

***ANNUAL FINANCIAL REPORT***

**TOWNSHIP OF BARRINGTON  
BARRINGTON, ILLINOIS**

**FOR FISCAL YEAR ENDED  
FEBRUARY 29, 2024**

**TOWNSHIP OF BARRINGTON, ILLINOIS  
TABLE OF CONTENTS  
FEBRUARY 29, 2024**

	<u>Exhibit</u>	<u>Page</u>
Independent Auditor's Report		1
<b>Other Information:</b>		
Management's Discussion and Analysis		3
<b>Basic Financial Statements:</b>		
Government-Wide Financial Statements		
Statement of Net Position – Modified Cash Basis	A	9
Statement of Activities – Modified Cash Basis	B	10
Fund Financial Statements		
Statement of Assets, Liabilities and Fund Balances – Modified Cash Basis – Governmental Funds	C	11
Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balances – Modified Cash Basis – Governmental Funds	D	13
Notes to the Basic Financial Statements		15
<b>Other Information:</b>		
Schedule of Changes in Net Pension Liability and Related Ratios – IMRF		28
Schedule of Employer Contributions – IMRF		30
	<u>Schedule</u>	
Schedule of Revenues Received and Expenditures Disbursed – Budget and Actual – Town Fund	1	31
Schedule of Revenues Received and Expenditures Disbursed – Budget and Actual – General Assistance Fund	2	34
Notes to Other Information		35



## 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

Board of Trustees  
Township of Barrington  
Barrington, Illinois

#### **Report on the Audit of the Financial Statements**

##### ***Opinions***

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and aggregate remaining fund information of the Township of Barrington, Barrington, Illinois (the "Township"), as of and for the year ended February 29, 2024, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Township, as of February 29, 2024, and the respective changes in modified cash basis financial position for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

##### ***Basis for Opinions***

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

##### ***Emphasis of Matter***

###### ***Basis of Accounting***

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

##### ***Responsibilities of Management for the Financial Statements***

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Other Information***

Management is responsible for the other information, as listed in the table of contents, included in the report. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

*Evans, Marshall & Pease, P.C.*

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

Rolling Meadows, Illinois  
June 13, 2024

**OTHER INFORMATION**  
**Management's Discussion and Analysis**

(THIS PAGE INTENTIONALLY LEFT BLANK)

This section of the Township of Barrington's annual financial report, the Management's Discussion and Analysis ("MD&A") is the discussion and analysis of the Township's financial performance and provides an overall review of the Township's financial activities for the fiscal year ended February 29, 2024.

The management of the Township encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the Township's financial performance.

**General Background**

Barrington Township is a local unit of government established in 1850 to serve its residents. Today Barrington Township serves approximately 16,000 residents. The Township covers 36 square miles. Included in its borders are the Villages of Barrington, South Barrington, Barrington Hills, Inverness, and Hoffman Estates.

The Town Fund supports, but is not limited to:

- The delivery of services to Township residents through contributions to Health and Human Services.
- Assessor's assistance which includes multiple services to include taxpayer record information, assistance with appeals, property characteristics and classification, and tax identification numbers to name a few.
- Transportation assistance for senior citizens and the physically challenged.
- Voter registration service.
- Handicap parking tag service.
- Social worker support.
- Maintenance of Township roads.

The General Assistance Fund supports, but is not limited to:

- Financial support for residents who have limited resources or none.
- Financial support for residents who are unemployed or disabled without any other forms of income.
- Emergency aid and assistance.

**Financial Highlights**

- Barrington Township continues to operate under the restrictions of the Property Tax Extension Limitation Law (PTELL). The "tax caps" limit the annual growth of the Township's primary revenue source to the annual CPI index factor. This limitation, combined with the recent low rate of return on investments has required the Township to use its fund balances to compensate any deficits between revenues received and expenditures disbursed in the operating funds. The Township Board routinely monitors the receipt of revenues and disbursements of expenditures in order to ensure the minimization of a deficit between revenue and expense levels.
- The Township's total net position was \$745,423 as of February 28, 2023. The net position increased \$113,875 to \$859,298 as of February 29, 2024.
- As of the close of the current fiscal year, the Township's governmental funds reported a combined ending fund balance of \$777,387, an increase of \$110,002 in comparison with the prior year.

**Overview of the Financial Statements**

This financial report consists of three parts – management’s discussion and analysis (this section), basic financial statements and other information. The basic financial statements include two statements that present different views of the Township.

- *The Statement of Net Position – Modified Cash Basis* and *Statement of Activities – Modified Cash Basis* are *government-wide* financial statements that provide both short-term and long-term information about the Township’s overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Township. Fund statements generally report operations in more detail than the government-wide financial statements.

The financial statements also include many notes. These explain some of the information in the statements and provide more detailed data. The statements are followed by a section of other information that further explains and supports the financial statements.

The major features of the Township’s financial statements, including the portion of the Township’s activities they cover and the types of information they contain, are shown in the following table.

**Major Features of the Government-Wide and Fund Financial Statements**

	Government-Wide Statements	Fund Financial – Governmental Funds
Scope	Entire Township (except fiduciary funds)	The activities of the Township that are not proprietary or fiduciary such as educational and operations and maintenance
Required financial statements	Statement of Net Position – Modified Cash Basis and Statement of Activities – Modified Cash Basis	Statement of Assets, Liabilities and Fund Balances – Modified Cash Basis; Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balances – Modified Cash Basis
Accounting basis and measurement focus	Modified cash basis accounting and economic resources focus	Cash basis accounting and current financial resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Revenues for which cash is received during the year; no capital assets or long-term liabilities included
Type of inflow/outflow information	All revenue received and expenses disbursed during the fiscal year	Revenues for which cash is received during the year. Expenditures when goods and services have been paid for.



The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

### ***Government-Wide Financial Statements***

The government-wide financial statements report information about the Township using accounting methods like those used by private-sector companies. The Statement of Net Position – Modified Cash Basis includes all the Township's assets and liabilities. All the current year's revenues received and expenditures disbursed are accounted for in the Statement of Activities – Modified Cash Basis.

Unlike a private sector company, the Township cannot readily convert capital assets to liquid assets. Townships can, and sometimes do, convert capital assets to cash through the sale of property; however, this is a rare event and not easily accomplished.

The government-wide financial statements report the Township's net positions and how they have changed throughout the year. Net positions – the difference between the Township's assets and liabilities – are one way to measure the Township's financial health or position.

- Over time, increases or decreases in the Township's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the Township's overall health, one needs to consider additional non-financial factors, such as changes in the Township's property tax base and the condition of facilities.

In the government-wide financial statements, the Township's activities are presented as follows:

- *Governmental activities* – Most of the Township's basic services are included here, such as support services, community programs and administration. Property taxes finance most of these activities.

### ***Fund Financial Statements***

The fund financial statements provide more detailed information about the Township's funds, focusing on its most significant or "major" funds – not the Township as a whole. Funds are accounting devices the Township uses to keep track of specific sources of funding and spending on programs and to demonstrate compliance with various regulatory requirements.

- Some funds are required by state law.
- The Township establishes other funds to control and manage money for purposes or to show that it is properly using certain revenues.

The Township has one kind of fund type:

*Governmental funds* – The Township's basic services are included in governmental funds, which generally focus on (1) how cash, and other financial assets that can readily be converted to cash, flow in and out, and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps one determine whether there are more or fewer financial resources that can be spent soon to finance the Township's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is included as a separate statement explaining the relationship (or differences) between them.

TOWNSHIP OF BARRINGTON, ILLINOIS  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 FOR THE YEAR ENDED FEBRUARY 29, 2024

---

**Financial Analysis of the Township as a Whole**

Statement of Net Position – Modified Cash Basis: The following summary data is compared with data from the preceding year. The following provides a summary of the Township's Statement of Net Position – Modified Cash Basis as of February 29, 2024 and February 28, 2023:

<i>Governmental Activities</i>	2024	2023
<b>Assets</b>		
Current assets	\$ 778,210	\$ 667,409
Non-current assets	85,218	87,332
<b>Total Assets</b>	<b>863,428</b>	<b>754,741</b>
<b>Liabilities</b>		
Current liabilities	823	24
Non-current liabilities	3,307	9,294
<b>Total Liabilities</b>	<b>4,130</b>	<b>9,318</b>
<b>Net Position</b>		
Net investment in capital assets	81,911	78,038
Restricted	260,402	270,420
Unrestricted	516,985	396,965
<b>Total Net Position</b>	<b>\$ 859,298</b>	<b>\$ 745,423</b>

Statement of Activities – Modified Cash Basis: The following is a summary of the Township's change in net position for the years ending February 29, 2024 and February 28, 2023:

<i>Governmental Activities</i>	2024	2023
<b>Revenues</b>		
<b>Program Revenues</b>		
Charges for services	\$ 5,047	\$ 27,887
Operating grants and contributions	100,000	-
<b>General Revenues</b>		
Property taxes	610,512	415,719
Personal property replacement taxes	10,245	13,829
Interest	32,137	8,718
Other	4,779	754
<b>Total Revenues</b>	<b>762,720</b>	<b>466,907</b>
<b>Expenses</b>		
Administration	365,428	344,486
Health and social services	57,703	84,180
Home relief	2,109	741
Cemetery	13,279	13,240
Contractual	210,131	58,114
Debt service - interest	195	375
<b>Total Expenses</b>	<b>648,845</b>	<b>501,136</b>
<b>Change in Net Position</b>	<b>113,875</b>	<b>(34,229)</b>
<b>Net Position - Beginning - as Previously Reported</b>	<b>745,423</b>	<b>780,086</b>
<b>Prior Period Adjustment</b>	<b>-</b>	<b>(434)</b>
<b>Net Position - Beginning - as Restated</b>	<b>745,423</b>	<b>779,652</b>
<b>Net Position - Ending</b>	<b>\$ 859,298</b>	<b>\$ 745,423</b>

TOWNSHIP OF BARRINGTON, ILLINOIS  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 FOR THE YEAR ENDED FEBRUARY 29, 2024

---

The Township's total revenues were \$762,720, from governmental activities. Local taxes (predominantly real estate taxes) were \$620,757 of the total. Operating grants was \$100,000. Interest earned was \$32,137. Miscellaneous income (e.g. refunds, rebates, and other) made up the balance.

Total expenses for all governmental activities totaled \$648,845. Of this total, \$365,428 was for administration, \$57,703 was for health and social services, \$2,109 was for home relief, \$13,279 was for cemetery, \$210,131 was for contractual services, and \$195 was for debt service - interest.

As noted earlier net position may serve as a useful indicator of a Township's financial position. The Township's overall financial position and results of operations decreased during the fiscal year ended February 29, 2024 resulting in a net position balance of \$859,298. The balance of net position consists of net investment in capital assets; \$81,911, restricted; \$260,402 and unrestricted; \$516,985.

**Capital Assets and Debt Administration**

*Capital Assets*

By the end of fiscal year 2024, the Township invested \$85,218 (net of depreciation/amortization) in a broad range of capital assets.

Capital Assets			
	2024	2023	% Change
Land	\$ 29,000	\$ 29,000	0.00%
Buildings and improvements	49,052	47,932	2.34%
Furniture and equipment	4,057	1,510	168.68%
Leased equipment	3,109	8,890	-65.03%
Total	<u>\$ 85,218</u>	<u>\$ 87,332</u>	<u>-2.42%</u>

Additional information on the Township's capital assets can be found in Note 4 to the financial statements.

*Long-Term Debt*

At February 29, 2024, the Township had total leases outstanding of \$3,307.

Long-term Debt			
	2024	2023	% Change
Leases payable	\$ 3,307	\$ 9,294	-64.42%
Total	<u>\$ 3,307</u>	<u>\$ 9,294</u>	<u>-64.42%</u>

Additional information on the Township's long-term debt can be found in Note 5 to the financial statements.

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

The fiscal year ended February 29, 2024 experienced an increase in fund balance for the Township. The overall fund balances increased \$110,002 to \$777,387. The Town Fund balance increased \$120,020 to \$516,985. The balance of the General Assistance Fund, which is restricted to disbursements for general and emergency assistance needs of Township residents, decreased \$10,018 to \$260,402. There were no significant changes affecting restrictions or commitments.

***Fund Budgetary Highlights***

The Township did not over-expend its budget in the Town Fund or General Assistance Fund during the fiscal year ended February 29, 2024.

***Contacting the Township's Financial Management Team***

This financial report is designed to provide the Township's citizens, taxpayers, customers, investors, and creditors with a general overview of the Township's finances and to demonstrate the Township's accountability for the money it receives. If you have questions regarding this report, or need additional financial information, contact the Township's Supervisor at (847) 381-5632.

## **BASIC FINANCIAL STATEMENTS**

(THIS PAGE INTENTIONALLY LEFT BLANK)

TOWNSHIP OF BARRINGTON, ILLINOIS  
STATEMENT OF NET POSITION  
MODIFIED CASH BASIS  
FEBRUARY 29, 2024

---

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash	\$ 778,210
Capital assets, not being depreciated	29,000
Capital assets, net of accumulated depreciation/amortization	<u>56,218</u>
Total Assets	<u>863,428</u>
<b>LIABILITIES</b>	
Other	823
Noncurrent liabilities	
Due within one year	<u>3,307</u>
Total Liabilities	<u>4,130</u>
<b>NET POSITION</b>	
Net investment in capital assets	81,911
Restricted	260,402
Unassigned	<u>516,985</u>
Total Net Position	<u><u>\$ 859,298</u></u>

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

TOWNSHIP OF BARRINGTON, ILLINOIS  
STATEMENT OF ACTIVITIES  
MODIFIED CASH BASIS  
FOR THE YEAR ENDED FEBRUARY 29, 2024

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Total
Governmental Activities					
Administration	\$ 365,428	\$ -	\$ -	\$ -	\$ (365,428)
Health and social services	57,703	5,047	-	-	(52,656)
Home relief	2,109	-	-	-	(2,109)
Cemetery	13,279	-	-	-	(13,279)
Contractual	210,131	-	100,000	-	(110,131)
Debt service - interest	195	-	-	-	(195)
Total Governmental Activities	<u>\$ 648,845</u>	<u>\$ 5,047</u>	<u>\$ 100,000</u>	<u>\$ -</u>	<u>(543,798)</u>
GENERAL REVENUES					
Taxes					
Property taxes					
					610,512
Personal property replacement taxes					
					10,245
Interest					
					32,137
Miscellaneous					
					<u>4,779</u>
Total General Revenues					
					<u>657,673</u>
CHANGE IN NET POSITION					
					113,875
NET POSITION, BEGINNING					
					<u>745,423</u>
NET POSITION, ENDING					
					<u>\$ 859,298</u>

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



TOWNSHIP OF BARRINGTON, ILLINOIS  
STATEMENT OF ASSETS, LIABILITIES AND  
FUND BALANCES - MODIFIED CASH BASIS  
GOVERNMENTAL FUNDS  
FEBRUARY 29, 2024

	Town Fund	General Assistance Fund	Total
<b>ASSETS</b>			
Cash	\$ 497,587	\$ 280,623	\$ 778,210
Interfund receivables	20,221	-	20,221
<b>Total Assets</b>	<b><u>\$ 517,808</u></b>	<b><u>\$ 280,623</u></b>	<b><u>\$ 798,431</u></b>
<b>LIABILITIES</b>			
Interfund payables	\$ -	\$ 20,221	\$ 20,221
Other	823	-	823
<b>Total Liabilities</b>	<b><u>823</u></b>	<b><u>20,221</u></b>	<b><u>21,044</u></b>
<b>FUND BALANCES</b>			
Restricted	-	260,402	260,402
Unassigned	516,985	-	516,985
<b>Total Fund Balances</b>	<b><u>516,985</u></b>	<b><u>260,402</u></b>	<b><u>777,387</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 517,808</u></b>	<b><u>\$ 280,623</u></b>	<b><u>\$ 798,431</u></b>

(Continued)

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

TOWNSHIP OF BARRINGTON, ILLINOIS  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF ASSETS, LIABILITIES AND  
FUND BALANCES - MODIFIED CASH BASIS TO THE STATEMENT OF NET POSITION - MODIFIED CASH BASIS  
FEBRUARY 29, 2024

---

Total fund balances of governmental funds (Exhibit C)	\$ 777,387
Amounts reported for governmental activities in the statement of net position are different because:	
Net capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	85,218
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds.	
Leases payable	<u>(3,307)</u>
Total net position of governmental activities (Exhibit A)	<u><u>\$ 859,298</u></u>

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

TOWNSHIP OF BARRINGTON, ILLINOIS  
STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED  
AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED FEBRUARY 29, 2024

	Town Fund	General Assistance Fund	Total
<b>REVENUES RECEIVED</b>			
Property taxes	\$ 602,824	\$ 7,688	\$ 610,512
Personal property replacement taxes	10,245	-	10,245
Interest	17,302	14,835	32,137
Grants	100,000	-	100,000
Pace transportation	5,047	-	5,047
Miscellaneous	4,774	5	4,779
	<u>740,192</u>	<u>22,528</u>	<u>762,720</u>
<b>EXPENDITURES DISBURSED</b>			
Current			
Administration	332,877	30,437	363,314
Health and social services	57,703	-	57,703
Home relief	-	2,109	2,109
Cemetery	13,279	-	13,279
Contractual	210,131	-	210,131
Debt service	6,182	-	6,182
	<u>620,172</u>	<u>32,546</u>	<u>652,718</u>
NET CHANGES IN FUND BALANCES	120,020	(10,018)	110,002
FUND BALANCES, BEGINNING OF YEAR	<u>396,965</u>	<u>270,420</u>	<u>667,385</u>
FUND BALANCES, END OF YEAR	<u>\$ 516,985</u>	<u>\$ 260,402</u>	<u>\$ 777,387</u>

(Continued)

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

TOWNSHIP OF BARRINGTON, ILLINOIS  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES  
RECEIVED, EXPENDITURES DISBURSED AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS  
TO THE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS  
FOR THE YEAR ENDED FEBRUARY 29, 2024

---

Total net change in fund balances-governmental funds (Exhibit D) \$ 110,002

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization expense in the current period.

Depreciation/amortization expense	\$ (9,251)	
Capital outlay over capitalization limits	<u>7,137</u>	(2,114)

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net position.

Principal paid on leases		<u>5,987</u>
--------------------------	--	--------------

Change in net position of governmental activities (Exhibit B)		<u><u>\$ 113,875</u></u>
---	--	--------------------------

TOWNSHIP OF BARRINGTON, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
FEBRUARY 29, 2024

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Barrington Township’s (the “Township”) accounting policies conform to the prescribed basis of accounting that demonstrates compliance with the modified cash basis and budget laws for governments of this type within the State of Illinois. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for established governmental accounting and financial reporting principles. The more significant accounting policies are described below.

**A. Financial Reporting Entity**

Accounting principles generally accepted in the United States of America require that the financial statements of the reporting entity include: (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statement to be misleading or incomplete. The criteria provided by the governmental accounting standards have been considered and there are no agencies or entities which should be presented with the Township. In addition, the Township is not aware of any entity that would exercise such oversight that would result in the Township being considered a component unit of the entity.

**B. Basis of Presentation**

**Government-Wide Financial Statements**

The Statement of Net Position – Modified Cash Basis and Statement of Activities – Modified Cash Basis display information about the Township as a whole. They include all funds of the reporting entity except for fiduciary funds. These statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. There are no business-type activities within the Township.

The Statement of Activities – Modified Cash Basis demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Indirect expenses not allocated to functions are reported separately. Interest on general long-term debt is considered such an indirect expense. Depreciation expense is specifically identified by function and is included in the direct expenses of each function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and standard revenues 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.

**Fund Financial Statements**

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures. Funds are organized into three major categories: governmental, proprietary, and fiduciary. In turn, each category is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

**Governmental Fund Types**

Governmental fund types are used to account for the Township’s general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets and the servicing of general long-term debt. Governmental fund types include the following:

TOWNSHIP OF BARRINGTON, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
FEBRUARY 29, 2024

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

**General Fund** – The General Fund consists solely of the legally mandated Town Fund and is the primary operating fund of the Township and is always classified as a major fund. It is used to account for the revenues collected and expenses paid which are used in providing services in the Township. It is used to account for all financial resources except those required to be accounted for in other funds.

**Special Revenue Funds** – The Special Revenue Funds, which consists solely of the General Assistance Fund, is used to account for revenues collected and expenditures disbursed for general and emergency assistance needs of Township residents.

**Proprietary Fund Types (not included in government-wide statements)**

There are no Proprietary Fund Types.

**Fiduciary Fund Types (not included in government-wide statements)**

There are no Fiduciary Fund Types.

**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 major by the Township, or meets the following criteria:

- a. Total assets, liabilities, revenues collected, or expenditures disbursed of the individual governmental or enterprise fund are at least ten percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues collected, or expenditures disbursed of the individual governmental or enterprise fund are at least five percent of the corresponding total for all governmental and enterprise funds combined.

The Township has classified all funds as major:

**Major:**

Town Fund	See General Fund above for description.
General Assistance Fund	A Special Revenue Fund to account for the financial assistance for needy citizens.

**C. Measurement Focus/Basis of Accounting**

**Measurement Focus**

The government-wide financial statements are presented using the economic resources measurement focus, within the limitation of the modified cash basis of accounting, the objective of which is the determination of operating income, changes in net position (cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.

TOWNSHIP OF BARRINGTON, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
FEBRUARY 29, 2024

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

The fund financial statements focus on the measurement of spending or “financial flow” and the determination of changes in financial position rather than upon net income determination. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance is considered a measure of “available spendable resources.” Governmental fund operating statements present increases (revenues received and other financing sources) and decreases (expenditures disbursed and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

**Basis of Accounting**

Basis of accounting refers to when revenues received and expenditures disbursed are recognized in the accounts and how they are reported in the basic financial statements.

The government-wide financial statements are reported on the modified cash basis of accounting. The modified cash basis of accounting is based on the recording of cash and changes therein, and only recognizes revenues, expenditures, assets, and liabilities resulting from cash transactions, adjusted for modifications that have substantial support in generally accepted accounting principles. Only cash and items that involve the receipt or disbursement of cash are recognized during the period, except for the following modifications:

- Capital assets used in the Township’s operations are recognized on the Statement of Net Position – Modified Cash Basis;
- Depreciation/amortization expense for capital assets is recognized on the Statement of Activities – Modified Cash Basis.

The Township maintains its accounting records for all funds on the modified cash basis of accounting. Accordingly, revenues are recognized and recorded in the accounts when cash is received. In the same manner expenditures are recognized and recorded upon the payment of cash. Assets of a fund are only recorded when a right to receive cash exists which arises from a previous cash transaction. Liabilities of a fund, similarly, result from previous cash transactions. Modified cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions.

**D. Net Position/Equity and Fund Balance Reporting**

**Net Position/Equity Reporting**

Equity is classified as net position and displayed in three components:

*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 position 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 General Assistance Fund has a restricted net position of \$260,402.

*Unrestricted Net Position* – All other net position that does not meet the definition of “restricted” or net invested 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 BARRINGTON, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
FEBRUARY 29, 2024

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

**Fund Balance Reporting**

In accordance with the Governmental Accounting Standards Board, the Township classifies governmental fund balances as follows:

Nonspendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts.

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation. The General Assistance Fund is restricted with a fund balance of \$260,402.

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through resolutions formally enacted by the Board of Trustees, the highest level of decision-making authority, and does not lapse at year-end.

Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the Supervisor or the Board of Trustees. Assignments may take place after the end of the reporting period.

Unassigned – includes positive fund balance within the General Fund which has not been classified within any of the above categories and negative fund balances in other governmental funds.

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

**E. Cash and Deposits**

Cash and deposits are money market accounts.

**F. Capital Assets**

Capital assets, which include land, buildings and improvements, and furniture and equipment, are reported in the government-wide financial statements. The Township defines capital assets as assets with an initial, individual cost of more than \$1,000 for furniture, equipment, and buildings and improvements and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Depreciation of all exhaustible capital assets is recorded as an allocation in the Statement of Activities – Modified Cash Basis, with accumulated depreciation reflected in the Statement of Net Position – Modified Cash Basis. Depreciation is provided over the assets’ estimated useful lives using the straight-line method of depreciation/amortization. The range of estimated useful lives by type of asset is as follows: buildings and improvements, 39 years; furniture and equipment, 5 to 10 years.

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



TOWNSHIP OF BARRINGTON, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
FEBRUARY 29, 2024

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

**G. Long-Term Liabilities (including Leases)**

*Leases*

The Township is a lessee for a noncancellable lease of equipment (copiers and security cameras). The Township recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements.

At the commencement of a lease, the Township initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Township determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Township uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Township generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Township is reasonably certain to exercise.

The Township monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

**H. Property Tax Revenues**

The Township must file its tax levy ordinance by the last Tuesday in December of each year. The 2021 tax levy, payable in 2022, was passed December 14, 2021 (the 2022 tax levy, payable in 2023, was passed December 13, 2022). 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.

**I. Corporate 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.

TOWNSHIP OF BARRINGTON, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 FEBRUARY 29, 2024

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

**J. 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.

**NOTE 2 – CASH AND DEPOSITS**

Cash and deposits are money market accounts.

At February 29, 2024, the carrying amount of the Township's cash and deposits totaled \$778,210 and the bank balances totaled \$784,549.

Cash and Deposits	Amount	Maturity Less Than One Year
Money Market Accounts	\$ 784,549	\$ 784,549
Total	\$ 784,549	\$ 784,549

*Interest Rate Risk.* As a means of limiting its exposure to fair value losses arising from rising interest rates, the Township's investment portfolio is limited to maturities of one year or less.

*Credit Risk.* Statutes authorized the Township to invest in obligations of the U.S. Treasury and U.S. Agencies' accounts and any other investments constituting direct obligations of any bank as defined by the Illinois Bank Act, certain short-term commercial paper, accounts of federally insured savings and loans, and the state treasurers' investment pool. During fiscal year ended February 29, 2024, the Township invested in money market accounts, which are not rated by nationally recognized statistical rating organizations.

*Custodial Credit Risk.* Custodial credit risk is the risk that in the event of a bank failure, the Township will not be able to recover the value of its deposits and investments or collateral securities. As of February 29, 2024, all the Township's deposits are fully insured or collateralized.

**NOTE 3 – PROPERTY TAXES**

Property taxes are levied each year on all taxable real property located in the Township on or before the last Tuesday in December. Taxes attach as an enforceable lien on property on January 1 and are payable in two installments on approximately March 1 and August 1. The Township receives significant distributions of tax receipts approximately one month after these due dates. The 2021 tax levy, payable in 2022, was passed December 14, 2021 (the 2022 tax levy, payable in 2023, was passed December 13, 2022). Property tax revenues are recognized on the modified cash basis of accounting.

	Tax Year 2022		Tax Year 2021	
	\$1,628,910,849		\$1,450,954,740	
	2022 Levy		2021 Levy	
	Rate	Extension	Rate	Extension
Town Fund	0.0325	\$ 529,954	0.0340	\$ 499,128
General Assistance Fund	0.0000	307	0.0001	13,994
Total	0.0325	\$ 530,261	0.0341	\$ 513,122

TOWNSHIP OF BARRINGTON, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
FEBRUARY 29, 2024

**NOTE 4 – CHANGES IN CAPITAL ASSETS**

A summary of changes in capital assets follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated				
Land	\$ 29,000	\$ -	\$ -	\$ 29,000
Capital assets being depreciated/ amortized				
Buildings and improvements	190,485	3,847	-	194,332
Furniture and equipment	4,368	3,290	-	7,658
Leased equipment	26,975	-	-	26,975
Subtotal	<u>221,828</u>	<u>7,137</u>	<u>-</u>	<u>228,965</u>
Accumulated depreciation/amortization				
Buildings and improvements	142,553	2,727	-	145,280
Furniture and equipment	2,858	743	-	3,601
Leased equipment	18,085	5,781	-	23,866
Subtotal	<u>163,496</u>	<u>9,251</u>	<u>-</u>	<u>172,747</u>
Net Depreciable Capital Assets	<u>58,332</u>	<u>(2,114)</u>	<u>-</u>	<u>56,218</u>
Net Total Capital Assets	<u>\$ 87,332</u>	<u>\$ (2,114)</u>	<u>\$ -</u>	<u>\$ 85,218</u>

Depreciation was charged to functions as follows:

Governmental Activities	
Administration	\$ 9,251
Total	<u>\$ 9,251</u>

**NOTE 5 – LONG-TERM LIABILITIES**

**Leases Payable**

The Township has entered into various lease agreements for the acquisition and use of equipment (copiers and security cameras). An initial lease liability was recorded and the Township has an option to purchase the equipment for \$1 at the end of the lease term. The equipment has a five-year estimated useful life. These obligations will be paid from current operating funds of the Town Fund.

On November 1, 2020, the District entered into a five-year lease agreement with CDS Leasing for the purchase of copiers (equipment). An initial lease liability was recorded in the amount of \$23,321. As of February 29, 2024, the value of the lease liability was \$3,307. The Township is required to make monthly principal and interest payments of \$418, and has an interest rate of 3.00 percent. The value of the right-to-use asset as of the end of the current fiscal year was \$3,109 and had accumulated amortization of \$20,212.

On February 1, 2021, the District entered into a three-year lease agreement with CDS Leasing for the purchase of security cameras (equipment). An initial lease liability was recorded in the amount of \$3,654. As of February 29, 2024, the lease liability was paid in full. The value of the right-to-use asset as of the end of the current fiscal year was \$-0- and had accumulated amortization of \$3,654.

TOWNSHIP OF BARRINGTON, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
FEBRUARY 29, 2024

**NOTE 5 – LONG-TERM LIABILITIES (CONT'D)**

**Summary**

The following is a summary of changes in long-term liabilities of the Township for the year ended February 29, 2024:

	(Restated) Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<i>Leases</i>					
11/01/2020 Copiers	\$ 8,145	\$ -	\$ 4,838	\$ 3,307	\$ 3,307
02/01/2021 Security Cameras	1,149	-	1,149	-	-
<b>Total</b>	<b>\$ 9,294</b>	<b>\$ -</b>	<b>\$ 5,987</b>	<b>\$ 3,307</b>	<b>\$ 3,307</b>

*Annual Debt Service Requirements*

As of February 29, 2024, the annual debt service requirements to service all leases payable are:

Year Ending February 29,	Principal	Interest	Total
2025	\$ 3,307	\$ 37	\$ 3,344
<b>Total</b>	<b>\$ 3,307</b>	<b>\$ 37</b>	<b>\$ 3,344</b>

Leases are liquidated by the Town Fund.

**Legal Debt Margin**

Based on the 2022 assessed valuation of \$1,628,910,849, the legal debt margin of 2.875% is \$46,831,187. At February 29, 2024, the outstanding bonded debt to which the legal debt margin applies is \$3,307, leaving an available borrowing power of \$46,827,880.

**NOTE 6 – INTERFUND LOANS**

As of February 29, 2024, interfund loans were as follows:

Fund	Interfund Receivable	Interfund Payable
Town	\$ 20,221	\$ -
General Assistance	-	20,221
<b>Total</b>	<b>\$ 20,221</b>	<b>\$ 20,221</b>

These interfund loans are for the allocation of General Assistance Fund salaries that were paid out of the Town Fund. These funds are expected to be repaid in the short term.

TOWNSHIP OF BARRINGTON, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
FEBRUARY 29, 2024

**NOTE 7 – RETIREMENT FUND COMMITMENTS**

**A. Illinois Municipal Retirement Fund (IMRF)**

*IMRF Plan Description*

The Township's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Township's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the *Benefits Provided* section below. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at [www.imrf.org](http://www.imrf.org).

*Benefits Provided*

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have two tiers. Employees hired *before* January 1, 2011 are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired *on or after* January 1, 2011 are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- ½ of the increase in the Consumer Price Index of the original pension amount.

*Employees Covered by Benefit Terms*

As of December 31, 2023, the following employees were covered by the benefit terms:

Retirees and beneficiaries	5
Inactive, non-retired members	2
Active members	<u>3</u>
Total	<u><u>10</u></u>

TOWNSHIP OF BARRINGTON, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
FEBRUARY 29, 2024

**NOTE 7 – RETIREMENT FUND COMMITMENTS (CONT'D)**

*Contributions*

As set by statute, the Township's Regular Plan Members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Township's annual contribution rate for calendar year 2023 was 1.96 percent. For the fiscal year ended February 29, 2024, the Township contributed \$3,150 to the plan. The Township also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

*Net Pension Liability*

The Township's net pension liability/(asset) was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial evaluation as of that date.

*Actuarial Assumptions*

The following are the methods and assumptions used to determine total pension liability at December 31, 2023:

- The Actuarial Cost Method used was Entry Age Normal;
- The Asset Valuation Method used was Market Value of Assets;
- Price Inflation was assumed to be 2.25%;
- Salary Increases were expected to be 2.85% to 13.75%;
- The Investment Rate of Return was assumed to be 7.25%;
- Retirement Age was from an experience-based table of rates that are specific to the type of eligibility condition, last updated for the 2023 valuation pursuant to an experience study of the period 2020-2022;
- For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021;
- For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021;
- For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021;
- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

TOWNSHIP OF BARRINGTON, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
FEBRUARY 29, 2024

**NOTE 7 – RETIREMENT FUND COMMITMENTS (CONT'D)**

Asset Class	Target Allocation	Return 12/31/2023	Projected Returns/Risk	
			One Year Arithmetic	Ten Year Geometric
Equities	34.50%	23.30%	6.35%	5.00%
International Equities	18.00%	19.64%	8.00%	6.35%
Fixed Income	24.50%	7.62%	4.85%	4.75%
Real Estate	10.50%	-4.15%	7.20%	6.30%
Alternatives	11.50%	2.60%		
Private Equity		N/A	12.35%	8.65%
Hedge Funds		N/A	N/A	N/A
Commodities		N/A	7.20%	6.05%
Cash Equivalents	1.00%	5.23%	3.80%	3.80%

*Single Discount Rate*

A Single Discount Rate of 7.25% was used to measure the total pension liability. A Single Discount Rate of 7.25% was used to measure the total pension liability in the prior year. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%; the municipal bond rate is 3.77%; and the resulting single discount rate is 7.25%.

*Changes in the Net Pension Liability/(Asset)*

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/(Asset) (A) - (B)
Balances at December 31, 2022	\$ 653,001	\$ 656,305	\$ (3,304)
Changes for the year			
Service cost	14,123	-	14,123
Interest on total pension liability	45,595	-	45,595
Differences between expected and actual experience	41,870	-	41,870
Change of assumptions	291	-	291
Contributions - employer	-	3,062	(3,062)
Contributions - employees	-	7,031	(7,031)
Net investment income	-	75,687	(75,687)
Benefit payments and refunds	(62,319)	(62,319)	-
Other	-	33,616	(33,616)
Net Changes	39,560	57,077	(17,517)
Balances at December 31, 2023	\$ 692,561	\$ 713,382	\$ (20,821)

TOWNSHIP OF BARRINGTON, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
FEBRUARY 29, 2024

**NOTE 7 – RETIREMENT FUND COMMITMENTS (CONT'D)**

*Sensitivity of the Net Pension Liability/(Asset) to Changes in the Discount Rate*

The following presents the plan's net pension liability/(asset), calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease 6.25%	Current Single Discount Rate Assumption 7.25%	1% Increase 8.25%
Net Pension Liability/(Asset)	\$ 36,956	\$ (20,821)	\$ (71,520)

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

For the year ended February 29, 2024, the Township recognized pension (revenue) of (\$3,760). At February 29, 2024, the Township's deferred outflows of 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	\$ 18,609	\$ -
Assumption changes	129	-
Net difference between projected and actual earnings on pension plan investments	37,357	-
Total deferred amounts to be recognized in pension expense in future periods	56,095	-
<i>Pension contributions made subsequent to the measurement date</i>		
	535	-
Total	\$ 56,630	\$ -

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 December 31,	Net Deferred Outflows/(Inflows) of Resources
2024	\$ 19,740
2025	13,197
2026	28,913
2027	(5,755)
2028	-
Thereafter	-
Total	\$ 56,095



TOWNSHIP OF BARRINGTON, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
FEBRUARY 29, 2024

**NOTE 7 – RETIREMENT FUND COMMITMENTS (CONT'D)**

Net pension liability, pension expense, deferred outflows of resources, and deferred inflows of resources are not recorded in these modified cash basis financial statements.

**B. Social Security/Medicare**

Employees not qualifying for coverage under the Illinois Municipal Retirement Fund are considered “non-participating employees.” These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security/Medicare.

**NOTE 8 – RISK MANAGEMENT**

The Township is exposed to various risks of loss related to torts; theft of, or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. During the fiscal year ended February 28, 2023, there were no significant reductions in insurance coverage for any category. Settled claims from these risks have not exceeded insurance coverage in any of the past three fiscal years.

**NOTE 9 – CONTINGENCIES**

The Township is not aware of any litigation which might have a material adverse effect on the Township’s financial position.

**NOTE 10 – 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 statement of net position – modified cash basis date) and non-recognized (events or conditions that did not exist at the statement of net position – modified cash basis date but arose after that date).

There have been no recognized or non-recognized subsequent events that have occurred between February 29, 2024, and the date of this audit report requiring disclosure in the financial statements.

(THIS PAGE INTENTIONALLY LEFT BLANK)

## **OTHER INFORMATION**

(THIS PAGE INTENTIONALLY LEFT BLANK)

(THIS PAGE INTENTIONALLY LEFT BLANK)

TOWNSHIP OF BARRINGTON, ILLINOIS  
OTHER INFORMATION  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF)  
MOST RECENT CALENDAR YEARS

Calendar year ending December 31,	2023	2022	2021
Total pension liability			
Service cost	\$ 14,123	\$ 13,088	\$ 9,621
Interest on the total pension liability	45,595	43,361	41,647
Difference between expected and actual experience	41,870	35,455	30,870
Changes of assumption	291	-	-
Benefit payments	<u>(62,319)</u>	<u>(60,894)</u>	<u>(59,558)</u>
Net change in total pension liability	39,560	31,010	22,580
Total pension liability - beginning	<u>653,001</u>	<u>621,991</u>	<u>599,411</u>
Total pension liability - ending (A)	<u>\$ 692,561</u>	<u>\$ 653,001</u>	<u>\$ 621,991</u>
Plan fiduciary net position			
Contributions - employer	\$ 3,062	\$ 3,805	\$ 7,335
Contributions - employees	7,031	6,138	5,118
Net investment income	75,687	(116,122)	128,842
Benefit payments and refunds	(62,319)	(60,894)	(59,558)
Other	<u>33,616</u>	<u>17,447</u>	<u>14,256</u>
Net change in plan fiduciary net position	57,077	(149,626)	95,993
Plan fiduciary net position - beginning	656,305	805,931	709,938
Plan fiduciary net position - ending (B)	<u>\$ 713,382</u>	<u>\$ 656,305</u>	<u>\$ 805,931</u>
Net pension liability/(asset) - ending (A) - (B)	<u>\$ (20,821)</u>	<u>\$ (3,304)</u>	<u>\$ (183,940)</u>
Plan fiduciary net position as a percentage of total pension liability	103.01%	100.51%	129.57%
Covered valuation payroll	\$ 156,234	\$ 136,403	\$ 113,725
Net pension liability as a percentage of covered valuation payroll	-13.33%	-2.42%	-161.74%

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.

2020	2019	2018	2017	2016	2015
\$ 10,124	\$ 10,033	\$ 9,947	\$ 7,458	\$ 14,767	\$ 14,562
45,430	44,776	45,651	45,673	39,813	35,209
(38,191)	18,046	5,783	37,847	86,187	52,889
(6,984)	-	11,955	(27,021)	-	-
<u>(65,065)</u>	<u>(62,673)</u>	<u>(66,260)</u>	<u>(64,722)</u>	<u>(53,237)</u>	<u>(29,519)</u>
(54,686)	10,182	7,076	(765)	87,530	73,141
<u>654,097</u>	<u>643,915</u>	<u>636,839</u>	<u>637,604</u>	<u>550,074</u>	<u>476,933</u>
<u>\$ 599,411</u>	<u>\$ 654,097</u>	<u>\$ 643,915</u>	<u>\$ 636,839</u>	<u>\$ 637,604</u>	<u>\$ 550,074</u>
\$ 6,762	\$ 2,906	\$ 4,201	\$ 3,315	\$ 1,604	\$ 3,864
3,842	3,769	3,737	3,390	4,374	5,434
108,223	128,677	(53,610)	128,763	35,773	3,232
(65,065)	(62,673)	(66,260)	(64,722)	(53,237)	(29,519)
<u>(45,016)</u>	<u>15,666</u>	<u>11,565</u>	<u>(10,249)</u>	<u>35,268</u>	<u>(10,683)</u>
8,746	88,345	(100,367)	60,497	23,782	(27,672)
701,192	612,847	713,214	652,717	628,935	656,607
<u>\$ 709,938</u>	<u>\$ 701,192</u>	<u>\$ 612,847</u>	<u>\$ 713,214</u>	<u>\$ 652,717</u>	<u>\$ 628,935</u>
<u>\$ (110,527)</u>	<u>\$ (47,095)</u>	<u>\$ 31,068</u>	<u>\$ (76,375)</u>	<u>\$ (15,113)</u>	<u>\$ (78,861)</u>
118.44%	107.20%	95.18%	111.99%	102.37%	114.34%
\$ 85,386	\$ 83,750	\$ 83,036	\$ 75,338	\$ 97,197	\$ 120,755
-129.44%	-56.23%	37.42%	-101.38%	-15.55%	-65.31%

TOWNSHIP OF BARRINGTON, ILLINOIS  
OTHER INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF)  
MOST RECENT CALENDAR YEARS

Calendar Year Ending December 31	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2023	\$ 3,062	\$ 3,062	\$ -	\$ 156,234	1.96%
2022	3,806	3,805	1	136,403	2.79%
2021	7,335	7,335	-	113,725	6.45%
2020	6,763	6,762	1	85,386	7.92%
2019	2,906	2,906	-	83,750	3.47%
2018	4,202	4,201	1	83,036	5.06%
2017	3,315	3,315	-	75,338	4.40%
2016	1,604	1,604	-	97,197	1.65%
2015	3,864	3,864	-	120,755	3.20%

**Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2023 Contribution Rate\***

**Valuation Date:**

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

**Methods and Assumptions Used to Determine 2023 Contribution Rates:**

<i>Actuarial Cost Method</i>	Aggregate entry age normal
<i>Amortization Method</i>	Level percentage of payroll, closed
<i>Remaining Amortization Period</i>	20-year closed period
<i>Asset Valuation Method</i>	5-year smoothed market; 20% corridor
<i>Wage Growth</i>	2.75%
<i>Price Inflation</i>	2.25%
<i>Salary Increases</i>	2.75% to 13.75%, including inflation
<i>Investment Rate of Return</i>	7.25%
<i>Retirement Age</i>	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2020 valuation pursuant to an experience study of the period 2017 to 2019.
<i>Mortality</i>	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both undadjusted) tables, and future mortality improvements projected using scale MP-2020.

**Other Information:**

Notes There were no benefit changes during the year.

\*Based on Valuation Assumptions used in the December 31, 2021 actuarial valuation

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 BARRINGTON, ILLINOIS  
TOWN FUND  
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED FEBRUARY 29, 2024

	2024	
	Original and Final Budget	Actual
<u>Revenues Received</u>		
Property Taxes	\$ 485,000	\$ 602,824
Personal Property Replacement Taxes	5,000	10,245
Permits	2,000	-
Interest	3,000	17,302
Pace Transportation	21,000	5,047
Grants	100,000	100,000
Appropriations	60,946	-
Miscellaneous	1,500	4,774
<u>Total Revenues Received</u>	<u>678,446</u>	<u>740,192</u>
<u>Expenditures Disbursed</u>		
Administration		
Salaries		
Supervisor	30,000	30,000
Clerk	11,000	11,000
Assessor	67,200	7,260
Board of Trustees	16,800	16,800
Employees	90,000	138,717
Social Security	14,200	13,986
Medicare	3,300	3,271
Municipal Retirement	6,100	3,150
Unemployment Insurance	2,600	375
Building Maintenance	25,000	24,220
Dues and Subscriptions	7,100	5,515
Equipment Maintenance	750	-
Legal	4,500	4,453
Office Supplies	5,100	5,010
Telephone	6,100	3,171
Travel and Convention	1,900	1,266
Appraisal Services	1,200	-
School	2,000	760
Meetings	500	534
Utilities	12,200	10,390
Plan Commission	500	-
Accounting and Auditing	15,275	18,137
Building Improvements	15,000	6,634
Future Improvements	50,000	-
Equipment Purchases	2,750	550
Equipment Rental	9,000	145
General Insurance	11,000	6,262

(Continued)

TOWNSHIP OF BARRINGTON, ILLINOIS  
TOWN FUND  
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED FEBRUARY 29, 2024

	2024	
	Original and Final Budget	Actual
<u>Expenditures Disbursed (Continued)</u>		
Hospitalization	\$ 13,200	\$ 9,900
Official Bonding	1,000	1,000
Printing and Newsletter	8,250	4,108
Computer Maintenance	4,000	2,670
Website Maintenance	1,500	1,329
Bank Charges and Fees	1,000	1,213
Miscellaneous	1,350	1,051
<u>Total Administration</u>	<u>441,375</u>	<u>332,877</u>
<u>Health and Social Services</u>		
Access to Care	1,000	1,000
Taxi	500	642
Barrington Area Council on Government	10,000	9,098
Barrington Area Council on Aging	20,000	19,751
Barrington Youth Service	10,000	9,583
Children's Advocacy Center	1,000	1,000
Community Social Service	100	100
Little City Foundation	2,000	1,000
Journey's The Road Home	500	500
Northern Illinois Special Recreation	2,000	2,000
Center for Enriched Living	1,000	1,000
Rahab's Daughters	1,000	1,000
PACE Transportation	35,000	11,029
<u>Total Health and Social Services</u>	<u>84,100</u>	<u>57,703</u>
<u>Cemetery</u>		
Cemetery Trustees	1,500	1,500
Cemetery Maintenance	15,000	11,779
<u>Total Cemetery</u>	<u>16,500</u>	<u>13,279</u>
<u>Contractual</u>		
Contractual	70,000	24,252
Street Lighting	3,500	2,628
Street Flooding Project	226,500	183,251
<u>Total Contractual</u>	<u>300,000</u>	<u>210,131</u>

(Continued)

TOWNSHIP OF BARRINGTON, ILLINOIS  
TOWN FUND  
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED FEBRUARY 29, 2024

	2024	
	Original and Final Budget	Actual
<u>Expenditures Disbursed (Continued)</u>		
Debt Service		
Principal	\$ -	\$ 5,987
Interest	-	195
<u>Total Debt Service</u>	-	6,182
Provision for Contingencies	500	-
<u>Total Expenditures Disbursed</u>	842,475	620,172
<u>Net Change in Fund Balance</u>	<u>\$ (164,029)</u>	120,020
<u>Fund Balance - Beginning</u>		396,965
<u>Fund Balance - Ending</u>		<u>\$ 516,985</u>

TOWNSHIP OF BARRINGTON, ILLINOIS  
GENERAL ASSISTANCE FUND  
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED FEBRUARY 29, 2024

	2024	
	Original and Final Budget	Actual
<u>Revenues Received</u>		
Property Taxes	\$ 2,500	\$ 7,688
Interest	2,700	14,835
Miscellaneous	100	5
	<u>5,300</u>	<u>22,528</u>
<u>Total Revenues Received</u>		
<u>Expenditures Disbursed</u>		
Administration		
Allocated Salaries	15,000	21,807
Building Maintenance	2,000	-
Dues	200	120
Legal	2,500	-
Accounting and Auditing	64,225	4,958
Office Supplies	100	-
Telephone	200	-
Travel	200	327
Miscellaneous	500	4
School	1,000	-
Catastrophic Insurance	2,500	2,015
Software	2,500	1,125
Hearing Officer	200	-
Training	500	81
	<u>91,625</u>	<u>30,437</u>
<u>Total Administration</u>		
Home Relief		
Shelter	5,000	1,275
Utilities	2,000	834
Emergency Assistance	2,000	-
	<u>9,000</u>	<u>2,109</u>
<u>Total Home Relief</u>		
Provision for Contingencies	500	-
	<u>101,125</u>	<u>32,546</u>
<u>Total Expenditures Disbursed</u>		
<u>Net Change in Fund Balance</u>	<u>\$ (95,825)</u>	(10,018)
<u>Fund Balance - Beginning</u>		<u>270,420</u>
<u>Fund Balance - Ending</u>		<u>\$ 260,402</u>

TOWNSHIP OF BARRINGTON, ILLINOIS  
NOTES TO OTHER INFORMATION  
FEBRUARY 29, 2024

**NOTE 1 – BUDGETS AND BUDGETARY ACCOUNTING**

The budget for all fund types was prepared on the modified cash basis of accounting which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. The budget was passed on April 11, 2023.

For each fund, total fund expenses paid may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year. All encumbrances lapse at the end of the fiscal year.

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

1. Prior to February 1, the Supervisor submits to the Board of Trustees a proposed operating budget for the fiscal year commencing on the following March 1. The operating budget includes proposed expenses paid and the means of financing them.
2. Public hearings are conducted at a public meeting to obtain taxpayer comments.
3. Former budgetary integration is employed as a management control device during the year for the General and Special Revenue Funds.
4. The Board of Trustees may make transfers between the various items in any fund not exceeding in the aggregate 10% of the total of such fund.
5. The Board of Trustees may also amend the budget (in other ways) by the same procedures required of its original adoption.

**NOTE 2 – EXPENDITURES IN EXCESS OF BUDGET**

The Township did not over-expend its budget in the Town Fund or General Assistance Fund during the fiscal year ended February 29, 2024.

(THIS PAGE INTENTIONALLY LEFT BLANK)