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Grafton Township, Illinois

Annual Financial Report

For Year Ended March 31, 2014

GRAFTON TOWNSHIP, ILLINOIS

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Year ended March 31, 2014

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INDEPENDENT AUDITOR'S REPORT

To the Township Supervisor and
the Members of the Grafton Township Board
Huntley, Illinois

Report on the Financial Statements

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Grafton Township, Illinois (Township) as of and for the year ended March 31, 2014, which collectively comprise the Township's basic financial statements as listed in the accompanying table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, 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 financial statement 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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Grafton Township, Illinois as of March 31, 2014, and the respective changes in modified cash basis financial position and, where applicable, cash flows thereof for the year then ended in conformity with the basis of accounting described in Note 1.

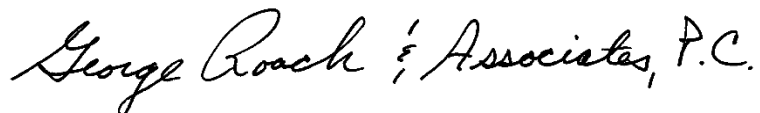
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, 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 purposes of forming opinions on the financial statements that collectively comprise the Grafton Township, Illinois' financial statements as a whole. The individual fund financial statements and schedules and other information listed as schedules and other supplementary information in the accompanying table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The individual fund financial statements and schedules and other information listed as schedules and other supplementary information in the accompanying table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the information is fairly stated in all material respects in relation to the financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Basis of Accounting

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

A handwritten signature in cursive script that reads "George Roach & Associates, P.C." The signature is written in black ink and is positioned above the typed name of the firm.

George Roach & Associates, P.C.
Crystal Lake, Illinois
June 5, 2014

GRAFTON TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

March 31, 2014

As management of the Grafton Township (Township), we offer readers of the Township's statements this narrative overview and analysis of the financial activities of the Township for the fiscal year ended March 31, 2014. The Management of the Township encourages the readers of this financial information presented in conjunction with the financial statements to obtain a better understanding of the Township's financial operations.

FINANCIAL HIGHLIGHTS

- The assets of the Township exceeded its liabilities at March 31, 2014 by \$2,458,364 (*net position*). Of this amount, \$181,893 (*unrestricted net position*) may be used to meet the Township's ongoing obligations to citizens and creditors.
- The Township's total net position increased by \$299,506.
- At March 31, 2014, the Township's governmental funds reported combined ending fund balances of \$1,152,188, an increase of \$23,552 from the prior year.
- At March 31, 2014, the fund balance for the Town Fund was \$192,584.
- The Township's total fixed assets increased by \$206,668 during the year ended March 31, 2014.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements

The government-wide financial statements are prepared using the modified cash basis of accounting and are designed to provide readers with a broad overview of the Township's finances, in a manner similar to private-sector businesses.

The statement of net position presents financial information on all of the Township's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Township is improving or deteriorating.

The statement of activities presents information showing how the Township's net position changed during the most recent fiscal year.

Both of the government-wide financial statements distinguish functions of the Township that are principally supported by property taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover a portion of the costs through user fees and charges. The governmental activities of the Township include general government, services for youth and family, seniors, general assistance and mental health, and road and bridge projects.

GRAFTON TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

March 31, 2014

Fund financial statements

All of the funds of the Township are governmental funds. The fund financial statements are prepared using the modified cash basis of accounting. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. The fund financial statements report the Township's operations in more detail than the government-wide statements by providing information about the Township's two funds and one component unit (road and bridge).

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and government-wide activities.

Notes to the financial statements

Notes to the financial statements provide additional information that is essential to a full understanding of the information provided in the basic financial statements. Required supplementary information consists of more detailed data on budget to actual revenues and expenditures.

Required Supplementary Information

In addition to the basic financial statements and the accompanying notes, this report also presents certain required supplementary information concerning Grafton Township's progress in funding its obligation to provide pension benefits to its employees. Additionally, required supplementary information regarding a statement of revenues, expenditures, and changes in fund balance - budget vs. actual for each major fund is presented in this section.

The Township adopts an annual budget for all funds. A budgetary comparison statement has been provided for the Town Fund and other governmental funds to demonstrate compliance with the budget.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Grafton Township, assets exceeded liabilities by \$2,458,364 for the year ended March 31, 2014. A portion of the Township's net position reflects its investment in capital assets; \$1,306,176. The Township uses these capital assets to provide services, and consequently these assets are not available to liquidate liabilities or for other spending. The remaining net position balance is \$1,152,188, of which \$970,295 is restricted and \$181,893 is unrestricted.

GRAFTON TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

March 31, 2014

Grafton Township Net Position

	Governmental Activities	
	3/31/14	3/31/13
Current and Other Assets	\$ 1,160,405	\$ 1,128,636
Fixed Assets	1,486,890	1,280,222
Total Assets	\$ 2,647,295	\$ 2,408,858
Other Liabilities	\$ 52,272	\$ -
Long-term Liabilities	136,659	250,000
Total Liabilities	188,931	250,000
Net Position:		
Net Investment in Capital Assets	1,306,176	1,030,222
Restricted	970,295	1,009,422
Unrestricted	181,893	119,214
Total Net Position	\$ 2,458,364	\$ 2,158,858

An additional portion of the Township's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$181,893) may be used to meet the Township's ongoing obligations to citizens and creditors.

At March 31, 2014, the Township is able to report positive balances in all three categories of net position. The Township's net position increased by \$299,506 in comparison with the prior year.

GRAFTON TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

March 31, 2014

Governmental activities

Key elements of the increases to net position by governmental activities are as follows:

	Governmental Activities	
	3/31/2014	3/31/2013
Revenues		
Program Revenues		
Charges for Services	\$ 20,123	\$ 4,456
Operating Grants	64,669	148,821
General Revenues		
Property Taxes	1,757,796	1,690,149
Replacement Taxes	72,592	63,321
Intergovernmental Receipts	344,124	73,621
Interest	1,446	906
Other Income	16,548	63,259
Total Revenues	<u>2,277,298</u>	<u>2,044,533</u>
Expenses		
General Government	966,919	780,574
Assesor	430,786	464,432
General Assistance	14,168	22,177
Road and Bridge	552,212	490,677
Interest	13,707	13,228
Total Expenses	<u>1,977,792</u>	<u>1,771,088</u>
Increase/(Decrease) in Net Assets	<u>299,506</u>	<u>273,445</u>
Net Assets - Beginning of Year	<u>2,158,858</u>	<u>1,885,413</u>
Net Assets - End of Year	<u>\$ 2,458,364</u>	<u>\$ 2,158,858</u>

FINANCIAL ANALYSIS OF THE TOWNSHIP'S FUNDS

As noted earlier, the Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds

The focus of the Township's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Township's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Township's net resources available for spending at the end of the fiscal year.

At March 31, 2014, the Township's governmental funds reported combined ending fund balances of \$ 1,152,188, an increase of \$23,552 in comparison with the prior year.

GRAFTON TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

March 31, 2014

The Town Fund is the chief operating fund of the Township. At March 31, 2014, the fund balance of the Town Fund was \$192,584. This represents an increase of \$58,204 compared to the prior fiscal year.

General Fund Budgetary Highlights

Expenditures in the General Town Fund of \$1,302,257 were under revenues by \$58,204 and were \$257,848 less than the appropriation of \$1,560,105.

CAPITAL ASSETS

The Township's capital fixed assets for its governmental activities as of March 31, 2014 amount to \$1,486,890 (net of accumulated depreciation). This investment in fixed assets includes land, roads and improvements, buildings and improvements, vehicles, and other equipment.

Major fixed asset events during the current fiscal year included the following:

	Balance			Balance
Fixed Assets	April 1, 2013	Increases	Decreases	March 31, 2014
Land	\$ 412,886	\$ -	\$ -	\$ 412,886
Buildings	298,577	-	-	298,577
Equipment	475,164	-	-	475,164
Road Improvements	301,373	290,282	-	591,655
Vehicles	448,660	-	-	448,660
Total Fixed Assets	<u>1,936,660</u>	<u>290,282</u>	<u>-</u>	<u>2,226,942</u>
Less: Accumulated Depreciation	656,438	83,614	-	740,052
Fixed Assets (Net)	<u>\$ 1,280,222</u>	<u>\$ 206,668</u>	<u>\$ -</u>	<u>\$ 1,486,890</u>

ECONOMIC FACTORS AND PROPERTY TAXES

The equalized assessed valuation (EAV) of the Township for 2013 is \$1,268,158,440. That represents a decrease in EAV of \$54,301,265 over the prior year's EAV. Taxes recorded in these financial statements are from the 2012 levy. A summary of the assessed valuations and extensions for tax years 2013, 2012, and 2011 is as follows:

GRAFTON TOWNSHIP, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

March 31, 2014

**GRAFTON TOWNSHIP, ILLINOIS
ASSESSED VALUATIONS, EXTENDED TAX RATES
PERCENTAGE ALLOCATIONS, EXTENDED TAX RATES**

TAX LEVY YEAR	2013	2012	2011
ASSESSED VALUATION			
McHenry County	\$ 1,268,158,440	\$ 1,322,459,704	\$ 1,478,263,180

**TAX RATES AND PERCENTAGE
ALLOCATIONS BY FUND**

Funds	Rate	Percentage	Rate	Percentage	Rate	Percentage
Town -- Corporate	0.087254	57.67	0.080208	56.59	0.069212	56.62
Town -- Insurance	0.001398	0.92	0.001333	0.94	0.001138	0.93
Public Assistance	0.000078	0.05	0.001569	1.11	0.001339	1.10
Road & Bridge	0.019138	12.65	0.017927	12.65	0.016429	13.44
Permanent Road	0.040401	26.70	0.037845	26.70	0.031676	25.91
Road & Bridge -- IMRF	0.001023	0.68	0.000958	0.68	0.001019	0.83
Road & Bridge -- Insurance	0.002018	1.33	0.001890	1.33	0.001436	1.17
Totals	0.151310	100.00	0.141730	100.00	0.122249	100.00

Property Tax Extensions

Funds	2013	2012	2011
Town -- Corporate	\$ 1,106,466	\$ 1,060,718	\$ 1,023,135
Town -- Insurance	17,728	17,628	16,823
Public Assistance	989	20,749	19,794
Road & Bridge	242,689	237,077	242,864
Permanent Road	512,324	500,485	468,255
Road & Bridge -- IMRF	12,973	12,669	15,064
Road & Bridge -- Insurance	25,590	24,994	21,228
Totals	\$ 1,918,759	\$ 1,874,320	\$ 1,807,163

Description of Current or Expected Conditions

Currently, management is not aware of any other significant changes in conditions that could have a significant effect on the financial position or results of activities of the Township in the near future. However, management continues to monitor items that may impact future receipts, especially noting a potential decline in state funds as well as losses due to the tax cap

Requests for Information

This financial report is designed to provide a general overview of the Township's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Supervisor, Grafton Township, 10109 Vine Street, Huntley, IL 60142.

GRAFTON TOWNSHIP, ILLINOIS

Statement of Net Position

March 31, 2014

Assets	
Cash and investments, at cost	\$ 1,160,405
Fixed assets	1,486,890
Total Assets	\$ 2,647,295
Current Liabilities	
Payroll withholdings	\$ 8,217
Current portion of long term debt	44,055
Total Current Liabilities	52,272
Non-Current Liabilities	
Long term Debt	136,659
Total Non-Current Liabilities	136,659
Total Liabilities	188,931
Net Position	
Net investment in capital assets	1,306,176
Restricted - general assistance	139,790
Restricted - general road & bridge	791,053
Restricted - IMRF	16,691
Restricted - insurance	22,761
Unrestricted	181,893
Total Net Position	\$ 2,458,364

The accompanying notes are an integral part of these financial statements.

GRAFTON TOWNSHIP, ILLINOIS
Statement of Activities and Changes in Net Position
Year ended March 31, 2014

Functions/Programs	Program Revenues				Totals
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
General Government	\$ 966,919	\$ 8,668	\$ 8,419	\$ -	\$ (949,832)
Assessor	430,786	-	-	-	(430,786)
Road & Bridge	552,212	11,455	56,250	-	(484,507)
General Assistance	14,168	-	-	-	(14,168)
Debt Service -- interest	13,707	-	-	-	(13,707)
Total Governmental Activities	\$ 1,977,792	\$ 20,123	\$ 64,669	\$ -	(1,893,000)
		Property taxes			1,757,796
		Replacement tax			72,592
		Intergovernmental receipts			344,124
		Miscellaneous revenue			16,548
		Investment Income			1,446
		Total Revenues			2,192,506
		Changes in Net Position			299,506
		Net Position Beginning of Year			2,158,858
		Total Net Position			\$ 2,458,364

The accompanying notes are an integral part of these financial statements.

GRAFTON TOWNSHIP, ILLINOIS
Governmental Fund Types
 Combined Balance Sheet - Modified Cash Basis
 March 31, 2014

	Assets	Town Fund	General Assistance Fund	Road & Bridge Fund	Total
Cash	\$ 198,890	\$ 198,890	\$ 139,790	\$ 821,725	\$ 1,160,405
Total Assets		<u>\$ 198,890</u>	<u>\$ 139,790</u>	<u>\$ 821,725</u>	<u>\$ 1,160,405</u>
Liabilities					
Payroll withholdings	\$ 6,306	-	-	\$ 1,911	\$ 8,217
Total Liabilities	<u>\$ 6,306</u>	<u>-</u>	<u>-</u>	<u>\$ 1,911</u>	<u>\$ 8,217</u>
Fund Balance					
Nonspendable	-	-	-	-	-
Restricted	10,691	139,790	819,814	970,295	970,295
Committed	-	-	-	-	-
Assigned	181,893	-	-	-	181,893
Unassigned	192,584	139,790	819,814	1,152,188	1,152,188
Total Fund Balance		<u>\$ 198,890</u>	<u>\$ 139,790</u>	<u>\$ 821,725</u>	<u>\$ 1,160,405</u>
Total Liabilities and Fund Balance		<u>\$ 198,890</u>	<u>\$ 139,790</u>	<u>\$ 821,725</u>	<u>\$ 1,160,405</u>

The accompanying notes are an integral part of these financial statements.

GRAFTON TOWNSHIP, ILLINOIS

Combined Statement of Revenue, Expenditures and Changes in Fund Balances

Modified Cash Basis

Year ended March 31, 2014

	Town Fund	General Assistance Fund	Road & Bridge Fund	Total
Revenue				
Property taxes	\$ 1,076,757	\$ 20,719	\$ 660,320	\$ 1,757,796
Replacement taxes	26,880	-	45,712	72,592
Licenses, fees, and permits	8,668	-	3,555	12,223
Intergovernmental receipts	25,426	-	318,698	344,124
Fines	-	-	-	-
Grants and donations	8,419	-	56,250	64,669
Interest income	9	220	1,217	1,446
Debt proceeds	200,000	-	-	200,000
Rentals	-	-	7,900	7,900
Miscellaneous revenue	14,302	-	2,246	16,548
Total Revenue	1,360,461	20,939	1,095,898	2,477,298
Expenditures				
Administrative	793,964	27,665	71,225	892,854
Assessor	434,806	-	-	434,806
Transportation	50,268	-	-	50,268
Home relief	-	14,168	-	14,168
Maintenance	-	-	72,877	72,877
Debt Service -- principal	19,286	-	250,000	269,286
Debt Service -- interest	3,933	-	9,774	13,707
Permanent Road	-	-	705,780	705,780
Total Expenditures	1,302,257	41,833	1,109,656	2,453,746
Excess (Deficiency) of Revenue over Expenditures and other uses	58,204	(20,894)	(13,758)	23,552
Fund Balance				
Balance, beginning of year	134,380	160,684	833,572	1,128,636
Total Fund Balance	\$ 192,584	\$ 139,790	\$ 819,814	\$ 1,152,188

The accompanying notes are an integral part of these financial statements.

GRAFTON TOWNSHIP, ILLINOIS

Reconciliations of the Governmental Funds to the

Statement of Net Position and the Statement of Activities

Year ended March 31, 2014

**Reconciliation of the Governmental Fund Balance
to the Statement of Net Position**

Total Fund Balances --Total Governmental Funds	\$ 1,152,188
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Amount net of depreciation	1,486,890
Long term debt is not recorded in the fund statement but is included as a liability in the Statement of Net Position	<u>(180,714)</u>
Total Net Position of Governmental Activities	<u><u>\$ 2,458,364</u></u>

**Reconciliation of the Governmental Fund Statement of Revenues, Expenditures, and
Changes in Fund Balance to Governmental Statement of Activities and Changes in Net Position**

Excess (Deficiency) of Revenue Over Expenditures Governmental Funds	\$ 23,552
Governmental funds report capital outlays as expenditures; however for the Statement of Activities the amounts are capitalized and depreciated over their useful life. (amount shown is net of depreciation)	206,668
Governmental funds report the payment of debt and leases as an expenditure; however the Statement of Activities records the payment as a reduction in the debt liability.	269,286
Governmental funds recognize debt proceeds as revenue, but the amounts are not recognized as revenues for the Statement of Activities.	<u>(200,000)</u>
Changes in Net Position Governmental Funds	<u><u>\$ 299,506</u></u>

The accompanying notes are an integral part of these financial statements.

GRAFTON TOWNSHIP, ILLINOIS

Notes to Financial Statements

Year ended March 31, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Grafton Township (“Township”) are prepared in accordance with the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). The Township follows all Governmental Accounting Standards Board (GASB) pronouncements and pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 that do not conflict with or contradict GASB pronouncements; to the extent they are applicable to the modified cash basis of accounting. The more significant accounting policies used by the Township are discussed below. In June 1999, the GASB issued Statement No. 34, Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments. Certain significant changes in the Statement include the following:

- A Management’s Discussion and Analysis (MD&A) section providing an analysis of the Township’s overall financial position and results of operations.
- Financial statements prepared using modified cash basis accounting for all of the Township’s activities.
- A change in the fund financial statements to focus on the major funds. These and other changes are reflected in the accompanying financial statements (including notes to financial statements).

Reporting Entity –

The Township is located in the Village of Huntley, Illinois and is governed by a board. The Township is primarily funded through a tax levy, operating grants, fines and fees, and charitable donations. Revenue is used to operate and staff the Township. The accompanying general purpose financial statements have been prepared in accordance with criteria established by the Governmental Accounting Standards Board for determining the various governmental organizations to be included in the reporting entity. Based on the significance of any operational or financial relationships with the Township, there are no component units to be included in these financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation –

The Township’s basic financial statements include both government-wide (reporting the Township as a whole) and fund financial statements (reporting the Township’s major funds).

Government-wide Financial Statements –

The government-wide financial statements (i.e., the statement of net position and the statement of activities) are reported using the modified cash basis of accounting. Revenue is recorded when received and expenses are recorded paid. Property taxes are recognized as revenue in the year received.

GRAFTON TOWNSHIP, ILLINOIS

Notes to Financial Statements

Year ended March 31, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The statement of net position includes and recognizes all long-term assets and long-term debt and obligations. The Township's net position are reported in three parts – net investment in capital assets, restricted net position; and unrestricted net position.

The statement of activities demonstrates the degree to which the direct expense of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes (1) charges to Township patrons who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meet the operational or capital requirements of a particular function or segment. Taxes and other items are not properly included among program revenues, and are reported instead as general revenue.

Governmental fund financial statements are reported using the modified cash basis of accounting. Revenue is recognized as soon as it is received. Expenditures generally are recorded when paid, as under cash accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. The primary sources of revenue are property taxes, state-shared revenue, and interest associated with the current fiscal period. All are considered to be susceptible to cash and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be available only when cash is received by the Township.

The Township reports all the funds as major governmental funds –

The Town Fund is the Township's primary operating fund. It accounts for all financial resources of the Township, except those required to be accounted for in another fund, while the Township Road & Bridge Fund accounts for the resources associated with taxes levied specifically for the maintenance of the Township's road and bridges. General Assistance funds are administered by the Township Supervisor in accordance with the policies of the Township.

Financial Statement Amounts –

Bank Deposits and Investments - The Township has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value. The Township maintains a cash and investment pool which is available for use by the General and Special Revenue Funds.

The Township's investment policies are governed by state statutes. All funds are deposited in federally insured banks and savings and loans. The cash and investments reflected in the combined balance sheet consist of demand accounts.

Receivables and Payables - In general, outstanding balances between funds are reported as "due to/from other funds." Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "advances to/from other funds."

GRAFTON TOWNSHIP, ILLINOIS

Notes to Financial Statements

Year ended March 31, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Assets –

Capital assets are defined by the Township as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost. Donated assets are reported at estimated fair market value at the date of donation. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Building and improvements	20-50 years
Equipment, furniture, and fixtures	5-20 years

Compensated Absences (Vacation and Sick Leave) - It is the Township's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. There is no liability for unpaid accumulated sick leave since the Township does not have a policy to pay any amounts when employees separate from service with the Township. A liability for these amounts is reported in the governmental fund - General Fund only for employee terminations as of yearend.

Long-term Obligations –

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position.

The Township has a pension plan covering substantially all the full-time employees. Employees are covered by the Illinois Municipal Retirement Fund.

The budget represents departmental appropriations as authorized by the Township's appropriation ordinance and includes revisions authorized by the Township Board to reflect changes in departmental programs. At March 31, 2014, unexpended appropriations of the budgetary funds (general fund and special revenue funds) automatically lapse. The budget is prepared on the modified cash basis. The 2014 appropriations ordinance was adopted June 14, 2013.

Fund Balance Classification –

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Township is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable –

This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The Township has not classified any items as being Nonspendable.

GRAFTON TOWNSHIP, ILLINOIS

Notes to Financial Statements

Year ended March 31, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

Restricted –

This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Debt service resources are to be used for future servicing of the revenue note and are restricted through debt covenants. Infrastructure Projects are restricted by State Statute and County laws and are legally segregated for funding of infrastructure improvements.

Committed –

This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Township Board. These amounts cannot be used for any other purpose unless the Township Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Township did not have any committed resources as of March 31, 2014.

Assigned –

This classification includes amounts that are constrained by the Township's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Township Board or through the Township Board delegating this responsibility to the Township supervisor through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

Unassigned –

This classification includes the residual fund balance for the General Fund and the amount established for Minimum Funding which represents the portion of the General Fund balance that has been established by the board to be used for debt service or in emergency situations.

The Unassigned –

Classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

The Township would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

GRAFTON TOWNSHIP, ILLINOIS

Notes to Financial Statements

Year ended March 31, 2014

NOTE 2 – CASH AND INVESTMENTS

The Township's investment policies are governed by state statutes whereby Township money must be deposited in FDIC insured banks located within the state. Permissible investments include demand accounts and certificates of deposits.

The Township's pooled and nonpooled deposits are categorized to give an indication of the level of risk assumed by the Township at March 31, 2014 nonpooled deposits are categorized to give an indication of the level of risk assumed by the Township at March 31, 2014. The categories are described as follows:

Category 1	Insured or collateralized with securities held by the entity or by its agent in the entity's name.
Category 2	Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
Category 3	Uncollateralized.

Pooled Deposits	Category			Bank Balance	Carrying Amount
	1	2	3		
Checking/savings	\$ 250,000	\$ 920,049	\$ -	\$ 1,170,049	\$ 1,160,405
Total Pooled Deposits	\$ 250,000	\$ 920,049	\$ -	\$ 1,170,049	\$ 1,160,405

NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT

Plan Description –

The employer'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 employer 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 employer Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statutes requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2013 was 10.65 percent. The employer 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.

GRAFTON TOWNSHIP, ILLINOIS

Notes to Financial Statements

Year ended March 31, 2014

NOTE 3 – ILLINOIS MUNICIPAL RETIREMENT (concluded)

Annual Pension Cost –

The required contribution for calendar year 2013 was \$74,536.

Three-Year Trend Information for the Regular Plan

<u>Calendar Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/2013	\$ 74,536	100%	\$0
12/31/2012	\$ 72,121	100%	\$0
12/31/2011	\$ 60,246	100%	\$0

The required contribution for 2013 was determined as part of the December 31, 2011, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2011, 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 10.0% 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 employer 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 employer regular plan's unfunded actuarial accrued liability at December 31, 2011 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded Status and Funding Progress –

As of December 31, 2013, the most recent actuarial valuation date, the Regular plan was 87.62 percent funded. The actuarial accrued liability for benefits was \$1,191,821 and the actuarial value of assets was \$1,044,261, resulting in an underfunded actuarial accrued liability (UAAL) of \$147,560. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was \$699,868 and the ratio of the UAAL to the covered payroll was 21 percent.

The schedule of funding progress, presented as required supplemental information (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

GRAFTON TOWNSHIP, ILLINOIS

Notes to Financial Statements

Year ended March 31, 2014

NOTE 4 – CHANGES IN FIXED ASSETS

Fixed Assets	Balance	Increases	Decreases	Balance
	April 1, 2013			March 31, 2014
Land	\$ 412,886	\$ -	\$ -	\$ 412,886
Buildings	298,577	-	-	298,577
Equipment	475,164	-	-	475,164
Road Improvements	301,373	290,282	-	591,655
Vehicles	448,660	-	-	448,660
Total Fixed Assets	1,936,660	290,282	-	2,226,942
Less: Accumulated Depreciation	656,438	83,614	-	740,052
Fixed Assets (Net)	\$ 1,280,222	\$ 206,668	\$ -	\$ 1,486,890

Depreciation by

Governmental Activities

General Government	\$ 15,757
Road & Bridge	63,837
Assessor	4,020
Total Governmental Activities	\$ 83,614

NOTE 5 – LONG-TERM DEBT

On August 1, 2008 the Township's Road and Bridge Fund issued debt certificates in the amount of \$700,000 in order to purchase the existing township building. These Debt Certificates were completely retired during the year ended March 31, 2014.

On October 16, 2013 the Township issued an installment note in the amount of \$200,000 for the purpose of retiring the outstanding debt certificates. The note repayment is to be made in 48 monthly installments of \$4,543.71, including both principal and interest. The installment note bears an annual interest rate of 4.25%.

Long-term liability activity for the year ended March 31, 2014 was as follows:

Governmental Activities: Long-Term Debt	Balance		Amounts		
	April 1, 2013	Additions	Retirements	Balance March 31, 2014	Due Within One Year
Debt Certificates	\$ 250,000	\$ -	\$ 250,000	\$ -	\$ -
Bank Note	-	200,000	19,286	180,714	44,055
Total Governmental Long Term Obligations	\$ 250,000	\$ 200,000	\$ 269,286	\$ 180,714	\$ 44,055

GRAFTON TOWNSHIP, ILLINOIS

Notes to Financial Statements

Year ended March 31, 2014

NOTE 5 – LONG-TERM DEBT (concluded)

<u>Year Ending March 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 44,055	\$ 10,470	\$ 54,525
2016	49,750	4,775	54,525
2017	51,947	2,578	54,525
2018	34,962	455	35,417
Totals	<u>\$ 180,714</u>	<u>\$ 18,278</u>	<u>\$ 198,992</u>

NOTE 6 – RISK MANAGEMENT

Significant losses are covered by commercial insurance for all major programs. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE 7 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the balance sheet date but before the financial Statements are issued or available to be issued. There are two types of subsequent events: recognized (events that relate to conditions present at the balance sheet date) and non-recognized (events or conditions that did not exist at the balance sheet date but arose after that date). After the close of the March 31, 2014 year the Township agreed to settle outstanding legal costs from prior years. The amount of the settlement is \$25,000, which is included in the 2014-2015 budget and appropriation ordinance.

There have been no other recognized or non-recognized subsequent events that have occurred between March 31, 2014 and the date of this audit report requiring disclosure in the financial statements.

GRAFTON TOWNSHIP, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Year ended March 31, 2014

The Township prepares its budget on the modified cash basis of accounting.

Under the modified cash basis of accounting, revenues are recorded when received in cash and expenditures are recorded when the cash is disbursed. General capital asset acquisitions are reported as expenditures in the governmental funds. Proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources. Assets of a fund are only recorded when a right to receive cash exists which arises from a previous cash transaction. Liabilities of a fund, similarly, result from previous cash transactions.

Modified cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions.

Budgets are adopted at the function level in the General Fund and total General Fund expenditures disbursed may not legally exceed the budgeted amount. Appropriations lapse at year end unless specifically carried over. There were no carryovers to the following year.

The Township procedures in establishing the budgetary data reflected in the General Fund Financial Statements is presented below:

- Prior to June 15th the Township Board receives a proposed operating budget (appropriation ordinance) for the fiscal year commencing on proceeding April 1st. The operating budget includes proposed expenditures and the means of financing them.
- A public hearing is conducted at a public meeting to obtain taxpayers comments.
- The budget is legally enacted through passage of an ordinance prior to June 30st.
- The Township Treasurer is authorized to expend the unexpensed balance of any item or items of any general appropriation in making up any deficiency in any item or items of the same general appropriation.
- The original budget was not amended during the fiscal year.
- Formal budgetary integration is not employed as a management control device during the year for any fund.
- Budgetary comparisons presented in the accompanying financial statements are prepared on the modified cash basis of accounting, which is comprehensive basis of accounting other than generally accepted accounting principles. All funds utilize the same basis of accounting for both budgetary purposes and actual results.
- Expenditures cannot legally exceed appropriations at the fund level.
- All appropriations lapse at year-end.

GRAFTON TOWNSHIP, ILLINOIS

Year ended March 31, 2014

REQUIRED SUPPLEMENTARY INFORMATION (RSI)

IMRF Trend Information

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.

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)
12/31/2013	\$ 1,044,261	\$ 1,191,821	\$ 147,560	87.62%	\$ 699,868	21.08%
12/31/2012	\$ 960,442	\$ 1,157,124	\$ 196,682	83.00%	\$ 721,935	27.24%
12/31/2011	\$ 820,512	\$ 1,010,713	\$ 190,201	81.18%	\$ 645,724	29.46%

On a market value basis, the actuarial value of assets as of December 31, 2013 is \$1,211,249. On a market basis, the funded ratio would be 101.63%.

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

GRAFTON TOWNSHIP, ILLINOIS

*Town Fund - Statement of Revenue and Expenditures and Comparison with Appropriations
Year ended March 31, 2014*

	Original Appropriations	Final Appropriations	Modified Cash Basis
Revenue			
Property taxes	\$ 1,078,346	\$ 1,078,346	\$ 1,076,757
Replacement taxes	24,400	24,400	26,880
Municipal transport income	4,500	4,500	4,502
Intergovernmental transportation	10,000	10,000	4,166
Intergovernmental road	15,000	15,000	25,426
Grants and donations	8,419	8,419	8,419
Interest income	-	-	9
Proceeds from debt	200,000	200,000	200,000
Miscellaneous revenue	200	200	14,302
Total Revenues	1,340,865	1,340,865	1,360,461
General and Administrative			
Personnel			
Salaries	52,000	52,000	44,690
Elected officials	192,006	192,006	185,108
Health insurance	74,800	74,800	72,218
Social Security	17,608	17,608	19,752
Medicare	4,118	4,118	3,549
Unemployment insurance	13,000	13,000	3,362
IMRF contribution	26,000	26,000	26,790
Total personnel	379,532	379,532	355,469
Contractual services			
Maintenance - buildings	3,000	3,000	3,036
Maintenance - equipment	5,000	5,000	4,309
TOIRMA insurance	14,225	14,225	14,225
Accounting services	36,000	36,000	20,082
Legal services	87,000	87,000	38,726
Other professional services	25,000	25,000	1,528
Other contract services - clerk	750	750	503
Dues, memberships	2,400	2,400	1,847
Annual meeting	500	500	250
Postage	700	700	-
Printing	1,500	1,500	-
Publishing	800	800	560
IGA room rental	14,200	14,200	7,900
Room rental	300	300	28
Telephone	1,600	1,600	833
Training and education	1,000	1,000	394
Travel expenses	400	400	-
Utilities	5,000	5,000	4,236
Total contractual services	199,375	199,375	98,457

GRAFTON TOWNSHIP, ILLINOIS

*Town Fund - Statement of Revenue and Expenditures and Comparison with Appropriations
Year ended March 31, 2014*

	<u>Original Appropriations</u>	<u>Final Appropriations</u>	<u>Modified Cash Basis</u>
General and Administrative (continued)			
Commodities			
Fuel and oil	600	600	-
Office supplies	3,000	3,000	763
Operating supplies	3,000	3,000	774
Other admin misc. contingencies	27,700	27,700	23,687
Other miscellaneous	10,000	10,000	738
Total commodities	<u>44,300</u>	<u>44,300</u>	<u>25,962</u>
Capital expenditures			
Building--Road District	300,000	300,000	300,000
Facility renovations	18,213	18,213	-
Equipment	19,250	19,250	14,076
Total capital expenditures	<u>337,463</u>	<u>337,463</u>	<u>314,076</u>
Debt Service			
Debt service -- interest	3,469	3,469	3,933
Debt service -- principal	19,250	19,250	19,286
Total debt service	<u>22,719</u>	<u>22,719</u>	<u>23,219</u>
Total General and Administrative	<u>983,389</u>	<u>983,389</u>	<u>817,183</u>
Assessor Office			
Personnel			
Salaries	300,000	300,000	278,163
Social Security	23,532	23,532	20,894
Health insurance	72,602	72,602	59,461
IMRF contribution	32,800	32,800	29,271
Uniforms	300	300	-
Total personnel	<u>429,234</u>	<u>429,234</u>	<u>387,789</u>
Contractual services			
Maintenance services	9,700	9,700	4,249
Legal services	5,000	5,000	5,250
Dues, memberships	150	150	110
Postage	400	400	138
Printing	300	300	274
Publishing	200	200	-
Telephone	2,700	2,700	2,798
Training and education	5,630	5,630	5,630
Travel and meetings	5,000	5,000	1,695
Professional appraisal services	100	100	-
Total contractual services	<u>29,180</u>	<u>29,180</u>	<u>20,144</u>

GRAFTON TOWNSHIP, ILLINOIS

*Town Fund - Statement of Revenue and Expenditures and Comparison with Appropriations
Year ended March 31, 2014*

	<u>Original Appropriations</u>	<u>Final Appropriations</u>	<u>Modified Cash Basis</u>
Commodities			
Office supplies	4,400	4,400	1,767
Periodicals and publications	4,000	4,000	2,791
Other miscellaneous	200	200	299
Total commodities	<u>8,600</u>	<u>8,600</u>	<u>4,857</u>
Capital expenditures			
Software	14,000	14,000	11,819
Equipment	10,197	10,197	10,197
Total capital expenditures	<u>24,197</u>	<u>24,197</u>	<u>22,016</u>
Total Assessor Office	<u>491,211</u>	<u>491,211</u>	<u>434,806</u>
Senior Transportation			
Personnel			
Salaries	40,000	40,000	31,922
Social Security	4,576	4,576	-
Health insurance	10,529	10,529	-
IMRF contribution	2,500	2,500	-
Total personnel	<u>57,605</u>	<u>57,605</u>	<u>31,922</u>
Contractual services			
Maintenance service	15,000	15,000	9,336
Postage	1,000	1,000	184
Printing	1,000	1,000	70
Telephone	1,200	1,200	1,524
Total contractual services	<u>18,200</u>	<u>18,200</u>	<u>11,114</u>
Commodities			
Gas/diesel/oil	7,500	7,500	6,682
Office supplies	200	200	52
Other miscellaneous	1,000	1,000	498
Total commodities	<u>8,700</u>	<u>8,700</u>	<u>7,232</u>
Other expenditures			
Community events/Bingo	1,000	1,000	-
Total other expenditures	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Total Senior Transportation	<u>85,505</u>	<u>85,505</u>	<u>50,268</u>
Total expenditures Town Fund	<u>1,560,105</u>	<u>1,560,105</u>	<u>1,302,257</u>
Excess (deficiency) of revenue over expenditures	<u>\$ (219,240)</u>	<u>\$ (219,240)</u>	<u>\$ 58,204</u>

GRAFTON TOWNSHIP, ILLINOIS

*General Assistance Fund - Statement of Revenue and Expenditures and Comparison with Appropriations
Year ended March 31, 2014*

	Original Appropriations	Final Appropriations	Modified Cash Basis
Revenue			
Property taxes	\$ 20,749	\$ 20,749	\$ 20,719
Interest income	191	191	220
Miscellaneous revenue	248	248	-
Total Revenues	21,188	21,188	20,939
General and Administrative			
Personnel			
Salaries	20,000	20,000	15,473
Health insurance	5,200	5,200	5,446
Total personnel	25,200	25,200	20,919
Contractual services			
Maintenance - buildings	1,000	1,000	-
Maintenance - vehicles	-	-	1,282
Maintenance - equipment	1,000	1,000	-
Accounting services	1,600	1,600	300
Legal services	850	850	-
Other professional services	1,000	1,000	1,000
Postage	90	90	-
Telephone	1,000	1,000	337
Publishing	200	200	88
Printing	150	150	193
Travel expenses	100	100	40
Training and education	600	600	425
Utilities	1,000	1,000	805
Total contractual services	8,590	8,590	4,470
Commodities			
Fuel and oil	775	775	214
Maintenance supplies building	500	500	-
Office supplies	500	500	272
Total commodities	1,775	1,775	486

GRAFTON TOWNSHIP, ILLINOIS

*General Assistance Fund - Statement of Revenue and Expenditures and Comparison with Appropriations
Year ended March 31, 2014*

	Original	Final	Modified
	Appropriations	Appropriations	Cash
			Basis
Capital expenditures/debt service			
Equipment	1,790	1,790	1,790
Total capital expenditures	1,790	1,790	1,790
Total General and Administrative	37,355	37,355	27,665
Home Relief			
Contractual services			
Transportation assistance	3,000	3,000	450
Physician services	5,000	5,000	-
Hospital services	5,000	5,000	-
Dental services	5,000	5,000	-
Other medical services insurance	2,360	2,360	1,915
Funeral and burial services	5,000	5,000	-
Shelter	10,000	10,000	5,119
Utility payments	15,000	15,000	5,909
Ambulance services	2,000	2,000	-
Eye care	5,000	5,000	-
Total contractual services	57,360	57,360	13,393
Commodities			
Food	5,000	5,000	322
Catastrophic deduction	60,156	60,156	-
Personal incidentals	5,000	5,000	100
Household incidentals	5,000	5,000	-
Flat Grant	2,000	2,000	117
Prescriptions	5,000	5,000	-
Fuel	5,000	5,000	236
Total commodities	87,156	87,156	775
Total Home Relief	144,516	144,516	14,168
Total expenditures General Assist Fund	181,871	181,871	41,833
Excess (deficiency) of revenue over expenditures	\$ (160,683)	\$ (160,683)	\$ (20,894)

GRAFTON TOWNSHIP, ILLINOIS

Road and Bridge Fund - Statement of Revenue and Expenditures and Comparison with Appropriations
Year ended March 31, 2014

	Original Appropriations	Final Appropriations	Modified Cash Basis
Revenue			
Property taxes	\$ 661,292	\$ 661,292	\$ 660,320
Replacement taxes	39,000	39,000	45,712
Rental income	11,100	11,100	7,900
Permits and Bonds	2,000	2,000	2,339
Intergovernmental road	302,500	302,500	318,698
Grants and donations	100	100	56,250
Interest income	640	640	1,217
Court fines and permits	2,000	2,000	1,216
Miscellaneous revenue	4,310	4,310	2,246
Total revenue	1,022,942	1,022,942	1,095,898
General and Administrative			
Personnel			
Salaries	8,000	8,000	5,905
Unemployment insurance	6,000	6,000	821
IMRF contribution	37,000	37,000	16,350
Total personnel	51,000	51,000	23,076
Contractual services			
Maintenance - equipment	1,000	1,000	-
TOIRMA insurance	39,000	39,000	20,469
Accounting services	27,000	27,000	7,868
Legal services	60,000	60,000	6,037
Postage	300	300	141
Telephone	5,000	5,000	3,411
Publishing	1,500	1,500	242
Printing	200	200	-
Dues, memberships	300	300	200
Travel expenses	6,000	6,000	1,106
Training and education	1,000	1,000	-
Total contractual services	141,300	141,300	39,474
Commodities			
Other miscellaneous	-	-	204
Office supplies	800	800	525
Total commodities	800	800	729

GRAFTON TOWNSHIP, ILLINOIS

*Road and Bridge Fund - Statement of Revenue and Expenditures and Comparison with Appropriations
Year ended March 31, 2014*

	Original Appropriations	Final Appropriations	Modified Cash Basis
Capital expenditures/debt service			
Equipment	5,000	5,000	152
Total capital expenditures	5,000	5,000	152
Other expenditures			
Miscellaneous expense	8,000	8,000	-
Municipal replacement tax	7,800	7,800	7,794
Total other expenditures	15,800	15,800	7,794
Total General and Administrative	213,900	213,900	71,225
Maintenance Department			
Personnel			
Salaries	10,500	10,500	8,267
Social Security	-	-	689
Total personnel	10,500	10,500	8,956
Contractual services			
Maintenance services - building	10,000	10,000	693
Maintenance services - equipment	10,000	10,000	8,940
Maintenance services - vehicles	10,000	10,000	3,776
Maintenance services - roads	100	100	-
Maintenance services - snow removal	100	100	-
Maintenance services - bridge	15,000	15,000	-
Garbage disposal	4,000	4,000	1,890
Utilities	9,000	9,000	4,134
Engineering service	5,000	5,000	-
Rentals	500	500	-
Total contractual services	63,700	63,700	19,433
Commodities			
Building maintenance supplies	10,000	10,000	866
Equipment supplies	10,000	10,000	3,961
Vehicle supplies	10,000	10,000	5,753
Road supplies	100	100	-
Snow removal supplies	100	100	-
Bridge supplies	5,000	5,000	-
Operating supplies	3,000	3,000	1,070
Small tools	6,000	6,000	1,562
Total commodities	44,200	44,200	13,212

GRAFTON TOWNSHIP, ILLINOIS

*Road and Bridge Fund - Statement of Revenue and Expenditures and Comparison with Appropriations
Year ended March 31, 2014*

	Original Appropriations	Final Appropriations	Modified Cash Basis
Other expenditures			
Miscellaneous	5,000	5,000	-
Intergovernmental agreement	15,024	15,024	-
Contingencies	34,000	34,000	-
Total other expenditures	54,024	54,024	-
Capital expenditures			
Roads	140,000	140,000	7,944
Other improvements	50,000	50,000	8,308
Intergovernment agreement	-	-	15,024
Total capital expenditures	190,000	190,000	31,276
Debt Service			
Debt service -- principal	268,500	268,500	250,000
Debt service -- interest	-	-	9,774
Total other expenditures	268,500	268,500	259,774
Total maintenance department	630,924	630,924	332,651
Permanent Road Department			
Personnel			
Salaries	200,000	200,000	143,583
Social Security	15,000	15,000	9,781
Medicare	4,000	4,000	2,287
Uniforms	2,000	2,000	640
Health insurance	40,000	40,000	33,263
Total personnel	261,000	261,000	189,554
Contractual services			
Maintenance services - roads	375,000	375,000	316,190
Maintenance services - street lights	6,000	6,000	2,917
Maintenance services - striping	25,000	25,000	20,780
Road signage	30,000	30,000	337
Engineering	45,000	45,000	44,075
Intergovernmental agreement	14,500	14,500	14,500
Rentals	15,000	15,000	-
Total contractual services	510,500	510,500	398,799

GRAFTON TOWNSHIP, ILLINOIS

*Road and Bridge Fund - Statement of Revenue and Expenditures and Comparison with Appropriations
Year ended March 31, 2014*

	<u>Original</u> <u>Appropriations</u>	<u>Final</u> <u>Appropriations</u>	<u>Modified</u> <u>Cash</u> <u>Basis</u>
Commodities			
Gas/diesel/oil	45,000	45,000	28,665
Maintenance supplies roads	45,000	45,000	13,972
Salt, calcium and ice control	100,000	100,000	72,266
Operating supplies	10,000	10,000	1,929
Other miscellaneous	-	-	595
Total commodities	<u>200,000</u>	<u>200,000</u>	<u>117,427</u>
Other expenditures			
Other	10,000	10,000	-
Contingencies	15,000	15,000	-
Total other expenditures	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Total Permanent Road	<u>996,500</u>	<u>996,500</u>	<u>705,780</u>
Total expenditures Road and Bridge Fund	<u>1,841,324</u>	<u>1,841,324</u>	<u>1,109,656</u>
Excess (deficiency) of revenue over expenditures	<u>\$ (818,382)</u>	<u>\$ (818,382)</u>	<u>\$ (13,758)</u>