

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

ANNUAL FINANCIAL REPORT

**AS OF THE YEAR ENDED
MARCH 31, 2021**

**SARAH GIBBENS
CERTIFIED PUBLIC ACCOUNTANT**

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JACKSON COUNTY, ILLINOIS
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JACKSON COUNTY, ILLINOIS
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INDEPENDENT AUDITOR'S REPORT

Township Supervisor
and Township Trustees
Makanda Township
Jackson County, Illinois

Report on the Financial Statements

I have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Makanda Township, Jackson County, Illinois, as of and for the year ended March 31, 2021, and the related notes to the financial statements which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position – modified cash basis of the governmental activities, each major fund, and the aggregate remaining fund information of Makanda Township, Jackson County, Illinois, as of March 31, 2021, and the respective changes in financial position – modified cash basis for the year then ended in conformity with the basis of accounting as described in Note 1.

Basis of Accounting

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

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Makanda Township’s basic financial statements.

The Budgetary Comparison Schedules – Modified Cash Basis are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

The other information on pages 23 through 27 has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I do not express an opinion or provide any assurance on them.

SARAH GIBBENS, CPA

Sarah Gibbens

Johnston City, Illinois
October 11, 2021

BASIC FINANCIAL STATEMENTS

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

**STATEMENT OF NET POSITION – MODIFIED CASH BASIS
MARCH 31, 2021**

	Primary Government	
	Governmental Activities	Total
ASSETS		
Cash and Cash Equivalents	\$ 812,552	\$ 812,552
Capital Assts, Net	119,707	119,707
Total Assets	932,259	932,259
LIABILITIES		
Current Liabilities	-	-
NET POSITION		
Net Investment in Capital Assets	119,707	119,707
Restricted for:		
Fire Protection	557,425	557,425
Road and Bridge	64,024	64,024
Other Special Revenue	72,271	72,271
Unrestricted	118,832	118,832
Total Net Position	\$ 932,259	\$ 932,259

The accompanying notes are an integral part of these statements.

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

**STATEMENT OF ACTIVITIES – MODIFIED CASH BASIS
FOR THE YEAR ENDED MARCH 31, 2021**

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General and Administrative	\$ 84,427	\$ -	\$ -	\$ -	\$ (84,427)	\$ -	\$ (84,427)
Roads and Bridges	137,310	150	-	-	(137,160)	-	(137,160)
Fire Protection	70,028	11,200	-	-	(58,828)	-	(58,828)
General Assistance	1,380	-	-	-	(1,380)	-	(1,380)
Total Governmental Activities	\$ 293,145	\$ 11,350	\$ -	\$ -	\$ (281,795)	\$ -	\$ (281,795)

General Revenues:

Taxes:							
Property Tax					379,007	-	379,007
Personal Property Replacement Taxes					2,635	-	2,635
Interest Income					7,886	-	7,886
Other Receipts and Reimbursements					793	-	793
Total General Revenues, Special Items, & Transfers					390,321	-	390,321
Change in Net Position					108,526	-	108,526
Net Position - April 1, 2020					823,733	-	823,733
Net Position - March 31, 2021					\$ 932,259	\$ -	\$ 932,259

The accompanying notes are an integral part of these statements

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

**BALANCE SHEET – MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
MARCH 31, 2021**

	General (Town) Fund	Fire Protection Fund	Road and Bridge Fund	New Bridge Fund	Fire Protection Capital Fund	Other Non-Major Funds	Total Governmental Funds
ASSETS							
Cash and Cash Equivalents	\$ 118,832	\$ 67,719	\$ 44,021	\$ 20,003	\$ 489,706	\$ 72,271	\$ 812,552
Total Assets	<u>\$ 118,832</u>	<u>\$ 67,719</u>	<u>\$ 44,021</u>	<u>\$ 20,003</u>	<u>\$ 489,706</u>	<u>\$ 72,271</u>	<u>\$ 812,552</u>
LIABILITIES							
Current Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCE							
Restricted	-	67,719	44,021	20,003	489,706	72,271	693,720
Unassigned	118,832	-	-	-	-	-	118,832
Total Fund Balance	<u>118,832</u>	<u>67,719</u>	<u>44,021</u>	<u>20,003</u>	<u>489,706</u>	<u>72,271</u>	<u>812,552</u>
Total Liabilities and Fund Balance	<u>\$ 118,832</u>	<u>\$ 67,719</u>	<u>\$ 44,021</u>	<u>\$ 20,003</u>	<u>\$ 489,706</u>	<u>\$ 72,271</u>	<u>\$ 812,552</u>

The accompanying notes are an integral part of these statements

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

**RECONCILIATION OF THE BALANCE SHEET – MODIFIED CASH BASIS
TO THE STATEMENT OF NET POSITION – MODIFIED CASH BASIS
MARCH 31, 2021**

Total Fund Balances - Governmental Funds	\$	812,552
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation of \$745,969	<u>119,707</u>
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Net Position of Governmental Activities	\$	<u><u>932,259</u></u>
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The accompanying notes are an integral part of these statements

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – MODIFIED CASH BASIS – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED MARCH 31, 2021**

	General (Town) Fund	Fire Protection Fund	Road and Bridge Fund	New Bridge Fund	Fire Protection Capital Fund	Other Non-Major Funds	Total Governmental Funds
Revenues Received							
Property Taxes	\$ 125,493	\$ 95,679	\$ 112,437	\$ 45,398	\$ -	\$ -	379,007
Replacement Taxes	1,092	-	1,543	-	-	-	2,635
Fire Calls	-	11,200	-	-	-	-	11,200
Interest	249	136	64	17	7,247	173	7,886
Charges for Services	-	-	150	-	-	-	150
Miscellaneous	483	210	100	-	-	-	793
Total Revenues Received	<u>127,317</u>	<u>107,225</u>	<u>114,294</u>	<u>45,415</u>	<u>7,247</u>	<u>173</u>	<u>401,671</u>
Expenditures Disbursed							
General Government	84,427	-	-	-	-	-	84,427
Roads and Bridges	-	-	105,211	32,099	-	-	137,310
Public Safety	-	81,446	-	-	-	-	81,446
General Assistance	-	-	-	-	-	1,380	1,380
Total Expenditures Disbursed	<u>84,427</u>	<u>81,446</u>	<u>105,211</u>	<u>32,099</u>	<u>-</u>	<u>1,380</u>	<u>304,563</u>
Excess Revenues Over (Under) Expenditures	42,890	25,779	9,083	13,316	7,247	(1,207)	97,108
Other Financing Sources (Uses)							
Transfers From (To) Other Funds	(20,000)	(20,000)	-	-	40,000	-	-
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	22,890	5,779	9,083	13,316	47,247	(1,207)	97,108
Fund Balance, April 1, 2020	<u>95,942</u>	<u>61,940</u>	<u>34,938</u>	<u>6,687</u>	<u>442,459</u>	<u>73,478</u>	<u>715,444</u>
Fund Balance, March 31, 2021	<u>\$ 118,832</u>	<u>\$ 67,719</u>	<u>\$ 44,021</u>	<u>\$ 20,003</u>	<u>\$ 489,706</u>	<u>\$ 72,271</u>	<u>\$ 812,552</u>

The accompanying notes are an integral part of these statements

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – MODIFIED CASH BASIS TO THE STATEMENT OF
ACTIVITIES – MODIFIED CASH BASIS – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED MARCH 31, 2021**

Net Change in Fund Balance - Total Governmental Funds \$ 97,108

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense:

Capital Asset Purchases Capitalized	\$ 24,538	
Depreciation Expense	<u>(13,120)</u>	
		<u>11,418</u>

Change in net Position of Governmental Activities \$ 108,526

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Makanda Township operates under the authority of 60 ILCS. The Township is governed by a Board of Trustees as required by State Statute and provides the following services: fire protection, highway and bridge construction and maintenance, general assistance to eligible recipients, and general administrative services. This report includes all of the funds and component units for which the Township is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board and either (1) the Township's ability to impose its will over the component unit or (2) the possibility that the component unit will provide a financial benefit or impose a financial burden on the Township. Regardless of whether the component unit has a board or how its board is appointed, the Township is financially accountable if the component unit is fiscally dependent on the Township and can possibly provide a financial benefit or impose a financial burden on the Township. Pursuant to these criteria, the Township reports the Makanda Road and Bridge District as a blended component unit.

A blended component unit is a separate legal entity that meets the component unit criteria. In addition, the blended component unit's governing body is the same or substantially the same as the Township Board of Trustees, or the component unit provides services entirely to the Township.

The component unit's funds are blended into those of the Township by appropriate fund type to constitute the primary government presentation. The blended component unit is presented below:

<u>Blended Component Unit</u>	<u>Funds in which Reported</u>
Makanda Township Road and Bridge	Road & Bridge, New Bridge

B. Basis of Presentation

The basic financial statements include statements presented at both the government wide and fund financial level. Both levels of statements categorize the primary activities as either governmental or business type. Governmental activities, which are normally supported by taxes and intergovernmental revenues and other nonexchange revenues, are reported separately from business type activities, which are supported by fees and user charges. All of Makanda Township's primary activities are categorized as governmental activities.

Government-Wide Financial Statements

The Statement of Net Position – Modified Cash Basis and the Statement of Activities – Modified Cash Basis display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business type activities are financed in whole or in part by fees charged to external parties for goods or services. All of Makanda Township's services are categorized as governmental activities.

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Government-Wide Financial Statements (Concluded)

Makanda Township's government wide financial statements include a Statement of Net Position – Modified Cash Basis and a Statement of Activities – Modified Cash Basis. These statements present summaries of governmental and business type activities for Makanda Township, accompanied by a total column. All of the Township's assets and liabilities, including capital assets, are included in the accompanying Statement of Net Position – Modified Cash Basis. The Statement of Activities – Modified Cash Basis demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function.

Program revenues include 1) charges for services and 2) grants and contributions that are restricted to meeting operational or capital requirement of a particular function. Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities such as transfers. Interfund activities between governmental funds appear as other resources and other uses on the governmental fund Statement of Revenue Received, Expenditures Disbursed and Changes in Fund Balance. All interfund transactions between governmental funds are eliminated on the government wide financial statements.

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balance for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net assets and changes in net assets presented in the government wide financial statements.

Fund Financial Statements

Fund financial statements of the Township are organized on the basis of funds, each of which is considered a separate accounting entity. The Township has created several types of funds and a number of discrete funds within each fund type. Each fund is accounted for by a separate set of self-balancing accounts. Funds are organized into one major category: governmental. An emphasis is placed on major funds within the governmental category.

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2021**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Fund Financial Statements (Continued)

A fund is considered major if it is the primary operating fund of the Township or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures of an individual governmental or proprietary fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures of an individual governmental or proprietary fund are at least 5 percent of the corresponding total for all governmental and proprietary funds combined.

Funds that do not meet the major fund determination requirements are reported in aggregate as nonmajor governmental funds. The Township has presented all major funds that meet the above criteria.

The Township reports the following major governmental funds:

General (Town) Fund – This is the Township’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Fire Protection Fund – This fund accounts for the operating costs of the Township’s fire department.

Road and Bridge Fund – This fund accounts for the Township’s road construction and repair projects.

Fire Protection Capital Fund – This fund accounts for capital acquisition for the Township’s fire department.

New Bridge Fund – This fund accounts for the rehabilitation, replacement, or construction of bridges.

The various funds are summarized by type in the financial statements. The following fund types are used by the Township:

Governmental Funds

Governmental funds are those through which most governmental functions of the Township are typically reported. Governmental funds reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities are reported as fund balance.

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Concluded)

Fund Financial Statements (Concluded)

General (Town) Fund – this fund is established to account for resources devoted to financing the general services that the Township performs for its citizens. General tax revenues and other sources of revenue used to finance the fundamental operations of the Township are included in this fund. The fund is charged with all costs of operating the government for which a separate fund has not been established.

Special Revenue Funds – These funds are established to account for the proceeds of specific revenue sources other than special assessments, expendable trusts or major capital projects that are legally restricted to expenditures for specific purposes.

C. Basis of Accounting/Measurement Focus

Basis of accounting refers to when revenues received and expenditures or expenses disbursed are recognized in the accounts and how they are reported on the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The Township maintains its records on the modified cash basis of accounting. Accordingly, revenue is recognized and recorded when cash is received and expenditures are recognized and recorded when checks are written. Only assets representing a right to receive cash arising from a previous payment of cash are recorded as assets of a fund. In the same manner, only liabilities resulting from previous cash transactions are recorded as liabilities of a particular fund. This differs from the accounting principles generally accepted in the United States of America of recording revenues and expenditures of governmental funds when they become measurable and available and when the related liability is incurred.

D. Budgetary Data

The budget for all Governmental Fund Types is prepared on the modified cash basis of accounting which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. The budget, which was not amended, was passed on June 30, 2020. For each fund, total fund expenditures disbursed may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year.

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Capital Assets

In the government-wide financial statements, fixed assets are accounted for as capital assets. All capital assets purchased or acquired with an original cost of \$500 or more are reported at historical cost or estimated historical cost. Contributed assets are recorded at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	40-50 years
Vehicles	5-10 years
Machinery and Equipment	5-10 years

In the fund financial statements, fixed assets used in governmental operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

GASB No. 34 requires the Township to report and depreciate new infrastructure. Infrastructure assets include roads, bridges, underground pipe, traffic signals, etc. Neither their historical cost nor related depreciation has historically been reported in the financial statements.

F. Accumulated Unpaid Vacation and Sick Pay

The Township does not accumulate unpaid vacation and sick pay benefits. The Township considers these as expenditures in the year paid.

G. Fund Balance/Net Position

Government-Wide Statements

Equity in the government-wide statement of net position is displayed in three categories:

- 1) Net investment in capital assets – Capital assets reduced by accumulated depreciation and any outstanding debt incurred to acquire, construct, or improve those assets
- 2) restricted – Legal limitations imposed on use by legislation or external restrictions by grantors, laws, or regulations of other governments
- 3) unrestricted - All net assets that do not meet the definition of either of the two components

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

G. Fund Balance/Net Position (Concluded)

Fund Financial Statements

Fund balance is the difference between assets and liabilities in a governmental fund. The Township reports a governmental fund's fund balance in the following classifications:

- 1) Nonspendable – Amounts that cannot be spent because they either are not in spendable form or are legally or contractually required to be maintained intact
- 2) Restricted – Resources that are subject to constraints imposed by external parties or enabling legislation
- 3) Committed – Amounts constrained for specific purposes by the Township Board of Trustees through formal action (ordinance or resolution)
- 4) Assigned – Amounts that are constrained by the Township Board of Trustees to be used for specific purposes but are neither restricted nor committed
- 5) Unassigned – The residual classification for the general fund balance, the net resources that cannot be properly classified in one of the preceding four categories

H. Encumbrances

The Township does not maintain information concerning encumbrances; therefore, no amounts for encumbrances are reported in the financial statements.

I. Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting requires the use of management's estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Accordingly, actual results may differ from these estimates.

NOTE 2: PROPERTY TAX

The Township's Property Tax Levy is due on the second Tuesday in December. The county (Jackson County, Illinois) extends, bills and collects the Township's property taxes. The property taxes are payable in two installments. Property taxes are not recognized as revenues until they are received from the County.

The Township's property tax is levied each year on all taxable real property located in the Township on or before the last Tuesday in December. The property taxes attach as an enforceable lien on property as of January 1. Property taxes are due in September and November, and are collected mostly in September, October, and November. The levy was passed by the board on December 8, 2020.

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2021

NOTE 3: CASH AND CASH EQUIVALENTS

Illinois Compiled Statutes authorize the Township to invest in interest bearing savings accounts, certificates of deposit and time deposits, shares or other forms of securities legally insurable by savings and loan associations, bonds, notes, certificates of indebtedness, treasury bills or other securities now or hereafter issued, which are guaranteed by the full faith and credit of the United States of America, and short-term discount obligations of the Federal National Mortgage Association.

Deposits

At March 31, 2021, the carrying amount of the Township's deposits was \$812,552. The bank balances of these deposits were \$814,356.

Custodial Credit Risk Deposits

Custodial credit risk is the risk that in the event of a bank failure, the township's deposits may not be returned. The Township does not have a deposit policy for custodial credit risk. As of March 31, 2021, the Township's cash deposits were undercollateralized. Deposits held at Banterra Bank are in excess of the FDIC coverage by \$127,157.

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2021

NOTE 4: CAPITAL ASSETS

Capital asset activity for the year ended March 31, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities				
Capital Assets				
Vehicles & Equipment	801,138	14,638	-	815,776
Building	<u>40,000</u>	<u>9,900</u>	<u>-</u>	<u>49,900</u>
 Total Capital Assets	 <u>841,138</u>	 <u>24,538</u>	 <u>-</u>	 <u>865,676</u>
Less				
Accumulated Depreciation:				
Vehicles & Equipment	716,849	11,996	-	728,845
Building	<u>16,000</u>	<u>1,124</u>	<u>-</u>	<u>17,124</u>
Total Accumulated Depreciation	 <u>732,849</u>	 <u>13,120</u>	 <u>-</u>	 <u>745,969</u>
 Governmental Activities Capital Assets, Net	 <u>\$ 108,289</u>			 <u>\$ 119,707</u>

Depreciation was charged to functions as follows:

Governmental Activities:	
Fire Protection:	<u>\$ 13,120</u>
Total Governmental Activities Depreciation Expense	<u>\$ 13,120</u>

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

NOTES TO THE FINANCIAL STATEMENTS (CONCLUDED)

MARCH 31, 2021

NOTE 5: OTHER REQUIRED FUND DISCLOSURES

As part of the March 31, 2021 financial statements, accounting principles generally accepted in the United States of America require disclosure of certain information concerning individual funds including:

- A. As of March 31, 2021, there were no funds with deficit balances.
- B. As of March 31, 2021, there were no funds with expenditures that exceeded their appropriations.

NOTE 6: RISK MANAGEMENT

The Township is exposed to various risks of loss including, but not limited to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To limit exposure to these risks, the Township has purchased commercial insurance coverage. The Township's policy is to record any related expenditures in the year in which the claim is paid. During the past three fiscal years, there have been no settlements which have exceeded insurance coverage. The Township is not aware of any liabilities owed as of March 31, 2021.

NOTE 7: EVALUATION OF SUBSEQUENT EVENTS

Makanda Township has evaluated subsequent events through October 11, 2021, the date which the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

**BUDGETARY COMPARISON SCHEDULE – MODIFIED CASH BASIS
GENERAL (TOWN) FUND
FOR THE YEAR ENDED MARCH 31, 2021**

	Budgeted Amounts		Actual Amounts	Over/ Under
	Original	Final		
Revenue Received				
Property Taxes	\$ 123,000	\$ 123,000	\$ 125,493	\$ 2,493
Replacement Taxes	1,000	1,000	1,092	92
Interest	300	300	249	(51)
Miscellaneous	-	-	483	483
Total Revenue Received	<u>124,300</u>	<u>124,300</u>	<u>127,317</u>	<u>3,017</u>
Expenditures Disbursed				
General Government				
Salaries and Wages	67,860	67,860	67,274	586
Payroll Taxes	16,100	16,100	4,845	11,255
Retirement Benefits	2,400	2,400	2,400	-
Insurance	12,000	12,000	8,789	3,211
Office Expense	1,200	1,200	1,119	81
Legal and Professional	20,600	20,600	-	20,600
Travel and Training	400	400	-	400
Contingencies	7,028	7,028	-	7,028
	<u>127,588</u>	<u>127,588</u>	<u>84,427</u>	<u>43,161</u>
Total Expenditures Disbursed	<u>127,588</u>	<u>127,588</u>	<u>84,427</u>	<u>43,161</u>
Excess Revenues Over (Under) Expenditures	(3,288)	(3,288)	42,890	46,178
Other Financing Sources (Uses)				
Transfers from (To) Other Funds	<u>(20,000)</u>	<u>(20,000)</u>	<u>(20,000)</u>	<u>-</u>
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ (23,288)</u>	<u>\$ (23,288)</u>	22,890	<u>\$ 46,178</u>
Fund Balance, April 1, 2020			<u>95,942</u>	
Fund Balance, March 31, 2021			<u>\$ 118,832</u>	

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

**BUDGETARY COMPARISON SCHEDULE – MODIFIED CASH BASIS
FIRE PROTECTION FUND
FOR THE YEAR ENDED MARCH 31, 2021**

	Budgeted Amounts		Actual Amounts	Over/ Under
	Original	Final		
Revenue Received				
Property Taxes	\$ 95,000	\$ 95,000	\$ 95,679	\$ 679
Fire Calls	6,200	6,200	11,200	5,000
Interest	350	350	136	(214)
Miscellaneous	-	-	210	210
Total Revenue Received	<u>101,550</u>	<u>101,550</u>	<u>107,225</u>	<u>5,675</u>
Expenditures Disbursed				
Insurance	17,000	17,000	9,797	7,203
Office Supplies	1,000	1,000	2,543	(1,543)
Utilities	14,000	14,000	10,727	3,273
Legal and Professional	1,400	1,400	-	1,400
Equipment Repairs and Maintenance	18,000	18,000	10,889	7,111
Building Repairs and Maintenance	13,315	23,215	25,238	(2,023)
Capital Outlay	53,070	45,775	14,522	31,253
Travel and Training	1,280	-	2,669	(2,669)
Dues	1,000	475	436	39
Fuel	5,000	5,000	1,623	3,377
Miscellaneous	3,320	2,520	3,002	(482)
Total Expenditures Disbursed	<u>128,385</u>	<u>128,385</u>	<u>81,446</u>	<u>46,939</u>
Excess Revenues Over (Under) Expenditures	(26,835)	(26,835)	25,779	52,614
Other Financing Sources (Uses)				
Transfers from (To) Other Funds	<u>(20,000)</u>	<u>(20,000)</u>	<u>(20,000)</u>	<u>-</u>
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ (46,835)</u>	<u>\$ (46,835)</u>	5,779	<u>\$ 52,614</u>
Fund Balance, April 1, 2020			<u>61,940</u>	
Fund Balance, March 31, 2021			<u>\$ 67,719</u>	

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

**BUDGETARY COMPARISON SCHEDULE – MODIFIED CASH BASIS
ROAD AND BRIDGE FUND
FOR THE YEAR ENDED MARCH 31, 2021**

	Budgeted Amounts		Actual Amounts	Over/ Under
	Original	Final		
Revenue Received				
Property Taxes	\$ 110,374	\$ 110,374	\$ 112,437	\$ 2,063
Replacement Taxes	1,727	1,727	1,543	(184)
Interest	410	410	64	(346)
Charges for Services	-	-	150	150
Miscellaneous	5,000	5,000	100	(4,900)
Total Revenue Received	<u>117,511</u>	<u>117,511</u>	<u>114,294</u>	<u>(3,217)</u>
Expenditures Disbursed				
Salaries and Wages		-	-	-
Payroll Taxes		-	-	-
Legal and Professional	25,000	25,000	-	25,000
Road Maintenance	127,448	127,448	105,211	22,237
Miscellaneous		-	-	-
Total Expenditures Disbursed	<u>152,448</u>	<u>152,448</u>	<u>105,211</u>	<u>47,237</u>
Excess Revenues Over (Under) Expenditures	(34,937)	(34,937)	9,083	44,020
Other Financing Sources (Uses)				
Transfers from (To) Other Funds	-	-	-	-
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ (34,937)</u>	<u>\$ (34,937)</u>	9,083	<u>\$ 44,020</u>
Fund Balance, April 1, 2020			<u>34,938</u>	
Fund Balance, March 31, 2021			<u>\$ 44,021</u>	

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

**BUDGETARY COMPARISON SCHEDULE – MODIFIED CASH BASIS
NEW BRIDGE FUND
FOR THE YEAR ENDED MARCH 31, 2021**

	Budgeted Amounts		Actual Amounts	Over/ Under
	Original	Final		
Revenue Received				
Property Taxes	\$ 44,000	\$ 44,000	\$ 45,398	\$ 1,398
Interest	80	80	17	(63)
Miscellaneous	2,000	2,000	-	(2,000)
Total Revenue Received	46,080	46,080	45,415	(665)
Expenditures Disbursed				
Bridge Maintenance	52,768	52,768	32,099	20,669
Miscellaneous	-	-	-	-
Total Expenditures Disbursed	52,768	52,768	32,099	20,669
Excess Revenues Over (Under) Expenditures	(6,688)	(6,688)	-	20,004
Other Financing Sources (Uses)				
Transfers from (To) Other Funds	-	-	-	-
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (6,688)	\$ (6,688)	13,316	\$ 20,004
Fund Balance, April 1, 2020			6,687	
Fund Balance, March 31, 2021			\$ 20,003	

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

**BUDGETARY COMPARISON SCHEDULE – MODIFIED CASH BASIS
FIRE PROTECTION CAPITAL FUND
FOR THE YEAR ENDED MARCH 31, 2021**

	Budgeted Amounts		Actual Amounts	Over/ Under
	Original	Final		
Revenue Received				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Interest	6,000	6,000	7,247	1,247
Total Revenue Received	<u>6,000</u>	<u>6,000</u>	<u>7,247</u>	<u>1,247</u>
Expenditures Disbursed				
Capital Outlay	400,000	400,000	-	400,000
Contingency	20,000	20,000	-	20,000
Total Expenditures Disbursed	<u>420,000</u>	<u>420,000</u>	<u>-</u>	<u>420,000</u>
Excess Revenues Over (Under) Expenditures	(414,000)	(414,000)	7,247	421,247
Other Financing Sources (Uses)				
Transfers from (To) Other Funds	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ (374,000)</u>	<u>\$ (374,000)</u>	47,247	<u>\$ 421,247</u>
Fund Balance, April 1, 2020			<u>442,459</u>	
Fund Balance, March 31, 2021			<u>\$ 489,706</u>	

OTHER INFORMATION

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

**COMBINING BALANCE SHEET – MODIFIED CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS
UNAUDITED
MARCH 31, 2021**

	<u>General Assistance Fund</u>	<u>Total</u>
ASSETS		
Current Assets	\$ 72,271	\$ 72,271
Cash and Cash Equivalents	<u>\$ 72,271</u>	<u>\$ 72,271</u>
LIABILITIES		
Current Liabilities	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCE		
Unreserved	<u>72,271</u>	<u>72,271</u>
Total Liabilities and Fund Balance	<u>\$ 72,271</u>	<u>\$ 72,271</u>

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – MODIFIED CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS**

UNAUDITED

FOR THE YEAR ENDED MARCH 31, 2021

	<u>General Assistance Fund</u>	<u>Total</u>
Revenues Received		
Property Taxes	\$ -	\$ -
Interest	173	173
Total Revenues Received	<u>173</u>	<u>173</u>
 Expenditures Disbursed		
Insurance	1,380	1,380
Total Expenditures Disbursed	<u>1,380</u>	<u>1,380</u>
 Excess Revenues Over (Under) Expenditures	(1,207)	(1,207)
 Fund Balance, April 1, 2020	<u>73,478</u>	<u>73,478</u>
 Fund Balance, March 31, 2021	<u>\$ 72,271</u>	<u>\$ 72,271</u>

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

**BUDGETARY COMPARISON SCHEDULE – MODIFIED CASH BASIS
GENERAL ASSISTANCE FUND
UNAUDITED
FOR THE YEAR ENDED MARCH 31, 2021**

	Budgeted Amounts		Actual Amounts	Over/ Under
	Original	Final		
Revenue Received				
Interest	\$ 300	\$ 300	\$ 173	\$ (127)
Total Revenue Received	300	300	173	(127)
Expenditures Disbursed				
Insurance	1,380	1,380	1,380	-
General Assistance	68,500	68,500	-	68,500
Contingency	3,494	3,494	-	3,494
Total Expenditures Disbursed	73,374	73,374	1,380	71,994
Excess Revenues Over (Under) Expenditures	(73,074)	(73,074)	-	71,867
Other Financing Sources (Uses)				
Transfers from (To) Other Funds	-	-	-	-
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (73,074)	\$ (73,074)	(1,207)	\$ 71,867
Fund Balance, April 1, 2020			73,478	
Fund Balance, March 31, 2021			\$ 72,271	

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

**SCHEDULE OF LEGAL DEBT MARGIN
UNAUDITED
MARCH 31, 2021**

Assessed Valuation - 2019 Tax Year	<u>\$ 76,582,044</u>
Statutory Debt Limitation (2.875% of Assessed Valuation)	\$ 2,201,734
Outstanding Debts	<u>-</u>
Legal Debt Margin	<u>\$ 2,201,734</u>

**MAKANDA TOWNSHIP
JACKSON COUNTY, ILLINOIS**

**STATEMENT OF ASSESSED VALUATIONS, TAX RATES,
EXTENSIONS AND COLLECTIONS**

UNAUDITED
MARCH 31, 2021

	<u>LEVY YEAR</u>
	<u>2019</u>
Assessed Valuations	\$ 76,582,044
Actual Tax Rates	
Town Fund	0.16395
Fire Protection Fund	0.12500
Road and Bridge Fund	0.16616
New Bridge	0.06089
	0.51600
	0.51600
Extensions	
Town Fund	\$ 125,556
Fire Protection Fund	95,728
Road and Bridge Fund	123,933
New Bridge	45,421
	\$ 390,638
	\$ 390,638
Collections	
Town Fund	\$ 125,493
Fire Protection Fund	95,679
Road and Bridge Fund	112,437
New Bridge	45,398
	\$ 379,007
	\$ 379,007
Percentage Collected	97.02%