

TOWNSHIP OF LEYDEN, ILLINOIS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED

MARCH 31, 2025



TOWNSHIP OF LEYDEN, ILLINOIS
MARCH 31, 2025

TABLE OF CONTENTS

FINANCIAL SECTION

| | |
|---|---------|
| Independent Auditor’s Report | 1 - 3 |
| Management’s Discussion and Analysis..... | 4 - 13 |
| Basic Financial Statements | |
| Government-Wide Financial Statements | |
| Statement of Net Position | 14 |
| Statement of Activities | 15 |
| Fund Financial Statements | |
| Governmental Funds | |
| Balance Sheet..... | 16 |
| Reconciliation of Balance Sheet- Governmental Funds to the Statement of Net Position | 17 |
| Statement of Revenues, Expenditures and Changes in Fund Balances | 18 |
| Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances to Statement of Activities..... | 19 |
| Proprietary Funds | |
| Statement of Net Position | 20 |
| Statement of Revenues, Expenses and Change in Net Position | 21 |
| Statement of Cash Flows | 22 |
| Notes to Financial Statements..... | 23 - 49 |

REQUIRED SUPPLEMENTARY INFORMATION

| | |
|--|---------|
| Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual General Fund and Major Special Revenue Funds | 50 - 53 |
| Schedules of Changes in Township Net Pension Liability and Related Ratios and Township Contributions Illinois Municipal Retirement Fund..... | 54 - 55 |

TOWNSHIP OF LEYDEN, ILLINOIS
MARCH 31, 2025

TABLE OF CONTENTS

Continued

| | |
|---|-------|
| Schedules of Changes in Total Other Post-Employment Benefits Liability and Township Contributions | |
| Other Postemployment Benefit Plan..... | 56-57 |
| | |
| Note to the Required Supplementary Information..... | 58 |

FINANCIAL SECTION





INDEPENDENT AUDITOR'S REPORT

To the Honorable Supervisor and Board of Trustees
Township of Leyden, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Township of Leyden, Illinois, as of and for the year ended March 31, 2025, and the related notes to the financial statements, which collectively comprise Township of Leyden, Illinois' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Township of Leyden, Illinois as of March 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 of Leyden, Illinois, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 14, the Township of Leyden, Illinois reported a change in the financial reporting entity whereas the Community Foundation Fund is now reported as a major governmental fund after being reported as a nonmajor governmental fund in the prior year. 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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 of Leyden, Illinois' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 and *Government 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 of Leyden, Illinois' 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 of Leyden, Illinois' 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, schedule of changes in the Township net pension liability and related ratios, schedule of Township contributions – IMRF, schedule of changes in total other post-employment benefits liability, and schedule of Township contributions – OPEB on pages 4-13 and 50-58 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2025, on our consideration of the Township of Leyden, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of

Leyden, Illinois' internal control over financial reporting or on compliance. That report is an integral part of an audit performed with *Government Auditing Standards* in considering the Township of Leyden, Illinois' internal control over financial reporting and compliance.

MW& Associates, P.C.

Hillside, Illinois
December 15, 2025

TOWNSHIP OF LEYDEN, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2025

As management of the Township of Leyden (the "Township") we offer readers a discussion and analysis of the Township's financial performance that provides an overview of the financial activities, and identifies changes in the Township's financial position for the year ended March 31, 2025. Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, it should be read in conjunction with the Township's financial statements.

Financial Highlights

- The Township's net position as of March 31, 2025 is \$39,871,797 as compared to \$36,152,694, from the prior year. Governmental net position was \$28,661,588 and business-type activities were \$11,210,209 at year-end.
- During the year, the Township's governmental revenues, totaled \$10,640,082 and expenses and special items totaled \$10,443,967 resulting in an increase in net position of \$196,115.
- The Township's business-type activities revenue amount was \$8,674,379 and expenses were \$5,151,391 resulting in an increase in net position of \$3,522,988.
- During the fiscal year, the Township reported two new funds: Capital Fund (a capital projects fund reported in the governmental funds) and Special Refuse Collection Fund (a proprietary fund). The Capital Fund accounts for bond proceeds issued to construct a senior center to be run and operated by the Township and a senior apartment complex to be operated by a third party that is using the proceeds to aid in construction in the form of a note to be repaid to the Township. For more information, see notes 6 and 8 to the financial statements.
- The Community Foundation Fund is now reported as a major fund.

Overview of the Financial Statements

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

Using the Financial Section of this Annual Report

The financial statement's focus is on the Township as a whole and on the major individual funds. Both perspectives allow the readers to address relevant questions, broaden the basis for comparison and enhance the reader's understanding of the statements.

Township-wide Financial Statements

The Township-wide financial statements are designed to be corporate like. Governmental and business type activities are consolidated into columns, which add to a total of government-wide activities.

TOWNSHIP OF LEYDEN, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2025

The Statement of Net Position combines and consolidates governmental fund's current financial resources with capital assets and long-term obligations. It uses the accrual basis of accounting and economic resources measurement focus. The Statement of Net Position can be found on page 14 of this report.

The Statement of Activities is focused on both the growth and the new costs of various activities. These activities are supported by the government's general taxes and other resources. This is intended to summarize and simplify the users' analysis of the costs of various governmental services. The Statement of Activities can be found on page 15 of this report.

The governmental activities reflect the Township's basic services, which are general government, public health and welfare, highway and streets, culture and recreation and other services. Property taxes, shared state taxes and other revenues finance the majority of these services.

The business type activities reflect private sector type operations where the fee for service covers most of the costs of operation including depreciation.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Township can be included into two categories: governmental funds and proprietary funds.

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus is on major funds rather than fund types.

The governmental fund presentation is presented on a current financial resources focus. This is the manner in which the financial plan is usually developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of the government. Funds are established for various purposes and the fund financial statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

While the total column of the enterprise funds financial statements are the same as the business type activities column on the Township-wide financial statements, the governmental funds total column requires reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement. The flow of current financial resources will reflect debt issuance proceeds and interfund transfers as other sources and uses as well as capital expenditures and debt principal payments as expenditures. The reconciliations eliminate these transactions and incorporate the capital assets and long-term obligations into the governmental activities column in Township-wide statements. The fund financial statements can be found on pages 16-22 of this report.

TOWNSHIP OF LEYDEN, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2025

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements. The notes to the financial statements are located directly after the financial statements.

Other Information

In addition to the basic financial statements this report also includes certain required supplementary information related to the budgetary information and the Township's funding progress in funding its obligation to provide pension and other postemployment benefits to its employees.

FINANCIAL ANALYSIS OF THE TOWNSHIP'S GOVERNMENT-WIDE FINANCIAL STATEMENTS

Statement of Net Position

The following chart reflects the Condensed Statement of Net Position:

CONDENSED STATEMENT OF NET POSITION

March 31, 2025 and 2024

| (in thousands) | Governmental Activities <u>3/31/2025</u> | Governmental Activities <u>3/31/2024</u> | Increase (Decrease) |
|----------------------------------|---|---|------------------------|
| Assets: | | | |
| Current assets | \$ 36,022 | \$ 20,182 | \$ 15,840 |
| Non-current assets | <u>18,171</u> | <u>16,883</u> | <u>1,288</u> |
| Total assets | <u>54,193</u> | <u>37,065</u> | <u>17,128</u> |
| | | | |
| Deferred outflows | <u>537</u> | <u>937</u> | <u>(400)</u> |
| | | | |
| Liabilities: | | | |
| Current liabilities | 774 | 2,672 | (1,898) |
| Non-current liabilities | <u>21,139</u> | <u>2,806</u> | <u>18,333</u> |
| Total liabilities | <u>21,913</u> | <u>5,478</u> | <u>16,435</u> |
| | | | |
| Deferred inflows | <u>4,155</u> | <u>4,058</u> | <u>97</u> |
| | | | |
| Net position: | | | |
| Net investment in capital assets | 18,072 | 15,478 | 2,594 |
| Restricted | 29,018 | 8,617 | 20,401 |
| Unrestricted | <u>(18,428)</u> | <u>4,371</u> | <u>(22,799)</u> |
| Total net position | <u>\$ 28,662</u> | <u>\$ 28,466</u> | <u>\$ 196</u> |

TOWNSHIP OF LEYDEN, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2025

The 2025 assets as described above are composed of cash valued at \$27.28 million (50% of total assets), \$8.71 million of receivables (16% of total assets), \$0.1 million of prepaid expense (less than 1% of total assets), capital assets net of accumulated depreciation of \$18.17 million (34% of total assets). Internal balances of (\$0.06 million) were also reported as a part of assets. The liabilities as described above are composed of accounts payable of \$0.05 million (less than 1% of total liabilities), accrued payroll and other liabilities of \$0.10 million (less than 1% of total liabilities), \$0.27 million of accrued interest payable (1% of total liabilities), \$0.34 million of long-term debt due within one year (2% of total liabilities) and \$21.14 million (96% of total liabilities) of long-term debt due in more than one year. Current assets are up by \$15.84 million due primarily to an increase in cash balances of \$11.37 million as a result of unspent bond proceeds and an increase in receivables of \$3.05 million primarily due to a new note receivable owed by a developer who is using bond proceeds to construct a senior citizen apartment complex. Non-current assets increased by \$1.29 million as a result of a large increase in capital asset additions compared to the prior year. Current liabilities have decreased by \$1.90 million as a result of a decrease in accounts payable of nearly \$0.90 million. Non-current liabilities increased by \$18.33 million as a result of the issuance of bonds for the construction of a senior center and senior apartments as well as the implementation of GASB Statement No. 101, *Compensated Absences*.

Statement of Activities

Governmental activities are broken out by functional area for program revenues and expenses: General Government, Public Health and Welfare, Highway and Streets, Culture and Recreation, and Interest on Debt. General revenues are separated by property taxes, other taxes, investment earnings, and other general revenues.

TOWNSHIP OF LEYDEN, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2025

CONDENSED STATEMENT OF ACTIVITIES

| (in thousands) | Governmental Activities Year Ended <u>3/31/2025</u> | Governmental Activities Year Ended <u>3/31/2024</u> | Increase <u>(Decrease)</u> |
|--|--|--|-------------------------------|
| Revenues: | | | |
| Program Revenues: | | | |
| Charges for services | \$ 227 | \$ 183 | \$ 44 |
| Operating grants and contributions | 70 | 60 | 10 |
| Capital grants and contributions | 200 | - | 200 |
| General Revenues: | | | |
| Taxes | 9,747 | 10,368 | (621) |
| Unrestricted Investment Earnings | 271 | 15 | 256 |
| Miscellaneous revenues | <u>125</u> | <u>175</u> | <u>(50)</u> |
| Total revenues | <u>10,640</u> | <u>10,801</u> | <u>(161)</u> |
| Expenses: | | | |
| General government | 3,561 | 4,079 | (518) |
| Public health and welfare | 1,190 | 1,093 | 97 |
| Highway and streets | 2,572 | 2,498 | 74 |
| Culture and recreation | 1,212 | 612 | 600 |
| Interest expense | <u>619</u> | <u>66</u> | <u>553</u> |
| Total expenses | <u>9,154</u> | <u>8,348</u> | <u>806</u> |
| Excess (deficiency) of revenues over expenses | 1,486 | 2,453 | (967) |
| Transfers and special items | | | |
| Special item - developer contribution | <u>(1,290)</u> | <u>1</u> | <u>(1,291)</u> |
| Total transfers and special items | <u>(1,290)</u> | <u>1</u> | <u>(1,291)</u> |
| Change in net position | <u>196</u> | <u>2,454</u> | <u>(967)</u> |
| Net position - beginning | <u>28,466</u> | <u>26,012</u> | <u>2,454</u> |
| Net position - ending | <u>\$ 28,662</u> | <u>\$ 28,466</u> | <u>\$ 1,487</u> |

Total revenues for fiscal 2025 decreased by \$0.16 million from the prior year. The most significant change was the decrease in taxes by over \$0.62 million that was offset by increases in capital grants of \$0.20 million and unrestricted investment earnings of \$0.26 million.

Total expenses for fiscal 2025 increased by \$0.81 million. The most significant changes were increases in culture & recreation of \$0.60 million and in interest expense of \$0.55 million.

During the year, the Township contributed \$1.29 million in property to a developer for construction of the senior citizen apartment complex.

**TOWNSHIP OF LEYDEN, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2025**

FINANCIAL ANALYSIS OF THE TOWNSHIP'S FUNDS

ENTERPRISE FUNDS

Statement of Net Position

The following chart reflects the condensed Statement of Net Position:

CONDENSED STATEMENT OF NET POSITION

| | Business-Type Activities <u>3/31/2025</u> | Business-Type Activities <u>3/31/2024</u> | <u>Increase (Decrease)</u> |
|----------------------------------|---|---|--------------------------------|
| (in thousands) | | | |
| Assets: | | | |
| Current assets | \$ 5,515 | \$ 3,575 | \$ 1,940 |
| Non-current assets | <u>8,479</u> | <u>7,104</u> | <u>1,375</u> |
| Total assets | <u>13,994</u> | <u>10,679</u> | <u>3,315</u> |
| Deferred outflows of resources | <u>324</u> | <u>458</u> | <u>(134)</u> |
| Liabilities: | | | |
| Current liabilities | 523 | 524 | (1) |
| Non-current liabilities | <u>2,559</u> | <u>2,868</u> | <u>(309)</u> |
| Total liabilities | <u>3,082</u> | <u>3,392</u> | <u>(310)</u> |
| Deferred inflows of resources | <u>26</u> | <u>58</u> | <u>(32)</u> |
| Net Position: | | | |
| Net investment in capital assets | 6,794 | 5,304 | 1,490 |
| Unrestricted | <u>4,416</u> | <u>2,383</u> | <u>2,033</u> |
| Total net position | <u>\$ 11,210</u> | <u>\$ 7,687</u> | <u>\$ 3,523</u> |

The change in current assets is due to a increase in cash and receivables of \$1.7 million. Capital assets increased primarily due to infrastructure in relation to the installation of new water mains. Current liabilities decreased slightly during the year. The decrease in long-term liabilities is mostly attributed to a decrease in net pension liability, total OPEB liability and the reduction of loans payable through the repayment of principal on the IEPA loans.

TOWNSHIP OF LEYDEN, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2025

CONDENSED STATEMENT OF ACTIVITIES

| (in thousands) | Business-Type Activities Year Ended <u>3/31/2025</u> | Business-Type Activities Year Ended <u>3/31/2024</u> | Increase (Decrease) <u> </u> |
|--|---|---|---|
| Revenues: | | | |
| Program Revenues | | | |
| Charges for services | \$ 5,363 | \$ 4,810 | \$ 553 |
| Capital grants | 3,300 | - | 3,300 |
| General revenues: | | | |
| Interest Income (Expense) | 9 | 4 | 5 |
| Other | 2 | - | 2 |
| Total revenues | <u>8,674</u> | <u>4,814</u> | <u>3,860</u> |
| Expenses: | | | |
| Water | 4,696 | 5,577 | (881) |
| Refuse | 455 | - | 455 |
| Total expenses | <u>5,151</u> | <u>5,577</u> | <u>(426)</u> |
| Excess (deficiency) of revenues over expenses | 3,523 | (763) | 4,286 |
| Transfers and special items | | | |
| Transfers | - | (1) | 1 |
| Total transfers and special items | <u>-</u> | <u>(1)</u> | <u>1</u> |
| Change in net position | <u>3,523</u> | <u>(764)</u> | <u>4,286</u> |
| Net position beginning of year | <u>7,687</u> | <u>8,451</u> | <u>(764)</u> |
| Net position end of year | <u>\$ 11,210</u> | <u>\$ 7,687</u> | <u>\$ 3,522</u> |

The most significant changes that took place during the year in charges for services are attributed to a decrease in overall water and refuse billings from the prior year. The decrease in water expenses is related to the shift of refuse costs to its own fund and a decrease in health insurance costs due to a decrease in OPEB liability. Refuse being split into its own fund is the reason for a new line item this year. Lastly, a DCEO grant of \$3.3 million was received in the current year.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

The major governmental funds are: General Fund, Road and Bridge Fund, Building and Equipment Fund, General Assistance Fund, Capital Fund, and Community Foundation Fund. All other governmental funds are shown as non-major.

TOWNSHIP OF LEYDEN, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2025

Overall revenue in the governmental funds decreased by \$0.03 million, or less than 1%. This was mainly due to a decrease in personal property replacement taxes that was offset by increased in charges for services and grant revenues.

Expenditures have increased by 6% which is mainly attributed to a decrease in capital outlay expenditures that was offset by an increase in culture and recreation.

Budgetary Highlights

The Township adopts a modified accrual basis budget on an annual basis. The Township Supervisor submits a proposed operating budget to the Town Board for the fiscal year. After public hearings are conducted to obtain taxpayer comments, the budget is then legally enacted through passage of an ordinance by the Town Board. Any revisions altering the total expenditures of any fund must be approved by the Township Board and be in compliance with applicable statutes. The original budget was not amended during the year.

**CONDENSED SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE- BUDGET AND ACTUAL
YEAR ENDED MARCH 31, 2025**

| (in thousands) | <u>Budget</u> | <u>Actual</u> | <u>Variance</u> |
|---------------------------------|-------------------|-------------------|-----------------|
| <u>General Fund</u> | | | |
| Revenues | \$ 6,258 | \$ 5,892 | \$ (366) |
| Expenditures | <u>(10,054)</u> | <u>(8,218)</u> | <u>1,836</u> |
| Excess (Deficiency) of Revenues | | | |
| Over (Under) Expenditures | (3,796) | (2,326) | 1,470 |
| Other financing sources/(uses) | <u>60</u> | <u>(150)</u> | <u>(210)</u> |
| Net change in fund balance | <u>\$ (3,736)</u> | <u>\$ (2,476)</u> | <u>\$ 1,260</u> |

The major variances between actual and budget include the following:

- Revenues were under budget mainly due to not receiving personal property replacement taxes and charges for services at the level they were initially budgeted for.
- Expenditures were under budget due to primarily lower spending in comparison to budget for general administrative and culture and recreation.

TOWNSHIP OF LEYDEN, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2025

CAPITAL ASSETS

The Township's investment in capital assets for its governmental and business-type activities as of March 31, is shown below (net of accumulated depreciation). See the notes to the financial statements for more detailed information.

Change in Capital Assets, Net of Accumulated Depreciation

| Governmental Activities (in thousands) | Balance March 31, 2024 | Balance March 31, 2025 | Increase/ (Decrease) |
|---|---------------------------|---------------------------|-------------------------|
| Construction in Progress | \$ 4,966 | \$ 868 | (4,098) |
| Land | 1,278 | 5,006 | 3,728 |
| Infrastructure | 5,514 | 5,514 | - |
| Vehicles | 2,168 | 2,044 | (124) |
| Land improvements | 3,758 | 5,483 | 1,725 |
| Buildings | 5,822 | 5,933 | 111 |
| Equipment | 1,823 | 2,521 | 698 |
| Accumulated Depreciation | <u>(8,447)</u> | <u>(9,198)</u> | <u>(751)</u> |
| Total capital assets, net | <u>\$ 16,882</u> | <u>\$ 18,171</u> | <u>\$ 1,289</u> |
| | | | |
| Business-Type Activities | Balance March 31, 2024 | Balance March 31, 2025 | Increase/ (Decrease) |
| Vehicles | \$ 286 | \$ 286 | \$ - |
| Equipment | 538 | 551 | 13 |
| Infrastructure | 12,898 | 14,541 | 1,643 |
| Accumulated Depreciation | <u>(6,619)</u> | <u>(6,899)</u> | <u>(280)</u> |
| Total capital assets, net | <u>\$ 7,103</u> | <u>\$ 8,479</u> | <u>\$ 1,376</u> |

Governmental activities capitalized costs in the current year related to equipment, land improvements, new vehicles, recreational updates and a transfer of construction in progress related to the purchase of local properties to land. The additions for the business-type activities was mainly for new water mains and equipment.

TOWNSHIP OF LEYDEN, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2025

DEBT ADMINISTRATION

At March 31, 2025, the Township had outstanding debt as follows:

| | |
|--------------------------------|----------------------|
| Governmental Activities: | |
| Series 2024A bonds | \$ 4,815,000 |
| Series 2024B bonds | 13,610,000 |
| Bond premium, 2024A bonds | 250,476 |
| Compensated absences | 171,369 |
| Net pension liability | 1,064,008 |
| Total OPEB liability | <u>1,568,077</u> |
| | |
| Total Governmental Activities | <u>\$ 21,478,930</u> |
| | |
| Business-Type Activities: | |
| IEPA Loan | \$ 1,684,818 |
| Compensated Absences | 100,380 |
| Net pension liability | 582,043 |
| Total OPEB Liability | <u>449,381</u> |
| | |
| Total Business-Type Activities | <u>\$ 2,816,622</u> |

The Township has borrowed funds through loans with the IEPA for water main installation. The loan carries an interest rate of 1.01% and will mature on November 30, 2041. The Township also continues to repay the loan with the IEPA for the pumphouse project out of the business-type activities. The loan carries an interest rate of 1.93% and will mature on June 1, 2034. The Township had a line of credit agreement for \$2,000,000 with Wintrust Bank, which was used to finance road projects. As of year-end, the Township paid off the liability of \$1,405,657 in the Road and Bridge Fund during the fiscal year. During the fiscal year, the Township issued \$4,815,000 of General Obligation Bonds (Alternate Revenue Source), Series 2024A to fund the construction of a senior center and \$13,610,000 of Taxable General Obligation Bonds (Alternate Revenue Source), Series 2024B to be used to loan proceeds to a developer to construct a senior citizen apartment complex. The Series 2024A bonds have an interest rate of 5.0% and matures on December 1, 2054. The Series 2024B bonds have interest rates ranging from 4.88% to 5.36%. The note receivable owed to the Township with the bond proceeds loaned to a developer has a maturity date of December 1, 2067, and carries an interest rate of 1.5% annually compounding interest.

Contacting the Township's Financial Management

This financial report is designed to provide our citizens, customers, investors and creditors with a general knowledge of the Township's finances and to demonstrate the Township's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to the Township Office, 2501 N. Mannheim Road, Franklin Park, Illinois 60131.

TOWNSHIP OF LEYDEN, ILLINOIS
STATEMENT OF NET POSITION
MARCH 31, 2025

| | Governmental Activities | Business - Type Activities | Totals |
|--|------------------------------------|---------------------------------------|----------------------|
| Assets | | | |
| Cash | \$ 27,275,349 | \$ 4,714,660 | \$ 31,990,009 |
| Receivables | | | |
| Property taxes receivable - net | 4,419,944 | - | 4,419,944 |
| Replacement taxes receivable | 49,882 | - | 49,882 |
| Accounts receivable - net | 14,011 | 703,089 | 717,100 |
| Note receivable | 4,228,550 | - | 4,228,550 |
| Prepaid expenses | 97,023 | 35,462 | 132,485 |
| Internal balances | (62,364) | 62,364 | - |
| Capital assets not being depreciated | 5,874,030 | - | 5,874,030 |
| Capital assets being depreciated - net | 12,297,037 | 8,478,659 | 20,775,696 |
| Total assets | <u>54,193,462</u> | <u>13,994,234</u> | <u>68,187,696</u> |
| Deferred Outflow of Resources | | | |
| Deferred outflow of resources - related to pensions | 536,748 | 323,682 | 860,430 |
| Total deferred outflow of resources | <u>536,748</u> | <u>323,682</u> | <u>860,430</u> |
| Liabilities | | | |
| Accrued expenses | 54,368 | 23,698 | 78,066 |
| Accounts payable | 48,320 | 171,926 | 220,246 |
| Accrued interest | 274,169 | 6,938 | 281,107 |
| Deposits payable | 57,331 | 48,579 | 105,910 |
| Unearned revenue | - | 13,750 | 13,750 |
| Long-term obligations, due within one year | | | |
| Compensated absences | 148,611 | 87,050 | 235,661 |
| Loans payable | - | 116,285 | 116,285 |
| Total OPEB liability | 191,192 | 54,778 | 245,970 |
| Long-term obligations, due in more than one year | | | |
| General Obligations Bonds - Alternate Revenue Source | 18,675,476 | - | 18,675,476 |
| Compensated absences | 22,758 | 13,330 | 36,088 |
| Loans payable | - | 1,568,533 | 1,568,533 |
| Net pension liability | 1,064,008 | 582,043 | 1,646,051 |
| Total OPEB liability | 1,376,885 | 394,603 | 1,771,488 |
| Total liabilities | <u>21,913,118</u> | <u>3,081,513</u> | <u>24,994,631</u> |
| Deferred Inflows of Resources | | | |
| Property taxes | 4,107,659 | - | 4,107,659 |
| Deferred inflow of resources - pensions | 47,845 | 26,194 | 74,039 |
| Total deferred inflows of resources | <u>4,155,504</u> | <u>26,194</u> | <u>4,181,698</u> |
| Net Position | | | |
| Net investment in capital assets | 18,072,065 | 6,793,841 | 24,865,906 |
| Restricted for | | | |
| Street improvements | 5,504,676 | - | 5,504,676 |
| Capital projects | 8,261,180 | - | 8,261,180 |
| Community development | 9,276,528 | - | 9,276,528 |
| Debt service | 4,228,550 | - | 4,228,550 |
| Resident assistance | 1,746,149 | - | 1,746,149 |
| Unrestricted | (18,427,560) | 4,416,368 | (14,011,192) |
| Total net position | <u>\$ 28,661,588</u> | <u>\$ 11,210,209</u> | <u>\$ 39,871,797</u> |

See accompanying notes to financial statements

**TOWNSHIP OF LEYDEN, ILLINOIS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2025**

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | |
|--|----------------------|----------------------|------------------------------------|----------------------------------|---|--------------------------|----------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-Type Activities | Totals |
| Governmental Activities | | | | | | | |
| General government | \$ 3,561,537 | \$ 51,222 | \$ 8,830 | \$ - | \$ (3,501,485) | \$ - | \$ (3,501,485) |
| Public health and welfare | 1,189,798 | - | 60,995 | 200,000 | (928,803) | - | (928,803) |
| Highway and streets | 2,572,372 | 11,889 | - | - | (2,560,483) | - | (2,560,483) |
| Culture and recreation | 1,212,000 | 164,069 | - | - | (1,047,931) | - | (1,047,931) |
| Interest expense | 618,568 | - | - | - | (618,568) | - | (618,568) |
| Total governmental activities | <u>9,154,275</u> | <u>227,180</u> | <u>69,825</u> | <u>200,000</u> | <u>(8,657,270)</u> | <u>-</u> | <u>(8,657,270)</u> |
| Business-Type Activities | | | | | | | |
| Sewer and water | 4,696,265 | 4,663,594 | - | 3,300,000 | - | 3,267,329 | 3,267,329 |
| Refuse | 455,126 | 700,158 | - | - | - | 245,032 | 245,032 |
| Total business-type activities | <u>5,151,391</u> | <u>5,363,752</u> | <u>-</u> | <u>3,300,000</u> | <u>-</u> | <u>3,512,361</u> | <u>3,512,361</u> |
| Total primary government | <u>\$ 14,305,666</u> | <u>\$ 5,590,932</u> | <u>\$ 69,825</u> | <u>\$ 3,500,000</u> | <u>(8,657,270)</u> | <u>3,512,361</u> | <u>(5,144,909)</u> |
| General Revenues and Transfers | | | | | | | |
| Taxes | | | | | | | |
| Property taxes | | | | | 8,850,455 | - | 8,850,455 |
| Other taxes | | | | | 895,912 | - | 895,912 |
| Investment earnings | | | | | 271,347 | 8,552 | 279,899 |
| Other general revenues | | | | | 125,363 | 2,075 | 127,438 |
| Special item - contribution of property to developer | | | | | (1,289,692) | - | (1,289,692) |
| Total general revenues and transfers | | | | | <u>8,853,385</u> | <u>10,627</u> | <u>8,864,012</u> |
| Change in Net Position | | | | | <u>196,115</u> | <u>3,522,988</u> | <u>3,719,103</u> |
| Net Position - April 1, 2024 | | | | | <u>28,465,473</u> | <u>7,687,221</u> | <u>36,152,694</u> |
| Net Position - March 31, 2025 | | | | | <u>\$ 28,661,588</u> | <u>\$ 11,210,209</u> | <u>\$ 39,871,797</u> |

See accompanying notes to financial statements

**TOWNSHIP OF LEYDEN, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
MARCH 31, 2025**

| | Major Funds | | | | | | Total |
|--|---------------------|----------------------|-----------------------------|-------------------------|---------------------------|----------------------|----------------------|
| | General Fund | Road and Bridge Fund | Building and Equipment Fund | General Assistance Fund | Community Foundation Fund | Capital Fund | |
| Assets | | | | | | | |
| Cash | \$ 3,997,339 | \$ 5,564,238 | \$ 1,643,579 | \$ 1,445,342 | \$ 276,076 | \$ 14,348,775 | \$ 27,275,349 |
| Receivables | | | | | | | |
| Taxes receivable | 2,605,385 | 1,269,189 | 415,523 | 179,729 | - | - | 4,469,826 |
| Interfund receivable | 2,011 | 63,802 | 1,619,245 | 14,130 | - | - | 1,699,188 |
| Notes receivable | - | - | - | - | - | 4,228,550 | 4,228,550 |
| Other receivable | 14,011 | - | - | - | - | - | 14,011 |
| Prepaid expenses | 66,255 | 28,631 | - | 2,137 | - | - | 97,023 |
| Total assets | <u>\$ 6,685,001</u> | <u>\$ 6,925,860</u> | <u>\$ 3,678,347</u> | <u>\$ 1,641,338</u> | <u>\$ 276,076</u> | <u>\$ 18,577,325</u> | <u>\$ 37,783,947</u> |
| Liabilities | | | | | | | |
| Accounts payable | 24,458 | 17,682 | 407 | - | - | 5,773 | 48,320 |
| Accrued expenses | 35,072 | 18,383 | - | 913 | - | - | 54,368 |
| Deposits payable | 14,766 | 42,565 | - | - | - | - | 57,331 |
| Interfund payable | 1,600,296 | 159,245 | - | - | 2,011 | - | 1,761,552 |
| Total liabilities | <u>1,674,592</u> | <u>237,875</u> | <u>407</u> | <u>913</u> | <u>2,011</u> | <u>5,773</u> | <u>1,921,571</u> |
| Deferred Inflows of Resources | | | | | | | |
| Property taxes | 2,403,543 | 1,154,678 | 383,234 | 166,204 | - | - | 4,107,659 |
| Total deferred inflows of resources | <u>2,403,543</u> | <u>1,154,678</u> | <u>383,234</u> | <u>166,204</u> | <u>-</u> | <u>-</u> | <u>4,107,659</u> |
| Fund Balances | | | | | | | |
| Nonspendable | 66,255 | 28,631 | - | 2,137 | - | 4,228,550 | 4,325,573 |
| Restricted | | | | | | | |
| Street improvement | - | 5,504,676 | - | - | - | - | 5,504,676 |
| Capital projects | - | - | 3,294,706 | - | - | 4,966,474 | 8,261,180 |
| Community development | - | - | - | - | - | 9,276,528 | 9,276,528 |
| Resident assistance | - | - | - | 1,472,084 | 274,065 | - | 1,746,149 |
| Restricted | | | | | | | |
| Capital projects | - | - | - | - | - | 100,000 | 100,000 |
| Unassigned | 2,540,611 | - | - | - | - | - | 2,540,611 |
| Total fund balances | <u>2,606,866</u> | <u>5,533,307</u> | <u>3,294,706</u> | <u>1,474,221</u> | <u>274,065</u> | <u>18,571,552</u> | <u>31,754,717</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 6,685,001</u> | <u>\$ 6,925,860</u> | <u>\$ 3,678,347</u> | <u>\$ 1,641,338</u> | <u>\$ 276,076</u> | <u>\$ 18,577,325</u> | <u>\$ 37,783,947</u> |

See accompanying notes to financial statements

TOWNSHIP OF LEYDEN, ILLINOIS
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
MARCH 31, 2025

Total fund balances - governmental funds \$ 31,754,717

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

Capital assets, net of accumulated depreciation of \$9,198,267, used in governmental activities are not financial resources and therefore are not reported in the funds. 18,171,067

Some liabilities and deferred inflows/outflows reported in the statement of net position do not require the use of current financial resources and therefore are not reported as liabilities or deferred inflows/outflows in governmental funds. These activities consist of:

| | |
|---------------------------------------|--------------|
| General obligation bonds | (18,675,476) |
| Accrued interest liability | (274,169) |
| Net pension liability | (1,064,008) |
| Total OPEB liability | (1,568,077) |
| Compensated absences | (171,369) |
| Deferred outflows related to pensions | 536,748 |
| Deferred inflows related to pensions | (47,845) |
| | (18,171,067) |

Net position of governmental activities \$ 28,661,588

TOWNSHIP OF LEYDEN, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED MARCH 31, 2025

| | Major Funds | | | | | | Nonmajor Funds | Total |
|--|---------------------|----------------------|-----------------------------|-------------------------|---------------------------|----------------------|----------------|----------------------|
| | General Fund | Road and Bridge Fund | Building and Equipment Fund | General Assistance Fund | Community Foundation Fund | Capital Fund | | |
| Revenues | | | | | | | | |
| Property taxes | \$ 4,779,881 | \$ 2,759,249 | \$ 917,639 | \$ 393,686 | \$ - | \$ - | \$ - | \$ 8,850,455 |
| Other local taxes | 564,551 | 331,361 | - | - | - | - | - | 895,912 |
| Charges for services | 215,291 | 11,889 | - | - | - | - | - | 227,180 |
| Interest income | 15,015 | 53,891 | 8,899 | 10,522 | - | 183,020 | - | 271,347 |
| Grant revenue | 208,830 | - | - | - | 60,995 | - | - | 269,825 |
| Other revenue | 108,260 | 17,277 | 7,942 | 4,808 | - | - | - | 138,287 |
| Total revenues | <u>5,891,828</u> | <u>3,173,667</u> | <u>934,480</u> | <u>409,016</u> | <u>60,995</u> | <u>183,020</u> | <u>-</u> | <u>10,653,006</u> |
| Expenditures | | | | | | | | |
| Current | | | | | | | | |
| General administrative | 3,651,498 | - | 37,183 | - | - | - | - | 3,688,681 |
| Public health and welfare | 959,983 | - | - | 191,294 | 43,148 | - | - | 1,194,425 |
| Highway and streets | - | 2,003,480 | - | - | - | - | - | 2,003,480 |
| Culture and recreation | 2,947,040 | - | - | - | - | 331 | - | 2,947,371 |
| Capital outlay | 659,103 | 128,620 | 275,005 | 2,757 | - | 82,137 | - | 1,147,622 |
| Debt issuance costs | - | - | - | - | - | 304,476 | - | 304,476 |
| Debt service - interest | - | 39,923 | - | - | - | - | - | 39,923 |
| Total expenditures | <u>8,217,624</u> | <u>2,172,023</u> | <u>312,188</u> | <u>194,051</u> | <u>43,148</u> | <u>386,944</u> | <u>-</u> | <u>11,325,978</u> |
| Excess (Deficiency) of Revenues over Expenditures | <u>(2,325,796)</u> | <u>1,001,644</u> | <u>622,292</u> | <u>214,965</u> | <u>17,847</u> | <u>(203,924)</u> | <u>-</u> | <u>(672,972)</u> |
| Other Financing Sources (Uses) | | | | | | | | |
| Debt proceeds | - | - | - | - | - | 18,425,000 | - | 18,425,000 |
| Debt premium | - | - | - | - | - | 250,476 | - | 250,476 |
| Sale of property | - | 52,725 | - | - | - | - | - | 52,725 |
| Transfers in | - | - | - | - | 50,000 | 100,000 | - | 150,000 |
| Transfers out | (150,000) | - | - | - | - | - | - | (150,000) |
| Total other financing sources (uses) | <u>(150,000)</u> | <u>52,725</u> | <u>-</u> | <u>-</u> | <u>50,000</u> | <u>18,775,476</u> | <u>-</u> | <u>18,728,201</u> |
| Net Change in Fund Balances | <u>(2,475,796)</u> | <u>1,054,369</u> | <u>622,292</u> | <u>214,965</u> | <u>67,847</u> | <u>18,571,552</u> | <u>-</u> | <u>18,055,229</u> |
| Fund Balance-Beginning of Year, as previously presented | 5,082,662 | 4,478,938 | 2,672,414 | 1,259,256 | - | - | 206,218 | 13,699,488 |
| Change within financial reporting entity (nonmajor to major fund) | - | - | - | - | 206,218 | - | (206,218) | - |
| Fund Balance - Beginning of Year, as restated | <u>5,082,662</u> | <u>4,478,938</u> | <u>2,672,414</u> | <u>1,259,256</u> | <u>206,218</u> | <u>-</u> | <u>-</u> | <u>13,699,488</u> |
| Fund Balance - End of Year | <u>\$ 2,606,866</u> | <u>\$ 5,533,307</u> | <u>\$ 3,294,706</u> | <u>\$ 1,474,221</u> | <u>\$ 274,065</u> | <u>\$ 18,571,552</u> | <u>\$ -</u> | <u>\$ 31,754,717</u> |

TOWNSHIP OF LEYDEN, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2025

Net change in fund balances - total governmental funds \$ 18,055,229

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

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds.

| | | |
|---|----------------|-----------|
| Increase in compensated absences | (142,744) | |
| Decrease in net pension liability | 153,390 | |
| Decrease in pension related deferred outflow of resources | (400,357) | |
| Decrease in pension related deferred inflow of resources | 72,197 | |
| Increase in accrued interest payable | (274,169) | |
| Decrease in total OPEB liability | <u>185,903</u> | |
| Total expenses of non-current resources | | (405,780) |

Revenues are recognized for governmental activities when earned, regardless of when collected, and not deferred on the statement of net position. (65,649)

Issuances of debt are reported as other financing sources in the governmental fund financial statements, but are reported as liabilities for governmental activities (18,675,476)

Contributions of capital assets to developers are reported in the statement of activities, but not reported in the funds (1,289,692)

Governmental funds report capital outlays as expenditures, while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which capital outlays exceeded depreciation and trade-in allowance in the current period. 2,577,483

Change in net position of governmental activities \$ 196,115

TOWNSHIP OF LEYDEN, ILLINOIS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
MARCH 31, 2025

| | Sewer and Water Fund | Special Refuse Collection Fund | Total |
|--|-------------------------|--------------------------------------|----------------------|
| Assets | | | |
| Current assets | | | |
| Cash | \$ 4,660,154 | \$ 54,506 | \$ 4,714,660 |
| Receivables | | | |
| Accounts receivable - net | 609,606 | 93,483 | 703,089 |
| Interfund receivable | 79,398 | 97,043 | 176,441 |
| Prepaid expenses | 35,462 | - | 35,462 |
| Noncurrent assets | | | |
| Capital assets being depreciated - net | 8,478,659 | - | 8,478,659 |
| Total assets | <u>13,863,279</u> | <u>245,032</u> | <u>14,108,311</u> |
| Deferred Outflows of Resources | | | |
| Deferred outflows of resources - related to pensions | 323,682 | - | 323,682 |
| Total deferred outflows of resources | <u>323,682</u> | <u>-</u> | <u>323,682</u> |
| Liabilities | | | |
| Current liabilities | | | |
| Accounts payable | 171,926 | - | 171,926 |
| Accrued expenses | 23,698 | - | 23,698 |
| Compensated absences | 87,050 | - | 87,050 |
| Loans payable | 116,285 | - | 116,285 |
| Total OPEB liability | 54,778 | - | 54,778 |
| Accrued interest | 6,938 | - | 6,938 |
| Deposits payable | 48,579 | - | 48,579 |
| Interfund payable | 114,077 | - | 114,077 |
| Unearned revenue | 13,750 | - | 13,750 |
| Long-term liabilities | | | |
| Loans payable | 1,568,533 | - | 1,568,533 |
| Compensated absences | 13,330 | - | 13,330 |
| Net pension liability | 582,043 | - | 582,043 |
| Total OPEB liability | 394,603 | - | 394,603 |
| Total liabilities | <u>3,195,590</u> | <u>-</u> | <u>3,195,590</u> |
| Deferred Inflows of Resources | | | |
| Deferred inflows of resources - related to pensions | 26,194 | - | 26,194 |
| Total deferred inflows of resources | <u>26,194</u> | <u>-</u> | <u>26,194</u> |
| Net Position | | | |
| Net investment in capital assets | 6,793,841 | - | 6,793,841 |
| Unrestricted | 4,171,336 | 245,032 | 4,416,368 |
| Total net position | <u>\$ 10,965,177</u> | <u>\$ 245,032</u> | <u>\$ 11,210,209</u> |

**TOWNSHIP OF LEYDEN, ILLINOIS
STATEMENT OF REVENUES, EXPENSES
AND CHANGE IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED MARCH 31, 2025**

| | Sewer and Water Fund | Special Refuse Collection Fund | Total |
|---|---------------------------------|---|----------------------|
| Operating Revenues | | | |
| Charges for services | \$ 4,663,594 | \$ 700,158 | \$ 5,363,752 |
| Total operating revenues | <u>4,663,594</u> | <u>700,158</u> | <u>5,363,752</u> |
| Operating Expenses | | | |
| General administration | 1,759,818 | - | 1,759,818 |
| Maintenance and repair | 205,657 | - | 205,657 |
| Professional services | 152,964 | - | 152,964 |
| Operational expenses | 2,274,055 | 455,126 | 2,729,181 |
| Depreciation | 279,854 | - | 279,854 |
| Total operating expenses | <u>4,672,348</u> | <u>455,126</u> | <u>5,127,474</u> |
| Operating income | <u>(8,754)</u> | <u>245,032</u> | <u>236,278</u> |
| Nonoperating Revenues and (Expenses) | | | |
| Grant revenue | 3,300,000 | - | 3,300,000 |
| Sale of property | 2,075 | - | 2,075 |
| Interest revenue | 8,552 | - | 8,552 |
| Interest expense | (23,917) | - | (23,917) |
| Total nonoperating revenues and (expenses) | <u>3,286,710</u> | <u>-</u> | <u>3,286,710</u> |
| Change in Net Position | 3,277,956 | 245,032 | 3,522,988 |
| Net Position - Beginning of Year | <u>7,687,221</u> | <u>-</u> | <u>7,687,221</u> |
| Net Position - End of Year | <u>\$ 10,965,177</u> | <u>\$ 245,032</u> | <u>\$ 11,210,209</u> |

TOWNSHIP OF LEYDEN, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED MARCH 31, 2025

| | Sewer and Water Fund | Special Refuse Collection Fund | Total |
|---|---------------------------------|---|---------------------|
| Cash flows from operating activities | | | |
| Cash received from customers | \$ 4,674,500 | \$ 606,675 | \$ 5,281,175 |
| Cash payments for goods and services | (4,489,800) | (455,126) | (4,944,926) |
| Cash payments to employees | (17,672) | - | (17,672) |
| Net cash provided (used) in operating activities | <u>167,028</u> | <u>151,549</u> | <u>318,577</u> |
| Cash flows from noncapital financing activities | | | |
| Interfund transfers paid | - | - | - |
| Interfund borrowing | 16,598 | (97,043) | (80,445) |
| Net cash provided (used) in noncapital financing activities | <u>16,598</u> | <u>(97,043)</u> | <u>(80,445)</u> |
| Cash flows from capital financing activities | | | |
| Purchase of capital assets | (1,654,971) | - | (1,654,971) |
| Sale of property | 2,075 | - | 2,075 |
| Grants received | 3,300,000 | - | 3,300,000 |
| Interest paid on capital debt | (24,444) | - | (24,444) |
| Principal paid on capital debt | (114,566) | - | (114,566) |
| Net cash provided (used) in capital financing activities | <u>1,508,094</u> | <u>-</u> | <u>1,508,094</u> |
| Cash flows from investing activities | | | |
| Interest earnings | 8,552 | - | 8,552 |
| Net cash provided (used) in investing activities | <u>8,552</u> | <u>-</u> | <u>8,552</u> |
| Net increase in cash | <u>1,700,272</u> | <u>54,506</u> | <u>1,754,778</u> |
| Cash, beginning of year | 2,959,882 | - | 2,959,882 |
| Cash, end of year | <u>\$ 4,660,154</u> | <u>\$ 54,506</u> | <u>\$ 4,714,660</u> |
| Reconciliation of operating income (loss) to net cash provided by (used in) operating activities | | | |
| Operating income | \$ (8,754) | \$ 245,032 | \$ 236,278 |
| Adjustments to reconcile operating income to net cash provided by (used in) operating activities: | | | |
| Depreciation | 279,854 | - | 279,854 |
| (Increase)/decrease in accounts receivable | 23,679 | (93,483) | (69,804) |
| Increase in unearned revenue | (5,273) | - | (5,273) |
| Decrease in prepaid assets | (35,462) | - | (35,462) |
| Decrease in accrued payroll | 2,127 | - | 2,127 |
| Increase in compensated absences | 92,397 | - | 92,397 |
| Increase in net pension liability | (83,982) | - | (83,982) |
| Net increase in deferred inflows and outflows related to IMRF | 102,417 | - | 102,417 |
| Increase in total OPEB liability | (121,664) | - | (121,664) |
| Increase in accounts payable | (70,811) | - | (70,811) |
| Decrease in deposits payable | (7,500) | - | (7,500) |
| Total adjustments | <u>175,782</u> | <u>(93,483)</u> | <u>82,299</u> |
| Net cash provided by operating activities | <u>\$ 167,028</u> | <u>\$ 151,549</u> | <u>\$ 318,577</u> |

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Township of Leyden, Illinois (the Township), as reflected in the accompanying financial statements for the year ended March 31, 2025, conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the significant accounting policies.

Reporting Entity

The Township's reporting entity includes the Township's governing board and any related organizations for which the Township exercises oversight responsibility.

The basic, but not the only, criteria for including a separately administered organization within the reporting entity is the Township's ability to exercise oversight responsibility. Oversight responsibility is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing board. Based on the foregoing criteria, the Township does not exercise oversight responsibility over any other entity and, thus, does not include other entities in the Township's financial statements except as described in the Blended Component Units section below.

Basis of Presentation

The Township's financial statements consist of township-wide statements, including a statement of net position, statement of activities, and fund financial statements, which provide a more detailed level of financial information. The township-wide focus is more on the sustainability of the Township as an entity and the change in aggregate financial position resulting from activities of the fiscal period.

Blended Component Units

On May 25, 2020, the Leyden Community Food Pantry was created. On November 2, 2023, the name of the organization was changed to the Leyden Township Community Foundation. While the Foundation is legally separate, it is presented as a blended component unit of the Township. The purpose of the Foundation is to raise funds for the provision of a food pantry, clothes, toiletries, household essentials, holiday gifts, grants, scholarships, and other beneficial services to residents and charitable nonprofits located in the Township. The Pantry is to have a board of directors consisting of a minimum of three directors and a maximum of five directors. Except for the Township Supervisor and Clerk, the directors shall be elected for a term of one year and elections are to be held at an annual meeting of the Board of Directors by an affirmative vote of a majority of the directors then in office, and each shall continue in office until his/her successor is elected or qualified.

Township-Wide Financial Statements

The statement of net position and the statement of activities display information about the Township as a whole. In the township-wide statement of net position, the governmental and business-type activities are presented on a consolidated basis. These statements include the financial activities of the primary government. The effect of interfund activity has been removed from these statements. The township-

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

wide statement of activities reflects both the direct expenses and the net cost of each function of the Township's governmental and business-type activities.

Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the Township, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function is self-financing or draws from the general revenues of the Township.

Fund Financial Statements

The financial transactions of the Township are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and presented as nonmajor funds.

Measurement Focus and Basis of Accounting

Township-Wide Financial Statements

The township-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the balance sheet and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized when earned, if measurable, and expenses are recognized as incurred, regardless of the timing of related cash flows.

The Township has reported three categories of program revenues in the statement of activities: (1) charges for services, (2) program-specific operating grants and contributions, and (3) program-specific capital grants and contributions. Program revenues are derived directly from the program itself or from external sources, such as the State of Illinois; they reduce the net cost of each function to be financed from the Township's general revenues. For identifying the function to which program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

Eliminations have been made in the statement of net position to remove the "grossing up" effect on assets and liabilities within the governmental activities column for amounts reported in the individual funds as interfund receivables and payables and advances. Similarly, operating transfers between funds have been eliminated in the statement of activities.

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, the Township's policy is to apply restricted resources first, then unrestricted resources as needed.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

For this purpose, the Township considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues susceptible to accrual at the end of the year include real estate and personal property replacement taxes. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Differences occur from the manner in which the governmental activities and the township-wide financial statements are prepared due to the inclusion of capital asset and long-term debt activity. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the township-wide statements and the statements for governmental funds.

The Township reports the following major governmental funds:

General Fund is the general operating fund of the Township. The General Fund is used to account for all revenues and expenditures applicable to the general operations of the Township's government that are not properly accounted for in another fund.

Road and Bridge Fund is a special revenue fund used to account for all revenues and expenditures applicable to the upkeep, repair, and administration of the Township's roads. It is funded primarily through property taxes and personal property replacement taxes.

Building and Equipment Fund is a special revenue fund used to account for all revenue used to fund capital improvements, acquisitions, and renovations to the Township's equipment and buildings. It is funded primarily through property taxes.

General Assistance Fund is a special revenue fund used to account for all revenues and expenditures applicable to assisting Township residents with economic assistance based upon need. It is primarily funded with property tax revenues.

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Community Foundation Fund is a blended component unit of the Township and is reported as a special revenue fund. The main objective of the fund is to collect grant and contribution revenues to provide food pantry services, clothes, toiletries, household essentials, holiday gifts, scholarships, and other beneficial services to residents and charitable nonprofits located within the Township.

Capital Fund is a capital projects fund used to account for all revenues, other financing sources, and expenditures applicable to constructing new buildings and acquiring new equipment and property. It is also used to report balances related to remaining bond proceeds being used to loan funding to a developer for the construction of a senior citizen apartment complex. The fund is primarily funded with bond proceeds and transfers from other funds.

The Community Foundation Fund was previously reported as a nonmajor fund in the prior year but is now reported as a major fund in the current year. The Capital Fund is a new fund reported by the Township for the year ended March 31, 2025.

Proprietary Funds

Proprietary funds are used to account for the ongoing operations and activities, which are similar to those often found in the private sector. The measurement focus is upon determination of net income on the accrual basis of accounting.

The Township's proprietary funds are classified as enterprise funds and are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the Township Board has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The Township reports the following major proprietary funds:

Sewer and Water Fund is a proprietary fund that accounts for the provision of water and sewer services to residents and businesses located within the Township. It is primarily financed by user fees.

Special Refuse Collection Fund is a proprietary fund that accounts for the provision of refuse services to residents and businesses located within the Township. It is primarily financed by user fees.

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Investments

For the purposes of cash flows, the Township considers cash and investments with an original maturity of less than 90 days to be cash equivalents. Cash and equivalents consisted of checking and money market accounts at financial institutions. Investments are stated at fair value.

Short-Term Interfund Receivable/Payables

During the course of operation, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “interfund receivable” or “interfund payable” on the balance sheet.

Capital Assets

Capital assets, which include property, equipment, and infrastructure assets (e.g., roads, bridges, and similar items) are reported in the applicable governmental columns in the township-wide financial statements. Capital assets are defined by the Township as assets with a useful life of more than one year and an initial individual cost of \$5,000 or more.

All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their acquisition value on the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

All reported capital assets except land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

| | |
|------------------------|-------------|
| Land improvements | 20 years |
| Building | 50 years |
| Vehicles and equipment | 10 years |
| Infrastructure | 15-75 years |

Property Taxes

The Township’s policy is to record property taxes receivable when they have been levied. Taxes levied are intended to be used as received by the Township. Property taxes attach as an enforceable lien on January 1. Taxes are levied in December and extended in March subsequent to the calendar year to which they apply and are usually payable in installments on or around March 1 and September 1 (the second installment of the 2024 property tax levy will be December 15, 2025) in the year they are extended. The property tax revenue recorded in the financial statements represents approximately half of the 2023 and half of the 2024 property tax levies. An allowance for uncollectible property taxes has been recorded at

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

March 31, 2025, based upon review of current accounts outstanding and historical trends. The allowance for uncollectable property taxes is netted with the receivable balances as applicable; therefore, the statements reflect the net collectible balance. The amount of the allowance recorded at March 31, 2025 by fund is as follows:

| | |
|------------------------|------------------|
| General | \$ 49,581 |
| Road and Bridge | 26,419 |
| Building and Equipment | 8,768 |
| General Assistance | <u>3,738</u> |
| Total | <u>\$ 88,506</u> |

Unearned Revenue

The Township reports unearned revenues on its financial statements. Unearned revenues arise when resources are received by the Township before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when the Township has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet or statement of net position and revenue is recognized.

Deferred Inflows of Resources and Deferred Outflows of Resources

In addition to assets and liabilities, the balance sheet will sometimes report separate sections for deferred inflows of resources and deferred outflows of resources. As a separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Township has two such types of items related to property taxes and pensions. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available since that is the period that they are intended to finance. Additionally, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time. The Township has one such type item related to pensions.

Compensated Absences

GASB Statement No. 101, *Compensated Absences*, requires that liabilities be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. GASB Statement No. 101 establishes guidance for measuring a liability that has not been used, generally using an employee's pay rate as of the date of the financial statements. In addition, certain salary-related payments that are

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

directly and incrementally associated with the payments for leave should be included in the measurement of the liability.

Employees are encouraged to use their paid vacation leave during the calendar year for which vacation leave is earned. However, eligible employees are permitted to carry over a maximum of 10 vacation days to the following calendar year. Non-probationary full time employees with one year or more of continuous service, as of January 1, are allowed a total of 8 sick leave days per calendar year. Each employee is entitled to three personal days each calendar year. In the event an employee leaves, retires, or is dismissed, the Township will pay out all earned but unused vacation leave for the current year at their current rate of pay on a pro rata basis based upon one-twelfth of the year's allotted vacation time for each full calendar month that the employee was in pay status for the year. Additionally, sick time is paid at \$25 per day.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 - NET POSITION AND FUND BALANCES

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Township or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

In order to show compliance with GASB Statement No. 54, *Fund Balance Reporting and Government Fund Type Definitions*, the components of the fund balance include the following line items:

- a. Nonspendable - includes fund balance that is inherently nonspendable, such as portions of net resources that cannot be spent because of their form and portions of net resources that cannot be spent because they must be maintained intact.
- b. Restricted - has externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other governments as well as limitations imposed by law through constitutional provision or enabling legislation.
- c. Committed - has self-imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level to remove (an ordinance). For the Township, the Board of Trustees is the highest level

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 2 - NET POSITION AND FUND BALANCES (Continued)

of decision making. As of March 31, 2025, the Township does not have any commitments of fund balance.

- d. Assigned - has limitations resulting from intended use consisting of amounts where the intended use is established by the Board of Trustees or by an official designated for that purpose. The Board of Trustees has not designated any members of management for this purpose nor has it adopted a specific policy granting members of management the authority to assign fund balance. Despite the lack of a formal policy, the Township Supervisor assigned \$100,000 for future capital purchases as of March 31, 2025.
- e. Unassigned - is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance.

If there is an expenditure incurred for purposes for which both restricted and unrestricted fund balance is available, the Township will consider restricted fund balance to have been spent before unrestricted fund balance. Further, if there is an expenditure incurred for purposes for which committed, assigned, or unassigned fund balance classifications could be used, then the Township will consider committed fund balance to be spent before assigned fund balance, and consider assigned fund balance to be spent before unassigned fund balance.

The Township does not have a minimum fund balance policy.

As of March 31, 2025, no funds had a deficit fund balance.

NOTE 3 - DEPOSITS AND INVESTMENTS

Cash

The carrying amount of cash was \$31,990,009 at March 31, 2025, while the bank balances were \$32,354,898.

Investments

Illinois Statutes authorized the Township to invest in commercial banks, savings and loan institutions, credit union shares, obligations of the U.S. Treasury and U.S. agencies, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Money Market. As of March 31, 2025, the Township has no monetary instruments labeled as investments held at financial institutions.

Interest Rate Risk

The Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

Credit Risk

The Township's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Custodial Credit Risk

For cash and investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its cash, investments or collateral securities that are in the possession of an outside party. The Township had \$26,906 in cash balances that were not fully collateralized as of March 31, 2025. All uncollateralized balances were related to the Community Foundation Fund, the blended component unit of the Township. Collateralization arrangements are anticipated to be in place in December 2025 to collateralize Community Foundation Fund cash balances in the future.

Concentration of Credit Risk

The Township places no limit on the amount the Township may invest in any one issuer. The Township does not have any investments.

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 4 - CAPITAL ASSETS

A summary of changes in the Township’s capital assets for governmental activities for the period from April 1, 2024 through March 31, 2025 is as follows:

| | Balance at April 1, 2024 | Increase | Decrease | Balance at March 31, 2025 |
|---|-----------------------------|---------------------|-----------------------|------------------------------|
| Governmental activities: | | | | |
| Capital assets not being depreciated: | | | | |
| Construction in Progress | \$ 4,965,642 | \$ 535,883 | \$ (4,633,948) | \$ 867,577 |
| Land | 1,278,355 | 3,728,098 | - | 5,006,453 |
| Subtotal | <u>6,243,997</u> | <u>4,263,981</u> | <u>(4,633,948)</u> | <u>5,874,030</u> |
| Capital assets being depreciated: | | | | |
| Infrastructure | 5,514,210 | - | - | 5,514,210 |
| Vehicles | 2,168,163 | - | (123,783) | 2,044,380 |
| Land improvements | 3,757,942 | 1,725,044 | - | 5,482,986 |
| Buildings | 5,822,363 | 110,815 | - | 5,933,178 |
| Equipment | 1,823,311 | 818,571 | (121,332) | 2,520,550 |
| Subtotal | <u>19,085,989</u> | <u>2,654,430</u> | <u>(245,115)</u> | <u>21,495,304</u> |
| Accumulated depreciation | | | | |
| Infrastructure | (2,320,602) | (199,600) | - | (2,520,202) |
| Vehicles | (1,338,801) | (167,821) | 123,783 | (1,382,839) |
| Land improvements | (1,367,099) | (246,116) | - | (1,613,215) |
| Buildings | (2,296,278) | (174,404) | - | (2,470,682) |
| Equipment | (1,123,930) | (208,731) | 121,332 | (1,211,329) |
| Subtotal | <u>(8,446,710)</u> | <u>(996,672)</u> | <u>245,115</u> | <u>(9,198,267)</u> |
| Total capital assets being depreciated, net | <u>10,639,279</u> | <u>1,657,758</u> | <u>-</u> | <u>12,297,037</u> |
| Governmental activities capital assets, net | <u>\$ 16,883,276</u> | <u>\$ 5,921,739</u> | <u>\$ (4,633,948)</u> | <u>\$ 18,171,067</u> |

Depreciation expense for the Township’s governmental activities was charged to governmental functions as follows:

| | |
|------------------------|-------------------|
| General government | \$ 419,707 |
| Culture and recreation | 197,423 |
| Highway and streets | <u>379,542</u> |
| Total | <u>\$ 996,672</u> |

During the fiscal year, the Township contributed property in the amount of \$1,289,692 to a developer, for the construction of apartments for senior citizens. This amount is reported as special item for governmental activities in the Statement of Activities.

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 4 - CAPITAL ASSETS (Continued)

A summary of changes in the Township’s capital assets for business-type activities for the period from April 1, 2024 through March 31, 2025 is as follows:

| | Balance at April 1, 2024 | Increase | Decrease | Balance at March 31, 2025 |
|--|-----------------------------|---------------------|-------------|------------------------------|
| Business-type activities: | | | | |
| Capital assets being depreciated: | | | | |
| Vehicles | \$ 286,114 | \$ - | \$ - | \$ 286,114 |
| Equipment | 538,275 | 12,148 | - | 550,423 |
| Infrastructure | 12,898,134 | 1,642,822 | - | 14,540,956 |
| Subtotal | <u>13,722,523</u> | <u>1,654,970</u> | <u>-</u> | <u>15,377,493</u> |
| Accumulated depreciation | | | | |
| Vehicles | (233,535) | (9,154) | - | (242,689) |
| Equipment | (309,899) | (29,122) | - | (339,021) |
| Infrastructure | (6,075,546) | (241,578) | - | (6,317,124) |
| Subtotal | <u>(6,618,981)</u> | <u>(279,854)</u> | <u>-</u> | <u>(6,898,835)</u> |
| Total capital assets being depreciated, net | <u>7,103,543</u> | <u>1,375,116</u> | <u>-</u> | <u>8,478,659</u> |
| Business-type activities capital assets, net | <u>\$ 7,103,543</u> | <u>\$ 1,375,116</u> | <u>\$ -</u> | <u>\$ 8,478,659</u> |

Depreciation expense for the Township’s business-type activities was charged to the sewer and water function.

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 5 - INTERFUND BALANCES

Interfund receivables and payables recorded in the balance sheet – governmental funds and the statement of net position – proprietary fund are as follows:

| | <u>Due From</u> | <u>Due To</u> |
|--------------------------------------|---------------------|---------------------|
| General fund: | | |
| Building and Equipment fund | \$ - | \$ 1,460,000 |
| Road and Bridge fund | - | 46,768 |
| General Assistance fund | - | 14,130 |
| Community Foundation fund | 2,011 | - |
| Sewer and Water fund | - | 79,398 |
| Total Road and Bridge fund | <u>2,011</u> | <u>1,600,296</u> |
| Road and Bridge fund: | | |
| General fund | 46,768 | - |
| Building and Equipment fund | - | 159,245 |
| Sewer and Water fund | 17,034 | - |
| Total Road and Bridge fund | <u>63,802</u> | <u>159,245</u> |
| Building and Equipment fund: | | |
| General fund | 1,460,000 | - |
| Road and Bridge fund | 159,245 | - |
| Total Building and Equipment fund | <u>1,619,245</u> | <u>-</u> |
| General Assistance fund: | | |
| General fund | 14,130 | - |
| Total General Assistance fund | <u>14,130</u> | <u>-</u> |
| Community Foundation fund: | | |
| General fund | - | 2,011 |
| Total Community Foundation fund | <u>-</u> | <u>2,011</u> |
| Sewer and Water fund: | | |
| General fund | 79,398 | - |
| Road and Bridge fund | - | 17,034 |
| Special Refuse Collection fund | - | 97,043 |
| Total Sewer and Water fund | <u>79,398</u> | <u>114,077</u> |
| Special Refuse Collection fund: | | |
| Sewer and Water fund | 97,043 | - |
| Total Special Refuse Collection fund | <u>97,043</u> | <u>-</u> |
| Total all funds | <u>\$ 1,875,629</u> | <u>\$ 1,875,629</u> |

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 5 - INTERFUND BALANCES (Continued)

All interfund balances are expected to be repaid in the next fiscal year. The interfunds primarily were the result of expenditures of one fund being paid for by another as well as revenues collected by one fund and being owed to another. The main example of revenue collections on behalf of another fund is the road and bridge fund collecting the property taxes of the building and equipment fund.

Interfund transfers recorded in the statement of revenues, expenditures, and changes in fund balances – governmental funds are as follows:

| | <u>Transfer In</u> | <u>Transfer Out</u> |
|---------------------------------|--------------------|---------------------|
| General fund: | | |
| Capital fund | \$ - | \$ 100,000 |
| Community Foundation fund | - | 50,000 |
| Total General fund | <u>-</u> | <u>150,000</u> |
| Capital fund: | | |
| General fund | <u>100,000</u> | - |
| Total Capital fund | <u>100,000</u> | <u>-</u> |
| Community Foundation fund: | | |
| General fund | <u>50,000</u> | - |
| Total Community Foundation fund | <u>50,000</u> | <u>-</u> |
| Total all funds | <u>\$ 150,000</u> | <u>\$ 150,000</u> |

The transfers above were a result of the General fund transferring money to the newly created Capital fund for future capital expenditures and a grant of funds from the General fund to the Community Foundation fund as determined by the annual budget.

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 6 - LONG-TERM LIABILITIES

A summary of changes for the Township’s long-term debt for the period April 1, 2024 through March 31, 2025 are as follows:

| | Governmental Activities | | | | |
|---|--------------------------|----------------------|---------------------|---------------------------|------------------------|
| | Balance April 1, 2024 | Additions | Retirements | Balance March 31, 2025 | Due Within One Year |
| General Obligation Bonds (Alternate Revenue Source), Series 2024A | \$ - | \$ 4,815,000 | | \$ 4,815,000 | \$ - |
| Taxable General Obligation Bonds (Alternate Revenue Source), Series 2024B | - | 13,610,000 | | 13,610,000 | - |
| Bond Premium, Series 2024A | - | 250,476 | - | 250,476 | - |
| Compensated absences | 28,625 | 142,744 | - | 171,369 | 148,611 |
| Net pension liability - IMRF | 1,217,398 | - | (153,390) | 1,064,008 | - |
| OPEB liability | 1,753,980 | - | (185,903) | 1,568,077 | 191,192 |
| Totals | \$ 3,000,003 | \$ 18,818,220 | \$ (339,293) | \$ 21,478,930 | \$ 339,803 |

| | Business-Type Activities | | | | |
|------------------------------|--------------------------|------------------|---------------------|---------------------------|------------------------|
| | Balance April 1, 2024 | Additions | Retirements | Balance March 31, 2025 | Due Within One Year |
| IEPA Loan | \$ 1,799,384 | \$ - | \$ (114,566) | \$ 1,684,818 | \$ 116,285 |
| Compensated absences | 7,983 | 92,397 | - | 100,380 | 87,050 |
| Net pension liability - IMRF | 666,025 | - | (83,982) | 582,043 | - |
| OPEB liability | 571,045 | - | (121,664) | 449,381 | 54,778 |
| Totals | \$ 3,044,437 | \$ 92,397 | \$ (320,212) | \$ 2,816,622 | \$ 258,113 |

Current Year Issuances

On December 19, 2024, the Township issued General Obligation Bonds (Alternate Revenue Source, Series 2024A in the amount of \$4,815,000 and Taxable General Obligation Bonds (Alternate Revenue Source), Series 2024B in the amount of \$13,610,000. The Series 2024A bond proceeds are to be used to pay for the costs of the Township’s Senior Center project that consists of the construction of a one-story, 5,500 square foot facility to be owned and operated by the Township so that senior services can be provided. The bonds have a maturity date of December 1, 2054, and have an interest rate of 5.0%. The Township recognized a premium on the sale of the bonds in the amount of \$250,476, that will be amortized over the life of the bonds.

The Series 2024B bond proceeds are to be used to pay a portion of the costs of the Senior Living project, which consists of the construction of a four-story, 77,628 square foot residential building for seniors aged 62 and over. The building will contain 80 units and 78 parking spaces. The building will be owned and operated by Leyden Apartments LP and managed by Evergreen Real Estate Services LLC. The proceeds of

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 6 - LONG-TERM LIABILITIES (Continued)

the bond will be loaned to Leyden Apartments LP for the payment of a portion of construction costs. Funds received by the Township from the repayment of the promissory note by Leyden Apartments LP will be lawfully available for, but not pledged to, the payment of debt services on the 2024B bonds. For more information on the promissory note, please see Note 8 to the financial statements. The bonds will have a maturity date of December 1, 2050 and have interest rates of 4.88% to 5.36%.

Aggregate principal and interest requirements to maturity for the General Obligation Bonds by year for the Township are as follows:

| <u>Fiscal Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------|----------------------|----------------------|----------------------|
| 2026 | \$ - | \$ 927,205 | \$ 927,205 |
| 2027 | - | 976,005 | 976,005 |
| 2028 | 305,000 | 976,005 | 1,281,005 |
| 2029 | 320,000 | 961,109 | 1,281,109 |
| 2030 | 335,000 | 945,406 | 1,280,406 |
| 2031-2035 | 1,935,000 | 4,459,838 | 6,394,838 |
| 2036-2040 | 2,495,000 | 3,903,441 | 6,398,441 |
| 2041-2045 | 3,245,000 | 3,153,751 | 6,398,751 |
| 2046-2050 | 4,255,000 | 2,145,614 | 6,400,614 |
| 2051-2055 | 5,535,000 | 862,056 | 6,397,056 |
| Totals | <u>\$ 18,425,000</u> | <u>\$ 19,310,430</u> | <u>\$ 37,735,430</u> |

Compensated Absences

The Township has recorded \$171,369 and \$100,380 in the governmental activities and business-type activities, respectively, for accumulated vacation benefits and sick time earned, but not yet used. The governmental activities amount will be paid from the General, Road and Bridge, and General Assistance funds. The business-type amount is recorded in the Sewer and Water Fund and is expected to be paid from this fund. The change in compensated absences is shown as a net amount.

IEPA Loan Payable

The Township entered into a loan agreement with the Illinois Environmental Protection Agency on October 1, 2013, in order to build a new pump station. The loan carries an interest rate of 1.93% and will mature on June 1, 2034. The loan agreement was amended on January 28, 2015 to increase the maximum loan amount by \$227,365. As of March 31, 2025, the amount of loan principal to be repaid by the Township is \$667,776.

The Township entered into an additional loan agreement with the Illinois Environmental Protection Agency on May 4, 2021, in order to install 6-inch water main. The loan carries an interest rate of 1.01% and will mature on November 30, 2041. As of March 31, 2025, the amount of loan principal to be repaid by the Township is \$1,017,042.

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 6 - LONG-TERM LIABILITIES (Continued)

The combined payment schedule of the loans at March 31, 2025 is as follows:

| <u>Fiscal Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------|---------------------|-------------------|---------------------|
| 2026 | \$ 116,285 | \$ 22,725 | \$ 139,010 |
| 2027 | 118,029 | 20,981 | 139,010 |
| 2028 | 119,803 | 19,207 | 139,010 |
| 2029 | 121,605 | 17,406 | 139,011 |
| 2030 | 123,436 | 15,574 | 139,010 |
| 2031-2035 | 645,689 | 49,375 | 695,064 |
| 2036-2040 | 311,083 | 15,214 | 326,297 |
| 2041-2042 | <u>128,888</u> | <u>1,631</u> | <u>130,519</u> |
| Totals | <u>\$ 1,684,818</u> | <u>\$ 162,113</u> | <u>\$ 1,846,931</u> |

NOTE 7 – SHORT TERM DEBT

On October 21, 2021, the Township entered into a line of credit agreement with Wintrust Bank in the amount of \$2,500,000 to be used to pay off the line of credit with Parkway Bank. A total of \$1,405,657 was drawn against the Wintrust Bank line of credit to pay off the Parkway Bank line of credit for both principal borrowed and interest accrued. The line had been renewed annually and had an expiration date of October 21, 2024. The total amount of the line of credit is \$2,000,000 and the interest rate was 5.15%. On October 22, 2024, the Township paid off the outstanding principal and associated interest. The Township does not have any open lines of credit as of March 31, 2025.

NOTE 8 – NOTE RECEIVABLE

On December 19, 2024, the Township entered into an agreement with Leyden Apartments, LP, for a promise to pay the principal sum of \$13,385,571. The Township, using proceeds from the Series 2024B bonds discussed in Note 6, is lending funds to Leyden Apartments, LP to provide a portion of funding needed to construct the residential building to house senior citizens. The note bears an interest rate of 1.5% annually compounding interest. The outstanding principal and interest of this note is due and payable on December 1, 2067. The proceeds will be provided by the Township to Leyden Apartments, LP, on a draw basis after such requests are approved by Bank of America, N.A., the senior lender, pursuant to a construction loan escrow agreement. As of March 31, 2025, the amount provided by the Township for partial funding of construction is \$4,228,550.

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 9 - DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund

Plan Description

The Township contributes to one defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system. 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 report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. The report can be obtained online at www.imrf.org.

Below is aggregate information related to the pension plan in total reported by the Township as of and for the year ended March 31, 2025:

| | |
|--|-------------------------|
| Total Pension Liability | \$ 23,981,275 |
| Plan Fiduciary Net Position | <u>22,335,224</u> |
| Township's net pension liability/(asset) | <u><u>1,646,051</u></u> |
| | |
| Deferred Inflows of Resources | \$ 74,039 |
| Deferred Outflows of Resources | 860,430 |
| Pension Expense | 615,433 |

General Information about the Pension Plan

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. 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 members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Township is required to contribute the remaining amounts necessary to fund the IMRF as specified by statute. The employer contribution for the year ended December 31, 2024 was 11.74% of covered payroll. The employer annual required contribution rate for calendar year 2024 was 11.74%.

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 9 - DEFINED BENEFIT PENSION PLAN (Continued)

At December 31, 2024, the following employees were covered by the benefit terms:

| | <u>IMRF</u> |
|-------------------------------|-------------|
| Retirees and Beneficiaries | 75 |
| Inactive, Non-retired Members | 77 |
| Active Members | <u>61</u> |
| Total | 213 |

Net Pension Liability

The Township's net pension liability for the IMRF plan was measured as of December 31, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions: The total pension liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|----------------------------|--|
| Actuarial Cost Method: | Entry Age Normal |
| Asset Valuation Method: | Market Value of Assets |
| Price Inflation: | 2.25% |
| Salary Increases: | 2.85% to 13.75% including inflation |
| Investment Rate of Return: | 7.25% |
| Retirement Age: | 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. |
| Mortality: | 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. |

There were no benefit changes during the year.

Long Term Expected Rate of Return: 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

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 9 - DEFINED BENEFIT PENSION PLAN (Continued)

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:

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long Term Expected Rate of Return</u> |
|-------------------------|--------------------------|--|
| Domestic Equity | 33.5% | 4.35% |
| International Equity | 18.0% | 5.40% |
| Fixed Income | 24.5% | 5.20% |
| Real Estate | 10.5% | 6.40% |
| Alternative Investments | 12.5% | 4.85-6.25% |
| Cash Equivalents | <u>1.0%</u> | 3.60% |
| | <u>100%</u> | |

Single Discount Rate: A Single Discount Rate of 7.25% was used to measure the total pension liability. 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 4.08%, and the resulting single discount rate is 7.25%.

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 9 - DEFINED BENEFIT PENSION PLAN (Continued)

Changes in the Net Pension Liability

| | Increase (Decrease) | | |
|--|-----------------------------------|---------------------------------------|---|
| | Total Pension Liability (A) | Plan Fiduciary Net Position (B) | Net Pension Liability/(Asset) (A) - (B) |
| Balances at December 31, 2023 | \$ 22,942,525 | \$ 21,059,102 | \$ 1,883,423 |
| Changes for the year: | | | |
| Service Cost | 296,295 | - | 296,295 |
| Interest on the Total Pension Liability | 1,628,761 | - | 1,628,761 |
| Changes of Benefit Terms | - | - | - |
| Differences Between Expected and Actual Experience of the Total Pension Liability | 363,705 | - | 363,705 |
| Changes of Assumptions | - | - | - |
| Contributions - Employer | - | 422,228 | (422,228) |
| Contributions - Employees | - | 161,852 | (161,852) |
| Net Investment Income | - | 2,119,649 | (2,119,649) |
| Benefit Payments, including Refunds of Employee Contributions | (1,250,011) | (1,250,011) | - |
| Other (Net Transfer) | - | (177,596) | 177,596 |
| Net Changes | 1,038,750 | 1,276,122 | (237,372) |
| Township Balances at December 31, 2024 | <u>\$ 23,981,275</u> | <u>\$ 22,335,224</u> | <u>\$ 1,646,051</u> |

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

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

| | 1% Decrease (6.25%) | Current Discount Rate (7.25%) | 1% Increase (8.25%) |
|------------------------------------|------------------------|-------------------------------------|------------------------|
| IMRF Net Pension Liability/(Asset) | \$ 4,635,697 | \$ 1,646,051 | \$ (697,514) |

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 9 - DEFINED BENEFIT PENSION PLAN (Continued)

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

For the year ended March 31, 2025, the Township recognized pension expense of \$615,433 related to IMRF. At March 31, 2025, the Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| Differences between expected and actual experience | \$ 225,182 | \$ 72,461 |
| Changes of assumptions | - | 1,578 |
| Net difference between projected and actual earnings on pension plan investments | <u>523,012</u> | <u>-</u> |
| Total Deferred Amounts to be recognized in pension expense in future periods | 748,194 | 74,039 |
| Pension Contributions made subsequent to the Measurement Date | <u>112,236</u> | <u>-</u> |
| Total Deferred Amounts Related to Pensions | <u><u>\$ 860,430</u></u> | <u><u>\$ 74,039</u></u> |

Pension contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability (increase in the net pension asset) in the following fiscal year.

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

| Year Ended <u>March 31</u> | |
|-------------------------------|------------|
| 2026 | \$ 343,172 |
| 2027 | 741,717 |
| 2028 | (286,044) |
| 2029 | (124,690) |
| 2030 | - |
| Thereafter | - |

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 10 - RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. The Township also purchased its employee health and accident insurance from commercial carriers. The Township did not have any significant reduction in insurance coverage from coverage in the prior year and settlements did not exceed insurance coverage during the past three fiscal years.

NOTE 11 - POSTEMPLOYMENT HEALTHCARE BENEFITS

Plan Description

In addition to providing pension benefits, the Township offers post-employment health care insurance benefits (OPEB) for its eligible retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions, and employer contributions are governed by the Township and can be amended by the Township through its personnel manual. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the Township's General Fund and Sewer and Water Fund.

The Township offers post-employment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under IMRF.

All health care benefits are provided through the Township's health insurance plan. Retirees who retired under an early retirement incentive will have full cost of medical coverage paid by the Township. Spousal medical coverage ends should retiree coverage terminate. For current and future retirees, the Township will pay the full cost of single retiree coverage. Should the retiree elect dependent/family coverage, the Township will pay two-thirds of the cost difference between dependent and single coverage. Spousal coverage ends should retiree coverage terminate. Retirees may not continue Township sponsored health insurance in retirement past Medicare eligibility. For dental, vision and life insurance, the Township pays the full cost of single retiree coverage. Should the retiree elect dependent family coverage for dental, vision and life insurance, the Township will pay 2/3 the cost difference between dependent and single coverage. Coverage may not continue past Medicare eligibility and life insurance may not continue in retirement.

Previously, retirees aged 65 and under will be allowed to remain on Township health coverage through COBRA if retiring voluntarily. If retiring under an early retirement incentive (ERI) or with Board action, the Township would continue to pay for retiree only. Retirees under ERI or Board action were responsible for full cost of dependent coverage, which would not continue past Medicare eligibility, unless specified differently through Board action. All current retirees were retired under an ERI and would have the full cost of coverage covered by the Township. Eligible spouse/dependent coverage were allowed to continue if retiree coverage terminated under COBRA provisions when an applicable qualifying event occurred. The spouse/dependent would have been responsible for the full cost of coverage. Employees aged over 65 could not continue Township sponsored insurance in retirement past Medicare eligibility. Employees

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 11 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

retiring under an ERI or Board action could have kept dental and vision coverage and it would have been paid for by the Township. Retirees under ERI or Board action would have been responsible for paying costs of dependent coverage based upon the same discounted rates as employees, which was not allowed to continue past Medicare eligibility, unless specified differently through Board action. Employees could not continue Township life insurance in retirement.

Membership

At March 31, 2025, the membership consists of the following:

| | <u>OPEB</u> |
|---|------------------|
| Active Employees | 42 |
| Inactive employees currently receiving benefit payments | 6 |
| Inactive employees entitled to but not yet receiving benefit payments | <u>0</u> |
| Total | <u><u>48</u></u> |

Funding Policy

The Township does not have a funding policy for OPEB as the Total OPEB Liability is currently an unfunded obligation.

Funded Status and Funding Progress

As of April 1, 2025, the most recent actuarial valuation date, the plan was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$3,596,497.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend.

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 11 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

Changes In Net OPEB Liability

| | Increase (Decrease) | | |
|---|--------------------------------|----------------------------------|--|
| | Total OPEB Liability (A) | OPEB Plan Net Position (B) | Net OPEB Liability/(Asset) (A) - (B) |
| Balances Beginning at April 1, 2024 | \$ 2,325,025 | \$ - | \$ 2,325,025 |
| Changes for the year: | | | |
| Service Cost | 122,505 | - | 122,505 |
| Interest on the Total OPEB Liability | 79,233 | - | 79,233 |
| Differences Between Expected and Actual Experience of the Total OPEB Liability | (292,476) | - | (292,476) |
| Changes of Assumptions | 6,781 | - | 6,781 |
| Changes of Benefit Terms | - | - | - |
| Contributions - Employer | - | 223,609 | (223,609) |
| Contributions - Employees | - | - | - |
| Contributions - Other | - | - | - |
| Net Investment Income | - | - | - |
| Benefit Payments from Trust | (223,609) | (223,609) | - |
| Administrative Expense | - | - | - |
| Net Changes | (307,566) | - | (307,566) |
| Balances Ending at March 31, 2025 | <u>\$ 2,017,459</u> | <u>\$ -</u> | <u>\$ 2,017,459</u> |

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 11 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

Actuarial Methods and Assumptions

Actuarial Assumptions and Methods:

| | |
|---|---|
| Actuarial Valuation Date: | April 1, 2025 |
| Actuarial Cost Method: | Entry Age Normal |
| Discount Rate: | 4.45% |
| Long-Term Expected Rate of Return on Plan Assets: | N/A |
| Inflation Rate: | 2.50% |
| Total Payroll Increases: | 2.50% |
| Healthcare Cost Trend Rates: | 7.90% in fiscal year 2025, trending to 5% in fiscal year 2035 |
| Asset Valuation Method: | Market Value |
| Mortality: | PubG-2010(B) Improved Generationally using MP-2021 Improvement Rates, weighted per IMRF Experience Study Report dated January 4, 2024; Age 83 for Males, Age 88 for Females |

Discount Rate

The discount rate used to measure the total OPEB liability as of March 31, 2024 was 3.58%, which was a change from the discount rate of 4.45% that was used as of March 31, 2025. Since the Township of Leyden does not have a trust dedicated exclusively to the payment of OPEB benefits, the discount rate is based on a Bond Buyer 20-bond GO Index of 20 general obligation bonds maturing in 20 years with an average rating equivalent to Moody's Investors Service Aa2 rating and Standard & Poor's Corporation's AA rating.

Sensitivity of the Township's Total OPEB Liability to Changes in the Discount Rate

The following presents the Township's total OPEB liability, as well as what the Township's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.45%) or 1-percentage point higher (5.45%) than the current discount rate:

| | <u>1% Decrease (3.45%)</u> | <u>Current Discount Rate (4.45%)</u> | <u>1% Increase (5.45%)</u> |
|----------------------|--------------------------------|--|--------------------------------|
| Total OPEB Liability | \$ 2,131,315 | \$ 2,017,459 | \$ 1,910,747 |

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 11 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

Sensitivity of the Township’s Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the Township’s total OPEB liability, as well as what the Township’s total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage point lower (varies) or 1-percentage point higher (varies) than the current healthcare cost trend rate:

| | <u>1% Decrease</u> | <u>Healthcare Cost Trend Rates</u> | <u>1% Increase</u> |
|----------------------|--------------------|--|--------------------|
| Total OPEB Liability | \$ 1,874,949 | \$ 2,017,459 | \$ 2,182,002 |

OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB

For the year ended March 31, 2025, the Township recognized OPEB expense /(income) of \$83,957. The actuarial valuation was performed using the alternative measurement method and as a result, there were no deferred outflows or inflows reported.

NOTE 12 – MOTOR FUEL TAX

Annually, the Township receives an allotment of Motor Fuel Tax (MFT) money from the State of Illinois. This money is disbursed by the state to Cook County where it is held for pending projects approved by the Township Board. When the projects are approved by management, payment and accounting for the projects are done through Cook County. As of March 31, 2025, the County held \$1,560,779 in MFT money on behalf of the Township. These funds are not reflected in the financial statements of the Township.

NOTE 13 - NEW ACCOUNTING STANDARDS

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

GASB Statement No. 102, *Certain Risk Disclosures*, is effective for the Township for the fiscal year ended March 31, 2026. The Statement is to provide financial statement users of government financial statements with essential information about risks related to a government’s vulnerabilities due to certain concentrations and constraints.

GASB Statement No. 103, *Financial Reporting Model Improvements*, is effective for the Township for fiscal year ended March 31, 2027. The Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. The Statement also addresses certain application issues.

GASB Statement No. 104, *Disclosure of Certain Assets*, is effective for the Township for fiscal year ended March 31, 2027. The Statement’s objective is to provide users of government financial statements with essential information about certain types of capital assets. Certain types of capital assets will be required

TOWNSHIP OF LEYDEN, ILLINOIS

Notes to financial statements
March 31, 2025

NOTE 13 - NEW ACCOUNTING STANDARDS (Continued)

to be disclosed separately in the capital asset note disclosures such as lease assets, intangible right-to-use assets, subscription assets, and all other intangible assets. Additional disclosures for capital assets held for sale will also be required.

Management has not determined what impact, if any, these GASB statements may have on its financial statements.

NOTE 14 – CHANGE WITHIN FINANCIAL REPORTING ENTITY

In the current fiscal year, the Community Foundation Fund is now reported as a major governmental fund. In the prior fiscal year, the fund was reported as a nonmajor governmental fund. Below is a schedule detailing the effect of this change within financial reporting entity:

| | <u>Funds</u> | |
|---|--|--|
| | <u>Community Foundation Fund</u> | <u>Nonmajor Governmental Funds</u> |
| Fund Balance, 3/31/2024, as previously reported | \$ - | \$ 206,218 |
| Change from nonmajor to major fund classification | 206,218 | (206,218) |
| Fund Balance, 3/31/2025, as restated | <u>\$ 206,218</u> | <u>\$ -</u> |

REQUIRED SUPPLEMENTARY INFORMATION



TOWNSHIP OF LEYDEN, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED MARCH 31, 2025

| | General Fund | | |
|--|------------------------------|---------------------|--|
| | Original and Final Budget | Actual | Positive (Negative) Variance With Final Budget |
| Revenues | | | |
| Property taxes | \$ 4,593,545 | \$ 4,779,881 | \$ 186,336 |
| Other local taxes | 1,000,000 | 564,551 | (435,449) |
| Charges for services | 307,500 | 215,291 | (92,209) |
| Interest income | 20,000 | 15,015 | (4,985) |
| Grant revenue | 238,830 | 208,830 | (30,000) |
| Other revenue | 98,600 | 108,260 | 9,660 |
| Total revenues | <u>6,258,475</u> | <u>5,891,828</u> | <u>(366,647)</u> |
| Expenditures | | | |
| Current | | | |
| General administrative | 5,476,869 | 3,651,498 | 1,825,371 |
| Public health and welfare | 1,072,320 | 959,983 | 112,337 |
| Highway and streets | - | - | - |
| Culture and recreation | 3,444,500 | 2,947,040 | 497,460 |
| Capital outlay | 60,000 | 659,103 | (599,103) |
| Debt Service | | | |
| Interest | - | - | - |
| Total expenditures | <u>10,053,689</u> | <u>8,217,624</u> | <u>1,836,065</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(3,795,214)</u> | <u>(2,325,796)</u> | <u>1,469,418</u> |
| Other Financing Sources (Uses) | | | |
| Sale of property | 60,000 | - | (60,000) |
| Transfers out | - | (150,000) | (150,000) |
| Total other financing sources (uses) | <u>60,000</u> | <u>(150,000)</u> | <u>(210,000)</u> |
| Net Change in Fund Balance | <u>\$ (3,735,214)</u> | <u>(2,475,796)</u> | <u>\$ 1,259,418</u> |
| Fund Balance - Beginning of Year | | <u>5,082,662</u> | |
| Fund Balance - End of Year | | <u>\$ 2,606,866</u> | |

TOWNSHIP OF LEYDEN, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED MARCH 31, 2025

| | Road & Bridge Fund | | |
|--|------------------------------|---------------------|--|
| | Original and Final Budget | Actual | Positive (Negative) Variance With Final Budget |
| Revenues | | | |
| Property taxes | \$ 5,209,252 | \$ 2,759,249 | \$ (2,450,003) |
| Other local taxes | 478,000 | 331,361 | (146,639) |
| Charges for services | - | 11,889 | 11,889 |
| Interest income | 6,500 | 53,891 | 47,391 |
| Grant revenue | - | - | - |
| Other revenue | 50,800 | 17,277 | (33,523) |
| Total revenues | <u>5,744,552</u> | <u>3,173,667</u> | <u>(2,570,885)</u> |
| Expenditures | | | |
| Current | | | |
| General administrative | - | - | - |
| Public health and welfare | - | - | - |
| Highway and streets | 5,241,785 | 2,003,480 | 3,238,305 |
| Culture and recreation | - | - | - |
| Capital outlay | 260,000 | 128,620 | 131,380 |
| Debt Service | | | |
| Interest | <u>2,060,000</u> | <u>39,923</u> | <u>2,020,077</u> |
| Total expenditures | <u>7,561,785</u> | <u>2,172,023</u> | <u>5,389,762</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | | | |
| | <u>(1,817,233)</u> | <u>1,001,644</u> | <u>2,818,877</u> |
| Other Financing Sources (Uses) | | | |
| Sale of property | - | 52,725 | 52,725 |
| Transfers out | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>52,725</u> | <u>52,725</u> |
| Net Change in Fund Balance | <u>\$ (1,817,233)</u> | <u>1,054,369</u> | <u>\$ 2,871,602</u> |
| Fund Balance - Beginning of Year | | <u>4,478,938</u> | |
| Fund Balance - End of Year | | <u>\$ 5,533,307</u> | |

TOWNSHIP OF LEYDEN, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED MARCH 31, 2025

| | Building & Equipment Fund | | |
|--|--------------------------------------|---------------------|---|
| | Original and Final Budget | Actual | Positive (Negative) Variance With Final Budget |
| Revenues | | | |
| Property taxes | \$ 848,000 | \$ 917,639 | \$ 69,639 |
| Other local taxes | - | - | - |
| Charges for services | - | - | - |
| Interest income | 1,200 | 8,899 | 7,699 |
| Grant revenue | - | - | - |
| Other revenue | 5,000 | 7,942 | 2,942 |
| Total revenues | <u>854,200</u> | <u>934,480</u> | <u>80,280</u> |
| Expenditures | | | |
| Current | | | |
| General administrative | 600,680 | 37,183 | 563,497 |
| Public health and welfare | - | - | - |
| Highway and streets | - | - | - |
| Culture and recreation | - | - | - |
| Capital outlay | 150,000 | 275,005 | (125,005) |
| Debt Service | | | |
| Interest | - | - | - |
| Total expenditures | <u>750,680</u> | <u>312,188</u> | <u>438,492</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>103,520</u> | <u>622,292</u> | <u>518,772</u> |
| Other Financing Sources (Uses) | | | |
| Sale of property | - | - | - |
| Transfers out | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Change in Fund Balance | <u>\$ 103,520</u> | <u>622,292</u> | <u>\$ 518,772</u> |
| Fund Balance - Beginning of Year | | <u>2,672,414</u> | |
| Fund Balance - End of Year | | <u>\$ 3,294,706</u> | |

TOWNSHIP OF LEYDEN, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED MARCH 31, 2025

| | <u>General Assistance Fund</u> | | |
|---|--------------------------------------|---------------------|---|
| | <u>Original and Final Budget</u> | <u>Actual</u> | <u>Positive (Negative) Variance With Final Budget</u> |
| Revenues | | | |
| Property taxes | \$ 356,100 | \$ 393,686 | \$ 37,586 |
| Other local taxes | - | - | - |
| Charges for services | - | - | - |
| Interest income | 1,200 | 10,522 | 9,322 |
| Grant revenue | - | - | - |
| Other revenue | 1,000 | 4,808 | 3,808 |
| Total revenues | <u>358,300</u> | <u>409,016</u> | <u>50,716</u> |
| Expenditures | | | |
| Current | | | |
| General administrative | - | - | - |
| Public health and welfare | 371,497 | 191,294 | 180,203 |
| Highway and streets | - | - | - |
| Culture and recreation | - | - | - |
| Capital outlay | - | 2,757 | (2,757) |
| Debt Service | | | |
| Interest | - | - | - |
| Total expenditures | <u>371,497</u> | <u>194,051</u> | <u>177,446</u> |
| Excess (Deficiency) of Revenues | | | |
| Over (Under) Expenditures | <u>(13,197)</u> | <u>214,965</u> | <u>228,162</u> |
| Other Financing Sources (Uses) | | | |
| Sale of property | - | - | - |
| Transfers out | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Change in Fund Balance | <u>\$ (13,197)</u> | <u>214,965</u> | <u>\$ 228,162</u> |
| Fund Balance - Beginning of Year | | <u>1,259,256</u> | |
| Fund Balance - End of Year | | <u>\$ 1,474,221</u> | |

TOWNSHIP OF LEYDEN, ILLINOIS
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOWNSHIP NET PENSION LIABILITY AND RELATED RATIOS
MARCH 31, 2025

Last 10 Calendar Years

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|----------------------|----------------------|-----------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Total Pension Liability | | | | | | | | | | |
| Service cost | \$ 296,295 | \$ 277,062 | \$ 257,426 | \$ 271,512 | \$ 302,028 | \$ 294,666 | \$ 263,019 | \$ 272,599 | \$ 261,711 | \$ 263,600 |
| Interest | 1,628,761 | 1,604,090 | 1,530,884 | 1,408,519 | 1,368,950 | 1,290,556 | 1,196,546 | 1,184,542 | 1,137,355 | 1,130,434 |
| Changes of benefit terms | - | - | - | - | - | - | - | - | - | - |
| Differences between expected and actual experience | 363,705 | (277,005) | 494,740 | 1,161,681 | 50,803 | 283,682 | 612,380 | (18,624) | (27,792) | (533,509) |
| Changes of assumptions | - | (6,036) | - | - | (255,316) | - | 540,344 | (519,912) | (20,006) | 19,416 |
| Benefit payments, including refunds of member contributions | (1,250,011) | (1,284,858) | (1,281,406) | (1,012,344) | (798,519) | (784,069) | (778,505) | (729,016) | (766,570) | (766,372) |
| Net Change in Total Pension Liability | <u>1,038,750</u> | <u>313,253</u> | <u>1,001,644</u> | <u>1,829,368</u> | <u>667,946</u> | <u>1,084,835</u> | <u>1,833,784</u> | <u>189,589</u> | <u>584,698</u> | <u>113,569</u> |
| Total Pension Liability - Beginning | <u>22,942,525</u> | <u>22,629,272</u> | <u>21,627,628</u> | <u>19,798,260</u> | <u>19,130,314</u> | <u>18,045,479</u> | <u>16,211,695</u> | <u>16,022,106</u> | <u>15,437,408</u> | <u>15,323,839</u> |
| Total Pension Liability - Ending (a) | <u>\$ 23,981,275</u> | <u>\$ 22,942,525</u> | <u>\$ 22,629,272</u> | <u>\$ 21,627,628</u> | <u>\$ 19,798,260</u> | <u>\$ 19,130,314</u> | <u>\$ 18,045,479</u> | <u>\$ 16,211,695</u> | <u>\$ 16,022,106</u> | <u>\$ 15,437,408</u> |
| Plan Fiduciary Net Position | | | | | | | | | | |
| Contributions - employer | \$ 422,228 | \$ 339,774 | \$ 252,412 | \$ 305,386 | \$ 307,594 | \$ 213,086 | \$ 342,038 | \$ 319,605 | \$ 339,572 | \$ 266,815 |
| Contributions - member | 161,852 | 141,835 | 169,684 | 223,876 | 130,091 | 145,173 | 129,982 | 119,955 | 118,735 | 110,639 |
| Net investment income | 2,119,649 | 2,200,807 | (3,038,040) | 3,357,315 | 2,609,577 | 2,920,455 | (865,622) | 2,605,028 | 965,009 | 72,347 |
| Benefit payments, including refunds of member contributions | (1,250,011) | (1,284,858) | (1,281,406) | (1,012,344) | (798,519) | (784,069) | (778,505) | (729,016) | (766,570) | (766,372) |
| Other | (177,596) | 64,025 | 130,894 | (205,927) | 96,967 | 120,277 | 233,860 | (430,948) | 211,773 | (427,083) |
| Net Change in Fiduciary Net Position | <u>\$ 1,276,122</u> | <u>\$ 1,461,583</u> | <u>\$ (3,766,456)</u> | <u>\$ 2,668,306</u> | <u>\$ 2,345,710</u> | <u>\$ 2,614,922</u> | <u>\$ (938,247)</u> | <u>\$ 1,884,624</u> | <u>\$ 868,519</u> | <u>\$ (743,654)</u> |
| Plan Fiduciary Net Position - Beginning | <u>21,059,102</u> | <u>19,597,519</u> | <u>23,363,975</u> | <u>20,695,669</u> | <u>18,349,959</u> | <u>15,735,037</u> | <u>16,673,284</u> | <u>14,788,660</u> | <u>13,920,141</u> | <u>14,663,795</u> |
| Plan Fiduciary Net Position - Ending (b) | <u>\$ 22,335,224</u> | <u>\$ 21,059,102</u> | <u>\$ 19,597,519</u> | <u>\$ 23,363,975</u> | <u>\$ 20,695,669</u> | <u>\$ 18,349,959</u> | <u>\$ 15,735,037</u> | <u>\$ 16,673,284</u> | <u>\$ 14,788,660</u> | <u>\$ 13,920,141</u> |
| Net Pension Liability/(Asset) - Ending (a)-(b) | <u>\$ 1,646,051</u> | <u>\$ 1,883,423</u> | <u>\$ 3,031,753</u> | <u>\$ (1,736,347)</u> | <u>\$ (897,409)</u> | <u>\$ 780,355</u> | <u>\$ 2,310,442</u> | <u>\$ (461,589)</u> | <u>\$ 1,233,446</u> | <u>\$ 1,517,267</u> |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 93.14% | 91.79% | 86.60% | 108.03% | 104.53% | 95.92% | 87.20% | 102.85% | 92.30% | 0.00% |
| Covered Payroll | \$ 3,596,497 | \$ 3,151,888 | \$ 2,839,741 | \$ 2,890,913 | \$ 2,914,988 | \$ 2,838,488 | \$ 2,548,680 | \$ 2,510,513 | \$ 2,378,031 | \$ - |
| Net Pension Liability as a Percentage of Covered Payroll | 45.77% | 59.76% | 106.76% | -60.06% | -30.79% | 27.49% | 90.65% | -18.39% | 51.87% | 0.00% |

**TOWNSHIP OF LEYDEN, ILLINOIS
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOWNSHIP CONTRIBUTIONS
MARCH 31, 2025**

Last 10 Fiscal Years

| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Actuarially Determined Contribution | \$ 428,274 | \$ 357,214 | \$ 270,405 | \$ 287,902 | \$ 305,558 | \$ 228,827 | \$ 320,337 | \$ 328,744 | \$ 323,760 | \$ 281,710 |
| Contributions in Relation to the Actuarially Determined Contribution | 428,274 | 357,214 | 270,405 | 287,902 | 305,558 | 228,827 | 320,337 | 328,744 | 323,760 | 281,710 |
| Contribution Deficiency (Excess) | - | - | - | - | - | - | - | - | - | - |
| Covered Payroll | 3,668,788 | 3,232,848 | 2,839,741 | 2,897,396 | 2,890,913 | 2,914,988 | 2,838,488 | 2,548,680 | 2,510,513 | 2,378,031 |
| Contributions as a Percentage of Covered Payroll | 11.67% | 11.05% | 9.52% | 9.94% | 10.57% | 7.85% | 11.29% | 12.90% | 12.90% | 11.85% |

Notes to Schedule:

Notes

Actuarially determined contribution rates are calculated as of December 31 each year, which is 3 months prior to the beginning of the fiscal year in which contributions are reported

Actuarial Cost Method

Aggregate Entry age normal

Amortization Method

Level percentage of payroll, closed

Remaining Amortization Period

19-year closed period

Asset Valuation Method

5-year smoothed market; 20% corridor

Wage Growth

2.75%

Price Inflation

2.25%

Salary Increases

2.75% to 13.75% including inflation

Investment Rate of Return

7.25%

Retirement Age

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 2017-2019

Mortality

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 projected using scale MP-2020. 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-2020.

Other Information

There were no benefit changes during the year.

**TOWNSHIP OF LEYDEN, ILLINOIS
OTHER POSTEMPLOYMENT BENEFITS
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL OTHER POST-EMPLOYMENT BENEFITS LIABILITY
MARCH 31, 2025**

| | Last 7 Fiscal Years | | | | | | |
|---|---------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|
| | 3/31/2025 | 3/31/2024 | 3/31/2023 | 3/31/2022 | 3/31/2021 | 3/31/2020 | 3/31/2019 |
| Total OPEB Liability | | | | | | | |
| Service cost | \$ 122,505 | \$ 119,387 | \$ 4,979 | \$ 6,928 | \$ 5,078 | \$ 4,360 | \$ 4,157 |
| Interest | 79,233 | 78,289 | 12,301 | 13,288 | 13,117 | 19,919 | 20,965 |
| Changes of benefit terms | - | - | 708,062 | - | (48,359) | - | - |
| Differences between expected and actual experience | (292,476) | - | 557,281 | - | 38,830 | - | - |
| Changes of assumptions | 6,781 | (10,253) | 619,134 | (103,730) | 11,055 | 67,224 | 4,025 |
| Benefit payments | (223,609) | (198,466) | (32,510) | (30,234) | (33,992) | (44,023) | (41,453) |
| Net Change in Total OPEB Liability | <u>(307,566)</u> | <u>(11,043)</u> | <u>1,869,247</u> | <u>(113,748)</u> | <u>(14,271)</u> | <u>47,480</u> | <u>(12,306)</u> |
| Total OPEB Liability - Beginning | <u>2,325,025</u> | <u>2,336,068</u> | <u>466,821</u> | <u>580,569</u> | <u>594,840</u> | <u>547,360</u> | <u>559,666</u> |
| Total OPEB Liability - Ending (a) | <u>\$ 2,017,459</u> | <u>\$ 2,325,025</u> | <u>\$ 2,336,068</u> | <u>\$ 466,821</u> | <u>\$ 580,569</u> | <u>\$ 594,840</u> | <u>\$ 547,360</u> |
| OPEB Plan Net Position | | | | | | | |
| Contributions - employer | \$ 223,609 | \$ 198,466 | \$ 32,510 | \$ 30,234 | \$ 33,992 | \$ 44,023 | \$ 41,453 |
| Contributions - member | - | - | - | - | - | - | - |
| Contributions - other | - | - | - | - | - | - | - |
| Net investment income | - | - | - | - | - | - | - |
| Benefit payments | (223,609) | (198,466) | (32,510) | (30,234) | (33,992) | (44,023) | (41,453) |
| Administrative expense | - | - | - | - | - | - | - |
| Net Change in OPEB Plan Net Position | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| OPEB Plan Net Position - Beginning | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| OPEB Plan Net Position - Ending (b) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Net OPEB Liability - Ending (a)-(b) | <u>\$ 2,017,459</u> | <u>\$ 2,325,025</u> | <u>\$ 2,336,068</u> | <u>\$ 466,821</u> | <u>\$ 580,569</u> | <u>\$ 594,840</u> | <u>\$ 547,360</u> |
| OPEB Plan Net Position as a Percentage of the Total OPEB Liability | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Covered Payroll | \$ 3,596,497 | \$ 3,232,849 | \$ 3,018,482 | \$ 2,951,900 | \$ 2,879,903 | \$ 2,913,265 | \$ 2,859,772 |
| Employer's Net OPEB Liability as a Percentage of Covered Payroll | 56.10% | 71.92% | 77.39% | 15.81% | 20.16% | 20.42% | 19.14% |

Note to Schedule:

Information is presented for those years for which it was available.

The current year information was developed in the completion of this report.

Covered-Employee Payroll shown for the current year is the total covered payroll for the Fiscal Year for all plan members.

**TOWNSHIP OF LEYDEN, ILLINOIS
OTHER POSTEMPLOYMENT BENEFITS
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOWNSHIP CONTRIBUTIONS
MARCH 31, 2025**

Last 7 Fiscal Years

| | <u>3/31/2025</u> | <u>3/31/2024</u> | <u>3/31/2023</u> | <u>3/31/2022</u> | <u>3/31/2021</u> | <u>3/31/2020</u> | <u>3/31/2019</u> |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Actuarially Determined Contribution | N/A |
| Contributions in Relation to the Actuarially Determined Contribution | - | - | - | - | - | - | - |
| Contribution Deficiency (Excess) | N/A |
| Covered Payroll | \$ 3,596,497 | \$ 3,232,849 | \$ 3,018,482 | \$ 2,951,900 | \$ 2,879,903 | \$ 2,913,265 | \$ 2,859,772 |
| Contributions as a Percentage of Covered Payroll | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

Notes to Schedule:

There is no ADC or Employer Contribution in relation to the ADC, as there is no Trust that exists for funding the OPEB Liability. However, the Township did make contributions from other Township resources in the current year in the amount of \$223,609.

Information is presented for those years for which it was available.

TOWNSHIP OF LEYDEN, ILLINOIS

Note to the Required Supplementary Information
Year Ended March 31, 2025

NOTE – BUDGETS

Budgets and Budgetary Accounting

The procedures used in establishing the budgetary data reflected in the financial statements are as follows:

1. The Township Supervisor submits to the Town Board a proposed operating budget for the fiscal year. The operating budget (modified accrual basis) includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of an ordinance.
4. The Township Supervisor is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Township Board and be in compliance with applicable statutes.
5. The Board of Trustees did not amend the budget subsequent to its original adoption.

The legal level of budgetary control has been established at the fund level. During the current year, budgets were adopted for the general account of the general fund, general assistance fund, building and equipment fund, sewer and water fund and road and bridge fund. No encumbrances are used. As of March 31, 2025, no funds spent in excess of budget.