



Grafton Township

Annual Financial Report

For Year Ended March 31, 2013

GRAFTON TOWNSHIP, ILLINOIS

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INDEPENDENT AUDITOR'S REPORT

To the Supervisor
and Members of the Board of
Grafton Township, IL

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Grafton Township, of Illinois as of and for the year ended March 31, 2013, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township's management. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note 1, the Township of Grafton prepares its financial statements on the modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Grafton Township, of 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 conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison information on pages 2-6, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Grafton Township, of Illinois' basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

George Roach & Associates, P.C.

George Roach and Associates, P.C.
Crystal Lake, Illinois
June 27, 2013

GRAFTON TOWNSHIP, IL

Management's Discussion and Analysis

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, 2013. 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, 2013 by \$2,158,858 (*net position*). Of this amount, \$119,214 (*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 \$273,445.
- At March 31, 2013, the Township's governmental funds reported combined ending fund balances of \$1,128,636, an increase of \$131,160 from the prior year.
- At March 31, 2013, the fund balance for the General Fund was \$134,380.
- The Township's total fixed assets increased by \$114,635 during the year ended March 31, 2013.

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.

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 four 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 \$2,158,858 for the year ended March 31, 2013. A portion of the Township's net position reflects its investment in capital assets, \$1,030,222. 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 \$1,128,636, of which \$1,009,422 is restricted and \$119,214 is unrestricted.

Grafton Township Net Position

	Governmental Activities	
	3/31/13	3/31/12
Current and Other Assets	\$ 1,128,636	\$ 997,476
Fixed Assets	1,280,222	1,165,587
Total Assets	\$ 2,408,858	\$ 2,163,063
Other Liabilities	\$ -	\$ 7,650
Long-term Liabilities	250,000	270,000
Total Liabilities	250,000	277,650
Net Position:		
Net Investment in Capital Assets	1,030,222	856,687
Restricted	1,009,422	754,124
Unrestricted	119,214	274,602
Total Net Position	\$ 2,158,858	\$ 1,885,413

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 (\$119,214) may be used to meet the Township's ongoing obligations to citizens and creditors.

At March 31, 2013, the Township is able to report positive balances in all three categories of net position. The Township's net position increased by \$273,445 during the year ended March 31, 2013.

Governmental activities

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

Grafton Township Changes Net Position		
	Governmental Activities	
	3/31/2013	3/31/2012
Revenues		
Program Revenues		
Charges for Services	\$ 4,456	\$ 8,747
Operating Grants	148,821	13,209
General Revenues		
Property Taxes	1,690,149	1,652,920
Replacement Taxes	63,321	63,993
Intergovernmental Receipts	73,621	404,175
Interest	906	8,807
Other income	63,259	1,322
Total Revenues	2,044,533	2,153,173
Expenses		
General Government	780,574	950,285
Assesor	464,432	453,061
General Assistance	22,177	63,220
Road and Bridge	490,677	428,393
Interest	13,228	36,583
Total Expenses	1,771,088	1,931,542
Increase/(Decrease) in Net Assets	273,445	221,631
Net Assets - Beginning of Year	1,885,413	1,663,782
Net Assets - End of Year	\$ 2,158,858	\$ 1,885,413

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, 2013, the Township's governmental funds reported combined ending fund balances of \$1,128,636, an increase of \$138,810 in comparison with the prior year.

The Town Fund is the chief operating fund of the Township. At March 31, 2013, the fund balance of the Town Fund was \$134,380. This represents a decrease of \$136,595 compared to the prior fiscal year.

General Fund Budgetary Highlights

Expenditures in the General Town Fund of \$1,234,736 were under revenues by \$136,594 and were \$ 465,400 less than the appropriation of \$1,700,136.

CAPITAL ASSETS

The Township's capital fixed assets for its governmental activities as of March 31, 2013 amount to \$1,280,222 (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, 2012	Increases	Decreases	March 31, 2013
Land	\$ 412,886	\$ -	\$ -	\$ 412,886
Buildings	298,577	-	-	298,577
Equipment	475,164	-	-	475,164
Road Improvements	115,235	186,138	-	301,373
Vehicles	448,660	-	-	448,660
Total Fixed Assets	1,750,522	186,138	-	1,936,660
Less: Accumulated Depreciation	584,935	71,503	-	656,438
Fixed Assets (Net)	\$ 1,165,587	\$ 114,635	\$ -	\$ 1,280,222

ECONOMIC FACTORS AND PROPERTY TAXES

The equalized assessed valuation (EAV) of the Township for 2012 is \$1,322,459,704. That represents a decrease in EAV of \$155,803,476 over the prior year's EAV. Taxes recorded in these financial statements are from the 2011 levy. A summary of the assessed valuations and extensions for tax years 2012, 2011, and 2010 is as follows:

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.

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

TAX LEVY YEAR	2012	2011	2010
ASSESSED VALUATION			
McHenry County	<u>\$ 1,322,459,704</u>	<u>\$ 1,478,263,180</u>	<u>\$ 1,443,604,765</u>

TAX RATES AND PERCENTAGE ALLOCATIONS BY FUND

Funds	Rate	Percentage	Rate	Percentage	Rate	Percentage
Town – Corporate	0.080208	56.59	0.069212	56.62	0.06534	53.25
Town – Insurance	0.001333	0.94	0.001138	0.93	0.00116	0.95
Public Assistance	0.001569	1.11	0.001339	1.10	0.00546	4.45
Road & Bridge	0.017927	12.65	0.016429	13.44	0.01649	13.44
Permanent Road	0.037845	26.70	0.031676	25.91	0.03180	25.91
Road & Bridge – IMRF	0.000958	0.68	0.001019	0.83	0.00102	0.83
Road & Bridge – Insurance	0.001890	1.33	0.001436	1.17	0.00144	1.17
Totals	<u>0.141730</u>	<u>100.00</u>	<u>0.122249</u>	<u>100.00</u>	<u>0.12271</u>	<u>100.00</u>

Property Tax Extensions

Funds	2012	2011	2010
Town – Corporate	\$ 1,060,718	\$ 1,023,135	\$ 943,266
Town – Insurance	17,628	16,823	16,746
Public Assistance	20,749	19,794	78,806
Road & Bridge	237,077	242,864	238,065
Permanent Road	500,485	468,255	458,994
Road & Bridge – IMRF	12,669	15,064	14,768
Road & Bridge – Insurance	24,994	21,228	20,802
Totals	<u>\$ 1,874,320</u>	<u>\$ 1,807,163</u>	<u>\$ 1,771,447</u>

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, 2013

Assets

Cash and investments, at cost	\$ 1,128,636
Fixed Assets	1,280,222
Total Assets	\$ 2,408,858

Liabilities

Current portion of long term debt	\$ 20,000
Long term Debt	230,000
Total Liabilities	250,000

Net Position

Investment in capital assets, net of related debt	1,030,222
Restricted - general assistance	160,684
Restricted - gen. road & bridge	833,572
Restricted - insurance	15,166
Unrestricted	119,214
Total Net Position	\$ 2,158,858

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, 2013*

Functions/Programs	Expenses	Program Revenues			Totals
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
General Government	\$ 780,574	\$ 4,456	\$ -	\$ -	\$ (776,118)
Assessor	464,432	-	-	-	(464,432)
Road & Bridge	490,677	5,071	143,750	-	(341,856)
General Assistance	22,177	-	-	-	(22,177)
Debt Service -- interest	13,228	-	-	-	(13,228)
Total Governmental Activities	\$ 1,771,088	\$ 9,527	\$ 143,750	\$ -	(1,617,811)
		Property taxes			1,690,149
		Replacement tax			63,321
		Rentals			57,800
		Intergovernmental receipts			73,621
		Miscellaneous revenue			5,459
		Investment Income			906
		Total Revenues			1,891,256
		Changes in Net Position			273,445
		Net Position Beginning of Year			1,885,413
		Total Net Position			\$ 2,158,858

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

GRAFTON TOWNSHIP, ILLINOIS

Governmental Funds

Combined Balance Sheet -- Modified Cash Basis

March 31, 2013

		Corporate Fund	General Assistance Fund	Road & Bridge Fund	Total
Assets					
Cash		\$ 134,380	\$ 160,684	\$ 833,572	\$ 1,128,636
Total Assets		<u>\$ 134,380</u>	<u>\$ 160,684</u>	<u>\$ 833,572</u>	<u>\$ 1,128,636</u>
Liabilities					
Total Liabilities		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance					
Nonspendable		-	-	-	-
Restricted		15,166	160,684	833,572	1,009,422
Committed		-	-	-	-
Assigned		75,000	-	-	75,000
Unassigned		<u>44,214</u>	<u>-</u>	<u>-</u>	<u>44,214</u>
Total Fund Balance		<u>134,380</u>	<u>160,684</u>	<u>833,572</u>	<u>1,128,636</u>
Total Liabilities and Fund Balance		<u>\$ 134,380</u>	<u>\$ 160,684</u>	<u>\$ 833,572</u>	<u>\$ 1,128,636</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, 2013*

	Corporate Fund	General Assistance Fund	Road & Bridge Fund	Total
Revenue				
Property taxes	\$ 1,039,735	\$ 19,790	\$ 630,624	\$ 1,690,149
Replacement taxes	23,447	-	39,874	63,321
Licenses, fees, and permits	4,456	-	2,860	7,316
Intergovernmental receipts	29,804	-	43,817	73,621
Fines	-	-	2,211	2,211
Grants and donations	-	-	143,750	143,750
Interest income	135	303	468	906
Rentals	-	-	57,800	57,800
Miscellaneous revenue	564	-	4,895	5,459
Total Revenue	1,098,141	20,093	926,299	2,044,533
Expenditures				
Administrative	731,490	6,867	87,140	825,497
Assessor	460,412	-	-	460,412
Transportation	42,834	-	-	42,834
Home relief	-	15,310	-	15,310
Maintenance	-	-	53,003	53,003
Debt Service -- principal	-	-	20,000	20,000
Debt Service -- interest	-	-	13,228	13,228
Permanent Road	-	-	475,439	475,439
Total Expenditures	1,234,736	22,177	648,810	1,905,723
Excess (Deficiency) of Revenue over Expenditures and other uses	(136,595)	(2,084)	277,489	138,810
Municipal Equity				
Balance, beginning of year	270,975	162,768	556,083	989,826
Total Municipal Equity	\$ 134,380	\$ 160,684	\$ 833,572	\$ 1,128,636

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

GRAFTON TOWNSHIP, ILLINOIS

*Reconciliations of the Governmental Funds to the Statement
of Governmental Net Position and the Statement of Activities
Year Ended March 31, 2013*

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

Total Fund Balances--Total Governmental Funds	\$ 1,128,636
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Amount net of depreciation	1,280,222
Long term debt is not recorded in the fund statement but is included as a liability in the Statement of Net Position	(250,000)
Total Net Position of Governmental Activities	\$ 2,158,858

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	\$ 138,810
Governmental funds report capital outlays as expenditures; however for the Statement of Activities the amounts are capitalized and depreciation over their useful life. (amount shown is net of depreciation)	114,635
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.	20,000
Changes in Net Position Governmental Funds	\$ 273,445

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

GRAFTON TOWNSHIP, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

Note 1 -- Summary of significant accounting policies

The accounting policies of Grafton Township (the "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 of the 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

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 - invested in capital assets, net of related debt; 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 General 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

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 year end.

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, 2013, unexpended appropriations of the budgetary funds (general fund and special revenue funds) automatically lapse. The budget is prepared on the modified cash basis. The 2013 appropriations ordinance was adopted June 14, 2012.

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

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 30, 2013.

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 manager 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.

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.

GRAFTON TOWNSHIP, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

Note 2 -- Cash and Investments (concluded)

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, 2013 nonpooled deposits are categorized to give an indication of the level of risk assumed by the Township at March 31, 2013. The categories are described as follows:

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

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. Your 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, your 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 2012 was 9.99 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.

Annual Pension Cost--

The required contribution for calendar year 2012 was \$72,121.

Three-Year Trend Information for the Regular Plan

Calendar Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2012	\$ 72,121	100%	\$0
12/31/2011	\$ 60,246	100%	\$0
12/31/2010	\$ 63,643	96%	\$0

GRAFTON TOWNSHIP, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

Note 3 – Illinois Municipal Retirement (concluded)

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 10.0% 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, 2010 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, 2012, the most recent actuarial valuation date, the Regular plan was 83.00 percent funded. The actuarial accrued liability for benefits was \$1,157,124 and the actuarial value of assets was \$960,442, resulting in an underfunded actuarial accrued liability (UAAL) of \$196,682. The covered payroll for calendar year 2012 (annual payroll of active employees covered by the plan) was \$721,935 and the ratio of the UAAL to the covered payroll was 27 percent.

Note 4 – Changes in Fixed Assets

	Balance April 1, 2012	Acquisitions	Disposals	Balance March 31, 2013
Land	\$ 412,886	\$ -	\$ -	\$ 412,886
Buildings	298,577	-	-	298,577
Equipment	475,164	-	-	475,164
Road Improvements	115,235	186,138	-	301,373
Vehicles	448,660	-	-	448,660
Total	1,750,522	\$ 186,138	\$ -	1,936,660
Less : Accumulated Depreciation	(584,935)			(656,438)
Net Assets	\$ 1,165,587			\$ 1,280,222

Depreciation by

Governmental Activities

General Government	\$ 6,250
Road & Bridge	61,233
Assessor	4,020
Total Governmental Activities	\$ 71,503

GRAFTON TOWNSHIP, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

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. Principal payments are due on each January 1 beginning in 2011 and continuing until 2021. Interest rates range from 4.10-5.00% and are to be paid each July 1 and January 1, through 2021. The balance due on these debt certificates at March 31, 2012 is \$250,000. At March 31, 2013 the annual debt service requirements to cover these debt certificates:

Year Ending March 31,	Principal	Interest	Total
2014	\$ 20,000	\$ 11,800	\$ 31,800
2015	25,000	10,800	35,800
2016	25,000	9,550	34,550
2017	30,000	8,300	38,300
2018-2020	110,000	15,150	125,150
2021	40,000	1,660	41,660
Totals	\$ 250,000	\$ 57,260	\$ 307,260

Long-term liability activity for the year ended March 31, 2013 was as follows:

	Balance			Balance	Amounts
Governmental Activities: Long-Term Debt	April 1, 2012	Additions	Retirements	March 31, 2013	Due Within One Year
Debt Certificates	\$ 270,000		\$ 20,000	\$ 250,000	\$ 20,000
Total Governmental Long Term Obligations	\$ 270,000	\$ -	\$ 20,000	\$ 250,000	\$ 20,000

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). The Township is named in lawsuits between township officials. In the aggregate, these claims

GRAFTON TOWNSHIP, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

Note 7 – Subsequent Events (concluded)

could result in significant legal costs. To the extent the outcome of such litigation has been determined to result in probable loss to the Township, such loss has been accrued in the accompanying financial statements. Litigation where loss to the Township is reasonably possible has not been accrued; however, the Township management is vigorously defending against all such claims and an estimate of such loss, if any, is not possible. The outcome of the remaining claims cannot be determined at this time.

There have been no other recognized or non-recognized subsequent events that have occurred between March 31, 2013 and the date of this audit report requiring disclosure in the financial statements.

Required Supplementary Information

GRAFTON TOWNSHIP, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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 31st.
- 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.

REQUIRED SUPPLEMENTARY INFORMATION

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)
12/31/2011	\$ 820,512	\$ 1,010,713	\$ 190,201	81.18%	\$ 645,724	29.46%
12/31/2010	\$ 698,918	\$ 847,614	\$ 148,696	82.46%	\$ 692,521	21.47%
12/31/2009	\$ 900,094	\$ 987,773	\$ 87,679	91.12%	\$ 755,299	11.61%

On a market value basis, the actuarial value of assets as of December 31, 2012 is \$989,912. On a market basis, the funded ratio would be 85.52%.

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

Statement of Revenue and Expenditures

and Comparison with Appropriations -- Town Fund

Year Ended March 31, 2013

	Original	Final	Modified
	Appropriations	Appropriations	Cash Basis
Revenue			
Property taxes	\$ 1,023,136	\$ 1,023,136	\$ 1,039,735
Replacement taxes	24,000	24,000	23,447
Municipal transport income	4,800	4,800	4,456
Intergovernmental transportation	10,000	10,000	10,000
Intergovernmental road	17,676	17,676	19,804
Grants and donations	10	10	-
Interest income	500	500	135
Sale of assets	100,000	100,000	-
Miscellaneous revenue	2,800	2,800	565
Total Revenues	1,182,922	1,182,922	1,098,142
General and Administrative			
Personnel			
Salaries	35,000	35,000	54,343
Elected officials	223,536	223,536	226,889
Health insurance	75,000	75,000	84,410
Social Security	20,000	20,000	16,254
Medicare	4,700	4,700	4,126
Unemployment insurance	12,000	12,000	12,907
IMRF contribution	23,500	23,500	27,866
Total personnel	393,736	393,736	426,795
Contractual services			
Maintenance - buildings	2,000	2,000	1,909
Maintenance - equipment	4,000	4,000	2,588
TOIRMA insurance	16,000	16,000	12,193
Accounting services	36,000	36,000	23,124
Legal services	200,000	200,000	138,262
Other professional services	28,000	28,000	29,263
Other contract services - clerk	600	600	1,286
Postage	400	400	1,229
Telephone	1,000	1,000	878
Publishing	500	500	622
Printing	500	500	564
Dues, memberships	2,200	2,200	1,549
Travel expenses	300	300	297
Training and education	500	500	87
Room rental	600	600	225
Annual meeting	1,200	1,200	2,000
Utilities	5,500	5,500	4,679
Total contractual services	299,300	299,300	220,755

GRAFTON TOWNSHIP, ILLINOIS*Statement of Revenue and Expenditures**and Comparison with Appropriations -- Town Fund - continued**Year Ended March 31, 2013*

	Original	Final	Modified
	Appropriations	Appropriations	Cash
			Basis
General and Administrative (continued)			
Commodities			
Fuel and oil	400	400	-
Other miscellaneous	100	100	75
Office supplies	2,500	2,500	2,485
Operating supplies	2,500	2,500	1,860
Total commodities	5,500	5,500	4,420
Capital expenditures			
Building--Road District	300,000	300,000	-
Facility renovations	22,200	22,200	-
Equipment	-	-	732
Total capital expenditures	322,200	322,200	732
Debt Service			
Debt service	57,550	57,550	78,788
Total debt service	57,550	57,550	78,788
Total General and Administrative	1,078,286	1,078,286	731,490
Assessor Office			
Personnel			
Salaries	330,000	330,000	298,602
Social Security	26,000	26,000	18,350
Medicare	-	-	4,606
Health insurance	65,000	65,000	58,692
IMRF contribution	33,000	33,000	30,320
Uniforms	500	500	-
Payroll service fees	5,000	5,000	125
Total personnel	459,500	459,500	410,695
Contractual services			
Maintenance services	7,000	7,000	5,322
Legal services	20,000	20,000	13,901
Postage	450	450	199
Printing	300	300	70
Publishing	200	200	52
Telephone	4,000	4,000	3,403
Dues, memberships	150	150	-
Travel and meetings	8,000	8,000	4,197
Training and education	3,600	3,600	3,502
Professional appraisal services	7,000	7,000	-
Total contractual services	50,700	50,700	30,646

GRAFTON TOWNSHIP, ILLINOIS

Statement of Revenue and Expenditures

and Comparison with Appropriations -- Town Fund - concluded

Year Ended March 31, 2013

	Original Appropriations	Final Appropriations	Modified Cash Basis
Commodities			
Office supplies	7,000	7,000	3,321
Periodicals and publications	2,800	2,800	235
Other miscellaneous	1,000	1,000	131
Total commodities	10,800	10,800	3,687
Capital expenditures			
Building	15,000	15,000	130
Software	20,000	20,000	13,295
Equipment	8,000	8,000	1,959
Total capital expenditures	43,000	43,000	15,384
Total Assessor Office	564,000	564,000	460,412
Senior Transportation			
Personnel			
Salaries	38,000	38,000	28,434
Total personnel	38,000	38,000	28,434
Contractual services			
Maintenance service	8,000	8,000	2,892
Printing	250	250	2,132
Telephone	1,100	1,100	1,124
Postage	200	200	923
Total contractual services	9,550	9,550	7,071
Commodities			
Gas/diesel/oil	8,000	8,000	7,017
Office supplies	200	200	-
Other miscellaneous	100	100	-
Total commodities	8,300	8,300	7,017
Other expenditures			
Community events/Bingo	2,000	2,000	312
Total other expenditures	2,000	2,000	312
Total Senior Transportation	57,850	57,850	42,834
Total Disbursements Corporate Fund	1,700,136	1,700,136	1,234,736
Excess (Deficiency) of Revenue Over Expenditures	\$ (517,214)	\$ (517,214)	\$ (136,594)

GRAFTON TOWNSHIP, ILLINOIS*Statement of Revenue and Expenditures**and Comparison with Appropriations -- General Assistance Fund**Year Ended March 31, 2013*

	Original	Final	Modified
	Appropriations	Appropriations	Cash Basis
Revenue			
Property taxes	\$ 19,794	\$ 19,794	\$ 19,790
Interest income	160	160	302
Miscellaneous revenue	100	100	-
Total Revenues	20,054	20,054	20,092
General and Administrative			
Personnel			
Salaries	10,000	10,000	-
Elected officials	1,000	1,000	-
Unemployment insurance	600	600	-
Total personnel	11,600	11,600	-
Contractual services			
Maintenance - buildings	1,000	1,000	-
Maintenance - vehicles	1,000	1,000	-
Maintenance - equipment	-	-	2,483
Accounting services	2,000	2,000	-
Legal services	2,000	2,000	-
Other professional services	900	900	938
Postage	100	100	50
Telephone	1,000	1,000	878
Publishing	250	250	219
Printing	300	300	-
Travel expenses	200	200	28
Training and education	900	900	560
Utilities	500	500	-
Total contractual services	10,150	10,150	5,156
Commodities			
Fuel and oil	500	500	776
Maintenance supplies building	500	500	-
Office supplies	500	500	379
Operating supplies	-	-	48
Total commodities	1,500	1,500	1,203

GRAFTON TOWNSHIP, ILLINOIS*Statement of Revenue and Expenditures**and Comparison with Appropriations -- General Assistance Fund - concluded**Year Ended March 31, 2013*

	Original	Final	Modified
	Appropriations	Appropriations	Cash Basis
Capital expenditures/debt service			
Equipment	1,000	1,000	508
Total capital expenditures	1,000	1,000	508
Total General and Administrative	24,250	24,250	6,867
Home Relief			
Contractual services			
Transportation assistance	3,500	3,500	-
Physician services	12,000	12,000	-
Hospital services	7,000	7,000	-
Dental services	3,000	3,000	-
Other medical services insurance	5,000	5,000	2,360
Funeral and burial services	10,000	10,000	-
Shelter	13,680	13,680	5,799
Utility payments	33,700	33,700	-
Ambulance services	5,000	5,000	6,996
Eyecare	2,000	2,000	-
Total contractual services	94,880	94,880	15,155
Commodities			
Food	1,000	1,000	-
Catastrophic deduction	50,000	50,000	-
Personal incidentals	2,000	2,000	-
Household incidentals	2,000	2,000	-
Flat Grant	4,500	4,500	155
Prescriptions	2,000	2,000	-
Fuel	2,000	2,000	-
Total commodities	63,500	63,500	155
Total Home Relief	158,380	158,380	15,310
Total Disbursements	182,630	182,630	22,177
Excess (Deficiency) of Revenue			
Over Expenditures	\$ (162,576)	\$ (162,576)	\$ (2,085)

GRAFTON TOWNSHIP, ILLINOIS

Statement of Revenue and Expenditures

and Comparison with Appropriations -- Road and Bridge Fund

Year Ended March 31, 2013

	Original	Final	Modified
	Appropriations	Appropriations	Cash Basis
Revenue			
Property taxes	\$ 747,407	\$ 747,407	\$ 630,625
Replacement taxes	41,000	41,000	39,874
Municipal share	(116,651)	(116,651)	-
Rental income	48,000	48,000	57,800
Permits and Bonds	2,000	2,000	2,860
Intergovernmental road	324,100	324,100	43,817
Grants and donations	100	100	143,750
Interest income	690	690	467
Court fines and permits	2,000	2,000	2,211
Miscellaneous revenue	4,050	4,050	4,895
Total Revenues	1,052,696	1,052,696	926,299
General and Administrative			
Personnel			
Salaries	7,000	7,000	5,775
Unemployment insurance	6,000	6,000	1,662
IMRF contribution	37,000	37,000	16,331
Total personnel	50,000	50,000	23,768
Contractual services			
Maintenance - equipment	1,000	1,000	-
TOIRMA insurance	33,000	33,000	20,469
Accounting services	25,000	25,000	2,000
Legal services	60,000	60,000	26,558
Postage	200	200	137
Telephone	4,500	4,500	3,278
Publishing	1,500	1,500	203
Printing	200	200	-
Dues, memberships	300	300	185
Travel expenses	5,000	5,000	2,375
Training and education	500	500	60
Total contractual services	131,200	131,200	55,265
Commodities			
Office supplies	600	600	123
Total commodities	600	600	123

GRAFTON TOWNSHIP, ILLINOIS*Statement of Revenue and Expenditures**and Comparison with Appropriations -- Road and Bridge Fund - continued**Year Ended March 31, 2013*

	Original Appropriations	Final Appropriations	Modified Cash Basis
Capital expenditures/debt service			
Equipment	4,000	4,000	75
Total capital expenditures	4,000	4,000	75
Other expenditures			
Miscellaneous expense	8,000	8,000	129
Municipal replacement tax	7,800	7,800	7,780
Total other expenditures	15,800	15,800	7,909
Total General and Administrative	201,600	201,600	87,140
Maintenance Department			
Personnel			
Salaries	9,500	9,500	8,085
Total personnel	9,500	9,500	8,085
Contractual services			
Maintenance services - building	10,000	10,000	1,844
Maintenance services - equipment	10,000	10,000	1,722
Maintenance services - vehicles	8,500	8,500	189
Maintenance services - roads	1,200	1,200	-
Garbage disposal	3,000	3,000	1,762
Utilities	9,000	9,000	2,912
Engineering service	500	500	-
Rentals	300	300	-
Total contractual services	42,500	42,500	8,429
Commodities			
Building maintenance supplies	10,000	10,000	300
Equipment supplies	10,000	10,000	5,667
Vehicle supplies	10,000	10,000	4,635
Road supplies	1,200	1,200	-
Operating supplies	2,500	2,500	879
Small tools	6,000	6,000	1,032
Total commodities	39,700	39,700	12,513

GRAFTON TOWNSHIP, ILLINOIS

Statement of Revenue and Expenditures

and Comparison with Appropriations -- Road and Bridge Fund - continued

Year Ended March 31, 2013

	Original	Final	Modified
	Appropriations	Appropriations	Cash Basis
Other expenditures			
Miscellaneous	3,000	3,000	-
Intergovernmental agreement	34,828	34,828	19,804
Contingencies	32,000	28,800	-
Total other expenditures	69,828	66,628	19,804
Capital expenditures			
Roads	122,500	122,500	4,172
Other improvements	25,000	25,000	-
Total capital expenditures	147,500	147,500	4,172
Debt Service			
Debt service	283,500	286,700	33,228
Total other expenditures	283,500	286,700	33,228
Total Maintenance	592,528	592,528	86,231
Permanent Road Department			
Personnel			
Salaries	195,000	195,000	146,879
Social Security	14,000	14,000	9,148
Medicare	3,750	3,750	2,333
Uniforms	1,500	1,500	184
Health insurance	30,000	30,000	25,398
Total personnel	244,250	244,250	183,942
Contractual services			
Maintenance services - vehicles			
Maintenance services - roads	240,000	240,000	186,138
Maintenance services - street lights	6,000	6,000	3,128
Maintenance services - striping	20,000	20,000	18,315
Road signage	25,000	25,000	150
Engineering	30,000	30,000	19,470
Rentals	15,000	15,000	-
Total contractual services	336,000	336,000	227,201

GRAFTON TOWNSHIP, ILLINOIS*Statement of Revenue and Expenditures**and Comparison with Appropriations -- Road and Bridge Fund - concluded**Year Ended March 31, 2013*

	Original	Final	Modified
	Appropriations	Appropriations	Cash
			Basis
Commodities			
Gas/diesel/oil	45,000	45,000	14,036
Maintenance supplies roads	42,000	42,000	5,634
Salt, calcium and ice control	100,000	100,000	42,581
Operating supplies	10,000	10,000	515
Total commodities	197,000	197,000	62,766
Other expenditures			
Other	10,000	10,000	1,530
Contingencies	15,000	15,000	-
Total other expenditures	25,000	25,000	1,530
Total Permanent Road	802,250	802,250	475,439
Total Disbursements Corporate Fund	1,596,378	1,596,378	648,810
Excess (Deficiency) of Revenue			
Over Expenditures	\$ (543,682)	\$ (543,682)	\$ 277,489