wheatland
TOWNSHIP

AUDIT REPORT
FOR THE YEAR ENDED MARCH 31, 2006

Selden Fox, LTD.
CERTIFIED PUBLIC ACCOUNTANTS

Selden Fox, LTD.
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CERTIFIED PUBLIC ACCOUNTANTS
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July 30, 2006

Board of Trustees
Wheatland Township
Naperville, Illinois

We have audited the basic financial statements of the **Wheatland Township** for the year ended March 31, 2006. During our audit, the following matters came to our attention, which merit your consideration.

Investment Policy

Beginning with the audit for the fiscal year ended March 31, 2006, the Township is now subject to the requirements of Governmental Accounting Standards Board issued Statement Number 40, entitled *"Deposit and Investment Risk Disclosures."* Under this new reporting standard, the Township is subject to additional disclosures in the notes to the financial statements concerning how management is addressing the various types of investment risk, making specific references to the local government's investment policy.

We recommend the Township revise its cash and investment policy, formalizing many of the practices currently in place regarding the diversification and securitization of funds held for deposit and investment. This policy should also specifically address the Township's approach to managing interest rate risk, credit risk, and custodial credit risk as defined in the notes to the financial statements.

Expense Documentation

Certain individuals, in the course of performing their regular duties, incur job-related expenses that are submitted for reimbursement by the Township. The form submitted requesting reimbursement includes columns for date, amount, expense type and purpose, along with lines for the employee signature and the "approved by" signature. We noted instances where the purpose was not always clearly defined and where no one signed off as approving the expenses.

We recommend an individual requesting reimbursement clearly indicate the purpose of all expenses on the form. For example, if it is a mileage reimbursement, the purpose of the travel should be specifically noted. This will allow the individual approving the request to determine whether the expense is valid, and will also assist the accountant to properly record the disbursement. In addition, all such reimbursement requests should be signed off as approved by an appropriate level of authority before any payment is made.

Capital Asset Policy

With the application of Governmental Accounting Standards Board Statement Number 34, "Basic Financial Statements - and Management's Discussion and Analysis – for State and Local Governments" now required, the Township must now record depreciation expense within the governmental activities. As a result, the determination of what is considered a capital asset will impact operations, whereas in the past it would not impact governmental funds, but rather was recorded separately in the General Fixed Assets Account Group.

We recommend the Township adopt a formal capital asset policy. This policy should specify a dollar threshold for capitalizing purchases of items with a useful life of two or more years. In addition, the policy should address the useful lives that will be assigned to the classes of fixed assets. The threshold used for the current year audit was $5,000, and the lives used approximated those used by for-profit entities in accordance with Internal Revenue Service requirements. **We further recommend** the Township establish a separate fund in the general ledger to record all capital assets, as well as accumulated depreciation and depreciation expense balances.

This report is intended solely for the information and use of the management and Trustees, and is not intended and should not be used by anyone other than these specified parties.

We would like to take this opportunity to express our appreciation to you and to the Township's staff for the courtesy and cooperation extended to our staff during the course of the audit.

Should you wish to discuss further the matter referred to, or if we can be of assistance in implementing any of the suggestions, we will be pleased to do so at your convenience.

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SAS 61 "COMMUNICATION WITH AUDIT COMMITTEES"

July 30, 2006

Board of Trustees
Wheatland Township
Naperville, Illinois

We are providing additional information regarding the scope and results of the audit of **Wheatland Township** for the year ended March 31, 2006, that may assist the Board of Trustees in overseeing the financial reporting and disclosure process for which management is responsible. This letter is required, in the absence of oral communications, by Statement on Auditing Standards 61, "Communications With Audit Committees" issued by the Auditing Standards Board of the American Institute of Certified Public Accountants.

1. The auditor's responsibility under auditing standards generally accepted in the United States of America, as communicated in the engagement letter, is directed toward an expression of an opinion on the financial statements and is designed to obtain reasonable, rather than absolute, assurance that the financial statements are free of material misstatement, and are fairly stated in conformity with accounting principles generally accepted in the United States of America.

2. Significant accounting policies used by the Township are stated in Note 1 to the financial statements. These accounting policies were unchanged in the current year and no new accounting policies were added.

3. Accounting estimates made by management include determining the current allowance for uncollectible taxes be set at 1% of the 2005 levy, and depreciating capital assets over their estimated useful lives.

4. There were no adjusting journal entries or passed adjusting journal entries. Journal entries made to convert the accounting records to the full accrual basis for the government-wide financial statements are included as Exhibit 1.

5. No discussions were held with management that gave rise to a disagreement regarding accounting and reporting issues.

6. There were no discussions held with management in connection with the retention of our firm as auditors for the Township.

7. There were no difficulties encountered during our audit related to the Township's personnel. All personnel were very cooperative and responsive to our inquiries.

This letter is intended solely for the information and use of the Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

We would be pleased to discuss these matters, or to respond to any questions at the convenience of the Board of Trustees or its designate.

Very truly yours,

SELDEN FOX, LTD.

Edward G. Tracy

Edward G. Tracy
Vice President

EGT/djf

Exhibit 1

Wheatland Township
GASB 34 Journal Entries
For the Year Ended March 31, 2006

Account Number	Account Name	Debit	Credit	Income (Loss) Effect
GASB 34 Journal Entries JE # 1				
Record capital assets, including current year additions and current year depreciation expense.				
1801.090	Land	$ 24,000.00	$ -	$ -
1802.090	Buildings	34,850.00		
1803.090	Infrastructure	255,469.68		
1804.090	Equipment	132,596.11		
1805.090	Vehicles	660,688.43		
1806.090	Office equipment	20,748.00		
4995.090	Depreciation expense - general government	2,853.29		
4996.090	Depreciation expense - highways and streets	78,351.66		
1812.090	Accumulated depreciation - buildings		29,935.26	
1813.090	Accumulated depreciation - infrastructure		13,323.13	
1814.090	Accumulated depreciation - equipment		127,836.11	
1815.090	Accumulated depreciation - vehicles		535,910.06	
1816.090	Accumulated depreciation - office equipment		14,825.00	
2810.090	Investment in GFAG		430,892.65	
4216.060	Engineering service fees		23,091.36	
4237.060	Road maintenance		27,034.60	
4926.015	Office equipment purchase		6,709.00	(24,369.99)
GASB 34 Journal Entries JE # 2				
Record change in compensated absences payable as a current year expense on the statement of activities.				
2800.090	Amount to be provided for LT liabilities	4,234.25		
4998.090	Change in compensated absences payable - highways and streets	1,398.00		
4997.090	Change in compensated absences payable - general government		5,632.25	4,234.25
	Net effect of adjusting journal entries			$(20,135.74)

Wheatland Township
Audit Report
For the Year Ended March 31, 2006

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Wheatland Township
Audit Report
For the Year Ended March 31, 2006

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INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Wheatland Township
Naperville, Illinois

We have audited the financial statements of the governmental activities, major funds, and remaining fund information, which collectively comprise the basic financial statements and the schedules of revenues, expenditures and changes in fund balance – budget and actual and of expenditures – budget and actual for the General Town Fund and major Special Revenue Funds of **Wheatland Township** as of and for the year ended March 31, 2006, as listed in the table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, major funds, and remaining fund information of Wheatland Township as of March 31, 2006, and the results of its operations of those activities and funds and the budgetary comparison for the General Town Fund and major Special Revenue Funds for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis and schedule of funding progress listed in the table of contents are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of supplementary information. However, we did not audit the information and express no opinion on it.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Wheatland Township
Management's Discussion and Analysis
March 31, 2006

The Wheatland Township provides the following overview and analysis of the Township's financial operations and attached financial statements for the fiscal year ended March 31, 2006. The following discussion is presented to enable the readers to more fully understand the accompanying audited financial statements. The Township is responsible for the fair and accurate presentation of all financial information, as well as the internal controls and reporting procedures in creating the financial statements. In management's opinion, the financial statements herewith reflect all material aspects of the Township's operations in an accurate, fair and complete manner.

The financial statements are prepared in accordance with generally accepted accounting principles (GAAP), and follow the guidelines of the Governmental Accounting Standards Board (GASB). In 1999, GASB adopted Statement Number 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments." This standard modifies the required reporting for the Township, requiring full accrual accounting, including the reporting of all capital assets net of depreciation. The modifications to the Township required the additional reporting of capital assets, depreciation and compensated absences payable in the government-wide financial statements. Additional changes resulting from GASB 34 are in the financial statement presentation, which changed in format from prior years.

The major components of the financial statements are the overall statement of net assets and the overall statement of activities. The statement of net assets shows the amount that total Township assets exceed total liabilities, which may be considered the current value of net worth for the Township. The statement of activities reflects the overall operations of the Township for the past year, excluding revenues from taxes, interest and miscellaneous items. This demonstrates how effectively the Township operates on a business level model. In simple terms, it shows how the Township would fair as a business, without the support of auxiliary revenues.

The Township's total assets exceeded total liabilities by $2,448,417. At this time, the Township had total capital or infrastructure assets net of depreciation of $406,523. Of the Township's net assets, at the end of the year, $2,041,894 was available to fund future operations. Of this amount, $79,603 is restricted for general assistance, $1,511,667 is restricted for highways and streets (including bridges), and $450,624 is unrestricted.

Overview of the Financial Statements

The financial statements have three major components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

Additional required supplementary information includes the schedule of funding progress for the Illinois Municipal Retirement Fund, the Township's state retirement pension, and statement of revenues, expenditures and changes in fund balance – budget and actual for all of the Township's major funds. Supplementary information includes a combining balance sheet and combining statement of revenues, expenditures and changes in fund balance for nonmajor funds, and schedules of revenues, expenditures and changes in fund balance – budget and actual for each nonmajor fund with an adopted budget.

Overview of the Financial Statements (cont'd)

The two main components to the government-wide financial statements are: (1) the statement of net assets, and (2) the statement of activities. As discussed before, these are the two major statements that are analyzed in terms of obtaining a broad overview of the finances, value and annual operations of the Township.

The statement of net assets is a snapshot as of the end of the fiscal year, illustrating the overall value of the Township. The total net assets should be a positive number, and can be equated to the Township's total net worth. From year to year, an increase or decrease in the total net assets of the Township is one factor in determining the total overall financial performance.

The statement of activities shows the overall expenses and operating revenues for services the Township provides. Added to this are the nonoperating revenues for taxes, unrestricted investment earnings and miscellaneous items, to arrive at the total increase or decrease from operations. This amount is added to the total assets at the beginning of the year, to provide the value of the total assets at the end of the year. A decrease in net assets does not necessarily mean poor performance, as planned usage of cash on hand or fund reserves will also be reflected here.

Both of the government financial statements may be divided into two components: governmental activities, which are operations of the Township primarily supported by tax revenues, and business-type activities, which are those operations intended to be self-supportive, which have no direct attachment to providing Township services other than their own business. All of the Township's operations are considered to be governmental activities.

The fund financial statements provide reporting for the Township's operations at a fund level. A fund is a group of related accounts established for a specific purpose to maintain the control of resources for that purpose. The Township utilizes fund accounting that reports operations categorized by each of their purposes. There are three types of funds: governmental, proprietary and fiduciary. All of the Township's funds are considered to be governmental.

The focus of governmental fund financial statements is narrower than that of the Township-wide financial statements. The fund financial statements provide a more detailed look at the different operating components that comprise the government-wide financial statements. The focus at the fund level is more on current operations and short-term results, whereas the government-wide reporting allows for a greater understanding of the long-term sustainability of the Township. It is useful to compare the two types of statements for the balance sheet and the statement of revenues, expenditures and changes in fund balance to see how current operations reflect upon the long-range value of the Township. Reconciliations between the two types of statements are provided.

Notes to the financial statements provide additional information that is needed to gain a full understanding of the Township's financial operations and its reporting.

The required supplementary information provides greater detail on the Township's financial operations for all of its major governmental funds, as well as the schedule of funding progress for IMRF. The additional financial schedules provide information valuable in understanding nonmajor funds.

Financial Analysis

The government-wide assets of the Township total $4,304,350 and $3,686,030 at March 31, 2006 and 2005, respectively. The largest components of the assets are receivables ($1,793,949 and $1,710,177 at March 31, 2006 and 2005, respectively) and cash and cash equivalents ($2,103,878 and $1,544,961 at March 31, 2006 and 2005, respectively). Receivables consist of property taxes levied as of January 1, but not collected until over 60 days after March 31. The remaining assets ($406,523) are capital assets, which are all of the infrastructure or fixed assets for the Township. These include land, infrastructure, buildings, equipment, vehicles and office equipment. These items are now depreciated over their useful lives. In prior years, depreciation was not recorded, and capital assets were carried at historical (purchase) value.

The largest component of the total liabilities is the deferred property tax revenue, which equals the receivable balance. The taxes are levied with the intention of funding next year's activities. Therefore, all revenue is deferred on the statement of net assets.

Net assets at March 31, 2006 total $2,448,417, of which $406,523 represents the net amount of the capital assets less outstanding debt used to acquire them. Net assets at March 31, 2005 total $1,921,692, of which $430,892 represents the net amount of the capital assets less outstanding debt used to acquire them. The remaining amount each year represents the amount of funds the Township would have if all revenues were collected, and all other obligations of the Township were satisfied. As mentioned earlier, this amount is partially restricted for general assistance, and highways and streets, with the remainder unrestricted.

The government-wide operations are reflected in the statement of activities that reports the overall expenses and revenues for the Township. The major components of the Township's revenues are the general revenues of $1,814,170 and $1,718,718 at March 31, 2006 and 2005, respectively, which consist primarily of property tax revenue of $1,725,960 and $1,648,614 at March 31, 2006 and 2005, respectively. With the addition of charges for services ($28,733 and $16,482 at March 31, 2006 and 2005, respectively) and capital and operating grants and contributions ($10,000 and $15,000 at March 31, 2006 and 2005, respectively), the total government-wide revenues were $1,852,903 and $1,750,200 at March 31, 2006 and 2005, respectively.

Governmental activities of the Township had $1,326,178 and $1,211,846 in expenses for the year ended March 31, 2006 and 2005, respectively, of which $675,095 ($581,407 in 2005) was for general government expenses and $651,083 ($630,439 in 2005) was for highways and street services. Within general government and highways and street services expense, is depreciation expense of $2,853 and $78,352, respectively ($2,183 and $83,935, respectively, in 2005).

The Township's total revenues exceeded expenses by $526,725 and $538,354 for the years ended March 31, 2006 and 2005, respectively.

The financial analysis of the operations by fund, including a comparison of actual to budget operations, allows for a greater understanding of the overall Township operations. The Township adheres to fund accounting to ensure and comply with all finance related legal requirements for townships. The three major operational funds of the Township, which represent 98.1% of the total revenues, are the General Town, Road and Bridge, and Hard Road Funds. The fund financial statements exclude depreciation expense, which is also not a budgeted item.

Financial Analysis (cont'd)

General Town Fund – The General Town Fund's revenues were budgeted at $751,238, and the Fund's operations exceeded that figure by nearly 4%. The positive variance of $28,812 is mainly attributable to replacement tax revenue of $9,133 and grant revenue of $10,000 that was not budgeted, as well as investment income exceeding budget by $10,304. Actual 2006 revenues of $780,050 were an increase of $99,203 over 2004 revenues. This increase was primarily due to an additional $77,819 in property tax revenues due to an increase in the Township's equalized assessed valuation. The General Town Fund's expenditures were $384,891 less than the budget of $1,042,274, or approximately 37% under budget. The primary source of savings was in the office building purchase/expansion expense, which had a budget of $266,460 but only related costs of $2,383 in the current year, as no significant action has been taken to date.

Road and Bridge Fund – The Road and Bridge Fund's revenues were budgeted at $360,000, and the Fund's operations exceeded budget by $39,243. Actual 2006 revenues of $399,243 were an increase of $5,028 over 2005 revenues. The Road and Bridge Fund's expenditures, budgeted at $779,555, had a positive variance to operations of $551,593, mainly due to cost savings on contractual services, both under administration ($31,935 under budget) and highways and streets ($88,163 under budget). These cost savings were spread across numerous line items. In addition, the Township budgeted $325,000 under capital outlay for building purchase/expense that was unspent, as no action was taken on this matter in 2006. The Township has accumulated and maintained resources for any potential repairs to its two bridges within this Fund.

Hard Road Fund – The Hard Road Fund's revenues were budgeted at $613,700, and the Fund's operations exceeded budget by $24,237. This excess was attributable to investment income. Actual 2006 revenues of $637,937 were an increase of $11,639 over 2005 revenues, primarily due to increases in investment income totaling $16,734. The Hard Road Fund's expenditures, budgeted at $1,296,050, had a positive variance to operations of $903,051, mainly due to cost savings on road maintenance of $545,442.

Nonmajor Funds – The Township's nonmajor funds, which include the General Assistance, Park, Culvert and Cemetery Funds, combined to provide excess revenues over expenditures of $7,974. This represents a net positive variance to their budgeted amount of $128,885, attributable primarily to cost savings realized in the current year.

Capital Assets – The Township's investment in capital assets as of March 31, 2006 amounts to $406,523, net of accumulated depreciation ($430,892 net at March 31, 2005). This investment in capital assets includes land, buildings, infrastructure, equipment, vehicles and office equipment. The total decrease in the Township's investment in capital assets for the current fiscal year was 5.6%. This decrease was due to depreciation exceeding additions in the current year. Additional information on capital assets can be found in Note II.B. beginning on page 24.

Summary and Future Considerations

The Wheatland Township government processed record voter registrations, conducted absentee voting, culvert permits, property tax complaints, and new resident information requests during the past year. The Township continues to explore various options available for the purchase and/or lease of new office space.

Summary and Future Considerations (cont'd)

The Wheatland Township Park continues to offer Wheatland Township residents an attractive and comfortable open space for their enjoyment. Organized sporting leagues continue to reserve time for their sporting events, such as soccer, basketball and baseball. The Park Committee continues to explore additional options for improvements and expansion.

At the April 2004 Annual Town Meeting, a motion was approved authorizing the Township Board to accumulate surpluses to pay for a new building or expansion to its existing building. The Wheatland Township Board has several options to consider for their building expansion. The options include purchase of land for building, lease option, leasing space, and construction of a new building on the current building site. The Board is considering cost options, location and accessibility. With the additional space a new facility will offer, the Township will add additional services. The services being considered include, but are not limited to: passport photos, food pantry, toys-for-tots, and rider assistance.

The seniors program will be expanding its activities to include field trips to various attractions and events. The Township applied for a grant to provide the seniors of Wheatland Township $10,000 to be used at the new Township Center. The grant will be used to purchase furniture, cooking utensils and a bingo machine.

The Township Assessor's office assessed 1,250 new construction parcels for 2005, bringing total parcels to 26,153. The EAV for 2005 is $2,597,962,149.

The Highway Department is installing, in conjunction with the City of Naperville, a traffic light at Book Road and Leverenz. Road repair and maintenance continue on Township roads. The Highway Department assists the Township with grass cutting and maintenance of the Wheatland Township Cemetery and Wheatland Township Park.

The Township will explore new programs in 2006 to continue to enhance the quality of life and safety of our residents.

Requests for Information – This financial report is designed to provide a general overview of the financial operations of the Wheatland Township. Questions concerning any of the information in this report or requests for additional information should be sent to the Township Supervisor, 31 W 236 91st Street, Naperville, Illinois 60564.

BASIC FINANCIAL STATEMENTS

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Wheatland Township
Statement of Net Assets
March 31, 2006

Assets	
Cash and cash equivalents	$ 2,103,878
Receivables	1,793,949
Capital assets, less accumulated depreciation	406,523
Total assets	4,304,350
Liabilities	
Accounts payable	27,758
Accrued payroll	7,129
Deferred property tax revenue	1,793,949
Noncurrent liabilities:	
Due within one year	16,386
Due in more than one year	10,711
Total liabilities	1,855,933
Net assets:	
Invested in capital assets, net of related debt	406,523
Restricted for:	
General assistance	79,603
Highways and streets	1,511,667
Unrestricted	450,624
Total net assets	$ 2,448,417

See accompanying notes.

Wheatland Township
Statement of Activities
For the Year Ended March 31, 2006

Functions/Programs	Expenses	Charges for Services
Governmental activities:		
General government	$ 675,095	$ 18,775
Highways and streets	651,083	9,958
Total governmental activities	$ 1,326,178	$ 28,733

See accompanying notes.

Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets
$ 10,000	$ -	$ (646,320)
-	-	(641,125)
$ 10,000	$ -	(1,287,445)

General revenues:	
Taxes:	
Property	1,725,960
Replacement	28,292
Unrestricted investment earnings	59,888
Miscellaneous	30
Total general revenues	1,814,170
Change in net assets	526,725
Net assets, beginning of the year	1,921,692
Net assets, end of the year	$ 2,448,417

Wheatland Township
Balance Sheet - Governmental Funds
March 31, 2006

	General Town	Road and Bridge
Assets		
Cash and cash equivalents	$ 426,931	$ 603,934
Property taxes receivable	819,759	349,853
Due from other funds	-	-
Total assets	$ 1,246,690	$ 953,787
Liabilities and Fund Balance		
Liabilities:		
Accounts payable	$ 7,143	$ 11,987
Accrued payroll	4,879	-
Due to other funds	-	20,000
Deferred property tax revenue	819,759	349,853
Total liabilities	831,781	381,840
Fund balance	414,909	571,947
Total liabilities and fund balance	$ 1,246,690	$ 953,787

See accompanying notes.

Hard Road	Nonmajor Funds	**Total**
$ 923,961	$ 149,052	**$ 2,103,878**
604,033	20,304	**1,793,949**
-	20,000	**20,000**
$ 1,527,994	$ 189,356	**$ 3,917,827**

$ 8,369	$ 259	**$ 27,758**
2,250	-	**7,129**
-	-	**20,000**
604,033	20,304	**1,793,949**
614,652	20,563	**1,848,836**
913,342	168,793	**2,068,991**
$ 1,527,994	$ 189,356	**$ 3,917,827**

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Wheatland Township
Reconciliation of Balance Sheet of Governmental Funds
to the Statement of Net Assets
March 31, 2006

Total fund balance - governmental funds (page 12)	$ 2,068,991
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	406,523
Compensated absences payable are not due and payable in the current period and, therefore, are not reported in the funds.	(27,097)
Net assets of governmental activities (page 8)	$ 2,448,417

See accompanying notes.

Wheatland Township
Combined Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds
For the Year Ended March 31, 2006

	General Town	Road and Bridge
Revenues:		
Property tax revenue	$ 744,313	$ 354,405
Replacement tax revenue	9,133	19,159
Licenses and fees	3,240	425
Fines	60	7,283
Grant revenue	10,000	-
Investment income	13,304	17,941
Miscellaneous	-	30
Total revenues	780,050	399,243
Expenditures:		
Current:		
Administration	338,685	39,698
Assessor division	318,698	-
Cemetery	-	-
Highways and streets	-	188,264
Total expenditures	657,383	227,962
Revenues over expenditures	122,667	171,281
Fund balance, beginning of the year	292,242	400,666
Fund balance, end of the year	$ 414,909	$ 571,947

See accompanying notes.

Hard Road	Nonmajor Funds	Totals
$ 611,276	$ 15,966	**$ 1,725,960**
-	-	**28,292**
-	17,650	**21,315**
-	-	**7,343**
-	-	**10,000**
26,661	1,982	**59,888**
-	75	**105**
637,937	35,673	**1,852,903**
-	21,536	**399,919**
-	-	**318,698**
-	6,163	**6,163**
392,999	-	**581,263**
392,999	27,699	**1,306,043**
244,938	7,974	**546,860**
668,404	160,819	**1,522,131**
$ 913,342	$ 168,793	**$ 2,068,991**

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Wheatland Township
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended March 31, 2006

Amounts reported for governmental activities in the statement of activities (pages 9 and 10) are different because:

Net change in fund balances - total governmental funds (page 15)	$ 546,860
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation ($81,205) exceeds capital outlay ($56,836) in the current period.	(24,369)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as an expenditure in governmental funds. This amount represents the change in compensated absences payable recorded as an expense in the statement of activities.	4,234
Change in net assets of governmental activities (page 10)	$ 526,725

See accompanying notes.

I. Summary of Significant Accounting Policies

A. The Reporting Entity

The Wheatland Township ("the Township") is duly organized and existing under the provisions of the laws of the state of Illinois, and is operating under the provisions of the Township Code of the state of Illinois. The Township is governed by an elected Board of a Township Supervisor and four Township Trustees. The Township includes all funds of its governmental operations and its component units based on financial accountability. Financial accountability includes appointment of the organization's governing body, imposition of will and fiscal dependency. The accompanying financial statements include only those funds of the Township, as there are no other organizations for which it has financial accountability.

The accounting policies and financial statements of Wheatland Township conform to accounting principles generally accepted in the United States of America as applicable to governments. Following is a summary of the more significant policies.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all activities of the primary government. The effect of interfund activity has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. All of the Township's activities are considered governmental activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues. Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

I. **Summary of Significant Accounting Policies** (cont'd)

C. **Measurement Focus, Basis of Accounting and Basis of Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recorded only when the payment is due.

Property taxes and interest earned are susceptible to accrual. Replacement income tax collected and held by the state of Illinois at year end on behalf of the Township is also recognized as revenue. Other receipts become measurable and available when cash is received, and are recognized at that time. The Township reports the following major governmental funds:

General Town Fund – The General Town Fund is the general operating fund of the Township. It is used to account for all financial resources of the general government, except those required to be accounted for in another fund.

Road and Bridge Fund – The Road and Bridge Fund accounts for the activities associated with the maintenance and repair of Township roads, including snow removal, weed control, and road sign and light pole replacement.

Hard Road Fund – The Hard Road Fund accounts for the activities associated with constructing or maintaining gravel, rock, macadam and other hard roads.

I. Summary of Significant Accounting Policies (cont'd)

D. Assets, Liabilities and Net Assets or Equity

1. Deposits and Investments

The Township's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Statutes authorize the Township to invest in the following:

- Bonds, notes, certificates of indebtedness, treasury bills or other securities which are guaranteed by the full faith and credit of the United States as to principal and interest.

- Bonds, notes, debentures or similar obligations of the United States of America or its agencies.

- Savings accounts, certificates of deposit, time accounts, or other investments constituting direct obligations of a bank as defined by the Illinois Banking Act.

- Securities legally issuable by savings and loan associations incorporated under the laws of any state of the United States of America. Share accounts and share certificates of a credit union chartered under the laws of the state of Illinois or United States of America, provided the principal office of the credit union is located within the state of Illinois. Short-term discount obligations of the Federal National Mortgage Association (FNMA). Investments may be made only in financial institutions which are insured by either the Federal Deposit Insurance Corporation or other applicable law for credit unions.

- Short-term obligations (maturing within 180 days of date of purchase) of corporations with assets exceeding five hundred million dollars ($500,000,000). Such obligations must be rated, at the time of purchase, at one of the three highest classifications established by at least two standard rating services. This type of obligation is limited to one-third of the Township's funds available for investment, and cannot exceed 10 percent of the corporation's outstanding obligation.

I. **Summary of Significant Accounting Policies** (cont'd)

D. **Assets, Liabilities and Net Assets or Equity** (cont'd)

1. **Deposits and Investments** (cont'd)

- Money market mutual funds, registered under the Investment Company Act of 1940, which invest only in bonds, notes, certificates of indebtedness, treasury bills, and other securities which are guaranteed by the full faith and credit of the United States of America as to principal and interest and agrees to repurchase such obligations.

- Repurchase agreements of government securities subject to The Government Securities Act of 1986.

- Illinois Funds.

Investments with maturities of one year or more from the date of purchase are stated at fair value based on quoted market prices. Investments with maturities of one year or less from the date of purchase and nonnegotiable certificates of deposit are stated at amortized cost. Investment income has been allocated to each fund based on investments held by the fund.

2. **Receivables and Payables**

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (the current portion of interfund loans), or "advances to/from other funds" (the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Advances between funds are offset by a fund balance reserve account to indicate that they are not available for appropriation, and are not expendable available resources.

The Township's property taxes are required to be levied by ordinance. A certified copy of the levy ordinance must be filed with the county clerk no later than the last Tuesday in December of each year. Taxes are due and collectible one-half on June 1 and one-half on September 1 of the following year. Property taxes attach as an enforceable lien on property as of January 1.

Property taxes are based on the assessed valuation of the Township's real property as equalized by the state of Illinois. The equalized assessed valuation of real property totaled $2,903,600,000 for the calendar year 2005. The allowance for uncollectible taxes has been stated at 1 percent of the tax levy, to reflect actual experience.

I. **Summary of Significant Accounting Policies** (cont'd)

D. **Assets, Liabilities and Net Assets or Equity** (cont'd)

3. **Capital Assets**

Capital assets, which include property, plant and equipment and infrastructure assets, are reported in the government-wide financial statements. The Township defines capital assets as assets with an initial cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost, if purchased or constructed. Donated capital assets are recorded at their estimated fair value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the assets, or materially extend assets' lives, are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of governmental activities is not capitalized.

Property, plant and equipment of the primary government are depreciated using the straight-line method, over the following estimated useful lives:

Infrastructure	25 years
Buildings	40 years
Equipment	5 years
Vehicles	5 years
Office equipment	5 years

4. **Compensated Absences**

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and sick pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Payments of compensated absences are made by the governmental funds for which the eligible employee's salary is recorded. The balance at March 31, 2006 of $27,097 represented a decrease of $4,234 from the March 31, 2005 balance.

I. Summary of Significant Accounting Policies (cont'd)

D. Assets, Liabilities and Net Assets or Equity (cont'd)

5. Deferred Property Tax Revenue

Property tax revenues are recorded on the "deferred method." Because of the extraordinarily long period of time between the levy date and the receipt of tax distributions from the county collector, property taxes are not "available" to finance the current year's expenditures. For those funds on the modified accrual basis of accounting, the current year's tax levy is recorded as property taxes receivable and deferred tax revenue. The Township prepared its 2005 tax levy to fund operations in the fiscal year ended March 31, 2007, and as a result, the 2005 tax levy is also recorded as deferred revenue in the government-wide financial statements.

6. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not appropriable, or are legally segregated by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

II. Detailed Notes For All Fund Types and Account Groups

A. 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 balance sheet as "cash and cash equivalents." In addition, investments are separately held by several of the Township's funds. In addition, the Township has cash on hand of $300.

At year end, the Township's carrying amount of deposits was $2,090,428, and the bank balance was $2,094,176, of which $128,629 was covered by federal depository insurance, and $1,965,547 was covered by collateral held by the pledging financial institution, or its trust department, or its agent but not in the Township's name. In addition, the Township has funds invested with Illinois Funds, a money market fund overseen by the Treasurer of the state of Illinois. Such amounts are not subject to categorization. At year end, the carrying amount and bank balance of the Township's investment in Illinois Funds was $13,150.

II. Detailed Notes For All Fund Types and Account Groups (cont'd)

A. Deposits and Investments (cont'd)

A reconciliation of the Township's cash and cash equivalents is as follows:

Cash on hand	$ 300
Carrying amount of deposits	2,090,428
Carrying amount of Illinois Funds	13,150
Balance sheet - governmental funds - cash and cash equivalents	$ 2,103,878

Interest Rate Risk – This is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Township does not have a formal investment policy regarding interest rate risk; however, the Township does manage its interest rate risk by structuring its investment portfolio so that securities are short-term in nature and mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

Credit Risk – Generally, credit risk is the risk that an issuer of a debt type instrument will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. The Township is not exposed to credit risk, as its investments are limited to certificates of deposit, which are unrated.

Custodial Credit Risk – For deposits, this is the risk that, in the event of a bank failure, a government will not be able to recover its deposits. As of March 31, 2006, $1,965,547 of the government's bank balance was exposed to custodial credit risk because it was collateralized with securities held by the pledging financial institution, or its trust department, or its agent but not in the Township's name. For investments, this is the risk that in the event of the failure of the counterparty, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

B. Capital Assets

Capital asset activity for the year ended March 31, 2006 was as follows:

II. Detailed Notes For All Fund Types and Account Groups (cont'd)

B. Capital Assets (cont'd)

	Balance, April 1 2005	Additions	Retirements	Balance, March 31, 2006
Governmental Activities				
Capital assets, not being depreciated - land	$ 24,000	$ -	$ -	$ 24,000
Capital assets, being depreciated:				
Buildings	34,850	-	-	34,850
Infrastructure	205,343	50,127	-	255,470
Equipment	132,597	-	-	132,597
Vehicles	660,688	-	-	660,688
Office equipment	14,039	6,709	-	20,748
Total capital assets, being depreciated	1,047,517	56,836	-	1,104,353
Less accumulated Depreciation for:				
Buildings	29,042	894	-	29,936
Infrastructure	4,107	9,216	-	13,323
Equipment	126,477	1,360	-	127,837
Vehicles	469,653	66,256	-	535,909
Office equipment	11,346	3,479	-	14,825
Total accumulated depreciation	640,625	81,205	-	721,830
Total capital assets, being depreciated, net	406,892	(24,369)	-	382,523
Governmental activities' capital assets, net	$ 430,892	$ (24,369)	$ -	$ 406,523

Depreciation expense was charged to governmental activities as follows:

General government	$ 2,853
Highways and streets	78,352
Total depreciation expense	$ 81,205

II. Detailed Notes For All Fund Types and Account Groups (cont'd)

C. Interfund Receivables and Payables

The following interfund receivable and payable as of March 31, 2006 is expected to be liquidated in the next year during the normal course of operations:

Receivable Fund	Payable Fund	Amount
Nonmajor Governmental	Road and Bridge	$ 20,000

III. Other Information

A. Employee Retirement System

The Township's defined benefit pension plan, Illinois Municipal Retirement Fund ("IMRF"), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent multiple employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly.

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

Employees participating in IMRF are required to contribute 4.5 percent of their annual covered salary. The member rate is established by State statute. The Township is required to contribute at an actuarially determined rate. The employer rate for calendar year 2005 was 10.09 percent of payroll. The employer contribution requirements are established and may be amended by the IMRF's Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (overfunded liability is amortized on an open basis). The remaining amortization period at December 31, 2005 was 29 years.

III. Other Information (cont'd)

A. Employee Retirement System (cont'd)

For December 31, 2005, the Township's annual pension cost of $53,686 was equal to the Township's required and actual contributions. The required contribution was determined as part of the December 31, 2003 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included: (a) 7.5 percent investment rate of return (net of administrative expenses), (b) projected salary increases of 4.0 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 11.6 percent per year depending on age and service, attributable to seniority/merit, and (d) postretirement benefit increases of 3.0 percent annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15 percent corridor. The assumptions used for the 2005 actuarial valuation were based on the 2002 – 2004 experience study.

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Required supplementary information can be found on page 28. Trend information for the three years ending December 31, 2003, 2004, and 2005 is as follows:

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2003	$ 41,227	100 %	$ -
2004	42,196	100	-
2005	53,686	100	-

B. Risk Management

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three fiscal years.

III. Other Information (cont'd)

C. Flexible Spending Plan

Effective January 1, 1999, the Township sponsors and administers a flexible benefits spending plan, in which employees who have worked a minimum of 90 days can direct pretax contributions to employee-directed benefits, which includes group medical insurance, cancer insurance, intensive care insurance, accident insurance, and hospital indemnity insurance, under the Wheatland Township Flexible Benefits Plan. The cost of the fringe benefit plan to the Township was de minimus for the plan year ended July 31, 2005.

REQUIRED SUPPLEMENTARY FINANCIAL INFORMATION

Wheatland Township
Illinois Municipal Retirement Fund
Required Supplementary Information -
Schedule of Funding Progress
March 31, 2006

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/02	$ 326,687	$ 381,240	$ 54,553	85.69%	$ 381,501	14.30%
12/31/03	381,179	506,164	124,985	75.31%	444,256	28.13%
12/31/04	428,454	599,785	171,331	71.43%	442,306	38.74%
12/31/05	533,978	784,022	250,044	68.11%	532,067	46.99%

Net assets available for benefits are valued at market value.

Digest of Changes

Assumptions – The actuarial assumptions used to determine the actuarial accrued liability for 2005 were changed due to the 2002 – 2004 experience study.

The principal changes were:

- The 1994 Group Annuity Mortality implemented.

- For regular members, fewer normal and early retirements are expected to occur.

See independent auditor's report.

Wheatland Township
General Town Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended March 31, 2006

	Original and Final Budget	**Actual**	Variance Positive (Negative)
Revenues:			
Property taxes	$ 745,138	**$ 744,313**	$ (825)
Replacement taxes	-	**9,133**	9,133
Licenses and fees	3,100	**3,240**	140
Fines	-	**60**	60
Grants	-	**10,000**	10,000
Investment income	3,000	**13,304**	10,304
Total revenues	751,238	**780,050**	28,812
Expenditures:			
Administration	692,669	**338,685**	353,984
Assessor	349,605	**318,698**	30,907
Total expenditures	1,042,274	**657,383**	384,891
Revenues over (under) expenditures	$ (291,036)	**122,667**	$ 413,703
Fund balance, beginning of the year		**292,242**	
Fund balance, end of the year		**$ 414,909**	

See independent auditor's report.

Wheatland Township
General Town Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended March 31, 2006

	Original and Final Budget	**Actual**	Variance Positive (Negative)
Administration:			
Personnel services:			
Salaries - elected officials	$ 178,800	**$ 167,456**	$ 11,344
Salaries - administration	38,500	**26,761**	11,739
IMRF - full-time employees	23,903	**20,347**	3,556
FICA - elected and administrative	16,623	**15,534**	1,089
Workers' compensation insurance	8,000	**7,757**	243
Health insurance	10,833	**7,141**	3,692
Training	1,000	**(70)**	1,070
Total personnel services	277,659	**244,926**	32,733
Contractual services:			
Accounting and audit	24,500	**19,469**	5,031
Consulting	500	**-**	500
Legal expense	15,000	**788**	14,212
Building maintenance	4,000	**3,936**	64
Office equipment maintenance	1,500	**1,000**	500
Property insurance	1,900	**1,295**	605
General and liability insurance	8,200	**5,592**	2,608
Utilities	6,000	**6,446**	(446)
Telecommunications	3,500	**4,240**	(740)
Weed ordinance enforcement	200	**1,000**	(800)
Warning siren maintenance	-	**(1,000)**	1,000
Printing	200	**59**	141
Total contractual services	65,500	**42,825**	22,675
Commodities:			
Newsletter/printing	17,000	**17,080**	(80)
Postage	700	**524**	176
Publishing	950	**1,105**	(155)
Office supplies	3,000	**3,211**	(211)
Total commodities	21,650	**21,920**	(270)

(cont'd)

Wheatland Township
General Town Fund
Schedule of Expenditures - Budget and Actual (cont'd)
For the Year Ended March 31, 2006

	Original and Final Budget	**Actual**	Variance Positive (Negative)
Administration (cont'd):			
Public service:			
Cemetery management	$ 5,000	$ -	$ 5,000
Plan commission	500	-	500
Polling place rental	2,400	**2,175**	225
Annual town meeting expense	350	**30**	320
Annual town meeting moderator	50	**50**	-
Senior services	3,000	**1,296**	1,704
Senior subsidized transportation	10,000	-	10,000
Waste services	3,000	-	3,000
Youth services	2,000	**704**	1,296
Total public service	26,300	**4,255**	22,045
Public safety:			
Mosquito abatement	9,500	**9,640**	(140)
Office safety	500	-	500
Total public safety	10,000	**9,640**	360
Miscellaneous:			
Dues	900	**1,040**	(140)
Website maintenance	500	-	500
Public relations	200		200
Travel and conferences	7,000	**963**	6,037
Zoning sign purchase	100	-	100
Miscellaneous	8,900	**6,532**	2,368
Contingencies	2,500	**1,138**	1,362
Total miscellaneous	20,100	**9,673**	10,427

(cont'd)

Wheatland Township
General Town Fund
Schedule of Expenditures - Budget and Actual (cont'd)
For the Year Ended March 31, 2006

	Original and Final Budget	**Actual**	Variance Positive (Negative)
Administration (cont'd):			
Capital outlay:			
Office furniture	$ 500	**$ -**	$ 500
Office equipment - purchase	3,000	**1,780**	1,220
Office building purchase/expansion	266,460	**2,383**	264,077
Software package - accounting	1,500	**1,283**	217
Total capital outlay	271,460	**5,446**	266,014
Total administration	692,669	**338,685**	353,984
Assessor Division:			
Personnel services:			
Salaries	235,000	**212,610**	22,390
IMRF	23,148	**17,956**	5,192
FICA	17,978	**17,977**	1
Health insurance	18,399	**38,799**	(20,400)
Workers' compensation insurance	16,450	**-**	16,450
Training	4,000	**4,168**	(168)
Total personnel services	314,975	**291,510**	23,465
Contractual services:			
Subcontractor fees	5,500	**1,872**	3,628
Maintenance - equipment	500	**193**	307
Maintenance - software	1,000	**490**	510
Telecommunications	4,000	**3,519**	481
Total contractual services	11,000	**6,074**	4,926

(cont'd)

Wheatland Township
General Town Fund
Schedule of Expenditures - Budget and Actual (cont'd)
For the Year Ended March 31, 2006

	Original and Final Budget	Actual	Variance Positive (Negative)
Assessor Division (cont'd):			
Commodities:			
Postage	$ 200	$ 226	$ (26)
Printing/publishing	600	99	501
Field supplies	530	-	530
Film processing supplies	1,000	-	1,000
Office supplies	2,500	2,217	283
Total commodities	4,830	2,542	2,288
Miscellaneous:			
Dues and training	300	-	300
Mileage reimbursement fieldwork	5,000	5,463	(463)
Travel	3,000	3,021	(21)
Website maintenance	6,000	2,296	3,704
Total miscellaneous	14,300	10,780	3,520
Capital outlay:			
Office equipment	4,000	7,792	(3,792)
Computer software	500	-	500
Total capital outlay	4,500	7,792	(3,292)
Total Assessor Division	349,605	318,698	30,907
Total expenditures	$ 1,042,274	$ 657,383	$ 384,891

See independent auditor's report.

Wheatland Township
Road and Bridge Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended March 31, 2006

	Original and Budget	**Actual**	Variance Positive (Negative)
Revenues:			
Property taxes	$ 340,000	**$ 354,405**	$ 14,405
Replacement taxes	10,000	**19,159**	9,159
Licenses and fees	-	**425**	425
Fines	5,000	**7,283**	2,283
Investment income	5,000	**17,941**	12,941
Other income	-	**30**	30
Total revenues	360,000	**399,243**	39,243
Expenditures:			
Administration	106,000	**39,698**	66,302
Highways and streets	673,555	**188,264**	485,291
Total expenditures	779,555	**227,962**	551,593
Revenues over (under) expenditures	$ (419,555)	**171,281**	$ 590,836
Fund balance, beginning of the year		**400,666**	
Fund balance, end of the year		**$ 571,947**	

See independent auditor's report.

Wheatland Township
Road and Bridge Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended March 31, 2006

	Original and Budget	Actual	Variance Positive (Negative)
Administration:			
Personnel services:			
Salaries - office	$ 20,000	$ 19,045	$ 955
FICA	3,500	1,457	2,043
Workers' compensation	3,500	-	3,500
Total personnel services	27,000	20,502	6,498
Contractual services:			
Accounting services	6,000	-	6,000
Legal services	15,000	874	14,126
General insurance	10,000	7,854	2,146
Liability insurance	10,000	3,836	6,164
Telecommunications	7,000	3,501	3,499
Total contractual services	48,000	16,065	31,935
Commodities:			
Postage	4,000	43	3,957
Printing	6,000	-	6,000
Publishing	3,000	77	2,923
Office supplies	3,000	471	2,529
Total commodities	16,000	591	15,409
Miscellaneous:			
Dues	3,000	150	2,850
Travel and conferences	4,000	1,663	2,337
Miscellaneous charges	3,000	352	2,648
Total miscellaneous	10,000	2,165	7,835
Capital outlay - office equipment	5,000	375	4,625
Total administration	106,000	39,698	66,302

(cont'd)

Wheatland Township
Road and Bridge Fund
Schedule of Expenditures - Budget and Actual (cont'd)
For the Year Ended March 31, 2006

	Original and Budget	Actual	Variance Positive (Negative)
Highways and streets:			
Personnel services:			
Salaries	$ 30,000	**$ 54,859**	$ (24,859)
FICA	10,000	**4,151**	5,849
IMRF	10,000	**5,790**	4,210
Health insurance	9,055	**9,449**	(394)
Workers' compensation insurance	10,000	**-**	10,000
Total personnel services	69,055	**74,249**	(5,194)
Contractual services:			
Channel fee charges	4,000	**3,462**	538
Drainage	10,000	**-**	10,000
Bridge maintenance	3,000	**-**	3,000
Building maintenance	5,000	**2,383**	2,617
Equipment maintenance	10,000	**621**	9,379
Vehicle maintenance	20,000	**4,142**	15,858
Road maintenance	2,000	**600**	1,400
Engineering	2,000	**-**	2,000
Rentals	5,000	**208**	4,792
Snow removal maintenance	20,000	**1,237**	18,763
Street lights	30,000	**25,802**	4,198
Telecommunications	-	**(43)**	43
Traffic signal	15,000	**6,306**	8,694
Uniforms	2,500	**200**	2,300
Utilities	12,000	**7,419**	4,581
Total contractual services	140,500	**52,337**	88,163
Commodities:			
Auto fuel/oil	14,000	**4,319**	9,681
Small tools	4,000	**4,149**	(149)
Bridge supplies	2,000	**-**	2,000
Building supplies	5,000	**1,107**	3,893
Equipment supplies	10,000	**4,370**	5,630

(cont'd)

Wheatland Township
Road and Bridge Fund
Schedule of Expenditures - Budget and Actual (cont'd)
For the Year Ended March 31, 2006

	Original and Budget	**Actual**	Variance Positive (Negative)
Highways and streets (cont'd):			
Commodities (cont'd):			
Operating supplies	$ 10,000	**$ 8,739**	$ 1,261
Postage	-	**72**	(72)
Road/drainage supplies	10,000	**2,880**	7,120
Snow removal supplies	30,000	**28,937**	1,063
Vehicle supplies	12,000	**4,705**	7,295
Total commodities	97,000	**59,278**	37,722
Miscellaneous:			
Miscellaneous charges	2,000	**1,330**	670
Travel and conferences	-	**19**	(19)
Contingencies	5,000	-	5,000
Total miscellaneous	7,000	**1,349**	5,651
Capital outlay:			
Equipment	35,000	**1,051**	33,949
Building purchase/expense	325,000	-	325,000
Total capital outlay	360,000	**1,051**	358,949
Total highways and streets	673,555	**188,264**	485,291
Total expenditures	$ 779,555	**$ 227,962**	$ 551,593

See independent auditor's report.

Wheatland Township
Hard Road Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended March 31, 2006

	Original and Budget	**Actual**	Variance Positive (Negative)
Revenues:			
Property taxes	$ 611,700	**$ 611,276**	$ (424)
Investment income	2,000	**26,661**	24,661
Total revenues	613,700	**637,937**	24,237
Expenditures - highways and streets	1,296,050	**392,999**	903,051
Revenues over (under) expenditures	$ (682,350)	**244,938**	$ 927,288
Fund balance, beginning of the year		**668,404**	
Fund balance, end of the year		**$ 913,342**	

See independent auditor's report.

Wheatland Township
Hard Road Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended March 31, 2006

	Original and Budget	Actual	Variance Positive (Negative)
Highways and streets:			
Personnel services:			
Salaries	$ 200,000	**$ 125,018**	$ 74,982
IMRF	20,000	**12,710**	7,290
FICA	15,000	**9,482**	5,518
Workers' compensation insurance	20,000	**13,791**	6,209
Health insurance	15,000	**18,141**	(3,141)
Total personnel services	270,000	**179,142**	90,858
Contractual services:			
Drainage	175,000	**7,934**	167,066
Engineering	50,000	**23,867**	26,133
Road maintenance	694,050	**148,608**	545,442
Rentals	2,000	**515**	1,485
Total contractual services	921,050	**180,924**	740,126
Commodities:			
Road maintenance supplies	80,000	**23,344**	56,656
Motor fuel/oil	20,000	**9,570**	10,430
Total commodities	100,000	**32,914**	67,086
Miscellaneous charges	5,000	**19**	4,981
Total expenditures	$ 1,296,050	**$ 392,999**	$ 903,051

See independent auditor's report.

Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Town Fund and certain Special Revenue Funds. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year end.

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

- The Combined Budget and Appropriations Ordinance is prepared in tentative form by the Township Supervisor, and is made available for public inspection 30 days prior to final Board action. A public hearing is held on the tentative Combined Budget and Appropriations Ordinance to obtain taxpayer comments.
- Prior to July 1, the Budget and Appropriations Ordinance is legally enacted.
- The Board of Township Trustees may:
  - Amend the Budget and Appropriations Ordinance in the same manner as its original enactment.
  - Transfer between items of any fund not exceeding in the aggregate ten percent (10%) of the total amount appropriated in such fund.
  - After six months of the fiscal year, by two-thirds vote, transfer any appropriation item it anticipates to be unexpended to any other appropriation item.

Management cannot amend the Budget and Appropriations Ordinance; however, expenditures may exceed appropriations at the object level. The Board of Trustees, as outlined above, must approve expenditures that exceed individual appropriations at the object level. During the year, no supplemental appropriations were necessary. No budget was adopted for the Tornado Relief Fund and Culvert Fund.

The Township does not use the encumbrance method of accounting. Budgetary funds are controlled by an integrated budgetary accounting system, in accordance with various legal requirements which govern the Township.

SUPPLEMENTARY FINANCIAL INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

Wheatland Township
Nonmajor Governmental Funds
Combining Balance Sheet
March 31, 2006

	General Assistance	Tornado Relief	Park
Assets			
Cash and cash equivalents	$ 59,603	$ 15,322	$ 17,016
Property tax receivable	20,304	-	-
Due from other funds	20,000	-	-
Total assets	$ 99,907	$ 15,322	$ 17,016
Liabilities and Fund Balance			
Liabilities:			
Accounts payable	$ -	$ -	$ 259
Deferred property tax revenue	20,304	-	-
Total liabilities	20,304	-	259
Fund balance	79,603	15,322	16,757
Total liabilities and fund balance	$ 99,907	$ 15,322	$ 17,016

See independent auditor's report.

Culvert	Cemetery	Total
$ 28,482	$ 28,629	**$ 149,052**
-	-	**20,304**
-	-	**20,000**
$ 28,482	$ 28,629	**$ 189,356**

$ -	$ -	**$ 259**
-	-	**20,304**
-	-	**20,563**
28,482	28,629	**168,793**
$ 28,482	$ 28,629	**$ 189,356**

Wheatland Township
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended March 31, 2006

	General Assistance	Tornado Relief	Park
Revenues:			
Property tax revenue	$ 15,966	$ -	$ -
Licenses and fees	-	-	-
Interest income	907	250	437
Miscellaneous	-	-	50
Total revenues	16,873	250	487
Expenditures:			
Administration	16,009	-	5,027
Cemetery	-	-	-
Total expenditures	16,009	-	5,027
Revenues over (under) expenditures	864	250	(4,540)
Fund balance, beginning of the year	78,739	15,072	21,297
Fund balance, end of the year	$ 79,603	$ 15,322	$ 16,757

See independent auditor's report.

Culvert	Cemetery	Total
$ -	$ -	**$ 15,966**
2,250	15,400	**17,650**
258	130	**1,982**
-	25	**75**
2,508	15,555	**35,673**
500	-	**21,536**
-	6,163	**6,163**
500	6,163	**27,699**
2,008	9,392	**7,974**
26,474	19,237	**160,819**
$ 28,482	$ 28,629	**$ 168,793**

Wheatland Township
General Assistance Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended March 31, 2006

	Original and Final Budget	**Actual**	Variance Positive (Negative)
Revenues:			
Property taxes	$ 13,000	**$ 15,966**	$ 2,966
Investment income	-	**907**	907
Total revenues	13,000	**16,873**	3,873
Expenditures - administration	89,579	**16,009**	73,570
Revenues over (under) expenditures	$ (76,579)	**864**	$ 77,443
Fund balance, beginning of the year		**78,739**	
Fund balance, end of the year		**$ 79,603**	

See independent auditor's report.

Wheatland Township
Park Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended March 31, 2006

	Original and Budget	**Actual**	Variance Positive (Negative)
Revenues:			
Investment income	$ -	**$ 437**	$ 437
Miscellaneous	-	**50**	50
Total revenues	-	**487**	487
Expenditures - administration:			
Commodities - park supplies	-	**268**	(268)
Public services:			
Park development	5,000	**-**	5,000
Park maintenance	16,390	**1,629**	14,761
Park subcontracting	-	**418**	(418)
Park equipment	-	**987**	(987)
Park electric maintenance	2,500	**1,725**	775
Total public services	23,890	**4,759**	19,131
Total expenditures	23,890	**5,027**	18,863
Revenues under expenditures	$ (23,890)	**(4,540)**	$ 19,350
Fund balance, beginning of the year		**21,297**	
Fund balance, end of the year		**$ 16,757**	

See independent auditor's report.

Wheatland Township
Cemetery Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended March 31, 2006

	Original and Budget	**Actual**	Variance Positive (Negative)
Revenues:			
Site sales	$ 3,000	**$ 8,000**	$ 5,000
Internment fees	2,400	**4,600**	2,200
Perpetual care	-	**2,800**	2,800
Investment income	-	**130**	130
Miscellaneous	120	**25**	(95)
Total revenues	5,520	**15,555**	10,035
Expenditures:			
Cemetery:			
Contractual services	19,720	**6,163**	13,557
Capital outlay	8,500	**-**	8,500
Total expenditures	28,220	**6,163**	22,057
Revenues over (under) expenditures	$ (22,700)	**9,392**	$ 32,092
Fund balance, beginning of the year		**19,237**	
Fund balance, end of the year		**$ 28,629**	

See independent auditor's report.

Wheatland Township
Cemetery Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended March 31, 2006

	Original and Budget	**Actual**	Variance Positive (Negative)
Cemetery:			
Contractual services:			
Cemetery management	$ -	**$ 800**	$ (800)
Grave openings	2,000	**4,600**	(2,600)
Grave markings	600	**150**	450
Snow removal	500	-	500
Foundation repairs	600	-	600
Fall cleanup	3,000	**563**	2,437
Postage	40	-	40
Road maintenance	50	-	50
Fence and sign maintenance	200	-	200
Insurance	500	-	500
Legal fees	500	-	500
Maintenance supplies	-	**50**	(50)
Miscellaneous services	500	-	500
Miscellaneous repairs	200	-	200
Perpetual care	11,030	-	11,030
Total contractual services	19,720	**6,163**	13,557
Capital outlay:			
Asphalt parking area	6,000	-	6,000
Pump/well	2,500	-	2,500
Total capital outlay	8,500	-	8,500
Total expenditures	$ 28,220	**$ 6,163**	$ 22,057

See independent auditor's report.

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STATISTICAL DATA

Wheatland Township
Property Tax Assessed Valuations, Rates, Extensions and Collections - Last Three Levy Years
March 31, 2006

	2005	2004	2003
Assessed valuation	$ 2,563,589,998	$ 2,264,857,639	$ 1,956,149,957
Tax rates*:			
General Town	0.0323 %	0.0329 %	0.0341 %
General Assistance	0.0008	0.0007	0.0007
Road and Bridge **	0.0252	0.0283	0.0198
Permanent (Hard) Road	0.0238	0.0270	0.0313
	0.0889 %	0.0889 %	0.0859 %
Extended levies:			
General Town	$ 828,040	$ 745,138	$ 667,047
General Assistance	20,509	15,854	13,693
Road and Bridge **	353,387	354,932	357,157
Permanent (Hard) Road	610,134	611,512	612,275
	$ 1,812,070	$ 1,727,436	$ 1,650,172
Tax collections:			
Cumulative through March 31, 2005	$ -	$ -	$ 1,645,656
Fiscal year ended March 31, 2006	-	1,723,596	-
Total tax collections	$ -	$ 1,723,596	$ 1,645,656
Percent collected	0.0 %	$ 99.78 %	$ 99.73 %

* Property tax rates are per $100 of assessed valuation.

** Net of municipal portion.

See independent auditor's report.