

Township of Nunda, Illinois

Annual Financial Report
March 31, 2004

Township of Nunda, Illinois

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Introductory Section

Township of Nunda, Illinois

Board of Township Trustees and Elected Officials
March 31, 2004

Mary L. Donner	Trustee
Barbara G. Nease	Trustee
Walter F. Romanus	Trustee
James C. Schlader	Trustee
John A. Heisler	Supervisor
Ann Kate	Clerk
Donald C. Kopsell	Highway Commissioner
Dennis Jagla	Assessor

Independent Auditor's Report

McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report

To the Supervisor and Board of Trustees
Township of Nunda, Illinois

We have audited the accompanying general purpose financial statements of the Township of Nunda, Illinois as of and for the year ended March 31, 2004, as listed in the accompanying table of contents. These general purpose financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these general purpose 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Township of Nunda, Illinois as of March 31, 2004, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund financial statements and schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Township of Nunda, Illinois. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

The required supplementary information listed in the table of contents is not a required part of the general purpose financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it. The statistical information listed in the table of contents was not audited by us and, accordingly, we do not express an opinion thereon.

McGladrey & Pullen, LLP

Schaumburg, Illinois
May 24, 2004

General Purpose Financial Statements

Township of Nunda, Illinois

Combined Balance Sheet
All Fund Types and Account Groups
March 31, 2004

	Governmental Fund Types	
	General (Town Fund)	Special Revenue
Asset and Other Debits		
Assets		
Cash and cash equivalents	\$ 393,829	\$ 1,291,206
Receivables:		
Property taxes	756,336	2,110,247
Other assets	775	260
Inventory	-	91,550
Fixed assets	-	-
Other debits		
Amount to be provided for retirement of general long-term debt	-	-
Total assets and other debits	<u>\$ 1,150,940</u>	<u>\$ 3,493,263</u>
Liabilities, Fund Equity and Other Credits		
Liabilities		
Accounts payable	\$ 10,510	\$ 20,933
Accrued payroll	5,347	6,201
Refundable deposits	-	49,900
Other liabilities	-	857
Deferred property tax revenue	756,336	2,110,247
Note payable	-	-
Compensated absences payable	-	-
Total liabilities	<u>772,193</u>	<u>2,188,138</u>
Fund equity and other credits		
Investment in general fixed assets	-	-
Fund balances:		
Reserved for perpetual care	-	5,195
Reserved for inventory	-	91,550
Reserved for land acquisition	-	100,000
Unreserved:		
Designated for capital projects	200,000	-
Undesignated	178,747	1,108,380
Total fund equity and other credits	<u>378,747</u>	<u>1,305,125</u>
Total liabilities, fund equity and other credits	<u>\$ 1,150,940</u>	<u>\$ 3,493,263</u>

See Notes to Financial Statements.

Account Groups		
General Fixed Assets	General Long-Term Debt	Total (Memorandum Only)
\$ -	\$ -	\$ 1,685,035
-	-	2,866,583
-	-	1,035
-	-	91,550
3,718,343	-	3,718,343
-	164,005	164,005
<u>\$ 3,718,343</u>	<u>\$ 164,005</u>	<u>\$ 8,526,551</u>

\$ -	\$ -	\$ 31,443
-	-	11,548
-	-	49,900
-	-	857
-	-	2,866,583
-	145,605	145,605
-	18,400	18,400
-	164,005	3,124,336

3,718,343	-	3,718,343
-	-	5,195
-	-	91,550
-	-	100,000
-	-	200,000
-	-	1,287,127
<u>3,718,343</u>	<u>-</u>	<u>5,402,215</u>
<u>\$ 3,718,343</u>	<u>\$ 164,005</u>	<u>\$ 8,526,551</u>

Township of Nunda, Illinois

Combined Statement of Revenues, Expenditures and
Changes in Fund Balances - All Governmental Fund Types
Year Ended March 31, 2004

	General (Town Fund)	Special Revenue	Total (Memorandum Only)
Revenues			
Property taxes	\$ 728,368	\$ 2,035,315	\$ 2,763,683
Replacement taxes	14,929	44,298	59,227
Interest - investments	8,974	17,939	26,913
Interest - County Treasurer	86	238	324
Town Hall rental	2,885	-	2,885
Insurance dividend	2,797	7,847	10,644
Fines	-	18,252	18,252
Other	85	4,483	4,568
Total revenues	758,124	2,128,372	2,886,496
Expenditures			
Current:			
General government	875,481	92,503	967,984
Highways and streets	-	1,516,786	1,516,786
Health and welfare	-	30,946	30,946
Cemeteries	-	22,829	22,829
Debt service	-	140,537	140,537
Capital outlay	10,637	120,906	131,543
Total expenditures	886,118	1,924,507	2,810,625
Excess (deficiency) of revenues over expenditures	(127,994)	203,865	75,871
Other financing sources (uses)			
Operating transfers in (out)	100,000	(100,000)	-
Excess (deficiency) of revenues and other financing sources (uses) over expenditures	(27,994)	103,865	75,871
Increase in inventory reserve	-	20,533	20,533
Fund balances:			
Beginning of year	406,741	1,180,727	1,587,468
End of year	\$ 378,747	\$ 1,305,125	\$ 1,683,872

See Notes to Financial Statements.

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Township of Nunda, Illinois

Combined Statement of Revenues, Expenditures and Changes in Fund
Balances - Budget and Actual - All Governmental Fund Types
Year Ended March 31, 2004

	General (Town Fund)		
	Budget	Actual	Variance
Revenues			
Property taxes	\$ 728,000	\$ 728,368	\$ 368
Replacement taxes	16,275	14,929	(1,346)
Interest - investments	7,000	8,974	1,974
Interest - County Treasurer	-	86	86
Intergovernmental	-	-	-
Town Hall rental	2,500	2,885	385
Insurance dividend	6,000	2,797	(3,203)
Fines	-	-	-
Other	600	85	(515)
Total revenues	<u>760,375</u>	<u>758,124</u>	<u>(2,251)</u>
Expenditures			
Current:			
General government	1,011,469	875,481	135,988
Highways and streets	-	-	-
Health and welfare	-	-	-
Cemeteries	-	-	-
Debt service	-	-	-
Capital outlay	200,000	10,637	189,363
Total expenditures	<u>1,211,469</u>	<u>886,118</u>	<u>325,351</u>
Excess (deficiency) of revenues over expenditures	(451,094)	(127,994)	323,100
Other financing sources (uses)			
Operating transfers in (out)	100,000	100,000	-
Excess (deficiency) of revenues and other financing sources (uses) over expenditures	<u>\$ (351,094)</u>	<u>(27,994)</u>	<u>\$ 323,100</u>
Increase in inventory reserve		-	
Fund balances:			
Beginning of year		<u>406,741</u>	
End of year		<u>\$ 378,747</u>	

See Notes to Financial Statements.

Special Revenue			Total (Memorandum Only)		
Budget	Actual	Variance	Budget	Actual	Variance
\$ 1,985,997	\$ 2,035,315	\$ 49,318	\$ 2,713,997	\$ 2,763,683	\$ 49,686
54,200	44,298	(9,902)	70,475	59,227	(11,248)
85,250	17,939	(67,311)	92,250	26,913	(65,337)
2,050	238	(1,812)	2,050	324	(1,726)
555,000	-	(555,000)	555,000	-	(555,000)
-	-	-	2,500	2,885	385
9,000	7,847	(1,153)	15,000	10,644	(4,356)
30,000	18,252	-	30,000	18,252	-
40,150	4,483	(35,667)	40,750	4,568	(36,182)
<u>2,781,847</u>	<u>2,128,372</u>	<u>(621,527)</u>	<u>3,522,022</u>	<u>2,886,496</u>	<u>(623,778)</u>
93,100	92,503	597	1,104,569	967,984	136,585
2,523,900	1,516,786	1,007,114	2,523,900	1,516,786	1,007,114
85,800	30,946	54,854	85,800	30,946	54,854
53,500	22,829	30,671	53,500	22,829	30,671
119,000	140,537	(21,537)	119,000	140,537	(21,537)
196,097	120,906	75,191	396,097	131,543	264,554
<u>3,071,397</u>	<u>1,924,507</u>	<u>1,146,890</u>	<u>4,282,866</u>	<u>2,810,625</u>	<u>1,472,241</u>
(309,750)	203,865	513,615	(760,844)	75,871	836,715
(100,000)	(100,000)	-	-	-	-
<u>\$ (409,750)</u>	103,865	<u>\$ 513,615</u>	<u>\$ (760,844)</u>	75,871	<u>\$ 836,715</u>
	20,533			20,533	
	<u>1,180,727</u>			<u>1,587,468</u>	
	<u>\$ 1,305,125</u>			<u>\$ 1,683,872</u>	

Note 1. Summary of Significant Accounting Policies

The accounting policies of the Township of Nunda, Illinois ("the Township") conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies.

A. Reporting Entity

As defined by accounting principles generally accepted in the United States of America established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which 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 accompanying financial statements present the Township (the primary government) and its component unit. The financial data of the component unit is included in the Township's reporting entity because of its operational significance or financial relationships with the Township. The Township Board is the governing body of the component unit.

Blended Component Unit

Although the Township of Nunda Road District (District) is a legally separate entity from the Township, the District is blended as if it were part of the Township. The District serves all of the citizens of the Township. The Township Board must approve the District's annual budget as well as audit all of the District's expenditures. Accordingly, the District is included as a blended component unit of the Township and is reported as five special revenue funds: the Road and Bridge Fund, the Permanent Hard Road Fund, the Road District Insurance Fund, the Road District IMRF Fund and the Road District Social Security Fund. The District has a March 31 fiscal year end, the same as the Township. The District does not have a separately issued annual financial report.

B. Fund Accounting

The Township uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into the governmental category, which in turn, is divided into separate "fund types."

Note 1. Summary of Significant Accounting Policies (Continued)

B. Fund Accounting (Continued)

Governmental funds are used to account for all or most of the Township's general activities, including the collection and disbursement of earmarked monies (special revenue funds). The *General (Town) Fund* is used to account for all activities of the Township not accounted for in some other fund.

Special Revenue funds

These funds are established to account for the proceeds of specific revenue sources other than special assessments that are legally restricted to expenditures for specified purposes. The Township's special revenue funds are:

General Assistance Fund – Accounts for expenditures to provide welfare benefits to Township citizens. Revenue of the Fund is gained primarily through the levy of property taxes.

Road and Bridge Fund – Accounts for expenditures to maintain and repair Township roads. Revenue for the Fund is gained primarily through the levy of property taxes.

Permanent Hard Road Fund – Accounts for expenditures for construction and maintenance of hard-surfaced Township roads. Revenue for the Fund is gained primarily through the levy of property taxes.

Road District Insurance Fund – Accounts primarily for expenditures to provide insurance coverage for the Township Road District. Revenue for the Fund is gained primarily through the levy of property taxes.

Road District Social Security Fund – Accounts for expenditures for the Township Road District's share of social security taxes for its employees. Revenue for the Fund is gained primarily through the levy of property taxes.

Road District IMRF Fund – Accounts for expenditures for the Township Road District's share of IMRF for its employees. Revenue for the Fund is gained primarily through the levy of property taxes.

Cemetery Fund – Accounts for expenditures to administer, maintain and improve Township cemeteries. Revenue for the Fund is gained primarily through the levy of property taxes.

Account groups

In addition to the two broad types of funds, the Township also maintains two account groups as described below:

General Fixed Assets Account Group – Fixed assets purchased for general governmental fund type operations (general fixed assets) are accounted for at cost in the General Fixed Assets Account Group, rather than being capitalized in governmental funds.

General Long-Term Debt Account Group – Long-term debt expected to be financed from governmental funds is accounted for in the General Long-Term Debt Account Group, rather than in governmental funds.

Note 1. Summary of Significant Accounting Policies (Continued)

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Township considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred.

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

The Township reports deferred revenues on its combined balance sheet. Deferred revenues arise when receivables are not collected within the availability period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

D. Budgets

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for the General (Town) and Special Revenue Funds. All annual appropriations lapse at fiscal year-end. Spending control is established by the amount of expenditures budgeted for the fund, but management control is exercised at the budgetary line item level.

E. Cash and Cash Equivalents

Cash includes amounts in demand deposits as well as short-term investments with a maturity within 90 days of the date acquired by the Township.

The Township maintains a cash and investment pool that is available for use by all funds, except that the Cemetery Fund maintains its own accounts. Each fund type's portion of this pool is displayed on the combined balance sheet as cash and cash equivalents. Deposits are stated at cost and are either held in checking accounts, money market accounts or certificates of deposits with a maturity of less than 90 days.

F. Receivables

Receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Note 1. Summary of Significant Accounting Policies (Continued)

G. Interfund Transactions

Transactions between funds that are representative of lending/borrowing arrangements outstanding at year-end are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

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

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

H. Inventories

Inventories for all governmental funds are valued at average cost. The purchase method is used to account for inventories. Under the purchase method, inventories are recorded as expenditures when purchased. Material amounts of inventories are also reported as assets of their respective funds. Reported inventories in these funds are equally offset by a fund balance reserve, which indicates the assets are unavailable for appropriation even though they are recorded among reported assets.

I. Fixed Assets

General fixed assets are not capitalized in the funds used to acquire them. Instead, capital acquisitions are reflected as expenditures in governmental funds, and the related assets are reported in the General Fixed Assets account group. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Public domain "infrastructure" general fixed assets consisting of roads, bridges, curbs and land are not capitalized, as these assets are immovable and of value only to the Township. Assets in the general fixed assets account group are not depreciated.

J. Long-Term Debt

Long-term debt obligations of the Township are reported in the general long-term debt account group.

K. Fund Equity

Reserves represent those portions of fund balance not available for expenditure or legally segregated for a specific future use. Designated fund balances, if any, represent tentative plans for future use of financial resources.

Note 1. Summary of Significant Accounting Policies (Continued)

L. Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources, if any, is reported as an expenditure and a fund liability of the governmental fund that will pay it. The liability which will not be liquidated with expendable available financial resources is recorded as a liability in the General Long-Term Debt Account Group.

In accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences," no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

M. Post Employment Healthcare Benefits

The Township does not provide post employment healthcare benefits except those mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the Township.

N. Accounting Estimates

The preparation of the general purpose financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures during the period. Actual results could differ from these estimates.

O. Memorandum Only – Total Columns

Total columns on the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with accounting principles generally accepted in the United States of America. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Note 2. Legal Compliance and Accountability

A. Budgets

The Township Supervisor submits to the Board of Trustees the proposed budget for the fiscal year. The budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain citizen comments on the proposed budget. The budget is adopted by the Board of Trustees and is legally enacted by the Township Board through passage of an ordinance.

Revisions to the budget are made in accordance with the Illinois Compiled Statutes. Expenditures may not legally exceed budgeted appropriations by greater than 10% at the department level without Board approval as established by State Statute.

B. Excess of Expenditures Over Budget

The Road and Bridge Fund had an excess of expenditures over budget by greater than 10% within debt service. Budgeted expenditures for debt service amounted to \$119,000, actual expenditures were \$140,537. Actual expenditures exceeded budget by 18%.

Note 3. Deposits and Investments

Permitted Deposits and Investments – Statutes authorize the Township to make deposits/invest in commercial banks, obligations of the U.S. Treasury, obligations of States and their political subdivisions, credit union shares, repurchase agreements, 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 Township's deposits totaled \$1,685,035 and the bank balances totaled \$1,819,654.

	<u>Bank Balances</u>
Category 1	
Deposits covered by federal depository insurance or by collateral held by the Township, or its agent, in the Township's name.	\$ 1,129,654
Category 2	
Deposits covered by collateral held by the pledging financial institution's trust department, or by its agent, in the Township's name.	-
Category 3	
Deposits covered by collateral held by the pledging financial institution, or its trust department, or its agent but not in the Township's name, and deposits which are uninsured and uncollateralized.	<u>690,000</u>
Total Deposits	<u>\$ 1,819,654</u>

Township of Nunda, Illinois

Notes to Financial Statements

Note 4. Property Taxes

The Township's property tax is levied each calendar year on all taxable real property located in the Township. Since the 2003 property tax levy is levied to finance the operations of fiscal year 2005, the 2003 property tax levy is recorded as a receivable and the property tax revenue is deferred. The 2002 property tax levy is recorded as revenue by the Township in accordance with the applicable measurement focus and basis of accounting for fiscal year 2004.

The Township's assessor is responsible for assessment of all taxable real property within the Township, except for certain railroad and pollution control property which is assessed directly by the State. The Township Clerk computes the annual tax of each parcel of real property and prepares tax books used by the Township Collector as a basis for issuing tax bills to all taxpayers in the Township.

Property taxes are collected by the McHenry County Collector/Treasurer, who remits to the units their respective share of the collections. Taxes levied in 2002 become due and payable in two installments in June 2003 and September 2003. The owner of real property on January 1 (lien date) in any year is liable for taxes of that year.

Note 5. Fixed Assets

The following is a summary of changes in the General Fixed Assets account group during the fiscal year:

	Balance April 1, 2003 As Previously Reported		Adjustments *	Balance April 1, 2003 As Adjusted		Additions	Retirements/ Transfers	Balance March 31, 2004
Land and building	\$	1,564,393	\$ -	\$	1,564,393	\$ -	\$ -	\$ 1,564,393
Fixtures and equipment		2,554,571	(563,133)		1,991,438	244,429	108,341	2,127,526
Cemetery assets		26,424	-		26,424	-	-	26,424
Totals	\$	4,145,388	\$ (563,133)	\$	3,582,255	\$ 244,429	\$ 108,341	\$ 3,718,343

* The Township completed a physical inventory of its fixed assets. The adjustments column reflects the changes resulting from the inventory.

Note 6. Long-Term Debt

The following is a summary of general long-term obligation transactions for the Township as reported in the General Long-Term Debt Account Group:

	Balance Beginning of Year	Additions	Reductions	Balance End of Year
Note payable	\$ 215,000	\$ -	\$ 69,395	\$ 145,605
Capital leases	60,828	-	60,828	-
Compensated absences	25,640	-	7,240	18,400
Totals	\$ 301,468	\$ -	\$ 137,463	\$ 164,005

Township of Nunda, Illinois

Notes to Financial Statements

Note 6. Long-Term Debt (Continued)

Long-term debt outstanding (excluding compensated absences) is as follows:

Description	Fund Debt Retired By	Balances April 1	Issuances	Retirements	Balances March 31
\$215,000 note payable due in annual installments of \$68,987 to \$74,395 plus interest at 3.75% through July 3, 2005	Road and Bridge	\$ 215,000	\$ -	\$ 69,395	\$ 145,605
\$102,000 capital lease due in annual installments of \$41,173 plus interest at 4.5% repaid on December 1, 2003	Road and Bridge	39,364	-	39,364	-
\$20,500 capital lease due in one annual installment plus interest at 7.9% repaid on September 1, 2003	Road and Bridge	21,464	-	21,464	-
Totals		<u>\$ 275,828</u>	<u>\$ -</u>	<u>\$ 130,223</u>	<u>\$ 145,605</u>

Debt requirements to maturity on long-term debt, including interest of \$8,817, are as follows:

Year Ending March 31:	Note Payable
2005	\$ 77,189
2006	77,233
Total	154,422
Less interest portion	8,817
Principal portion	<u>\$ 145,605</u>

Note 7. Reserved and Designated Fund Equity

Reservations of fund balances of Governmental Funds are established to identify the portion of the fund balance that is not appropriable for future expenditures, or is legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources. Specific reservations/designations of the fund balance accounts are summarized below.

Reserve for Perpetual Care – Cemetery Fund: The reserve for perpetual care represents funds donated to the Township for the upkeep of Township cemeteries. Under the terms of these gifts, the principal must be maintained intact and therefore is not available for expenditures.

Reserve for Land Acquisition – Cemetery Fund: The reserve for land acquisition represents funds the Board has reserved in the event that additional land for cemetery plots is needed.

Reserve for Inventories – Road and Bridge Fund: The reserve for inventories was created to represent the portion of the fund balance that is not available for appropriation because the Township expects to use these resources within the next budgetary period.

Designated for Capital Projects: The designated for capital projects represents funds the Board has earmarked for various Township capital projects.

Note 8. Defined Benefit Pension Plan

A. Plan Description

The Township contributes to the Illinois Municipal Retirement Fund (IMRF), which provides retirement (including early retirement), disability, and death benefits to plan members and beneficiaries. IMRF is a defined benefit agent multiple-employer public employee retirement system which acts as a common investment and administrative agent for local governments and school districts in Illinois. All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in the IMRF plan as participating members. The Illinois Pension Code establishes the benefit provisions of the plan, which can only be amended by the Illinois General Assembly.

IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

B. Funding Policy

Employees participating in the IMRF plan are required to contribute 4.5% of their annual covered salary. The member rate is established by state statute. The Township is required to contribute at an actuarially determined rate. The Township's rates for calendar years 2002 and 2003 were 1.03% and .98%, respectively, of covered payroll annually. The Township's contribution requirements are established and amended by the IMRF Board of Trustees.

Note 8. Defined Benefit Pension Plan (Continued)

C. Annual Pension Cost, Net Pension Obligation and Actuarial Assumptions

For the calendar year 2003, the Township's annual pension cost of \$10,052 for IMRF was equal to the Township's required and actual contributions. The required contributions were determined as part of the December 31, 2001 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.5% investment rate of return (net of administrative expenses); (b) projected salary increases of 4% a year attributable to inflation; (c) additional projected salary increases ranging from .4% to 11.6% per year, depending on age and service attributable to seniority/merit; and (d) cost of living adjustments of 3% per year of the original amount of the benefit.

The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2003 was 10 years.

IMRF conducts annual actuarial valuations as of December 31 of each year. The valuation determines the actuarial liabilities for the year of the valuation. Employer contribution rates are based on the valuation two years prior. For example, the December 31, 2001 valuation determined the liabilities for calendar year 2003 and the employer rate for calendar year 2003.

In accordance with GASB Statement No. 27, "Accounting for Pensions by State and Local Governmental Employers," there were no net pension obligations at March 31, 2004.

D. Trend Information

	Calendar Year		IMRF
Annual pension cost	2001	\$	8,655
	2002		9,783
	2003		10,052
Percent contributed	2001		100.00 %
	2002		100.00
	2003		100.00
Net pension obligation	2001	\$	-
	2002		-
	2003		-

Notes to Financial Statements

Note 9. 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; and natural disasters. The Township accounts for its risk of loss in the General (Town) Fund for the primary government and in the Road District Insurance Fund for the blended component unit.

The Township is insured through TOIRMA, a joint risk management pool of Illinois Townships through which property, general liability, automobile liability, crime, boiler and machinery, public officials' and workers compensation coverage is provided for the members, acting as a single insurable unit. The Township pays an annual premium to TOIRMA.

There has been no reduction in the Township's insurance coverage for any of its programs since the prior fiscal year. Settlements have not exceeded insurance coverage for the current year or prior three fiscal years.

Note 10. New Governmental Accounting Standards

The Governmental Accounting Standards Board (GASB) has issued the following statements:

Statement No. 34 – *Basic Financial Statements – And Management's Discussion and Analysis – For State and Local Governments*, which establishes a new financial reporting model for state and local governments.

Statement No. 37 – *Basic Financial Statements – And Management's Discussion and Analysis – For State and Local Governments: Omnibus*, which changes the reporting of escheat property to coincide with Statement No. 34, clarifies provisions of Statement No. 34 which are not sufficiently clear, and modifies provisions of Statement No. 34 which have unintended consequences.

Statement No. 38 – *Certain Financial Statement Note Disclosures*, which modifies, establishes, and rescinds certain financial statement disclosure requirements.

Statements 34, 37 and 38 will become effective for the year ending March 31, 2005.

Statement No. 40 – *Deposit and Investment Risk Disclosures*, an amendment of GASB Statement No. 3, which amends certain provisions of Statement No. 3. The Township is required to implement this statement for the year ending March 31, 2006.

Statement No. 42 – *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries* will be effective for the Township beginning with its year ending March 31, 2006. This Statement requires governments to report the effects of capital asset impairment in their financial statements when it occurs and requires all governments to account for insurance recoveries in the same manner.

The GASB Statement No. 43, *Financial Reporting For Postemployment Benefit Plans Other Than Pension Plans*, establishes uniform financial reporting standards for other postemployment benefit plans (OPEB) and supercedes existing guidance. The provisions of this Statement will be effective for the Township in its fiscal year ending March 31, 2009.

Management has not yet completed their assessment of these statements, however they will have a material effect on the overall financial statement presentation for the Township.

Required Supplementary Information

Township of Nunda, Illinois

Illinois Municipal Retirement Fund
 Required Supplementary Information
 Analysis of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded (Assets in Excess of) Actuarial Accrued Liability (b) - (a)	Funded Ratio (a) / (b)	Annual Covered Payroll (c)	Unfunded (Assets in Excess of) Actuarial Accrued Liability as a Percentage of Annual Covered Payroll ((b-a) / (c))
2003	\$ 1,738,802	\$ 1,207,317	\$ (531,485)	144.02 %	\$ 1,025,678	(51.82) %
2002	1,599,881	972,267	(627,614)	164.55	949,778	(66.08)
2001	1,688,347	901,613	(786,734)	187.26	840,308	(93.62)
2000	1,515,537	725,667	(789,870)	208.85	766,592	(103.04)
1999	1,350,246	624,112	(726,134)	216.35	698,628	(103.94)
1998	1,048,415	539,549	(508,866)	194.31	621,114	(81.93)

Township of Nunda, Illinois

Illinois Municipal Retirement Fund
Required Supplementary Information
Employer Contributions

Fiscal Year	Annual Required Contribution	Percentage Contributed	
2003	\$ 10,052	100	%
2002	9,783	100	
2001	8,655	100	
2000	20,238	100	
1999	20,260	100	
1998	39,130	100	

Supplementary Information

General (Town) Fund

Township of Nunda, Illinois

General - Town Fund
 Statement of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual
 Year Ended March 31, 2004

	Budget	Actual	Variance
Revenues			
Property taxes	\$ 728,000	\$ 728,368	\$ 368
Replacement taxes	16,275	14,929	(1,346)
Interest - investments	7,000	8,974	1,974
Interest - County Treasurer	-	86	86
Town Hall rental	2,500	2,885	385
Insurance dividend	6,000	2,797	(3,203)
Other income	600	85	(515)
Total revenues	<u>760,375</u>	<u>758,124</u>	<u>(2,251)</u>
Expenditures			
Current:			
General government:			
Administration	103,000	83,200	19,800
Town officials	252,394	251,461	933
Supervisor's office	57,600	52,076	5,524
Assessor's office	486,475	426,824	59,651
Township - park	20,000	11,678	8,322
Other	92,000	50,242	41,758
Capital outlay:			
Capital improvements	200,000	10,637	189,363
Total expenditures	<u>1,211,469</u>	<u>886,118</u>	<u>325,351</u>
Deficiency of revenues over expenditures	(451,094)	(127,994)	323,100
Other financing sources			
Operating transfers in	100,000	100,000	-
Excess (deficiency) of revenues and other financing sources over expenditures	<u>\$ (351,094)</u>	<u>(27,994)</u>	<u>\$ 323,100</u>
Fund Balance:			
Beginning of year		<u>406,741</u>	
End of year		<u>\$ 378,747</u>	

Township of Nunda, Illinois

General - Town Fund
 Schedule of Expenditures -- Budget and Actual
 Year Ended March 31, 2004

	Budget	Actual	Variance
Administration			
Salaries	\$ 14,500	\$ 17,287	\$ (2,787)
Deputy clerk	1,000	-	1,000
Professional services	4,300	4,709	(409)
Accounting services	15,000	7,827	7,173
Legal services	9,000	1,975	7,025
Professional improvement - trustees	3,000	700	2,300
Building maintenance	10,000	11,048	(1,048)
Dues - Township officials	1,500	1,443	57
Travel	2,000	138	1,862
Publishing	1,000	512	488
Utilities	7,500	9,907	(2,407)
General insurance	6,000	4,567	1,433
Liability insurance	11,000	9,076	1,924
Workers compensation insurance	10,000	6,994	3,006
Unemployment compensation	1,000	347	653
Social security tax	1,100	1,322	(222)
Illinois Municipal Retirement	100	4	96
Equipment purchases	5,000	5,344	(344)
Total administration	103,000	83,200	19,800
Town officials			
Supervisor's salary	53,000	53,634	(634)
Town clerk's salary	10,850	11,228	(378)
Assessor's salary	54,750	55,383	(633)
Highway commissioner's salary	66,709	67,502	(793)
Board of trustees	9,000	6,900	2,100
Road district treasurer	1,000	1,012	(12)
Cemetery trustees	1,500	1,500	-
Life insurance	310	311	(1)
Hospitalization insurance	37,275	36,820	455
Social security taxes	16,000	14,984	1,016
Illinois Municipal Retirement	2,000	2,187	(187)
Total town officials	252,394	251,461	933

(Continued)

Township of Nunda, Illinois

General - Town Fund
 Schedule of Expenditures - Budget and Actual (Continued)
 Year Ended March 31, 2004

	Budget	Actual	Variance
Supervisor's office			
Clerical staff salaries	\$ 38,000	\$ 36,676	\$ 1,324
Professional improvement	1,000	-	1,000
Travel	500	451	49
Office supplies	5,000	6,764	(1,764)
Telephone	3,500	2,355	1,145
Life insurance	100	104	(4)
Hospitalization insurance	600	479	121
Employee physicals	300	-	300
Unemployment compensation	1,200	693	507
Social security tax	3,000	3,206	(206)
Illinois Municipal Retirement	400	510	(110)
Miscellaneous	4,000	838	3,162
Total supervisor's office	<u>57,600</u>	<u>52,076</u>	<u>5,524</u>
Assessor's office			
Clerical staff salaries	279,000	255,299	23,701
Professional services	5,200	1,339	3,861
Professional improvement	7,800	2,127	5,673
Computer	24,000	26,121	(2,121)
Automobile	7,000	5,702	1,298
Dues	750	365	385
Travel	2,000	960	1,040
Office supplies	3,000	3,775	(775)
Postage	600	332	268
Printing	1,600	1,882	(282)
Publications and subscriptions	4,600	4,084	516
Equipment maintenance	1,500	871	629
Telephone	5,500	5,024	476
Life insurance	825	708	117
Hospitalization insurance	92,400	71,599	20,801
Unemployment compensation	5,100	2,491	2,609
Social security tax	21,000	19,056	1,944
Illinois Municipal Retirement	2,700	3,305	(605)
Miscellaneous	2,400	2,484	(84)
Equipment	19,500	19,300	200
Total assessor's office	<u>486,475</u>	<u>426,824</u>	<u>59,651</u>
Township - park			
Grounds maintenance	<u>20,000</u>	<u>11,678</u>	<u>8,322</u>

(Continued)

Township of Nunda, Illinois

General - Town Fund
 Schedule of Expenditures - Budget and Actual (Continued)
 Year Ended March 31, 2004

	Budget	Actual	Variance
Other			
Contingencies	\$ 30,000	\$ 8,670	\$ 21,330
McHenry Area Youth Commission	2,000	2,000	-
Historical Society	1,000	1,000	-
McHenry County Cooperative Extension	1,000	1,000	-
Planning commission	5,000	1,174	3,826
Valley High Foundation	5,000	5,000	-
Mental Health 708	2,000	2,000	-
Veterans Assistance Commission	2,000	2,000	-
Northern Illinois Special Recreation	1,000	1,000	-
Recycling	6,000	6,808	(808)
Newsletter	10,000	4,345	5,655
Vehicle ordinance	2,000	-	2,000
Gypsy moth	5,000	145	4,855
Mosquito abatement	20,000	15,100	4,900
Total other	92,000	50,242	41,758
Capital outlay			
Capital improvements	200,000	10,637	189,363
Total expenditures	\$ 1,211,469	\$ 886,118	\$ 325,351

Special Revenue Funds

Township of Nunda, Illinois

Special Revenue Funds
 Combining Balance Sheet
 March 31, 2004

	General Assistance Fund	Road and Bridge Fund	Permanent Hard Road Fund
Assets			
Cash and cash equivalents	\$ 72,095	\$ 19,006	\$ 924,476
Receivables:			
Property taxes	26,114	566,439	1,394,147
Other assets	-	-	260
Inventory	-	91,550	-
Total assets	\$ 98,209	\$ 676,995	\$ 2,318,883
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ 117	\$ 19,868	\$ 948
Accrued payroll	-	1,130	5,071
Refundable deposits	-	49,900	-
Other liabilities	-	-	-
Deferred property tax revenue	26,114	566,439	1,394,147
Total liabilities	26,231	637,337	1,400,166
Fund balances			
Reserved for perpetual care	-	-	-
Reserved for inventory	-	91,550	-
Reserved for land acquisition	-	-	-
Unreserved:			
Undesignated	71,978	(51,892)	918,717
Total fund balances	71,978	39,658	918,717
Total liabilities and fund balances	\$ 98,209	\$ 676,995	\$ 2,318,883

Road District Insurance Fund	Road District Social Security Fund	Road District IMRF Fund	Cemetery Fund	Total
\$ 66,588	\$ 997	\$ 76,451	\$ 131,593	\$ 1,291,206
41,181	46,203	23,106	13,057	2,110,247
-	-	-	-	260
-	-	-	-	91,550
<u>\$ 107,769</u>	<u>\$ 47,200</u>	<u>\$ 99,557</u>	<u>\$ 144,650</u>	<u>\$ 3,493,263</u>
\$ -	\$ -	\$ -	\$ -	\$ 20,933
-	-	-	-	6,201
-	-	-	-	49,900
-	-	857	-	857
41,181	46,203	23,106	13,057	2,110,247
<u>41,181</u>	<u>46,203</u>	<u>23,963</u>	<u>13,057</u>	<u>2,188,138</u>
-	-	-	5,195	5,195
-	-	-	-	91,550
-	-	-	100,000	100,000
66,588	997	75,594	26,398	1,108,380
<u>66,588</u>	<u>997</u>	<u>75,594</u>	<u>131,593</u>	<u>1,305,125</u>
<u>\$ 107,769</u>	<u>\$ 47,200</u>	<u>\$ 99,557</u>	<u>\$ 144,650</u>	<u>\$ 3,493,263</u>

Township of Nunda, Illinois

Special Revenue Funds
 Combining Statement of Revenues, Expenditures and
 Changes in Fund Balances
 Year Ended March 31, 2004

	General Assistance Fund	Road and Bridge Fund	Permanent Hard Road Fund
Revenues			
Property taxes	\$ 24,647	\$ 550,143	\$ 1,341,857
Replacement taxes	2,487	18,030	23,483
Interest - investments	1,216	969	12,429
Interest - County Treasurer	3	65	159
Insurance dividend	-	2,847	-
Fines	-	18,252	-
Other	-	3,020	-
Total revenues	<u>28,353</u>	<u>593,326</u>	<u>1,377,928</u>
Expenditures			
Current:			
General government	-	-	-
Highways and streets	-	392,082	1,124,704
Health and welfare	30,946	-	-
Cemeteries	-	-	-
Debt service	-	140,537	-
Capital outlay	-	120,906	-
Total expenditures	<u>30,946</u>	<u>653,525</u>	<u>1,124,704</u>
Excess (deficiency) of revenues over expenditures	(2,593)	(60,199)	253,224
Other financing (uses)			
Operating transfers out	<u>(100,000)</u>	-	-
Excess (deficiency) of revenues and other financing (uses) over expenditures	(102,593)	(60,199)	253,224
Increase in inventory reserve	-	20,533	-
Fund balances:			
Beginning of year	<u>174,571</u>	<u>79,324</u>	<u>665,493</u>
End of year	<u>\$ 71,978</u>	<u>\$ 39,658</u>	<u>\$ 918,717</u>

Road District Insurance Fund	Road District Social Security Fund	Road District IMRF Fund	Cemetery Fund	Total
\$ 38,343	\$ 44,727	\$ 22,820	\$ 12,778	\$ 2,035,315
-	-	-	298	44,298
539	85	735	1,968	17,939
5	4	2	-	238
5,000	-	-	-	7,847
-	-	-	-	18,252
-	-	-	1,463	4,483
43,887	44,816	23,557	16,505	2,128,372
38,847	45,545	8,111	-	92,503
-	-	-	-	1,516,786
-	-	-	-	30,946
-	-	-	22,829	22,829
-	-	-	-	140,537
-	-	-	-	120,906
38,847	45,545	8,111	22,829	1,924,507
5,040	(729)	15,446	(6,324)	203,865
-	-	-	-	(100,000)
5,040	(729)	15,446	(6,324)	103,865
-	-	-	-	20,533
61,548	1,726	60,148	137,917	1,180,727
\$ 66,588	\$ 997	\$ 75,594	\$ 131,593	\$ 1,305,125

Township of Nunda, Illinois

General Assistance Fund
 Statement of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 Year Ended March 31, 2004

	Budget	Actual	Variance
Revenues			
Property taxes	\$ 24,000	\$ 24,647	\$ 647
Replacement taxes	2,000	2,487	487
Interest - investments	1,200	1,216	16
Interest - County Treasurer	100	3	(97)
Other	100	-	(100)
Total revenues	<u>27,400</u>	<u>28,353</u>	<u>953</u>
Expenditures			
Current:			
Health and welfare:			
Home relief	48,500	9,284	39,216
Administration	27,300	21,662	5,638
Other	10,000	-	10,000
Total expenditures	<u>85,800</u>	<u>30,946</u>	<u>54,854</u>
Deficiency of revenues over expenditures	(58,400)	(2,593)	55,807
Other financing (uses):			
Operating transfers out	<u>100,000</u>	<u>100,000</u>	-
Deficiency of revenues and other financing (uses) over expenditures	<u>\$ (158,400)</u>	<u>(102,593)</u>	<u>\$ 55,807</u>
Fund balance:			
Beginning of year		<u>174,571</u>	
End of year		<u>\$ 71,978</u>	

Township of Nunda, Illinois

General Assistance Fund
 Schedule of Expenditures - Budget and Actual
 Year Ended March 31, 2004

	Budget	Actual	Variance
Health and welfare			
Home relief:			
Utilities	\$ 10,000	\$ 6,261	\$ 3,739
Physician services	15,000	233	14,767
Funeral and burial	2,500	-	2,500
Shelter	10,000	2,335	7,665
Food	5,000	229	4,771
Personal allowance	1,000	-	1,000
Transportation and moving	4,000	226	3,774
Miscellaneous	1,000	-	1,000
Total home relief	<u>48,500</u>	<u>9,284</u>	<u>39,216</u>
Administration:			
Clerical staff salaries	18,000	18,000	-
Accounting services	1,000	400	600
Legal services	1,000	-	1,000
Professional improvement	1,000	18	982
Office supplies	1,000	502	498
Utilities	1,000	641	359
Unemployment compensation	100	-	100
Catastrophic insurance	600	572	28
Social security tax	1,400	1,377	23
Illinois Municipal Retirement	200	152	48
Miscellaneous	2,000	-	2,000
Total administration	<u>27,300</u>	<u>21,662</u>	<u>5,638</u>
Other:			
Contingencies	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Total expenditures	<u>\$ 85,800</u>	<u>\$ 30,946</u>	<u>\$ 54,854</u>

Township of Nunda, Illinois

Road and Bridge Fund
 Statement of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 Year Ended March 31, 2004

	Budget	Actual	Variance
Revenues			
Property taxes	\$ 501,097	\$ 550,143	\$ 49,046
Replacement taxes	24,000	18,030	(5,970)
State Grants	445,000	-	(445,000)
County Sewer Grants	100,000	-	(100,000)
Community Development Block Grants (Bus)	10,000	-	(10,000)
Interest - investments	33,000	969	(32,031)
Interest - County Treasurer	900	65	(835)
Insurance dividend	5,000	2,847	(2,153)
Fines - traffic	30,000	18,252	(11,748)
Other:			
Culvert administration fee	25,000	1,025	(23,975)
Material and equipment sales	10,500	-	(10,500)
Miscellaneous	1,000	1,995	995
Total revenues	<u>1,185,497</u>	<u>593,326</u>	<u>(592,171)</u>
Expenditures			
Current:			
Highways and streets:			
Administration	140,100	112,643	27,457
Road division	160,000	121,857	38,143
Bridge division	111,300	37,340	73,960
Building division	386,000	69,155	316,845
Equipment division	112,000	51,087	60,913
Debt service	119,000	140,537	(21,537)
Capital outlay	196,097	120,906	75,191
Total expenditures	<u>1,224,497</u>	<u>653,525</u>	<u>570,972</u>
Deficiency of revenues over expenditures	<u>\$ (39,000)</u>	(60,199)	<u>\$ (21,199)</u>
Increase in inventory reserve		20,533	
Fund balance:			
Beginning of year		<u>79,324</u>	
End of year		<u>\$ 39,658</u>	

Township of Nunda, Illinois

Road and Bridge Fund
 Schedule of Expenditures - Budget and Actual
 Year Ended March 31, 2004

	Budget	Actual	Variance
Highways and streets			
Administration:			
Staff salaries	\$ 45,000	\$ 49,028	\$ (4,028)
Clerical salaries - part-time	2,000	-	2,000
Janitorial services	100	-	100
Accounting services	2,000	1,400	600
Legal services	10,000	1,311	8,689
Professional improvement	1,800	335	1,465
Equipment	2,500	1,499	1,001
Dues	1,700	335	1,365
Travel	4,600	3,220	1,380
Office supplies	3,500	2,173	1,327
Postage	1,100	430	670
Printing	1,500	-	1,500
Publications and subscriptions	200	154	46
Publishing	2,000	781	1,219
Equipment maintenance	1,500	655	845
Telephone	18,000	13,383	4,617
Insurance:			
General	22,000	21,103	897
Hospitalization	17,000	14,600	2,400
Life	500	181	319
Employee physicals	2,300	1,538	762
Miscellaneous	800	517	283
Total administration	140,100	112,643	27,457
Road division:			
Salaries	40,000	41,465	(1,465)
Engineering services	3,500	2,920	580
Engineering services/plat nondedicated	1,000	4,222	(3,222)
Maintenance	9,000	7,431	1,569
Maintenance/operating supplies	6,000	3,655	2,345
Road improvements	5,000	4,330	670

(Continued)

Township of Nunda, Illinois

Road and Bridge Fund
 Schedule of Expenditures - Budget and Actual (Continued)
 Year Ended March 31, 2004

	Budget	Actual	Variance
Highways and streets - Continued			
Road division - Continued:			
Road improvements/plat nondedicated	\$ 8,000	\$ -	\$ 8,000
Uniforms	7,800	5,768	2,032
Street lighting	26,500	20,823	5,677
Road striping	25,000	8,827	16,173
Gravel/birds eye	8,000	6,151	1,849
Film	200	-	200
Signs and posts	18,000	15,711	2,289
Safety program	2,000	554	1,446
Total road division	160,000	121,857	38,143
Bridge division:			
Engineering services	1,800	-	1,800
Rental	500	-	500
Bridge repair	105,000	33,726	71,274
Maintenance	1,500	276	1,224
Maintenance/operating supplies	2,500	3,338	(838)
Total bridge division	111,300	37,340	73,960
Building division:			
Engineering services	1,500	-	1,500
Professional services	5,000	3,219	1,781
Buildings	345,000	36,456	308,544
Building maintenance	15,000	14,465	535
Alarm maintenance	2,500	1,803	697
Maintenance/operating supplies	2,500	530	1,970
Hazardous waste removal	2,000	2,460	(460)
Utilities	12,500	10,222	2,278
Total building division	386,000	69,155	316,845

(Continued)

Township of Nunda, Illinois

Road and Bridge Fund
 Schedule of Expenditures - Budget and Actual (Continued)
 Year Ended March 31, 2004

	Budget	Actual	Variance
Highways and streets - Continued			
Equipment division:			
Salaries	\$ 35,000	\$ 33,988	\$ 1,012
Rental	3,000	607	2,393
Vehicle maintenance	30,000	16,492	13,508
Maintenance/operating supplies	12,000	-	12,000
Equipment maintenance	32,000	-	32,000
Total equipment division	<u>112,000</u>	<u>51,087</u>	<u>60,913</u>
Total highways and streets	<u>909,400</u>	<u>392,082</u>	<u>517,318</u>
Debt service			
Equipment division:			
Lease purchase agreements:			
Principal	119,000	130,223	(11,223)
Interest	-	10,314	(10,314)
Total debt service	<u>119,000</u>	<u>140,537</u>	<u>(21,537)</u>
Capital outlay			
Equipment division:			
Equipment purchases	<u>196,097</u>	<u>120,906</u>	<u>75,191</u>
Total expenditures	<u>\$ 1,224,497</u>	<u>\$ 653,525</u>	<u>\$ 570,972</u>

Township of Nunda, Illinois

Permanent Hard Road Fund
 Statement of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 Year Ended March 31, 2004

	Budget	Actual	Variance
Revenues			
Property taxes	\$ 1,344,300	\$ 1,341,857	\$ (2,443)
Replacement taxes	28,000	23,483	(4,517)
Interest - investments	40,000	12,429	(27,571)
Interest - County Treasurer	750	159	(591)
Other	2,000	-	(2,000)
Total revenues	<u>1,415,050</u>	<u>1,377,928</u>	<u>(37,122)</u>
Expenditures			
Highways and streets:			
Administration	169,000	138,516	30,484
Road division	1,443,500	985,673	457,827
Other	2,000	515	1,485
Total expenditures	<u>1,614,500</u>	<u>1,124,704</u>	<u>489,796</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (199,450)</u>	253,224	<u>\$ 452,674</u>
Fund balance:			
Beginning of year		<u>665,493</u>	
End of year		<u>\$ 918,717</u>	

Township of Nunda, Illinois

Permanent Hard Road Fund
 Schedule of Expenditures - Budget and Actual
 Year Ended March 31, 2004

	Budget	Actual	Variance
Highways and streets			
Administration:			
Accounting services	\$ 6,500	\$ 3,700	\$ 2,800
Legal services	26,000	-	26,000
Life insurance	1,500	1,200	300
Hospitalization insurance	135,000	133,616	1,384
Total administration	<u>169,000</u>	<u>138,516</u>	<u>30,484</u>
Road division:			
Salaries	510,000	473,453	36,547
Engineering services	72,000	54,436	17,564
Rental	3,000	116	2,884
Road maintenance	58,000	33,287	24,713
Maintenance/operating supplies	18,500	14,964	3,536
Road improvements	740,000	375,520	364,480
Gasoline and oil	42,000	33,897	8,103
Total road division	<u>1,443,500</u>	<u>985,673</u>	<u>457,827</u>
Other			
Monitoring system - gas tanks	<u>2,000</u>	<u>515</u>	<u>1,485</u>
Total expenditures	<u>\$ 1,614,500</u>	<u>\$ 1,124,704</u>	<u>\$ 489,796</u>

Township of Nunda, Illinois

Road District Insurance Fund
 Statement of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 Year Ended March 31, 2004

	Budget	Actual	Variance
Revenues			
Property taxes	\$ 38,000	\$ 38,343	\$ 343
Interest - investments	4,000	539	(3,461)
Interest - County Treasurer	100	5	(95)
Insurance dividend	4,000	5,000	1,000
Total revenues	<u>46,100</u>	<u>43,887</u>	<u>(2,213)</u>
Expenditures			
General government:			
Accounting services	800	300	500
Liability insurance	15,000	9,077	5,923
Workers compensation insurance	22,000	27,978	(5,978)
Unemployment compensation	4,500	1,492	3,008
Total expenditures	<u>42,300</u>	<u>38,847</u>	<u>3,453</u>
Excess of revenues over expenditures	<u>\$ 3,800</u>	5,040	<u>\$ 1,240</u>
Fund balance:			
Beginning of year		<u>61,548</u>	
End of year		<u>\$ 66,588</u>	

Township of Nunda, Illinois

Road District Social Security Fund
 Statement of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 Year Ended March 31, 2004

	Budget	Actual	Variance
Revenues			
Property taxes	\$ 44,000	\$ 44,727	\$ 727
Interest - investments	3,500	85	(3,415)
Interest - County Treasurer	100	4	(96)
Total revenues	<u>47,600</u>	<u>44,816</u>	<u>(2,784)</u>
Expenditures			
General government:			
Accounting services	300	300	-
Social security tax	42,000	45,245	(3,245)
Total expenditures	<u>42,300</u>	<u>45,545</u>	<u>(3,245)</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 5,300</u>	(729)	<u>\$ (6,029)</u>
Fund balance:			
Beginning of year		<u>1,726</u>	
End of year		<u>\$ 997</u>	

Township of Nunda, Illinois

Road District IMRF Fund
 Statement of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 Year Ended March 31, 2004

	Budget	Actual	Variance
Revenues			
Property taxes	\$ 22,000	\$ 22,820	\$ 820
Interest - investments	1,800	735	(1,065)
Interest - County Treasurer	100	2	(98)
Total revenues	<u>23,900</u>	<u>23,557</u>	<u>(343)</u>
Expenditures			
General government:			
Accounting services	500	300	200
Illinois Municipal Retirement	8,000	7,811	189
Total expenditures	<u>8,500</u>	<u>8,111</u>	<u>389</u>
Excess of revenues over expenditures	<u>\$ 15,400</u>	15,446	<u>\$ 46</u>
Fund balance:			
Beginning of year		<u>60,148</u>	
End of year		<u>\$ 75,594</u>	

Township of Nunda, Illinois

Cemetery Fund
 Statement of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual
 Year Ended March 31, 2004

	Budget	Actual	Variance
Revenues			
Property taxes	\$ 12,600	\$ 12,778	\$ 178
Replacement taxes	200	298	98
Interest - investments	1,750	1,966	216
Other:			
Sale of lots	1,000	600	(400)
Burial permits	150	90	(60)
Monument permits	100	150	50
Perpetual care revenue	200	208	8
Miscellaneous	100	415	315
Total revenues	<u>16,100</u>	<u>16,505</u>	<u>405</u>
Expenditures			
Cemeteries:			
General administration	17,500	10,001	7,499
Maintenance	15,000	10,082	4,918
Improvements	10,000	2,346	7,654
Purchase of graves	1,000	400	600
Contingencies	10,000	-	10,000
Total expenditures	<u>53,500</u>	<u>22,829</u>	<u>30,671</u>
Deficiency of revenues over expenditures	<u>\$ (37,400)</u>	<u>(6,324)</u>	<u>\$ 31,076</u>
Fund balance:			
Beginning of year		<u>137,917</u>	
End of year		<u>\$ 131,593</u>	

Statistical Section (Unaudited)

Township of Nunda, Illinois

Assessed Valuations and Property Tax Extensions, Rates and Collections
Last Seven Levy Years

	2003		2002		2001		2000		1999		1998		1997	
Assessed Valuations	\$1,014,574,420		\$915,054,323		\$837,719,464		\$768,626,778		\$719,168,250		\$660,955,922		\$627,615,860	
	Amount	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount	Rate
Property tax extensions and rates:														
Town	\$ 763,976	.075	\$ 730,217	.080	\$ 695,310	.083	\$ 650,259	.085	\$ 652,287	.091	\$ 652,244	.095	\$ 652,200	.101
General assistance	26,379	.003	24,706	.003	24,293	.003	22,290	.003	31,643	.004	71,178	.010	71,243	.011
Road and bridge	572,161	.056	551,658	.060	636,728	.076	598,514	.077	475,458	.099	494,747	.100	446,945	.096
Permanent hard road	1,408,229	.139	1,345,129	.147	1,122,544	.134	1,043,795	.136	1,049,986	.151	975,285	.143	974,740	.151
Cemetery	13,189	.001	12,810	.001	12,565	.001	12,531	.002	12,225	.002	12,317	.002	14,248	.002
Insurance fund	41,597	.004	38,432	.004	32,671	.004	30,745	.004	95,649	.014	78,023	.011	72,539	.011
Social security	46,670	.005	44,837	.005	42,723	.005	39,200	.005	35,239	.005	35,589	.005	31,088	.005
IMRF	23,339	.002	22,879	.003	25,971	.003	23,828	.003	19,422	.003	20,536	.003	20,083	.003
	\$ 2,895,540	.285	\$ 2,770,668	.303	\$ 2,592,805	.309	\$ 2,421,162	.315	\$ 2,371,909	.369	\$ 2,339,919	.369	\$ 2,283,086	.380
Property tax collections:														
Town	\$ -		\$ 728,368		\$ 693,397		\$ 648,900		\$ 650,442		\$ 648,931		\$ 658,513	
General assistance	-		24,647		24,225		22,243		31,556		70,682		71,934	
Road and bridge	-		550,143		634,809		596,911		483,627		419,922		452,872	
Permanent hard road	-		1,341,857		1,119,384		1,041,582		1,046,867		943,856		983,738	
Cemetery	-		12,778		12,531		12,272		12,190		14,018		14,417	
Insurance fund	-		38,343		32,571		30,676		95,366		44,485		73,203	
Social security	-		44,727		42,605		39,114		35,134		34,733		31,376	
IMRF	-		22,820		25,901		23,784		19,367		23,768		20,266	
	\$ -		\$ 2,763,683		\$ 2,585,423		\$ 2,415,482		\$ 2,374,549		\$ 2,200,395		\$ 2,306,319	
Percentage of extensions collected	0.00%		99.75%		99.72%		99.77%		100.11%		94.04%		101.02%	

The Town does not receive all taxes extended for road and bridge purposes. A portion of the township road and bridge levy is turned over to each municipality within the township, by the County, as provided in the Illinois Revised Statutes, Chapter 24, Section 11-81-2. The property tax rates and extensions above have been adjusted to allow for this fact.