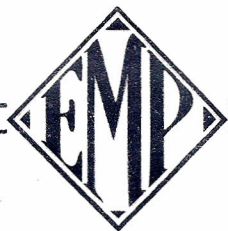


**GRAFTON TOWNSHIP
MCHENRY COUNTY
HUNTLEY, ILLINOIS
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
MARCH 31, 2010**

**GRAFTON TOWNSHIP
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SINCE 1917

EVANS, MARSHALL & PEASE, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

1875 Hicks Road
Rolling Meadows, Illinois 60008

PAUL H. THERMEN, C.P.A.
JEFFERY M. ROLLEFSON, C.P.A.

Independent Auditors' Report

Board of Trustees
Grafton Township
Huntley, IL

We have audited the accompanying basic financial statements of Grafton Township as of and for the year ended March 31, 2010, as listed in the accompanying table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of Grafton Township for the year ended March 31, 2009 were examined by other auditors whose report dated January 14, 2010 expressed an unqualified opinion on those statements.

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 opinion.

As described in Note 1, these basic financial statements were prepared on 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of Grafton Township at March 31, 2010, and the respective changes in financial position for the year then ended, in conformity with the modified cash basis of accounting described in Note 1 to these basic financial statements.

The Management's Discussion and Analysis and the schedule of funding progress for the Illinois Municipal Retirement Fund are required supplementary information, and are not a required part of the basic financial statements but are supplementary information required by the 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 do not express an opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The Schedules of Revenue and Expenditures – Budget and Actual are required supplementary information, and 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. These schedules 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.

Evans, Marshall & Pease, P.C.

Evans, Marshall & Pease, P.C.
Certified Public Accountants

July 28, 2011
Rolling Meadows, IL
(15)

GRAFTON TOWNSHIP

MANAGEMENT DISCUSSION AND ANALYSIS

This section of the Grafton Township's annual financial report is the discussion and analysis of the Township's financial performance during the fiscal year ending March 31, 2010.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Overview of the Financial Statements

This financial report consists of three parts – management's discussion and analysis (this section), basic financial statements and required supplementary information. The basic financial statements include two kinds of statements that present different views of the Township.

- *The statement of net assets and statement of activities* are *government-wide* financial statements that provide both short-term and long-term information about the Township's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Township. Fund statements generally report operation in more detail than the government-wide financial statements.

The financial statements also include many notes. These explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements.

The major features of the Township's financial statements, including the portion of the Township's activities they cover and the types of information they contain, are shown in the following table.

**GRAFTON TOWNSHIP
MANAGEMENT DISCUSSION AND ANALYSIS**

Major Features of the Government-Wide and Fund Financial Statements

	Government-wide Statements	Fund Financial – Governmental Funds	Fund Financial – Proprietary Funds	Fund Financial – Fiduciary Funds
Scope	Entire Township (except fiduciary funds)	The activities of the Township that are not proprietary or fiduciary	Activities the Township operates similar to private business	Assets held by the Township on behalf of someone else
Required financial statements	Statement of net assets (deficit) and statement of activities	Balance sheet, statement of revenues, expenditures and changes in fund balance (deficit)	Statement of net assets, statement of revenues, expenses and changes in net assets and statement of cash flows	Statement of fiduciary net assets
Accounting basis and measurement focus	Actual accounting and economic resources focus	Cash basis accounting and current financial resources focus	Cash basis accounting and economic resources focus	Cash basis accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Revenues for which cash is received during the year; no capital assets or long-term liabilities included	All assets and liabilities; both financial and capital; short-term and long-term	All assets and liabilities, both short-term and long-term; funds may contain capital assets
Type of inflow/outflow information	All revenue received and expenses disbursed during the fiscal year	Revenues for which cash is received during the year. Expenditures when goods and services have been paid for.	All revenues and expenses during the year	All additions or deductions during the year

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

GRAFTON TOWNSHIP MANAGEMENT DISCUSSION AND ANALYSIS

Government-Wide Financial Statements

The government-wide financial statements report information about the Township as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the Township's assets and liabilities. All the current year's revenues and expenses are accounted for in the statement of activities.

Unlike a private sector company, the Township cannot readily convert fixed assets to liquid assets. Townships can, and sometimes do, convert fixed assets to cash through the sale of property; however this is a rare event and not easily accomplished.

The government-wide financial statements report the Township's net assets and how they have changed throughout the year. Net assets – the difference between the Township's assets and liabilities – are one way to measure the Township's financial health or position.

- Over time, increases or decreases in the Township's net assets are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the Township's overall health, one needs to consider additional non-financial factors, such as changes in the Township's property tax base and the condition of facilities.

In the government-wide financial statements, the Township's activities are presented as follows:

- *Governmental activities* – Most of the Township's basic services are included here, such as support services, community programs and administration. Property taxes finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the Township's funds, focusing on its most significant or "major" funds – not the Township as a whole. Funds are accounting devices the Township uses to keep track of specific sources of funding and spending on particular programs and to demonstrate compliance with various regulatory requirements.

- Some funds are required by state law.
- The Township establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenues (such as working cash).

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

**GRAFTON TOWNSHIP
MANAGEMENT DISCUSSION AND ANALYSIS**

Financial Analysis of the Township as a Whole

Statement of Net Assets: The following summary data is compared with data from the preceding year. The following provides a summary of the Township's Statement of Net Assets as of March 31, 2010:

	Governmental Activities	
	2010	2009
Assets:		
Current assets	\$ 1,312,672	\$ 4,992,361
Capital assets (less depreciation)	1,132,010	1,099,250
Total Assets	2,444,682	6,091,611
Liabilities:		
Current liabilities (short-term debt)	39,540	8,340
Noncurrent liabilities (long-term debt)	708,500	4,270,519
Total Liabilities	748,040	4,278,859
Net Assets (deficit)		
Invested in capital assets (net related debt)	1,132,010	328,730
Unrestricted	564,632	1,484,022
Total Net Assets	\$ 1,696,642	\$ 1,812,752

Statement of Activities: The following is a summary of the Township's changes in net assets for the year ending March 31, 2010:

	Governmental Activities	
	2010	2009
Revenue Received:		
Program Revenues		
Administration	\$ 4,149	\$ 118,841
Maintenance of Road	11,648	-
General Revenues		
Personal property replacement taxes	66,557	73,083
Property taxes, levied for general purposes	1,577,369	1,470,447
Unrestricted investment earnings	5,689	52,988
Other	38,339	8,857
Total revenues received	1,703,751	1,724,216
Expenses Disbursed:		
Administration	792,723	819,156
Assesor	446,456	340,062
Senior Services	59,161	
Maintenance of Roads	308,394	486,126
Home relief	18,239	25,920
Interest	194,888	25,043
Total expenses disbursed	1,819,861	1,696,307
Change in Net Assets	\$ (116,110)	\$ 27,909

GRAFTON TOWNSHIP MANAGEMENT DISCUSSION AND ANALYSIS

Total Fund Balance: Please note that the amounts reported for governmental funds in the audit statement are different from the summary tables above because (1) capital assets used in governmental funds are not financial resources, as they are in business, and are not reported as assets in governmental funds. (2) Long-term liabilities, including bonds payable, are not due in the current period and therefore not reported as liabilities in the funds. The result is that the *total net assets for governmental funds are \$1,696,642.*

The Township's overall financial position and results of operations has declined during the fiscal year ended March 31, 2010, due to decrease in revenues over the increase in expenses.

Capital Assets and Debt Administration

Capital Assets (See Note 4): The Township's total capital assets amounted to 1,586,778, of which \$412,886 was land, \$298,577 was buildings, \$458,681 was machinery and equipment and \$416,634 was vehicular equipment.

Long-term Debt (See Note 5): Grafton Township's debt decreased by \$3,523,486 during the year ended March 31, 2010. For more debt information please refer to Note 5.

Significant Budgetary Variations

Significant budgetary variations within the Town Fund occur with the road maintenance and improvement account as well as the capital outlay building account. Both variations are between the final budget numbers and the actual numbers. Actual amounts are under the budgeted amounts. The variation in capital outlay is due to the amount of work that was completed and paid for in the prior year.

Contacting the Township's Financial Management Team

This financial report is designed to provide the Township's citizens, taxpayers, customers, investors and creditors with a general overview of the Township's finances and to demonstrate the Township's accountability for the money it receives. If you have questions about this report or need additional financial information for the Township Food Pantry, contact Linda Moore, Township Supervisor, Grafton Township, 10109 Vine Street, Huntley IL 60142.

GRAFTON TOWNSHIP
STATEMENT OF NET ASSETS
MODIFIED CASH BASIS
MARCH 31, 2010

	Governmental Activities
<hr/>	
ASSETS	
Current assets:	
Cash and investments	\$ 1,302,672
Other receivables	<u>10,000</u>
Total Current Assets	<u>1,312,672</u>
Capital assets:	
Land	412,886
Buildings	298,577
Machinery and equipment	458,681
Vehicular equipment	<u>416,634</u>
	1,586,778
Less: Accumulated depreciation	<u>(454,768)</u>
Total Capital Assets, Net of Depreciation	<u>1,132,010</u>
Total Assets	<u>2,444,682</u>
 LIABILITIES	
Current liabilities:	
Payroll liabilities	1,007
Current portion of long-term debt	<u>38,533</u>
Total Current Liabilities	<u>39,540</u>
Noncurrent portion of long-term debt	<u>708,500</u>
Total Liabilities	<u>748,040</u>
 NET ASSETS	
Invested in capital assets, net of related debt	1,132,010
Unrestricted	<u>564,632</u>
Total Net Assets	<u>\$ 1,696,642</u>

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

GRAFTON TOWNSHIP
STATEMENT OF ACTIVITIES
MODIFIED CASH BASIS
YEAR ENDED MARCH 31, 2010

Functions/ Programs	Expenses Disbursed	Program Revenues Received		Excess (Deficiency) of Revenues Received Over Expenses Disbursed and Changes in Net Assets
		Charges for Services	Capital Grants and Contributions	Governmental Activities
Governmental Activities:				
Administration	\$ 792,723	\$ 4,149	\$ -	\$ (788,574)
Assessor	446,456	-	-	(446,456)
Senior services	59,161	-	-	(59,161)
Maintenance of roads	308,394	11,648	-	(296,746)
Home relief	18,239	-	-	(18,239)
Interest	194,888	-	-	(194,888)
Total Governmental Activities	<u>\$ 1,819,861</u>	<u>\$ 15,797</u>	<u>\$ -</u>	<u>(1,804,064)</u>

General Revenues Received:

Taxes:

Personal property replacement taxes	66,557
Property taxes, levied for general purposes	1,577,369
Unrestricted investment earnings	5,689
Other	38,339

Total General Revenues Collected	<u>1,687,954</u>
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Change in Net Assets	<u>(116,110)</u>
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Net Assets, Beginning	<u>1,812,752</u>
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Net Assets, Ending	<u>\$ 1,696,642</u>
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The accompanying notes to the financial statements are an integral part of this statement.

GRAFTON TOWNSHIP
STATEMENT OF ASSETS, LIABILITIES AND
FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
MARCH 31, 2010

	Town Fund	General Assistance Fund	Road and Bridge Fund	Total Governmental Funds
ASSETS				
Cash and investments	\$ 756,734	\$ 132,214	\$ 413,724	\$ 1,302,672
Loan receivable	-	-	10,000	10,000
Total Assets	<u>\$ 756,734</u>	<u>\$ 132,214</u>	<u>\$ 423,724</u>	<u>\$ 1,312,672</u>
LIABILITIES				
Payroll liabilities	\$ 537	\$ -	\$ 470	\$ 1,007
Total Liabilities	<u>537</u>	<u>-</u>	<u>470</u>	<u>1,007</u>
FUND EQUITY				
Fund Balances:				
Restricted for:				
Liability insurance	15,580	-	20,391	35,971
Illinois Municipal Retirement Fund	47,253	-	7,581	54,834
Social Security and Medicare	9,897	-	-	9,897
Unrestricted	<u>683,467</u>	<u>132,214</u>	<u>395,282</u>	<u>1,210,963</u>
Total Fund Balances	<u>756,197</u>	<u>132,214</u>	<u>423,254</u>	<u>1,311,665</u>
Total Liabilities and Fund Balances	<u>\$ 756,734</u>	<u>\$ 132,214</u>	<u>\$ 423,724</u>	<u>\$ 1,312,672</u>

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

GRAFTON TOWNSHIP

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF ASSETS, LIABILITIES AND
FUND BALANCES - MODIFIED CASH BASIS TO THE STATEMENT OF NET ASSETS (MODIFIED CASH BASIS)

Total fund balances-governmental funds (Exhibit C) \$ 1,311,665

Amounts reported for governmental activities in the statement of assets, liabilities
and fund balances - modified cash basis are different because:

When capital assets that are to be used in governmental activities are purchased or
constructed, the cost of those assets are reported as expenditures disbursed in
governmental funds. However, the statement of net assets includes those capital
assets among the assets of the Township as a whole.

Cost of capital assets:

Land	\$ 412,886
Buildings	298,577
Machinery and equipment	458,681
Vehicular equipment	416,634
	<u>1,586,778</u>

Accumulated depreciation

(454,768)1,132,010

Long-term liabilities are not due and payable in the current period and therefore
are not reported as liabilities in the governmental funds. Long-term liabilities
at year-end consist of:

Long-term debt

747,033

Total net assets-governmental activities (Exhibit A)

\$ 1,696,642

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

GRAFTON TOWNSHIP
STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED MARCH 31, 2010

	Town Fund	General Assistance Fund	Road and Bridge Fund	Total Governmental Funds
<u>Revenues Received</u>				
General tax levy	\$ 909,716	\$ 79,470	\$588,183	\$ 1,577,369
Corporate replacement taxes	24,645	-	41,912	66,557
Earnings on investments	4,486	201	1,002	5,689
Intergovernmental agreement	15,177	-	12,000	27,177
Transportation	4,149	-	-	4,149
Permits and bonds	-	-	6,699	6,699
Other	7,993	-	8,118	16,111
<u>Total Revenues Received</u>	<u>966,166</u>	<u>79,671</u>	<u>657,914</u>	<u>1,703,751</u>
<u>Expenditures Disbursed</u>				
Current				
Administration				
Personnel	\$ 309,771	\$ 25,833	\$253,189	\$ 588,793
Contractual services	120,817	6,280	33,220	160,317
Commodities	5,615	665	-	6,280
Assessor				
Personnel	411,336	-	-	411,336
Contractual services	20,484	-	-	20,484
Commodities	5,768	-	-	5,768
Senior Services				
Personnel	50,475	-	-	50,475
Contractual services	8,303	-	-	8,303
Commodities	383	-	-	383
Maintenance of Roads				
Contractual services	-	-	243,290	243,290
Commodities	-	-	21,721	21,721
Home Relief				
Contractual services	-	16,149	-	16,149
Commodities	-	2,090	-	2,090
Capital outlay	4,848	620	116,876	122,344
Debt service				
Loan interest	149,501	-	45,387	194,888
Loan principal	3,523,486	-	-	3,523,486
<u>Total Expenditures Disbursed</u>	<u>4,610,787</u>	<u>51,637</u>	<u>713,683</u>	<u>5,376,107</u>
<u>Excess of Revenues Over Expenditures</u>	<u>(3,644,621)</u>	<u>28,034</u>	<u>(55,769)</u>	<u>(3,672,356)</u>
<u>Net Change in Fund Balances</u>	<u>(3,644,621)</u>	<u>28,034</u>	<u>(55,769)</u>	<u>(3,672,356)</u>
<u>Fund Balance, Beginning of Year</u>	<u>4,400,818</u>	<u>104,180</u>	<u>479,023</u>	<u>4,984,021</u>
<u>Fund Balance, End of Year</u>	<u>\$ 756,197</u>	<u>\$ 132,214</u>	<u>\$423,254</u>	<u>\$ 1,311,665</u>

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

GRAFTON TOWNSHIP
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES
RECEIVED, EXPENDITURES DISBURSED AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES (CASH BASIS)

Total net change in fund balances-governmental funds (Exhibit D) \$ (3,672,356)

Capital outlays are reported in governmental funds as expenditures disbursed. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. As a result, fund balance decreases by the amount of financial resources expended, whereas net assets decrease by the amount of depreciation expense charged for the year. Capital outlays for items below the District's capitalization policy limits and repairs and maintenance are expensed. Also, when these assets are disposed of before they are fully depreciated, the loss is reported on the statement of activities, thereby further decreasing net assets.

Depreciation expense	\$ (60,008)	
Capital outlay over capitalization limits	<u>92,768</u>	
		<u>32,760</u>

Repayment of debt principal is reported as expenditures disbursed in governmental funds and thus, has the effect of reducing fund balance because current financial resources have been used. For the Township as a whole, however, the principal reduces the liabilities in the statement of net assets and does not result in an expense disbursed in the statement of activities. The Township's debt was reduced by principal payments made to the bank.

Principal payments made	<u>3,523,486</u>
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Change in net assets of governmental activities (Exhibit B) \$ (116,110)

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Grafton Township (the "Township") was formed in 1850. The Township receives its legal power from constitutional and statutory requirements regulated by the state legislature. The Township is a political subdivision of McHenry County, organized for local government, sharing some functions with the county, and also serving as an agent for the State of Illinois. Completely separate from village government, the Township is a corporate entity. The Township operates under an elected Trustee/Supervisor form of government. The Township's major operations include assessing the value of property in the Township and providing social and general administrative services.

A. Financial Reporting Entity

The Township has adopted the provision of Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*. As defined by accounting principles generally accepted in the United States of America, the financial reporting entity consists of the primary government, as well as component units. The financial data of the component units are included in the Township's reporting entity by discrete presentation because of the significance of their operational or financial relationship with the Township. Financial accountability is defined as: (1) Appointment of voting majority of the component unit's board, and either a) the ability to impose its will by the primary government, or b) the possibility that the component unit will provide a financial benefit to, or impose a financial burden on, the primary government; or (2) Fiscal dependency on the primary government. Based upon this criterion the Township Food Pantry is not considered to be a component unit and is included within the reporting entity. In addition, the Township is not included as a component unit in any other governmental reporting entity as defined by GASB pronouncements.

B. Basis of Presentation – Fund Accounting

The Governmental Accounting Standards Board (GASB) issued Statement No. 34, *Basic Financial Statement – and Management's Discussion and Analysis – for State and Local Governments* in June 1999. The Statement, commonly referred to as the new reporting model, retained much of the old reporting under the present reporting model, with modifications and added new information. In addition, GASB issued Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*, which amended parts of GASB Statement No. 34, Statement No. 38, *Certain Financial Statement Note Disclosures* which modified certain financial statement disclosure requirements, Statement No. 39, *Determining Whether Certain Organizations are Component Units* which provides guidance in determining component unit inclusion, and Statement No. 40, *Deposit and Investment Risk Disclosures* which addresses common deposit and investment risks. The two most significant additions are the Management's Discussion and Analysis (MD&A), which follows the independent auditors' report, and the Government-wide Financial Statements.

Government-wide Financial Statements

The Statement of Net Assets and Statement of Activities display information about the Township as a whole. They include all funds of the reporting entity except for fiduciary funds. These statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. There are no business-type activities within the Township.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Indirect expenses not allocated to functions are reported separately. Interest on general long-term debt is considered such an indirect expense. Depreciation expense is specifically identified by function and is included in the direct expenses of each function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and standard revenues that are restricted to meeting

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures. Funds are organized into three major categories: governmental, proprietary, and fiduciary. In turn, each category is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

Governmental Fund Types

Governmental fund types are used to account for the Township's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets and the servicing of general long-term debt. Governmental fund types include the following:

General Fund – The General Fund, consists solely of the legally mandated Town Fund and is the primary operating fund of the Township and is always classified as a major fund. It is used to account for the revenues collected and expenses paid which are used in providing services in the Township. It is used to account for all financial resources except those required to be accounted for in other funds.

Special Revenue Funds – The Special Revenue Funds, which include the General Assistance Fund and the Road and Bridge Fund are used to account for revenue collected from specific sources that are legally restricted to expenses paid for specified purposes.

Proprietary Fund Types (not included in government-wide statements)

There are no Proprietary Fund Types.

Fiduciary Fund Types (not included in government-wide statements)

There are no Fiduciary Fund Types.

Major and Nonmajor Funds

An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Township or meets the following criteria:

- a. Total assets, liabilities, revenues collected, or expenses paid of the individual governmental or enterprise fund are at least ten percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues collected, or expenses paid of the individual governmental or enterprise fund are at least five percent of the corresponding total for all governmental and enterprise funds combined.

The Township has classified all funds as major:

Major:

Town Fund	See above for description.
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NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

General Assistance Fund	A Special Revenue Fund used for expenses of the general assistance program.
Road and Bridge Fund	A Special Revenue Fund to account for street maintenance and repair activities for roads within the Township

C. Measurement Focus/Basis of Accounting

Measurement Focus

The government-wide financial statements are presented using the economic resources measurement focus. The objective of which is the determination of operating income, changes in net assets (cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.

The fund financial statements focus on the measurement of spending or “financial flow” and the determination of changes in financial position rather than upon net income determination. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources.” Governmental fund operating statements present increases (revenues received and other financing sources) and decreases (expenditures disbursed and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Basis of Accounting

Basis of accounting refers to when revenues received and expenditures disbursed are recognized in the accounts and how they are reported in the basic financial statements. The Township maintains its accounting records for all funds on the modified cash basis of accounting. Accordingly, revenues are recognized and recorded in the accounts when cash is received. In the same manner expenditures are recognized and recorded upon the payment of cash. 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. Cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions.

D. Budgets and Budgetary Accounting

The budget for all fund types is prepared on the modified cash basis of accounting which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. The budget was passed on June 25, 2009.

For each fund, total fund expenses paid may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year. All encumbrances lapse at the end of the fiscal year.

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

1. The Township Supervisor submits to the Board of Trustees a proposed operating budget for the fiscal year. The operating budget includes proposed expenses paid and the means of financing them.
2. Public hearings are conducted at a public meeting to obtain taxpayer comments.
3. The budget is legally adopted through passage of a resolution.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4. The Supervisor is authorized to transfer up to 10% of the total budget between departments within any fund; however, any revisions that alter the total expenses paid of any fund must be approved by the Board of Trustees after a public hearing.
5. Formal budgetary integration is employed as a management control device during the year.
6. The Board of Trustees may amend the budget (in other ways) by the same procedures required of its original adoption.

E. Cash and Investments

Investments of the Township, which are short-term highly liquid investments having a remaining maturity of one year or less at the time of purchase, are reported by the Township at amortized cost. All other investments are reported at fair value. Gains or losses on the sale of investments are recognized upon realization.

F. Capital Assets

In the government-wide financial statements, fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets which are recorded at their estimated fair value at the date of donation. Prior to April 1, 2004, infrastructure assets were not capitalized. Such assets have been valued at estimated historical cost. Depreciation of all exhaustible fixed assets is recorded as an allocation in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows: buildings, improvements and infrastructure 10 – 40 years, transportation and other equipment 5 – 7 years. The minimum capitalization amount for individual equipment is \$2,500, for buildings and improvements the amount is \$10,000 and for infrastructure assets, the amount is \$50,000.

In the fund financial statements, fixed assets are accounted for as capital outlay expenses upon acquisition. No depreciation is recorded in the fund financial statements.

G. Long-term Debt

The accounting treatment of long-term debt depends on whether they are reported in the government-wide or fund financial statements. All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. The long-term debt for governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources and payments of principal and interest are reported as expenditures disbursed.

NOTE 2 - CASH AND INVESTMENTS

At March 31, 2010, the carrying amount of the Township's deposits totaled \$1,302,672, excluding petty cash, and the bank balances totaled \$1,332,634.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the Township's investment portfolio is limited to maturities of two years or less.

Credit Risk. Statutes authorized the Township to invest in obligations of the U.S. Treasury and U.S. Agencies' accounts and any other investments constituting direct obligations of any bank as defined by the Illinois Bank Act, certain short-term commercial paper, accounts of federally insured savings and loans, and the

NOTES TO FINANCIAL STATEMENTS

NOTE 2 - CASH AND INVESTMENTS (Cont'd)

state treasurers' investment pool. During fiscal year ended March 31, 2010, the Township invested in money market accounts and certificates of deposits from banks, which are not rated by nationally recognized statistical rating organizations.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the Township will not be able to recover the value of its deposits and investments or collateral securities. Of the Township's cash and investments, \$250,000 is FDIC Insured and \$1,052,672 is collateralized.

NOTE 3 - PROPERTY TAXES

Property taxes are levied each year on all taxable real property located in the Township on or before the last Tuesday in December. Taxes attach as an enforceable lien on property on January 1 and are payable in two installments on approximately June 1 and September 1. The Township receives significant distributions of tax receipts approximately one month after these due dates. The levy was passed December 17, 2009.

	2008		2007	
Assessed Valuation	\$	1,693,295,851	\$	1,619,908,124
	2008 Levy		2007 Levy	
	Rate	Extension	Rate	Extension
<u>Town</u>				
Corporate	0.053	\$ 895,161	0.046	\$ 737,058
Social Security	0.000	-	0.004	63,176
IMRF	0.000	-	0.004	63,176
General Assistance	0.005	79,500	0.004	59,937
Liability Insurance	0.001	14,901	0.001	11,339
Total Town	0.059	989,562	0.058	934,686
<u>Road and Bridge</u>				
IMRF	0.001	18,152	0.001	12,959
Road and Bridge	0.014	227,596	0.016	129,507
Permanent Hard Road	0.026	433,043	0.024	380,678
Liability Insurance	0.001	19,168	0.001	14,579
Total Road and Bridge	0.042	697,959	0.041	537,723
Grand Total	0.101	\$ 1,687,521	0.098	\$ 1,472,409

NOTES TO FINANCIAL STATEMENTS

NOTE 4 - CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets follows:

	Balance April 1, 2009	Additions	Deletions	Balance March 31, 2010
Governmental Activities:				
Not being depreciated:				
Land	\$ 412,886	\$ -	\$ -	\$ 412,886
Other Capital Assets:				
Buildings	298,577	-	-	298,577
Machinery & Equipment	452,681	6,000		458,681
Vehicular Equipment	329,866	86,768	-	416,634
Subtotal	1,494,010	92,768	-	1,586,778
Accumulated Depreciation:				
Buildings	68,248	4,921	-	73,169
Machinery & Equipment	143,563	31,122	-	174,685
Vehicular Equipment	182,949	23,965	-	206,914
Subtotal	394,760	60,008	-	454,768
Net Capital Assets	<u>\$ 1,099,250</u>	<u>\$ 32,760</u>	<u>\$ -</u>	<u>\$ 1,132,010</u>

Depreciation was charged to functions as follows:

Governmental Activities:

Town	\$ 12,605
Assessor	4,020
Road and Bridge	43,383

Total Governmental Activities Depreciation Expense	<u>\$ 60,008</u>
--	------------------

NOTE 5 - LONG-TERM OBLIGATIONS

Changes in long-term obligations are summarized as follows:

	Balance April 1, 2009	Additions	Retirements	Balance March 31, 2010	Balance Due Within One Year
Debt Certificates					
Town Fund	\$ 3,500,000	\$ -	\$ 3,500,000	\$ -	\$ -
Road and Bridge	700,000	-	-	700,000	15,000
Capital Lease					
Copier	3,898	-	2,547	1,351	1,351
Tractor	66,621	-	20,939	45,682	22,182
Total	<u>\$ 4,270,519</u>	<u>\$ -</u>	<u>\$ 3,523,486</u>	<u>\$ 747,033</u>	<u>\$ 38,533</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5 - LONG-TERM OBLIGATIONS (Cont'd)

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 2028. Interest rates range from 4.10-5.00% is to be paid each July 1 and January 1 through 2028. The balance due on these debt certificates at March 31, 2010 is \$700,000. At March 31, 2010 the annual debt service requirements to cover these debt certificates:

Year Ending March 31	Principal	Interest	Total
2011	\$ 15,000	\$ 3,143	\$ 18,143
2012	20,000	30,732	50,732
2013	20,000	29,733	49,733
2014	20,000	28,732	48,732
2015	25,000	27,733	52,733
2016-2020	165,000	117,664	282,664
2021-2025	240,000	74,327	314,327
2026-2028	195,000	17,369	212,369
Total	<u>\$ 700,000</u>	<u>\$ 329,433</u>	<u>\$ 1,029,433</u>

On September 20, 2007 the Township entered into a capital lease agreement for \$7,538 at a rate of 8% for the purchase of a copier. Principal and interest payments of \$231 are due monthly beginning October 20, 2007. The balance due on this lease at March 31, 2010 is \$1,351. At March 31, 2010 the annual debt service requirements to cover this capital lease are:

Year Ending March 31	Principal	Interest	Total
2011	\$ 1,351	\$ 234	\$ 1,585
Total	<u>\$ 1,351</u>	<u>\$ 234</u>	<u>\$ 1,585</u>

On October 15, 2008 the Township entered into a capital lease agreement for \$66,621 at a rate of 5.78% for the purchase of a tractor. Principal and interest payments of \$24,895 are due annually beginning October 15, 2009. The balance due on this lease at March 31, 2010 is \$45,682. At March 31, 2010 the annual debt service requirements to cover this capital lease are:

Year Ending March 31	Principal	Interest	Total
2011	\$ 22,182	\$ 2,712	\$ 24,894
2012	23,500	1,395	24,895
Total	<u>\$ 45,682</u>	<u>\$ 4,107</u>	<u>\$ 49,789</u>

NOTE 6 – RETIREMENT FUND COMMITMENTS

Illinois Municipal Retirement Fund

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 6 – RETIREMENT FUND COMMITMENTS (Cont'd)

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 require 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 2009 was 8.04 percent of annual covered payroll. 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. For fiscal year ending December 31, 2009, the employer's actual contributions for pension cost for the Regular plan was equal to your employer's required and actual contributions.

TREND INFORMATION

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2009	\$ 60,726	100%	\$ -
12/31/2008	57,950	100%	-
12/31/2007	57,101	100%	-

The required contribution for 2009 was determined as part of the December 31, 2007, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.5 percent investment rate of return (net of administrative and directive expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the 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 15% corridor between the actuarial and market value of assets. The employer Regular plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at the December 31, 2007 valuation was 23 years.

Funded Status and Funding Progress. As of December 31, 2009, the most recent actuarial valuation date, the Regular plan was 91.12 percent funded. The actuarial accrued liability for benefits was \$987,773 and the actuarial value of assets was \$900,094, resulting in an underfunded actuarial accrued liability (UAAL) of \$87,679. The covered payroll (annual payroll of active employees covered by the plan) was \$755,299 and the ratio of the UAAL to the covered payroll was 12 percent.

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

NOTE 7 - RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township has purchased insurance from the Township Officials of Illinois Risk Management Association. Risks covered include general liability, workers compensation, and other. Premiums have been displayed as expenses paid in the Town Fund. During the fiscal year ended March 31, 2010 there were no significant reductions in insurance coverage's for any category. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTES TO FINANCIAL STATEMENTS

NOTE 8 – OPERATING LEASES

The Township has one lease agreement for a copier.

Minimum annual rentals are as follows:

<u>Year Ending March 31,</u>	<u>Amount</u>
2010	\$ 3,753
2011	<u>3,441</u>
Total	<u>\$ 7,194</u>

NOTE 9 – 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).

There have been no recognized or non-recognized subsequent events that have occurred between March 31, 2010 and the date of this audit report requiring disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Funding Progress

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]
12/31/2009	\$ 900,094	\$ 987,773	\$ 87,679	91.12%	\$ 755,299	11.61%
12/31/2008	826,102	881,919	55,817	93.67%	695,676	8.02%
12/31/2007	888,354	832,759	(55,595)	95.54%	663,968	0.00%

On a market value basis, the actuarial value of assets as of December 31, 2009 is \$879,765. On a market basis, the funded ratio would be 89.07%.

GRAFTON TOWNSHIP
TOWN FUND
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED
BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2010

	2010		
	Original Budget	Final Budget	Actual
<u>Revenues Received</u>			
General tax levy	\$ 889,002	\$ 889,002	\$ 909,716
Corporate replacement taxes	27,300	27,300	24,645
Earnings on investments	12,150	12,150	4,486
Intergovernmental agreement	15,000	15,000	15,177
State grants	10	10	-
Transportation	4,000	4,000	4,047
Municipal transportation	8,000	8,000	102
Other	510	510	7,993
<u>Total Revenues Received</u>	<u>955,972</u>	<u>955,972</u>	<u>966,166</u>
<u>Expenditures Disbursed</u>			
<u>Administration</u>			
Personnel			
Salaries:			
Elected officials	210,000	220,000	200,169
Office staff	-	40,000	4,038
Health insurance	30,000	56,900	46,266
Unemployment compensation insurance	3,000	3,000	2,253
Risk management	20,000	20,000	13,835
Social Security and Medicare	23,500	23,500	23,576
Illinois retirement contribution	21,000	21,000	19,634
<u>Total Personnel</u>	<u>307,500</u>	<u>384,400</u>	<u>309,771</u>
Contractual Services:			
Maintenance - building	5,000	5,000	18
Maintenance - equipment	2,500	3,500	-
Accounting services	4,000	10,000	15,075
Legal services	45,000	230,000	88,361
Postage	1,000	500	768
Telephone	6,000	3,000	2,466
Publishing	1,500	1,500	1,494
Printing	4,000	2,000	215
Dues	2,000	2,500	2,146
Travel	500	1,500	964
Training	1,000	1,000	832
Officials	-	500	-
Clerk	-	1,500	-
Utilities	5,500	5,500	4,869
Fuel	5,000	1,000	364
Other professional services	2,500	28,500	2,877
Annual meeting	-	5,000	-
Rental	-	1,000	368
New services	-	5,000	-
<u>Total Contractual Services</u>	<u>85,500</u>	<u>308,500</u>	<u>120,817</u>

GRAFTON TOWNSHIP
TOWN FUND
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED
BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2010

		2010	
	Original Budget	Final Budget	Actual
<u>Expenditures Disbursed</u>			
<u>Administration</u>			
Commodities:			
Office supplies	\$ 3,000	\$ 3,000	\$ 2,899
Operating supplies	3,000	3,500	2,716
Miscellaneous	500	500	-
<u>Total Commodities</u>	<u>6,500</u>	<u>7,000</u>	<u>5,615</u>
Capital Outlay:			
Equipment	225,000	225,000	-
<u>Total Capital Outlay</u>	<u>225,000</u>	<u>225,000</u>	<u>-</u>
Other:			
Loan interest	3,539,300	3,258,250	149,501
Loan principal	-	-	3,523,486
<u>Total Other</u>	<u>3,539,300</u>	<u>3,258,250</u>	<u>3,672,987</u>
Contingencies	78,500	78,500	-
<u>Total Administration</u>	<u>4,242,300</u>	<u>4,261,650</u>	<u>4,109,190</u>
<u>Township Assessor</u>			
Personnel:			
Salaries	341,000	341,000	317,026
Health insurance	58,800	58,800	45,811
Social Security and Medicare	26,500	26,500	22,425
Illinois retirement contribution	29,000	29,000	26,074
<u>Total Personnel</u>	<u>455,300</u>	<u>455,300</u>	<u>411,336</u>
Contractual Services:			
Maintenance	9,000	9,000	8,110
Telephone	2,640	2,640	2,209
Legal fees	5,000	5,000	358
Outside services	13,500	14,400	4,040
Postage	450	450	180
Software	-	29,000	-
Publishing	100	100	27
Printing	300	300	142
Dues	150	150	25
Travel	7,000	5,000	2,901
Training	2,800	2,800	1,950
Publications	2,800	2,500	342
Uniforms	300	300	200
<u>Total Contractual Services</u>	<u>44,040</u>	<u>71,640</u>	<u>20,484</u>

GRAFTON TOWNSHIP
TOWN FUND
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED
BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2010

	2010		
	Original Budget	Final Budget	Actual
<u>Expenditures Disbursed</u>			
<u>Township Assessor</u>			
Commodities:			
Office supplies	\$ 8,500	\$ 7,000	\$ 5,768
Miscellaneous	200	200	-
<u>Total Commodities</u>	<u>8,700</u>	<u>7,200</u>	<u>5,768</u>
Capital Outlay:			
Equipment	6,500	7,500	4,848
<u>Total Capital Outlay</u>	<u>6,500</u>	<u>7,500</u>	<u>4,848</u>
<u>Total Township Assessor</u>	<u>514,540</u>	<u>541,640</u>	<u>442,436</u>
<u>Senior Services</u>			
Personnel:			
Salaries	75,000	40,000	50,475
<u>Total Personnel</u>	<u>75,000</u>	<u>40,000</u>	<u>50,475</u>
Contractual Services:			
Fuel	8,000	4,800	4,704
Maintenance	1,500	2,000	1,006
Games	5,000	1,400	552
Telephone	1,500	1,500	1,325
Uniforms	700	-	-
Publications	500	-	307
Printing	7,000	4,000	146
Postage	8,000	7,000	-
Miscellaneous	250	300	263
<u>Total Contractual Services</u>	<u>32,450</u>	<u>21,000</u>	<u>8,303</u>
Commodities:			
Office supplies	500	500	383
<u>Total Commodities</u>	<u>500</u>	<u>500</u>	<u>383</u>
<u>Total Senior Services</u>	<u>107,950</u>	<u>61,500</u>	<u>59,161</u>
<u>Total Expenditures Disbursed</u>	<u>4,864,790</u>	<u>4,864,790</u>	<u>4,610,787</u>
<u>Net Change in Fund Balance</u>	<u>\$ (3,908,818)</u>	<u>\$ (3,908,818)</u>	<u>\$ (3,644,621)</u>

GRAFTON TOWNSHIP
GENERAL ASSISTANCE FUND
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED
BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2010

	2010		
	Original Budget	Final Budget	Actual
<u>Revenues Received</u>			
General tax levy	\$ 78,000	\$ 78,000	\$ 79,470
Earnings on investments	1,500	1,500	201
Other	10	10	-
<u>Total Revenues Received</u>	<u>79,510</u>	<u>79,510</u>	<u>79,671</u>
<u>Expenditures Disbursed</u>			
<u>Administration</u>			
Personnel :			
Salaries	25,000	42,000	25,623
Health insurance	-	8,100	-
Unemployment compensation insurance	200	450	210
<u>Total Personnel</u>	<u>25,200</u>	<u>50,550</u>	<u>25,833</u>
Contractual Services:			
Maintenance - building	2,000	2,000	-
Maintenance - equipment	1,000	1,500	1,169
Fuel	1,000	500	72
Legal services	2,000	2,000	-
Accounting services	2,000	2,500	2,000
Other professional services	1,500	1,500	700
Postage	2,500	200	84
Telephone	1,500	1,000	611
Publishing	500	500	-
Printing	3,000	1,500	246
Travel	1,000	1,000	205
Training	1,000	1,000	593
Utilities	1,500	1,500	600
Miscellaneous	500	500	-
<u>Total Contractual Services</u>	<u>21,000</u>	<u>17,200</u>	<u>6,280</u>
Commodities:			
Maintenance supplies - building	1,000	500	44
Office supplies	750	1,000	621
<u>Total Commodities</u>	<u>1,750</u>	<u>1,500</u>	<u>665</u>
Capital Outlay:			
Equipment	2,000	2,000	620
Contingencies	19,500	10,589	-
<u>Total Capital Outlay</u>	<u>21,500</u>	<u>12,589</u>	<u>620</u>
<u>Total Administration</u>	<u>69,450</u>	<u>81,839</u>	<u>33,398</u>

GRAFTON TOWNSHIP
GENERAL ASSISTANCE FUND
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED
BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2010

		2010	
	Original Budget	Final Budget	Actual
<u>Home Relief</u>			
Contractual Services:			
Transportation	\$ 1,500	\$ 1,000	\$ 289
Physician	10,000	7,000	-
Hospital	10,000	7,000	-
Dental	2,000	2,000	-
Medical insurance	4,000	4,000	2,516
Funeral and burial	10,000	9,000	-
Shelter	12,000	9,000	2,863
Utilities	25,000	18,611	10,298
Ambulance	2,000	2,000	-
Eye care	2,000	2,000	-
Miscellaneous	-	-	183
<u>Total Contractual Services</u>	<u>78,500</u>	<u>61,611</u>	<u>16,149</u>
Commodities:			
Food	500	750	-
Personal incidentals	1,000	1,000	-
Household incidentals	1,000	1,000	-
Flat grant	3,000	3,500	1,777
Drugs	1,500	750	-
Fuel	500	5,000	300
Miscellaneous	150	150	13
<u>Total Commodities</u>	<u>7,650</u>	<u>12,150</u>	<u>2,090</u>
<u>Total Home Relief</u>	<u>86,150</u>	<u>73,761</u>	<u>18,239</u>
<u>Total Expenditures Disbursed</u>	<u>155,600</u>	<u>155,600</u>	<u>51,637</u>
<u>Net Change in Fund Balance</u>	<u>\$ (76,090)</u>	<u>\$ (76,090)</u>	<u>\$ 28,034</u>

GRAFTON TOWNSHIP
ROAD AND BRIDGE FUND
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED
BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2010

	2010		
	Original Budget	Final Budget	Actual
<u>Revenues Received</u>			
General tax levy	\$ 588,404	\$ 588,404	\$ 588,183
Corporate replacement taxes	47,000	47,000	41,912
Earnings on investments	8,400	8,400	1,002
Intergovernmental agreement	600	600	12,000
Permits and bonds	5,500	5,500	6,699
Other	4,200	4,200	8,118
<u>Total Revenue Received</u>	<u>654,104</u>	<u>654,104</u>	<u>657,914</u>
<u>Expenditures Disbursed</u>			
<u>Administration</u>			
Personnel:			
Salaries	197,500	197,500	176,184
Health insurance	25,000	25,000	18,650
Unemployment compensation insurance	3,000	3,000	723
Risk management	30,000	30,000	19,909
Social Security and Medicare	15,500	15,500	13,478
Illinois retirement contribution	39,750	39,750	24,245
<u>Total Personnel</u>	<u>310,750</u>	<u>310,750</u>	<u>253,189</u>
Contractual Services:			
Telephone	4,000	4,000	2,283
Travel expenses	3,000	3,000	2,471
Training	1,000	1,000	40
Publishing	1,500	1,500	-
Printing	200	200	-
Postage	50	50	-
Legal services	8,000	8,000	4,250
Accounting services	3,000	3,000	-
Dues and subscriptions	500	500	130
Maintenance and repairs	1,000	1,000	8,359
Intergovernmental agreement	30,961	30,961	15,177
Miscellaneous	9,000	9,000	510
<u>Total Contractual Services</u>	<u>62,211</u>	<u>62,211</u>	<u>33,220</u>
Commodities:			
Office supplies	400	400	-
<u>Total Commodities</u>	<u>400</u>	<u>400</u>	<u>-</u>
Capital Outlay:			
Office equipment	4,000	4,000	-
<u>Total Capital Outlay</u>	<u>4,000</u>	<u>4,000</u>	<u>-</u>
<u>Total Administration</u>	<u>377,361</u>	<u>377,361</u>	<u>286,409</u>

GRAFTON TOWNSHIP
ROAD AND BRIDGE FUND
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED
BUDGET AND ACTUAL
FOR THE YEAR ENDED MARCH 31, 2010

	2010		
	Original Budget	Final Budget	Actual
<u>Maintenance of Roads</u>			
Contractual Services:			
Engineering services	\$ 12,000	\$ 12,000	\$ 5,884
Utilities	12,000	12,000	4,146
Maintenance and repairs	222,700	222,700	144,258
Road stripping	15,000	15,000	15,000
Street lights	6,000	6,000	3,961
Signs	15,000	15,000	1,123
Gas and oil	35,000	35,000	13,011
Salt and ice control	70,000	70,000	51,923
Rentals	3,000	3,000	156
Uniforms	1,500	1,500	1,062
Garbage	3,000	3,000	1,433
Miscellaneous	10,000	10,000	1,333
<u>Total Contractual Services</u>	<u>405,200</u>	<u>405,200</u>	<u>243,290</u>
Commodities:			
Operating supplies	17,500	17,500	1,705
Small tools	6,000	6,000	249
Building supplies	10,500	10,500	1,956
Equipment supplies	10,000	10,000	1,874
Vehicle supplies	10,000	10,000	5,155
Road supplies	37,100	37,100	10,782
<u>Total Commodities</u>	<u>91,100</u>	<u>91,100</u>	<u>21,721</u>
Capital Outlay:			
Equipment	135,000	135,000	116,876
Other improvements	1,500	1,500	-
<u>Total Capital Outlay</u>	<u>136,500</u>	<u>136,500</u>	<u>116,876</u>
Other:			
Loan interest	-	-	45,387
Loan principal	75,000	75,000	-
<u>Total Other</u>	<u>75,000</u>	<u>75,000</u>	<u>45,387</u>
Contingencies	32,000	32,000	-
<u>Total Maintenance of Roads</u>	<u>739,800</u>	<u>739,800</u>	<u>427,274</u>
<u>Total Expenditures Disbursed</u>	<u>1,117,161</u>	<u>1,117,161</u>	<u>713,683</u>
<u>Net Change in Fund Balance</u>	<u>\$ (463,057)</u>	<u>\$ (463,057)</u>	<u>\$ (55,769)</u>