

VILLAGE OF BRIGHTON, ILLINOIS

REPORT AND FINANCIAL STATEMENTS

JUNE 30, 2013

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VILLAGE OF BRIGHTON, ILLINOIS

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August 30, 2013

INDEPENDENT AUDITOR'S REPORT

Mayor and Board of Trustees
Village of Brighton, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Brighton, Illinois, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Brighton, Illinois, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year end in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 30-34 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management discussion and analysis that accounting principles generally accepted in the United States of America required to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Brighton, Illinois' basic financial statements. The combining and individual nonmajor fund and enterprise fund financial statements, and the schedule of assessed valuations, rates, extensions, and collections are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund and enterprise fund financial statements, schedule of assessed valuations, rates, extensions, and collections, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor and enterprise fund financial statements, the schedule of assessed valuations, rates, extensions, and collections, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 30, 2013, on our consideration of the Village of Brighton, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Brighton, Illinois' internal control over financial reporting and compliance.

Schuffel & Company, P.C.

August 30, 2013

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

Mayor and Board of Trustees
Village of Brighton, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Village of Brighton, Illinois (the Village), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Village of Brighton, Illinois, basic financial statements, and have issued our report thereon dated August 30, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village of Brighton, Illinois' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village of Brighton, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Village's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, items 2013-01 and 2013-02, described in the accompanying schedule of findings that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Village of Brighton, Illinois' Response to Findings

The Village's response to the findings identified in our audit is described in the accompanying schedule of findings. The Village's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Schuffel & Company PC.



Certified Public Accountants

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August 30, 2013

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Mayor and Board of Trustees
Village of Brighton, Illinois

Report on Compliance for Each Major Federal Program

We have audited the Village of Brighton, Illinois' compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Village's major federal programs for the year ended June 30, 2013. The Village's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of expenditures of federal and non-federal awards.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Village's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Village's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Village's compliance.

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Opinion on Each Major Federal Program

In our opinion, the Village of Brighton, Illinois', complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance.

Report on Internal Control Over Compliance

Management of the Village of Brighton, Illinois', is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Village's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Schuffel's Company, P.C.

VILLAGE OF BRIGHTON, ILLINOIS
STATEMENT OF NET POSITION
JUNE 30, 2013

<u>ASSETS</u>	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITIES</u>	<u>TOTAL</u>
Current Assets:			
Cash	\$ 630,547	\$ 1,143,047	\$ 1,773,594
Investments - Time Certificates		438,956	438,956
Property Taxes Receivable	245,906		245,906
Accounts Receivable and Unbilled Water Usage (Net of Allowance for Uncollectible Accounts)		192,789	192,789
Loan Receivable		111,420	111,420
Prepaid Expenses	11,543	7,236	18,779
Due from Proprietary Funds	6,327		6,327
Due from Governmental Agencies	124,499		124,499
Other Receivables	849		849
Total Current Assets	<u>\$ 1,019,671</u>	<u>\$ 1,893,448</u>	<u>\$ 2,913,119</u>
CAPITAL ASSETS (Net of Accumulated Depreciation)	<u>\$ 437,775</u>	<u>\$ 6,852,501</u>	<u>\$ 7,290,276</u>
TOTAL ASSETS	<u>\$ 1,457,446</u>	<u>\$ 8,745,949</u>	<u>\$ 10,203,395</u>
<u>LIABILITIES AND NET POSITION</u>			
Current Liabilities:			
Accounts Payable	\$ 41,109	\$ 143,571	\$ 184,680
Deferred Property Taxes	245,906		245,906
Deferred Revenues	2,316		2,316
Customers' Deposits		73,145	73,145
Accrued Expenses and Other Payables	12,624		12,624
Due to Governmental Agencies		6,327	6,327
Loan Payable Due Within One Year		18,769	18,769
Total Current Liabilities	<u>\$ 301,955</u>	<u>\$ 241,812</u>	<u>\$ 543,767</u>
Long-Term Liabilities:			
Accrued Vacation	\$ 6,909		\$ 6,909
Loan Payable		\$ 370,574	370,574
Total Long-Term Liabilities	<u>\$ 6,909</u>	<u>\$ 370,574</u>	<u>\$ 377,483</u>
Total Liabilities	<u>\$ 308,864</u>	<u>\$ 612,386</u>	<u>\$ 921,250</u>
Net Position:			
Invested in Capital Assets, Net of Related Debt	\$ 437,775	\$ 6,463,158	\$ 6,900,933
Restricted	481,656	867,509	1,349,165
Unrestricted	229,151	802,896	1,032,047
Total Net Position	<u>\$ 1,148,582</u>	<u>\$ 8,133,563</u>	<u>\$ 9,282,145</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 1,457,446</u>	<u>\$ 8,745,949</u>	<u>\$ 10,203,395</u>

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

VILLAGE OF BRIGHTON, ILLINOIS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

	Net (Expense) Revenue and Changes in Net Position			
	Primary Government		Business-Type	
	Governmental Activities	Activities	Activities	Total
Primary Government:				
Governmental Activities:				
General Government	\$ 433,742	\$ 34,024	\$ (399,718)	\$ (399,718)
Public Safety	233,446	15,124	(218,322)	(218,322)
Streets and Highways	154,543		(154,543)	(154,543)
Welfare	83,123		(83,123)	(83,123)
Recreation	41,896		(41,896)	(41,896)
Library	57,109		(57,109)	(57,109)
Total Governmental Activities	\$ 1,003,859	\$ 49,148	\$ (954,711)	\$ (954,711)
Business-Type Activities:				
Water	\$ 941,567		\$ 676,811	\$ 676,811
Sewer	288,603		16,381	16,381
Total Business-Type Activities	\$ 1,230,170	\$ 0	\$ 693,192	\$ 693,192
Total Primary Government	\$ 2,234,029	\$ 49,148	\$ (954,711)	\$ (261,519)
General Revenues:				
Taxes:				
Property Taxes				
Intergovernmental	\$ 277,032		\$ 277,032	\$ 277,032
Interest	664,193		664,193	664,193
Miscellaneous	787		4,481	5,268
Total General Revenues	\$ 942,012	\$ 0	\$ (1,944)	\$ 226,476
CHANGE IN NET POSITION	\$ 1,170,432	\$ 2,537	\$ 1,172,969	\$ 1,172,969
NET POSITION, BEGINNING OF YEAR	\$ 215,721	\$ 695,729	\$ 911,450	\$ 911,450
NET POSITION, END OF YEAR	\$ 932,861	\$ 7,437,834	\$ 8,370,695	\$ 8,370,695
	\$ 1,148,582	\$ 8,133,563	\$ 9,282,145	\$ 9,282,145

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

VILLAGE OF BRIGHTON, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013

ASSETS	GENERAL CORPORATE	LIBRARY	STREET & BRIDGE	TORT INSURANCE	PARKS & RECREATION	OTHER GOVERNMENTAL FUNDS	TOTALS
Cash	\$ 196,923	\$ 37,054	\$ 41,462	\$ 9,551	\$ 24,466	\$ 321,091	\$ 630,547
Investments							
Property Taxes- Receivable	76,373	40,056	13,991	31,523	18,717	65,246	245,906
Prepaid Expenses		1,263		10,280			11,543
Due from Governmental Agencies	120,565						124,499
Other Receivables	849					3,934	849
Due from Water Fund	6,327						6,327
Due from Other Funds						15,171	15,171
Due from Special Revenue Funds	166,087						166,087
TOTAL ASSETS	\$ 567,124	\$ 78,373	\$ 55,453	\$ 51,354	\$ 43,183	\$ 405,442	\$ 1,200,929
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts Payable	\$ 26,514		\$ 1,030			\$ 13,565	\$ 41,109
Accrued Expenses	11,028	\$ 882				714	12,624
Deferred Property Taxes	76,373	40,056	13,991	\$ 31,523	\$ 18,717	65,246	245,906
Deferred Revenues	20,011	2,316					22,327
Due to Other Funds	10,170						10,170
Due to General Fund			127,134			10,723	171,087
Total Liabilities	\$ 144,096	\$ 43,254	\$ 142,155	\$ 31,523	\$ 51,947	\$ 90,248	\$ 503,223
Fund Balances							
Nonspendable	\$ 166,087	\$ 1,263		\$ 10,280		\$ 294,479	\$ 177,630
Restricted	82			9,465		38,508	304,026
Assigned		33,856		86		(17,793)	72,450
Unassigned	256,859		\$ (86,702)				143,600
Total Fund Balances (Deficit)	\$ 423,028	\$ 35,119	\$ (86,702)	\$ 19,831	\$ (8,764)	\$ 315,194	\$ 697,706
TOTAL LIABILITIES AND FUND BALANCES	\$ 567,124	\$ 78,373	\$ 55,453	\$ 51,354	\$ 43,183	\$ 405,442	\$ 1,200,929

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

VILLAGE OF BRIGHTON, ILLINOIS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENTS OF NET POSITION
JUNE 30, 2013

Total Governmental Fund Balances		\$ 697,706
Total net position reported for government activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Those assets consist of		
Land	\$ 154,300	
Buildings and improvements, net of \$324,154 accumulated depreciation	145,811	
Land Improvements, net of \$401,193 accumulated depreciation	10,242	
Equipment, net of \$454,552 accumulated depreciation	127,422	
Total	437,775	
All liabilities - both current and long-term - are reported in the statement of net position.		
Income taxes applicable to the Village's governmental activities are not earned until available and accordingly are reported as deferred income on the fund statements.		
		20,011
Balance of accrued vacation pay at June 30, 2013		(6,909)
Total Net Position of Governmental Activities		\$ 1,148,582

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

VILLAGE OF BRIGHTON, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
 JUNE 30, 2013

	<u>GENERAL CORPORATE</u>	<u>LIBRARY</u>	<u>STREET & BRIDGE</u>	<u>TORT INSURANCE</u>	<u>PARKS & RECREATION</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL</u>
Taxes	\$ 82,735	\$ 41,198	\$ 38,950	\$ 31,316	\$ 18,889	\$ 63,944	\$ 277,032
Intergovernmental	502,571					175,623	678,194
Licenses and Permits	8,478						8,478
Fines	15,124						15,124
Interest	323	105	201	86	1	71	787
Other	34,163	20,840			10,929		65,932
Total Revenues	<u>\$ 831,429</u>	<u>\$ 62,143</u>	<u>\$ 39,151</u>	<u>\$ 31,402</u>	<u>\$ 29,819</u>	<u>\$ 239,638</u>	<u>\$ 1,233,582</u>
EXPENDITURES:							
General Government	\$ 388,887			\$ 23,296		\$ 452	\$ 412,635
Public Safety	219,072					26,144	245,216
Streets and Highways	22,949		\$ 44,425			75,123	142,497
Welfare	23,068					60,053	83,121
Recreation	13,623				\$ 25,174		38,797
Library		\$ 56,861					56,861
Total Expenditures	<u>\$ 667,599</u>	<u>\$ 56,861</u>	<u>\$ 44,425</u>	<u>\$ 23,296</u>	<u>\$ 25,174</u>	<u>\$ 161,772</u>	<u>\$ 979,127</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 163,830	\$ 5,282	\$ (5,274)	\$ 8,106	\$ 4,645	\$ 77,866	\$ 254,455
TRANSFERS FROM (TO) OTHER FUNDS	(6,500)					6,500	
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	265,698	29,837	(81,428)	11,725	(13,409)	230,828	443,251
FUND BALANCE (DEFICIT), END OF YEAR	<u>\$ 423,028</u>	<u>\$ 35,119</u>	<u>\$ (86,702)</u>	<u>\$ 19,831</u>	<u>\$ (8,764)</u>	<u>\$ 315,194</u>	<u>\$ 697,706</u>

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

VILLAGE OF BRIGHTON, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

Net Change in Fund Balances - Total Governmental Funds	\$ 254,455
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which depreciation expense exceeds capital outlay in the current period, including gains or losses on dispositions of fixed assets.	(27,265)
Expenses for Compensated Absences reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	2,532
Income Taxes applicable to the Village's governmental activities are not earned until available for fund financial reporting and accordingly are not reported as revenues on the fund statements.	<u>(14,001)</u>
Changes in Net Position of Governmental Activities	<u>\$ 215,721</u>

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

VILLAGE OF BRIGHTON, ILLINOIS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2013

<u>ASSETS</u>	<u>OPERATION AND MAINTENANCE</u>	<u>OTHER ENTERPRISE FUNDS</u>	<u>TOTALS</u>
CURRENT ASSETS:			
Cash	\$ 481,567	\$ 661,480	\$ 1,143,047
Investments - Time Certificates	62,389	376,567	438,956
Accounts Receivable - Customers (Net of Allowance for Uncollectible Accounts)	134,599		134,599
Estimated Unbilled Water and Sewer Usage	58,190		58,190
Prepaid Expenses	7,236		7,236
Due from Operation and Maintenance		8,985	8,985
Total Current Assets	<u>\$ 855,401</u>	<u>\$ 1,047,032</u>	<u>\$ 1,902,433</u>
CAPITAL ASSETS			
(Net of Accumulated Depreciation)	<u>\$ 6,852,501</u>		<u>\$ 6,852,501</u>
TOTAL ASSETS	<u><u>\$ 7,707,902</u></u>	<u><u>\$ 1,047,032</u></u>	<u><u>\$ 8,754,934</u></u>
 <u>LIABILITIES AND NET POSITION</u>			
CURRENT LIABILITIES:			
Accounts Payable	\$ 143,571		\$ 143,571
Customers' Deposits		\$ 73,145	73,145
Due to General Fund	6,327		6,327
Due to Other Proprietary Funds	8,985		8,985
Loan Payable Due Within One Year	18,769		18,769
Total Current Liabilities	<u>\$ 177,652</u>	<u>\$ 73,145</u>	<u>\$ 250,797</u>
LONG TERM LIABILITIES			
Loan Payable Due In More Than One Year	\$ 370,574		\$ 370,574
Total Long Term Liabilities	<u>\$ 370,574</u>	<u>\$ 0</u>	<u>\$ 370,574</u>
Total Liabilities	<u>\$ 548,226</u>	<u>\$ 73,145</u>	<u>\$ 621,371</u>
NET POSITION:			
Invested in Capital Assets, net of Related Debt	\$ 6,463,158		\$ 6,463,158
Restricted		\$ 867,509	867,509
Unrestricted	696,518	106,378	802,896
Total Net Position	<u>\$ 7,159,676</u>	<u>\$ 973,887</u>	<u>\$ 8,133,563</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 7,707,902</u></u>	<u><u>\$ 1,047,032</u></u>	<u><u>\$ 8,754,934</u></u>

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

VILLAGE OF BRIGHTON, ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2013

	<u>OPERATION AND MAINTENANCE</u>	<u>OTHER ENTERPRISE FUNDS</u>	<u>TOTALS</u>
OPERATING REVENUES:			
Sales of Water	\$ 1,044,420		\$ 1,044,420
Bulk Water Sales	2,252		2,252
Sewer Charges	279,422		279,422
Connection Charges	1,850		1,850
Late Penalties	29,590		29,590
Commissions	2,687		2,687
Miscellaneous	29,972		29,972
Total Operating Revenues	<u>\$ 1,390,193</u>		<u>\$ 1,390,193</u>
OPERATING EXPENSES:			
Water Purchased	\$ 380,861		\$ 380,861
Salaries	141,907		141,907
Payroll Taxes	38,125		38,125
Repairs and Supplies	80,495		80,495
Insurance	46,331		46,331
Office Supplies and Expense	90,486		90,486
Audit	2,816		2,816
Fuel	8,456		8,456
Miscellaneous	38,102		38,102
Engineering	2,966		2,966
Legal	19,107		19,107
Service Contracts	145,252		145,252
Total Operating Expenses	<u>\$ 994,904</u>		<u>\$ 994,904</u>
OPERATING INCOME			
BEFORE DEPRECIATION	\$ 395,289		\$ 395,289
DEPRECIATION	235,266		235,266
NET OPERATING INCOME	<u>\$ 160,023</u>		<u>\$ 160,023</u>
OTHER INCOME (LOSS):			
Interest Income	\$ 1,044	\$ 3,437	\$ 4,481
Loss on Disposal of Fixed Assets	(1,944)		(1,944)
Total Other Income (Loss)	<u>\$ (900)</u>	<u>\$ 3,437</u>	<u>\$ 2,537</u>
NET INCOME	\$ 159,123	\$ 3,437	\$ 162,560
CAPITAL CONTRIBUTIONS	\$ 533,169		\$ 533,169
TRANSFER (TO) FROM:	<u>(107,820)</u>	<u>107,820</u>	<u>0</u>
INCREASE (DECREASE) IN NET POSITION	\$ 584,472	\$ 111,257	\$ 695,729
NET POSITION, BEGINNING OF YEAR	<u>6,575,204</u>	<u>862,630</u>	<u>7,437,834</u>
NET POSITION, END OF YEAR	<u>\$ 7,159,676</u>	<u>\$ 973,887</u>	<u>\$ 8,133,563</u>

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

VILLAGE OF BRIGHTON, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
JUNE 30, 2013

	<u>OPERATION AND MAINTENANCE</u>	<u>OTHER ENTERPRISE FUNDS</u>	<u>TOTALS</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received from Customers	\$ 1,294,746	\$ 4,875	\$ 1,299,621
Cash Payments for Goods and Services	(925,305)		(925,305)
Net Cash Provided by Operating Activities	<u>\$ 369,441</u>	<u>\$ 4,875</u>	<u>\$ 374,316</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Operating Transfers From (to) Other Funds	\$ (107,820)	\$ 107,820	\$ 0
Increase (decrease) in Due To/From Other Funds	(2,767)		(2,767)
Net Cash (Used) Provided by Non-Capital Financing Activities	<u>\$ (110,587)</u>	<u>\$ 107,820</u>	<u>\$ (2,767)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Payments for Capital Acquisitions	\$ (1,108,947)		\$ (1,108,947)
Loan Proceeds	922,512		922,512
Net Cash (Used) by Capital and Related Financing Activities	<u>\$ (186,435)</u>		<u>\$ (186,435)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest Income	\$ 1,044	\$ 3,437	\$ 4,481
NET INCREASE IN CASH	\$ 73,463	\$ 116,132	\$ 189,595
CASH, BEGINNING OF YEAR	470,493	921,915	1,392,408
CASH, END OF YEAR	<u>\$ 543,956</u>	<u>\$ 1,038,047</u>	<u>\$ 1,582,003</u>
RECONCILIATION OF NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Net Operating Income	\$ 160,023		\$ 160,023
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities:			
Depreciation	235,266		235,266
Decrease in Accounts Receivable	3,781		3,781
Decrease in Unbilled Water and Sewer	16,498		16,498
Increase in Prepaid Expenses	(4,307)		(4,307)
Increase in Customers' Deposits		\$ 4,875	4,875
Increase in Loan Receivable	(111,420)		(111,420)
Increase in Accounts Payable	69,600		69,600
Net Cash Provided by Operating Activities	<u>\$ 369,441</u>	<u>\$ 4,875</u>	<u>\$ 374,316</u>

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

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Brighton, Illinois (the Village) financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The accounting policies of the Village conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

The following is a summary of the more significant policies:

A. Principles Used to Determine the Scope of the Reporting Entity

The Village's reporting entity includes the Village's governing board and all related organizations for which the Village exercises oversight responsibility.

The Village of Brighton, Illinois has developed criteria to determine whether outside agencies with activities which benefit the citizens of the Village, should be included within its financial reporting entity. The criteria include, but are not limited to, whether the Village exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters), scope of public service and special financing relationship. The Village is not aware of any outside agencies that should be considered for inclusion as a component unit of the Village.

In addition, the Village of Brighton is not aware of any entity which would exercise such oversight as to result in the Village being considered a component unit of the entity.

B. Fund Accounting

The accounting system of the Village is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The various funds are grouped, in the financial statements in this report, into three generic fund types (General, Special Revenue and Enterprise) and two broad fund categories (Governmental and Proprietary). The Village does not maintain Capital Projects Funds, Special Assessments Funds or Trust and Agency Funds.

The Village's funds are grouped into two broad fund categories and three generic fund types for financial statement presentation purposes.

C. Basis of Accounting

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statements of activities display information about the Village, the primary government, as a whole. These statements distinguish between activities that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions. The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, fines and charges, etc). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants.

The net costs (by function) are normally covered by general revenue (property taxes, intergovernmental revenues, interest income, etc.)

This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net position resulting from the current year's activities. When appropriate prior year's financial information has been reclassified to conform with the current year presentation.

FUND FINANCIAL STATEMENTS

Fund financial statements report detailed information about the Village. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

GOVERNMENTAL FUNDS

All governmental funds are accounted for using the modified accrual basis of accounting and the current financial resources measurement focus. Under this basis revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

Revenue Recognition

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available. This concept includes investment earnings, fines and forfeitures, and state-levied locally shared taxes (including sales and replacement taxes).

The first installment of property tax though measurable, is not available until late July in the subsequent fiscal year. Therefore, management believes these taxes are not available to fulfill current year obligations. Therefore, property tax receivables are recorded (net of a 2% allowance for uncollectible accounts) and deferred until they become available.

Other revenues, including licenses and permits, certain charges for services, and miscellaneous revenues, are recorded as revenue when received in cash because they are generally not measurable until actually received.

Expenditure Recognition

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, principal and interest on general long-term debt, which has not matured, are recognized when paid. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds.

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PROPRIETARY FUNDS

All proprietary funds are accounted for using the accrual basis of accounting. These funds account for operations that are primarily financed by user charges. The economic resource focus concerns determining costs as a means of maintaining the capital investment and management control. Their revenues are recognized when they are earned and their expenses are recognized when they are incurred. Allocations of costs, such as depreciation, are recorded in proprietary funds. Unbilled utility receivables are recorded at each year-end based on estimates arrived at by multiplying the average number of unbilled service days by the average dollar usage per customer derived from the last billings sent to the customer. An allowance for uncollectible accounts has been established based on specifically identified accounts plus an estimate based on historical figures.

D. Vacation and Sick Pay

The Village grants vacation leave each year to employees who have worked over one year based on the following schedule:

<u>Years of Service</u>	<u>Days of Vacation</u>
1	10.0
3	12.0
5	15.0
10	17.5
15	20.0
20	22.5
25	25.0

Vacation days are earned throughout the year of service, but cannot be taken before the employee's anniversary date. Vacation days are forfeited if not taken within one year of the anniversary date, but are payable at the cessation of a person's employment, so an accrual is recorded in the financial statements. The accrual includes the remaining unused days to which the employee was entitled as of the last anniversary date plus a pro rata share of the current anniversary year which is payable if the employee leaves. The Village is liable at June 30, 2013 for \$6,909.

The Village's sick leave policy grants an employee 6 paid sick days per year. The policy permits an accumulation of up to 60 days of unused sick leave but is not payable upon cessation of a person's employment.

E. Cash

Cash is presented in the combined statement of cash flows and is defined as cash and other monetary investments that carry an original maturity date of 90 days or less. Transactions involving investments with maturity dates greater than 90 days are reflected in the statements of cash flows under the caption "Cash Flows From Investing Activities."

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Governmental Receivables

Long-term receivables due to governmental funds are reported on their balance sheets, in spite of their spending measurements focus. Special reporting treatments are used to indicate; however, that they should not be considered "available spendable resources," since they do not represent net current assets. Recognition of governmental fund type revenues represented by noncurrent receivables is deferred until they become current receivables.

G. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

H. Budgets and Budgetary Accounting

Appropriations are authorized by ordinance for the General and Special Revenue Funds and prepared under the same method of accounting used for the fund financial statements. The Village uses the fund appropriations for its budgetary control. Fund expenditures may not legally exceed appropriations. Appropriations lapse at year end. The appropriation ordinance, which was not amended, was adopted on September 4, 2012.

I. Net Position

Net position is the difference between assets and liabilities. Net position invested in capital assets are capital assets less accumulated depreciation. Net position is reported as restricted when there are legal limitations imposed on their use by Village legislation or external restrictions by other governments, creditors or grantors.

J. Capital Assets and Depreciation

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation bases for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement cost.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings, 10 to 60 years; improvements/infrastructures, 5 to 60 years; equipment, 5 to 15 years.

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

NOTE 2. FUND BALANCE REPORTING

According to Government Accounting Standards, fund balances are to be classified into five major classifications; Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. Below are definitions of the differences and how these balances are reported:

A. Nonspendable Fund Balance

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example inventories or prepaid amounts. The Village had \$177,630 of nonspendable funds at fiscal year end June 30, 2013.

B. Restricted Fund Balance

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Things such as restrictions imposed by creditors, grantors, contributors, or law and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special Revenue Funds are by definition restricted for those specific purposes. The Village has several revenue sources received within different funds that fall into these categories:

1. Property Tax Levy

Proceeds from this restricted tax levy are accounted for in the respective funds of the Village. Revenues received exceeded expenditures disbursed from tax levies, resulting in a restricted fund balance of \$65,031 at June 30, 2013.

2. Federal Grants

Proceeds from federal grants and the related expenditures have been included in the General Fund. At June 30, 2013, revenues received exceeded expenditures disbursed from federal grants, resulting in a restricted fund balance of \$82.

3. Sales Taxes

Proceeds from sales taxes and the related expenditures have been included in the Business Tax District Fund. At June 30, 2013, revenues received exceeded expenditures disbursed from sales taxes, resulting in a restricted fund balance of \$132,340.

4. Motor Fuel Taxes

Proceeds from motor fuel taxes and the related expenditures have been included in the Motor Fuel Tax Fund. At June 30, 2013, revenues received exceeded expenditures disbursed from sales taxes, resulting in a restricted fund balance of \$106,573.

C. Committed Fund Balance

The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority (the Village's Board). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

NOTE 2. FUND BALANCE REPORTING (CONTINUED)

C. Committed Fund Balance (Continued)

The Village's Board commits fund balance by making motions or passing resolutions to adopt policy or to approve contracts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. There were no committed balances for the Village as of June 30, 2013.

D. Assigned Fund Balance

The assigned fund balance classification refers to amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by (a) the Village's Board itself or (b) the finance committee, if applicable, to assign amounts to be used for specific purposes. The Village had \$72,450 of assigned fund balances as of June 30, 2013.

E. Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amounts in the General Operating Funds for amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund, as well as Special Revenues funds that have a deficit fund balance at year end. The Village had \$143,600 of unassigned fund balances as of June 30, 2013.

F. Expenditures of Fund Balance

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

NOTE 3. CASH AND CERTIFICATES OF DEPOSIT

Cash and investments as of June 30, 2013 are classified in the accompanying financial statements as follows:

Cash	\$ 1,773,594
Investments – Time Certificates	<u>438,956</u>
Total	<u>\$ 2,212,550</u>

Cash includes a book balance of \$303 of cash on hand and \$1,773,291 of deposits with financial institutions and a bank balance of \$1,900,892 of deposits with financial institutions. Differences between book and bank balance are due to timing differences of deposits and checks written. As of June 30, 2013 the Village had \$189,410 of cash deposits that were uncollateralized. In August 2013, additional collateralization was added to ensure the Village was fully collateralized.

The Village's investment policy, which was adopted on December 6, 1999, allows investments in any type of security allowed for in Illinois Statutes regarding the investment of Public Funds.

The Village's funds are required to be deposited and invested under the terms of a depository contract pursuant to Statute. The depository bank pledges for safekeeping and trust with the Village's third party agent, approved securities in an amount sufficient to protect Village funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the dollar amount of Federal Deposit Insurance Corporation coverage. Under the depository contract, the Village, at its own discretion, invests funds in time deposits and certificates of deposit provided by the depository bank at interest rates approximating United States Treasury Bill rates.

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

NOTE 3. CASH AND CERTIFICATES OF DEPOSIT(CONTINUED)

A. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Village manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

At June 30, 2013, the remaining maturity for all certificates of deposit held by the Village is 12 months or less.

NOTE 4. PROPERTY TAX REVENUES

The Village levies property taxes in December of each year. The calendar year 2012 tax levy was adopted on June 19, 2013. Property taxes levied become a lien on Village residents' properties on the first day of the levy year, which is the succeeding calendar year. The County Collectors mail the property tax statements approximately six or seven months after the lien sets in on properties. Taxes are usually payable in two installments. The County Collectors receive property tax revenues and remit them to the Village within two to six months after the statements have been mailed to the residents. The total time elapsed between the levy and collection of taxes by the Village is approximately one to one-and-one half years.

Due dates for 2012 taxes are as follows:

	<u>First Installment</u>	<u>Second Installment</u>
Macoupin County	August 20, 2013	September 20, 2013
Jersey County	August 9, 2013	September 16, 2013

NOTE 5. PROPERTY AND EQUIPMENT

Capital asset activity for the year ended June 30, 2013, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Non-Depreciable:				
Land	\$ 154,300			\$ 154,300
Depreciable Capital Assets:				
Buildings and Improvements	\$ 470,085		\$ 120	\$ 469,965
Land Improvements	427,063		15,628	411,435
Equipment	<u>622,242</u>	\$ 28,958	<u>69,226</u>	<u>581,974</u>
Subtotal	<u>\$ 1,519,390</u>	<u>\$ 28,958</u>	<u>\$ 84,974</u>	<u>\$ 1,463,374</u>

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

NOTE 5. PROPERTY AND EQUIPMENT (CONTINUED)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Accumulated Depreciation:				
Buildings and Improvements	\$ 316,342	\$ 7,932	\$ 120	\$ 324,154
Land Improvements	408,972	2,548	10,327	401,193
Equipment	<u>483,335</u>	<u>32,255</u>	<u>61,038</u>	<u>454,552</u>
Subtotal	<u>\$ 1,208,649</u>	<u>\$ 42,735</u>	<u>\$ 71,485</u>	<u>\$ 1,179,899</u>
Net Depreciable Capital Assets	<u>\$ 310,741</u>	<u>\$ (13,777)</u>	<u>\$ 13,489</u>	<u>\$ 283,475</u>
Net Capital Assets	<u>\$ 465,041</u>	<u>\$ (13,777)</u>	<u>\$ 13,489</u>	<u>\$ 437,775</u>

Depreciation was charged to functions as follows:

Governmental activities:	
General Government	\$ 13,846
Police	13,495
Streets and Bridge	12,046
Parks and Recreation	3,101
Library	<u>247</u>
Total Governmental Activities Depreciation Expense	<u>\$ 42,735</u>

A summary of business-type activities at June 30, 2013 follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type Activities:				
Non-Depreciable				
Land	\$ 34,378			\$ 34,378
Work in Process	<u>96,808</u>	<u>\$ 1,044,154</u>	<u>\$ 0</u>	<u>1,140,962</u>
Subtotal	<u>\$ 131,186</u>	<u>\$ 1,044,154</u>	<u>\$ 0</u>	<u>\$ 1,175,340</u>
Depreciable Capital Assets:				
Buildings	\$ 290,692			\$ 290,692
Equipment	571,400	\$ 64,869	\$ 12,792	623,477
Sewer Plant	5,577,157			5,577,157
Tanks & Pumping Station	674,897			674,897
Water System	<u>3,094,796</u>			<u>3,094,796</u>
Subtotal	<u>\$ 10,208,942</u>	<u>\$ 64,869</u>	<u>\$ 12,792</u>	<u>\$10,261,019</u>
Accumulated Depreciation:				
Buildings	\$ 46,371	\$ 16,287		\$ 62,658
Equipment	446,974	45,292	\$ 10,873	481,393
Sewer Plant	2,425,611	99,470		2,525,081
Tanks & Pumping Station	472,626	12,958		485,584
Water System	<u>967,883</u>	<u>61,259</u>		<u>1,029,142</u>
Subtotal	<u>\$ 4,359,465</u>	<u>\$ 235,266</u>	<u>\$ 10,873</u>	<u>\$ 4,583,858</u>
Net Depreciable Capital Assets	<u>\$ 5,849,477</u>	<u>\$ (170,397)</u>	<u>\$ 1,919</u>	<u>\$ 5,677,161</u>
Net Capital Assets	<u>\$ 5,980,663</u>	<u>\$ 873,757</u>	<u>\$ 1,919</u>	<u>\$ 6,852,501</u>

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

NOTE 5. PROPERTY AND EQUIPMENT (CONTINUED)

Depreciation was charged to functions as follows:

Business-type Activities:

Water	\$ 113,150
Sewer	<u>122,116</u>
Total Business-type Activities Depreciation Expense	<u>\$ 235,266</u>

NOTE 6. INTERFUND RECEIVABLES AND PAYABLES

A summary of inter-fund receivables and payables as of June 30, 2013 follows:

<u>Due To</u>	<u>Due From</u>	<u>Amount</u>
General Fund	Street and Bridge Fund	\$ 127,134
General Fund	Parks and Recreation Fund	33,230
General Fund	Audit Fund	5,723
General Fund	Operations and Maintenance	<u>6,327</u>
		<u>\$ 172,414</u>

<u>Due To</u>	<u>Due From</u>	<u>Amount</u>
Social Security	General Fund	\$ 1,012
Unemployment Fund	General Fund	13,044
IMRF	General Fund	1,115
Depreciation	Operation and Maintenance	3,985
Surplus	Operation and Maintenance	<u>5,000</u>
		<u>\$ 24,156</u>

The governmental fund interfund receivables and payables are due to bills being paid by the General Fund at times when the other funds may not have sufficient cash balances primarily. Insufficient cash balances are due to the timing of property tax revenue payments. The proprietary fund interfund receivables and payables are due to a monthly transfer error between the Water and Sewer Operation and Maintenance Fund and the Depreciation and Surplus Funds. The balances stated above are expected to be repaid when funds become available.

NOTE 7. INTERGOVERNMENTAL COOPERATION CONTRACT – RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage and destruction of assets; errors and omissions and natural disasters for which the Village provides insurance coverage.

The Village is a part of an intergovernmental cooperation contract with the Illinois Municipal League Risk Management Association for the purpose of maintaining insurance coverage.

Coverage is provided from a self-insured retention fund established by the Association from municipal member's yearly contributions. Each municipality, which is a member of the Association, has agreed through the intergovernmental cooperation contract to appropriate each year, by ordinance, a sum of money sufficient to pay its required contribution plus its pro-rata share of any deficits which may occur in the self-insured retention fund.

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

NOTE 7. INTERGOVERNMENTAL COOPERATION CONTRACT – RISK MANAGEMENT (CONTINUED)

The Village's contributions to the self-insured retention fund during the year ended June 30, 2013, totaled \$35,387.

There have been no significant reductions in coverage for the prior year and settlements have not exceeded coverage in the past three years.

NOTE 8. LEGAL DEBT MARGIN

The computation of legal debt margin is as follows:

Assessed valuation as of December 31, 2012	<u>\$27,248,808</u>
Debt limit - 8.625% of assessed valuation	\$ 2,350,210
Less, outstanding debt	<u>(389,343)</u>
Legal debt margin	<u>\$ 1,960,867</u>

NOTE 9. FUND BALANCE AND NET POSITION AND EXPENDITURES OVER BUDGET

The following funds showed deficit fund balances at June 30, 2013:

Street and Bridge	<u>\$ (86,702)</u>
Parks and Recreation	<u>\$ (8,764)</u>
Audit	<u>\$ (5,718)</u>
IMRF	<u>\$ (12,075)</u>

The following funds had actual expenditures in excess of budgeted expenditures for the year ended June 30, 2013:

Social Security	<u>\$ 2,440</u>
Business Tax District	<u>\$ 452</u>
Parks and Recreation	<u>\$ 6,174</u>

NOTE 10. GRANTS

In the normal course of operations, the Village receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

During the year ended June 30, 2013 the Village received a grant from Illinois Housing Development (IHDA) to rehabilitate substandard deteriorating, single-family, owner-occupied, and very low to moderate income status households in a targeted area of the Village. During the year ended June 30, 2013, the Village received \$188,035 and expended \$188,054.

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

NOTE 11. DEFINED BENEFIT PENSION PLAN

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

Funding Policy. As set by statute, your employer Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute 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 11.01 percent of annual covered payroll. The employer annual required contribution rate for calendar year 2012 was 13.69 percent. The employer also contributes for disability benefits, death benefits and supplementary 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, 2012, the employer's actual contributions for pension cost for the Regular were \$42,774. Its required contribution for calendar year 2012 was \$53,186.

Three-Year Trend Information for the Regular Plan

Fiscal Year <u>Ending</u>	Annual Pension Cost (APC)	Percentage of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
12/31/12	\$53,186	80%	\$0
12/31/11	33,807	79%	0
12/31/10	28,046	72%	0

The required contribution for 2012 was determined as part of the December 31, 2010 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2010, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from .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 your 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 99.84 percent funded. The actuarial accrued liability for benefits was \$1,043,436 and the actuarial value of assets was \$1,041,787, resulting in an underfunded actuarial accrued liability (UAAL) of \$1,649. The covered payroll for calendar year 2012 (annual payroll of active employees covered by the plan) was \$388,503 and the ratio of the UAAL to the covered payroll was 0 percent.

The schedule of funding progress 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.

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

A. 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)
12/31/12	\$1,041,787	\$1,043,436	\$ 1,649	99.84%	\$388,503	0.42%
12/31/11	924,742	1,172,345	247,603	78.88%	268,100	92.35%
12/31/10	871,653	1,062,110	190,457	82.07%	221,705	85.91%

On a market value basis, the actuarial value of assets as of December 31, 2012 is \$1,065,405. On a market basis, the funded ratio would be 102.11%.

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

NOTE 12. CONTINGENT LIABILITY LITIGATION

In the normal course of operations, there may be various outstanding contingent liabilities such as lawsuits, etc., which are not reflected in the accompanying basic financial statements. The Village's management is of the opinion that insurance coverage is adequate to cover any anticipated losses.

NOTE 13. LEASES

During fiscal year end June, 30 2012, the Village entered into a financing agreement to lease a Caterpillar Backhoe. Annual payments of \$8,436, including principal and interest, are due each year for five years. Payment will be equally shared by the units Governmental funds and Enterprise funds.

During fiscal year end June 30, 2013, the Village entered into a lease agreement with Wells Fargo for a Copier. Monthly payments of \$133 are due for three years.

Payments for the remainder of these agreements are as follows:

Date	
2014	\$ 10,026
2015	10,026
2016	9,231
2017	8,436
2018	0
Total	<u>\$ 37,719</u>

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

NOTE 14. DEBT

During the fiscal year ended June 30, 2013, the Village entered into a loan agreement with the Illinois Environmental Protection Agency. As of June 30, 2013, the Village had been advanced \$922,512. The agreement states the loan is for \$1,163,881 with an annual interest rate of 2.295%, payable semi-annually over a 20 year term. As part of the loan, a total of \$533,169 would be forgiven by the State of Illinois pursuant to principal forgiveness provisions included in the loan rules. Repayment of this loan had not begun as of June 30, 2013. Due to there being no repayment schedule available, below is an estimated schedule of repayment:

<u>Date</u>	
2013	\$ 18,769
2014	18,840
2015	18,912
2016	18,985
2017	19,058
2018-2022	76,963
2023-2027	97,873
2028-2033	<u>119,943</u>
Total	<u>\$ 389,343</u>

NOTE 15. SUBSEQUENT EVENTS

The effect of subsequent events on the financial statements have been evaluated through the date of this report, which is the date the financial statements were available to be issued.

VILLAGE OF BRIGHTON, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2013

VILLAGE OF BRIGHTON, ILLINOIS
GENERAL FUND
BUDGET AND ACTUAL
MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	<u>ORIGINAL AND FINAL BUDGET</u>	<u>ACTUAL</u>
REVENUES:		
Taxes		\$ 82,735
Intergovernmental Revenues		502,571
Licenses & Permits		8,478
Fines		15,124
Interest		323
Other		222,198
Total Revenues		<u>\$ 831,429</u>
EXPENDITURES:		
General Government	\$ 386,050	\$ 388,887
Public Safety	271,250	219,072
Streets and Highways	44,000	22,949
Welfare	13,618	23,068
Recreation	77,500	13,623
Total Expenditures	<u>\$ 792,418</u>	<u>\$ 667,599</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		\$ 163,830
TRANSFERS (OUT)		(6,500)
FUND BALANCE, BEGINNING OF YEAR		<u>265,698</u>
FUND BALANCE, END OF YEAR		<u>\$ 423,028</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUNDS
BUDGET AND ACTUAL
MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

LIBRARY

	<u>ORIGINAL AND FINAL BUDGET</u>	<u>ACTUAL</u>
REVENUES:		
Property Taxes		\$ 41,198
Interest		105
Other		20,840
Total Revenues		<u>\$ 62,143</u>
EXPENDITURES:		
Library	<u>\$ 62,455</u>	<u>\$ 56,861</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		\$ 5,282
FUND BALANCE, BEGINNING OF YEAR		<u>29,837</u>
FUND BALANCE, END OF YEAR		<u>\$ 35,119</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUNDS
BUDGET AND ACTUAL
MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

STREET AND BRIDGE

ORIGINAL
AND FINAL
BUDGET

ACTUAL

REVENUES:		
Property Taxes		
Interest		\$ 38,950
Total Revenues		201
		\$ 39,151
EXPENDITURES:		
Streets and Highways	\$ 376,211	\$ 44,425
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		\$ (5,274)
FUND BALANCE (DEFICIT), BEGINNING OF YEAR		(81,428)
FUND BALANCE (DEFICIT), END OF YEAR		\$ (86,702)

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUNDS
BUDGET AND ACTUAL
MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

TORT INSURANCE

	<u>ORIGINAL AND FINAL BUDGET</u>	<u>ACTUAL</u>
REVENUES:		
Property Taxes		\$ 31,316
Interest		86
Total Revenues		<u>\$ 31,402</u>
EXPENDITURES:		
General Government	<u>\$ 40,825</u>	<u>\$ 23,296</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		\$ 8,106
FUND BALANCE, BEGINNING OF YEAR		<u>11,725</u>
FUND BALANCE, END OF YEAR		<u>\$ 19,831</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUND
BUDGET AND ACTUAL
MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

PARKS AND RECREATION

ORIGINAL
AND FINAL
BUDGET

ACTUAL

REVENUES:		
Property Taxes		\$ 18,889
Interest Income		1
Miscellaneous		10,929
Total Revenues		<u>\$ 29,819</u>
EXPENDITURES:		
Recreation	<u>\$ 19,000</u>	<u>\$ 25,174</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		\$ 4,645
TRANSFERS (OUT)		
FUND BALANCE, BEGINNING OF YEAR		<u>(13,409)</u>
FUND BALANCE, END OF YEAR		<u>\$ (8,764)</u>

VILLAGE OF BRIGHTON, ILLINOIS

SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2013

VILLAGE OF BRIGHTON, ILLINOIS

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED JUNE 30, 2013

WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2012

	<u>TOTALS</u>	
	<u>2013</u>	<u>2012</u>
REVENUES:		
Taxes:		
General Property	\$ 78,549	\$ 79,714
Replacement	4,186	4,097
Total Taxes	<u>\$ 82,735</u>	<u>\$ 83,811</u>
Intergovernmental Revenue:		
State Income Tax	\$ 226,280	\$ 211,456
Sales Tax	218,915	222,528
Telecommunications Tax	57,376	
Total Intergovernmental Revenue	<u>\$ 502,571</u>	<u>\$ 433,984</u>
Licenses:		
Vendor	\$ 90	\$ 420
Tavern	6,050	5,450
Dog	302	179
Total Licenses	<u>\$ 6,442</u>	<u>\$ 6,049</u>
Permits	\$ 2,036	\$ 2,560
Fines	\$ 15,124	\$ 11,231
Interest	\$ 323	\$ 260
Other:		
Grant	\$ 188,035	\$ 100
Franchise Fees	8,893	7,990
Village Hall Rent	1,050	1,275
Equipment Rental	15,603	16,408
Miscellaneous	8,617	8,542
Total Other	<u>\$ 222,198</u>	<u>\$ 34,315</u>
Total Revenues	<u>\$ 831,429</u>	<u>\$ 572,210</u>
EXPENDITURES (SCHEDULE 3)	<u>667,599</u>	<u>498,580</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 163,830</u>	<u>\$ 73,630</u>
OTHER FINANCING SOURCES		
Transfers (Out)	\$ (6,500)	\$ (1,200)
Total Other Financing Sources	<u>\$ (6,500)</u>	<u>\$ (1,200)</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES	\$ 157,330	\$ 72,430
FUND BALANCE, BEGINNING OF YEAR	<u>265,698</u>	<u>193,268</u>
FUND BALANCE, END OF YEAR	<u>\$ 423,028</u>	<u>\$ 265,698</u>

VILLAGE OF BRIGHTON, ILLINOIS
GENERAL FUND
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2012

	<u>BUDGET</u>	<u>2013</u> <u>ACTUAL</u>	<u>2012</u>
General Government:			
Village Officers' Salaries	\$ 57,430	\$ 68,668	\$ 58,795
Village Hall Salaries	10,800		
Street Lighting	25,000	16,978	21,567
Telephone	1,800	2,033	1,761
Miscellaneous	3,700	26,321	5,637
Office Expense	3,800	9,531	3,711
Village Hall Expenditures	24,700	29,142	34,588
Legal Publications	1,800	1,506	845
Zoning	1,700		36
Animal Control		298	1,548
Attorney	25,000	3,318	33,057
Audit		6,091	6,475
Capital Outlay	11,100	6,977	9,451
Gas		22,465	26,394
Grant Expense	210,000	188,054	80
Donations	1,500	2,395	950
Economic Development	3,720	2,890	2,512
Holiday/ Contingency Fund	4,000	2,220	3,506
Taxing District			
Total General Government	<u>\$ 386,050</u>	<u>\$ 388,887</u>	<u>\$ 210,913</u>
Public Safety:			
Police Salaries and Dispatching Salaries	\$ 187,500	\$ 184,548	\$ 184,459
Police Department Expenditures	79,050	34,524	31,553
Capital Outlay	4,700		
Total Public Safety	<u>\$ 271,250</u>	<u>\$ 219,072</u>	<u>\$ 216,012</u>
Streets and Highways:			
EMC Contract	\$ 40,000	\$ 21,292	\$ 19,761
Decorations	4,000	1,657	3,899
Repairs and Maintenance			2,000
Total Streets and Highways	<u>\$ 44,000</u>	<u>\$ 22,949</u>	<u>\$ 25,660</u>
Welfare:			
Employees Health Insurance	\$ 13,618	\$ 23,068	\$ 19,265
Parks and Recreation:			
Park Utilities	\$ 7,900	\$ 5,938	\$ 7,452
Park and Recreation Expenses	43,100	7,685	19,278
Capital Expenditures	26,500		
Total Parks and Recreation	<u>\$ 77,500</u>	<u>\$ 13,623</u>	<u>\$ 26,730</u>
Total Expenditures	<u>\$ 792,418</u>	<u>\$ 667,599</u>	<u>\$ 498,580</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2013

WITH COMPARATIVE TOTALS FOR JUNE 30, 2012

ASSETS	LIBRARY	STREET AND BRIDGE	TORT INSURANCE	AUDIT	CIVIL DEFENSE	IMRF
Cash	\$ 37,054	\$ 41,462	\$ 9,551	\$ 5	\$ 142	\$ (417)
Certificate of Deposit						
Property Taxes Receivable	40,056	13,991	31,523	2,266		20,294
Prepaid Expenses	1,263		10,280			
Due from Other Funds						
TOTAL	\$ 78,373	\$ 55,453	\$ 51,354	\$ 2,271	\$ 142	\$ 20,992
LIABILITIES AND FUND EQUITY						
LIABILITIES:						
Accounts Payable		\$ 1,030				\$ 7,773
Accrued Expenses	\$ 882					
Due to General Fund		127,134		\$ 5,723		
Due to Water Fund						
Due to Other Funds						5,000
Deferred Property Taxes	40,056	13,991				
Deferred Revenues	2,316					
Total Liabilities	\$ 43,254	\$ 142,155	\$ 31,523	\$ 7,989	\$ 0	\$ 20,294
FUND EQUITY:						
Nonspendable	\$ 1,263		\$ 10,280			
Restricted			9,465		\$ 142	
Assigned	33,856		86			
Unassigned		\$ (86,702)		\$ (5,718)		\$ (12,075)
Fund Balance (Deficit)	\$ 35,119	\$ (86,702)	\$ 19,831	\$ (5,718)	\$ 142	\$ (12,075)
TOTAL	\$ 78,373	\$ 55,453	\$ 51,354	\$ 2,271	\$ 142	\$ 20,992

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2013

WITH COMPARATIVE TOTALS FOR JUNE 30, 2012

	MOTOR FUEL TAX	POLICE	PARKS AND RECREATION	SOCIAL SECURITY	UNEMPLOYMENT INSURANCE	BUSINESS TAX DISTRICT	TOTALS
							2012
ASSETS							
Cash	\$ 108,708	\$ 50,965	\$ 24,466	\$ 4,207	\$ 25,141	\$ 132,340	\$ 263,534
Certificate of Deposit							20,090
Property Taxes Receivable		20,028	18,717	22,658			167,193
Prepaid Expenses							11,543
Due from Other Funds				1,012	13,044		13,984
Due from Governmental Agencies	3,934						15,171
							4,106
TOTAL	\$ 112,642	\$ 70,993	\$ 43,183	\$ 27,877	\$ 38,185	\$ 132,340	\$ 633,805
							\$ 484,078
LIABILITIES AND FUND EQUITY							
LIABILITIES:							
Accounts Payable	\$ 5,792						\$ 14,595
Accrued Expenses				\$ 714			\$ 4,227
Due to General Fund			\$ 33,230				1,596
Due to Water Fund							171,087
Due to Other Funds							134,390
Deferred Property Taxes		\$ 20,028	18,717	22,658			167,193
Deferred Revenues							2,316
Total Liabilities	\$ 5,792	\$ 20,028	\$ 51,947	\$ 23,372	\$ 0	\$ 0	\$ 359,127
FUND EQUITY:							
Nonspendable							\$ 11,543
Restricted	\$ 106,573	\$ 50,951		\$ 4,473		\$ 132,340	\$ 13,984
Assigned	277	14		32	\$ 38,185		303,944
Unassigned			\$ (8,764)				72,450
Fund Balance (Deficit)	\$ 106,850	\$ 50,965	\$ (8,764)	\$ 4,505	\$ 38,185	\$ 132,340	(113,259)
							\$ 274,678
TOTAL	\$ 112,642	\$ 70,993	\$ 43,183	\$ 27,877	\$ 38,185	\$ 132,340	\$ 633,805
							\$ 484,078

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUNDS
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	LIBRARY		STREET AND BRIDGE		TORT INSURANCE		AUDIT	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
REVENUES:								
Property Taxes		\$ 41,198		\$ 38,950		\$ 31,316		
Interest		105		201		86		
Other Income		20,840						
Total Revenues		<u>\$ 62,143</u>		<u>\$ 39,151</u>		<u>\$ 31,402</u>		<u>\$ 0</u>
EXPENDITURES:								
General Government					\$ 40,825	\$ 23,296	\$ 6,000	
Streets and Highways			\$ 376,211	\$ 44,425				
Library	\$ 62,455	\$ 56,861						
Total Expenditures	<u>\$ 62,455</u>	<u>\$ 56,861</u>	<u>\$ 376,211</u>	<u>\$ 44,425</u>	<u>\$ 40,825</u>	<u>\$ 23,296</u>	<u>\$ 6,000</u>	<u>\$ 0</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		\$ 5,282		\$ (5,274)		\$ 8,106		\$ 0
TRANSFERS (TO) FROM OTHER FUNDS								
FUND BALANCE (DEFICIT), BEGINNING OF YEAR		<u>29,837</u>		<u>(81,428)</u>		<u>11,725</u>		<u>(5,718)</u>
FUND BALANCE (DEFICIT), END OF YEAR		<u>\$ 35,119</u>		<u>\$ (86,702)</u>		<u>\$ 19,831</u>		<u>\$ (5,718)</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUNDS
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	CIVIL DEFENSE		IMRF		MOTOR FUEL TAX		POLICE	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
REVENUES:								
Property Taxes								
Intergovernmental Revenues		\$ 20,479						\$ 20,599
Interest						\$ 63,896		
Other Income				5		49		1
Total Revenues	\$ 0	\$ 20,484			\$ 63,945		\$ 20,600	
EXPENDITURES:								
Public Safety	\$ 1,150	\$ 194						
Street and Highways							\$ 56,315	\$ 25,950
Welfare			\$ 38,000	\$ 34,613		\$ 75,123		
Total Expenditures	\$ 1,150	\$ 194	\$ 38,000	\$ 34,613	\$ 101,500	\$ 75,123	\$ 56,315	\$ 25,950
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (194)	\$ (194)		\$ (14,129)		\$ (11,178)		\$ (5,350)
TRANSFERS (TO) FROM OTHER FUNDS				6,500				
FUND BALANCE, BEGINNING OF YEAR		336		(4,446)		118,028		56,315
FUND BALANCE (DEFICIT), END OF YEAR	\$ 142	\$ (12,075)		\$ (12,075)		\$ 106,850		\$ 50,965

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUNDS
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE TOTALS FOR JUNE 30, 2012

	PARKS & RECREATION		SOCIAL SECURITY		UNEMPLOYMENT INSURANCE		BUSINESS TAX DISTRICT		TOTALS	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	2013 BUDGET	2012 ACTUAL
REVENUES:										
Property Taxes		\$ 18,889		\$ 22,866					\$ 194,297	\$ 189,323
Intergovernmental Revenues									175,623	102,774
Interest									464	1,078
Other		10,929		5		\$ 11			31,769	32,605
Total Revenues		<u>\$ 29,819</u>		<u>\$ 22,871</u>		<u>\$ 11</u>			<u>\$ 402,153</u>	<u>\$ 325,780</u>
EXPENDITURES:										
General Government					\$ 10,000				\$ 56,825	\$ 29,835
Public Safety								\$ 452	80,465	8,301
Streets and Highways			\$ 23,000	\$ 25,440					477,711	116,468
Welfare	\$ 19,000	\$ 25,174							61,000	60,053
Recreation									19,000	25,174
Library									62,455	34,087
Total Expenditures	<u>\$ 19,000</u>	<u>\$ 25,174</u>	<u>\$ 23,000</u>	<u>\$ 25,440</u>	<u>\$ 10,000</u>	<u>\$ 0</u>	<u>\$ 452</u>	<u>\$ 0</u>	<u>\$ 734,456</u>	<u>\$ 311,528</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		\$ 4,645		\$ (2,569)		\$ 11			\$ 90,625	\$ 22,134
TRANSFERS (TO) FROM OTHER FUNDS									6,500	1,200
FUND BALANCE (DEFICIT), BEGINNING OF YEAR		<u>(13,409)</u>		<u>7,074</u>		<u>38,174</u>		<u>21,065</u>	<u>177,553</u>	<u>154,220</u>
FUND BALANCE (DEFICIT), END OF YEAR		<u>\$ (8,764)</u>		<u>\$ 4,505</u>		<u>\$ 38,185</u>		<u>\$ 132,340</u>	<u>\$ 274,678</u>	<u>\$ 177,554</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUND
LIBRARY FUND
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2012

	<u>BUDGET</u>	<u>2013</u> <u>ACTUAL</u>	<u>2012</u>
REVENUES:			
Property Taxes		\$ 41,198	\$ 41,809
Interest		105	659
Donations		20,840	20,105
Total Revenues		<u>\$ 62,143</u>	<u>\$ 62,573</u>
EXPENDITURES:			
Library Wages	\$ 37,080	\$ 37,842	\$ 37,106
Capital Expenditures	3,000		
Utilities	2,000	1,861	2,000
Telephone	1,800	288	2,023
Internet		671	15
Water	275	224	228
Books	6,500		
Office Expense	1,500		
Summer Reading Program	700		
Cleaning & Supplies	1,700		
Repairs & Maintenance	1,700	1,137	1,002
Building Insurance	3,250	2,651	3,149
Service Charge			1
Miscellaneous	2,950	12,187	17,577
Total Expenditures	<u>\$ 62,455</u>	<u>\$ 56,861</u>	<u>\$ 63,101</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		\$ 5,282	\$ (528)
FUND BALANCE, BEGINNING OF YEAR		<u>29,837</u>	<u>30,365</u>
FUND BALANCE, END OF YEAR		<u>\$ 35,119</u>	<u>\$ 29,837</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUND
STREET AND BRIDGE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2012

	<u>BUDGET</u>	<u>2013</u> <u>ACTUAL</u>	<u>2012</u>
REVENUES:			
Property Taxes		\$ 38,950	\$ 40,828
Interest		201	199
Total Revenues		<u>\$ 39,151</u>	<u>\$ 41,027</u>
EXPENDITURES:			
Streets and Highways:			
EMC Contract	\$ 13,000	\$ 12,502	\$ 11,603
Capital Outlay	11,836		
Rock, Patch, Sand	1,000		
Engineering	1,500		
Salaries	26,000	29,943	19,812
Mosquito Spraying	875	1,980	925
Special Projects	322,000		
Total Expenditures	<u>\$ 376,211</u>	<u>\$ 44,425</u>	<u>\$ 32,340</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		\$ (5,274)	\$ 8,687
TRANSFERS (OUT)			(1,301)
FUND BALANCE (DEFICIT), BEGINNING OF YEAR		<u>(81,428)</u>	<u>(88,814)</u>
FUND BALANCE (DEFICIT), END OF YEAR		<u>\$ (86,702)</u>	<u>\$ (81,428)</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUND
TORT INSURANCE
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2012

	<u>BUDGET</u>	<u>2013</u> <u>ACTUAL</u>	<u>2012</u>
REVENUES:			
Property Taxes		\$ 31,316	\$ 23,431
Interest		86	87
Total Revenues		<u>\$ 31,402</u>	<u>\$ 23,518</u>
EXPENDITURES:			
General Government:			
Insurance	\$ 25,000	\$ 22,571	\$ 23,204
Dues	325	619	
Legal Fees	10,000		
Police Training	5,000		(2,096)
Miscellaneous	500	106	
Total Expenditures	<u>\$ 40,825</u>	<u>\$ 23,296</u>	<u>\$ 21,108</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		\$ 8,106	\$ 2,410
FUND BALANCE, BEGINNING OF YEAR		<u>11,725</u>	<u>9,315</u>
FUND BALANCE, END OF YEAR		<u>\$ 19,831</u>	<u>\$ 11,725</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUND
AUDIT
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2012

	<u>2013</u>	<u>2012</u>
REVENUES:		
Property Taxes	\$ 0	\$ 5,973
Interest		
Total Revenues	<u>\$ 0</u>	<u>\$ 5,973</u>
EXPENDITURES:		
General Government:		
Audit	<u>\$ 0</u>	<u>\$ 0</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 0	\$ 5,973
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	<u>(5,718)</u>	<u>(11,691)</u>
FUND BALANCE (DEFICIT), END OF YEAR	<u>\$ (5,718)</u>	<u>\$ (5,718)</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUND
CIVIL DEFENSE
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2012

	<u>2013</u>	<u>2012</u>
REVENUES:		
Total Revenues	\$ <u>0</u>	\$ <u>0</u>
EXPENDITURES:		
General Government:		
Public Safety	\$ <u>194</u>	\$ <u>708</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (194)	\$ (708)
FUND BALANCE, BEGINNING OF YEAR	<u>336</u>	<u>1,044</u>
FUND BALANCE, END OF YEAR	<u>\$ 142</u>	<u>\$ 336</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUND
MOTOR FUEL TAX
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2012

	<u>BUDGET</u>	<u>2013</u> <u>ACTUAL</u>	<u>2012</u>
REVENUES:			
Intergovernmental - Allotments		\$ 63,896	\$ 65,353
Interest		49	105
Total Revenues		\$ 63,945	\$ 65,458
EXPENDITURES:			
Streets and Highways:			
Oil and Asphalt	\$ 38,000	\$ 32,794	\$ 8,955
Rock, Chips	18,500	21,020	5,045
Engineering	7,000	3,499	6,767
Cold Patch, Hot Mix	6,500	7,794	3,778
Signs	2,000	3,958	641
Equipment Rental	5,000	4,948	4,948
Culverts	5,000	700	
Sidewalks	10,000	410	5,187
Culvert & Ditch Cleaning	2,000		1,004
Other	7,500		47,803
Total Expenditures	\$ 101,500	\$ 75,123	\$ 84,128
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		\$ (11,178)	\$ (18,670)
FUND BALANCE, BEGINNING OF YEAR		118,028	136,698
FUND BALANCE, END OF YEAR		\$ 106,850	\$ 118,028

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUND
POLICE
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2012

	<u>2013</u>	<u>2012</u>
REVENUES:		
Property Taxes	\$ 20,599	\$ 20,904
Interest	1	
Total Revenues	<u>\$ 20,600</u>	<u>\$ 20,904</u>
EXPENDITURES	<u>\$ 25,950</u>	<u>\$ 7,593</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (5,350)	\$ 13,311
FUND BALANCE, BEGINNING OF YEAR	<u>56,315</u>	<u>43,004</u>
FUND BALANCE, END OF YEAR	<u>\$ 50,965</u>	<u>\$ 56,315</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUND
PARKS AND RECREATION
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2012

	<u>2013</u>	<u>2012</u>
REVENUES:		
Property Taxes	\$ 18,889	\$ 18,905
Interest	1	
Miscellaneous	10,929	12,500
Total Revenues	<u>\$ 29,819</u>	<u>\$ 31,405</u>
EXPENDITURES:		
Recreation	<u>\$ 25,174</u>	<u>\$ 34,087</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 4,645	\$ (2,682)
TRANSFER (OUT)		(849)
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	<u>(13,409)</u>	<u>(9,878)</u>
FUND BALANCE (DEFICIT), END OF YEAR	<u><u>\$ (8,764)</u></u>	<u><u>\$ (13,409)</u></u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUND
SOCIAL SECURITY
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2012

	<u>2013</u>	<u>2012</u>
REVENUES:		
Property Taxes	\$ 22,866	\$ 22,880
Interest	5	5
Total Revenues	<u>\$ 22,871</u>	<u>\$ 22,885</u>
EXPENDITURES:		
Welfare:		
Social Security	<u>\$ 25,440</u>	<u>\$ 25,202</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (2,569)	\$ (2,317)
TRANSFERS IN		1,191
FUND BALANCE, BEGINNING OF YEAR	<u>7,074</u>	<u>8,200</u>
FUND BALANCE, END OF YEAR	<u>\$ 4,505</u>	<u>\$ 7,074</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUND
UNEMPLOYMENT INSURANCE
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2012

	<u>2013</u>	<u>2012</u>
REVENUES:		
Interest Income	\$ 11	\$ 17
Total Revenues	<u>\$ 11</u>	<u>\$ 17</u>
EXPENDITURES		
Unemployment	\$ 0	\$ 8,627
Total Employment	<u>\$ 0</u>	<u>\$ 8,627</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 11	\$ (8,610)
FUND BALANCE, BEGINNING OF YEAR	<u>38,174</u>	<u>46,783</u>
FUND BALANCE, END OF YEAR	<u><u>\$ 38,185</u></u>	<u><u>\$ 38,174</u></u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUND
BUSINESS TAX DISTRICT
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2012

	<u>2013</u>	<u>2012</u>
REVENUES:		
Sales Tax	\$ 111,727	\$ 37,421
Total Revenues	<u>\$ 111,727</u>	<u>\$ 37,421</u>
EXPENDITURES		
Office Expense	\$ 0	\$ 0
Repairs and Maintenance	452	0
Donation	0	100
Total Expenditures	<u>\$ 452</u>	<u>\$ 100</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 111,275	\$ 37,321
TRANSFERS (OUT)	0	(18,800)
FUND BALANCE, BEGINNING OF YEAR	<u>21,065</u>	<u>2,544</u>
FUND BALANCE, END OF YEAR	<u>\$ 132,340</u>	<u>\$ 21,065</u>

VILLAGE OF BRIGHTON, ILLINOIS
ENTERPRISE FUND
COMBINING BALANCE SHEET
JUNE 30, 2013

WITH COMPARATIVE TOTALS FOR JUNE 30, 2012

	<u>OPERATION AND MAINTENANCE</u>	<u>BOND AND INTEREST</u>	<u>DEPRECIATION</u>	<u>SURPLUS</u>	<u>CUSTOMERS' DEPOSITS ACCOUNT</u>	<u>TOTALS</u>
	2013	2012	2013	2012	2013	2012
<u>ASSETS</u>						
CASH	\$ 481,567	\$ 106,378	\$ 368,581	\$ 113,376	\$ 73,145	\$ 956,347
INVESTMENTS - TIME CERTIFICATES	\$ 62,389		\$ 376,567			\$ 438,956
RECEIVABLES:						
Accounts - Customers, Net of Allowance for Uncollectible Accounts	\$ 134,599					\$ 134,599
Estimated Unbilled						
Water and Sewer Usage	58,190					58,190
Loan Receivable	111,420					111,420
Prepaid Expenses	7,236					7,236
Due from Street & Bridge						
Due from Operation and Maintenance						
Total Receivables	<u>\$ 311,445</u>		<u>\$ 3,985</u>	<u>\$ 5,000</u>	<u>\$ 8,985</u>	<u>\$ 320,430</u>
PROPERTY, PLANT AND EQUIPMENT, AT COST:						
Buildings and Land	\$ 325,070					\$ 325,070
Water System	3,094,794					3,094,794
Sewerage System	5,577,157					5,577,157
Tanks and Pumping Station Equipment	674,897					674,897
Work - In - Process	623,477					623,477
Total	<u>\$ 1,140,963</u>		<u>\$ 3,985</u>	<u>\$ 5,000</u>	<u>\$ 8,985</u>	<u>\$ 224,983</u>
Less, Accumulated Depreciation	\$ 11,436,358					\$ 325,070
Net Property, Plant and Equipment	<u>\$ 4,583,857</u>					<u>\$ 3,094,794</u>
TOTAL	<u>\$ 6,852,501</u>	<u>\$ 106,378</u>	<u>\$ 749,133</u>	<u>\$ 118,376</u>	<u>\$ 73,145</u>	<u>\$ 8,754,934</u>
						<u>\$ 5,980,763</u>
						<u>\$ 7,598,154</u>

VILLAGE OF BRIGHTON, ILLINOIS
ENTERPRISE FUND
COMBINING STATEMENT OF CHANGES IN MUNICIPAL EQUITY
JUNE 30, 2013
WITH COMPARATIVE TOTALS FOR JUNE 30, 2012

	<u>OPERATION AND MAINTENANCE</u>	<u>BOND AND INTEREST</u>	<u>DEPRECIATION</u>	<u>SURPLUS</u>	<u>2013</u>	<u>TOTALS</u> <u>2012</u>
EQUITY, BEGINNING OF YEAR	\$ 6,575,204	\$ 106,205	\$ 698,190	\$ 58,235	\$ 7,437,834	\$ 7,249,603
NET INCOME	159,123	173	3,123	141	162,560	188,231
CAPITAL CONTRIBUTIONS	533,169				533,169	
TRANSFERS (TO) FROM ENTERPRISE FUNDS	<u>(107,820)</u>		<u>47,820</u>	<u>60,000</u>		
EQUITY, END OF YEAR	<u>\$ 7,159,676</u>	<u>\$ 106,378</u>	<u>\$ 749,133</u>	<u>\$ 118,376</u>	<u>\$ 8,133,563</u>	<u>\$ 7,437,834</u>

VILLAGE OF BRIGHTON, ILLINOIS
ENTERPRISE FUND
WATERWORKS AND SEWERAGE
 FOR THE YEAR ENDED JUNE 30, 2013

WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2012

	OPERATION AND MAINTENANCE		BOND AND INTEREST	DEPRECIATION	SURPLUS	TOTALS	
	WATER	SEWER	COMBINED			2013	2012
REVENUES:							
Sale of Water	\$ 1,044,420		\$ 1,044,420			\$ 1,044,420	\$ 1,088,648
Bulk Water Sales	2,252		2,252			2,252	2,455
Sewer Charges		\$ 279,422	279,422			279,422	215,452
Connection Charges	1,850		1,850			1,850	3,905
Late Penalties	29,590		29,590			29,590	26,837
Commissions	1,405	1,282	2,687			2,687	1,852
Miscellaneous	5,692	24,280	29,972			29,972	17,933
Total Revenues	\$ 1,085,209	\$ 304,984	\$ 1,390,193			\$ 1,390,193	\$ 1,357,082
EXPENSES (SCHEDULE 21)							
OPERATING INCOME BEFORE DEPRECIATION	828,417	166,487	994,904			994,904	951,768
DEPRECIATION	\$ 256,792	\$ 138,497	\$ 395,289			\$ 395,289	\$ 405,314
OPERATING INCOME (LOSS)	113,150	122,116	235,266			235,266	223,177
OTHER INCOME (EXPENSES), NET:							
Investment Income and Other Income	\$ 522	\$ 522	\$ 1,044	\$ 173	\$ 3,123	\$ 4,481	\$ 6,118
Loss on Disposal of Fixed Assets	(1,944)					(1,944)	(24)
Total Other Income	\$ (1,422)	\$ 522	\$ 1,044	\$ 173	\$ 3,123	\$ 2,537	\$ 6,094
NET INCOME (LOSS)	\$ 142,220	\$ 16,903	\$ 159,123	\$ 173	\$ 3,123	\$ 162,560	\$ 188,231

VILLAGE OF BRIGHTON, ILLINOIS
ENTERPRISE FUND
WATERWORKS AND SEWERAGE
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2012

	<u>OPERATION</u>		<u>TOTALS</u>	
	<u>WATER</u>	<u>SEWER</u>	<u>2013</u>	<u>2012</u>
EXPENSES:				
Water Purchased	\$ 380,861		\$ 380,861	\$ 377,506
Salaries	141,907		141,907	147,759
Payroll Taxes	38,125		38,125	29,753
Repairs and Supplies	46,795	\$ 33,700	80,495	49,982
Insurance	42,872	3,459	46,331	40,209
Office Supplies and Expense	41,416	49,070	90,486	93,162
Audit	1,408	1,408	2,816	2,700
Fuel	8,419	37	8,456	6,513
Miscellaneous	18,546	19,556	38,102	33,440
Legal	6,477	12,630	19,107	19,930
Engineering		2,966	2,966	3,526
Interest Expense				995
Service Contracts	101,591	43,661	145,252	146,293
	<u>101,591</u>	<u>43,661</u>	<u>145,252</u>	<u>146,293</u>
Total Expenses	<u>\$ 828,417</u>	<u>\$ 166,487</u>	<u>\$ 994,904</u>	<u>\$ 951,768</u>

VILLAGE OF BRIGHTON, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AND NON-FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

<u>Federal Grantor/Pass. Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Number</u>	<u>Federal Expenditures</u>	<u>Non-Federal Expenditures</u>
<u>Environmental Protection Agency</u>				
Passed through, the Illinois Environmental Protection Agency:				
CWSRF (M)	66.458	N/A	<u>\$ 331,075</u>	<u>\$ 591,437</u>
<u>U.S. Department of Housing & Urban Development</u>				
Passed through Illinois Housing Development Authority:				
HOME Program	14.239	N/A	<u>\$ 179,574</u>	<u>\$ 8,480</u>
Total Federal and Non-Federal Expenditures			<u><u>\$ 510,649</u></u>	<u><u>\$ 599,917</u></u>
(M) Major Program				

VILLAGE OF BRIGHTON, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

Summary of Auditor's Results

Financial Statements

Type of Auditor's Report Issued: Unmodified

Internal Control Over Financial Reporting:

Material Weakness Identified: No

Significant Deficiencies Identified That Are Not Considered to be Material Weaknesses: Yes

Noncompliance Material to Financial Statements Noted?: No

Federal Awards

Internal Control Over Major Programs:

Material Weaknesses Identified: No

Significant Deficiencies Identified That Are Not Considered to be Material Weaknesses: No

Type of Auditor's Report Issued On Compliance For Major Programs: Unmodified

Audit Findings Disclosed That Are Required to Be Reported In Accordance with Section 510(a) Of Circular A-133: No

Major Programs

66 Environmental Protection Agency (EPA)

The threshold used for distinguishing between Types A and B programs was \$300,000.

Village of Brighton, Illinois does not qualify as a low-risk auditee under Section .530.

Findings and Questioned Costs

Findings relating to the financial statements which are required to be reporting in accordance with GAGAS:

2013-01 2013-02

Findings and questioned costs for Federal awards which shall included audit findings as defined in Section 510(a):

None

VILLAGE OF BRIGHTON, ILLINOIS

SCHEDULE OF FINDINGS

JUNE 30, 2013

FINDINGS - FINANCIAL STATEMENT AUDIT

- 2013-01. The Village relies on external auditors to complete year end journal entries, account reconciliations and ensure that the Village's financial statements are prepared in accordance with generally accepted accounting principals and all required disclosures, as well as, to maintain the depreciation schedule and record depreciation expense.

Management's Response: The Village believes their accounting staff maintains adequate records of the Village's transactions. Additionally, the Village does not believe it is cost beneficial to hire additional accounting expertise to ensure the Village's annual financial statements are prepared in accordance with generally accepted accounting principals and all required disclosures.

- 2013-02. Due to the limited size of the Village's staff, the Village lacks proper segregation of duties amongst its employees. The basic premise is that no one employee should have access to both physical assets and the related accounting records or to all phases of a transaction. The result is the danger that intentional or unintentional errors could be made and not detected.

Management's Response: The Village believes their accounting staff maintains adequate records of the Village's transactions. Additionally, the Village believes there is proper oversight from the Mayor and Village Board.

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Village of Brighton and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements

Subrecipients

The Village did not pass through any federal funds to subrecipients during the year ended June 30, 2013.

Nonmonetary Distributions

During the year ended June 30, 2013, the Village received no non-cash funding.

Insurance

The Village had no insurance as it relates to federal programs in effect for the year ended June 30, 2013.

Loans and Loan Guarantees

During the year ended June 30, 2013, the Village received loan proceeds from the Environmental Protection Agency. The total loan was valued at \$1,163,881, of which \$811,092 was received by year end, and \$111,420 was a receivable at year end. \$331,075 of loan proceeds and expenditures were deemed to be federal. The loan has an interest rate of 2.295% and is to be repaid over a 20 year period with semi-annual payments. The entire balance of the loan is outstanding as of June 30, 2013.