

TOWN BOARD MEETING

Monday, September 23, 2013

7:30 p.m.

City Council Chamber – 2nd Floor

2100 Ridge Avenue

Evanston, IL. 60201

This meeting of the Township Board of Trustees will proceed to hear, consider, and decide on such measures as may, in pursuance of law, come before the meeting and especially to consider and decide the following:

AGENDA

1. Appointment Township Deputy Clerk
2. Call to Order – Township Deputy Clerk
3. Approval of Minutes of 2012 Annual Town Meeting
4. Evanston Township Audit report
5. Ordinance 1T-O-13 Evanston Township Budget (Second Reading, For Action)
6. Ordinance 3T-0-13 (Change Township's Fiscal Year) (For Introduction)
7. Other Business
8. Adjournment



Memorandum

To: Hon. Elizabeth B. Tisdahl / Trustee Board Chair
Trustee Board of Evanston Township

From: Hon. Rodney Greene, MMC
City / Township Clerk

Subject: Appointment of Township Deputy Clerk
Elaine Autwell

Date: September 18, 2013

Due to the fact that the Township Meeting is scheduled for September 23, 2013, it is necessary for me to gain approval from the Township Board of Trustees to appoint a Township Deputy Clerk in my absence.

I will be attending the Annual Meeting of the Municipal Clerks of Illinois Educational Conference. I will be in Springfield from September 22, 2013 through September 27, 2013. In order for the business of the Township to go forward on the 23rd a Township Clerk must be present to record all business of the meeting.

The Deputy Township Clerk shall have all of the authority and power that the Township Clerk Greene has. So I, Hon. Rodney Greene, MMC, Township Clerk of the Town of Evanston bestow on the Township Deputy Clerk all the powers and authority granted to the Township Clerk by law, to carry out in the absence of the Township Clerk.

Thank you in advance for the approval of the Township Clerk's request.

Hon. Rodney Greene, MMC

Hon. Rodney Greene, MMC
Township Clerk

**SPECIAL TOWNSHIP BOARD MEETING
&
PUBLIC HEARING**

**City Council Chamber
Lorraine H. Morton Civic Center
2100 Ridge Ave., Evanston, IL**

Monday, August 12, 2013

The Township Trustee Board will be meeting to discuss the business of the Township as related to their functionality and their future interactions with the City Government. This meeting will not occur before 7:00 pm

Present:	Trustee Rainey	Trustee Wilson
	Trustee Burrus	Trustee Holmes
	Trustee Fiske	Trustee Tendam
	Trustee Braithwaite	Trustee Grover
	Trustee Wynne	

Presiding: Trustee Tisdahl

Trustee/Moderator called the Trustee Board of Evanston Township to order after the Roll Call had been discovered there was a quorum. She asked the City Manager if he had anything to share, and his response was the Township Clerk has a few things before hm. She then asked Township Clerk Greene if he had announcements.

Clerk Greene announced the meeting tonight is a meeting for the Township Trustee Board meeting. He also stated because this being a Township Board Meeting, there would be no nominations from the floor. During these meetings the Mayor will be the Narrator. He instructed the watchers to ignore the second item on the agenda.

Citizen Comment

Rodney Greene, 2016 Brown Ave. stated his concern for the proposed safety school zone being extended not only around ETHS, but to include all the schools for the protection of all children in both Districts 65 and 202.

Bonnie Wilson, Evanston Township Assessor stated she had three concerns that will affect the Assessor's office: (1) Her budget which only had a cost of living increase for her staff, (2) A cost increase for the moving to the Lorraine H. Morton Civic Center, and (3) The appeals process for property taxes is now open until September 3, 2013. She also wanted to be added to the discussion of the wordage that will appear on the Referendum that is being proposed.

Junad Rizki, spoke of his concerns of the Township being dissolved and the City taking over its functions will not save us any money. He spoke of the water operations and how it is losing money.

Betty Ester, 2031 Church Street, spoke of the Township budget and that it had been voted on to extend the budget until September. She can't understand why one governmental entity is consistently interfering, in another government entity's business. She also was happy to see separate agendas for the Township and the City, and whether the Township will be working on the 2013 or 2014 budget.

Moderator Tisdahl asked the City Manager if he had an introduction to make. **Mr. Bobkiewicz** suggested the Township Board Introduction of Ordinance 1T-O-13 setting a nine month budget for the township, such budget which proposes a continuing, pro-rata sum derived from the previously approved FY2012/13 Township Budget. He also stated this will be 75% of what the previous budget was.

Trustee Rainey stated she had mentioned before during Council that staff should not be presenting Ordinances and Resolutions to the Council or Trustee, and that certain adjustments were made and wondered if we (Council) made those adjustment.

City Manager stated that the Township board usually accepts a dollar amount and that's all that is being presented here tonight. **Trustee Rainey** then questioned the salary of a non-existent employee as well as the rental fee for the Township facility and wanted some clarification.

Mr. Gary Gaspard, Township Supervisor stated the rent was \$6,000.00 + and he is short one case worker that he hired today.

Trustee Grover, wanted to know when the final move and last date for rent payment to occur.

Mr. Gaspard answered September 23rd. He also gave a definition to distinguish a Director from a Manager.

Trustee Grover motioned to accept 1T-0-13 and it was seconded as an introduction.

Trustee Rainey requested that the budget be transmitted electronically before the next meeting from Mr. Gaspard.

Trustee Holmes, requested a plan for his reorganizing the office coming to the City from the Township, and to identify the staff and their responsibilities.

Since there were no other lights on to speak, Moderator Tisdahl called for the vote on the proposed Ordinance 1T-O -13 (it was a 9-0 Roll Call vote).

Mr. Bobkiewicz announced the Town Board may adopt all or part of the tentative budget and appropriation ordinance as the Town Board deems necessary, further evaluation and consideration of the proposed Township budget which follows the public hearing held on August 5, 2013. Discussion and direction to staff concerning Public Act 98-0127 and possible adoption of 12 month budget for Township incepting January 1, 2014 – December 31, 2014, was also suggested by City Manager Bobkiewicz.

Meeting ended at 9:07 pm.

Submitted by,
Hon. Rodney Greene, MMC
Township/City Clerk

TOWN OF THE CITY OF EVANSTON, ILLINOIS
(A Blended Component Unit of the City of Evanston)

ANNUAL FINANCIAL REPORT

As of and for the year ended March 31, 2013

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Town of the City of Evanston, Illinois

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Town Trustees
Town of the City of Evanston, Illinois
Evanston, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Town of the City of Evanston, Illinois, as of and for the year ended March 31, 2013, and the related notes to the financial statements, which collectively comprise the Town of the City of Evanston's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express opinions 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 financial statements are free from material misstatement.

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

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

To the Town Trustees
Town of the City of Evanston, Illinois

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Town of the City of Evanston, Illinois, as of March 31, 2013 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

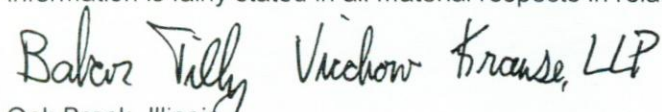
Emphasis of Matters

As discussed in Note A, the Town of the City of Evanston adopted the provisions of GASB Statement No. 63, *Financial Reporting for Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective April 1, 2012. Our opinions are not modified with respect to this matter.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the IMRF ten-year historical trend information, and the Governmental Funds Schedule of Revenues, Expenditures and changes in Fund Balances - Budget to Actual as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of the City of Evanston's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is 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 financial statements. The supplementary 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.


Oak Brook, Illinois
August 6, 2013

Town of the City of Evanston, Illinois
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the year ended March 31, 2013

This section of the Town of the City of Evanston's (Township) annual financial report presents our discussion and analysis of the Township's financial performance during the fiscal year that ended March 31, 2013. Please read it in conjunction with the Township's financial statements, which follow this section. The Township is a component unit of the City of Evanston (City).

FINANCIAL HIGHLIGHTS

The Township had a decrease in net position of \$(292,790) at the entity-wide level. At the major fund level, the Town Fund had a deficiency of revenues under expenditures of \$(61,034) and the General Assistance Fund had a deficiency of revenues under expenditures of \$(220,983). The General Assistance Fund and the Town Fund had overall favorable budget variances.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual financial report consists of four parts - management's discussion and analysis (this section), the basic financial statements, required supplementary information, and an optional section that presents comparisons of expenditures with budgeted amounts for governmental funds, as well as property tax information. The basic financial statements include two kinds of statements that present different views of the Township.

1. The first two statements are government-wide financial statements that provide both long-term and short-term information about the Township's overall financial status.
2. The remaining statements are fund financial information statements that focus on individual parts of the Township government, reporting the Township's operations in more detail than the government-wide statements. The governmental funds statements tell how general government services like general assistance were financed in the short-term, as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. In addition to these required elements, we have included a section with comparisons of actual expenditures to budgeted amounts for each of the governmental funds and a schedule of certain property tax information.

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

Unaudited and see Auditor's Report

Town of the City of Evanston, Illinois
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the year ended March 31, 2013

Government-wide Statements

The government-wide statements report information about the Township as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the Township's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. The government-wide statements report the Township's net position and how they have changed. Net position - the difference between the Township's assets and liabilities - is one way to measure the Township's financial health, or position. Over time, increases or decreases in the Township's net position are an indicator of whether its financial health is improving or deteriorating, respectively. To assess the overall health of the Township, you need to consider additional nonfinancial factors such as changes in the Township's property tax base.

The government-wide financial statements include the Township's governmental activities, such as general administration and general assistance. Property taxes finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the Township's most significant funds - not the Township as a whole. Funds are accounting devices that the Township uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by state law. The Township Trustees established other funds to control and manage money for particular purposes (like general assistance administration).

The Township has established governmental fund types. The Township's services are included in governmental funds, which focus on (1) how cash and other financial assets that can be readily converted to cash flow in and out, and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds' statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Township's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provided additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.

Unaudited and see Auditor's Report

Town of the City of Evanston, Illinois
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the year ended March 31, 2013

FINANCIAL ANALYSIS OF THE TOWNSHIP AS A WHOLE

The following is a summary of net position under the accrual basis of accounting.

Net Position

	Government Activities	
	2013	2012
Current and other assets	\$ 2,086,874	\$ 2,484,603
Capital assets, net of accumulated depreciation and amortization	14,238	25,011
Total assets	2,101,112	2,509,614
Current and other liabilities	489,796	605,508
Net position:		
Net investment in capital assets	14,238	25,011
Restricted	1,298,270	1,519,253
Unrestricted	298,808	359,842
Total net position	\$ 1,611,316	\$ 1,904,106

Changes in Fund Balances

The Township has two governmental funds. The following is the total of these funds under the modified accrual basis of accounting.

	2013	2012
Revenues		
Property taxes	\$ 1,322,120	1,384,845
Interest income	1,264	751
Replacement tax	56,266	56,751
SSI reimbursement	22,507	5,400
Medical reimbursement revenue	-	43
Total	\$ 1,402,157	\$ 1,447,790

Unaudited and see Auditor's Report

Town of the City of Evanston, Illinois
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the year ended March 31, 2013

Changes in Fund Balance (Continued)

	2013	2012
Expenditures		
Supervisor	\$ 80,804	\$ 72,519
Assessor	160,666	151,467
Community Purchased Services	106,600	60,000
Community action	46,231	41,653
Legal services	-	2,075
Medical programs	89,733	65,564
General Assistance Grants	619,572	430,338
Administrative	531,012	537,171
Work Opportunity Program - Program service	3,244	7,887
Emergency Assistance Program	46,312	35,869
Total expenditures	1,684,174	1,404,543
Net change in fund balances	(282,017)	43,247
Fund balance - beginning of year	1,879,095	1,835,848
Fund balance - end of year	\$ 1,597,078	\$ 1,879,095

Changes In Net Position

The Township's change in net position, as reported in the statement of activities on page 8, was a decrease of \$292,790 for the fiscal year 2013.

	2013	2012
Revenues		
Program revenues - charges for services	\$ 22,507	5,443
General revenues:		
Property and replacement taxes	1,378,386	1,441,596
Investment income	1,264	751
Total revenues	1,402,157	1,447,790
Expenses:		
General government	395,145	328,558
General assistance	1,299,802	1,082,464
Total expenses	1,694,947	1,411,022
Change in net position	\$ (292,790)	\$ 36,768

Unaudited and see Auditor's Report

Town of the City of Evanston, Illinois
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the year ended March 31, 2013

Most of the Township's revenue (\$1,378,386 for fiscal year 2013) is derived from property and replacement taxes. The remaining revenue is primarily derived from interest earned on investments and assistance from Supplemental Security Income (SSI) programs. The Township had \$22,507 in total program revenues for fiscal year 2013. The Township had \$1,379,650 total general revenues for fiscal year 2013.

The Township's expenses (\$1,694,947 for fiscal year 2013) cover general assistance, the Township Supervisor's office, the Township Assessor's office, and the Community Action and Work Opportunity Programs. The Township incurred \$1,299,802 in general assistance program expenses, of which, \$540,941 was expensed for administrative expenses purposes, \$755,617 was expensed for clients' medical, food, shelter and emergency services needs, and \$3,244 was expensed for the Work Opportunity Program, which provides direct services to welfare recipients. The Township incurred expenses for the operations of the Township Supervisor and Assessor offices and Community Action services in the amount of \$395,145 for fiscal year 2013.

FINANCIAL ANALYSIS OF THE TOWNSHIP'S FUNDS

The Township has two major governmental funds: a general (Town) fund and a special revenue (General Assistance) fund. The Town Fund reported deficiencies of revenue and other financing sources under expenditures and other financing uses of \$(61,034) for fiscal year 2013, as compared to an excess of \$57,013 for fiscal year 2012. The most significant changes were a \$51,090 reduction in property tax revenue, and an increase in community purchased services of \$46,600. The General Assistance Fund reported expenditures and other financing uses over revenues and other financing sources of \$(220,983) for fiscal year 2013, as compared to \$(13,766) for fiscal year 2012. The most significant changes were increases in client personal, prescription, and housing expenses of \$159,166, \$16,216, and \$13,090 respectively.

Budgetary Highlights

The Township's appropriation ordinance, which is synonymous with its budget, was passed on June 11th, 2012, and was not amended. Actual expenditures for the Town Fund were \$(8,364) over the final budgeted amount. Actual expenditures for the General Assistance Fund were \$(12,119) over the final budgeted amount. The most significant expenditure variance for the General Assistance Fund was an increase in client prescriptions of \$14,803.

Capital Assets

At March 31, 2013, the Township had invested \$190,632 in capital assets. The Township does not anticipate any significant activity related to the acquisition or disposal of any capital assets for fiscal year 2014.

Unaudited and see Auditor's Report

Town of the City of Evanston, Illinois
MANAGEMENT'S DISCUSSION AND ANALYSIS
 As of and for the year ended March 31, 2013

The Township's capital assets, net of accumulated depreciation and amortization, are as follows:

	Government Activities	
	2013	2012
Capital assets being depreciated and amortized	\$ 190,632	\$ 190,632
Accumulated depreciation and amortization	(176,394)	(165,621)
Total assets	\$ 14,238	\$ 25,011

Further capital asset information can be found in Note F of the notes to financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Due to the continued economic recession, the Township could see similar levels in the Township's case load. The Township will continue to provide emergency assistance that was previously provided by the City. No costs for the program will be reimbursed by the City.

CONTACTING THE TOWNSHIP'S MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, clients, and creditors with a general overview of the Township's finances and to demonstrate the Township's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Township's Administrative Office, 1910 Main Street, Evanston, IL, 60202.

Unaudited and see Auditor's Report

BASIC FINANCIAL STATEMENTS

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Town of the City of Evanston, Illinois
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
March 31, 2013

Assets	
Cash and equivalents	\$ 1,605,316
Prepaid expenses	2,242
Receivables	
Property taxes, net of allowances	465,875
Replacement taxes	13,298
Other	143
Capital assets, net of accumulated depreciation and amortization	<u>14,238</u>
 Total assets	 <u>2,101,112</u>
 Liabilities	
Accounts payable and accrued expenses	44,953
Unearned property tax revenue	<u>444,843</u>
 Total liabilities	 <u>489,796</u>
 Net position	
Net investment in capital assets	14,238
Restricted by enabling legislation - general assistance	1,298,270
Unrestricted	<u>298,808</u>
 Total net position	 <u>\$ 1,611,316</u>

The accompanying notes are an integral part of this statement

Town of the City of Evanston, Illinois
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
For the Year Ended March 31, 2013

<u>Programs</u>	<u>Expenses</u>	<u>Program Revenues Charges For Services</u>	<u>Net Expense and Changes in Net Position</u>
Governmental activities:			
General government	\$ 395,145	\$ -	\$ (395,145)
General assistance	1,299,802	22,507	(1,277,295)
Total governmental activities	<u>\$ 1,694,947</u>	<u>\$ 22,507</u>	<u>(1,672,440)</u>
General revenues:			
Property and replacement taxes			1,378,386
Investment income			1,264
Total general revenues			<u>1,379,650</u>
Change in net position			(292,790)
Net position - beginning			<u>1,904,106</u>
Net position - ending			<u>\$ 1,611,316</u>

The accompanying notes are an integral part of this statement

Town of the City of Evanston, Illinois
BALANCE SHEET-
GOVERNMENTAL FUNDS
 March 31, 2013

	General (Town Fund)	Special Revenue (General) Assistance Fund	Total
ASSETS			
Cash and equivalents	\$ 309,105	\$ 1,296,211	\$ 1,605,316
Receivables			
Property taxes, net of allowance	90,986	374,889	465,875
Replacement Taxes	13,298	-	13,298
Other	-	143	143
Prepaid expenses	-	2,242	2,242
Due from other fund	-	18,188	18,188
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 413,389</u>	<u>\$ 1,691,673</u>	<u>\$ 2,105,062</u>
 LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts payable and accrued expenses	\$ 9,951	\$ 35,002	\$ 44,953
Unearned property tax revenue	86,442	358,401	444,843
Due to other fund	18,188	-	18,188
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>114,581</u>	<u>393,403</u>	<u>507,984</u>
 Fund balance			
Unassigned	298,808		298,808
Restricted		1,298,270	1,298,270
Total fund balance	<u>298,808</u>	<u>1,298,270</u>	<u>1,597,078</u>
	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balance	<u>\$ 413,389</u>	<u>\$ 1,691,673</u>	
 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 governmental funds			14,238
			<u> </u>
Net position of governmental activities			<u>\$ 1,611,316</u>

The accompanying notes are an integral part of this statement

Town of the City of Evanston, Illinois
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUNDS
For the year ended March 31, 2013

	General (Town Fund)	Special Revenue (General) Assistance Fund	Total
Revenues			
Property taxes	\$ 276,748	\$ 1,045,372	\$ 1,322,120
Interest income	253	1,011	1,264
Replacement tax	56,266	-	56,266
SSI reimbursement	-	22,507	22,507
Total revenues	333,267	1,068,890	1,402,157
Expenditures			
Supervisor	80,804	-	80,804
Assessor	160,666	-	160,666
Community purchased services	106,600	-	106,600
Community action	46,231	-	46,231
Medical program	-	89,733	89,733
General assistance grants	-	619,572	619,572
Administrative	-	531,012	531,012
Work opportunity program			
Program service	-	3,244	3,244
Emergency assistance program	-	46,312	46,312
Total expenditures	394,301	1,289,873	1,684,174
Net change in fund balances	(61,034)	(220,983)	(282,017)
Fund balance			
Beginning of year	359,842	1,519,253	1,879,095
End of year	<u>\$ 298,808</u>	<u>\$ 1,298,270</u>	<u>\$ 1,597,078</u>

The accompanying notes are an integral part of this statement

Town of the City of Evanston, Illinois
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES
IN THE FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended March 31, 2013

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

Net change in fund balances - total governmental funds \$ (282,017)

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. This is the amount by which depreciation and amortization exceeded capital outlays in the current period. (10,773)

Change in net position of governmental activities \$ (292,790)

The accompanying notes are an integral part of this statement

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Town of the City of Evanston, Illinois
INDEX FOR THE NOTES TO THE FINANCIAL STATEMENTS
As of and for the year ended March 31, 2013

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Town of the City of Evanston, Illinois
NOTES TO THE FINANCIAL STATEMENTS
As of and for the year ended March 31, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of the City of Evanston (Township) are based upon accounting principles generally accepted in the United States of America as applicable to governmental units. The Township was incorporated in 1916. The Township administers General Assistance, a public welfare program assigned by Illinois law to townships. Eligible clients receive General Assistance for food, shelter, and medical needs. Through the Town Fund levy, the Township also supports a number of community action programs which provide direct services to welfare recipients.

The Township has two elected officials, the Supervisor and the Assessor, each elected for a four-year term. The Supervisor is responsible for Township funds and for the administration of General Assistance. The Assessor does not actually assess property; that function is carried out by the Cook County Assessor. The Township Assessor serves as a taxpayer's advocate, helping citizens with tax-related questions. The Assessor also works to assure equity of assessments, and maintains records of building and demolition permits and of all tax-exempt properties.

This report includes all of the funds of the Township. The reporting entity for the Township consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organizations. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

The Township is governed by a Township Board of Trustees and provides services within the same geographic boundaries as the City. The Township's Board of Trustees is the same as the City Council. The Township board levies taxes and is responsible for adopting the Town budget and approving payment of bills. The Township Board of Trustees can issue debt on its own behalf, and such debt can be issued in the Township's name alone. The Township is a component unit of the City and, although legally separate, it is part of the City's reporting entity and its financial statements are blended with the City's in the City's comprehensive annual financial report.

The financial statements of the Township have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Town of the City of Evanston, Illinois
NOTES TO THE FINANCIAL STATEMENTS
As of and for the year ended March 31, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

The more significant of the Township's accounting policies are described below.

1. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position - governmental activities and the statement of activities) report information on all activities of the Township. For the most part, the effect of interfund activity has been removed from these statements.

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 clients or applicants who 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 instead as general revenues.

Major individual governmental funds are reported as separate columns in the fund financial statements.

2. Fund Accounting

The Township uses funds to report on its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Governmental funds are used to account for all of a government's general activities, including the collections and disbursement of earmarked monies (special revenue funds) and the general fund, which is used to account for all activities of the general government not accounted for in the special revenue fund.

The government-wide financial statements are reported using the economic resources measurements and 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 related cash flows. Property taxes are recognized as revenues in the year they are intended to finance, as determined by the Trustees. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Town of the City of Evanston, Illinois
NOTES TO THE FINANCIAL STATEMENTS
As of and for the year ended March 31, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

3. Measurement Focus - Basis of Accounting, and Financial Statement Presentation

Governmental fund financial statements are reported using the current financial resources measurements focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Township considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt services expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, interest, and expense reimbursements associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Township.

The Township reports the following major governmental funds:

General Fund

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

Special Revenue Fund

The Special Revenue Fund - General Assistance Fund is used to account for the proceeds of specific revenue sources requiring separate accounting because of legal or regulatory provisions or administrative action.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues included charges to clients or applicants for goods, services, or privileges provided. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

The Township reports unearned property tax revenue on its financial statements. Unearned revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues and deferred inflows of resources also arise when resources are received by the Township before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Township has a legal claim to the resources, the liability for unearned revenue is removed from the financial statements and revenue is recognized.

Town of the City of Evanston, Illinois
NOTES TO THE FINANCIAL STATEMENTS
As of and for the year ended March 31, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

4. Cash and Equivalents

Cash and equivalents represent cash on hand, cash deposited in interest-bearing and non-interest-bearing checking accounts, and cash deposited with the Illinois Funds.

5. Prepaid Assets

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

6. Capital Assets

Capital assets, which include property and equipment, are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 and on estimated life over one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property and equipment are depreciated, and software is amortized, using the straight-line method over the following estimated useful lives:

Computer software	3 Years
Computer and office equipment	5 Years
Furniture and fixtures	7 Years

7. Net Assets/Fund Equity

In February 29, 2009, the GASB issued statement no. 54 - Fund Balance Reporting and Governmental Fund Type Definitions. This statement establishes fund balance classifications based primarily on the extent to which the government is bound to honor constraints on the use of the resources reported in each governmental fund as well as establishes additional note disclosures regarding fund balance classification policies and procedures.

In the Government-Wide Statements, equity is classified as net position and displayed in three components:

1. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation.
2. Restricted net position - Consists of net position with constraints placed on their use either by a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, b) law through constitutional provisions or enabling legislation.

Town of the City of Evanston, Illinois
NOTES TO THE FINANCIAL STATEMENTS
As of and for the year ended March 31, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

7. Fund Equity – (Continued)

3. Unrestricted net position - All other net position that do not meet the definitions of "restricted" or "invested in capital assets, net of related debt."

When both restricted and unrestricted resources are available for use, it is the Township's policy to use restricted resources first, then unrestricted resources as they are needed.

In the Fund Accounting Statements, governmental equity is classified as fund balance. In accordance with Governmental Accounting Standards Board Statement No. 54 - Fund Balance Reporting and Governmental Fund Type Definitions, the Township classifies governmental fund balance as follows:

1. Nonspendable – Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.

2. Restricted - Consists of fund balances with constraints place on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

3. Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (ordinance) of the Township. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Township that originally created the commitment.

4. Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance may be assigned through the following; 1) The Township adopts a financial policy through board action to assign amounts for a specific purpose. 2) All remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted nor committed. Assignments may take place after the end of the reporting period.

5. Unassigned - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

The Township considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the Township would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made. The restricted fund balances are for the purpose of the respective funds as described in the Measurement Focus - Basis of Accounting, and Financial Statement Presentation.

Town of the City of Evanston, Illinois
NOTES TO THE FINANCIAL STATEMENTS
As of and for the year ended March 31, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

8. Deferred Outflows and Deferred Inflows of Resources

In June 2011, the GASB issued statement no. 63 - Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. This statement establishes the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position. The Township made the decision to implement this standard effective April 1, 2012.

9. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as operating transfers.

10. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of certain differences between the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds and the Government-Wide Statement of Activities:

One element of that reconciliation explains that "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." The details of this difference are as follows:

Capital outlay	\$ -
Depreciation and amortization expense	<u>(10,773)</u>
Net adjustments to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$(10,773)</u>

Town of the City of Evanston, Illinois
NOTES TO THE FINANCIAL STATEMENTS
As of and for the year ended March 31, 2013

NOTE C - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Excess of Expenditures over Budget

For the year ended March 31, 2013, actual expenditures exceeded budget expenditures by \$(8,364) in the General Fund (Town Fund), and by \$(12,119) in the General Assistance Fund. No excess funding was required by the available fund balances.

NOTE D - DEPOSITS AND INVESTMENTS

As of March 31, 2013, the carrying amount of the Township's deposits, including cash on hand of \$528, was \$182,125. The financial institutions' balances totaled \$195,294. The Township also had investments in the Illinois Funds in the amount of \$1,423,191 at March 31, 2013. The Illinois Funds are managed by the Illinois State Treasurer as provided by state statutes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Act of 1940. The fair value of the position in the Illinois Funds is the same as the Township interest in the funds and is maintained at \$1 per share.

Interest Rate Risk. The Township's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The objective is to maintain safety of funds invested and obtain the maximum rate of return consistent with prudent investment principles. The Illinois Funds are due on demand.

Credit Risk. State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The Township's investment policy further limits investment choices by not allowing investments in corporate bonds or mutual bond funds. As of March 31, 2013, the Illinois Funds were rated AAAM by Standard & Poor's.

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterpart, the Township will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. As of March 31, 2013, none of the Township's cash was exposed to custodial risk because it was uninsured and uncollateralized.

Concentration of Credit Risk. It is the policy of the Township to diversify its investment portfolio. Investments shall be diversified to eliminate the risk of loss resulting in over concentration in a security, maturity, issuer, or class of securities.

NOTE E - RECEIVABLES - PROPERTY TAXES

Cook County Treasurer collects property taxes and periodically remits them to all taxing bodies, including the Township. Distributions are made more often during the two main collections periods.

Property taxes are levied on a calendar year basis by passage of a tax levy ordinance. The property tax calendar for Cook County is as follows:

Lien Date	January 1 of Levy Year
Levy Date	December of Levy Year
First Installment Due Date (55% of prior bill)	March 1 of Year following Levy Year
Second Installment Due Date (balance of total bill)	August 1 of Year following Levy Year

Town of the City of Evanston, Illinois
NOTES TO THE FINANCIAL STATEMENTS
As of and for the year ended March 31, 2013

NOTE E - RECEIVABLES - PROPERTY TAXES-- (Continued)

For governmental funds, property taxes which are due within the current fiscal year and collected within 60 days subsequent to year-end are recognized as revenues. The uncollected portion of the 2012 property tax levy is recognized as a receivable in fiscal 2013, net of estimated uncollectible amounts of approximately 2%. Taxes collected after this 60-day period are recorded as unearned property tax revenue.

NOTE F - CAPITAL ASSETS

Capital asset activity for the year ended March 31, 2013 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets				
Furniture and fixtures	\$ 1,141	\$ -	\$ -	\$ 1,141
Computer and office equipment	83,906	-	-	83,906
Computer software	<u>105,585</u>	<u>-</u>	<u>-</u>	<u>105,585</u>
Total capital assets being depreciated and amortized	<u>190,632</u>	<u>-</u>	<u>-</u>	<u>190,632</u>
Less accumulated depreciation for Furniture and fixtures	149	163	-	312
Less accumulated depreciation for Computer and office equipment	70,553	4,943	-	75,496
Less accumulated amortization for Computer software	<u>94,919</u>	<u>5,667</u>	<u>-</u>	<u>100,586</u>
Total accumulated depreciation and amortization	<u>165,621</u>	<u>10,773</u>	<u>-</u>	<u>176,394</u>
Capital assets, net	<u>\$ 25,011</u>	<u>\$ (10,773)</u>	<u>\$ -</u>	<u>\$ 14,238</u>

Depreciation and amortization expense were charged to programs of the Township as follows:

General government	\$ 844
General assistance	9,929
Total depreciation and amortization expense	<u>\$ 10,773</u>

NOTE G - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund Balances

As of March 31, 2013, there was an interfund balance payable from the General (Town) Fund to the General Assistance Fund in the amount of \$18,188. The amount is due within one year. The balance resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting systems, and (3) payments between funds are made.

Town of the City of Evanston, Illinois
NOTES TO THE FINANCIAL STATEMENTS
As of and for the year ended March 31, 2013

NOTE H - UNEARNED PROPERTY TAX REVENUE

Unearned property tax revenue represents the net portion of the 2012 property tax levy that will not be collected within 60 days of the Township's March 31, 2013 year-end. This amounts to \$444,843 at March 31, 2013.

NOTE I - RISK MANAGEMENT

The Township participates in the Township Officials of Illinois Risk Management Agency (TOIRMA). TOIRMA is an organization of townships in Illinois which have formed an association under the Illinois Intergovernmental Cooperation Statute to pool risk management needs. The Agency administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members. The Township would be liable for the excess of any claims over policy limits or for any claims that TOIRMA would be financially unable to pay.

The Township's payments to TOIRMA are displayed on the financial statements as expenditures in the appropriate funds. With Township population of 10,001 and over, the deductibles are \$500 for property coverage, \$1,000 for Employee Benefits coverage, \$20,000 for Public Officials – All Other Claims coverage, and \$60,000 for Public Officials – Employee Related Claims coverage. TOIRMA has a mix of self-insurance and commercial insurance at various amounts. Claims have not exceeded the total insurance coverage in any of the last three years.

TOIRMA has net assets of \$19,551,747 at May 31, 2012. The Township's total payment, net of a dividend reimbursement of \$1,296, was \$7,394 for the year ended March 31, 2013. Information can be obtained by writing TOIRMA at Town Center Building, 2 East Main Street, Danville, IL 61832-5850.

NOTE J - OPERATING LEASES

The Township has an operating lease for office space, which will be paid for both the Town Fund and the General Assistance Fund. The Township is responsible for base rental payments, as well as proportional share of real estate taxes and common area maintenance. The lease requires monthly rental payments of \$6,791 through September 2013.

The Township also has two operating leases for office equipment which are paid from the General Assistance Fund with 60 month lease terms.

Rental expense for these leases totaled \$89,101 for the year ended March 31, 2013. Minimum annual lease payments are as follows:

<u>Year Ending</u> <u>March 31</u>	
2014	\$ 48,357
2015	7,048
2016	852
2017	<u>568</u>
	<u>\$ 56,825</u>

Town of the City of Evanston, Illinois
NOTES TO THE FINANCIAL STATEMENTS
As of and for the year ended March 31, 2013

NOTE K - EXPENSE REIMBURSEMENTS AND RELATED-PARTY TRANSACTIONS

1. Supplemental Security Income (SSI)

During the year, a number of the Township's General Assistance clients are determined to be eligible for SSI benefits. These clients, as a condition of receiving assistance from the Township, must reimburse the Township's assistance upon being declared eligible for SSI.

NOTE L - DEFINED BENEFIT PENSION PLAN

Plan Description. The Township's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The Township plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

Funding Policy. As set by statute, the Township Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires the Township to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Township annual required contribution rate for calendar year 2012 was 8.41 percent. The Township also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost. The required contribution for calendar year 2012 was \$29,342.

<u>Calendar Year Ending</u>	<u>Three-Year Trend Information for the Regular Plan</u>		
	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/12	\$ 29,342	100%	\$0
12/31/11	25,655	100%	0
12/31/10	23,203	100%	0

The required contribution for 2012 was determined as part of the December 31, 2010, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2010, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the Township Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The Township Regular plan's unfunded actuarial accrued liability at December 31, 2010 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Town of the City of Evanston, Illinois
NOTES TO THE FINANCIAL STATEMENTS
As of and for the year ended March 31, 2013

NOTE L - DEFINED BENEFIT PENSION PLAN- (Continued)

Funded Status and Funding Progress. As of December 31, 2012, the most recent actuarial valuation date, the Regular plan was 79.52 percent funded. The actuarial accrued liability for benefits was \$495,178 and the actuarial value of assets was \$393,759, resulting in an underfunded actuarial accrued liability (UAAL) of \$101,419. The covered payroll for calendar year 2012 (annual payroll of active employees covered by the plan) was \$348,889 and the ratio of the UAAL to the covered payroll was 29 percent.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

NOTE M - EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has approved GASB Statement No. 61, The Financial Reporting Entity: Omnibus; Statement No. 65, Items Previously Reported as Assets and Liabilities; Statement No. 66, Technical Corrections - 2012 - an amendment of GASB Statements No. 10 and No. 62; Statement No. 67, Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25; Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27; Statement No. 69, Government and Disposals of Government Operations; and Statement No. 70, Accounting and Financial Reporting for Nonexchange Financial Guarantees. Application of these standards may restate portions of these financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION

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Town of the City of Evanston, Illinois
REQUIRED SUPPLEMENTARY INFORMATION
ILLINOIS MUNICIPAL RETIREMENT FUND
TEN-YEAR SCHEDULE OF FUNDING PROGRESS
HISTORICAL TREND INFORMATION
March 31, 2013

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)
12/31/12	\$ 393,759	\$ 495,178	\$ 101,419	79.52%	\$ 348,889	29.07%
12/31/11	291,690	279,973	(11,717)	104.19%	358,316	0.00%
12/31/10	331,048	305,956	(25,092)	108.20%	334,330	0.00%
12/31/09	476,660	380,918	(95,742)	125.13%	330,215	0.00%
12/31/08	405,691	317,964	(87,727)	127.59%	261,152	0.00%
12/31/07	612,352	360,059	(252,293)	170.07%	388,122	0.00%
12/31/06	514,875	321,366	(193,509)	160.21%	344,707	0.00%
12/31/05	413,112	253,244	(159,868)	163.13%	314,044	0.00%
12/31/04	612,303	450,398	(161,905)	135.95%	325,805	0.00%
12/31/03	585,069	429,243	(155,826)	136.30%	345,639	0.00%

On a market value basis, the actuarial value of assets as of December 31, 2012 is \$423,728. On a market basis, the funded ratio would be 85.57%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with Evanston City Township. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

See notes to required supplementary information and auditor's report

Town of the City of Evanston, Illinois
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
GOVERNMENTAL FUNDS
For the Year Ended March 31, 2013

	General		Special Revenue		Variance with Final Budget - Favorable (Unfavorable)
	Original and Final Budgeted Amounts	Actual	Original and Final Budgeted Amounts	Actual	
Revenues					
Property taxes	\$ 235,753	\$ 276,748	\$ 886,553	\$ 1,045,372	\$ 158,819
Interest income	300	253	300	1,011	711
Replacement tax	50,000	56,266	-	-	-
SSI reimbursement	-	-	7,500	22,507	15,007
Medical reimbursement revenue	-	-	-	-	-
Total revenues	286,053	333,267	894,353	1,068,890	174,537
Expenditures					
Supervisor	61,734	80,804	-	-	-
Assessor	166,953	160,666	-	-	-
Community purchased services	106,600	106,600	-	-	-
Community action	45,650	46,231	(581)	-	-
Legal services	5,000	-	5,000	-	(13,133)
Medical programs	-	-	76,600	89,733	(35,047)
General assistance grants	-	-	584,525	619,572	22,617
Administrative	-	-	553,629	531,012	-
Work opportunity program	-	-	8,500	3,244	5,256
program services	-	-	54,500	46,312	8,188
Emergency assistance program	-	-	-	-	-
Total expenditures	385,937	394,301	(8,364)	1,289,873	(12,119)

See notes to required supplementary information and auditor's report

Town of the City of Evanston, Illinois
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
 GOVERNMENTAL FUNDS
 For the Year Ended March 31, 2013

	General Town Fund		Special Revenue General Assistance Fund			
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Favorable (Unfavorable)	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Favorable (Unfavorable)
Excess (deficiency) of revenues over (under) expenditures	(99,884)	(61,034)	38,850	(383,401)	(220,983)	162,418
Other financing sources (uses)						
Operating transfers in (out)	80,000	-	80,000	385,000	-	385,000
Total other financing sources (uses)	80,000	-	80,000	385,000	-	385,000
Net change in fund balance	<u>\$ (19,884)</u>	<u>(61,034)</u>	<u>\$ 118,850</u>	<u>\$ 1,599</u>	<u>(220,983)</u>	<u>\$ 547,418</u>
Fund balance						
Beginning of year		<u>359,842</u>			<u>1,519,253</u>	
End of year		<u>\$ 298,808</u>			<u>\$ 1,298,270</u>	

Town of the City of Evanston, Illinois
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
March 31, 2013

NOTE A - LEGAL COMPLIANCE AND ACCOUNTABILITY

1. Budgets

The Township prepares its annual appropriation ordinance, which is synonymous with its budget, using the modified accrual basis of accounting. The appropriation ordinance was passed on June 11th, 2012, and was not amended. Appropriations lapse at the end of each fiscal year.

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

1. The Township Supervisor submits to the Township Trustees a proposed operating budget for the fiscal year commencing the following April 1. The operating budget includes proposed expenditures
2. Public budget hearings are conducted. Taxpayer comments are received and noted.
3. The budget is legally enacted through passage of a resolution.
4. The Township Supervisor is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Township Trustees. No supplementary appropriations were necessary during the current fiscal year.
5. Budgets are legally adopted on a basis consistent with GAAP.

2. Excess of Expenditures over Budget

For the year ended March 31, 2013, actual expenditures exceeded budget expenditures by \$(8,364) in the General Fund (Town Fund), and by \$(12,119) in the General Assistance Fund. No excess funding was required by the available fund balances.

NOTE B - DEFINED BENEFIT PENSION PLAN - DIGEST OF CHANGES

Assumptions

The actuarial assumptions used to determine the actuarial accrued liability for 2013 was determined as part of the December 31, 2010 actuarial valuation using the entry age normal actuarial cost method.

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SUPPLEMENTARY INFORMATION

Town of the City of Evanston, Illinois
GENERAL FUND (TOWN FUND)
COMPARISON OF EXPENDITURES WITH BUDGET
For the Year Ended March 31, 2013

<u>SUPERVISOR</u>	Budget	Expenditures
Salary	\$ 13,400	\$ 13,400
Travel/conference	2,500	1,560
Dues and subscriptions	5,500	4,415
Audit	20,000	25,500
Legal/accounting services	15,482	33,335
Banking fees	200	201
Office equipment purchases	2,000	-
Contingency	500	160
IMRF/FICA	2,152	2,159
Unemployment tax-state	-	74
Total supervisor	<u>61,734</u>	<u>80,804</u>
<u>ASSESSOR</u>		
Salary	8,000	8,000
Deputy salary	53,000	53,000
Assist salary	33,000	33,790
Office equipment purchases	1,000	-
Office equipment maintenance	2,000	500
Office supplies	3,000	2,408
Payroll Processing	1,900	1,440
Printing and duplicating	1,000	462
Dues and subscriptions	650	705
Travel and education	2,000	2,267
Sidwell maps	400	374
Postage	500	385
IMRF/FICA	13,105	14,597
Unemployment tax-state	3,000	411
Insurance	18,469	18,669
Contingency	250	50
Telephone	2,000	1,992
Contract servies	4,000	2,059
Utilities	3,000	2,878
Rent	16,679	16,679
Total assessor	<u>166,953</u>	<u>160,666</u>

Town of the City of Evanston, Illinois
GENERAL FUND (TOWN FUND)
COMPARISON OF EXPENDITURES WITH BUDGET
For the Year Ended March 31, 2013

<u>COMMUNITY PURCHASED SERVICES</u>	Budget	Expenditures
Childcare Network of Evanston	\$ 10,000	\$ 10,000
Community Defender Office	10,000	10,000
Housing Options	10,000	10,000
Evanston Northshore YWCA	6,600	6,600
Connections for the Homeless	10,000	10,000
Infant Welfare Society	10,000	10,000
North Shore Senior Services	10,000	10,000
Metropolitan Family Services	10,000	10,000
Family Focus	10,000	10,000
YOU	10,000	10,000
Shore Community Services	10,000	10,000
	106,600	106,600
Total community purchased services	106,600	106,600
<u>COMMUNITY ACTION</u>		
Community Services	15,000	15,600
Veterans Services	650	631
Summer Youth Program	30,000	30,000
	45,650	46,231
Total community action	45,650	46,231
<u>LEGAL SERVICES</u>		
	5,000	-
Total expenditures	\$ 385,937	\$ 394,301

Town of the City of Evanston, Illinois
SPECIAL REVENUE FUND (GENERAL ASSISTANCE FUND)
COMPARISON OF EXPENDITURES WITH BUDGET
For the Year Ended March 31, 2013

<u>MEDICAL PROGRAMS</u>	Budget	Expenditures
Hospital inpatient	\$ 5,000	\$ 2,618
Hospital outpatient	1,000	6,001
Drugs	45,000	59,803
All other physicians	1,500	4,796
X-rays	4,000	4,040
Other medical	5,000	549
Glasses	1,000	135
Psychiatric outpatient	10,000	7,896
Transportation/ambulance	500	400
Emergency room physicians	400	320
Catastrophic insurance	3,200	3,175
Total medical program	<u>76,600</u>	<u>89,733</u>
 <u>GENERAL ASSISTANCE GRANTS</u>		
Rent	160,000	160,717
Personal	327,000	360,573
Client contractual services	94,125	94,125
Other Needs	400	220
50/50 program	3,000	3,937
Total general assistance grants	<u>584,525</u>	<u>619,572</u>
 <u>ADMINISTRATIVE PAYROLL</u>		
Director	72,284	72,284
Manager of programs	33,500	15,381
EAS Admin Asst	14,309	15,509
Manager of accounting	59,040	59,039
Case Coordinator	48,331	45,945
Office manager	43,600	43,600
Total administrative payroll	<u>271,064</u>	<u>251,758</u>

Town of the City of Evanston, Illinois
SPECIAL REVENUE FUND (GENERAL ASSISTANCE FUND)
COMPARISON OF EXPENDITURES WITH BUDGET
For the Year Ended March 31, 2013

<u>ADMINISTRATIVE OVERHEAD</u>	<u>Budget</u>	<u>Expenditures</u>
IMRF/FICA	\$ 41,743	\$ 40,559
Medical and life insurance	78,161	82,495
General insurance	7,500	7,394
Training	1,000	-
Printing and duplicating	1,500	959
Seminars and conferences	2,500	2,207
Telephone	9,000	8,485
Staff travel	1,000	1,074
Office supplies	10,000	13,176
Payroll processing	2,200	1,903
Unemployment tax - state	4,000	817
Utilities	10,000	9,110
Postage	2,200	2,341
Data processing	5,000	8,755
Storage rental	1,250	1,378
Dues and subscriptions	1,301	447
Contract services	20,000	31,674
Contingency	500	165
Bank fees	1,400	1,505
Equipment purchases	17,500	-
Rent	64,810	64,810
	<hr/>	<hr/>
Total administrative overhead	282,565	279,254
	<hr/>	<hr/>
Total administrative	553,629	531,012
	<hr/>	<hr/>

Town of the City of Evanston, Illinois
SPECIAL REVENUE FUND (GENERAL ASSISTANCE FUND)
COMPARISON OF EXPENDITURES WITH BUDGET
For the Year Ended March 31, 2013

<u>WORK OPPORTUNITY PROGRAM</u>	<u>Budget</u>	<u>Expenditures</u>
Transportation	\$ 6,000	\$ 3,134
Uniforms and shoes	250	-
Equipment purchase	2,000	-
Other needs	250	110
Total work opportunity program	<u>8,500</u>	<u>3,244</u>
<u>EMERGENCY ASSISTANCE PROGRAM</u>		
Housing service	40,000	41,539
Food service	2,500	999
Utilities/EAS Client Services	12,000	3,774
Total emergency assistance program	<u>54,500</u>	<u>46,312</u>
Total expenditures	<u>\$ 1,277,754</u>	<u>\$ 1,289,873</u>

Town of the City of Evanston, Illinois
PROPERTY TAX ASSESSED VALUATIONS,
RATES AND EXTENSIONS AND COLLECTION ALLOCATIONS
 March 31, 2013

	2012		2011		2010		2009		2008	
	Rate *	Amount *	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount
Assessed valuation										
Tax Extension				\$ 2,727,367,573		\$ 3,041,884,087		\$ 3,305,989,369		\$ 2,938,397,892
Town Fund		-	0.011	290,266	0.011	311,319	0.010	311,319	0.012	326,885
General Assistance Fund		-	0.039	1,038,477	0.035	1,038,477	0.032	1,038,477	0.038	1,090,401
Total Levy		-	0.050	\$ 1,328,743	0.046	\$ 1,349,796	0.042	\$ 1,349,796	0.050	\$ 1,417,286
Loss and cost provisions										
Collection allocation										
Fund										
Town	\$	152,212		\$ 294,670		\$ 332,546		\$ 323,405		\$ 346,978
General Assistance		539,661		1,044,740		1,058,140		1,036,408		1,099,105
Cumulative collections to March 31, 2013		691,873		1,339,410		1,390,686		1,359,813		1,446,083
Levy as extended	\$	-		\$ 1,328,743		\$ 1,349,796		\$ 1,349,796		\$ 1,417,286
Percent collected				100.8%		103.0%		100.7%		102.0%

*Rates and extensions are not yet available

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TOWN OF THE CITY OF EVANSTON, ILLINOIS
Evanston, Illinois

COMMUNICATION TO TOWN TRUSTEES
AND MANAGEMENT

As of and for the Year Ended March 31, 2013

TOWN OF THE CITY OF EVANSTON, ILLINOIS

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REQUIRED COMMUNICATION OF INTERNAL CONTROL RELATED MATTERS IDENTIFIED IN THE
AUDIT TO THOSE CHARGED WITH GOVERNANCE

To the Town Trustees
Town of the City of Evanston
Evanston, Illinois

In planning and performing our audit of the financial statements of the Town of the City of Evanston (the "Township") as of and for the year ended March 31, 2013, in accordance with auditing standards generally accepted in the United States of America, we considered its internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of its internal control. Accordingly, we do not express an opinion on the effectiveness of its internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in the Town's internal control to be significant deficiencies, as discussed further on the following pages:

- > Segregation of Duties
- > Information Technology

The Township's written responses to the significant deficiencies identified in our audit have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

This communication is intended solely for the information and use of management, those charged with governance, and others within the organization and is not intended to be, and should not be, used by anyone other than these specified parties.



Oak Brook, Illinois
August 6, 2013

SEGREGATION OF DUTIES

A critical element of internal control is that incompatible procedures in a control process be properly segregated. The Township operates its accounting and reporting function with limited staffing, which precludes a proper segregation of duties. This condition is not, however, unusual in entities the size of the Township. It is important for management to be aware of this condition and realize that the concentration of duties and responsibilities to a small group of individuals is not desirable from a control perspective. Under these conditions, the most effective controls rest in management's knowledge and monitoring of matters relating to the Township's financial affairs. This is accomplished when no one person handles all segments of a transaction from beginning to end. While this is the principle, in reality, the personnel constraints of many organizations do not always allow for ideal segregation of duties. However, it is our responsibility as auditors to communicate this material weakness.

1. The Accounting Manager has the ability to initiate purchases, process accounts payable, generate checks, and post transactions to the general ledger. Although the Accounting Manager does not have the ability to sign checks, persons processing accounts payable should be restricted from ordering and receiving goods and obtaining custody of checks. These duties should be segregated to prevent employees from using Township funds for unauthorized purchases. While the standard procedure at the Township is for the Office Manager to order goods, there is no control in place to ensure that the person processing accounts payable is restricted from ordering goods. Additionally, we noted that the Accounting Manger has the ability to enter new vendors into the AP system without any additional review or approval. We recommend a control in place that requires review and approval of new vendors to ensure an appropriate vendor is being used for purchases and the goods or services purchased are proper expenditures.
2. The Township does not have a formal purchasing process. Review and approval of purchases ideally should occur before the order is placed. The approval should be appropriately documented and completed by an employee separate from the individual requesting the purchase.

As these procedural controls do not exist, you should rely more heavily on your direct knowledge of the Township's operations and day-to-day contact with employees to control and safeguard assets. Due to the limited size of Township operations the cost of additional staff to facilitate proper segregations of duties may out weight the benefits, and the current method of operations may continue to be an acceptable method for you to use for many years to come. The purpose of this portion of our comments is to meet our professional responsibility of communicating potential risks to you and to keep you aware of the importance of having good people and maintaining close contact with them and the operation of the Township.

This situation still necessitates an increased amount of management involvement in the day-to-day operations of the system. Management should continue to be aware of these conditions and realize that the concentration of duties and responsibilities in a limited number of individuals is not desirable from a control point of view.

SEGREGATION OF DUTIES (cont.)

Management's Response:

In the segregation of duties, the 1st recommendation, point #1, the Accounting Manager does have the ability to purchase supplies, however, supply purchasing is the duty and responsibility of the Office Manager. The Accounting Manager gives the Office Manager a list of supplies that need to be ordered. The Accounting Manager does have the ability also to process accounts payable, generate checks and post transactions to the general ledger, however, every invoice is approved by the Township's Supervisor as well as the Town Board for payment of invoice and most importantly the Accounting Manager is not a signer on any of the Township's bank accounts. Every check that is processed is put on the Township monthly bills list that is submitted to the Town Board for review and approval of payment as well. Every item that is posted to the general ledger is reviewed by the Township's outside accountant and signed off on by the accountant, the confidential accounts human resource manager and the supervisor. Once the invoice has been processed and the check has been ran, it is then given to the Township Supervisor for approval and signature. The Township also has a limited number of vendors who are basically used all the time. The Township does not do a lot of new business.

In the segregation of duties, the 2nd recommendation, point #2, there has been a new policy put in place by the Township Supervisor. The new policy is as follows: The office manager puts together a list of all supplies needed; he gives the list to the Township Supervisor for approval and signature. The order or orders are then placed, and when received the Administrative Assistant opens the box and checks off the supply list to assure that what is on the list is actually in the box. Once the list has been reviewed it is signed off again by the Township Supervisor and then filed.

INFORMATION TECHNOLOGY CONTROLS

A sufficient internal control system should include controls over the Township's information technology. These controls would provide the appropriate security for the Township's financial information to prevent unauthorized access or data loss. As the Township did not have sufficient controls in place over information technology, we are required to report this significant deficiency. Specifically, we noted the following at the Township:

1. The Township's server is kept out in the open although the Township has installed a cage around the server. While Township staff have indicated the cage is usually locked, at the time of our walkthrough of the IT controls the cage was unlocked and open. While all individuals entering the Township office are required to identify themselves, there is still a risk associated with not having the server secured at all times.

The Board should be aware of this risk. We encourage the Township to work closely with its IT consultants to ensure sufficient controls are properly implemented.

Management's Response:

In the information technology controls, the Township addressed this issue in 2010 and purchased a cage that would be locked at all times in order to secure the sever. We were told by your agency that this would be sufficient. The cage is locked at all time unless the consultant is here working on it. The Township does not currently have a separate locked room that the server can sit in, that is why the cage was settled on.

OTHER COMMUNICATIONS WITH THOSE CHARGED WITH GOVERNANCE

TWO WAY COMMUNICATION REGARDING YOUR AUDIT

As part of our audit of your financial statements, we are providing communications to you throughout the audit process. Auditing requirements provide for two-way communication and are important in assisting the auditor and you with more information relevant to the audit.

As this past audit is concluded, we use what we have learned to begin the planning process for next year's audit. It is important that you understand the following points about the scope and timing of our next audit:

- a. We address the significant risks or material noncompliance, whether due to fraud or error, through our detailed audit procedures.
- b. We will obtain an understanding of the five components of internal control sufficient to assess the risk of material noncompliance related to the federal and state awards whether due to error or fraud, and to design the nature, timing, and extent of further audit procedures. We will obtain a sufficient understanding by performing risk assessment procedures to evaluate the design of controls relevant to an audit of the federal and state awards and to determine whether they have been implemented. We will use such knowledge to:
 - > Identify types of potential noncompliance.
 - > Consider factors that affect the risks of material noncompliance.
 - > Design tests of controls, when applicable, and other audit procedures.

We will not express an opinion on the effectiveness of internal control over financial reporting or compliance with laws, regulations, and provisions of contracts or grant programs.

- c. The concept of materiality recognizes that some matters, either individually or in the aggregate, are important for fair presentation of financial statements in conformity with generally accepted accounting principles while other matters are not important. In performing the audit, we are concerned with matters that, either individually or in the aggregate, could be material to the financial statements. Our responsibility is to plan and perform the audit to obtain reasonable assurance that material misstatements, whether caused by errors or fraud, are detected.
- d. We address the significant risks or material noncompliance, whether due to fraud or error, through our detailed audit procedures.
- e. Your financial statements contain components, as defined by auditing standards generally accepted in the United States of America, which we also audit.

We are very interested in your views regarding certain matters. Those matters are listed here:

- a. We typically will communicate with your top level of management unless you tell us otherwise.
- b. We understand that the Township and Town Board has the responsibility to oversee the strategic direction of your organization, as well as the overall accountability of the entity. Management has the responsibility for achieving the objectives of the entity.
- c. We need to know your views about your organization's objectives and strategies, and the related business risks that may result in material misstatements.
- d. Which matters do you consider warrant particular attention during the audit, and are there any areas where you request additional procedures to be undertaken?
- e. Have you had any significant communications with regulators or grantor agencies?
- f. Are there other matters that you believe are relevant to the audit of the financial statements or the federal or state awards?

TWO WAY COMMUNICATION REGARDING YOUR AUDIT (cont.)

Also, is there anything that we need to know about the attitudes, awareness, and actions of the Town concerning:

- a. The Township's internal control and its importance in the entity, including how those charged with governance oversee the effectiveness of internal control?
- b. The detection or the possibility of fraud?

We also need to know if you have taken actions in response to developments in financial reporting, laws, accounting standards, governance practices, or other related matters, or in response to previous communications with us.

With regard to the timing of our audit, here is some general information. We will perform preliminary financial audit work during the months of March and April. Our final financial fieldwork is scheduled during the summer to best coincide with your readiness and report deadlines. After fieldwork, we wrap up our financial audit procedures at our office and may issue drafts of our report for your review. Final copies of our report and other communications are issued after approval by your staff. This is typically 6-12 weeks after final fieldwork, but may vary depending on a number of factors.

Keep in mind that while this communication may assist us with planning the scope and timing of the audit, it does not change the auditor's sole responsibility to determine the overall audit strategy and the audit plan, including the nature, timing, and extent of procedures necessary to obtain sufficient appropriate audit evidence.

We realize that you may have questions or wish to provide other feedback. We welcome the opportunity to talk with you.

COMMUNICATION OF INFORMATIONAL POINTS TO MANAGEMENT THAT ARE NOT MATERIAL
WEAKNESSES OR SIGNIFICANT DEFICIENCIES

INFORMATIONAL POINTS

GASB STATEMENT NO. 65: ITEMS PREVIOUSLY REPORTED AS ASSETS AND LIABILITIES

Government Accounting Standards Board (GASB) Statement No. 65 – Items Previously Reported as Assets and Liabilities will result in a reclassification of some financial statement line items on the Statement of Net Position and Balance Sheet of governments. The new financial statement categories of deferred outflows of resources and deferred inflows of resources will become more commonly used upon implementation of this standard. In addition to reclassifications to these new categories, the standard will also result in a change in the accounting treatment for certain items, including debt issuance costs. This standard is effective for periods beginning after December 15, 2012, and was intended to complement Statement No. 63 – Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.

Some of the most significant changes of this standard that will impact many governments include:

- > Debt issuance costs previously amortized will now be expensed in the period incurred.
- > Losses on refunding of debt will now be classified as a deferred outflow of resources, and consistent with the change noted previously, the formula for calculating the loss has been adjusted to exclude debt issuance costs (prospectively).
- > Regulatory credits recorded by utilities will now be recorded either as a liability or a deferred inflow of resources, depending on how the credit will be applied in the future.
- > The terminology of deferred revenue is no longer permitted to be used. In addition, the items previously recorded as deferred revenue will need to be analyzed to determine if they now will be presented as a deferred inflow of resources or a liability.
- > The major fund determination formula has been updated to include the new categories.

We are available to discuss these changes and the impact on your financial statements.

GASB STATEMENT NO. 68: ACCOUNTING AND FINANCIAL REPORTING FOR PENSIONS

The Governmental Accounting Standards Board (GASB) has issued Statement No. 68, which will change the accounting and financial reporting requirements for state and local governments that provide their employees with pensions. This Statement replaces the requirements of GASB Statement Nos. 27 and 50 as they relate to pensions that are provided through pension plans administered as trusts, or equivalent arrangements that meet certain criteria. These changes will affect your financial statements for the year ended March 31, 2016.

This Statement applies specifically to governments that provide their employees with pensions through pension plans in which a government's contributions to the trust used to administer a pension plan are (1) irrevocable, (2) restricted to paying pension benefits, and (3) beyond the reach of creditors.

Government employers that provide their employees with a defined benefit pension are classified in one of the following categories for this Statement:

- > Single employer – is an employer whose employees are provided with a defined benefit pension through a single employer pension plan.
- > Agent employer – is an employer whose employees are provided with a defined benefit pension through an agent multiple employer pension plan.
- > Cost-sharing employer – is an employer whose employees are provided with a defined benefit pension through a cost-sharing multiple employer pension plan.

INFORMATIONAL POINTS (cont.)

Under the new standards, in financial statements prepared using the economic resources measurement focus (accrual basis of accounting), the single or agent employer is required to recognize a liability equal to the net pension liability. The net pension liability is defined as the present value of projected benefit payments to be provided through the pension plan, to current and inactive employees, that is attributed to those employees' past periods of service (total pension liability), less the amount of the pension plan's net position.

The new Statement contains requirements related to the actuarial cost method and certain other assumptions used in the preparation of an actuarial valuation. The Statement also requires that an actuarial valuation of the total pension liability be performed at least every two years, with more frequent valuations encouraged. In addition, this Statement also requires disclosing certain information in the notes to the financial statements, as well as presenting certain required supplementary information (RSI) for the ten most recent fiscal years.

For government employers that provide their employees with a defined contribution pension, the new standards generally carry forward the existing financial reporting requirements.

We are available to further discuss these changes and the impact on your financial statements.

GASB No. 69 – GOVERNMENT COMBINATIONS AND DISPOSALS OF GOVERNMENT OPERATIONS

The Governmental Accounting Standards Board has issued GASB No. 69 which is aimed at improving the accounting and reporting of combinations and disposals of government operations for US state and local governments. The term government combinations include a variety of transactions referred to as mergers, acquisitions, and transfers of operations.

The distinction between a government merger and a government acquisition is based upon whether an exchange of significant consideration is present within the combination transaction. Government mergers include combinations of legally separate entities without the exchange of significant consideration. This Statement requires the use of carrying values to measure the assets and liabilities in a government merger. Conversely, government acquisitions are transactions in which a government acquires another entity, or its operations, in exchange for significant consideration. This Statement requires measurements of assets acquired and liabilities assumed generally to be based upon their acquisition values. This Statement also provides guidance for transfers of operations that do not constitute entire legally separate entities, and in which no significant consideration is exchanged. This Statement defines the term operations for purposes of determining the applicability of this Statement and requires the use of carrying values to measure the assets and liabilities in a transfer of operations.

A disposal of a government's operations results in the removal of specific activities of a government. This Statement provides accounting and financial reporting guidance for disposals of government operations that have been transferred or sold.

This Statement requires disclosures to be made about government combinations and disposals of government operations to enable financial statement users to evaluate the nature and financial effects of those transactions.

The requirements of this Statement are effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013, and should be applied on a prospective basis. If you have any questions on how this might impact your audit, we are available to discuss this with you.

REQUIRED COMMUNICATIONS BY THE AUDITOR WITH THOSE CHARGED WITH GOVERNANCE

To the Town Trustees
Town of the City of Evanston
Evanston, Illinois

Thank you for using Baker Tilly Virchow Krause, LLP as your auditor.

We have completed our audit of the financial statements of the Town of the City of Evanston (the "Township") for the year ended March 31, 2013 and have issued our report thereon dated August 6, 2013. This letter presents communications required by our professional standards.

***OUR RESPONSIBILITY UNDER AUDITING STANDARDS GENERALLY ACCEPTED
IN THE UNITED STATES OF AMERICA***

The objective of a financial statement audit is the expression of an opinion on the financial statements. We conducted the audit in accordance with auditing standards generally accepted in the United States of America. These standards require that we plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements prepared by management with your oversight are free of material misstatement, whether caused by error or fraud. Our audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit does not relieve management or those charged with governance of their responsibilities.

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we will perform tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions is not an objective of our audit.

OTHER INFORMATION IN DOCUMENTS CONTAINING AUDITED FINANCIAL STATEMENTS

Our responsibility does not extend beyond the audited financial statements identified in this report. We do not have any obligation to and have not performed any procedures to corroborate other information contained in client prepared documents, such as official statements related to debt issues.

PLANNED SCOPE AND TIMING OF THE AUDIT

We performed the audit according to the planned scope and timing previously communicated to you in our prior year Report on Internal Control dated September 14, 2012.

To the Town Trustees
Town of the City of Evanston

QUALITATIVE ASPECTS OF THE ENTITY'S SIGNIFICANT ACCOUNTING PRACTICES

Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Township are described in Note A to the financial statements. As described in Note A to the financial statements, the Township adopted a new accounting policy related to deferred outflows of resources, deferred inflows or resources, and net position by adopting Governmental Accounting Standards (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows or Resources, Deferred Inflows of Resources, and Net Position*, in 2013. We noted no transactions entered into by the Township during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of the useful lives of capital assets for calculating depreciation and amortization expense is based on the projected life of the asset. We evaluated the key factors and assumptions used to develop the estimated useful lives in determining that it is reasonable in relation to the financial statements taken as a whole.

We evaluated the key factors and assumptions used to develop these estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

The disclosures in the financial statements are neutral, consistent, and clear.

DIFFICULTIES ENCOUNTERED IN PERFORMING THE AUDIT

We encountered no significant difficulties in dealing with management in performing our audit.

CORRECTED AND UNCORRECTED MISSTATEMENTS

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

A summary of uncorrected financial statement misstatements follows this required communication. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

To the Town Trustees
Town of the City of Evanston

DISAGREEMENTS WITH MANAGEMENT

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

CONSULTATIONS WITH OTHER INDEPENDENT ACCOUNTANTS

In some cases, management may decide to consult with other accountants about auditing and accounting matters. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

MANAGEMENT REPRESENTATIONS

We have requested certain representations from management that are included in the management representation letter. This letter follows this required communication.

INDEPENDENCE

We are not aware of any relationships between Baker Tilly Virchow Krause, LLP and the Township that, in our professional judgment, may reasonably be thought to bear on our independence.

Relating to our audit of the financial statements of for the year ended March 31, 2013, Baker Tilly Virchow Krause, LLP hereby confirms that we are, in our professional judgment, independent with respect to the Township in accordance with the Code of Professional Conduct issued by the American Institute of Certified Public Accountants, and provided no services to the Township other than audit services provided in connection with the audit of the current year's financial statements and nonaudit services which in our judgment do not impair our independence.

- > Compilation of state regulatory report (AFR)

This nonaudit service does not constitute an audit under generally accepted auditing standards.

OTHER AUDIT FINDINGS OR ISSUES

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Township's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

OTHER MATTERS

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

To the Town Trustees
Town of the City of Evanston

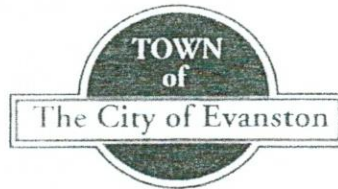
This information is intended solely for the use of the Town Board and management and is not intended to be, and should not be, used by anyone other than these specified parties.

We welcome the opportunity to discuss the information included in this letter and any other matters. Thank you for allowing us to serve you.

Robert Tully Viechow Kraus, LLP

Oak Brook, Illinois
August 6, 2013

MANAGEMENT REPRESENTATIONS



Hon. Gary Gaspard
Township Supervisor

August 6, 2013

Baker Tilly Virchow Krause, LLP
1301 W. 22nd Street
Suite 400
Oak Brook, IL 60523

Dear Baker Tilly Virchow Krause, LLP:

We are providing this letter in connection with your audit of the financial statements of the Town of the City of Evanston, Illinois as of March 31, 2013 and for the year then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Town of the City of Evanston, Illinois and the respective changes in financial position in conformity with accounting principles generally accepted in the United States of America. We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control over financial reporting, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audit.

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter.
2. The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America and include all properly classified funds and other financial information of the primary government and all component units required by accounting principles generally accepted in the United States of America to be included in the financial reporting entity.
3. We acknowledge our responsibility 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.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

5. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of accounting principles generally accepted in the United States of America.
6. All events subsequent to the date of the financial statements and for which accounting principles generally accepted in the United States of America require adjustment or disclosure have been adjusted or disclosed. No events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.
7. We believe the effects of the uncorrected financial statement misstatements summarized in the attached schedule are immaterial, both individually and in the aggregate, to the basic financial statements taken as a whole. In addition, you have recommended adjusting journal entries, and we are in agreement with those adjustments.
8. There are no unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with accounting principles generally accepted in the United States of America.
9. Guarantees, whether written or oral, under which the Town of the City of Evanston, Illinois is contingently liable, if any, have been properly recorded or disclosed.
10. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of Human Services Committee and City Council or summaries of actions of recent meetings for which minutes have not yet been prepared.
11. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
12. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
13. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
14. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, regulators, or others.
15. There are no known instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
16. There are no known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
17. There are no known related parties or related party relationships and transactions of which we are aware.
18. We have made available to you all financial records and related data.

19. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
20. We have taken timely and appropriate steps to remedy fraud, violations of laws, regulations, contracts or grant agreements, or abuse that you have reported to us.
21. We have identified to you any previous financial audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
22. We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for our report.
23. The Town of the City of Evanston, Illinois has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
24. We are responsible for compliance with federal, state, and local laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and we have identified and disclosed to you all federal, state, and local laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
25. There are no:
 - a. Violations or possible violations of budget ordinances, federal, state, and local laws or regulations (including those pertaining to adopting and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, or for reporting on noncompliance.
 - b. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by accounting principles generally accepted in the United States of America.
 - c. Nonspendable, restricted, committed, or assigned fund balances that were not properly authorized and approved.
 - d. Rates being charged to customers other than the rates as authorized by the applicable authoritative body.
 - e. Violations of restrictions placed on revenues as a result of bond resolution covenants such as revenue distribution or debt service funding.
26. In regards to the nonattest services performed by you listed below, we have 1) made all management decisions and performed all management functions; 2) designated an individual with suitable skill, knowledge, or experience to oversee the services; 3) evaluated the adequacy and results of the services performed, and 4) accepted responsibility for the results of the services.
 - a. Compilation of state regulatory report (AFR)

None of these non attest services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.

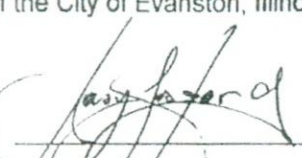
27. The Town of the City of Evanston, Illinois has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
28. The Town of the City of Evanston, Illinois has complied with all aspects of contractual agreements that would have a material effect on the financial statement in the event of noncompliance.
29. We have followed all applicable laws and regulations in adopting, approving, and amending budgets.

30. The financial statements properly classify all funds and activities.
31. All funds that meet the quantitative criteria in GASB Statement No. 34 and No. 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
32. Components of net assets (net investment in capital assets; restricted; and unrestricted) and equity amounts are properly classified and, if applicable, approved.
33. The Town of the City of Evanston, Illinois has no derivative financial instruments such as contracts that could be assigned to someone else or net settled, interest rate swaps, collars or caps.
34. Provisions for uncollectible receivables have been properly identified and recorded.
35. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
36. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
37. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
38. Deposits and investment securities are properly classified as to risk, and investments are properly valued.
39. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated/amortized.
40. We have appropriately disclosed the Town of the City of Evanston, Illinois's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available and have determined that net assets were properly recognized under the policy. We have also disclosed our policy regarding how restricted and unrestricted fund balance is used when an expenditure is incurred for which both restricted and unrestricted fund balance is available, including the spending hierarchy for committed, assigned, and unassigned amounts.
41. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
42. With respect to the supplementary information:
 - a. We acknowledge our responsibility for presenting the supplementary information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b. If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

Sincerely,

Town of the City of Evanston, Illinois

Signed: _____


Gary Gaspard, Supervisor

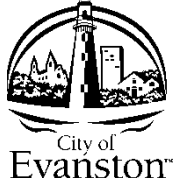
Signed: _____


Valerie Wideman, Accounting Manager

SUMMARY OF UNCORRECTED FINANCIAL STATEMENT MISSTATEMENTS

Township of Evanston
SUMMARY OF UNCORRECTED FINANCIAL STATEMENT MISSTATEMENTS
March 31, 2013

	Financial Statements Effect -									
	Debit (Credit) to Financial Statement Total					Total				
	Current Assets	Noncurrent Assets	Total Assets/Deferred Outflows	Current Liabilities	Noncurrent Liabilities	Total Liabilities/Deferred Inflows	Total Position/Net Fund Balances	Total Revenues	Total Expenses/Expenditures	Change in Net Position/Fund Balances
Governmental Activities	-	-	-	-	-	(19,128)	19,128	-	3,826	3,826



Memorandum

To: Members of the Town of Evanston Board

From: Matt Swentkofske, Assistant to the City Manager

Subject: Ordinance 1T-O-13 Town Budget for Adoption

Date: September 18, 2013

Please review the attached Township budget proposed by Supervisor Gary Gaspard. The budget for the General Assistance Program is \$959,515.00. The FY 2013 budget for the Town of Evanston fund is \$274,540.00. Under the old fiscal year ending March 31, 2013 tax levy received in the first installment would have been reported in 2013-14. In a truncated fiscal year ending December 31, 2013 the only property taxes credited in this year will mainly come from the 2nd installment of the 2012 Levy. As such the fund balance is projected to decrease at the end of FY 2013 mainly due to the new date for the year end. This also happened when the city converted to a calendar year. The 2013 budget also includes \$300.00 in projected interest; \$5,625.00 in projected Social Security Insurance (SSI) reimbursements and \$67,037.00 from the General Assistance Fund Balance. The projected end of the year fund balance from 2013 is \$844,680. Similar to the General Assistance Fund, the Town fund will receive lower property taxes in the truncated fiscal year. The budget also includes \$37,500.00 in replacement tax and \$225.00 in interest income. The projected end of the year fund balance is \$180,511.

The budget borrows from the fund reserves; \$67,000 from the GA Fund balance and \$1,067 from the Town Fund.

1T-O-13

AN ORDINANCE

Proposed Budget and Appropriation Ordinance
For Town Purposes For April 1, 2013 through December 31, 2013

WHEREAS, a tentative Budget and Appropriations Ordinance for the Town of the City of Evanston, Cook County, Illinois, was prepared and filed in the Office of the Town Clerk, and the Budget was available for public inspection and comment; and

WHEREAS, a public hearing was held on the Budget and Appropriation Ordinance on August 5, 2013;

WHEREAS, all persons desiring to be heard on the matter of the budget were heard, and the Budget was submitted to the Town Board of the Town of Evanston, Cook County, Illinois;

WHEREAS, the Township's fiscal year begins April 1, 2013 and ends March 31, 2014, and thus the first quarter of the fiscal year elapsed as of June 30, 2013;

WHEREAS, the Town Board previously met, considered, and already approved certain of the Township bills incurred during the first and second quarters of this fiscal year;

WHEREAS, the Town Board of the Town of Evanston further deliberated regarding the proposed budget on August 12, 2013, and the Town Board directed the following ordinance be prepared in accordance with the following form;

WHEREAS, pursuant to 60 ILCS 1/80-60, the Town Board may adopt all or part of the tentative budget and appropriation ordinance, as the Town Board deems necessary;

WHEREAS, pursuant to 60 ILCS 1/85-13, the Town Board may expend funds to provide certain services to the residents of Evanston Township;

WHEREAS, the Town Board hereby approves the budget for the Township for 9 of the 12 months of the Township's fiscal year, for fiscal year 2013/14 through December 31, 2013, said budget which recites a pro-rata sum derived from the previously approved FY2012/13 Township Budget;

WHEREAS, the Town Board shall reconvene at a Special Township Meeting in September to consider the effect of Public Act 98-0127, as well as the advisability of revising and setting the fiscal year of the Township to run from January 1, 2014 through December 31, 2014.

BE IT ORDAINED BY THE TOWN BOARD OF THE TOWN OF THE CITY OF EVANSTON, COOK COUNTY, ILLINOIS:

SECTION 1: That the following Budget for 9 of the 12 months of the fiscal year commencing April 1, 2013 and ending March 31, 2014, be and is hereby approved and adopted.

SECTION 2: That there is hereby appropriated for use of this Town for the 9 month portion of said fiscal year, the following:

FROM THE TOWN FUND, A TOTAL OF	\$ 274,539.00
FROM THE GENERAL ASSISTANCE FUND A TOTAL OF	\$ 959,514.75

TOTAL APPROPRIATIONS

\$1,234,053.75

SECTION 3: All ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 4: This Ordinance shall be in full force and effect from and after its passage, approval, and publication in the manner provided by law.

Introduced: _____, 2013

Accord:

Adopted: _____, 2013

_____, 2013

Gary Gaspard, Supervisor

Attest:

Approved as to form:

Town Clerk

W. Grant Farrar, Town Board Attorney

EXHIBIT A
TOWN OF THE CITY OF EVANSTON
PROPOSED ANNUAL BUDGET
FISCAL YEAR 2013

Town of Evanston
General Fund Budget Summary
General Assistance Fund

	FY 2012-2013 Budget	FY 2012-2013 Actual	FY 2013* Proposed	FY 2013 Estimates	Budget-to-Budget Increase (Decrease)
Operating Revenues					
Previous Tax Levy	\$ 886,553.00	\$ 1,045,371.51	\$ 500,000.00	\$ 363,744.21	\$ (386,553.00)
Interest	\$ 300.00	\$ 1,010.65	\$ 300.00	\$ 83.95	\$ -
SSI Reimbursement	\$ 7,500.00	\$ 22,507.02	\$ 5,625.00	\$ 28,087.92	\$ (1,875.00)
Transfer from Fund Balance	\$ 385,000.00	\$ -	\$ 67,037.00	\$ -	\$ (317,963.00)
TOTAL REVENUE	\$ 1,279,353.00	\$ 1,068,889.18	\$ 572,962.00	\$ 391,916.08	\$ (706,391.00)
Operating Expenditures					
Clients					
Client Rent Expense	\$ 160,000.00	\$ 160,716.82	\$ 160,000.00	\$ 80,970.30	\$ -
Client Personal Expense	\$ 327,000.00	\$ 360,572.51	\$ 272,000.00	\$ 204,434.93	\$ (55,000.00)
Client 50/50 Work Program	\$ 3,000.00	\$ 3,936.50	\$ 1,500.00	\$ 700.00	\$ (1,500.00)
Client Contractual Services - PEERS	\$ 94,125.00	\$ 94,125.00	\$ 70,594.00	\$ -	\$ (23,531.00)
Client Uniforms/Shoes	\$ 250.00	\$ -	\$ -	\$ -	\$ (250.00)
Client Other Needs	\$ 650.00	\$ 330.00	\$ 500.00	\$ 336.00	\$ (150.00)
Client Transportation	\$ 6,000.00	\$ 3,134.00	\$ 2,250.00	\$ 1,239.00	\$ (3,750.00)
Client Equipment Purchase	\$ 2,000.00	\$ -	\$ -	\$ -	\$ (2,000.00)
Total Client Expenditures	\$ 593,025.00	\$ 622,814.83	\$ 506,844.00	\$ 287,680.23	\$ (86,181.00)
Payroll					
Executive Director	\$ 72,284.00	\$ 72,284.38	\$ 30,424.29	\$ 30,424.29	\$ (41,859.71)
Office Manager	\$ 43,600.00	\$ 43,599.90	\$ 33,517.53	\$ 16,769.18	\$ (10,082.47)
Case Coordinator GA/EAS	\$ 33,500.00	\$ 15,381.06	\$ 6,000.00	\$ -	\$ (27,500.00)
Administrative Assistant	\$ 14,309.00	\$ 15,509.23	\$ 11,000.07	\$ 7,674.39	\$ (3,308.93)
Case Coordinator IWOP Counselor	\$ 48,331.00	\$ 59,038.92	\$ 37,154.43	\$ 18,461.44	\$ (11,176.57)
Confidential Accounts - Human Resource Manager	\$ 59,040.00	\$ 45,944.56	\$ 45,387.00	\$ 22,707.01	\$ (13,653.00)
Total Payroll Expenditures	\$ 271,064.00	\$ 251,758.05	\$ 163,483.32	\$ 96,036.31	\$ (107,580.68)
Administrative					
Unemployment Tax State	\$ 4,000.00	\$ 816.59	\$ 2,090.40	\$ 133.26	\$ (1,909.60)
FICA	\$ 20,607.00	\$ 19,259.50	\$ 11,538.08	\$ 7,346.77	\$ (9,068.92)
IMRF	\$ 21,136.00	\$ 21,299.14	\$ 13,692.00	\$ 6,239.60	\$ (7,444.00)
Medical & Life Insurance	\$ 78,161.00	\$ 82,494.77	\$ 61,000.00	\$ 33,412.57	\$ (17,161.00)
General Insurance	\$ 7,500.00	\$ 7,393.70	\$ 9,000.00	\$ 8,690.00	\$ 1,500.00
Supplies	\$ 10,000.00	\$ 13,176.11	\$ 10,000.00	\$ 6,828.36	\$ -
Postage	\$ 2,200.00	\$ 2,340.91	\$ 1,875.00	\$ 648.47	\$ (325.00)
Printing & Duplicating	\$ 1,500.00	\$ 959.12	\$ 1,500.00	\$ 659.29	\$ -
Contract Services	\$ 20,000.00	\$ 31,673.68	\$ 17,500.00	\$ 15,288.66	\$ (2,500.00)
Payroll Processing	\$ 2,200.00	\$ 1,902.56	\$ 1,650.00	\$ 613.93	\$ (550.00)
Data Processing	\$ 5,000.00	\$ 8,755.11	\$ 7,000.00	\$ 6,768.15	\$ 2,000.00
Membership/Dues/Subs.	\$ 1,301.00	\$ 447.20	\$ -	\$ -	\$ (1,301.00)
Advertising	\$ -	\$ -	\$ 19,000.00	\$ 1,125.00	\$ 19,000.00
Staff Travel & Mileage	\$ 1,000.00	\$ 1,074.46	\$ 1,125.00	\$ 233.06	\$ 125.00

* The 2013 year will only have a portion of the 2102 Levy payable in 2013 due to the distribution timing of Cook County. The remaining portion of this levy is reported in the prior 2012-13 fiscal year.

Town of Evanston
General Fund Budget Summary
General Assistance Fund

	FY 2012-2013		FY 2013		Budget-to-Budget
	Budget	Actual	Proposed	Estimates	Increase (Decrease)
Administrative Continued					
Training/Seminars & Conferences	\$ 3,500.00	\$ 2,207.03	\$ 2,000.00	\$ 1,959.28	\$ (1,500.00)
Phone	\$ 9,000.00	\$ 8,485.28	\$ 5,000.00	\$ 4,313.30	\$ (4,000.00)
Utilities	\$ 10,000.00	\$ 9,109.74	\$ 4,500.00	\$ 3,536.39	\$ (5,500.00)
Equipment Purchase	\$ 17,500.00	\$ -	\$ 39,000.00	\$ 38,463.22	\$ 21,500.00
Rent	\$ 64,810.00	\$ 64,810.08	\$ 27,004.20	\$ 27,004.20	\$ (37,805.80)
Storage Rental	\$ 1,250.00	\$ 1,378.00	\$ -	\$ -	\$ (1,250.00)
Contingency	\$ 500.00	\$ 165.00	\$ 1,500.00	\$ 1,086.12	\$ 1,000.00
Bank Fees	\$ 1,400.00	\$ 1,504.76	\$ 1,125.00	\$ 601.77	\$ (275.00)
Total Administrative Expenditures	\$ 282,565.00	\$ 279,252.74	\$ 237,099.68	\$ 164,951.40	\$ (45,465.32)
Client Medical					
Hospital Inpatient	\$ 5,000.00	\$ 2,618.27	\$ 1,000.00	\$ 164.95	\$ (4,000.00)
Hospital Outpatient	\$ 1,000.00	\$ 6,000.51	\$ 2,250.00	\$ 1,390.85	\$ 1,250.00
All Other Physicians	\$ 1,500.00	\$ 4,795.97	\$ 1,500.00	\$ 616.70	\$ -
Drugs	\$ 45,000.00	\$ 59,802.78	\$ 85,000.00	\$ 75,240.51	\$ 40,000.00
Other Medical	\$ 5,000.00	\$ 549.13	\$ 375.00	\$ 110.00	\$ (4,625.00)
Glasses	\$ 1,000.00	\$ 135.45	\$ -	\$ -	\$ (1,000.00)
Emergency Room Physicians	\$ 400.00	\$ 320.45	\$ 500.00	\$ 241.00	\$ 100.00
Psych Outpat/Mental Assessment	\$ 10,000.00	\$ 7,895.60	\$ 3,000.00	\$ 2,775.03	\$ (7,000.00)
Transport/Ambulatory Services	\$ 500.00	\$ 400.21	\$ -	\$ -	\$ (500.00)
Catastrophic Insurance	\$ 3,200.00	\$ 3,175.22	\$ -	\$ -	\$ (3,200.00)
X-Rays	\$ 4,000.00	\$ 4,040.38	\$ 500.00	\$ (222.50)	\$ (3,500.00)
Total Client Medical Expenditures	\$ 76,600.00	\$ 89,733.97	\$ 94,125.00	\$ 80,316.54	\$ 17,525.00
Emergency Assistance - EAS Expenses					
Housing Assistance	\$ 40,000.00	\$ 41,539.00	\$ 20,000.00	\$ 18,066.99	\$ (20,000.00)
Food Assistance	\$ 2,500.00	\$ 999.37	\$ -	\$ -	\$ (2,500.00)
Utilities	\$ 12,000.00	\$ 3,773.94	\$ 5,000.00	\$ 4,105.59	\$ (7,000.00)
Total EAS Expenses	\$ 54,500.00	\$ 46,312.31	\$ 25,000.00	\$ 22,172.58	\$ (29,500.00)
TOTAL EXPENDITURES	\$ 1,277,754.00	\$ 1,289,871.90	\$ 1,026,552.00	\$ 651,157.06	\$ (251,202.00)
NET SURPLUS (DEFICIT)	\$ 1,599.00	\$ (220,982.72)	\$ (453,590.00)	\$ (259,240.98)	\$ (455,189.00)
BEGINNING FUND BALANCE		\$ 1,519,253.00	\$ 1,298,270.28		
ENDING FUND BALANCE		\$ 1,298,270.28	\$ 844,680.28		

*FY 2013 is a nine-month transitional fiscal year.

Town of Evanston
General Fund Budget Summary
Town Fund

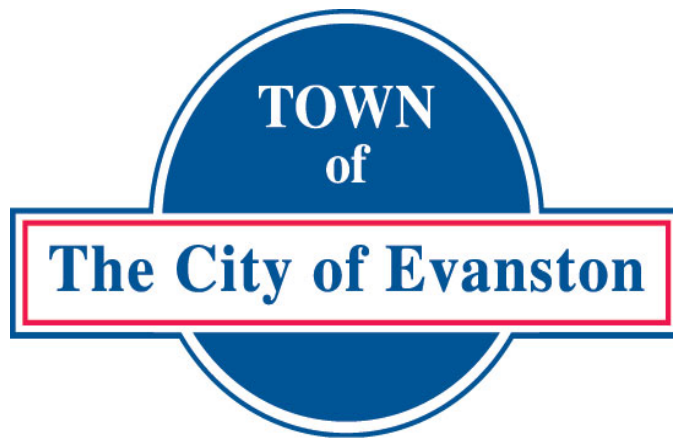
	FY 2012-2013		FY 2012-2013		FY 2013*		FY 2013		Budget-to-Budget
	Budget	Actual	Actual	Proposed	Proposed	Estimates	Estimates	Increase	(Decrease)
Operating Revenues									
Previous Tax Levy	\$ 235,753.00	\$ 276,747.97	\$ 276,747.97	\$ 110,000.00	\$ 110,000.00	\$ 85,376.02	\$ 85,376.02	\$	(125,753.00)
Replacement Property Tax	\$ 50,000.00	\$ 56,266.06	\$ 56,266.06	\$ 37,500.00	\$ 37,500.00	\$ 24,950.73	\$ 24,950.73	\$	(12,500.00)
Interest	\$ 300.00	\$ 253.16	\$ 253.16	\$ 225.00	\$ 225.00	\$ 24.94	\$ 24.94	\$	(75.00)
Transfer from Fund Balance	\$ 80,000.00	\$ -	\$ -	\$ 1,062.00	\$ 1,062.00	\$ -	\$ -	\$	(78,938.00)
TOTAL REVENUE	\$ 366,053.00	\$ 333,267.19	\$ 333,267.19	\$ 148,787.00	\$ 148,787.00	\$ 110,351.69	\$ 110,351.69	\$	(217,266.00)
Operating Expenditures									
Assessor									
Assessor	\$ 8,000.00	\$ 8,000.04	\$ 8,000.04	\$ 6,030.00	\$ 6,030.00	\$ 3,333.35	\$ 3,333.35	\$	(1,970.00)
Deputy Assessor	\$ 53,000.00	\$ 53,000.09	\$ 53,000.09	\$ 40,743.75	\$ 40,743.75	\$ 20,384.63	\$ 20,384.63	\$	(12,256.25)
Assistant Deputy Assessor	\$ 33,000.00	\$ 33,789.88	\$ 33,789.88	\$ 25,368.75	\$ 25,368.75	\$ 12,958.84	\$ 12,958.84	\$	(7,631.25)
Part-Time Assistant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	-
Staff Overtime	\$ -	\$ -	\$ -	\$ 1,500.00	\$ 1,500.00	\$ -	\$ -	\$	1,500.00
Unemployment Tax-State	\$ 3,000.00	\$ 410.88	\$ 410.88	\$ 1,002.48	\$ 1,002.48	\$ 94.91	\$ 94.91	\$	(1,997.52)
FICA/Medicare Tax Expense	\$ 7,056.00	\$ 7,251.40	\$ 7,251.40	\$ 5,518.90	\$ 5,518.90	\$ 2,805.78	\$ 2,805.78	\$	(1,537.10)
IMRF	\$ 6,049.00	\$ 7,345.94	\$ 7,345.94	\$ 7,423.46	\$ 7,423.46	\$ 3,153.18	\$ 3,153.18	\$	1,374.46
Medical & Life Insurance	\$ 18,469.00	\$ 18,669.06	\$ 18,669.06	\$ 14,250.00	\$ 14,250.00	\$ 8,033.90	\$ 8,033.90	\$	(4,219.00)
Supplies	\$ 3,000.00	\$ 2,485.14	\$ 2,485.14	\$ 1,875.00	\$ 1,875.00	\$ 260.73	\$ 260.73	\$	(1,125.00)
Postage	\$ 500.00	\$ 384.60	\$ 384.60	\$ 750.00	\$ 750.00	\$ 204.00	\$ 204.00	\$	250.00
Printing and Duplicating	\$ 1,000.00	\$ 461.82	\$ 461.82	\$ 1,000.00	\$ 1,000.00	\$ 210.55	\$ 210.55	\$	-
Sid Well Maps	\$ 400.00	\$ 374.00	\$ 374.00	\$ 500.00	\$ 500.00	\$ 375.00	\$ 375.00	\$	100.00
Contract Services	\$ 4,000.00	\$ 2,058.82	\$ 2,058.82	\$ 3,000.00	\$ 3,000.00	\$ 1,337.04	\$ 1,337.04	\$	(1,000.00)
Payroll Processing	\$ 1,900.00	\$ 1,440.29	\$ 1,440.29	\$ 1,125.00	\$ 1,125.00	\$ 505.59	\$ 505.59	\$	(775.00)
Dues & Subscriptions	\$ 650.00	\$ 704.85	\$ 704.85	\$ 532.50	\$ 532.50	\$ -	\$ -	\$	(117.50)
Travel & Education	\$ 2,000.00	\$ 2,267.16	\$ 2,267.16	\$ 1,650.00	\$ 1,650.00	\$ 253.19	\$ 253.19	\$	(350.00)
Phone	\$ 2,000.00	\$ 1,992.25	\$ 1,992.25	\$ 1,000.00	\$ 1,000.00	\$ 841.62	\$ 841.62	\$	(1,000.00)
Utilities	\$ 3,000.00	\$ 2,877.76	\$ 2,877.76	\$ 1,188.75	\$ 1,188.75	\$ 1,047.85	\$ 1,047.85	\$	(1,811.25)
Equipment Maintenance	\$ 2,000.00	\$ 500.00	\$ 500.00	\$ -	\$ -	\$ -	\$ -	\$	(2,000.00)
Equipment Purchases	\$ 1,000.00	\$ -	\$ -	\$ 15,000.00	\$ 15,000.00	\$ 13,939.47	\$ 13,939.47	\$	14,000.00
Rent	\$ 16,679.00	\$ 16,678.92	\$ 16,678.92	\$ 6,949.55	\$ 6,949.55	\$ 6,949.55	\$ 6,949.55	\$	(9,729.45)
Contingency	\$ 250.00	\$ 50.00	\$ 50.00	\$ 500.00	\$ 500.00	\$ 360.20	\$ 360.20	\$	250.00
Total Assessor Expenditures	\$ 166,953.00	\$ 160,742.90	\$ 160,742.90	\$ 136,908.14	\$ 136,908.14	\$ 77,049.38	\$ 77,049.38	\$	(30,044.86)
Supervisor									
Supervisor Salary	\$ 13,400.00	\$ 13,400.04	\$ 13,400.04	\$ 10,218.00	\$ 10,218.00	\$ 5,639.33	\$ 5,639.33	\$	(3,182.00)
Unemployment Tax-State	\$ -	\$ 73.68	\$ 73.68	\$ 142.02	\$ 142.02	\$ 76.15	\$ 76.15	\$	142.02
FICA/Medicare	\$ 1,100.00	\$ 1,025.10	\$ 1,025.10	\$ 781.68	\$ 781.68	\$ 431.41	\$ 431.41	\$	(318.32)
IMRF	\$ 1,052.00	\$ 1,133.64	\$ 1,133.64	\$ 1,051.43	\$ 1,051.43	\$ 523.71	\$ 523.71	\$	(0.57)
Legal	\$ 500.00	\$ 51.20	\$ 51.20	\$ 1,000.00	\$ 1,000.00	\$ 45.60	\$ 45.60	\$	500.00
Auditing Services	\$ 20,000.00	\$ 25,500.00	\$ 25,500.00	\$ 25,500.00	\$ 25,500.00	\$ 12,600.00	\$ 12,600.00	\$	5,500.00
Accounting Service	\$ 14,982.00	\$ 33,284.00	\$ 33,284.00	\$ 16,642.02	\$ 16,642.02	\$ 15,910.00	\$ 15,910.00	\$	1,660.02
Dues & Subscriptions	\$ 5,500.00	\$ 4,339.11	\$ 4,339.11	\$ 5,625.00	\$ 5,625.00	\$ 5,057.08	\$ 5,057.08	\$	125.00
Travel/Conference	\$ 2,500.00	\$ 1,559.60	\$ 1,559.60	\$ 1,500.00	\$ 1,500.00	\$ 626.94	\$ 626.94	\$	(1,000.00)
Equipment Purchase	\$ 2,000.00	\$ -	\$ -	\$ 1,900.00	\$ 1,900.00	\$ 1,764.32	\$ 1,764.32	\$	(100.00)

* The 2013 year will only have a portion of the 2102 Levy payable in 2013 due to the distribution timing of Cook County. The remaining portion of this levy is reported in the prior 2012-13 fiscal year.

**Town of Evanston
General Fund Budget Summary
Town Fund**

	FY 2012-2013		FY 2012-2013		FY 2013		FY 2013		Budget-to-Budget
	Budget		Actual		Proposed		Estimates		Increase (Decrease)
Supervisor Continued									
Contingency	\$	500.00	\$	160.00	\$	1,500.00	\$	1,488.20	\$ 1,000.00
Banking Fees	\$	200.00	\$	200.92	\$	150.00	\$	48.15	\$ (50.00)
Total Supervisor Expenditures	\$	61,734.00	\$	80,727.29	\$	66,010.15	\$	44,210.89	\$ 4,276.15
Community Purchased Services									
Childcare Network of Evanston	\$	10,000.00	\$	10,000.00	\$	-	\$	-	\$ (10,000.00)
Family Focus	\$	10,000.00	\$	10,000.00	\$	-	\$	-	\$ (10,000.00)
Legal Assistance Foundation	\$	-	\$	-	\$	-	\$	-	\$ -
YOU	\$	10,000.00	\$	10,000.00	\$	-	\$	-	\$ (10,000.00)
Shore Community Services	\$	10,000.00	\$	10,000.00	\$	-	\$	-	\$ (10,000.00)
James B. Moran Center/Community Defe	\$	10,000.00	\$	10,000.00	\$	-	\$	-	\$ (10,000.00)
Housing Options	\$	10,000.00	\$	10,000.00	\$	-	\$	-	\$ (10,000.00)
Child Care Center of Evanston	\$	-	\$	-	\$	-	\$	-	\$ -
Connections For The Homeless	\$	10,000.00	\$	10,000.00	\$	-	\$	-	\$ (10,000.00)
Infant Welfare Society	\$	10,000.00	\$	10,000.00	\$	-	\$	-	\$ (10,000.00)
North Shore Senior Services	\$	10,000.00	\$	10,000.00	\$	-	\$	-	\$ (10,000.00)
Metropolitan Family Services	\$	10,000.00	\$	10,000.00	\$	-	\$	-	\$ (10,000.00)
Client Contractual Services - YWCA	\$	6,600.00	\$	6,600.00	\$	4,950.00	\$	-	\$ (1,650.00)
Total Community Purchased Serv	\$	106,600.00	\$	106,600.00	\$	4,950.00	\$	-	\$ (101,650.00)
Community Action Program									
Community Action Program	\$	15,000.00	\$	15,600.00	\$	38,500.00	\$	5,545.00	\$ 23,500.00
Veteran Services	\$	650.00	\$	631.00	\$	715.00	\$	712.90	\$ 65.00
Summer Youth Program	\$	30,000.00	\$	30,000.00	\$	15,000.00	\$	-	\$ (15,000.00)
Total Community Action Program E	\$	45,650.00	\$	46,231.00	\$	54,215.00	\$	6,257.90	\$ 8,565.00
Legal									
Legal Services	\$	10,000.00	\$	-	\$	5,000.00	\$	-	\$ (5,000.00)
Total Legal Expenses	\$	10,000.00	\$	-	\$	5,000.00	\$	-	\$ (5,000.00)
TOTAL TOWN EXPENDITURES	\$	390,937.00	\$	394,301.19	\$	267,083.29	\$	127,518.17	\$ (123,853.71)
NET SURPLUS (DEFICIT)	\$	(24,884.00)	\$	(61,034.00)	\$	(118,296.29)	\$	(17,166.48)	\$ (93,412.29)
BEGINNING FUND BALANCE			\$	359,842.00	\$	298,808.00			
ENDING FUND BALANCE			\$	298,808.00	\$	180,511.71			

*FY 2013 is a nine-month transitional fiscal year.



Town of the City of Evanston

Proposed Budget – For the 9 Month Fiscal Year

April 1, 2013 to December 31, 2013

**The Honorable Gary Gaspard
Township Supervisor
Gary Gaspard
1910 Main Street
Evanston, IL 60202
847-475-4481
gaspard@townofevanston.com**

ELECTED OFFICIALS

Township Supervisor

Gary Gaspard

Township Assessor

Bonnie Wilson

TOWN TRUSTEES

Judy Fiske

Peter Braithwaite

Melissa A. Wynne

Donald N. Wilson

Delores A. Holmes

Mark Tendam

Jane Grover

Ann Rainey

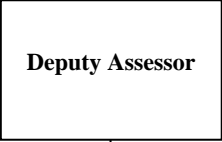
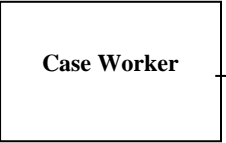
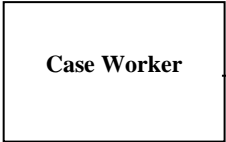
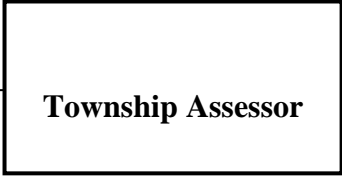
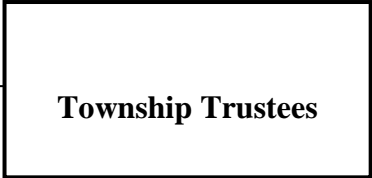
Coleen Burrus

**Town of the City of Evanston
FY 2013**

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Town of the City of Evanston Organization Chart



September 13, 2013

To Trustees of the Town of the City of Evanston:

The FY 2013 Budget maintains the Township's mission in regard to the functions of the Township Assessor's office, Supervisor's office, the Township General Assistance and the Township Emergency Assistance Program. It is a budget that maintains a high quality service delivery level for general assistance and emergency assistance clients.

The FY 2013 Town of Evanston budget is a nine-month transitional fiscal-year budget. Currently, the Township fiscal year goes from April 1, 2013 to March 31, 2014. As of January 1, 2014 the Township's fiscal year will be from January 1st to December 31st. The FY 2013 budget anticipates a decrease in the proposed revenue to be received from property taxes. The budget for the General Assistance Program is \$959,515.00. Under the old fiscal year ending March 31, 2013 tax levy received in the first installment would have been reported in 2013-14. In a truncated fiscal year ending December 31, 2013 the only property taxes credited in this year will mainly come from the 2nd installment of the 2012 Levy. As such the fund balance is projected to decrease at the end of FY 2013 mainly due to the new date for the year end. This also happened when the city converted to a calendar year. The 2013 budget also includes \$300.00 in projected interest; \$5,625.00 in projected Social Security Insurance (SSI) reimbursements and \$67,037.00 from the General Assistance Fund Balance. The projected end of the year fund balance from 2013 is \$844,680.

In the 2012-2013 budget an anticipated 90 clients per month was budgeted, however, due to the economy and the drastic increase in the clients roll for the 2013 budget, the client number will be increased to 125 clients per month for the 2013 budget year. By the end of March 31, 2013 there were 151 active General Assistance Clients.

The FY 2013 budget for the Town of Evanston fund is \$274,540.00. Similar to the General Assistance Fund, the Town fund will receive lower property taxes in the truncated fiscal year. The budget also includes \$37,500.00 in replacement tax and \$225.00 in interest income. The projected end of the year fund balance is \$180,511. The fund balance is being used to cover the costs of the Mental Health Supported Community Purchased services for PEER Services and the YWCA Evanston/North Shore. Two-thirds of the budget for PEER Service and the YWCA Evanston/North Shore are still payable in the current budget for 2013. The 2013 obligations to 8 of the agencies have already been paid in the 2012-2013 budgets. The 8 agencies already paid are as follows: Connections for the Homeless, Family Focus, Housing Options, Infant Welfare Society, Metropolitan Family Services, James B. Moran Center, North Shore Senior Services and Childcare Network of Evanston. Community Action programs include the City of Evanston Summer Youth Employment Program, The City of Evanston Community Picnic, Erie Family Health Services, The Senior Handyman Program and the Veteran Services.

The following are the Highlights of the proposed budget:

Real Estate Property Tax

The budget proposes no increase in the property tax levy for the General Assistance Fund and the Town fund.

General Assistants Fund

Client Payments

The budget proposes \$506,844.00 for the 2013 budget. The 2013 proposes a budget that estimates an average of 125 clients per month for personal and rental assistance. The current caseload is 151 clients and increasing. It is not anticipated that 151 clients will be constant for the duration of the year, nor will all be receiving the maximum grant, which is \$500.00 per month. The grant is allocates up to \$200.00 for rent directly paid to the landlord/owner and \$300.00 in personal expenses in two installments of \$150.00 on the 1st and 16th of each month. The amount for the 50/50 Program is budgeted at \$1,500.00, which assists with 50% of the starting wage up to a maximum of \$1,500.00 for clients hired by an employer. In the past year, the Township has placed four clients with Yes We Can Marketing, one client with Ruby G's Restaurant, one client with Weiss Bound Holmes Family Focus. Client Other Needs is budgeted at \$500.00 for any miscellaneous items that the clients may need that is not already in the budget. The general assistance fund balance will fund the Mental Health Purchase of Service Agreement for \$70,594.00. This amount includes \$25,181.33 or 1.25% for PEER Services and the YWCA Evanston/North Shore. The 1.25% of funding for PEER Services, \$25,181.33 was paid out of the \$94,125.00 requested and \$1,650.00 paid out of the \$6,600.00 requested was paid in the Township prior year 2012-2013 fiscal budgets.

Wages

The proposed budget is \$163,483.32, which includes a 2.5% wage increase for Township Staff and filling the open caseworker position for November and December at a salary of \$6,000.

Work Opportunity Program (WOP)

This department has been merged with Client Services.

Medical Payments Systems

The budget proposed budget is \$94,125 due to the escalating costs associated with prescription drugs and the settlement of \$75,326.01 with Walgreen's for disputed outstanding medical bills.

Emergency Assistance Services (EAS)

The proposed budget increased the overall EAS budget due to the state of the economy and the anticipated increase in projected number of clients requesting assistance from the Township.

TOWN FUND

Assessor's Office

The Assessor proposed budget is a slight decrease from last year's budget, but also contains a cost of living raise of 2.5% for staff. The budget contains small amounts of funds for costs associated with the move to the Civic Center.

Supervisor's Office

The proposed budget has a slight increase from last year. It includes accounting fees being budgeted through December 31, 2013. It anticipates that contracted accounting services performed by the City Administrative Services staff in 2014.

Community Purchased Services

The budget proposes funding is \$74,950.00 to the Community Purchases Service Department for FY 2013. All other obligations have been paid in FY 2012-13 Budget per the partnership with the Mental Health Board.

Community Action

The proposed budget increases from the last budget to \$54,215 which is allocated to the following programs: \$1,000.00 for not for profit fund raising, \$5,000.00 for the City of Evanston's Picnic, \$5,000.00 for ECDC, West End Market, \$27,500.00 for the Senior Handyman Program, \$715.00 for Veteran Flags and \$15,000.00 for the Mayor's City Summer Youth Program.

Legal Fees

The legal fees are budgeted as \$5,000.00 as a result of possible expenditures related to Township legal issues.

EXECUTIVE SUMMARY

Introduction

The Town of the City of Evanston has coterminous boundaries with the City of Evanston. By law, townships are responsible for three mandatory functions; a general assistance program, maintaining township road district highways and bridges and appraising property value in all counties other than Cook.

The Township has been given various powers which they may exercise depending upon the local needs of their constituencies and the activism of the township officials. Each Township has the legal authority to exercise the powers conferred upon it by statute. This limitation is called, "Dillon's Rule" and affects all Illinois governments except home rule municipalities and counties.

There are two part-time elected officials for the Township of Evanston, Township Supervisor and the Township Assessor. Both have separate offices and staff. The Township Supervisor supervises the General Assistance and by statute the Treasurer for

all funds received for the Township. Because of the coterminous nature of the Evanston Township and City, the Aldermen also serve in a dual capacity as Trustees for the Township.

Current state law does not allow the city to administer the general assistance program.

The Assessor's Office

The Evanston Township Assessor's office works as an adjunct to the Cook of County Assessor, whose stated mission is "to serve the public professionally and responsibly by establishing fair and accurate assessment, seeking equitable tax policies and communicating this information simply and understandably."

Specifically, the Assessor's mission is to serve Evanston Township taxpayers by assisting them in securing exemptions, preparing and filing assessment appeals, correcting property description errors and researching all available information pertinent to their properties.

Its goal is to educate taxpayers about all aspects of Cook County's unique property tax system and its procedures. Illinois state laws mandate that each of Cook County's 30 suburban Township Assessors maintain up-to-date records of all sales transfers, building permits, and other changes and factors that could affect the Market Valuation of each property.

The City of Evanston issues building permits to build renovate or improve properties and the Assessor's Office. Our office records the specifics of the permits and forwards them to the Cook County Assessor.

The City of Evanston also issues Sales Transfer Declarations, which indicate the sales prices of properties. The originals are first sent to the Cook County Recorder of Deeds and then are returned to the Evanston Township Assessor for inclusion in the computer database and hard files in the local office.

The Township Supervisor's Office

The Supervisor is the Chief Executive Officer of the Township and serves as supervisor of General Assistance. The Supervisor has numerous financial reporting responsibilities and is the Treasurer of all Township Funds. The Supervisor must account for the receipts and expenditures of all that comes into the Township.

The budget for the Supervisor's office comes from the Town Fund, including two major line items, accounting and auditing. Also, all of the Township membership dues, educational conferences, meetings and salary for the Supervisor are included in this budget.

The Supervisor is employed by the General Assistance program and funded from the General Assistance Fund.

The Supervisor also currently oversees the direction of the community action activities funded by the Township as well as the Community Purchase of Services Agreements in an agreement with the City of Evanston. The Township budget has a proposed amount of \$54,215 for Community Action and \$74,950.00 for Community Purchase of Service Agreements in cooperation with the Mental Health Board. It is detailed in the General Assistance Fund. The budget also includes \$5,000.00 for legal fees.

TOWNSHIP OF EVANSTON, 2013 BUDGET SUMMARY

The total anticipated operating budget for FY 2013 for the Township of Evanston is \$1,234,514.75. This includes \$959,515.00 from the General Assistance Fund, \$274,539.00 from the Town Fund. The total amount being levied in November 2012 is \$1,234,053.75. As noted above not all the 2012 Levy will be recorded in the truncated 2013 year, which will lower the reported fund balances. The Township would also like to use \$67,037.00 of the GA Fund Balance and \$1,062 in Town Fund Balance to offset additional programmatic needs.

Fiscal Constraints

Tax caps limit the amount of tax revenue that the township can collect. Revenue received is the Consumer Price Index or 5%, whichever is less. The Township has been able to maintain a fund balance over the last three years that allows the Township to support activities in the General Assistance Fund.

No increases in the tax levy for the Town or General Assistance Fund is proposed.

The law requires that all eligible General Assistance clients are serviced. A lack of funds cannot be exercised to deny General Assistance. Since the only source of funding is property taxes, the General Assistance and Town Funds must maintain a sufficient cash balance.

Funds

The Township's operating funds comes from property taxes. The property taxes are allocated to two funds: Town General Fund and General Assistance Fund. The total property tax rate is about \$.05 per \$100.00 of equalized assessed value (approximate) .01 cent for the Town Fund and .04 cents for the General Assistance Fund. Tax revenue is received twice a year by the Township, and each fund is a separate accounting entity with self-balancing set of accounts. Law allows for the one-time per budget transfer of funds from the Town General Fund to the General Assistance fund, but not vice versa.

Other Funds

In addition to property taxes, the FY 2013 budget proposes funding from the following sources:

Interest

Interest earned on the interest bearing accounts where the Township funds are deposited. This is a very limited amount due to low interest rates being paid and delays in the receipt of tax income.

Social Security Income Reimbursement (SSI)

The Township General Assistance Office, according to the law, can be reimbursed according GA benefits funds that were expended on a person found to be eligible for SSI (with the exception of the costs related to medical expenses).

Replacement Taxes

Replacement taxes are revenues collected by the state of Illinois and paid to local governments to replace money that was lost by local governments when their powers to impose personal property taxes on corporation, partnerships, and other business entities were taken away.

Fund Balance Revenue

Revenue restricted for use by each fund. General Assistance Fund balance is restricted to allowable General Assistance purposes. Township Fund balance is allowed to be transferred for GA purposes.

The General Assistance Program

The administration of the General Assistance Program to persons in need is the major function performed by the Township. The Illinois statutes, (60 ILCS 1/70-60) gives the authority in the area of General Assistance to the Supervisor and to operate emergency assistance with of General Assistance Funds.

The Township General Assistance Program is a financial aid program designed to meet basic life requirements for health and well-being, plus any necessary medical care and supplies required because of illness or disability for which there is no other source of funding. The assistance is provided on a monthly payment basis to eligible residents by the General Assistance Office.

The client assistance level is set by the Supervisor per statute. The budget for the 2013 estimates 125 clients per month. The maximum monthly payment will not exceed \$500.00; including a maximum of \$200.00 for rental assistance paid directly to the property owner/designated and \$300.00 in cash disbursement (\$150.00 on the 1st and 16th of each month).

The General Assistance Fund also allocates \$40,500.00 to assist eligible non-GA recipients with the payment of utilities of water, electric and heating (gas, propane, oil), delinquent mortgage and condo assessments in an emergency situation.

The 2013 line item of \$1,500.00 to be used to support a 50/50 Program is aimed at assisting with the placement of clients with “sever barriers” and training in a specialized skill. It would assist with 50% of the starting wages up to a maximum of \$1,500.00 for clients that are hired by an employer. This employment subsidy may be used for trial employment.

In order to administer the General Assistance Program at Evanston Township, the Supervisor has determined that the following staff positions are needed and in place:

- Office Manager
- Case Coordinator GA/EAS
- Administrative Assistant
- Case Coordinator I/WOP Counselor
- Confidential Accounts Human Resource Manager

The staff is responsible for the administration of the General Assistance and Emergency Assistance Program. The General Assistance Office Staff also handles the financials related to client and bill payments of the Supervisor’s and Assessors Office.

Work Opportunity Program

As part of General Assistance, Townships are required to establish a community work program. There are two options to the program: job training and workfare. Clients who are not on GA, because of medical inability to work, must participate in either a direct worksite placement or be involved in “Job Club”. The clients in “Job Club” are required to attend a two-hour session on Monday’s, Wednesday’s and Fridays. Those in “Job Club” are viewed as more “job ready”. Some clients with minimum skills and in need of “on-the-job training”, are placed on worksites to enhance their work skills. Others who cannot reasonably be expected to obtain a job participate in tasks that are designed to benefit the community.

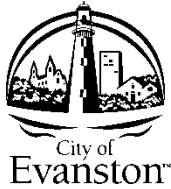
Medical Payment Systems

General Assistance guidelines require the provision of “necessary” medical services to clients as defined by the Illinois Department of Public Aid. If no other funding is available to provide the necessary treatment then the Township is responsible for making payment from client Medicare. Township reimburses most providers at the Public Aid formula, which is being re-negotiated with vendors providing prescription drug coverage. Additionally the Township is also responsible for assisting with needed medical supplies for the “necessary” medical treatments.

Ensuring that clients receive quality services is a constant priority for the Township. The Township opted to participate in a catastrophic insurance program, to eliminate possible financial hardship in the payment of medical bills that might help Township Clients.

Emergency Assistance Program (EAS)

Emergency Assistance Services are provided to (non-eligible) General Assistance clients who meet the established criteria for the services. The services include payment of delinquent rent, mortgage and assessment, utility payments and emergency food vouchers.



Memorandum

To: Honorable Mayor and Members of Town Board
From: Matt Swenkofske, Assistant to the City Manager
Subject: Change of Township Fiscal Year Calendar
Date: September 18, 2013

Recommended Action:

Staff recommends that the Town Board approve ordinance 3T-O-13 changing Evanston Township's Fiscal Calendar from an April 1 – March 31 fiscal year to a calendar year fiscal year to match the City of Evanston.

Summary:

With the Township moving to the Civic Center and city staff assuming Township accounting functions beginning on January 1, 2014 it is logical that the Township's fiscal year calendar be changed to reflect this conversion. The change will allow for a smoother adaptation of the City staff assuming the Township accounting function as well as allow for the Township and City budgets run on concurrent timelines for the future.

3T-O-13

AN ORDINANCE

To Make the Evanston Township Fiscal Year/Budget
Coincide with the Calendar Year

WHEREAS, the Township's fiscal year begins April 1st of each calendar year, and ends March 31st of each calendar year; and

WHEREAS, the Town Board is desirous of having Evanston Township's fiscal year budget cycle coincide with the City of Evanston's fiscal year budget cycle which is on a calendar year cycle.

**BE IT ORDAINED BY THE TOWN BOARD OF THE TOWN OF THE
CITY OF EVANSTON, COOK COUNTY, ILLINOIS:**

SECTION 1: That beginning on January 1, 2014, the fiscal year of Evanston Township shall commence on January 1 of each year and close on December 31 of each year.

SECTION 2: All ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 3: This Ordinance shall be in full force and effect from and after its passage, approval, and publication in the manner provided by law.

Introduced: _____, 2013

Approved:

Adopted: _____, 2013

_____, 2013

Elizabeth B. Tisdahl, Mayor;
Member, Town Board of the Town of
Evanston

Attest:

Approved as to form:

Town Clerk

W. Grant Farrar, Town Board Attorney