

TROY TOWNSHIP, ILLINOIS

ANNUAL FINANCIAL REPORT



FILED

3:35 pm, Jul 24 2026

WILL COUNTY CLERK
WILL COUNTY, ILLINOIS

FOR THE FISCAL YEAR ENDED
MARCH 31, 2026

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TROY TOWNSHIP, ILLINOIS

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FINANCIAL SECTION

This section includes:

- Independent Auditor's Report
- Basic Financial Statements
- Other Supplementary Information
- Supplemental Schedule

INDEPENDENT AUDITOR'S REPORT

This section includes the opinion of the Township's independent auditing firm.



INDEPENDENT AUDITOR'S REPORT

July 9, 2026

Members of the Board of Trustees
Troy Township
Shorewood, Illinois

FILED

3:35 pm, Jul 24 2026

WILL COUNTY CLERK
WILL COUNTY, ILLINOIS

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, and each major fund of the Troy Township (the Township), Illinois, as of and for the year ended March 31, 2026, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and each major fund of the Troy Township, Illinois, as of March 31, 2026, and the respective changes in financial position for the year then ended in accordance with the modified cash basis of accounting as described in Note 1.

Basis for Opinions

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is 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 the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Troy Township, Illinois' basic financial statements. The other supplementary information and supplemental schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements 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, other supplementary information and supplemental schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

TROY TOWNSHIP, ILLINOIS

Statement of Net Position - Modified Cash Basis

March 31, 2026

	Governmental Activities
ASSETS	
Current Assets	
Cash and Investments	\$ 3,479,537
Prepays	8,418
Total Current Assets	<u>3,487,955</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	25,000
Depreciable	6,130,542
Accumulated Depreciation	<u>(3,038,901)</u>
Total Noncurrent Assets	<u>3,116,641</u>
Total Assets	<u>6,604,596</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	1,000
Accrued Payroll	<u>12,381</u>
Total Liabilities	<u>13,381</u>
NET POSITION	
Investment in Capital Assets	3,116,641
Restricted	
Motor Fuel Tax	199,038
General Assistance	20,423
Capital Projects	339,356
Unrestricted	<u>2,915,757</u>
Total Net Position	<u>6,591,215</u>

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

TROY TOWNSHIP, ILLINOIS

Statement of Activities - Modified Cash Basis For the Fiscal Year Ended March 31, 2026

	Expenses	Program Revenues			Net (Expenses)/ Revenues
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions	
Governmental Activities					
General Government	\$ 1,794,298	3,125	948	—	(1,790,225)
Highways and Streets	1,242,216	31,715	155,242	—	(1,055,259)
Health and Welfare	15,229	—	—	—	(15,229)
Total Governmental Activities	3,051,743	34,840	156,190	—	(2,860,713)
General Revenues					
Taxes					
Property Taxes					
Intergovernmental - Unrestricted					2,461,831
Replacement Taxes					223,855
Investment Income					27,607
Miscellaneous					48,455
					<u>2,761,748</u>
Change in Net Position					(98,965)
Net Position - Beginning					<u>6,690,180</u>
Net Position - Ending					<u><u>6,591,215</u></u>

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

TROY TOWNSHIP, ILLINOIS**Balance Sheet - Governmental Funds - Modified Cash Basis****March 31, 2026**

	General	Special Revenue			Capital	
	(Town)	Road and Bridge	Motor Fuel Tax	General Assistance	Projects	Totals
ASSETS						
Cash and Investments	\$ 1,406,463	1,514,257	199,038	20,423	339,356	3,479,537
Prepays	8,418	—	—	—	—	8,418
Total Assets	1,414,881	1,514,257	199,038	20,423	339,356	3,487,955
LIABILITIES						
Accounts Payable	1,000	—	—	—	—	1,000
Accrued Payroll	8,528	3,853	—	—	—	12,381
Total Liabilities	9,528	3,853	—	—	—	13,381
FUND BALANCES						
Nonspendable	8,418	—	—	—	—	8,418
Restricted	—	—	199,038	20,423	339,356	558,817
Assigned	—	1,510,404	—	—	—	1,510,404
Unassigned	1,396,935	—	—	—	—	1,396,935
Total Fund Balances	1,405,353	1,510,404	199,038	20,423	339,356	3,474,574
Total Liabilities and Fund Balances	1,414,881	1,514,257	199,038	20,423	339,356	3,487,955

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

TROY TOWNSHIP, ILLINOIS

Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities - Modified Cash Basis

March 31, 2026

Total Governmental Fund Balances	\$ 3,474,574
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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.	<u>3,116,641</u>
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Net Position of Governmental Activities	<u>6,591,215</u>
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TROY TOWNSHIP, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Modified Cash Basis

For the Fiscal Year Ended March 31, 2026

	Special Revenue					
	General (Town)	Road and Bridge	Motor Fuel Tax	General Assistance	Capital Projects	Totals
Revenues						
Taxes	\$ 1,499,417	958,204	—	4,210	—	2,461,831
Intergovernmental	49,998	174,805	155,242	—	—	380,045
Charges for Services	3,125	17,135	—	—	—	20,260
Licenses and Permits	—	14,580	—	—	—	14,580
Investment Income	13,816	13,789	—	2	—	27,607
Miscellaneous	3,298	42,742	—	2,415	—	48,455
Total Revenues	1,569,654	1,221,255	155,242	6,627	—	2,952,778
Expenditures						
General Government	1,351,072	—	—	—	—	1,351,072
Highways and Streets	—	859,216	383,000	—	—	1,242,216
Health and Welfare	—	—	—	15,229	—	15,229
Capital Outlay	4,218	649,374	—	—	10,644	664,236
Total Expenditures	1,355,290	1,508,590	383,000	15,229	10,644	3,272,753
Excess (Deficiency) of Revenues Over (Under) Expenditures	214,364	(287,335)	(227,758)	(8,602)	(10,644)	(319,975)
Other Financing Sources (Uses)						
Disposal of Capital Assets	—	138,500	—	—	—	138,500
Transfers In	—	10,000	—	10,000	350,000	370,000
Transfers Out	(370,000)	—	—	—	—	(370,000)
	(370,000)	148,500	—	10,000	350,000	138,500
Net Change in Fund Balances	(155,636)	(138,835)	(227,758)	1,398	339,356	(181,475)
Fund Balances - Beginning	1,560,989	1,649,239	426,796	19,025	—	3,656,049
Fund Balances - Ending	1,405,353	1,510,404	199,038	20,423	339,356	3,474,574

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

TROY TOWNSHIP, ILLINOIS

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Activities - Modified Cash Basis For the Fiscal Year Ended March 31, 2026

Net Change in Fund Balances - Total Governmental Funds	\$ (181,475)
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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 is allocated over their estimated
useful lives and reported as depreciation expense.

Capital Outlays	465,697
Depreciation Expense	(366,283)
Disposals - Cost	(266,461)
Disposals - Accumulated Depreciation	<u>249,557</u>

Changes in Net Position of Governmental Activities	<u>(98,965)</u>
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TROY TOWNSHIP, ILLINOIS

Notes to the Financial Statements

March 31, 2026

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Troy Township (the Township), Illinois is a unit of local government. The Township maintains a general assistance fund which assists eligible residents within the Township's boundaries by subsidizing costs for shelter, food and medical supplies. Assessing property values within the Township and contributing to various community and senior programs are additional activities of the Township. The Township operates a road and bridge district which maintains the roads and bridges within the Township that are not under the jurisdiction of another governmental unit.

The basic financial statements of the Township have been presented on a modified cash basis of accounting. The modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements. The more significant of the Township's accounting policies are described below.

REPORTING ENTITY

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government. Management has determined that there are no fiduciary component units that are required to be included in the financial statements of the Township as pension trust funds and there are no discretely component units to include in the reporting entity.

BASIS OF PRESENTATION

Government-Wide Statements

The Township's basic financial statements include both government-wide (reporting the Township as a whole) and fund financial statements (reporting the Township's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Township's highways and streets, health and welfare and general administrative services are classified as governmental activities. The Township's does not have any business-type activities.

In the government-wide Statement of Net Position, the governmental activities column is: (a) presented on a consolidated basis, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The Township's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Township first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Township's functions (general government, highways and streets, health and welfare etc.). The functions are supported by general government revenues (property and replacement taxes, investment income, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (general government, highways and streets, health and welfare etc.). Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

TROY TOWNSHIP, ILLINOIS

Notes to the Financial Statements

March 31, 2026

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Government-Wide Statements - Continued

The net costs (by function) are normally covered by general revenue (property and replacement taxes, investment income, etc.).

The Township does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General (Town) Fund) to recover the direct costs of General (Town) Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

This government-wide focus is more on the sustainability of the Township as an entity and the change in the Township's net position resulting from the current year's activities.

Fund Financial Statements

The financial transactions of the Township are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues and expenditures. The emphasis in fund financial statements is on the major funds.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures) for the determination of major funds. The Township may electively add funds, as major funds, which either have debt outstanding or a specific or community focus. The nonmajor funds are combined in a single column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Township or the total assets, liabilities, revenues, or expenditures of that individual fund are at least 10 percent of the corresponding total for all funds of that category or type

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Township:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Township:

General (Town) Fund is the general operating fund of the Township. It accounts for all revenues and expenditures of the Township which are not accounted for in other funds. The General (Town) Fund is a major fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditures for specified purposes. The Township maintains three major special revenue funds. The Road and Bridge Fund is used to account for resources used for the upkeep and improvements of local roads. The Motor Fuel Tax Fund is used to account for motor fuel tax allocations from the State of Illinois and expenditures related to the Township's annual road rehabilitation and construction program. The General Assistance Fund is used to account for resources to provide financial assistance to the Township's residents who meet certain need-based requirements.

TROY TOWNSHIP, ILLINOIS

Notes to the Financial Statements

March 31, 2026

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

Governmental Funds- Continued

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Capital Project Fund is used to account for revenues and expenditures relative to the construction of capital improvements in the Town Fund.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as defined below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

The accounting objectives of the “economic resources” measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the modified cash basis of accounting. This basis recognized revenue when cash is received and expenditures are recorded when payment is made. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. These financial statements are modified from the cash basis method because the Township records capital assets and depreciation.

TROY TOWNSHIP, ILLINOIS

Notes to the Financial Statements

March 31, 2026

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND FUND BALANCE/ NET POSITION

Cash and Investments

For the purpose of the Statement of Net Position, cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Township categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Township has no investments at year-end.

Prepays

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. Prepaids are valued at cost, which approximates market. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition 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 expenses as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Township as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings	40 Years
Transportation Equipment	5 - 7 Years
Machinery and Equipment	5 - 7 Years

TROY TOWNSHIP, ILLINOIS

Notes to the Financial Statements

March 31, 2026

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND FUND BALANCE/ NET POSITION - Continued

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Investment in Capital Assets - Consists of capital assets, including restricted capital assets, or net of accumulated depreciation.

Restricted - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted - All other net position balances that do not meet the definition of "restricted" or "investment in capital assets."

In the fund financial statements, governmental funds report restrictions of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

BUDGETARY INFORMATION

The Township adheres to the following procedures in establishing the budgetary data included in the financial statements:

- Within the first three months of its fiscal year, the Township Board prepares the proposed combined annual budget and appropriation ordinance for the fiscal year commencing April 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to June 30, the annual budget and appropriations ordinance is legally adopted through passage of an ordinance.
- The Township Board may transfer up to 10% of the total appropriation between various items within any fund.
- Formal budgetary integration is employed as a management control device during the year for all funds except for the Motor Fuel Tax Fund.

TROY TOWNSHIP, ILLINOIS

Notes to the Financial Statements

March 31, 2026

NOTE 3 - DETAIL NOTES ON ALL FUNDS

PROPERTY TAXES

Property taxes for 2025 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about June 1, and September 1. The County collects such taxes and remits them periodically.

DEPOSITS AND INVESTMENTS

The Township maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash and investments." In addition, investments may be separately held by several of the Township's funds.

Permitted Deposits and Investments - Statutes authorize the Township to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services.

Deposits. At year-end, the carrying amount of the Township's deposits totaled \$3,479,537 and the bank balances totaled \$3,309,354.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Township's investment policy states that the portfolio shall remain sufficiently liquid to meet all operating costs which may be reasonably anticipated.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in security instruments authorized under State Statute, the Township's investment policy does not further limit credit risk.

Custodial Credit Risk - Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Township's deposits may not be returned or the Township will not be able to recover the collateral securities in the possession of an outside party. The Township's investment policy requires that deposits in excess of 10 percent of the capital and surplus of a financial institution shall be collateralized. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

Custodial Credit Risk - Investments. For an investment, this 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 investments or collateral securities that are in the possession of an outside party. The Township's investment policy states that investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the possible income to be derived.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the Township's investment in a single issuer. The Township's investment policy states that at no time will the investments exceed 65 percent of the financial institution's capital and surplus. At year-end, the Township does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

TROY TOWNSHIP, ILLINOIS**Notes to the Financial Statements****March 31, 2026****NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued****INTERFUND TRANSFERS**

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
Road and Bridge	General	\$ 10,000
General Assistance	General	10,000
Capital Projects	General	<u>350,000</u>
		<u>370,000</u>

Transfers are used to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

CAPITAL ASSETS

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 25,000	—	—	25,000
Construction in Progress	74,872	—	74,872	—
	<u>99,872</u>	<u>—</u>	<u>74,872</u>	<u>25,000</u>
Depreciable Capital Assets				
Buildings	3,997,109	188,031	3,800	4,181,340
Transportation Equipment	749,798	147,113	90,094	806,817
Machinery and Equipment	1,109,527	205,425	172,567	1,142,385
	<u>5,856,434</u>	<u>540,569</u>	<u>266,461</u>	<u>6,130,542</u>
Less Accumulated Depreciation				
Buildings	1,522,258	167,547	3,800	1,686,005
Transportation Equipment	554,910	62,578	73,190	544,298
Machinery and Equipment	845,007	136,158	172,567	808,598
	<u>2,922,175</u>	<u>366,283</u>	<u>249,557</u>	<u>3,038,901</u>
Total Net Depreciable Capital Assets	<u>2,934,259</u>	<u>174,286</u>	<u>16,904</u>	<u>3,091,641</u>
Total Net Capital Assets	<u>3,034,131</u>	<u>174,286</u>	<u>91,776</u>	<u>3,116,641</u>

Depreciation expense was charged to governmental activities as follows:

General Government	<u>\$ 366,283</u>
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TROY TOWNSHIP, ILLINOIS

Notes to the Financial Statements

March 31, 2026

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS

In the governmental funds financial statements, the Township considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Township first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General (Town)	Special Revenue			Capital Projects	Totals
		Road and Bridge	Motor Fuel Tax	General Assistance		
Fund Balances						
Nonspendable						
Prepays	\$ 8,418	—	—	—	—	8,418
Restricted						
Motor Fuel Tax	—	—	199,038	—	—	199,038
General Assistance	—	—	—	20,423	—	20,423
Capital Projects	—	—	—	—	339,356	339,356
	—	—	199,038	20,423	339,356	558,817
Assigned						
Road and Bridge	—	1,510,404	—	—	—	1,510,404
Unassigned	1,396,935	—	—	—	—	1,396,935
Total Fund Balances	1,405,353	1,510,404	199,038	20,423	339,356	3,474,574

Nonspendable Fund Balance. Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

Restricted Fund Balance. Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Trustees; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

TROY TOWNSHIP, ILLINOIS

Notes to the Financial Statements

March 31, 2026

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

Assigned Fund Balance. Consists of amounts that are constrained by the Board of Trustees' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Trustees itself or b) a body or official to which the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. The Township's highest level of decision-making authority is the Board of Trustees, who is authorized to assign amounts to a specific purpose.

Unassigned Fund Balance. Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General (Town) Fund and deficit fund balances of other governmental funds.

NET POSITION CLASSIFICATIONS

Investment in capital assets was comprised of the following as of March 31, 2026:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 3,116,641
Less Capital Related Debt:	<u>—</u>
Investment in Capital Assets	<u><u>3,116,641</u></u>

NOTE 4 - OTHER INFORMATION

RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Township's employees. The Township has purchased insurance from private insurance companies. Risks covered included certain types of liabilities and bonds. Premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years. The Township Officials of Illinois Risk Management Association (TOIRMA) issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Township Officials of Illinois Risk Management Association, P.O. Box 517, Astoria, IL 61501.

CONTINGENT LIABILITIES

Litigation

From time to time, the Township is party to various pending claims and legal proceedings with respect to employment, civil rights, property taxes and other matters. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the Township attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Township's financial position or results of operations.

TROY TOWNSHIP, ILLINOIS

Notes to the Financial Statements

March 31, 2026

NOTE 4 - OTHER INFORMATION - Continued

CONTINGENT LIABILITIES - Continued

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Township expects such amounts, if any, to be immaterial.

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund (IMRF)

The Township contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois. IMRF provides retirement, disability, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

Plan Descriptions

Plan Administration. All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Descriptions

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

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

TROY TOWNSHIP, ILLINOIS

Notes to the Financial Statements

March 31, 2026

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

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

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Plan Membership. As of December 31, 2025, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	21
Inactive Plan Members Entitled to but not yet Receiving Benefits	37
Active Plan Members	<u>20</u>
Total	<u><u>78</u></u>

Contributions. As set by statute, the Township's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the fiscal year-ended March 31, 2026, the Township's contribution was 5.64% of covered payroll.

Net Pension (Asset). The Township's net pension (asset) was measured as of December 31, 2025. The total pension liability used to calculate the net pension (asset) was determined by an actuarial valuation as of that date.

TROY TOWNSHIP, ILLINOIS

Notes to the Financial Statements

March 31, 2026

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2025, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	2.75%
Inflation	2.25%

For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation.

TROY TOWNSHIP, ILLINOIS

Notes to the Financial Statements

March 31, 2026

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions - Continued. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	24.00%	4.75%
Domestic Equities	32.50%	7.35%
International Equities	18.00%	7.45%
Real Estate	10.50%	6.25%
Blended	14.00%	3.90% - 8.50%
Cash and Cash Equivalents	1.00%	3.00%

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Township contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension (asset) to changes in the discount rate. The table below presents the net pension (asset) of the Township calculated using the discount rate as well as what the Township's net pension (asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	\$ 241,727	(200,389)	(548,831)

TROY TOWNSHIP, ILLINOIS**Notes to the Financial Statements****March 31, 2026****NOTE 4 - OTHER INFORMATION - Continued****EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued****Illinois Municipal Retirement Fund (IMRF) - Continued****Changes in the Net Pension Liability/(Asset)**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/ (Asset) (A) - (B)
Balances at December 31, 2024	\$ 4,219,213	4,094,215	124,998
Changes for the year:			
Service Cost	78,911	—	78,911
Interest on the Total Pension Liability	298,510	—	298,510
Difference Between Expected and Actual Experience of the Total Pension Liability	(33,063)	—	(33,063)
Change of Assumptions	—	—	—
Contributions - Employer	—	52,017	(52,017)
Contributions - Employees	—	44,165	(44,165)
Net Investment Income	—	618,920	(618,920)
Benefit Payments, Including Refunds of Member Contributions	(282,582)	(282,582)	—
Other (Net Transfer)	—	(45,357)	45,357
Net Changes	61,776	387,163	(325,387)
Balances at December 31, 2025	4,280,989	4,481,378	(200,389)

TROY TOWNSHIP, ILLINOIS

Notes to the Financial Statements

March 31, 2026

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

For the year ended March 31, 2026, the Township recognized pension expense of \$58,254 on a modified cash basis. At March 31, 2026, the Township would report deferred outflows of resources and deferred inflows of resources related to pensions, on a GAAP basis, from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 16,315	(17,413)	(1,098)
Change in Assumptions	—	—	—
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	—	(217,271)	(217,271)
Total Pension Expense to be Recognized in Future Periods	16,315	(234,684)	(218,369)
Pension Contributions Made Subsequent			
to the Measurement Date	18,983	—	18,983
Total Deferred Amounts Related to IMRF	35,298	(234,684)	(199,386)

\$18,983 would be reported on a GAAP basis as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended March 31, 2027. Amounts that would be reported under the GAAP basis of accounting as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2027	\$ 55,015
2028	(118,634)
2029	(88,651)
2030	(66,099)
2031	—
Thereafter	—
Totals	(218,369)

TROY TOWNSHIP, ILLINOIS

Notes to the Financial Statements

March 31, 2026

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

The Township has evaluated its potential other post-employment benefits liability. Former employees who choose to retain their rights to health insurance through the Township are required to pay 100% of the current premium. Based upon a review of census data and plan provisions, as well as minimal utilization rates, it has been determined that any liability is immaterial to the financial statements in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*. Additionally, the Township provides no explicit benefit. Therefore, the Township has not recorded a liability as of March 31, 2026.

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such schedules include:

- Schedule Employer Contributions - Last Ten Fiscal Years
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability/(Asset) - Last Ten Measurement Years
Illinois Municipal Retirement Fund
- Budgetary Comparison Schedules - Major Governmental Funds

TROY TOWNSHIP, ILLINOIS

Illinois Municipal Retirement Fund

Schedule of Employer Contributions - Last Ten Fiscal Years

March 31, 2026

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2017	\$ 87,106	\$ 87,106	\$ —	\$ 639,076	13.63%
2018	80,635	80,635	—	635,424	12.69%
2019	82,004	82,004	—	672,719	12.19%
2020	60,315	60,315	—	631,568	9.55%
2021	59,612	59,612	—	672,067	8.87%
2022	62,782	62,782	—	736,013	8.53%
2023	54,367	54,367	—	869,870	6.25%
2024	38,012	38,012	—	844,717	4.50%
2025	45,755	45,755	—	875,298	5.23%
2026	58,254	58,254	—	1,033,021	5.64%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	18 Years
Asset Valuation Method	5-Year Smoothed Fair Value
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%) 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.

TROY TOWNSHIP, ILLINOIS

Illinois Municipal Retirement Fund

Schedule of Changes in the Employer's Net Pension Liability/(Asset) - Last Ten Measurement Years

March 31, 2026

	12/31/2016	12/31/2017	12/31/2018
Total Pension Liability			
Service Cost	\$ 63,251	64,841	56,120
Interest	238,110	246,297	241,404
Differences Between Expected and Actual Experience	18,686	(38,174)	(126,650)
Change of Assumptions	(11,652)	(123,769)	86,651
Benefit Payments, Including Refunds of Member Contributions	(214,200)	(211,352)	(208,808)
Net Change in Total Pension Liability	94,195	(62,157)	48,717
Total Pension Liability - Beginning	3,263,022	3,357,217	3,295,060
Total Pension Liability - Ending	3,357,217	3,295,060	3,343,777
Plan Fiduciary Net Position			
Contributions - Employer	\$ 87,106	80,636	82,005
Contributions - Members	28,759	28,594	30,273
Net Investment Income	176,595	504,882	(189,821)
Benefit Payments, Including Refunds of Member Contributions	(214,200)	(211,352)	(208,808)
Other (Net Transfer)	47,852	(41,213)	89,898
Net Change in Plan Fiduciary Net Position	126,112	361,547	(196,453)
Plan Net Position - Beginning	2,603,448	2,729,560	3,091,107
Plan Net Position - Ending	2,729,560	3,091,107	2,894,654
Employer's Net Pension Liability/(Asset)	\$ 627,657	203,953	449,123
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.30%	93.81%	86.57%
Covered Payroll	\$ 639,076	635,424	672,719
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	98.21%	32.10%	66.76%

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2016 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2017 and 2023.

12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024	12/31/2025
65,081	60,733	62,375	71,932	80,574	83,822	78,911
236,669	242,241	247,545	257,742	267,530	279,296	298,510
4,416	49,089	71,512	57,077	87,629	181,955	(33,063)
—	(46,800)	—	—	(10,562)	—	—
(223,834)	(230,438)	(235,409)	(255,725)	(256,396)	(272,618)	(282,582)
82,332	74,825	146,023	131,026	168,775	272,455	61,776
3,343,777	3,426,109	3,500,934	3,646,957	3,777,983	3,946,758	4,219,213
3,426,109	3,500,934	3,646,957	3,777,983	3,946,758	4,219,213	4,280,989
60,314	59,613	62,781	54,367	38,012	45,411	52,017
28,421	30,243	33,121	39,144	38,012	39,297	44,165
565,948	492,084	634,590	(552,450)	397,138	388,725	618,920
(223,834)	(230,438)	(235,409)	(255,725)	(256,396)	(272,618)	(282,582)
42,144	18,521	38,048	(2,720)	136,906	(13,689)	(45,357)
472,993	370,023	533,131	(717,384)	353,672	187,126	387,163
2,894,654	3,367,647	3,737,670	4,270,801	3,553,417	3,907,089	4,094,215
3,367,647	3,737,670	4,270,801	3,553,417	3,907,089	4,094,215	4,481,378
58,462	(236,736)	(623,844)	224,566	39,669	124,998	(200,389)
98.29%	106.76%	117.11%	94.06%	98.99%	97.04%	104.68%
631,568	672,067	736,013	869,870	844,717	873,270	992,448
9.26%	(35.23%)	(84.76%)	25.82%	4.70%	14.31%	(20.19%)

INDIVIDUAL FUND DESCRIPTIONS

GENERAL (TOWN) FUND

The General (Town) Fund is used to account for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditure for specified purposes.

Road and Bridge Fund

The Road and Bridge Fund is used to account for resources used for the upkeep and improvements of local roads.

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for motor fuel tax allocations from the State of Illinois and expenditures related to the Township's annual road rehabilitation and construction program.

General Assistance Fund

The General Assistance Fund is used to account for resources to provide financial assistance to the Township's residents who meet certain need-based requirements.

CAPITAL PROJECTS FUND

The Capital Project Fund is used to account for revenues and expenditures relative to the construction of capital improvements in the Town Fund.

TROY TOWNSHIP, ILLINOIS**General (Town) Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis****For the Fiscal Year Ended March 31, 2026**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes				
Property Tax	\$ 1,488,810	1,488,810	1,499,417	10,607
Intergovernmental				
Replacement Tax	33,700	33,700	49,050	15,350
Grants	1,500	1,500	948	(552)
Charges for Services	3,200	3,200	3,125	(75)
Investment Income	6,000	6,000	13,816	7,816
Miscellaneous	1,500	1,500	3,298	1,798
Total Revenues	<u>1,534,710</u>	<u>1,534,710</u>	<u>1,569,654</u>	<u>34,944</u>
Expenditures				
General Government				
Administrative	1,006,410	1,006,410	913,170	93,240
Town Assessor	476,325	480,325	437,902	42,423
Capital Outlay	20,000	16,000	4,218	11,782
Total Expenditures	<u>1,502,735</u>	<u>1,502,735</u>	<u>1,355,290</u>	<u>147,445</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	31,975	31,975	214,364	182,389
Other Financing (Uses)				
Transfers Out	<u>(375,000)</u>	<u>(375,000)</u>	<u>(370,000)</u>	<u>5,000</u>
Net Change in Fund Balance	<u>(343,025)</u>	<u>(343,025)</u>	<u>(155,636)</u>	<u>187,389</u>
Fund Balance - Beginning			<u>1,560,989</u>	
Fund Balance - Ending			<u><u>1,405,353</u></u>	

TROY TOWNSHIP, ILLINOIS**General (Town) Fund****Schedule of Expenditures - Budget and Actual - Modified Cash Basis****For the Fiscal Year Ended March 31, 2026**

	Original Budget	Final Budget	Actual	Variance with Final Budget
General Government				
Administrative				
Salaries and Wages	\$ 494,000	494,000	492,075	1,925
Employee Benefits	187,000	187,000	169,811	17,189
Contractual Services	219,080	219,080	156,904	62,176
Supplies and Commodities	3,700	3,700	1,443	2,257
Utilities	28,500	28,500	27,235	1,265
Maintenance	70,130	70,130	62,016	8,114
Contingencies	4,000	4,000	3,686	314
	1,006,410	1,006,410	913,170	93,240
Town Assessor				
Salaries and Wages	285,000	272,000	259,210	12,790
Employee Benefits	142,100	142,100	121,273	20,827
Contractual Services	44,525	61,525	55,245	6,280
Supplies and Commodities	800	800	379	421
Maintenance	2,900	2,900	1,005	1,895
Contingencies	1,000	1,000	790	210
	476,325	480,325	437,902	42,423
Total General Government	1,482,735	1,486,735	1,351,072	135,663
Capital Outlay	20,000	16,000	4,218	11,782
Total Expenditures	1,502,735	1,502,735	1,355,290	147,445

TROY TOWNSHIP, ILLINOIS

Road and Bridge - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis

For the Fiscal Year Ended March 31, 2026

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes				
Property Tax	\$ 947,685	947,685	958,204	10,519
Intergovernmental				
Replacement Tax	120,350	120,350	174,805	54,455
Charges for Services	17,235	17,235	17,135	(100)
Licenses and Permits	2,400	2,400	14,580	12,180
Fines and Forfeitures	200	200	—	(200)
Investment Income	6,000	6,000	13,789	7,789
Miscellaneous	200	200	42,742	42,542
Total Revenues	1,094,070	1,094,070	1,221,255	127,185
Expenditures				
Highways and Streets				
Administrative				
Contractual Services	127,690	142,690	54,920	87,770
Supplies and Commodities	750	750	237	513
Maintenance				
Salaries and Wages	370,000	370,000	348,193	21,807
Employee Benefits	167,250	170,250	124,389	45,861
Supplies and Commodities	62,000	62,000	42,044	19,956
Utilities	30,000	30,000	25,221	4,779
Maintenance	304,000	304,000	262,327	41,673
Contingencies	5,000	5,000	1,885	3,115
Capital Outlay	1,019,550	1,001,550	649,374	352,176
Total Expenditures	2,086,240	2,086,240	1,508,590	577,650
Excess (Deficiency) of Revenues Over (Under) Expenditures	(992,170)	(992,170)	(287,335)	704,835
Other Financing Sources				
Disposal of Capital Assets	—	—	138,500	138,500
Transfers In	10,000	10,000	10,000	—
	10,000	10,000	148,500	138,500
Net Change in Fund Balance	(982,170)	(982,170)	(138,835)	843,335
Fund Balance - Beginning			1,649,239	
Fund Balance - Ending			1,510,404	

TROY TOWNSHIP, ILLINOIS**General Assistance - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis****For the Fiscal Year Ended March 31, 2026**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes				
Property Tax	\$ 5,000	5,000	4,210	(790)
Investment Income	6	6	2	(4)
Miscellaneous	—	—	2,415	2,415
Total Revenues	5,006	5,006	6,627	1,621
Expenditures				
Health and Welfare				
Administrative				
Contractual Services	18,485	18,485	14,969	3,516
Maintenance	400	400	110	290
Contingencies	500	500	150	350
Home Relief				
Contractual Services	5,500	5,500	—	5,500
Supplies and Commodities	3,000	3,000	—	3,000
Utilities	2,000	2,000	—	2,000
Total Expenditures	29,885	29,885	15,229	14,656
Excess (Deficiency) of Revenues Over (Under) Expenditures	(24,879)	(24,879)	(8,602)	16,277
Other Financing Sources				
Transfers In	15,000	15,000	10,000	(5,000)
Net Change in Fund Balance	(9,879)	(9,879)	1,398	11,277
Fund Balance - Beginning			19,025	
Fund Balance - Ending			20,423	

TROY TOWNSHIP, ILLINOIS**Capital Projects Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis****For the Fiscal Year Ended March 31, 2026**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Investment Income	\$ —	—	—	—
Expenditures				
Capital Outlay	170,000	170,000	10,644	159,356
Excess (Deficiency) of Revenues Over (Under) Expenditures	(170,000)	(170,000)	(10,644)	159,356
Other Financing Sources				
Transfers In	350,000	350,000	350,000	—
Net Change in Fund Balance	<u>180,000</u>	<u>180,000</u>	339,356	<u>159,356</u>
Fund Balance - Beginning			<u>—</u>	
Fund Balance - Ending			<u>339,356</u>	

SUPPLEMENTAL SCHEDULE

TROY TOWNSHIP, ILLINOIS

Assessed Valuations, Tax Rates, Extensions, and Collections - Last Three Tax Levy Years March 31, 2026

Tax Levy Year	2022	2023	2024
Total Assessed Valuation	\$ 1,830,594,611	1,944,639,573	2,135,076,549
Tax Rates			
Corporate (1)	0.0740	0.0739	0.0703
Road and Bridge (1)	0.0879	0.0880	0.0839
General Assistance	0.0002	0.0002	0.0002
Total Tax Rates	0.1621	0.1621	0.1544
Tax Extensions			
Corporate (1)	\$ 1,354,640	1,437,089	1,500,959
Road and Bridge (1, 2)	1,609,093	1,711,283	1,791,329
General Assistance	3,661	3,889	4,270
Total Tax Extensions	2,967,394	3,152,261	3,296,558
Tax Collections			
Corporate	\$ 1,350,652	1,437,134	1,499,417
Road and Bridge (2)	857,616	914,656	958,204
General Assistance	3,657	3,891	4,210
Total Tax Collections	2,211,925	2,355,681	2,461,831
Percent Collected	74.54%	74.73%	74.68%

(1) Includes PA 102-0519 Adjustment.

(2) The Township recognizes only a portion of Road and Bridge Tax Levy as the other portion gets distributed to the municipalities.