

**TOWNSHIP OF SCHAUMBURG
HOFFMAN ESTATES, ILLINOIS**

ANNUAL FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
FEBRUARY 28, 2018**

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EVANS, MARSHALL & PEASE, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

1875 Hicks Road
Rolling Meadows, Illinois 60008

Telephone (847) 221-5700
Facsimile (847) 221-5701

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, the major funds, and the aggregate remaining fund information of the Township of Schaumburg, Hoffman Estates, Illinois, as of and for the year ended February 28, 2018, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of 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.

Auditor's Responsibility

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

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

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

Opinions

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 units, the major funds, and the aggregate remaining fund information of the Township of Schaumburg, as of February 28, 2018, 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.

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit for the year ended February 28, 2018, was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The supplementary information, as listed in the table of contents, for the year ended February 28, 2018, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended February 28, 2018, and certain additional procedures, including comparing and recording such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information as listed in the table of contents are fairly stated in all material respects, in relation to the basic financial statements as a whole for the year ended February 28, 2018.

Evans, Marshall & Pease, P.C.

Evans, Marshall & Pease, P.C.
Certified Public Accountants

Rolling Meadows, IL
August 30, 2018
(20)

REQUIRED SUPPLEMENTARY INFORMATION
Management's Discussion and Analysis

The Township Supervisor, Town Clerk, Highway Commissioner, the Town Board of Trustees and the employees (management) offer the readers of Township of Schaumburg's financial statements this narrative discussion and analysis of its financial activities for the fiscal year ended February 28, 2018.

This discussion and analysis is designed to:

1. Assist the reader in focusing on significant financial issues,
2. Provide an overview of the Township's financial activity,
3. Identify changes in the Township's financial position (its ability to cope with the next and subsequent year challenges),
4. Identify any material deviations from the financial plan (the approved budgets), and
5. Identify individual fund issues or concerns.

Since Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Township's financial statements beginning on page 12.

Financial Highlights

Financial highlights of the Town Fund, General Assistance Fund and the Road and Bridge Fund are summarized as follows:

Town Fund

Property taxes decreased \$148,255 from \$4,562,068 to \$4,413,813.

Interest on bank deposits increased \$23,481 from \$18,302 to \$41,783.

Deposits to the pension were down \$169,396 from \$250,000 to \$80,604.

Transportation expenses were down to \$541,111; no new vehicles were purchased.

Human Service grants and contributions totaled \$1,039,500.

General Assistance

Property taxes decreased \$23,006 from \$645,998 to \$622,992.

Donations were up \$9,368 from \$50,161 to \$59,529.

Deposits to the pension were down \$12,912 from \$25,000 to \$12,088.

Emergency Assistance awards were up \$2,205 from \$76,927 to \$79,132.

General Assistance payments were up \$5,422 from \$67,410 to \$72,832.

Road and Bridge Fund

Real estate taxes decreased \$1,500 from \$656,484 to \$654,984.

Property and casualty insurance increased \$8,007 from \$25,073 to \$33,080.

Deposits to the pension were down \$10,421 from \$24,000 to \$13,579.

Road repair and resurfacing, including engineer fees, was up \$52,086 from \$271,922 to \$324,008.

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 include three components:

1. Government-wide financial statements, which present financial information on the Township as a whole;
2. Fund financial statements, which present financial information on each of the Township's major funds; and
3. Notes to the financial statements, which provide additional information concerning both of the above types of financial statements to assist the reader's understanding.

This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Township's finances in a manner similar to a private sector business.

The Statement of Net Position presents information on all of the Township's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the two reported as Net Position. Over time, increases and decreases in net position may serve as a useful indicator of whether the Township's financial position is improving or deteriorating. The focus of the Statement of Net Position is designed to be similar to bottom-line results for the Township and its governmental activities. This statement combines and consolidates governmental funds current financial resources with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities is focused on both the gross and net cost of various activities which are supported, by the Township's general taxes and other resources. This focus is intended to summarize and simplify the reader's analysis of the cost of various governmental services.

The Governmental Activities reflect the Township's basic services including assistance in assessment of property values, assistance to the poor and indigent, maintenance and improvement of roads and bridges, and administration. Property taxes finance the majority of these services.

The Business-type Activities reflect private sector type operations where the fee for the service typically covers all or most all of the cost of operations including depreciation.

Fund Financial Statements

Traditional users of governmental financial statements will find the Fund Financial Statements familiar. However, they focus on the major funds rather than grouping the financial statements by fund types.

The Governmental Major Fund presentation is prepared on a sources and uses of liquid resources basis. This is the manner in which the Budget and Appropriation Ordinance is typically developed. The flow and availability of liquid resources is a clear and appropriate focus for any analysis of a government. Funds are established for various purposes and the Fund Financial Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

Funds are accounting devices the Township uses to keep track of specific resources of funding and spending on particular programs. Some funds are required by State law; others may be required by bond covenants, as a condition of receiving a grant or other contractual agreement. Further, the Township may establish funds to control and manage money for particular purposes or to show that it is properly using certain revenues.

The Fund Financial Statements also allow the Township to report on its administration of its fiduciary fund: the Pension Fund. While these funds represent trust and agency responsibilities of the Township, the assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, this fund is not presented as part of the Governmental Financial Statements.

Infrastructure Assets

Historically, the Township's largest group of assets (infrastructure, buildings, equipment, vehicles, etc.) have not been reported nor depreciated in governmental financial statements. These assets are valued and reported within the Governmental column of the Government-wide Statements. Additionally, the government must depreciate these assets over their estimated useful lives.

Notes to Financial Statements

The notes are an integral part of the financial statements and provide additional information that is essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information, and Supplementary Information.

Financial Analysis of the Township as a Whole

Statement of Net Position: The Township of Schaumburg's Net Position increased \$378,580 or 4.39%. The Component Unit's Net Position increased \$2,063 or 10.5%. The following table presents a summary of the Township and Component Unit's net position at February 28, 2018, compared to February 28, 2017:

	Governmental Activities		Component Unit	
	2018	2017	2018	2017
Assets:				
Current and Other Assets	\$ 11,272,788	\$ 10,866,331	\$ 21,655	\$ 19,593
Capital Assets, Net of Depreciation	3,824,077	3,843,354	-	-
Total Assets	15,096,865	14,709,685	21,655	19,593
Deferred Outflows of Resources:				
Pensions	421,320	379,127	-	-
Total Deferred Outflows of Resources	421,320	379,127	-	-
Liabilities:				
Other Liabilities	119,839	70,991	-	-
Noncurrent Liabilities:				
Due in More Than One Year	150,974	352,440	-	-
Total Liabilities	270,813	423,431	-	-
Deferred Inflows of Resources:				
Unavailable Revenue - Property Taxes	6,090,666	5,902,023	-	-
Pensions	152,902	138,134	-	-
Total Deferred Inflows of Resources	6,243,568	6,040,157	-	-
Net Position:				
Net Investment in Capital Assets	3,824,077	3,843,354	-	-
Restricted	1,288,021	1,206,690	-	-
Unrestricted	3,891,706	3,575,180	21,655	19,593
Total Net Position	\$ 9,003,804	\$ 8,625,224	\$ 21,655	\$ 19,593

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation.

Net Results for Activities – which will impact (increase/decrease) current assets and unrestricted net position.

Borrowing for Capital – which will increase current assets and long-term debt.

Spending Borrowed Proceeds on New Capital – which will reduce current assets and increase capital assets. There is a second impact, an increase in the amount invested in capital assets and an increase in the related net debt. This will not change the net investment in capital assets.

Spending of Non-borrowed Current Assets on New Capital – which will (a) reduce current assets and increase capital assets and (b) reduce unrestricted net position and increase net investment in capital assets.

TOWNSHIP OF SCHAUMBURG
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED FEBRUARY 28, 2018

Principal Payment on Debt – which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net position and increase net investment in capital assets.

Reduction of Capital Assets Through Depreciation – which will reduce capital assets and net investment in capital assets.

Current Year Impacts

The Township of Schaumburg's combined net position of \$9,003,804 was up \$378,580 over the \$8,625,224 reported last year.

Total assets were up \$387,180. Cash and investments were up \$451,128, receivables were down \$54,106, and capital assets, net of accumulated depreciation, were down \$19,277. The Township has a net pension asset of \$9,435 at February 28, 2018.

Deferred outflows of resources – pensions increased \$42,193.

At the same time, total liabilities and deferred inflows increased \$50,793. Unavailable property tax and deferred pension inflows increased \$203,411. Accounts payable and salaries and wages payable increased \$48,934. Amounts due to other governments and funds decreased \$86. Non-current liabilities due in over one year decreased \$201,466.

Statement of Activities: The following table presents a summary of the Township and Component Unit's change in net position for the year ending February 28, 2018, compared to February 28, 2017:

	Governmental Activities		Component Unit	
	2018	2017	2018	2017
Revenues:				
Program Revenues:				
Charges for Service	\$ 159,165	\$ 96,783	\$ -	\$ -
Operating Grants and Contributions	86,570	62,331	3,788	9,103
General Revenues:				
Property Taxes	5,691,789	5,864,550	-	-
Personal Property Replacement Taxes	91,994	99,041	-	-
(Loss) on Disposition of Assets	-	(22,089)	-	-
Investment Earnings	54,078	22,405	-	-
Total Revenues	<u>6,083,596</u>	<u>6,123,021</u>	<u>3,788</u>	<u>9,103</u>
Expenses:				
Governmental Activities:				
General Government	2,899,384	2,863,593	-	-
Human Services and Public Welfare	2,184,010	2,202,795	-	-
Home Relief	151,964	147,253	-	-
Roads and Bridges	254,138	245,278	-	-
Depreciation - Unallocated	215,520	210,531	-	-
Foundation Fund:	-	-	2,063	1,600
Total Expenses	<u>5,705,016</u>	<u>5,669,450</u>	<u>2,063</u>	<u>1,600</u>
Change in Net Position	378,580	453,571	1,725	7,503
Net Position - Beginning	<u>8,625,224</u>	<u>8,171,653</u>	<u>19,593</u>	<u>12,090</u>
Net Position - Ending	<u>\$ 9,003,804</u>	<u>\$ 8,625,224</u>	<u>\$ 21,318</u>	<u>\$ 19,593</u>

Revenues

Economic Condition – Can reflect a declining, stable or growing economic environment and has a substantial impact on certain revenues as well as public spending habits for construction and volumes of construction.

Increase/Decrease in Township Approved Rates – While certain tax rates are set by statute, the Township Board has significant authority to impose and periodically increase/decrease some rates.

Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring) – Certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons.

Market Impacts on Investment Income – The Township's investment portfolio is managed using a shorter average maturity than many governments, and the market condition may cause investment income to fluctuate more than alternative longer-term options.

Expenses

Introduction of New Programs – Within the functional expense categories (Human Services, Financial Assistance, Roads, Police Protection, etc.) individual programs may be added or discontinued to meet changing community needs.

Increase in Authorized Personnel – Changes in service demand may cause the Township Board to increase/decrease authorized staffing.

Salary Increases (annual adjustments and merit) – The ability to attract and retain human and intellectual resources requires the Township to strive to approach a competitive salary range position in the marketplace.

Inflation – While overall inflation appears to be reasonably modest; the Township is a major consumer of certain commodities such as supplies, fuels and parts. Some functions may experience unusual commodity specific increases.

Current Year Impacts

Governmental Activities

Revenues for the 2017-2018 fiscal year totaled \$6,083,596, a decrease of \$39,425 over the \$6,123,021 reported a year ago. Taxes (property and personal property replacement) were down \$179,808. Program revenues increased \$86,621. Earnings from investments, including interest were up \$31,673. The Township did not dispose any assets for a loss in the fiscal year.

The Township's expenses for governmental activities were \$5,705,016, up \$35,566 from \$5,669,450 in 2017. The general governmental activities were up \$35,791. Human Services and Public Welfare decreased \$18,785. Home Relief expenses increased \$4,711. Roads and Bridges increased \$8,860. Depreciation expense – unallocated increased \$4,989.

TOWNSHIP OF SCHAUMBURG
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED FEBRUARY 28, 2018

Net Cost of Governmental Services: The following table presents a summary of the Township's total and net cost of services for the year ended February 28, 2018 and February 28, 2017:

Functions/ Programs	Cost of Services			
	2018		2017	
	Total	Net	Total	Net
General Government	\$ 2,899,384	\$ 2,737,270	\$ 2,863,593	\$ 2,769,523
Human Services and Public Welfare	2,184,010	2,101,668	2,202,795	2,139,030
Home Relief	151,964	151,964	147,253	147,253
Roads and Bridges	254,138	252,859	245,278	243,999
Depreciation - unallocated	215,520	215,520	210,531	210,531
Total Primary Government	<u>\$ 5,705,016</u>	<u>\$ 5,459,281</u>	<u>\$ 5,669,450</u>	<u>\$ 5,510,336</u>

Summary and Highlights

- The cost of all Governmental Activities for the year was \$5,705,016.
- Some of the cost was financed by charges for services of \$159,165.
- The Township's net costs (\$5,459,281) were financed by general revenues.
- General governmental revenues totaled \$5,837,861.

Financial Analysis of the Township's Funds

The fiscal year 2017-2018 was a good year for the Township. The fund balances were up \$159,531. The Town Fund balance was up \$67,200 to \$3,753,827. The General Assistance Fund balance was up \$133,641 to \$847,886. The Road and Bridge Fund balance was down \$41,310 to \$451,135 and the Debt Services Fund balance was zero.

Town Fund

The Town Fund balance increased \$67,200 or 1.82% increase in the prior year fund balance of \$3,686,627. Fund revenues of \$4,675,224 were \$61,136 less than in 2017, while expenditures in 2018 were \$4,608,024, which is \$6,403 less than 2017.

General Assistance

The General Assistance Fund balance increased \$133,641. This was a 18.71% increase in the fund balance. Revenues were down \$1,652 to \$735,926 in 2018. Expenses increased \$13,581 from \$588,704 in 2017 to \$602,285 in 2018.

Road and Bridge

The Road and Bridge Fund balance decreased \$41,310. This was a 8.39% decrease in the prior year's fund balance of \$492,445. Revenues were up \$1,274 from \$671,172 in 2017, to \$672,446 in 2018. Expenses increased \$51,500 from \$662,256 in 2017 to \$713,756 in 2018. Road improvement costs signified the biggest change in fund balance decrease, spending \$52,086 more in the current year.

TOWNSHIP OF SCHAUMBURG
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED FEBRUARY 28, 2018

General Fund Budgetary Highlights

The Budget and Appropriation Ordinances were adopted on April 25, 2017. However, the Board did approve transfers between budget line items to increase line items that were over budget by taking from line items under budget. This did not change the total appropriations.

The following table presents a final budget versus actual summary for the Township's General (Town) Fund for the year ended February 28, 2018 and February 28, 2017:

	2018		2017	
	Final Budget	Actual	Final Budget	Actual
Revenues:				
Taxes:				
Property taxes	\$ 4,560,000	\$ 4,413,813	\$ 4,487,000	\$ 4,562,068
Personal property replacement taxes	60,000	57,514	60,000	61,920
Other	482,365	203,897	89,600	112,372
Total Revenues	<u>5,102,365</u>	<u>4,675,224</u>	<u>4,636,600</u>	<u>4,736,360</u>
Expenses:				
Expenses	<u>5,102,365</u>	<u>4,608,024</u>	<u>5,035,499</u>	<u>4,614,427</u>
Other Financing Sources:				
Transfers in	-	-	10,000	10,000
Proceeds on disposition of assets	-	-	-	17,000
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>27,000</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 67,200</u>	<u>\$ (388,899)</u>	<u>\$ 148,933</u>

Capital Assets (See Note 7 for additional details)

For the fiscal year ended February 28, 2018, the Township had a combined total of \$6,570,710 invested in a broad range of capital assets including land, buildings, trucks, roads, machinery and equipment. The accumulated depreciation of these assets is \$2,746,633. Total capital assets, net of depreciation, were \$3,824,077. The net decrease in capital assets this year is \$19,277.

Capital Asset Class	Governmental Activities		% Change
	2018	2017	
Land	\$ 136,904	\$ 136,904	0.00%
Construction in progress	12,500	-	n/a
Buildings	1,750,544	1,837,806	-4.75%
Equipment	145,472	187,976	-22.61%
Transportation Equipment	428,523	514,277	-16.67%
Roads	1,350,134	1,166,391	15.75%
Totals	<u>\$ 3,824,077</u>	<u>\$ 3,843,354</u>	<u>-0.50%</u>

Long Term Debt (See Note 8 for additional details)

At February 28, 2018, debt service requirements include compensated absences of \$150,974. At February 28, 2017, debt service requirements included pension obligations of \$212,360 and compensated balances of \$140,080.

Economic Factors

The Township of Schaumburg depends mainly on tax revenues (property and personal property replacement). Non-tax revenues of interest, donations, charges for services, and grants and fees are now down to 4.93% of our income. The cost of running the Township and the providing of services to our clients continues to rise. While tax increases are limited to the increase in the consumer price index. And taxpayers are concerned about the amount of real estate taxes they are paying. For that reason, the Township must find ways to continue to help residents while holding the line on expenses.

Requests for Information

This financial report is designed to provide a general overview of the Township's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Supervisor, Township of Schaumburg, One Illinois Blvd., Hoffman Estates, IL 60169.

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BASIC FINANCIAL STATEMENTS

TOWNSHIP OF SCHAUMBURG
STATEMENT OF NET POSITION
FEBRUARY 28, 2018

	Governmental Activities	Component Unit
ASSETS		
Cash and cash equivalents	\$ 1,460,564	\$ 21,655
Investments	4,547,996	-
Receivables, net of allowance for uncollectibles	5,254,793	-
Net pension asset	9,435	-
Capital assets not being depreciated:		
Land	136,904	-
Construction in progress	12,500	-
Capital assets, net of accumulated depreciation:		
Buildings	1,750,544	-
Infrastructure - roadways	1,350,134	-
Equipment	145,472	-
Transportation and vehicular equipment	428,523	-
Total Assets	15,096,865	21,655
DEFERRED OUTFLOWS OF RESOURCES		
Pensions	421,320	-
Total Deferred Outflows of Resources	421,320	-
LIABILITIES		
Accounts payable	41,661	-
Salaries and wages payable	77,273	-
Due to other governments	905	-
Noncurrent liabilities:		
Due in more than one year	150,974	-
Total Liabilities	270,813	-
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	6,090,666	-
Pensions	152,902	-
Total Deferred Inflows of Resources	6,243,568	-
NET POSITION		
Net investment in capital assets	3,824,077	-
Restricted for:		
General Assistance	840,886	-
Road and Bridge	447,135	-
Unrestricted	3,891,706	21,656
Total Net Position	\$ 9,003,804	\$ 21,656

The accompanying notes to the financial statements are an integral part of this statement.

TOWNSHIP OF SCHAUMBURG
STATEMENT OF ACTIVITIES
YEAR ENDED FEBRUARY 28, 2018

FUNCTIONS/ PROGRAMS	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Component Unit
GOVERNMENTAL ACTIVITIES:						
General government	\$ 2,899,384	\$ 135,073	\$ 27,041	\$ -	\$ (2,737,270)	\$ -
Human services and public welfare	2,184,010	22,813	59,529	-	(2,101,668)	-
Home relief	151,964	-	-	-	(151,964)	-
Roads and bridges	254,138	1,279	-	-	(252,859)	-
Depreciation - unallocated*	215,520	-	-	-	(215,520)	-
Total Primary Government	\$ 5,705,016	\$ 159,165	\$ 86,570	\$ -	(5,459,281)	-
COMPONENT UNIT:						
Township of Schaumburg						
Schaumburg Township						
Foundation Fund	\$ 1,725	\$ -	\$ 3,788	\$ -		2,063
GENERAL REVENUES:						
Taxes:						
Property taxes, levied for general purposes					5,691,789	-
Personal property replacement taxes					91,994	-
Unrestricted investment earnings					54,078	-
Total General Revenues					5,837,861	-
CHANGE IN NET POSITION					378,580	2,063
NET POSITION - FEBRUARY 28, 2017					8,625,224	19,593
NET POSITION - FEBRUARY 28, 2018					\$ 9,003,804	\$ 21,656

* This amount excludes the depreciaton that is included in the direct expenses of the various programs.

The accompanying notes to the financial statements are an integral part of this statement.

TOWNSHIP OF SCHAUMBURG
BALANCE SHEET
GOVERNMENTAL FUNDS
FEBRUARY 28, 2018

	Town Fund	General Assistance Fund	Road and Bridge Fund	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 796,440	\$ 482,316	\$ 181,808	\$ 1,460,564
Investments	3,370,367	643,866	533,763	4,547,996
Receivables, net of allowance for uncollectibles	4,080,179	591,154	583,460	5,254,793
Interfund receivable	326,204	-	-	326,204
Total Assets	<u>\$ 8,573,190</u>	<u>\$ 1,717,336</u>	<u>\$ 1,299,031</u>	<u>\$ 11,589,557</u>
LIABILITIES				
Accounts payable	\$ 41,661	\$ -	\$ -	\$ 41,661
Salaries and wages payable	54,894	12,249	10,130	77,273
Interfund payable	-	169,413	156,791	326,204
Due to other governments	-	-	905	905
Total Liabilities	<u>96,555</u>	<u>181,662</u>	<u>167,826</u>	<u>446,043</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	4,722,808	687,788	680,070	6,090,666
Total Deferred Inflows of Resources	<u>4,722,808</u>	<u>687,788</u>	<u>680,070</u>	<u>6,090,666</u>
FUND BALANCES				
Restricted:				
General Assistance	-	847,886	-	847,886
Road and Bridge	-	-	451,135	451,135
Unassigned	3,753,827	-	-	3,753,827
Total Fund Balances	<u>3,753,827</u>	<u>847,886</u>	<u>451,135</u>	<u>5,052,848</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 8,573,190</u>	<u>\$ 1,717,336</u>	<u>\$ 1,299,031</u>	<u>\$ 11,589,557</u>

(Continued)

The accompanying notes to the financial statements are an integral part of this statement.

TOWNSHIP OF SCHAUMBURG
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
FEBRUARY 28, 2018

Total fund balances - governmental funds (Exhibit C) \$ 5,052,848

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

When capital assets that are to be used in governmental activities are purchased or constructed, the cost of those assets are reported as expenditures in governmental funds. However, the Statement of Net Position includes those capital assets among the assets of the Township as a whole.

Cost of capital assets:

Land	\$ 136,904
Construction in progress	12,500
Buildings and improvements	3,290,111
Infrastructure - roadways	1,995,986
Machinery and equipment	360,859
Transportation equipment	<u>774,350</u>

Total cost of capital assets 6,570,710

Accumulated depreciation (2,746,633)

Net capital assets 3,824,077

Certain revenues receivable by the Township and recognized in the governmental funds balance sheet do not provide current financial resources and are deferred in the Statement of Net Position.

Pensions (152,902)

Deferred charges included in the Statement of Net Position are not available to pay for current period revenues and, therefore, is not recognized in the governmental funds balance sheet.

Pensions 421,320

The net pension asset is not an available resource and, therefore, is not reported in the funds.

9,435

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds.

Compensated absences payable (150,974)

Total net position of governmental activities (Exhibit A) \$ 9,003,804

The accompanying notes to the financial statements are an integral part of this statement.

TOWNSHIP OF SCHAUMBURG
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED FEBRUARY 28, 2018

	Town Fund	General Assistance Fund	Road and Bridge Fund	Total Governmental Funds
REVENUES				
Property taxes	\$ 4,413,813	\$ 622,992	\$ 654,984	\$ 5,691,789
Personal property replacement taxes	57,514	23,727	10,753	91,994
Earnings on investments	41,783	6,865	5,430	54,078
Rental	1,250	-	-	1,250
Donations	14,164	59,529	-	73,693
Charges for services	91,249	16,722	1,279	109,250
Grants	12,877	6,091	-	18,968
Other	42,574	-	-	42,574
Total Revenues	4,675,224	735,926	672,446	6,083,596
EXPENDITURES				
Current				
General Government	2,383,117	449,634	275,875	3,108,626
Human Services and Public Welfare	2,184,010	-	-	2,184,010
Home relief - General Assistance	-	72,832	-	72,832
Home relief - Emergency Assistance	-	79,132	-	79,132
Roads and bridges	-	-	108,153	108,153
Capital Outlay				
Equipment	-	687	5,720	6,407
Buildings	40,897	-	-	40,897
Road improvements	-	-	324,008	324,008
Total Expenditures	4,608,024	602,285	713,756	5,924,065
NET CHANGE IN FUND BALANCES	67,200	133,641	(41,310)	159,531
FUND BALANCE - BEGINNING	3,686,627	714,245	492,445	4,893,317
FUND BALANCE - ENDING	\$ 3,753,827	\$ 847,886	\$ 451,135	\$ 5,052,848

(Continued)

The accompanying notes to the financial statements are an integral part of this statement.

TOWNSHIP OF SCHAUMBURG
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED FEBRUARY 28, 2018

Total net change in fund balances - governmental funds (Exhibit D) \$ 159,531

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balance decreases by the amount of financial resources expended, whereas net assets decrease by the amount of depreciation expense charged for the year. Capital outlays for items below the Township's capitalization policy limits and repairs and maintenance are expensed.

Depreciation expense	\$ (306,173)	
Capital outlay	<u>286,896</u>	(19,277)

Some revenues and expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These revenues and expenses include the change in:

Compensated absences	(10,894)	
Pensions	<u>249,220</u>	<u>238,326</u>

Change in net position of governmental activities (Exhibit B) \$ 378,580

TOWNSHIP OF SCHAUMBURG
STATEMENT OF FIDUCIARY NET POSITION
EMPLOYEE PENSION PLAN
FEBRUARY 28, 2018

	<u>Township Employees Pension Fund</u>
ASSETS	
Cash and cash equivalents	\$ 3,112,583
Investments, at fair value	<u>43</u>
Total Assets	<u>3,112,626</u>
NET POSITION	
Held in Trust for Pension Benefits	<u>3,112,626</u>
Total Net Position	<u><u>\$ 3,112,626</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

TOWNSHIP OF SCHAUMBURG
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
EMPLOYEE PENSION PLAN
YEAR ENDED FEBRUARY 28, 2018

	<u>Township Employees Pension Fund</u>
ADDITIONS	
Contributions:	
Employer	\$ 106,271
Investment earnings:	
Investment income	60,603
Net increase in the fair value of investments	<u>248,549</u>
Total Investment Earnings	<u>309,152</u>
Total Additions	<u>415,423</u>
DEDUCTIONS	
Benefits	1,280,619
Administrative expenses	<u>15,401</u>
Total Deductions	<u>1,296,020</u>
CHANGE IN NET POSITION	(880,597)
NET POSITION - BEGINNING	<u>3,993,223</u>
NET POSITION - ENDING	<u><u>\$ 3,112,626</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

TOWNSHIP OF SCHAUMBURG
NOTES TO BASIC FINANCIAL STATEMENTS
FEBRUARY 28, 2018

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. Financial Reporting Entity

The financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

- 1) Appointment of a voting majority of the component unit’s board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to, or impose a financial burden on the primary government; or
- 2) Fiscal dependency on the primary government.

The Township has a separately elected Board, the power to levy taxes, the authorization to expend funds, the responsibility to designate management, the ability to prepare and modify the annual budget and the authority to issue debt. Therefore, the Township is not included as a component unit of any other entity.

Discretely Presented Component Unit

The Schaumburg Township Foundation Fund has been included as a discretely presented component unit of the Township. 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.

B. Basis of Presentation

The Township’s basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. (The Township of Schaumburg has no business-type activities for which a separate accounting is required). Likewise, the Township, as the primary government, is reported separately from certain legally separate component units for which the primary government is financially accountable.

TOWNSHIP OF SCHAUMBURG
NOTES TO BASIC FINANCIAL STATEMENTS
FEBRUARY 28, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

Government Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues and expenditures. Funds are organized into three major categories: governmental, proprietary, and fiduciary. (There are no proprietary funds within the Township).

C. Measurement Focus and Basis of Accounting

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Government Fund Financial Statements

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

The funds of the Township are described below:

Governmental Funds

General Fund – The general fund is the Township's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.

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

Special revenue funds of Schaumburg Township include the General Assistance Fund and the Road and Bridge Fund. The General Assistance Fund was established to assist in providing community services such as senior and disabled services, individual and family counseling, and other general assistance. The Road and Bridge Fund was established for the maintenance of roads in unincorporated areas.

TOWNSHIP OF SCHAUMBURG
NOTES TO BASIC FINANCIAL STATEMENTS
FEBRUARY 28, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Fiduciary Funds (not included in government-wide statements)

Fiduciary Funds – Fiduciary funds are used to account for assets held by the Township in a trust capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. The fiduciary funds were created to fund the Schaumburg Township Employee Pension Plan and the Schaumburg Township 403(B) Employer Matching Retirement Plan.

Major and Nonmajor Funds

An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Township, is considered by the Township to be major, or meets the following criteria:

- 1) Total assets, liabilities, revenues, or expenditures of that individual governmental or proprietary fund are at least ten percent of the corresponding total for all funds of that category or type; and
- 2) Total assets, liabilities, revenues, or expenditures of the individual governmental or proprietary fund are at least five percent of the corresponding total for all governmental and proprietary funds combined.

The Township has classified all funds as major.

The funds classified as major are as follows:

Town Fund – 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.

General Assistance Fund – A special revenue fund used to account for the Township's general assistance program.

Road and Bridge Fund – A special revenue fund used to account for the maintenance of roads within the Township.

D. Net Position/Fund Balance Reporting

Government-Wide Reporting

For the Government-Wide Financial Statements, 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. The Township's restricted net position consists of \$840,886 in the General Assistance Fund and \$447,135 in the Road and Bridge Fund, totaling \$1,288,021.

Unrestricted net position – Consists of all other net positions that do not meet the definition of "restricted" or "net investment in capital assets."

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

TOWNSHIP OF SCHAUMBURG
NOTES TO BASIC FINANCIAL STATEMENTS
FEBRUARY 28, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Governmental Fund Balances

Governmental fund balances are to be classified into five major classifications; Nonspendable, Restricted, Committed, Assigned and Unassigned:

Nonspendable – The nonspendable 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.

Restricted – Restricted fund balances are restricted when constraints are placed on their use by either (a) external creditors, grantors, contributors, or laws or regulations of other governments or (b) law through constitutional provisions or enabling legislation.

Committed – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints of the Board of Trustees. Committed amounts cannot be used for any other purpose unless the Board of Trustees removes those constraints by taking the same type of action (e.g., legislation, resolution, ordinance). Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned – Assigned fund balances are amounts that are constrained by the Township’s intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by an appointed body (e.g., a budget or finance committee) or official to which the Board of Trustees has delegated the authority to assign, modify or rescind amounts to be used for specific purposes.

Unassigned – Unassigned fund balance is the residual classification for the Town Fund. This classification represents the Town Fund balance that has not been assigned to other funds, and that has not been restricted, committed or assigned to specific purposes within the Town Fund.

The Township permits funds to be expended in the following order: Restricted, Committed, Assigned and Unassigned.

E. Cash and Cash Equivalents and Investments

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

Investments with a maturity of 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, 2018.

Under Illinois law, the Township is restricted to investing funds in specified types of investment instruments. 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.

TOWNSHIP OF SCHAUMBURG
NOTES TO BASIC FINANCIAL STATEMENTS
FEBRUARY 28, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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.
4. Bonds issued by the State of Illinois, or any county, city, township, municipal corporation, incorporated town or school district in Illinois.
5. Tax anticipation warrants issued by any city, township, incorporated town or fire protection district in Illinois.
6. Mutual funds.

F. Receivables

Receivables consist primarily of property taxes, intergovernmental and other miscellaneous amounts due the Township.

G. Employees' Deferred Compensation 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.

H. Vacation and Compensation Time Liability

Township employees are given vacation days to take by the end of the annual anniversary date of hire that they may carry over to the next year with a maximum of twice that of which they are entitled to in a single year. Terminated employees are reimbursed for any accumulated unpaid vacation days. The amount of such accumulated vacation benefits at February 28, 2018, is \$145,070.

Compensation time accrued at February 28, 2018, is \$5,904.

I. Capital Assets

In government-wide financial statements, fixed assets are accounted for as capital assets. All fixed assets that exceed a capitalization threshold are capitalized and valued at historical cost or estimated historical cost if actual is unavailable, except for donated fixed assets that are recorded at their acquisition value at the date of donation. The Township capitalizes assets purchased or acquired with an original cost of \$5,000 or more for equipment and transportation equipment, and \$20,000 or more for land, buildings and improvements. Prior to March 1, 2004, infrastructure assets were not

TOWNSHIP OF SCHAUMBURG
 NOTES TO BASIC FINANCIAL STATEMENTS
 FEBRUARY 28, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

capitalized. Depreciation of all exhaustible fixed assets is recorded as an allocation in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over estimated useful lives using the straight-line method of depreciation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of an asset are not capitalized.

Buildings and improvements and furniture and equipment of the Township are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	10-40
Infrastructure	20
Equipment and vehicles	5-10

In the fund financial statements, fixed assets are accounted for as capital outlay expenditures upon acquisition. No depreciation is recorded in the fund financial statements.

J. Long-term Debt

The accounting treatment of long-term debt depends on whether they are reported in the government-wide or fund financial statements. All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. The long-term debt for government funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payments of principal and interest reported as expenditures.

K. Comparative Data and Reclassifications

Comparative totals for the prior year have not been presented in the accompanying financial statements.

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Township has one item that qualifies for this category – pensions (\$421,320) reported in the government-wide statement of position. This result is from the differences between expected and actual experience, the net differences projected and actual investment earnings on plan investments, changes of assumptions, and changes in proportion and differences between contributions and proportion share of contributions.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Township has two items which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. The first is unavailable revenue (\$6,090,666); it is reported in both the government-wide statement of position and in the governmental funds balance sheet. The item for unavailable revenue is from property taxes. The second is pensions (\$152,902), which is a result of the same reasons listed for deferred outflows of resources – pensions. These items amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

TOWNSHIP OF SCHAUMBURG
NOTES TO BASIC FINANCIAL STATEMENTS
FEBRUARY 28, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

M. Eliminations and Reclassifications

In the process of aggregating data for the government-wide financial statements, some amounts reported as interfund activity and balances were eliminated or reclassified.

N. Program Revenues

Amounts reported as program revenues include 1) Services provided and fees and 2) Grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. All taxes, including those dedicated for specific purposes, are reported as general revenues rather as program revenues.

O. Personal Property Replacement Taxes

Personal property replacement tax revenues are allocated across funds and to other governmental entities at the same rate since inception in the 1970's. At the time, allocation was based on the size of the towns and library in relation to the rest of the area.

P. Property Taxes

The Township must file its tax levy ordinance by the last Tuesday in December of each year. The 2017 levy, collectible in 2018 was adopted on December 20, 2017, and the 2016 levy, collectible in 2017 was adopted on December 21, 2016. The Township's property tax is levied each calendar year on all taxable real property located in the Township.

The County Assessor is responsible for the assessment of all taxable real property within Cook County (the County), except for certain railroad property which is assessed directly by the State. Reassessments occur based on market conditions. The County Clerk computes the annual tax for each parcel of real property and prepares tax books used by the County Collector as the basis for issuing tax bills to all taxpayers in the County.

Property taxes are collected by the County Collector and are submitted to the County Treasurer, who remits to the units their respective shares of the collections. Taxes levied in one year become due and payable in two installments on or about March 1 and August 1 during the following year.

In the government-wide financial statements revenue is recognized based on the period that the levy is intended to finance. Based upon collection histories, the Township has provided an allowance for uncollectible real property taxes equal to 1.0% of the current extension. All property taxes receivable over one year old have been written off.

NOTE 2 – CASH AND CASH EQUIVALENTS AND INVESTMENTS

A. Township Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

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 – 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, 2018, the carrying amount of the Township's deposits totaled \$1,459,064, excluding cash on hand, and the Township's bank balances totaled \$1,552,063. All deposits were covered by federal depository insurance or by collateral held by the Township or its agent in the Township's name. Cash on hand of \$1,500 has been excluded from the "Deposits and Investments" shown below.

TOWNSHIP OF SCHAUMBURG
NOTES TO BASIC FINANCIAL STATEMENTS
FEBRUARY 28, 2018

NOTE 2 – CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONT'D)

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 certificates of deposit and money market accounts. As of February 28, 2018, the carrying amount and bank balances of the Township's investments totaled \$4,547,996. At February 28, 2018, investments in certificates of deposit were covered by federal depository insurance or by collateral held by the Township or its agent in the Township's name.

During the fiscal year ended February 28, 2018, the Township's deposits and investments are insured as follows:

Deposits and Investments	Governmental Funds
Insured	\$ 503,610
Collateralized:	
Collateral Held by the Pledging Bank's/Brokerage Firm's Trust Departments in the Name of the Township	5,596,449
Total Deposits and Investments	\$ 6,100,059

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 does operate 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.

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, 2018, the Township invested in certificates of deposit and the Illinois Funds with investment maturities and fair value disclosures as follows:

Investment Type	02/28/2018	Investment Maturity Less Than One Year
Investments Measured at the Amortized Cost:		
Certificates of Deposit	\$ 253,610	\$ 253,610
Investments Measured at the Net Asset Value (NAV):		
The Illinois Funds	4,294,386	4,294,386
Total Investments - Township	\$ 4,547,996	\$ 4,547,996

TOWNSHIP OF SCHAUMBURG
NOTES TO BASIC FINANCIAL STATEMENTS
FEBRUARY 28, 2018

NOTE 2 – CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONT'D)

B. 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, 2018, the carrying amount of the Township’s deposits and bank balances totaled \$3,112,583. Deposits of \$3,112,583 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, 2018, the carrying amount and bank balances of the Township’s investments totaled \$43. Deposits of \$43 are guaranteed by the U.S. government federal depository insurance or by collateral.

Concentration Risk. Please see Note 9 – Employee Retirement System for information on Asset Allocation and Concentrations.

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, 2018, the Township invested in mutual funds, equities, and fixed income with investment maturities as follows:

Investment Type	Fair Value	Investment Maturity			
		Less Than One Year	One to Five Years	Six to Ten Years	More Than Ten Years
Debt Securities:					
Mortgage Pools	\$ 43	\$ -	\$ -	\$ -	\$ 43
Totals	\$ 43	\$ -	\$ -	\$ -	\$ 43

Fair Value Measurements and Disclosures. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. This establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. The hierarchy is broken down into three levels of inputs as follows:

- *Level 1* – Inputs are quoted prices (unadjusted) of identical instruments in active markets that the reporting entity has the ability to access as of the measurement date.
- *Level 2* – Inputs are quoted prices of similar instruments in active markets, quoted prices for identical similar instruments that are not active, inputs other than quoted prices used in a valuation model that are observable for that instrument, and inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- *Level 3* – One or more inputs used in valuation technique are unobservable and significant to overall fair value measurement.

TOWNSHIP OF SCHAUMBURG
NOTES TO BASIC FINANCIAL STATEMENTS
FEBRUARY 28, 2018

NOTE 2 – CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONT'D)

Determination of fair value and the resulting hierarchy required the use of observable market data whenever available. The classification of a financial instrument in the hierarchy is based upon the lowest level of input that is significant to the measurement of fair value. The Township utilizes quoted market prices as estimates of the fair value of its financial instruments. Cash and Money Market Funds are not considered under fair value reporting as a level.

The following table presents the financial instruments measured at fair value for the Township Pension Plan as of February 28, 2018 by the valuation hierarchy:

<u>Investment Type</u>	<u>02/28/2018</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by Fair Value Level:				
Debt Securities				
Mortgage Pools	\$ 43	\$ -	\$ 43	\$ -
Total Investments - Pension	<u>\$ 43</u>	<u>\$ -</u>	<u>\$ 43</u>	<u>\$ -</u>

NOTE 3 – RECEIVABLES

Receivable amounts are aggregated into a single accounts receivable (net of allowance for uncollectibles) 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:

<u>Receivables</u>	<u>Town</u>	<u>General Assistance</u>	<u>Road and Bridge</u>	<u>Total</u>
Property taxes	\$ 4,106,960	\$ 598,101	\$ 588,373	\$ 5,293,434
Personal property replacement taxes	20,363	-	1,956	22,319
Interest	561	-	-	561
Gross receivables	4,127,884	598,101	590,329	5,316,314
Less: allowance for uncollectibles	<u>(47,705)</u>	<u>(6,947)</u>	<u>(6,869)</u>	<u>(61,521)</u>
Net receivables	<u>\$ 4,080,179</u>	<u>\$ 591,154</u>	<u>\$ 583,460</u>	<u>\$ 5,254,793</u>

NOTE 4 – PROPERTY TAXES

The Township's property tax is levied each year on all taxable real property located in the Township on or before the last Tuesday in December. The 2017 levy was adopted on December 20, 2017, and the 2016 levy was passed by the Board on December 21, 2016. Property taxes attach as an enforceable lien on property as of January 1, of the Levy year, and are payable in two installments on approximately March 1 and August 1 of the year subsequent to the levy year. The District receives significant distributions of tax receipts approximately one month after these due dates. Taxes recorded on these financial statements are from the 2017 and 2016 tax levy years.

TOWNSHIP OF SCHAUMBURG
NOTES TO BASIC FINANCIAL STATEMENTS
FEBRUARY 28, 2018

NOTE 4 – PROPERTY TAXES (CONT'D)

A summary of the past two years' assessed valuation, tax rates, and extensions are as follows:

Tax Year	2017		2016	
	Rates	Extensions	Rates	Extensions
Equalized Assessed Valuation	\$ 4,549,264,916		\$ 4,496,664,565	
Town Fund				
Corporate	0.1002	\$ 4,558,862	0.1146	\$ 4,426,425
Social Security	0.0005	23,340	0.0006	22,660
Auditing	0.0002	6,896	0.0002	6,695
Liability Insurance	0.0019	86,994	0.0022	84,460
Workmen's Compensation	0.0010	47,741	0.0012	46,350
Unemployment Insurance	0.0010	46,680	0.0012	45,320
Total Town Fund	0.1048	4,770,513	0.1200	4,631,910
Road and Bridge Fund				
Corporate	0.0302	686,939	0.0340	663,258
Total Road and Bridge Fund	0.0302	686,939	0.0340	663,258
General Assistance Fund				
Corporate	0.0148	671,607	0.0164	621,296
Social Security	0.0003	11,458	0.0003	11,124
Auditing	0.0001	3,183	0.0001	3,090
Unemployment Insurance	0.0002	8,487	0.0002	8,240
Total General Assistance Fund	0.0154	694,735	0.0170	643,750
Totals	0.1504	\$ 6,152,187	0.1710	\$ 5,938,918

NOTE 5 – INTERFUND RECEIVABLES/PAYABLES

Amounts due to and due from individual funds at February 28, 2018, are as follows:

Fund	Receivable	Payable
Town Fund	\$ 326,204	\$ -
General Assistance Fund	-	169,413
Road and Bridge Fund	-	156,791
Total	\$ 326,204	\$ 326,204

The General Assistance Fund (\$169,413) and Road and Bridge Fund (\$156,791) owe the Town Fund for expenses paid out of the general checking account within the Town Fund.

Additionally, the General Assistance Fund is owed \$6,586 of personal property replacement tax collected by the Town Fund but allocated to the General Assistance Fund. This amount is netted to get to \$169,413 payable to the Town.

These interfund loans are expected to be repaid within one year.

TOWNSHIP OF SCHAUMBURG
NOTES TO BASIC FINANCIAL STATEMENTS
FEBRUARY 28, 2018

NOTE 6 – INTERFUND TRANSFERS

The Township made no interfund transfer during the fiscal year ended February 28, 2018.

Transfers are used to (1) move revenues from the fund in which statute or budget requires collection to the fund that statute or budget requires expenditures, and (2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 7 – CAPITAL ASSETS

Capital asset activity for the year ended February 28, 2018, was as follows:

	Balances 3/1/2017	Additions	Deletions	Balances 2/28/2018
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 136,904	\$ -	\$ -	\$ 136,904
Construction in progress	-	12,500	-	12,500
Total capital assets, not being depreciated	136,904	12,500	-	149,404
Capital assets, being depreciated:				
Buildings	3,290,111	-	-	3,290,111
Infrastructure - roadways	1,721,590	274,396	-	1,995,986
Equipment	360,859	-	-	360,859
Transportation and vehicular equipment	774,350	-	-	774,350
Total capital assets, being depreciated	6,146,910	274,396	-	6,421,306
Accumulated depreciation:				
Buildings	1,452,305	87,262	-	1,539,567
Infrastructure - roadways	555,199	90,653	-	645,852
Equipment	172,883	42,504	-	215,387
Transportation and vehicular equipment	260,073	85,754	-	345,827
Total accumulated depreciation	2,440,460	306,173	-	2,746,633
Net depreciable capital assets	3,706,450	(31,777)	-	3,674,673
Net total capital assets	\$ 3,843,354	\$ (19,277)	\$ -	\$ 3,824,077
Depreciation was charged to function as follows:		Amount		
Governmental Activities:				
Roads and bridges		\$ 90,653		
Unallocated		215,520		
Total governmental activities depreciation expense		\$ 306,173		

TOWNSHIP OF SCHAUMBURG
NOTES TO BASIC FINANCIAL STATEMENTS
FEBRUARY 28, 2018

NOTE 8 – DEBT SERVICE REQUIREMENTS

The following is a summary of the components of long-term debt for the year ended February 28, 2018:

<u>Governmental Activity</u>	<u>Balance 3/1/2017</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balances 2/28/2018</u>	<u>Due Within One Year</u>
Compensated Absences	\$ 140,080	\$ 10,894	\$ -	\$ 150,974	\$ -
Pensions (Asset) / Liability	212,360	184,113	405,908	(9,435)	-
Totals	\$ 352,440	\$ 195,007	\$ 405,908	\$ 141,539	\$ -

Please see Note 9 for further information on Pensions (\$9,435). Long-term debt is liquidated by all the funds, because the Township employs people across the three funds.

Legal Debt Margin

At February 28, 2018, the legal debt margin for the Township was limited to 5.75% of the most recent assessed valuation available, which was from the 2017 tax levy. Based on an assessed valuation of \$4,549,264,916, the debt limit was \$261,582,733. The remaining legal debt margin was \$261,582,733.

NOTE 9 – EMPLOYEE RETIREMENT SYSTEM

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

A. 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. 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, 2018, the following employees were covered by the benefit terms:

	<u>2018</u>
Inactive plan members and beneficiaries currently receiving benefits	3
Inactive plan members entitled to but not yet receiving benefits	4
Active plan members	<u>30</u>
Total	<u><u>37</u></u>

TOWNSHIP OF SCHAUMBURG
 NOTES TO BASIC FINANCIAL STATEMENTS
 FEBRUARY 28, 2018

NOTE 9 – EMPLOYEE RETIREMENT SYSTEM (CONT'D)

Contributions

The Township contributed \$106,271 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 employer's net pension liability was measured as of February 28, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at February 28, 2018:

- The **Actuarial Cost Method** used was Entry Age Cost Method.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 3.0%.
- **Salary Increases** were expected to be 3.5%.
- The **Investment Rate of Return** was assumed to be 7.0%.
- **Projected Retirement Age** was 65 years of age.
- The rates for Pre-Retirement **Mortality** were developed from the RP-2014 Mortality with generational improvement scale from the 2017 Social Security Administration Trustees' Report applied from 2006; the rates for Post-Retirement were developed from the 2018 IRS Mortality for Lump Sum Conversions specified in Code Section 417(e).
- For **Disabled Retirees**, no assumptions were made.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These expected future real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of February 28, 2018, are summarized in the following table:

Asset Class	Portfolio Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income and Bond Funds	40%	2.00%
Stocks and Equity Mutual Funds	60%	5.00%
Cash	0%	0.00%
Total	100%	

TOWNSHIP OF SCHAUMBURG
NOTES TO BASIC FINANCIAL STATEMENTS
FEBRUARY 28, 2018

NOTE 9 – EMPLOYEE RETIREMENT SYSTEM (CONT'D)

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. 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. 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 <u>(A)</u>	Plan Fiduciary Net Position <u>(B)</u>	Net Pension (Asset) / Liability <u>(A) - (B)</u>
Balances at February 28, 2017	\$ 4,199,697	\$ 3,987,337	\$ 212,360
Changes for the year:			
Service Cost	75,416	-	75,416
Interest on the Total Pension Liability	254,436	-	254,436
Changes of Benefit Terms	(344,084)		(344,084)
Differences Between Expected and Actual Experience of the Total Pension Liability	92,919	-	92,919
Changes of Assumptions	105,426	-	105,426
Contributions - Employer	-	106,271	(106,271)
Net Investment Income	-	299,637	(299,637)
Benefits Payments, including Refunds of Employee Contributions	(1,280,619)	(1,280,619)	-
Administrative Expenses	-	-	-
Net Changes	<u>(1,096,506)</u>	<u>(874,711)</u>	<u>(221,795)</u>
Balances at February 28, 2018	<u>\$ 3,103,191</u>	<u>\$ 3,112,626</u>	<u>\$ (9,435)</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using the discount rate of 7.0%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Lower (6.0%)	Current Discount (7.0%)	1% Higher (8.0%)
Total Pension Liability	\$ 3,413,510	\$ 3,103,191	\$ 2,821,083
Plan Fiduciary Net Position	3,112,626	3,112,626	3,112,626
Net Pension (Asset) / Liability	<u>\$ 300,884</u>	<u>\$ (9,435)</u>	<u>\$ (291,543)</u>

TOWNSHIP OF SCHAUMBURG
NOTES TO BASIC FINANCIAL STATEMENTS
FEBRUARY 28, 2018

NOTE 9 – EMPLOYEE RETIREMENT SYSTEM (CONT'D)

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

For the year ended February 28, 2018, the employer recognized pension expense of (\$142,949), as follows:

February 28,	<u>2018</u>
Service cost	\$ 75,416
Interest on total pension liability	254,436
Projected earnings on pension plan investments	(238,011)
Changes of benefit terms	(344,084)
Current period recognition of deferred outflows of resources	
Difference between expected and actual experience in measurement of the total pension liability	40,505
Changes of assumptions	28,838
Differences between projected & actual earnings on pension plan investments	<u>39,951</u>
Total	<u><u>\$ (142,949)</u></u>

At February 28, 2018, the employer reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual experience	\$ 140,102	\$ -
Changes of assumptions	107,602	-
Net difference between projected and actual earnings on pension plan investments	<u>173,616</u>	<u>(152,902)</u>
Total Deferred Amounts Related to Pensions	<u><u>\$ 421,320</u></u>	<u><u>\$ (152,902)</u></u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending February 28/29,	Net Deferred Outflows of Resources	Net Deferred Inflows of Resources
2019	\$ 109,294	\$ -
2020	109,292	-
2021	22,489	-
2022	27,343	-
Thereafter	<u>-</u>	<u>-</u>
Total	<u><u>\$ 268,418</u></u>	<u><u>\$ -</u></u>

TOWNSHIP OF SCHAUMBURG
NOTES TO BASIC FINANCIAL STATEMENTS
FEBRUARY 28, 2018

NOTE 9 – EMPLOYEE RETIREMENT SYSTEM (CONT'D)

B. Defined Contribution Plan

In addition, effective August 1, 2000, the Township established a single employer defined contribution pension plan (Plan), the Schaumburg Township 403(B) Employer Matching Retirement Plan. The Plan was established in accordance with Illinois Compiled Statutes, by the Township Board of Trustees.

All employees of the Township are eligible to participate in the Plan after completing one year of service and reaching the age of twenty-one (21). Employees can voluntarily elect to contribute to the Plan. The Township will contribute 40% of the amount deferred by an employee as an employer match, which is computed on the first \$8,000 of earnings to a maximum of \$3,200 per employee. Employees vest in the employer's contribution after three years. During the year, employees contributed \$210,332 to the Plan and the Township contributed \$70,684.

NOTE 10 – RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters. The Township purchases third-party indemnity insurance for general liability, property casualty, workers' compensation and health. The policies are in effect from March 1, 2017 to March 1, 2018. The policies limit the Township's exposure to deductibles of \$100 - \$1,000 per occurrence depending on the coverage. Settled claims have not exceeded this commercial coverage in the current fiscal year or in the prior fiscal year.

NOTE 11 – 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, 2018, the Schaumburg Township Foundation Fund transferred \$-0- of contributions to the Township to support the food pantry program.

A. Summary of Significant Accounting 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.

TOWNSHIP OF SCHAUMBURG
NOTES TO BASIC FINANCIAL STATEMENTS
FEBRUARY 28, 2018

NOTE 11 – COMPONENT UNIT – SCHAUMBURG TOWNSHIP FOUNDATION FUND (CONT'D)

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.”

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.

B. 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 \$21,655 and the bank balance totaled \$21,655. 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 12 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the balance sheet date but before the financial statements are issued or available to be issued. There are two types of subsequent events: recognized (events that relate to conditions present at the balance sheet date) and non-recognized (events or conditions that did not exist at the balance sheet date but arose after that date).

There have been no recognized or non-recognized subsequent events that have occurred between February 28, 2018, and the date of this audit report requiring disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

TOWNSHIP OF SCHAUMBURG
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TOWNSHIP EMPLOYEES PENSION FUND
LAST THREE FISCAL YEARS

	02/28/2018	02/28/2017	02/29/2016
Total pension liability			
Service cost	\$ 75,416	\$ 75,268	\$ 82,204
Interest on the total pension liability	254,436	280,797	273,541
Changes in benefit terms	(344,084)	-	-
Difference between expected and actual experience of the total pension liability	92,919	20,077	107,438
Changes of assumptions	105,426	30,392	10,050
Benefit payments, including refunds of employee contributions	<u>(1,280,619)</u>	<u>(285,906)</u>	<u>(439,375)</u>
Net change in pension liability	(1,096,506)	120,628	33,858
Total pension liability - beginning	<u>4,199,697</u>	<u>4,079,069</u>	<u>4,045,211</u>
Total pension liability - ending (A)	<u>\$ 3,103,191</u>	<u>\$ 4,199,697</u>	<u>\$ 4,079,069</u>
Plan fiduciary net position			
Contributions - employer	\$ 106,271	\$ 299,000	\$ 424,400
Net investment income	299,637	422,352	(171,158)
Benefit payments, including refunds of employee contributions	(1,280,619)	(285,906)	(439,375)
Administrative expenses	<u>-</u>	<u>(16,977)</u>	<u>(15,960)</u>
Net change in plan fiduciary net position	(874,711)	418,469	(202,093)
Plan fiduciary net position - beginning	<u>3,987,337</u>	<u>3,568,868</u>	<u>3,770,961</u>
Plan fiduciary net position - ending (B)	<u>\$ 3,112,626</u>	<u>\$ 3,987,337</u>	<u>\$ 3,568,868</u>
Net pension liability/(asset) - ending (A) - (B)	<u>\$ (9,435)</u>	<u>\$ 212,360</u>	<u>\$ 510,201</u>
Plan fiduciary net position as a percentage of total pension liability	100.30%	94.94%	87.49%
Covered valuation payroll	\$ 1,205,943	\$ 1,498,319	\$ 1,548,538
Net pension liability as a percentage of covered valuation payroll	N/A	14.17%	32.95%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

TOWNSHIP OF SCHAUMBURG
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS (UNAUDITED)
 PENSION TRUST FUND
 FEBRUARY 28, 2018

Funding Progress

Actuarial Valuation Fiscal Year Ended February 28/29	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL As a Percentage of Covered Payroll
	A	B	C = B - A	D = A / B	E	F = C / E
2007	\$ 2,116,851	\$ 2,943,268	\$ 826,417	71.92%	\$ 1,744,848	47.36%
2008	2,367,216	3,401,473	1,034,257	69.59%	1,854,854	55.76%
2009	1,794,561	3,618,002	1,823,441	49.60%	1,991,519	91.56%
2010	2,708,724	4,073,619	1,364,895	66.49%	1,799,129	75.86%
2011	3,378,772	4,413,274	1,034,502	76.56%	1,757,081	58.88%
2012	3,763,389	4,664,125	900,736	80.69%	1,617,685	55.68%
2013	2,540,700	3,465,798	925,098	73.31%	1,084,442	85.31%
2014	3,399,273	3,833,625	434,352	88.67%	958,602	45.31%
2015	3,770,961	4,045,211	274,250	93.22%	927,618	29.56%
2016	3,568,868	4,079,069	510,201	87.49%	864,358	59.03%
2017	3,987,337	4,199,697	212,360	94.94%	829,744	25.59%
2018	3,112,626	3,103,191	(9,435)	100.30%	805,882	-1.17%

Employer Contributions

Fiscal Year	Annual Required Contributions	Actual Employer Contributions	Percent Contributed
	A	B	C = B / A
2007	\$ 303,565	\$ 350,000	115.30%
2008	263,619	250,000	94.83%
2009	306,039	413,773	135.20%
2010	416,809	431,000	103.40%
2011	325,915	387,000	118.74%
2012	288,967	476,000	164.72%
2013	251,157	451,000	179.57%
2014	217,914	668,000	306.54%
2015	140,726	340,000	241.60%
2016	117,121	424,400	362.36%
2017	140,395	299,000	212.97%
2018	106,272	106,271	100.00%

TOWNSHIP OF SCHAUMBURG
 REQUIRED SUPPLEMENTARY INFORMATION
 MULTIYEAR SCHEDULE OF CONTRIBUTIONS
 PENSION TRUST FUND
 FEBRUARY 28, 2018

Fiscal Year Ending February 28/29	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency/ (Excess)	Covered- Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
	A	B	C = A - B	D	E = B / D
2007	\$ 303,565	\$ 350,000	\$ (46,435)	\$ 1,744,858	20.06%
2008	263,619	250,000	13,619	1,854,854	13.48%
2009	306,039	413,773	(107,734)	1,991,519	20.78%
2010	416,809	431,000	(14,191)	1,799,129	23.96%
2011	325,915	387,000	(61,085)	1,757,081	22.03%
2012	288,967	476,000	(187,033)	1,617,685	29.42%
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%

Methods and Assumptions Used to Determine 2018 Contribution Rates:

<i>Measurement Date:</i>	February 28, 2018, based on valuation date of March 1, 2018
<i>Actuarial Cost Method:</i>	Entry age cost method
<i>Asset Valuation Method:</i>	Market value of assets
<i>Interest Rates</i>	
<i>Discount Rate:</i>	7.00%
<i>Expected Long Term Rate of Return:</i>	7.00%
<i>Municipal Bond Rate:</i>	N/A
<i>Inflation:</i>	3.00%
<i>Annual Pay Increases:</i>	3.50%
<i>Mortality Rates:</i>	
<i>Pre-Retirement</i>	RP-2014 mortality with generational improvement scale from the 2017 Social Security Administration Trustees' Report applied from 2006
<i>Post-Retirement</i>	2018 IRS mortality for lump sum conversions specified in Code Section 417(e)
<i>Retirement Rates:</i>	100% at age 65

TOWNSHIP OF SCHAUMBURG
TOWN FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED FEBRUARY 28, 2018

	2018	
	Original and Final Budget	Actual
REVENUES		
Local Sources:		
Property Taxes	\$ 4,560,000	\$ 4,413,813
Personal Property Replacement Taxes	60,000	57,514
Earnings on Investments	28,100	41,783
Rental Income	500	1,250
Donations	12,700	14,164
Grants	1,000	12,877
Passport Income	25,000	33,984
Bus Fare Income	22,000	19,132
Committee for Disabled Citizens Income	14,000	17,579
Senior Citizens Program Income	8,300	20,554
Other	370,765	42,574
	<u>5,102,365</u>	<u>4,675,224</u>
Total From Local Sources	<u>5,102,365</u>	<u>4,675,224</u>
Total Revenues	<u>5,102,365</u>	<u>4,675,224</u>
EXPENDITURES		
Current:		
General Government:		
Compensation of Township Officials	107,863	114,091
Administration	2,309,170	2,101,040
Assessor's Office	178,945	167,986
	<u>2,595,978</u>	<u>2,383,117</u>
Total General Government	<u>2,595,978</u>	<u>2,383,117</u>
Human Services and Public Welfare		
Mental Health Board	<u>2,000</u>	<u>2,174</u>
Community Relations	<u>34,501</u>	<u>35,933</u>
Community Outreach	<u>7,800</u>	<u>3,100</u>
Committee for Disabled Persons	<u>257,237</u>	<u>263,608</u>
Senior Citizens Services Committee	<u>362,103</u>	<u>298,584</u>

(Continued)

TOWNSHIP OF SCHAUMBURG
TOWN FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED FEBRUARY 28, 2018

	2018	
	Original and Final Budget	Actual
Transportation	\$ 595,868	\$ 541,111
Human Services	1,046,878	1,039,500
Total Human Services and Public Welfare	2,306,387	2,184,010
Capital outlay:		
Buildings	200,000	40,897
Total Capital Outlay	200,000	40,897
Total Expenditures	5,102,365	4,608,024
NET CHANGE IN FUND BALANCE	\$ -	67,200
FUND BALANCE - BEGINNING		3,686,627
FUND BALANCE - ENDING		\$ 3,753,827

TOWNSHIP OF SCHAUMBURG
GENERAL ASSISTANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED FEBRUARY 28, 2018

	2018	
	Original and Final Budget	Actual
REVENUES		
Local Sources:		
Property Taxes	\$ 657,000	\$ 622,992
Personal Property Replacement Taxes	25,000	23,727
Donations	45,000	59,529
Grants	-	6,091
Charges for Services	10,000	16,722
Earnings on Investments	3,150	6,865
Other	123,271	-
	<u>863,421</u>	<u>735,926</u>
Total Local Sources	<u>863,421</u>	<u>735,926</u>
	<u>863,421</u>	<u>735,926</u>
	<u>863,421</u>	<u>735,926</u>
EXPENDITURES		
Current:		
Administration	472,321	449,634
Home Relief - General assistance	185,000	72,832
Home Relief - Emergency assistance	201,100	79,132
Capital Outlay:		
Equipment	5,000	687
	<u>863,421</u>	<u>602,285</u>
Total Expenditures	<u>863,421</u>	<u>602,285</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	133,641
FUND BALANCE - BEGINNING		<u>714,245</u>
FUND BALANCE - ENDING		<u>\$ 847,886</u>

TOWNSHIP OF SCHAUMBURG
ROAD AND BRIDGE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED FEBRUARY 28, 2018

	2018	
	Original and Final Budget	Actual
REVENUES		
Local Sources:		
Property Taxes	\$ 661,000	\$ 654,984
Personal Property Replacement Taxes	12,000	10,753
Charges for Services	1,400	1,279
Earnings on Investments	2,550	5,430
Other	83,250	-
Total Local Sources	<u>760,200</u>	<u>672,446</u>
Total Revenues	<u>760,200</u>	<u>672,446</u>
EXPENDITURES		
Current:		
Administration	292,900	275,875
Road and Bridge	145,800	108,153
Capital Outlay:		
Equipment	6,500	5,720
Road Improvements	315,000	324,008
Total Expenditures	<u>760,200</u>	<u>713,756</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	(41,310)
FUND BALANCE - BEGINNING		<u>492,445</u>
FUND BALANCE - ENDING		<u>\$ 451,135</u>

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TOWNSHIP OF SCHAUMBURG
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FEBRUARY 28, 2018

NOTE 1 – BUDGETS AND BUDGETARY ACCOUNTING

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

1. 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.
2. Public hearings are conducted to obtain taxpayer comments.
3. At the Township Board of Trustees' meeting during the first quarter of each fiscal year, the budget is legally enacted.
4. The adopted budget is forwarded to the Cook County Clerk as required by law.
5. 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.
6. Expenditures may not legally exceed budgeted appropriations at the department level. All annual appropriations lapse at fiscal year end.

Township budgets are prepared on a basis of accounting consistent with accounting principles generally accepted in the United States (GAAP). The budget was adopted April 25, 2017. Subsequent approved line item changes were made after passage.

NOTE 2 – EXPENDITURES IN EXCESS OF BUDGET

During the year ended February 28, 2018, actual expenditures disbursed did not exceed budgeted expenditures across all funds.

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SUPPLEMENTARY INFORMATION

TOWNSHIP OF SCHAUMBURG
GENERAL REVENUES BY SOURCE (1)
LAST TEN FISCAL YEARS

Fiscal Year	Property Taxes	Personal Property Replacement Taxes	Investment Income	Inter- governmental	Miscellaneous	Total
2018	\$ 5,691,789	\$ 91,994	\$ 54,078	-	-	\$ 5,837,861
2017	5,864,550	99,041	22,405	-	(22,089)	5,963,907
2016	5,765,957	105,377	14,069	-	(9,873)	5,875,530
2015	5,563,602	95,300	11,451	-	45,963	5,716,316
2014	5,379,650	99,756	10,441	-	31,272	5,521,119
2013	5,360,805	87,017	14,911	14,400	202,397	5,679,530
2012	5,332,396	87,940	14,570	20,631	312,501	5,768,038
2011	4,910,630	96,331	36,269	-	726,405	5,769,635
2010	4,814,833	91,463	71,092	-	383,555	5,360,943
2009	4,568,362	100,431	120,426	-	660,692	5,449,911

Note (1) Includes revenues of Town Fund, General Assistance Fund and Road and Bridge Fund.

TOWNSHIP OF SCHAUMBURG
 GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)
 LAST TEN FISCAL YEARS

Fiscal Year	Government	Human Services, Public Welfare and Home Relief	Road and Bridge	Capital Outlay	Debt Service	Total Expenditures
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	2,322,673	127,130	236,294	-	5,766,313
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
2012	3,007,445	2,196,734	173,079	94,494	12,874	5,484,626
2011	2,837,578	2,024,099	163,815	542,588	12,874	5,580,954
2010	2,890,997	2,191,843	82,301	143,893	12,874	5,321,908
2009	2,971,221	2,082,408	53,035	271,636	12,874	5,391,174

Note (1) Includes expenditures of General Fund, General Assistance Fund, Road and Bridge Fund and Debt Service Fund.

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TOWNSHIP OF SCHAUMBURG
TAX RATES AND LEVIES
LAST TEN FISCAL YEARS

TAX RATES*	2017	2016	2015	2014	2013
General	0.1050	0.1030	0.1200	0.1150	0.1170
Bond and Interest	-	-	-	-	-
Road and Bridge **	0.0310	0.0300	0.0340	0.0320	0.0310
General Assistance	0.0160	0.0150	0.0170	0.0160	0.0130
TOTAL	0.1520	0.1480	0.1710	0.1630	0.1610
PERCENTAGE OF INCREASE (DECREASE) FROM PRIOR YEARS	2.70%	-13.45%	4.91%	1.24%	17.52%
TAX LEVIES					
General	\$ 4,770,513	\$ 4,631,910	\$ 4,631,910	\$ 4,598,398	\$ 4,620,795
Bond and Interest	-	-	-	-	-
Road and Bridge **	686,939	663,258	644,150	639,777	612,157
General Assistance	694,735	643,750	643,750	639,777	513,422
TOTAL	\$ 6,152,187	\$ 5,938,918	\$ 5,919,810	\$ 5,877,952	\$ 5,746,374
PERCENTAGE OF INCREASE (DECREASE) FROM PRIOR YEARS	3.59%	0.32%	0.71%	2.29%	3.91%

* 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 & Bridge receives only approximately 50% of total levy; balance is distributed directly to other municipalities.

Source: Office of Cook County Clerk

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
0.1000	0.0930	0.0820	0.0690	0.0660
-	-	-	-	-
0.0260	0.0230	0.0200	0.0170	0.0160
0.0110	0.0090	0.0080	0.0060	0.0070
<u>0.1370</u>	<u>0.1250</u>	<u>0.1100</u>	<u>0.0920</u>	<u>0.0890</u>
<u>9.60%</u>	<u>13.64%</u>	<u>19.57%</u>	<u>3.37%</u>	<u>0.00%</u>
\$ 4,459,700	\$ 4,496,142	\$ 4,410,407	\$ 4,172,648	\$ 4,022,790
-	-	-	-	-
579,761	553,991	537,855	514,022	487,611
490,567	435,111	430,284	362,839	426,660
<u>\$ 5,530,028</u>	<u>\$ 5,485,244</u>	<u>\$ 5,378,546</u>	<u>\$ 5,049,509</u>	<u>\$ 4,937,061</u>
<u>0.82%</u>	<u>1.98%</u>	<u>6.52%</u>	<u>2.28%</u>	<u>4.93%</u>

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
2017*	\$ 6,152,187	\$ -	0.00%
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%
2011	5,485,244	5,360,805	97.73%
2010	5,378,546	5,278,611	98.14%
2009	5,049,509	4,910,630	97.25%
2008	4,937,061	4,814,833	97.52%

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

Note (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.

Note (3) 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 difference is paid directly to other municipalities within the Township.

* Current collections are deferred

Source: Office of the County Treasurer

TOWNSHIP OF SCHAUMBURG
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS

Levy Year	Percentage Increase (Decrease)	Railroad Property	Assessed Value		Estimated Actual Value	Ratio of Total Assessed/ Total Estimated Actual Value
			Real Property	Total		
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	0.85%	**	4,497,717,493	4,497,717,493	13,493,152,479	33.33
2011	-7.75%	**	4,459,699,900	4,459,699,900	13,379,099,700	33.33
2010	-10.11%	**	4,834,561,808	4,834,561,808	14,044,008,945	33.33
2009	-11.06%	**	5,378,545,620	5,378,545,620	13,667,311,036	33.33
2008	-0.78%	**	6,047,315,265	6,047,315,265	12,504,211,959	33.33

Source: Office of the County Clerk

TOWNSHIP OF SCHAUMBURG
 COMPUTATION OF LEGAL DEBT MARGIN
 FEBRUARY 28, 2018

2017 LEVY YEAR ASSESSED VALUE	<u>\$ 4,549,264,916</u>
Debt limit 5.75% of Assessed value	\$ 261,582,733
Township Debt Applicable to Debt Limit	<u>-</u>
LEGAL DEBT MARGIN	<u>\$ 261,582,733</u>

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

Fiscal Year	Population (1)	Assessed Value (2)	Gross General Obligation Bonded Debt (3)	Less Debt Service Fund	Net Bonded Debt	Ratio of Net Bonded Debt to Equalized Assessed Valuation	Net Bonded Debt Per Capita
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%	-
2012	131,288	4,459,699,900	-	-	-	0.00%	-
2011	131,288	4,834,561,808	-	-	-	0.00%	-
2010	131,288	5,378,545,620	-	-	-	0.00%	-
2009	134,114	6,047,315,265	-	-	-	0.00%	-

Sources:

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

TOWNSHIP OF SCHAUMBURG
 RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL OBLIGATION
 BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
 LAST TEN FISCAL YEARS

Fiscal Year	Principal	Interest and Fiscal Charges	Total Debt Service	Total General Governmental Expenditures*	Ratio of Debt Service to General Governmental Expenditures*
2018	\$ -	\$ -	\$ -	\$ 5,924,065	0.0%
2017	-	-	-	5,865,387	0.0%
2016	-	-	-	5,766,313	0.0%
2015	-	-	-	5,622,839	0.0%
2014	-	-	-	5,732,286	0.0%
2013	-	-	-	5,793,282	0.0%
2012	-	-	-	5,484,626	0.0%
2011	-	-	-	5,580,954	0.0%
2010	-	-	-	5,321,908	0.0%
2009	-	-	-	5,391,174	0.0%

* Includes expenditures of General Fund, General Assistance Fund, Road and Bridge Fund and Debt Service Fund.

Source: Township of Schaumburg's Annual Financial Reports.

TOWNSHIP OF SCHAUMBURG
 MISCELLANEOUS STATISTICS
 FEBRUARY 28, 2018

Miscellaneous

Form of Government	Township
Date of Incorporation	April 2, 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

	<u>Number</u>	<u>Enrollment</u>
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

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TOWNSHIP OF SCHAUMBURG
MISCELLANEOUS STATISTICS (Continued)
FEBRUARY 28, 2018

Distribution of Township Population by Municipality

	Census Year	Population
	<u>Year</u>	<u>Population</u>
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

	Year	Age
	<u>Year</u>	<u>Age</u>
Elk Grove	2010	43.5
Hanover Park	2010	34.1
Hoffman Estates	2010	35.4
Rolling Meadows	2010	25.3
Roselle	2010	40.0
Schaumburg	2010	38.7
Streamwood	2010	37.1
Unincorporated	2010	43.4

Source: Northeastern Illinois Planning Commission