

AUDIT REPORT

Of

**DEKALB TOWNSHIP  
DEKALB COUNTY, ILLINOIS**

For the Period  
April 1, 2003 through March 31, 2004

**STEVEN E. GARLAND**

Certified Public Accountant  
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DEKALB TOWNSHIP, DEKALB COUNTY, ILLINOIS

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March 31, 2004

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DEKALB TOWNSHIP, DEKALB COUNTY, ILLINOIS

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# STEVEN E. GARLAND

Certified Public Accountant  
151 W. Lincoln Hwy.  
DeKalb, Illinois 60115

815-758-0101

## INDEPENDENT AUDITOR'S REPORT

To the President and  
Members of the Board of Trustees  
DeKalb Township, Illinois

I have audited the accompanying financial statements of the DeKalb Township, Illinois, as of March 31, 2004, and for the year then ended. These financial statements are the responsibility of the DeKalb Township, Illinois. My responsibility is to express an opinion on these financial statements based on my audit.


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

The general purpose financial statements referred to above do not include the general fixed asset account group, which should be included to conform to generally accepted accounting principles. The amount that should be recorded in the general fixed assets account group is not known.

As described in Note 1, the Township prepares its financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Illinois, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In my opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the cash and unencumbered cash balances of the DeKalb Township, Illinois as of March 31, 2004, and the revenues it received and expenditures it paid for the year then ended, on a basis of accounting described in Note 1.

Sincerely,



Steven E. Garland  
Certified Public Accountant

June 22, 2004

DEKALB TOWNSHIP, ILLINOIS

All Fund Types and Account Group  
Combined Balance Sheet  
Arising from Cash Receipts and Disbursements

For the Year Ended March 31, 2004

<u>ASSETS</u>	<u>Total (Memorandum Only)</u>	<u>General</u>	<u>Special Revenue</u>
Cash	\$ 3,262,008	\$ 458,920	\$ 2,803,088
Investments	<u>0</u>	<u>0</u>	<u>0</u>
Total cash and Investments	<u>\$ 3,262,008</u>	<u>\$ 458,920</u>	<u>\$ 2,803,088</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 3,262,008</u></b>	<b><u>\$ 458,920</u></b>	<b><u>\$ 2,803,088</u></b>
 <u>LIABILITIES</u>			
<b>TOTAL LIABILITIES</b>	<b><u>\$ 0</u></b>	<b><u>\$ 0</u></b>	<b><u>\$ 0</u></b>
 <u>TOWNSHIP EQUITY</u>			
Fund Balance	<u>\$ 3,262,008</u>	<u>\$ 458,920</u>	<u>\$ 2,803,088</u>
<b>TOTAL TOWNSHIP EQUITY</b>	<b><u>\$ 3,262,008</u></b>	<b><u>\$ 458,920</u></b>	<b><u>\$ 2,803,088</u></b>
<b>TOTAL LIABILITIES AND TOWNSHIP EQUITY</b>	<b><u>\$ 3,262,008</u></b>	<b><u>\$ 458,920</u></b>	<b><u>\$ 2,803,088</u></b>

The accompanying notes are an integral part of these statements.

DEKALB TOWNSHIP, ILLINOIS  
 COMBINED STATEMENT OF CASH RECEIPTS AND CASH  
 DISBURSEMENTS AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUND TYPES

For the Year Ended March 31, 2004

	<u>Total (Memorandum Only)</u>	<u>General</u>	<u>Special Revenue</u>
<b>REVENUE</b>			
Replacement Tax	\$ 64,656	\$ 21,644	\$ 43,012
Property Tax	1,567,007	609,737	957,270
Share Income & SSI/State	4,600	4,600	0
Interest Income	47,766	5,765	42,001
Other Revenue	<u>11,605</u>	<u>6,987</u>	<u>4,618</u>
<b>TOTAL REVENUE</b>	<u>\$ 1,695,634</u>	<u>\$ 648,733</u>	<u>\$ 1,046,901</u>
<b>EXPENDITURES</b>			
Operations	<u>1,211,761</u>	<u>\$ 657,537</u>	<u>554,224</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 1,211,761</u>	<u>\$ 657,537</u>	<u>\$ 554,224</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES AND OTHER USES/SOURCES</b>	<b>\$ 483,873</b>	<b>\$ (8,804)</b>	<b>\$ 492,677</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	\$ 10,000	\$ 10,000	\$ 0
Operating transfers out	<u>10,000</u>	<u>10,000</u>	<u>0</u>
<b>NET OTHER FINANCING SOURCES (USE)</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>EXCESS OF REVENUE AND OTHER SOURCES OVER EXPENDITURES AND OTHER USE</b>	<b>\$ 483,873</b>	<b>\$ (8,804)</b>	<b>\$ 492,677</b>
<b>TOWNSHIP EQUITY</b>			
Balance, beginning of year	<u>2,778,135</u>	<u>467,724</u>	<u>2,310,411</u>
<b>TOTAL TOWNSHIP EQUITY</b>	<u><u>\$ 3,262,008</u></u>	<u><u>\$ 458,920</u></u>	<u><u>\$ 2,803,088</u></u>

**DEKALB TOWNSHIP, ILLINOIS**  
**ALL GOVERNMENTAL FUND TYPES**  
**COMBINED BUDGETARY-BASIS STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS**  
**(AND COMPARISON WITH ESTIMATED REVENUE AND APPROPRIATIONS)**

For the Year Ended March 31, 2004

	<u>Total (Memorandum Only)</u>		<u>General</u>		<u>Special Revenue</u>	
	<u>Estimated Revenue and Appropriations</u>	<u>Actual</u>	<u>Estimated Revenue and Appropriations</u>	<u>Actual</u>	<u>Estimated Revenue and Appropriations</u>	<u>Actual</u>
<b>REVENUES COLLECTED</b>						
Replacement Tax	\$ 65,000	\$ 64,656	\$ 25,000	\$ 21,644	\$ 40,000	\$ 43,012
Property Tax	1,532,835	1,567,007	605,547	609,737	927,288	957,270
Share Income & SSI/State	1,000	4,600	1,000	4,600	0	0
Interest Income	51,900	47,766	9,900	5,765	42,000	42,001
Other Income	3,500	11,605	2,000	6,987	1,500	4,618
<b>TOTAL REVENUE COLLECTED</b>	<b>\$ 1,654,235</b>	<b>\$ 1,695,634</b>	<b>\$ 643,447</b>	<b>\$ 648,733</b>	<b>\$ 1,010,788</b>	<b>\$ 1,046,901</b>
<b>EXPENDITURES PAID</b>						
Operations	3,585,721	1,211,761	729,600	\$ 657,537	2,856,121	554,224
<b>TOTAL EXPENDITURES PAID</b>	<b>\$ 3,585,721</b>	<b>\$ 1,211,761</b>	<b>\$ 729,600</b>	<b>\$ 657,537</b>	<b>\$ 2,856,121</b>	<b>\$ 554,224</b>
<b>OPERATING TRANSFER</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>BUDGETARY-BASIS EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES AND OTHER USES</b>	<b>\$ (1,931,486)</b>	<b>\$ 483,873</b>	<b>\$ (86,153)</b>	<b>\$ (8,804)</b>	<b>\$ (1,845,333)</b>	<b>\$ 492,677</b>

The accompanying notes are an integral part of these statements.

DEKALB TOWNSHIP, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2004

1. Summary of Significant Accounting Policies

A. Fund Accounting

The accounts of the Township are organized on the basis of funds and account group, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue, and expenditures or expenses, as appropriated. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds and accounts are grouped in the financial statements into five generic fund types, three broad categories and two account groups as follows:

FUND CATEGORIES

1. Governmental Fund Types

The measurement focus is upon determination of financial position and changes in financial position rather than upon net income determination.

General Fund

The General Fund is used to account for all revenue and expenditures applicable to the general operations of Township government which are not more properly accounted for in another fund. The revenues of the General Fund are primarily derived from general property taxes, intergovernmental revenue, licenses, and permits. The expenditures of the General Fund are primarily related to general administration and public building operations.

Special Revenue Funds

These funds are operating funds used to account for revenue derived from specific sources, either externally restricted or internally designated.



DEKALB TOWNSHIP, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2004

1. Summary of Significant Accounting Policies (continued)

B. Basis of Accounting

The cash basis of accounting is used for all governmental funds. Under this method of accounting, revenues are recognized in the period in which they are received and expenditures are recorded as they are paid.

The cash basis of accounting is used for the Proprietary Fund. Under this method of accounting, revenues are recognized in the accounting period in which they are received and expenses are recognized in the period paid.

C. Cash and Investments

The Township maintains a cash pool, which is available for use by the General and Special, Revenue Funds. All other funds either have their own cash accounts in the form of regular checking or money market accounts.

State statutes govern the Township's investment policies. All funds are deposited in federally insured banks and savings and loans. The cash and investments reflected in the combined balance sheet consist of demand accounts, or certificates of deposits. The cash and investment accounts are recorded at cost plus, which approximates market.

D. Revenue Recognition

Property taxes are recognized at the time they are received. Property taxes are levied and attached as an enforceable lien on property on January 1, and are payable in two installments on June 1 and September 1 subsequent to the year of levy.

Substantially, all other shared revenues are recorded during the period when received by the collecting authority, the State of Illinois.

Income from investments, accounts and unbilled usage receivables are recognized when received. Licenses and permits, forfeits, fees and refunds, charges for service, miscellaneous and other revenues are recorded as revenue when received in cash.

DEKALB TOWNSHIP, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2004

1. Summary of Significant Accounting Policies (continued)

E. Fixed Assets

Fixed assets acquired or constructed for general governmental services are recorded as expenditures in the fund acquiring the asset and should be capitalized at cost in a General Fixed Assets Account Group. The Township does not maintain this account group. Infrastructures, e.g. (streets, bridges, and lighting) are not capitalized. Assets acquired by gift or contribution are carried at the estimated fair value of the asset at the time of receipt. No depreciation should be recorded on general fixed assets.

F. Fund Equity

Fund balances: indicates that portion of fund equity, which is available for budgeting in future periods.

G. Expenditures

All Fund Types  
Expenditures are recognized when they are paid.

H. Budget

The budget represents departmental appropriations as authorized by the Township's appropriation ordinance and includes revisions authorized by the Township Board to reflect changes in departmental programs. At March 31, unexpended appropriation of the budgetary funds (general fund and special revenue funds) automatically lapse. The budget is prepared on the cash basis.

I. Memorandum Totals

The total columns on the general purpose combined financial statements are captioned memorandum only and are presented only to facilitate financial analysis and do not present financial condition, results of operations or accounting principles. Neither is such data comparable to a consolidation because interfund eliminations have not been made.

DEKALB TOWNSHIP, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2004

2. Retirement Fund Commitment

Illinois Municipal Retirement Fund

The DeKalb Township's defined benefit pension plan, Illinois Municipal Retirement (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by Illinois General Assembly.

IMRF issues a financial report that includes financial statements and required supplementary information. The report may be obtained at [www.imrf.org/pubs/pubs\\_homepage.htm](http://www.imrf.org/pubs/pubs_homepage.htm) or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The member rate is established by state statute. The DeKalb Township is required to contribute at an actuarially determined rate. The employer rate for calendar year 2003 was 8.60 % of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (overfunded liability amortized on open basis). The amortization period at December 31, 2003 was 29 years.

For December 31, 2003, the DeKalb Township's annual pension cost of \$25,914 was equal to the DeKalb Township's required and actual contributions. The required contributions were determined as part of the December 31, 2001 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The assumptions used for the 2003 actuarial valuation were based on the 1999-2001 experience study.

TREND INFORMATION

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/03	25,914	100%	0
12/31/02	23,379	100%	0
12/31/01	22,052	100%	0
12/31/00	21,773	100%	0
12/31/99	21,964	100%	0
12/31/98	22,887	100%	0
12/31/97	22,164	100%	0
12/31/96	20,946	100%	0
12/31/95	20,624	100%	0
12/31/94	19,671	100%	0
12/31/93	18,044	100%	0
12/31/92	20,725	100%	0

DEKALB TOWNSHIP, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2004

2. Retirement Fund Commitments (Continued)

Illinois Municipal Retirement Fund (Continued)

REQUIRED SUPPLEMENTARY INFORMATION  
Schedule of Funding Progress

Actuarial Valuation	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UALL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
Date	(a)	(b)	(b-a)	(a/b)	(c)	((b-a)/c)
12/31/03	944,935	1,118,386	173,451	84.49%	301,324	57.56%
12/31/02	892,200	1,003,204	111,004	88.94%	286,512	38.74%
12/31/01	892,029	888,939	(3,090)	100.35%	274,276	0.00%
12/31/00	810,374	781,044	(29,330)	103.76%	258,896	0.00%
12/31/99	689,078	664,582	(24,496)	103.69%	243,775	0.00%
12/31/98	530,980	568,665	7,685	98.65%	236,926	3.249%
12/31/97	464,193	498,595	34,402	93.10%	239,741	14.35%
12/31/96	417,645	470,864	53,219	88.70%	220,308	24.16%
12/31/95	357,351	425,611	68,260	83.96%	220,755	30.92%
12/31/94	303,529	351,382	47,853	86.38%	196,709	24.33%
12/31/93	251,495	301,560	50,065	83.40%	186,789	26.80%
12/31/92	198,076	263,366	65,290	75.21%	186,377	35.03%

On a market value basis, the actuarial value of assets as of December 31, 2003 is \$880,676. On a market basis, the funded ratio would be 78.75%.

\*Digest of Changes

The actuarial assumptions used to determine the actuarial accrued liability for 2003 are based on the 1999-2001 Experience Study.

The principal changes were:

- Fewer members are expected to take refunds early in their career.
- For Regular members, fewer normal and early retirements are expected to occur.

3. Cemetery Fund

A portion of the fund balance (\$53,848) is restricted per state statute as perpetual care principal. The amount is invested in a separate account at the American National Bank.

## DEKALB TOWNSHIP, ILLINOIS

## GENERAL FUND

COMBINING BALANCE SHEET, ARISING  
FROM CASH RECEIPTS AND CASH DISBURSEMENTS

For the Year Ended March 31, 2004

	Total (Memorandum Only)	Town	General Assistance	Cemetery
<b>ASSETS</b>				
Cash	\$458,920	\$ 260,095	\$ 109,791	\$ 89,034
Investments	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL ASSETS</b>	<u>\$458,920</u>	<u>\$ 260,095</u>	<u>\$ 109,791</u>	<u>\$ 89,034</u>
<b>LIABILITIES</b>				
<b>TOTAL LIABILITIES</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>TOWNSHIP EQUITY</b>				
Fund Balance	<u>\$458,920</u>	<u>\$ 260,095</u>	<u>\$ 109,791</u>	<u>\$ 89,034</u>
<b>TOTAL LIABILITIES AND TOWNSHIP EQUITY</b>	<u>\$458,920</u>	<u>\$ 260,095</u>	<u>\$ 109,791</u>	<u>\$ 89,034</u>

The accompanying notes are an integral part of this statement.

## DEKALB TOWNSHIP, ILLINOIS

## GENERAL FUND

COMBINING STATEMENT OF CASH RECEIPTS,  
CASH DISBURSEMENTS AND CHANGES IN FUND BALANCE

For the Year Ended March 31, 2004

	Total (Memorandum Only)	Town	General Assistance	Cemetery
<b>REVENUE</b>				
Replacement Tax	\$ 21,644	\$ 21,644	\$ 0	\$ 0
Property Tax	609,737	538,763	70,151	823
Interest Income	5,765	4,517	1,223	25
Share Income & SSI/State	4,600	0	4,600	0
Other	6,987	4,499	1,738	750
<b>TOTAL REVENUE</b>	<b>\$648,733</b>	<b>\$569,423</b>	<b>\$ 77,712</b>	<b>\$ 1,598</b>
<b>EXPENDITURES</b>				
Operations	\$657,537	\$548,875	\$ 97,397	\$ 11,265
<b>TOTAL EXPENDITURES</b>	<b>\$657,537</b>	<b>\$548,875</b>	<b>\$ 97,397</b>	<b>\$ 11,265</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<b>\$ (8,804)</b>	<b>\$ 20,548</b>	<b>\$ (19,685)</b>	<b>\$ (9,667)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	\$ 10,000	\$ 0	\$ 0	\$ 10,000
Operating transfers out	10,000	10,000	0	0
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>\$ 0</b>	<b>\$ (10,000)</b>	<b>\$ 0</b>	<b>\$ 10,000</b>
<b>EXCESS OF REVENUE AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES.</b>	<b>\$ (8,804)</b>	<b>\$ 10,548</b>	<b>\$ (19,685)</b>	<b>\$ 333</b>
<b>FUND BALANCE</b>				
Balance, beginning of year	467,724	249,547	129,476	88,701
Balance, end of year	<u>\$458,920</u>	<u>\$260,095</u>	<u>\$ 109,791</u>	<u>\$ 89,034</u>

The accompanying notes are an integral part of this statement.

## DEKALB TOWNSHIP, ILLINOIS

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
(AND COMPARISON WITH ESTIMATED REVENUE AND APPROPRIATIONS)  
AND CHANGES IN FUND BALANCE

For the Year Ended March 31, 2004

## TOWN FUND - REVENUE

	<u>Estimated</u>	<u>Cash Basis</u>
Replacement Tax	\$ 25,000	\$ 21,644
Property Tax	535,784	538,763
Interest Income	5,000	4,517
Other	<u>1,000</u>	<u>4,499</u>
<b>TOTAL REVENUE</b>	<u>\$ 566,784</u>	<u>\$569,423</u>
 <b>EXPENDITURES</b>		
Administration	\$295,300	\$270,017
Assessor	102,100	98,858
Social Services	80,000	80,000
County Home	100,000	100,000
Contingencies	<u>10,000</u>	<u>0</u>
<b>TOTAL EXPENDITURES</b>	<u>\$587,400</u>	<u>\$548,875</u>

The accompanying notes are an integral part of this statement.

## DEKALB TOWNSHIP, ILLINOIS

## TOWN FUND

## COMPARISON OF CASH DISBURSEMENTS WITH APPROPRIATIONS

For the Year Ended March 31, 2004

	Cash Basis Appropriations	Actual
Administration		
Personnel Services		
Salaries	\$ 158,300	\$ 158,013
Insurance	28,000	24,741
Retirement	30,700	26,312
	<u>217,000</u>	<u>209,066</u>
Total Personnel Services	\$ 217,000	\$ 209,066
Contractual Services		
Legal	\$ 1,000	\$ 0
Other Professional	2,000	1,450
Postage	1,500	613
Telephone	7,000	6,081
Publishing & Printing	1,300	401
Subscriptions	200	0
Dues	1,600	1,096
Travel	4,600	3,370
Training	3,560	1,501
Utilities	4,000	3,876
Insurance	10,000	8,812
NAT	0	0
Maintenance	2,364	2,355
	<u>39,124</u>	<u>29,555</u>
Total Contractual Services	\$ 39,124	\$ 29,555
Commodities		
Office Supplies	\$ 2,000	\$ 1,440
Operating Supplies	3,372	2,398
	<u>5,372</u>	<u>3,838</u>
Total Commodities	\$ 5,372	\$ 3,838
Other Expenditures		
Equipment Lease	\$ 2,860	\$ 1,732
Miscellaneous	3,176	2,060
	<u>6,036</u>	<u>3,792</u>
Total Other	\$ 6,036	\$ 3,792
Capital Expenditures	\$ 27,768	\$ 23,766
TOTAL	<u>\$ 295,300</u>	<u>\$ 270,017</u>

The accompanying notes are an integral part of this statement.



## DEKALB TOWNSHIP, ILLINOIS

## TOWN FUND

## COMPARISON OF CASH DISBURSEMENTS WITH APPROPRIATIONS

For the Year Ended March 31, 2004

	Cash Basis Appropriations	Actual
Assessor		
Personnel Services		
Salaries	\$ 47,640	\$ 47,640
Insurance	16,975	16,494
Retirement	8,500	7,671
	<u>73,115</u>	<u>71,805</u>
Total Personnel Services	\$ 73,115	\$ 71,805
Contractual Services		
Legal	\$ 500	\$ 0
Postage	100	89
Telephone	4,604	4,604
Dues	376	376
Travel	1,448	1,330
Training	1,300	1,240
Appraisal Fee's	444	0
Maintenance	1,365	9
	<u>10,137</u>	<u>7,648</u>
Total Contractual Services	\$ 10,137	\$ 7,648
Commodities		
Office Supplies	\$ 2,452	\$ 2,451
Operating Supplies	1,000	910
	<u>3,452</u>	<u>3,361</u>
Total Commodities	\$ 3,452	\$ 3,361
Other Expenditures		
Miscellaneous	\$ 700	\$ 0
	<u>700</u>	<u>0</u>
Capital Expenditures	\$ 14,696	\$ 16,044
	<u>14,696</u>	<u>16,044</u>
TOTAL	\$ 102,100	\$ 98,858

## DEKALB TOWNSHIP, ILLINOIS

## GENERAL ASSISTANCE

STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS  
(AND COMPARISON WITH ESTIMATED REVENUE AND APPROPRIATIONS)  
AND CHANGES IN FUND BALANCE

For the Year Ended March 31, 2004

Cash Basis

	Estimated. Revenue & <u>Appropriations</u>	<u>Actual</u>
<b>REVENUE</b>		
Property Tax	\$ 69,763	\$ 70,151
Interest Income	3,400	1,223
Miscellaneous Income	1,000	1,738
SSI/ST of Il. Interim	<u>2,500</u>	<u>4,600</u>
<b>TOTAL REVENUE</b>	<u>\$ 76,663</u>	<u>\$ 77,712</u>
<b>EXPENDITURES</b>		
Administration	\$ 50,600	\$ 43,603
Home Relief	61,300	51,569
Contingencies	<u>12,000</u>	<u>2,225</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 123,900</u>	<u>\$ 97,397</u>

The accompanying notes are an integral part of this statement.

## DEKALB TOWNSHIP, ILLINOIS

## CEMETERIES

STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS  
(AND COMPARISON WITH ESTIMATED REVENUE AND APPROPRIATIONS)  
AND CHANGES IN FUND BALANCE

For the Year Ended March 31, 2004

Cash Basis

	<u>Estimated Revenue &amp; Appropriations</u>	<u>Actual</u>
<b>REVENUE</b>		
Property Tax	\$ 0	\$ 0
Interest Income	1,500	823
Miscellaneous Income	1,000	25
Maintenance Fees	1,000	0
Lots	<u>1,000</u>	<u>750</u>
<b>TOTAL REVENUE</b>	<u>\$ 4,500</u>	<u>\$ 1,598</u>
<b>EXPENDITURES</b>		
Administration	\$ 0	\$ 0
Contractual	16,600	10,176
Commodities	1,700	1,089
Capital Outlay	0	0
Other Expenditures	<u>0</u>	<u>0</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 18,300</u>	<u>\$ 11,265</u>

The accompanying notes are an integral part of this statement.

DEKALB TOWNSHIP, ILLINOIS  
SPECIAL REVENUE FUND  
COMBINING BALANCE SHEET, ARISING  
FROM CASH RECEIPTS AND CASH DISBURSEMENTS

For the Year Ended March 31, 2004

	Total (Memorandum Only)	Road & Bridge	Permanent Road	Building & Equipment	Special Bridge
<b><u>ASSETS</u></b>					
Cash	\$ 2,803,088	\$ 307,121	\$ 2,059,809	\$ 90,762	\$345,396
Investments	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 2,803,088</u></b>	<b><u>\$ 307,121</u></b>	<b><u>\$ 2,059,809</u></b>	<b><u>\$ 90,762</u></b>	<b><u>\$345,396</u></b>
<b><u>LIABILITIES</u></b>					
<b>TOTAL LIABILITIES</b>	<b><u>\$ 0</u></b>	<b><u>\$ 0</u></b>	<b><u>\$ 0</u></b>	<b><u>\$ 0</u></b>	<b><u>\$ 0</u></b>
<b><u>TOWNSHIP EQUITY</u></b>					
Fund Balance	<u>\$ 2,803,088</u>	<u>\$ 307,121</u>	<u>\$ 2,059,809</u>	<u>\$ 90,762</u>	<u>\$345,396</u>
<b>TOTAL LIABILITIES AND TOWNSHIP EQUITY</b>	<b><u>\$ 2,803,088</u></b>	<b><u>\$ 307,121</u></b>	<b><u>\$ 2,059,809</u></b>	<b><u>\$ 90,762</u></b>	<b><u>\$345,396</u></b>

The accompanying notes are an integral part of this statement.

## DEKALB TOWNSHIP, ILLINOIS

## SPECIAL REVENUE

COMBINING STATEMENT OF CASH RECEIPTS,  
CASH DISBURSEMENTS AND CHANGES IN FUND BALANCE

For the Year Ended March 31, 2004

	Total (Memorandum Only)	Road & Bridge	Permanent Road	Building & Equipment	Special Bridge
<b>REVENUE</b>					
Replacement Tax	\$ 43,012	\$ 43,012	\$ 0	\$ 0	\$ 0
Property Tax	957,270	130,981	795,975	30,314	0
Interest Income	42,001	9,075	26,276	1,273	5,377
Other	4,618	4,618	0	0	0
<b>TOTAL REVENUE</b>	<b>\$ 1,046,901</b>	<b>\$ 187,686</b>	<b>\$ 822,251</b>	<b>\$ 31,587</b>	<b>\$ 5,377</b>
<b>EXPENDITURES</b>					
Operations	\$ 554,224	\$ 346,749	\$ 103,869	\$103,260	\$ 346
<b>TOTAL EXPENDITURES</b>	<b>\$ 554,224</b>	<b>\$ 346,749</b>	<b>\$ 103,869</b>	<b>\$103,260</b>	<b>\$ 346</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<b>\$ 492,677</b>	<b>\$ (159,063)</b>	<b>\$ 718,382</b>	<b>\$(71,673)</b>	<b>\$ 5,031</b>
Operating Transfers	0	0	0	0	0
<b>FUND BALANCE</b>					
Balance, beginning of year	2,310,411	466,184	1,341,427	162,435	340,365
Balance, end of year	<u>\$ 2,803,088</u>	<u>\$ 307,121</u>	<u>\$ 2,059,809</u>	<u>\$ 90,762</u>	<u>\$345,396</u>

The accompanying notes are an integral part of this statement.

## DEKALB TOWNSHIP, ILLINOIS

## ROAD &amp; BRIDGE FUND

STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS  
(AND COMPARISON WITH ESTIMATED REVENUE AND APPROPRIATIONS)  
AND CHANGES IN FUND BALANCE

For the Year Ended March 31, 2004

	Cash Basis	
	Estimated Revenue & Appropriations	Actual
<b>REVENUE</b>		
Replacement Tax	\$ 40,000	\$ 43,012
Property Tax	131,529	130,981
Interest Income	20,000	9,075
Miscellaneous	1,500	4,618
<b>TOTAL REVENUE</b>	<u>\$193,029</u>	<u>\$187,686</u>
<b>EXPENDITURES</b>		
Salaries	\$ 95,500	\$ 84,972
Retirement	18,000	14,353
Insurance	17,300	16,466
Contractual	27,450	19,342
Maintenance	38,500	28,262
Capital Outlay	230,000	157,359
Contingency	20,000	4,804
Intergovernmental agreement	0	0
Personal Property	27,000	20,309
Miscellaneous	2,000	882
<b>TOTAL EXPENDITURES</b>	<u>\$475,750</u>	<u>\$346,749</u>

The accompanying notes are an integral part of this statement.

## DEKALB TOWNSHIP, ILLINOIS

## PERMANENT ROAD FUND

STATEMENT OF CASH RECEIPTS AND CASH DISBURSEM  
(AND COMPARISON WITH ESTIMATED REVENUE AND APPROPRIATIONS)  
AND CHANGES IN FUND BALANCE

For the Year Ended March 31, 2004

Cash Basis

	<u>Estimated Revenue &amp; Appropriations</u>	<u>Actual</u>
<b>REVENUE</b>		
Property Tax	\$ 765,372	\$ 795,975
Interest Income	16,000	26,276
Miscellaneous	<u>0</u>	<u>0</u>
<b>TOTAL REVENUE</b>	<u>\$ 781,372</u>	<u>\$ 822,251</u>
<b>EXPENDITURES</b>		
Contractual	\$ 1,969,290	\$ 94,787
Commodities	45,000	7,268
Other	2,000	0
Contingency	<u>106,508</u>	<u>1,814</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 2,122,798</u>	<u>\$ 103,869</u>

## DEKALB TOWNSHIP, ILLINOIS

## BUILDING &amp; EQUIPMENT FUND

STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS  
(AND COMPARISON WITH ESTIMATED REVENUE AND APPROPRIATIONS)  
AND CHANGES IN FUND BALANCE

For the Year Ended March 31, 2004

	Cash Basis	
	Estimated Revenue & Appropriations	Actual
<b>REVENUE</b>		
Property Tax	\$ 30,387	\$ 30,314
Interest Income	4,500	1,273
Miscellaneous	0	0
<b>TOTAL REVENUE</b>	<u>\$ 34,887</u>	<u>\$ 31,587</u>
<b>EXPENDITURES</b>		
Capital Outlay	<u>\$147,323</u>	<u>\$103,260</u>
<b>TOTAL EXPENDITURES</b>	<u>\$147,323</u>	<u>\$103,260</u>

The accompanying notes are an integral part of this statement.



## DEKALB TOWNSHIP, ILLINOIS

## SPECIAL BRIDGE FUND

STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS  
(AND COMPARISON WITH ESTIMATED REVENUE AND APPROPRIATIONS)  
AND CHANGES IN FUND BALANCE

For the Year Ended March 31, 2004

Cash Basis

	<u>Estimated Revenue &amp; Appropriations</u>	<u>Actual</u>
<b>REVENUE</b>		
Property Tax	\$ 0	\$ 0
Interest Income	6,000	5,377
Miscellaneous	<u>0</u>	<u>0</u>
<b>TOTAL REVENUE</b>	<u>\$ 6,000</u>	<u>\$ 5,377</u>
<b>EXPENDITURES</b>		
Contractual Services	<u>\$ 95,000</u>	<u>\$ 0</u>
Capital Outlay	<u>\$ 10,000</u>	<u>\$ 346</u>
Contingencies	<u>\$ 5,250</u>	<u>\$ 0</u>
<b>TOTAL EXPENDITURES</b>	<u>\$110,250</u>	<u>\$ 346</u>

The accompanying notes are an integral part of these statements.

DEKALB TOWNSHIP, ILLINOIS  
 ASSESSED VALUATION, EXTENDED TAX RATES  
 PERCENTAGE ALLOCATIONS AND AMOUNTS BY FUND

For the Year Ended March 31, 2004

Tax levy Year	<u>2003</u>	<u>2002</u>	<u>2001</u>
ASSESSED VALUATION	\$ 498,394,377	\$ 473,935,643	\$ 459,067,353

Dekalb County

TAX RATES AND PERCENTAGE  
 ALLOCATION BY FUND

<u>FUNDS</u>	<u>Rate</u>	<u>Percentages</u>	<u>Rate</u>	<u>Percentages</u>	<u>Rate</u>	<u>Percentages</u>
Town Fund	0.1105	31.53%	0.1131	32.08%	0.1111	31.45%
General Assistance	0.0181	5.16%	0.0147	4.17%	0.0155	4.39%
Road & Bridge	0.0489	13.95%	0.0514	14.58%	0.0531	15.03%
Building & Equipment	0.0060	1.71%	0.0064	1.82%	0.0066	1.87%
Permanent Road	<u>0.1670</u>	<u>47.65%</u>	<u>0.1670</u>	<u>47.36%</u>	<u>0.1670</u>	<u>47.27%</u>
Totals	<u>0.3505</u>	<u>100.00%</u>	<u>0.3526</u>	<u>100.00%</u>	<u>0.3533</u>	<u>100.00%</u>

PROPERTY TAX EXTENSIONS

<u>FUNDS</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Town Fund	\$ 545,841	\$ 535,784	\$ 510,024
General Assistance	89,512	69,763	71,155
Road & Bridge	243,565	243,555	243,535
Building & Equipment	30,103	30,142	30,115
Permanent Road	<u>832,319</u>	<u>791,473</u>	<u>766,642</u>
Totals	<u>\$ 1,741,340</u>	<u>\$ 1,670,717</u>	<u>\$ 1,621,471</u>

The accompanying notes are an integral part of this statement.

DEKALB TOWNSHIP, ILLINOIS  
STATEMENT OF DEBT LIMIT MARGIN

For the Year Ended March 31, 2004

ASSESSED VALUATION	<u>\$ 498,394,377</u>
DEBT LIMITATION (8.625% of \$459,067,353)	\$ 42,986,515
General Bonded Debt	<u>0</u>
LEGAL DEBT MARGIN	<u>\$ 42,986,515</u>

The accompanying notes are an integral part of this statement.

# STEVEN E. GARLAND

Certified Public Accountant  
151 W. Lincoln Hwy.  
DeKalb, Illinois 60115

815-758-0101

## MANAGEMENT LETTER

To the President and  
Members of the Board of Trustees  
DeKalb Township, Illinois

I have audited the accompanying financial statements of the DeKalb Township, Illinois, as of March 31, 2004, and have issued my report thereon dated June 22, 2004. As part of my audit, I made a study and evaluation of the Township's system of internal accounting control to the extent I considered necessary to evaluate the system as required by generally accepted auditing standards. The purpose of my study and evaluation was to determine the nature, timing and extent of the auditing procedures necessary for expressing an opinion on the Township's financial statements. My study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole.

The management of the Township is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of the system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with the trustee's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles or another statutory basis.

Because of inherent limitations in any system of internal control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate. My study and evaluation made for the limited purpose described in the first paragraph would not necessarily disclose all material weaknesses in the system. Accordingly, I do not express an opinion on the system of internal accounting control of the Township taken as a whole.

However, my study and examination disclosed the following conditions in the system.

### Fixed Asset Controls

The Township does not maintain a fixed asset account group. Fixed assets in the general fixed asset account group are required to be in accordance with Generally Accepted Accounting Policies. This is especially important under the new financial reporting model, which will also require the recording of infrastructure assets. The new financial reporting model will be required to be implemented by the fiscal year ended March 31, 2004. Under the proposed guidelines, an entity wide balance sheet and income statement under the full accrual basis of accounting will be required. The fixed asset records will also be beneficial to the Township in other ways. It can be used for capital budgeting and also for fixed asset controls as a record of what assets are owned by the Township as well as their age and location.

Board of Trustees  
DeKalb Township

These conditions were considered in determining the nature, timing and extent of the audit tests applied in my audit and the issuing of my opinion, dated June 22, 2004, on the financial statements for the year ended March 31, 2005. The comments included in this letter supplement the information included in the financial statements and notes and is intended solely for use of the Township Trustees and should not be used for any other purpose.

Sincerely,



Steven E. Garland  
Certified Public Accountant

June 22, 2004