITS AND INVESTMENTS – (Continued)

*Fair value measurement* is measured using the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of assets. Level 1 inputs are quoted prices in the active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the Township's investments carried at fair value are valued using quoted market prices (Level 1 inputs).

Township Pension Plan Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk Cash and investments are held separately for the Township's fiduciary funds – Pension Fund. The Township invests these funds pursuant to an investment policy established by the Board of Trustees. Investments consist of fixed income, mutual funds and equity securities.

*Custodial Credit Risk – Deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of February 28, 2022, the carrying amount of the Township's deposits and bank balances totaled \$129,741. Deposits of \$129,741 are covered by federal depository insurance.

*Custodial Credit Risk – Investments.* For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Township invests in fixed income, mutual funds and equity securities. As of February 28, 2022, the carrying amount and bank balances of the Township's investments totaled \$167,889. Deposits of \$167,889 are guaranteed by the U.S. government federal depository insurance or by collateral.

*Concentration Risk* -The Township did not have greater than 5% of the overall portfolio in a single investment other than money market funds.

*Credit Risk.* Under Illinois law, the Township is restricted to investing funds in specified types of investment instruments. During the fiscal year ended February 28, 2022, the Township invested in mutual funds, equities, and fixed income with investment maturities as follows:

		Investment Maturities - in Years			
	Fair Value	Less Than 1	1-5	6-10	More Than 10
US Treasuries	\$ 40,238	-	40,238	-	-
Agency Securities	10,114	10,114	-	-	-
Corporate Bonds Equities	5,081	5,081	-	-	-
Mutual Funds	100,656	100,656	-	-	-
Exchange Traded Funds	11,800	11,800	-	-	-
Total	\$ 167,889	127,651	40,238	-	-

# TOWNSHIP OF SCHAUMBURG

## Notes to Basic Financial Statements For the Year Ended February 28, 2022

### NOTE 2: DEPOSITS AND INVESTMENTS – (Continued)

*Fair value measurement* is measured using the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of assets. Level 1 inputs are quoted prices in the active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments measured at fair value on a recurring basis are disclosed below:

	Balance at February 28, 2022	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
US treasury securities	\$ 40,238	-	40,238	-
Agency Securities	10,114	-	10,114	-
Corporate Bond Equities	5,081	-	5,081	-
Mutual Funds	100,656	100,656	-	-
Exchange Traded Funds	11,800	11,800	-	-
Total investments	\$ 167,889	112,456	55,433	-

### NOTE 3: RECEIVABLES

Receivable amounts are aggregated into a single accounts receivable (net of allowance for doubtful accounts) line for financial statement presentation. Below is the detail of receivables for the Town Fund, the General Assistance Fund and the Road and Bridge Fund, including the applicable allowances for uncollectible accounts:

Receivables	Town	General Assistance	Road and Bridge	Total
Property taxes	\$ 4,444,616	680,190	697,538	5,822,344
Personal property replacement taxes	101,690	-	11,105	112,795
Other	4,947	-	-	4,947
Interest	561	-	-	561
Gross Receivables	4,551,814	680,190	708,643	5,940,647
Less: Allowance for doubtful accounts	(48,006)	(7,347)	(7,534)	(62,887)
Net receivables	\$ 4,503,808	672,843	701,109	5,877,760

## TOWNSHIP OF SCHAUMBURG

### Notes to Basic Financial Statements For the Year Ended February 28, 2022

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#### NOTE 4: CAPITAL ASSETS

Capital assets are not capitalized in the funds used to acquire or construct them. A summary of changes in capital assets follows:

	March 1, 2021	Additions	Deletions	February 28, 2022
Capital Assets Not Being Depreciated:				
Land	\$ 136,904	-	-	136,904
Total Capital Assets Not Being Depreciated	136,904	-	-	136,904
Capital Assets Being Depreciated:				
Buildings	4,361,139	-	-	4,361,139
Infrastructure	2,577,444	-	-	2,577,444
Equipment	409,485	77,483	-	486,968
Transportation equipment	975,862	-	-	975,862
Total Capital Assets Being Depreciated	8,323,930	77,483	-	8,401,413
Accumulated Depreciation:				
Buildings	(1,900,197)	(162,270)	-	(2,062,467)
Infrastructure	(1,007,204)	(161,075)	-	(1,168,279)
Equipment	(311,005)	(27,546)	-	(338,551)
Transportation equipment	(595,614)	(97,673)	-	(693,287)
Total Accumulated Depreciation	(3,814,020)	(448,564)	-	(4,262,584)
Total Capital Assets Being Depreciated, Net	4,509,910	(371,081)	-	4,138,829
Total Capital Assets, Net	\$ 4,646,814	(371,081)	-	4,275,733

## TOWNSHIP OF SCHAUMBURG

### Notes to Basic Financial Statements For the Year Ended February 28, 2022

#### NOTE 4: CAPITAL ASSETS – (Continued)

Significant purchases for the year included the following:

Board room furniture	\$	22,137
Outdoor cameras		19,984
Servers		24,295

Depreciation was charged to the following functions:

General Government	\$ 287,489
Road and Bridge	<u>161,075</u>
Total Depreciation	<u>\$ 448,564</u>

#### NOTE 5: LONG TERM DEBT

Long-term debt activity for the year ended February 28, 2022 is as follows:

	Balance, March 1, 2021	Additions	Reductions	Balance, February 28, 2022	Amount Due in One Year
Compensated absences	\$ 176,084	39,353	79,237	136,200	61,290
Net Pension Liability	250,312	-	168,501	81,811	-
	<u>\$ 426,396</u>	<u>39,353</u>	<u>247,738</u>	<u>218,011</u>	<u>61,290</u>

Compensated absences are liquidated by the fund in which the liability is incurred. For the year ended February 28, 2022, the two funds with the largest portion of the liability are the General and Road and Bridge Funds. Net Pension Liability is liquidated by the General Fund.

#### NOTE 6: INTERFUND BALANCES

The Township recorded the following due to/from activity as of February 28, 2022:

	Due From Other Funds	Due To Other Funds
General (Town)	\$ 308,310	-
General Assistance	-	110,488
Road and Bridge	-	197,822
Total	<u>\$ 308,310</u>	<u>308,310</u>

## TOWNSHIP OF SCHAUMBURG

### Notes to Basic Financial Statements For the Year Ended February 28, 2022

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#### **NOTE 7: PROPERTY TAXES**

The property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments on or about March 1 and August 1 subsequent to the year of the levy. The Township receives significant distributions of tax receipts approximately one month after the due dates. The billings are considered past due 30 days after the respective billing date at which time the applicable property is subject to lien and penalties and interest are assessed. The allowance for uncollectible taxes has been stated at 1% of the tax levy to reflect actual collection experience. Property tax receivable balances in the financial statements appear net of this allowance.

Property taxes generated from the 2020 property tax levy are used to finance the operating budget of the fiscal year ending February 28, 2022. Although the 2021 property tax levy receivable has been recorded, the related revenue is deferred in both the government-wide and fund financial statements. Recognition of revenue is deferred until the year it is intended to finance.

#### **NOTE 8: PERSONAL PROPERTY REPLACEMENT TAXES**

The Township receives Personal Property Replacement Tax, which represents an additional State of Illinois income tax on corporations (certain utilities), trusts, partnerships, and subchapter S corporations and a new tax on the invested capital of public utilities providing gas, communications, electrical and waste services.

Revenues are collected by the State of Illinois under the replacement tax and are allocated and paid by the State eight times a year. The replacement tax law provides that monies received should be first applied toward payment of the proportionate share of the pension or retirement obligation which were previously levied on personal property. Remaining allocations are made at the discretion of the Board of Trustees.

#### **NOTE 9: MOTOR FUEL TAX**

Every year, the Township receives an allotment of Motor Fuel Tax (MFT) money from the State of Illinois. This money is disbursed by the state to Cook County where it is held for pending projects approved by the Township of Schaumburg Board. When the projects are approved by management, payment and accounting for projects are done through Cook County. These funds are not reflected in the financial statements of the Township.

#### **NOTE 10: RISK MANAGEMENT**

The Township is exposed to various risks of loss related to torts; theft or, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters; and net income losses. The Township purchases commercial insurance to cover all risks. There have been no significant reductions in insurance coverage or settlement amounts exceeding insurance coverage for the current year or the three prior years.

## TOWNSHIP OF SCHAUMBURG

### Notes to Basic Financial Statements For the Year Ended February 28, 2022

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#### NOTE 11: EMPLOYEE RETIREMENT FUND

The Township has two pension plans offered to its employees. It offers both a defined benefit plan and a defined contribution pension plan.

##### *Defined Benefit Pension Plan*

##### Plan Description

The Schaumburg Township Employee Pension Plan is a single-employer defined benefit plan administered by the Township. The defined benefit plan covers all officials and full-time and part-time employees of the Township with employment starting prior to March 1, 2010, regardless of age or the number of years of active service. Elected officials will continue as active participants in the pension until the end of the term, which ends in 2023. Under the provisions of the plan, which are determined by the Township, the Township is required to contribute an amount necessary to finance the plan as actuarially determined by an enrolled actuary.

##### Employees Covered by Benefit Terms

As of February 28, 2022, the following employees were covered by the benefit terms:

Retirees and Beneficiaries	2
Inactive, Non-retired Members	6
Active Members	-
Total	<u>8</u>

Contributions – The Township contributed \$130,000 to the plan in the current year. Employees are not required to contribute to the plan. The plan is financed on a pay-as-you-go basis. The plan does not issue separate financial statements. The accrued benefit is determined to be 1.675% of average compensation (the highest 5 consecutive years of pensionable earnings) multiplied by credited service to a maximum of 35 years.

Net Pension Liability – The Township's net pension liability was measured as of February 28, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.



## TOWNSHIP OF SCHAUMBURG

### Notes to Basic Financial Statements For the Year Ended February 28, 2022

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#### NOTE 11: EMPLOYEE RETIREMENT FUND – (Continued)

Actuarial Assumptions - The following are the methods and assumptions used to determine total pension liability at February 28, 2022:

- The Actuarial Cost Method used was Entry Age Cost Method.
- The Asset Valuation Method used was Market Value of Assets.
- The *Discount Rate* was assumed to be 4.00%.
- The *Expected Long-Term Rate of Return* was assumed to be 4.0%.
- *Municipal Bond Rate* – N/A
- The *Lump Sum Segment Rates* were assumed to be 1.16% for 5 years, 2.72% for the next 15 years, and 3.10% thereafter.
- The *Annuity Purchase Rate* was assumed to be 4.00%.
- The Inflation Rate was assumed to be 3.00%.
- Annual Pay Increases – N/A
- The *Mortality Rates* were based on the 2022 IRS Mortality for Lump Sum Conversions specified in Code 417(e).
- The *Retirement Rates* were assumed to be 100% at age 65.
- The plan is expected to terminate by February 28, 2023. The Township is expected to purchase annuities for all retirees and terminated vested participants. All other participants are expected to take a lump sum of their benefits.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of February 28, 2022:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income and Bond Funds	20%	0.50%
Stocks and Equity Mutual Funds	40%	4.00%
Cash Equivalents	<u>40%</u>	0.00%
Total	100%	

**TOWNSHIP OF SCHAUMBURG**

**Notes to Basic Financial Statements  
For the Year Ended February 28, 2022**

**NOTE 11: EMPLOYEE RETIREMENT FUND – (Continued)**

Discount Rate

The discount rate used to measure the total pension liability was 4.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Professional judgment on the future contributions has been applied in those cases where contribution patterns deviate from the actuarially determined rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Changes in the Net Pension Liability*

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A)-(B)
Balances at February 28, 2021	\$ 744,307	493,995	250,312
Changes for the Year:			
Service Cost	-	-	-
Interest on the Total Pension Liability	39,963	-	39,963
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(10,479) (47,525)	-	(10,479) (47,525)
Changes of Assumptions	-	-	-
Contributions - Employer	-	130,000	(130,000)
Contributions - Employees	-	-	-
Net Investment Income	-	20,460	(20,460)
Benefit Payments, including Refunds of Employee Contributions	(346,825)	(346,825)	-
Other (Net Transfer)	-	-	-
Net Changes	(364,866)	(196,365)	(168,501)
Balances at February 28, 2022	\$ 379,441	297,630	81,811

**TOWNSHIP OF SCHAUMBURG**

**Notes to Basic Financial Statements  
For the Year Ended February 28, 2022**

**NOTE 11: EMPLOYEE RETIREMENT FUND – (Continued)**

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate* – The following presents the plan's net pension liability, calculated using a Single Discount Rate of 4.00%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease 3.00%	Current Discount 4.00%	1% Increase 5.00%
Net Pension Liability (Asset)	\$ 83,648	81,811	80,000

*Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions*

For the year ended February 28, 2022, the Township recognized pension expense of \$5,842. At February 28, 2022, the Township reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	-
Net difference between projected and actual earnings on pension plan investments	-	-
Changes of assumptions	35,261	(20,491)
Total deferred amounts to be recognized in future periods	<u>\$ 35,261</u>	<u>(20,491)</u>

The amount reported as deferred outflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ended February 28,	Net Deferred Outflow of Resources
2023	\$ 14,770
2024	-
2025	-
2026	-
2027	-
Thereafter	-

## TOWNSHIP OF SCHAUMBURG

### Notes to Basic Financial Statements For the Year Ended February 28, 2022

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#### NOTE 11: EMPLOYEE RETIREMENT FUND – (Continued)

##### *Defined Contribution Plan*

The Township offers employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits deferral of a portion of compensation until future years. The deferred amount is not available to employees until termination, retirement, death or unforeseeable emergency. The assets have been placed in trust for the benefit of the employees and, accordingly, are not reported in these financial statements.

In December 2017, the board approved a defined contribution plan with ICMA-RC, which puts 12.5% towards a 401a for all full-time employees (effective at 6 months). Additionally, a 457b was set-up which allows for a 4% match for all regular part time and full-time employees. During the year, no contributions from employees or the Township were made.

#### NOTE 12: COMPONENT UNIT – SCHAUMBURG TOWNSHIP FOUNDATION FUND

The Schaumburg Township Foundation Fund was established as an intermediary through whom constituents are able to donate tax-deductible contributions to the Township. During the year ended February 28, 2022, the Schaumburg Township Foundation Fund transferred \$0 of contributions to the Township to support the food pantry program.

##### Summary of Significant Account Policies

##### *Measurement Focus, Basis of Accounting, and Financial Statement Presentation*

The Schaumburg Township Foundation Fund is reported as a discretely presented component unit of the Township on the government-wide financial statements, which are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

##### *Net Position*

The Schaumburg Township Foundation Fund is reported on the government-wide financial statements on which net positions are reported as follows:

Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets less any unspent debt proceeds.

Restricted net position – Consists of net positions with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.  
Unrestricted net position – Consists of all other net positions that do not meet the definition of “restricted” or “net investment in capital assets.”

## TOWNSHIP OF SCHAUMBURG

### Notes to Basic Financial Statements For the Year Ended February 28, 2022

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#### NOTE 12: COMPONENT UNIT – SCHAUMBURG TOWNSHIP FOUNDATION FUND – (Continued)

When both restricted and unrestricted resources are available for use, it is the Schaumburg Township Foundation Fund's policy to use restricted resources first, and then unrestricted resources as they are needed.

##### Deposits

In accordance with the Schaumburg Township Foundation Fund investment policy, the Foundation Fund's monetary assets may be placed in all instruments permitted by the Illinois Public Funds Investment Act. This act permits deposits and investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and The Illinois Funds. At year-end, the carrying amount of the Foundation Fund totaled \$207,791 and the bank balance totaled \$205,897. The bank balance was covered by federal depository insurance.

For additional information regarding the Schaumburg Township Foundation Fund, send inquiries to the Schaumburg Township Foundation Fund, One Illinois Blvd., Hoffman Estates, IL 60169 or call (847) 884-0030.

#### NOTE 13: LEGAL DEBT MARGIN

Legal debt margin is the percent of the Township's assessed valuation which is subject to debt limitation. The statutory debt limitation for the Township is 5.75%. The Township's legal debt margin limitation is as follows for the period ended February 28, 2022:

Assessed valuation (2020)	<u>\$ 5,248,209,222</u>
Statutory debt limitation (5.75%)	\$ 301,772,030
Amount of debt applicable to debt limitation	<u>-</u>
Legal Debt Margin	<u>\$ 301,772,030</u>

#### NOTE 14: OTHER POSTEMPLOYMENT BENEFITS

The Township has evaluated its potential other postemployment benefits liability. The Township provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with Illinois statutes, which creates an implicit subsidy of retiree health insurance. Former employees who choose to retain their rights to health insurance through the Township are required to pay 100% of the current premium.

The Township had no former employees for which the Township was providing an explicit subsidy and no current employees with agreements for future explicit subsidies upon retirement. Therefore, the Township has not recorded any postemployment benefit liability as of February 28, 2022.

## TOWNSHIP OF SCHAUMBURG

### Notes to Basic Financial Statements For the Year Ended February 28, 2022

#### NOTE 15: FUND BALANCE – GASB 54 PRESENTATION

According to Government Accounting Standards, fund balances are to be classified into five major classifications: Non-spendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. Following is a summary of how these balances are reported and definitions of the differences.

Fund	General Fund	General Assistance Fund	Road and Bridge Fund	Total Governmental Funds
Nonspendable:				
Prepaid items	\$ 22,248	-	9,535	31,783
Restricted for:				
General assistance	-	1,036,695	-	1,036,695
Road Maintenance	-	-	952,412	952,412
Total Restricted	-	1,036,695	952,412	1,989,107
Unassigned	4,783,565	-	-	4,783,565
Total Fund Balances	\$ 4,805,813	1,036,695	961,947	6,804,455

#### *Non-spendable Fund Balance*

The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts.

#### *A. Restricted Fund Balance*

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Restrictions may be imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Debt Service and Special Revenue Funds are by definition restricted for these specified purposes. The Township has several revenue sources received within different funds that also fall into these categories.

#### *B. Committed Fund Balance*

The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority (the Board). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

## TOWNSHIP OF SCHAUMBURG

### Notes to Basic Financial Statements For the Year Ended February 28, 2022

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#### NOTE 15: **FUND BALANCE – GASB 54 PRESENTATION** – (Continued)

##### *C. Assigned Fund Balance*

The assigned fund balance classification refers to amounts that are constrained by the government's intent to be used for a specific purpose but are neither restricted nor committed. Intent may be expressed by the Board itself.

##### *D. Unassigned Fund Balance*

The unassigned fund balance classification is the residual classification for amounts in the General Fund for amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund.

##### *E. Expenditures of Fund Balance*

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

#### NOTE 16: **PRIOR PERIOD ADJUSTMENT**

A prior period adjustment has been made to the general and road and bridge fund balances as of February 28, 2021. Fund balances were restated to correct the prepaid expense at February 28, 2021.

#### NOTE 17: **SUBSEQUENT EVENTS**

Management evaluated subsequent events through October 24, 2022, the date the financial statements were available to be issued. No amounts were required to be recorded or disclosed in the financial statements as of February 28, 2022.

*REQUIRED SUPPLEMENTARY INFORMATION*



**Township of Schaumburg**  
**Town Fund**

**SCHEDULE A-1**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget & Actual**  
**For the Year Ended February 28, 2022**

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
Revenues Received:			
Property taxes	\$ 5,010,000	4,984,659	(25,341)
Intergovernmental revenue - replacement tax	75,000	200,461	125,461
Earnings on investments	20,000	5,866	(14,134)
Rental income	1,000	200	(800)
Donations	100	17,664	17,564
Grants	5,000	10	(4,990)
Passport income	50,000	81,786	31,786
Bus fare income	18,000	14,085	(3,915)
Committee for Disabled Citizens income	17,000	12,864	(4,136)
Senior citizens program income	39,500	31,180	(8,320)
Other income	3,000	8,553	5,553
Total Revenues	5,238,600	5,357,328	118,728
Expenditures:			
Current:			
General Government			
Compensation of township officials	107,863	104,413	(3,450)
Administration	2,028,200	1,729,601	(298,599)
Assessor's office	270,050	252,050	(18,000)
Total General Government	2,406,113	2,086,064	(320,049)
Human Services and Public Welfare			
Mental health board	2,000	514	(1,486)
Community relations	69,500	61,124	(8,376)
Community outreach	13,000	13,852	852
Committee for disabled persons	366,900	311,391	(55,509)
Senior citizens services committee	508,500	468,116	(40,384)
Transportation	845,780	716,638	(129,142)
Human services	1,027,104	1,013,133	(13,971)
Total Human Services and Public Welfare	2,832,784	2,584,768	(248,016)
Total Expenditures	5,238,897	4,670,832	(568,065)
Net Changes in Fund Balance	\$ (297)	686,496	686,793
Fund Balance - Beginning of Year		4,096,299	
Prior Period Adjustment		23,018	
Fund Balance - Beginning of Year, Restated		4,119,317	
Fund Balance - End of Year		\$ 4,805,813	

**Township of Schaumburg**  
**General Assistance Fund**

**SCHEDULE A-2**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget & Actual**  
**For the Year Ended February 28, 2022**

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
Revenues Received:			
Property tax	\$ 759,000	763,264	4,264
Donations	70,000	121,359	51,359
Earnings on investments	5,000	1,615	(3,385)
Charges for services	-	8,705	8,705
Other income	1,000	50	(950)
Total Revenues Received	835,000	894,993	59,993
Expenditures:			
Current:			
Administration	715,950	606,274	(109,676)
Home relief - general assistance	82,800	64,721	(18,079)
Home relief - emergency assistance	151,100	84,828	(66,272)
Capital Outlay:			
Equipment	-	2,379	2,379
Total Expenditures Disbursed	949,850	758,202	(191,648)
Net Changes in Fund Balances	\$ (114,850)	136,791	251,641
Fund Balance - Beginning of Year		899,904	
Fund Balance - End of Year		\$ 1,036,695	

**Township of Schaumburg**  
**Road and Bridge Fund**

**SCHEDULE A-3**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget & Actual**  
**For the Year Ended February 28, 2022**

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
Revenues Received:			
Property Tax	\$ 800,000	826,302	26,302
Intergovernmental revenue - replacement tax	8,000	27,875	19,875
Earnings on investments	3,000	2,619	(381)
Other income	1,701	3,057	1,356
Total Revenues Received	812,701	859,853	47,152
Expenditures:			
Current:			
Administration	490,018	413,113	(76,905)
Road and bridge	377,700	168,683	(209,017)
Capital Outlay:			
Equipment	25,000	19,984	(5,016)
Total Expenditures Disbursed	892,718	601,780	(290,938)
Net Changes in Fund Balance	\$ (80,017)	258,073	338,090
Fund Balance - Beginning of Year		697,044	
Prior Period Adjustment		6,830	
Fund Balance - Beginning of Year, Restated		703,874	
Fund Balance - End of Year		\$ 961,947	

**Township Employee Pension Fund**  
**Multi-year Schedule of Changes in Net Pension Liability and Related Ratios**

February 28,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Total Pension Liability</b>										
Service cost	\$ -	5,222	5,497	4,861	75,416	75,268	82,204	87,729	-	-
Interest on total pension liability	39,963	34,702	36,522	90,695	254,436	280,797	273,541	266,350	-	-
Change in benefit terms	-	-	-	-	(344,084)	-	-	-	-	-
Difference between expected and actual experience	(10,479)	226,216	26,020	1,024,816	92,919	20,077	107,438	80,645	-	-
Changes of assumptions	(47,525)	-	(1,373)	(2,428)	105,426	30,392	10,050	9,568	-	-
Benefit payments, including refunds of employee contributions	(346,825)	(24,694)	(160,111)	(3,624,829)	(1,280,619)	(285,906)	(439,375)	(232,706)	-	-
<b>Net Change in Total Pension Liability</b>	<b>(364,866)</b>	<b>241,446</b>	<b>(93,445)</b>	<b>(2,506,885)</b>	<b>(1,096,506)</b>	<b>120,628</b>	<b>33,858</b>	<b>211,586</b>	<b>-</b>	<b>-</b>
<b>Total Pension Liability - Beginning</b>	<b>744,307</b>	<b>502,861</b>	<b>596,306</b>	<b>3,103,191</b>	<b>4,199,697</b>	<b>4,079,069</b>	<b>4,045,244</b>	<b>3,833,625</b>	<b>-</b>	<b>-</b>
<b>Total Pension Liability - Ending</b>	<b>\$ 379,441</b>	<b>744,307</b>	<b>502,861</b>	<b>596,306</b>	<b>3,103,191</b>	<b>4,199,697</b>	<b>4,079,102</b>	<b>4,045,211</b>	<b>-</b>	<b>-</b>
<b>Plan Fiduciary Net Position</b>										
Employer contributions	\$ 130,000	120,000	-	1,001,455	106,271	299,000	424,400	340,000	-	-
Pension plan net investment income	20,460	61,117	22,746	(14,315)	299,637	422,352	(171,158)	280,627	-	-
Benefit payments and refunds	(346,825)	(24,694)	(160,111)	(3,624,829)	(1,280,619)	(285,906)	(439,375)	(232,706)	-	-
Administrative expenses	-	-	-	-	-	(16,977)	(15,960)	(16,233)	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	<b>(196,365)</b>	<b>156,423</b>	<b>(137,365)</b>	<b>(2,637,689)</b>	<b>(874,711)</b>	<b>418,469</b>	<b>(202,093)</b>	<b>371,688</b>	<b>-</b>	<b>-</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>493,995</b>	<b>337,572</b>	<b>474,937</b>	<b>3,112,626</b>	<b>3,987,337</b>	<b>3,568,868</b>	<b>3,770,961</b>	<b>3,399,273</b>	<b>-</b>	<b>-</b>
<b>Plan Fiduciary Net Position - Ending</b>	<b>\$ 297,630</b>	<b>493,995</b>	<b>337,572</b>	<b>474,937</b>	<b>3,112,626</b>	<b>3,987,337</b>	<b>3,568,868</b>	<b>3,770,961</b>	<b>-</b>	<b>-</b>
<b>Net Pension Liability (Asset)</b>	<b>\$ 81,811</b>	<b>250,312</b>	<b>165,289</b>	<b>121,369</b>	<b>(9,435)</b>	<b>212,360</b>	<b>510,234</b>	<b>274,250</b>	<b>-</b>	<b>-</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>78.44%</b>	<b>66.37%</b>	<b>67.13%</b>	<b>79.65%</b>	<b>100.30%</b>	<b>94.94%</b>	<b>87.49%</b>	<b>93.22%</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Covered Valuation Payroll</b>	<b>N/A</b>	<b>105,049</b>	<b>92,632</b>	<b>123,734</b>	<b>1,205,943</b>	<b>1,498,319</b>	<b>1,548,538</b>	<b>927,618</b>	<b>-</b>	<b>-</b>
<b>Net Pension Liability as a Percentage of the Covered Valuation Payroll</b>	<b>N/A</b>	<b>238.28%</b>	<b>178.44%</b>	<b>98.09%</b>	<b>-0.78%</b>	<b>14.17%</b>	<b>32.95%</b>	<b>29.56%</b>	<b>0.00%</b>	<b>0.00%</b>

Data not available prior to 2/28/2015

**Township of Schaumburg  
Township Employee Pension Fund  
Multi-year Schedule of Contributions**

**SCHEDULE B-2**

<u>Fiscal Year Ending</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2013	\$ 251,157	451,000	(199,843)	1,084,442	41.59%
2014	217,914	668,000	(450,086)	958,602	69.68%
2015	140,726	340,000	(199,274)	927,618	36.65%
2016	117,121	424,400	(307,279)	864,358	49.10%
2017	140,395	299,000	(158,605)	829,744	36.04%
2018	106,272	106,271	1	805,882	13.19%
2019	1,001,455	1,001,455	-	123,734	809.36%
2020	-	-	-	92,632	0.00%
2021	120,000	120,000	-	105,049	114.23%
2022	-	130,000	(130,000)	-	N/A

Methods and Assumptions used to Determine 2022 Contribution Rate:

*Measurement Date:*

*Actuarial Cost Method:* Entry Age Cost Method

*Asset Valuation Method:* Market Value of Assets

*Interest Rates*

*Discount Rate:* 4.00%

*Expected Long Term Rate of Return:* 4.00%

*Municipal Bond Rate:* N/A

*Lump Sum Segment Rates:* 1.16% or 5 years, 2.72% for the next 15 years, 3.10% thereafter

*Annuity Purchase Rate:* 4.00%

*Inflation:* 3.00%

*Annual Pay Increases:* N/A

*Mortality Rates:* 2022 IRS Mortality for Lump Sum Conversions specified in Code Section 417(e)

*Retirement Rates:* 100% at age 65

*Plan Termination:* The plan is expected to terminate by February 28, 2023. The Township is expected to purchase annuities for all retirees. All other participants are expected to take a lump sum of their benefits

*All Other Assumptions:* As described in the March 1, 2017 funding valuation report

*NOTES TO REQUIRED SUPPLEMENTARY INFORMATION*

## TOWNSHIP OF SCHAUMBURG

### Notes to Required Supplemental Information For the Year Ended February 28, 2022

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#### **NOTE 1: BUDGETARY BASIS OF ACCOUNTING**

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted (at the fund level) for the general, special revenue, and capital projects funds. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations laps at fiscal year-end.

The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year.

#### **NOTE 2: BUDGETARY PROCEDURES**

The Township adheres to the following procedures in establishing the budgetary data included in the financial statements:

- Beginning in October, the Department Managers submit to the Board of Trustees a proposed operating budget for the fiscal year commencing the following March 1. The operating budget includes proposed expenditures for the General Fund and the Special Revenue Funds.
- Public hearings are conducted to obtain taxpayer comments.
- At the Township Board of Trustees' meeting during the first quarter of each fiscal year, the budget is legally enacted.
- The adopted budget is forwarded to the Cook County Clerk as required by law.
- The level of budgetary control (that is, the level at which changes or amendments must be approved by the Board) is established at the department level. Any changes or amendments to the budget of any fund must be approved by the Board of Trustees. Revisions made by the Board of Trustees to the current year's budget were in accordance with legal requirements (not to exceed 10% of a total fund current year's budget) and are reflected within the budgetary data included in the general-purpose financial statements.

Township budgets are prepared on a basis of accounting consistent with accounting principles generally accepted in the United States (GAAP). The budget was adopted March 24, 2021.

**TOWNSHIP OF SCHAUMBURG**

**Notes to Required Supplemental Information  
For the Year Ended February 28, 2022**

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**NOTE 2: BUDGETARY PROCEDURES – (Continued)**

Budgetary comparisons are provided below for each of the Township's major funds. All major funds operated within the confines of the approved budget for the year ended February 28, 2022:

Description	Budget	Actual	Variance	Percent Variance
General Town Fund	\$ 5,238,897	4,670,832	568,065	11%
General Assistance	949,850	758,202	191,648	20%
Road Maintenance	892,718	601,780	290,938	33%



## ***STATISTICAL SECTION***

## TOWNSHIP OF SCHAUMBURG

### Statistical Section

For the Year Ended February 28, 2022

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This part of the Township's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Township's overall financial health. The section is divided into five parts, as follows:

#### Financial Trends:

These schedules contain trend information to help the reader understand how the Township's financial performance and well-being have changed over time.

	<u>PAGE</u>
Net Position by Component .....	46
Changes in Net Position .....	47
Changes in Fund Balances .....	48
Fund Balances of Governmental Funds .....	49
General Revenues by Source .....	50
General Government Expenditures by Function .....	51

#### Revenue Capacity:

These schedules contain information to help the reader assess the Township's most significant local revenue source, the property tax.

	<u>PAGE</u>
Tax Rates and Levies .....	52
Property Tax Levies Extended and Collected .....	53
Assessed Value and Actual Value of Taxable Property .....	54
Property Tax Rates – Direct and Overlapping Governments .....	55
Principal Property Taxpayers .....	56

#### Debt Capacity:

These schedules present information to help the reader assess the affordability of the Township's current levels of outstanding debt and the Township's ability to issue additional debt in the future.

	<u>PAGE</u>
Computation of Legal Debt Margin .....	57
Ratio of General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt per Capita .....	58
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt To Total General Governmental Expenditures .....	59
Direct and Overlapping Governmental Activities Debt .....	60

#### Demographic and Economic Information:

These schedules contain demographic and economic indicators to help the reader understand the environment within which the Township's financial activities take place.

	<u>PAGE</u>
Principal Employers .....	61

TOWNSHIP OF SCHAUMBURG

Statistical Section  
For the Year Ended February 28, 2022

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Operating Information:

These schedules contain service and infrastructure data to help the reader understand how the information in the Township’s financial report relates to the services the Township provides and the activities it performs.

	<u>PAGE</u>
Miscellaneous Statistics .....	62-63

## *FINANCIAL TRENDS*

**Township of Schaumburg**

**Net Position by Component  
Last Eight Fiscal Years**

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Governmental Activities								
Net Investment in Capital Assets	\$ 4,275,733	4,646,814	4,541,635	3,790,827	3,824,077	3,843,354	3,770,590	3,765,122
Restricted	1,989,107	1,589,147	1,440,083	1,419,705	1,288,021	1,206,690	1,058,900	889,647
Unrestricted (Deficit)	4,612,107	3,736,817	3,319,655	3,304,185	3,891,706	3,575,180	3,342,163	3,239,203
Total Governmental Activities Net Position	<u>\$ 10,876,947</u>	<u>9,972,778</u>	<u>9,301,373</u>	<u>8,514,717</u>	<u>9,003,804</u>	<u>8,625,224</u>	<u>8,171,653</u>	<u>7,893,972</u>

Source:  
2015-2022 Annual Financial Statements  
Earlier reports not available

**Township of Schaumburg**

**Changes in Net Position  
Last Eight Fiscal Years**

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>General Expenses</b>								
Governmental Activities								
General Government	\$ 3,228,898	2,940,454	2,624,295	3,942,274	2,899,384	2,863,593	3,328,427	2,878,047
Human Services and Public Welfare	2,584,768	2,231,250	2,180,477	2,253,323	2,184,010	2,202,795	2,115,841	1,906,533
Home Relief	149,549	464,351	159,356	135,723	151,964	147,253	208,354	251,062
Road and Bridge	274,638	371,213	792,397	390,032	254,138	245,278	162,074	242,753
Depreciation not allocated	-	243,604	233,084	229,347	215,520	210,531	262,504	244,744
Total Governmental Activities General Expenses	<u>6,237,853</u>	<u>6,250,872</u>	<u>5,989,609</u>	<u>6,950,699</u>	<u>5,705,016</u>	<u>5,669,450</u>	<u>6,077,200</u>	<u>5,523,139</u>
<b>Program Revenues</b>								
Governmental Activities								
Charges for Service	148,820	165,562	258,510	190,519	159,165	96,783	-	-
Operation grants and contributions	139,033	243,577	86,937	65,651	86,570	62,331	-	-
Capital grants and contributions	-	-	-	-	-	-	-	-
Total Governmental Activities Program Revenues	<u>287,853</u>	<u>409,139</u>	<u>345,447</u>	<u>256,170</u>	<u>245,735</u>	<u>159,114</u>	<u>-</u>	<u>-</u>
<b>Net (expense) Revenue</b>	\$ (5,950,000)	(5,841,733)	(5,644,162)	(6,694,529)	(5,459,281)	(5,510,336)	(6,077,200)	(5,523,139)
<b>General Revenues and other changes in net position</b>								
Governmental Activities								
Property Taxes	\$ 6,574,225	6,374,849	6,195,860	6,008,148	5,691,789	5,864,550	5,765,957	5,563,602
Intergovernmental revenue - replacement tax	228,336	106,989	114,106	85,399	91,994	99,041	105,377	95,300
Investment Income	10,100	31,300	120,852	92,587	54,078	22,405	14,069	11,451
Miscellaneous	11,660	-	-	19,308	-	(22,089)	192,197	218,745
Total Governmental Activities General Revenues	<u>6,824,321</u>	<u>6,513,138</u>	<u>6,430,818</u>	<u>6,205,442</u>	<u>5,837,861</u>	<u>5,963,907</u>	<u>6,077,600</u>	<u>5,889,098</u>
Change in Net Position	874,321	671,405	786,656	(489,087)	378,580	453,571	400	365,959
Net Position - Beginning	9,972,778	9,301,373	8,514,717	9,003,804	8,625,224	8,171,653	7,893,972	7,528,013
Prior Period Adjustment	29,848	-	-	-	-	-	277,281	-
Net Position - Ending	<u>\$ 10,876,947</u>	<u>9,972,778</u>	<u>9,301,373</u>	<u>8,514,717</u>	<u>9,003,804</u>	<u>8,625,224</u>	<u>8,171,653</u>	<u>7,893,972</u>

Source:  
2015-2022 Annual Financial Reports  
Earlier reports not available  
Program revenue is included in Miscellaneous line for 2016 and 2015

**Township of Schaumburg**

**Changes in Fund Balances  
Last Eight Fiscal Years**

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Revenues								
Taxes	\$ 6,802,561	6,481,838	6,309,966	6,093,547	5,783,783	5,963,591	5,871,334	5,658,902
Investment earnings	10,100	31,300	120,852	92,587	54,078	22,405	14,069	11,451
Other	299,513	409,139	345,447	275,478	245,735	159,114	202,070	172,782
Total Revenues	7,112,174	6,922,277	6,776,265	6,461,612	6,083,596	6,145,110	6,087,473	5,843,135
Expenditures								
General government	3,105,451	3,241,738	3,534,052	4,127,196	3,108,626	3,054,617	3,080,216	2,847,108
Human services and public welfare	2,584,768	2,231,250	2,180,477	2,253,323	2,184,010	2,202,795	2,115,841	2,079,162
Home relief - general assistance	64,721	405,502	80,924	70,443	72,832	67,410	91,102	107,680
Home relief - emergency assistance	84,828	58,849	78,432	65,280	79,132	76,927	115,730	143,382
Roads and bridges	168,683	30,912	50,793	38,727	108,153	117,554	127,130	138,116
Debt service	-	-	-	-	-	-	-	12,874
Capital Outlay	22,363	199,458	622,282	250,118	371,312	346,084	236,294	294,517
Total Expenditures	6,030,814	6,167,709	6,546,960	6,805,087	5,924,065	5,865,387	5,766,313	5,622,839
Excess or (Deficiency) of Revenues Over (Under) Expenditures	1,081,360	754,568	229,305	(343,475)	159,531	279,723	321,160	220,296
Other Financing Sources (Uses)								
Proceeds on disposition of assets	-	-	-	-	-	17,000	14,500	59,100
Insurance recoveries	-	-	-	-	-	-	-	57,125
Transfers in	-	-	-	10,000	-	10,000	-	-
Transfers out	-	-	-	(10,000)	-	(10,000)	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	17,000	14,500	116,225
Net Change in Fund Balance	\$ 1,081,360	754,568	229,305	(343,475)	159,531	296,723	335,660	336,521

Source:  
2015-2022 Annual Financial Reports  
Earlier reports not available

**Township of Schaumburg**

**Fund Balances of Governmental Funds  
Last Eight Fiscal Years**

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
General Fund:								
Nonspendable	\$ 22,248	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Unassigned	4,783,565	4,067,292	3,498,595	3,298,668	3,753,827	2,728,627	2,548,694	2,620,921
Committed	-	-	-	-	-	600,000	600,000	600,000
Assigned	-	-	-	-	-	358,000	389,000	180,000
Total General Fund	<u>4,805,813</u>	<u>4,067,292</u>	<u>3,498,595</u>	<u>3,298,668</u>	<u>3,753,827</u>	<u>3,686,627</u>	<u>3,537,694</u>	<u>3,400,921</u>
All Other Governmental Funds								
Nonspendable	9,535	-	-	-	-	-	-	-
Restricted	1,989,107	1,589,147	1,440,083	1,419,705	1,299,021	1,206,690	1,058,900	860,013
Assigned	-	-	-	-	-	-	-	-
Reserved	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	<u>1,998,642</u>	<u>1,589,147</u>	<u>1,440,083</u>	<u>1,419,705</u>	<u>1,299,021</u>	<u>1,206,690</u>	<u>1,058,900</u>	<u>860,013</u>
Total All Governmental Funds	<u>\$ 6,804,455</u>	<u>5,656,439</u>	<u>4,938,678</u>	<u>4,718,373</u>	<u>5,052,848</u>	<u>4,893,317</u>	<u>4,596,594</u>	<u>4,260,934</u>

Source:

2015-2022 Annual Financial Reports

Earlier reports not available



**Township of Schaumburg**

**General Revenues by Source\***  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Property Taxes</b>	<b>Personal Property Replacement Taxes</b>	<b>Investment Income</b>	<b>Inter- Governmental</b>	<b>Miscellaneous</b>	<b>Total</b>
2022	\$ 6,574,225	228,336	10,100	-	299,513	7,112,174
2021	6,374,849	106,989	31,300	-	409,139	6,922,277
2020	6,195,860	114,106	120,852	-	345,447	6,776,265
2019	6,008,148	85,399	92,587	-	275,478	6,461,612
2018	5,691,789	91,994	54,078	-	(22,089)	5,815,772
2017	5,864,550	9,941	22,405	-	(9,873)	5,887,023
2016	5,765,957	105,377	14,069	-	45,963	5,931,366
2015	5,563,602	95,300	11,451	-	31,272	5,701,625
2014	5,379,650	99,756	10,441	-	202,397	5,692,244
2013	5,360,805	87,017	14,911	14,400	312,501	5,789,634

\*Includes revenues of the Town Fund, General Assistance Fund, and Road and Bridge Fund

**Township of Schaumburg**

**General Government Expenditures by Function\***  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Government</b>	<b>Human Services, Public Welfare, and Home Relief</b>	<b>Road and Bridge</b>	<b>Capital Outlay</b>	<b>Debt Service</b>	<b>Total Expenditures</b>
2022	\$ 3,105,451	2,734,317	168,683	22,363	-	6,030,814
2021	3,241,738	2,695,601	30,912	199,458	-	6,167,709
2020	3,534,052	2,339,833	50,793	622,282	-	6,546,960
2019	4,127,196	2,389,046	38,727	250,118	-	6,805,087
2018	3,108,626	2,335,974	108,153	371,312	-	5,924,065
2017	3,054,617	2,347,132	117,554	346,084	-	5,865,387
2016	3,080,216	2,322,973	127,130	236,294	-	5,766,613
2015	2,847,108	2,330,224	138,116	294,517	12,874	5,622,839
2014	3,046,336	2,210,652	159,910	302,514	12,874	5,732,286
2013	2,908,082	2,299,952	177,402	394,972	12,874	5,793,282

\* Includes expenditures of the Town, General Assistance, and Road and Bridge Funds

## *REVENUE CAPACITY*

Township of Schaumburg

Tax Rates and Levies  
Last Ten Fiscal Years

Tax Rates*	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General	NA	0.0980	0.0967	0.1100	0.1050	0.1030	0.1200	0.1150	0.1170	0.1000
Bond and Interest	NA	-	-	-	-	-	-	-	-	-
Road and Bridge**	NA	0.0310	0.0297	0.0330	0.0310	0.0300	0.0340	0.0320	0.0310	0.0260
General Assistance	NA	0.0150	0.0150	0.0170	0.0160	0.0150	0.0170	0.0160	0.0130	0.0110
Total	NA	0.1440	0.1414	0.1600	0.1520	0.1480	0.1710	0.1630	0.1610	0.1370
Percentage of increase (decrease) from prior years	-	1.84%	-11.63%	5.26%	2.70%	-13.45%	4.91%	1.24%	17.52%	9.60%
Tax Levies										
General	5,143,245	5,117,220	4,774,818	4,920,029	4,770,513	4,631,910	4,631,910	4,598,398	4,620,795	4,459,700
Bond and Interest	-	-	-	-	-	-	-	-	-	-
Road and Bridge**	813,472	810,848	771,882	762,605	686,939	663,258	644,150	639,777	612,157	579,761
General Assistance	787,221	768,341	744,127	749,719	694,735	643,750	643,750	639,777	513,422	490,567
Total	6,743,938	6,696,409	6,290,827	6,432,353	6,152,187	5,938,918	5,919,810	5,877,952	5,746,374	5,530,028
Percentage of increase (decrease) from prior years	0.71%	6.43%	-1.96%	16.95%	3.59%	0.32%	0.71%	2.29%	3.91%	0.82%

\* Cents per \$100 of assessed and equalized valuation. Includes 3% loss on collection factor, (5% on bonds) applied by the County. Taxes levied on a calendar year basis for collection in the subsequent fiscal year.

\*\* Township Road and Bridge receives only approximately 50% of total levy; balance is distributed directly to other municipalities

NA - Not available from Cook County as of the audit report date

Source:  
Office of Cook County Clerk

## Township of Schaumburg

### Property Tax Levies Extended and Collections Last Ten Fiscal Years

Tax Levy Year (1)	Total Tax Extended (2)(3)	Current Tax Collections	Current Tax Collections as Percent of Extension
2021*	NA	698,631	NA
2020	6,755,048	6,581,821	97.44%
2019	6,556,784	6,497,120	99.09%
2018	6,552,977	6,408,913	97.80%
2017	6,240,930	6,201,223	99.36%
2016	5,938,918	5,935,675	99.95%
2015	5,919,810	5,709,299	96.44%
2014	5,877,952	5,734,785	97.56%
2013	5,746,374	5,563,602	96.82%
2012	5,530,028	5,514,063	99.71%

(1) Taxes levied on a calendar year basis for collection in the subsequent fiscal year

(2) Includes the 3% loss in collection factor (5% for bonds) applied by the County to the original levy. Due to the impact of the Property Tax Extension Limitation Act (PTELA), loss factors may not be allowed.

(3) The levy for Road and Bridge includes taxes levied for the Township and other municipalities. Total tax extended is based upon Township's portion of the Road and Bridge levy only, which is approximately 50% of the total levy. The 50% is paid directly to other municipalities within the Township.

\* Current collections are deferred

NA - Not available from Cook County as of the audit report date

Source:

Office of the Cook County Treasurer

**Township of Schaumburg**

**Assessed and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years**

<b>Levy Year</b>	<b>Percentage Increase (Decrease)</b>	<b>Railroad Property</b>	<b>Real Property</b>	<b>Total</b>	<b>Estimated Actual Value</b>	<b>Ratio of Total Assessed / Total Estimated Actual Value</b>
2021	NA	**	NA	NA	NA	NA
2020	1.38%	**	5,248,209,222	5,248,209,222	15,744,627,666	33.33
2019	16.35%	**	5,176,789,588	5,176,789,588	15,530,368,764	33.33
2018	-2.19%	**	4,449,497,516	4,449,497,516	13,348,492,548	33.33
2017	1.17%	**	4,549,264,916	4,549,264,916	13,647,794,748	33.33
2016	15.53%	**	4,496,664,565	4,496,664,565	13,489,993,695	33.33
2015	-2.66%	**	3,892,142,412	3,892,142,412	11,676,427,236	33.33
2014	1.25%	**	3,998,606,992	3,998,606,992	11,995,820,976	33.33
2013	-12.19%	**	3,949,407,542	3,949,407,542	11,848,222,626	33.33
2012	0.92%	**	4,497,717,493	4,497,717,493	13,493,152,479	33.33

Data Source:

Office of the Cook County Clerk

NA - Not available from Cook County as of the audit report date

**Township of Schaumburg**

**Property Tax Rates - Direct and Overlapping Governments  
Last Ten Levy Years**

Tax Levy Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Township of Schaumburg	0.100	0.117	0.115	0.171	0.103	0.105	0.110	0.097	0.098	NA
General Assistance Schaumburg	0.011	0.013	0.016	0.017	0.015	0.016	0.017	0.015	0.015	NA
Road and Bridge Schaumburg	0.026	0.031	0.032	0.034	0.030	0.031	0.033	0.030	0.031	NA
Total Direct Rate	0.137	0.161	0.163	0.222	0.148	0.152	0.160	0.142	0.144	NA
Overlapping Rates										
Cook County	0.531	0.560	0.568	0.552	0.533	0.496	0.489	0.454	0.453	NA
Cook County Forest Preserve District	0.063	0.069	0.069	0.069	0.063	0.062	0.060	0.059	0.058	NA
Metropolitan Water Reclamation Dist.	0.370	0.417	0.430	0.426	0.406	0.402	0.396	0.389	0.378	NA
Village of Schaumburg	0.642	0.706	0.692	0.710	0.622	0.615	0.623	0.513	0.503	NA
Consolidated Elections	-	0.031	-	0.034	-	0.031	-	0.030	-	NA
Suburban TB Sanitarium	-	-	-	-	-	-	-	-	-	NA
Schaumburg Park District	0.606	0.700	0.704	0.729	0.643	0.653	0.682	0.604	0.605	NA
Schaumburg Township Public Library	0.331	0.384	0.386	0.402	0.352	0.357	0.294	0.357	0.319	NA
Northwest Mosquito Abatement Dist.	0.011	0.013	0.013	0.011	0.010	0.010	0.011	0.010	0.010	NA
School District Number 54	3.578	4.148	4.168	4.332	3.790	3.844	4.030	3.545	3.575	NA
High School District Number 211	2.772	3.197	3.213	3.309	2.871	2.922	3.044	2.749	2.787	NA
Community College District Number 512	0.373	0.444	0.451	0.466	0.416	0.425	0.443	0.403	0.409	NA
Total Rates	9.414	10.830	10.857	11.262	9.854	9.969	10.232	9.255	9.241	NA

Source:

Cook County Clerk's Office and Village of Schaumburg

NA - Not available from Cook County as of the audit report date

**Township of Schaumburg**

**Principal Property Taxpayers  
Current and Nine Years Ago**

Taxpayer	2021			2012		
	Equalized Assessed Value	Rank	Percentage of Total Township Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Township Taxable Assessed Valuation
Simeon Property Group	\$ 242,016,202	1	6.18%	\$ 239,570,621	1	5.91%
Zurich	85,915,591	2	2.19%			
The Blackstone Group L.P.	66,079,700	3	1.69%	58,906,020	6	1.45%
Glenstar Properties, LLC	52,726,043	4	1.35%	85,751,536	4	2.12%
DDR Corp.	48,402,571	5	1.24%			
IRC	47,204,698	6	1.21%	46,918,770	9	1.16%
KBS Woodfield Preserve	44,497,935	7	1.14%	55,820,949	7	1.38%
Martingale Road LLC	41,904,200	8	1.07%			
Landmark Schaumburg	38,264,282	9	0.98%	63,111,322	5	1.56%
Thompson Property Tax	35,374,207	10	0.90%	96,389,951	2	2.38%
Motorola, Inc.				89,425,175	3	2.21%
Woodfield Holding Pt				48,908,109	8	1.21%
Community Centers One				45,381,244	10	1.12%
Total	<u>\$ 702,385,429</u>		<u>17.95%</u>	<u>\$ 784,802,453</u>		<u>20.50%</u>

Data Source:

Cook County Clerk's Office and Village of Schaumburg



## *DEBT CAPACITY*

Township of Schaumburg

Computation of Legal Debt Margin  
February 28, 2022

<hr/>	
2020 Levy Year Assessed Value	\$ 5,248,209,222
Debt Limit 5.75% of Assessed Value	301,772,030
Township Debt Applicable to Debt Limit	<hr/> -
Legal Debt Margin	<hr/> <hr/> \$ 301,772,030

**Township of Schaumburg**

**Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt per Capita  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Assessed Value (2)</b>	<b>Gross General Obligation Bonded Debt (3)</b>	<b>Less Debt Service Fund</b>	<b>Net Bonded Debt</b>	<b>Ratio of Net Bonded Debt to Equalized Assessed Valuation</b>	<b>Net Bonded Debt per Capita</b>
2022	131,288	NA	-	-	-	0.00%	-
2021	131,288	5,248,209,222	-	-	-	0.00%	-
2020	131,288	5,167,552,974	-	-	-	0.00%	-
2019	131,288	4,449,497,516	-	-	-	0.00%	-
2018	131,288	4,549,264,916	-	-	-	0.00%	-
2017	131,288	4,496,664,565	-	-	-	0.00%	-
2016	131,288	3,892,142,412	-	-	-	0.00%	-
2015	131,288	3,998,606,992	-	-	-	0.00%	-
2014	131,288	3,949,407,542	-	-	-	0.00%	-
2013	131,288	4,497,717,493	-	-	-	0.00%	-

**Sources:**

- (1) U.S. Census Bureau Data
- (2) Cook County, Illinois Tax Extension Division
- (3) Township of Schaumburg's Annual Financial Reports

NA - Not available from Cook County as of the audit report date

**Township of Schaumburg**

**Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total General  
Governmental Expenditures  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest and Fiscal Charges</b>	<b>Total Debt Service</b>	<b>Total General Governmental Expenditures</b>	<b>Ratio of Debt Service to General Governmental Expenditures</b>
2022	-	-	-	6,030,814	0.00%
2021	-	-	-	6,167,709	0.00%
2020	-	-	-	6,546,960	0.00%
2019	-	-	-	6,805,087	0.00%
2018	-	-	-	5,924,065	0.00%
2017	-	-	-	5,865,387	0.00%
2016	-	-	-	5,766,313	0.00%
2015	-	-	-	5,622,839	0.00%
2014	-	-	-	5,732,286	0.00%
2013	-	-	-	5,793,282	0.00%

## Township of Schaumburg

### Direct and Overlapping Governmental Activities Debt For the Year Ended February 28, 2022

Governmental Unit	Debt Outstanding	Estimated Percentage of Debt Applicable to Schaumburg Township (2)	Estimated Share of Overlapping Debt
Schaumburg Township		100.00%	
Overlapping Debt (1)			
Village of Schaumburg	\$ 78,203,034	2.30%	78,203,034
Cook County	3,167,371,750	2.26%	73,799,762
Cook County Forest Preserve District	139,880,000	2.30%	3,161,288
Metropolitan Water Reclamation District	2,659,018,340	1.00%	61,157,422
DuPage County	115,538,149	1.00%	11,554
DuPage County Water Preserve	83,399,600	4.00%	8,340
Palatine Public Library	18,880,000	6.33%	1,195,104
Poplar Creek Public Library District	-	7.83%	-
Schaumburg Township District Public Library	12,065,000	71.44%	8,619,236
Hoffman Estates Park District	64,210,000	4.84%	3,107,764
Palatine Park District	23,907,682	6.33%	1,513,356
Roselle Park District	1,529,474	59.00%	9,024
Schaumburg Park District'	12,465,035	91.28%	11,378,084
Roselle SD #12	3,910,000	1.08%	42,228
Palatine CCSD #15	43,375,000	4.35%	1,886,813
Elgin USD #46	202,457,388	3.74%	7,571,906
Schaumburg CCSD #54	-	69.45%	-
Lake Park (Roselle) CHSD #108	6,995,000	14.00%	9,793
Palatine HSD#211	-	44.50%	-
College of DuPage #502	153,185,000	1.00%	15,319
Elgin Community College #509	174,640,000	5.25%	9,168,600
Harper Community College #512	285,565,330	18.82%	53,743,395
Subtotal	7,246,595,782		314,602,022
Total	\$ 7,246,595,782		314,602,022

#### Notes:

(1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of Schaumburg Township. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Schaumburg Township. This process recognizes that, when considering the Township's ability to issue and repay long-term debt, the entire burden borne by the residents and business should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for paying the debt, of each overlapping government.

(2) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the Village's boundaries and dividing it by each unit's total taxable assessed value.

#### Data Source

Village of Schaumburg

## *DEMOGRAPHIC AND ECONOMIC DATA*

**Township of Schaumburg**

**Principal Employers  
Current Year and Nine Years Ago**

Employer	2021			2012		
	Approximate Employment	Rank	Percentage of Township Population	Approximate Employment	Rank	Percentage of Township Population
Woodfield Shopping Center	4200	1	5.79%	3,000	2	4.23%
School District #54	2214	2	3.05%	1,933	4	2.73%
Zurich American Insurance	2162	3	2.98%	2,300	3	3.24%
Motorola Solutions, Inc.	1815	4	2.50%	7,000	1	9.87%
Perdoceo	1435	5	1.98%			
Optum Rx (Formerly Catamaran	1300	6	1.79%			
Paylocity	1250	7	1.72%			
Nation Pizza Products	1140	8	1.57%	510	9	0.72%
Village of Schaumburg	553	9	0.76%	507	10	0.72%
Friendship Village	550	10	0.76%			
IBM				950	5	1.34%
Genworth Financial Capital				850	6	1.20%
Comcast				725	7	1.02%
Verizon				625	8	0.88%
Total	16,619		22.90%	17,775		25.07%

Data Source

Cook County Clerk's Office and Village of Schaumburg

## *OPERATING INFORMATION*



## Township of Schaumburg

### Miscellaneous Statistics February 28, 2022

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#### Miscellaneous

Form of Government	Township
Date of Incorporation	April 12, 1850
Total Land Area	32 square miles
Unincorporated Roads	9.3 miles
Apartment Complexes	19
Motels/Hotels	27
Senior Citizens Complexes	9
Hospitals	1
Public Golf Courses	5
Nursing Care Centers	3

#### Appointed Standing Advisory Committees

Committee for Disabled Citizens  
Mental Health Board  
Senior Citizens Services Committee  
Safety Committee  
Technology Committee

#### Summary of Schools

	Number	Enrollment
Public		
Community Consolidated Elementary		
School District 54	27	15,030
High School District 211	3	6,675
Private		
St. Hubert School	1	486
St. Peter's Lutheran	1	296
Schaumburg Christian School	1	1,170

## Township of Schaumburg

### Miscellaneous Statistics (continued)

February 28, 2022

#### Distribution of Township Population by Municipality

	<b>Census Year</b>	<b>Population</b>
Elk Grove	2010	11,023
Hanover Park	2010	9,892
Hoffman Estates	2010	33,915
Rolling Meadows	2010	1,582
Roselle	2010	3,723
Schaumburg	2010	67,778
Streamwood	2010	1,469
Unincorporated	2010	1,906

#### Median Age by Municipalities in Township

	<b>Year</b>	<b>Age</b>
Elk Grove	2020	45.8
Hanover Park	2020	36.8
Hoffman Estates	2020	38.5
Rolling Meadows	2020	31.1
Roselle	2020	45.3
Schaumburg	2020	41.1
Streamwood	2020	29.0
Unincorporated	2020	43.1

Source:

Northeastern Illinois Planning Commission  
Region 1 Planning Council