

VILLAGE OF DWIGHT
DWIGHT, ILLINOIS
ANNUAL FINANCIAL REPORT
MARCH 31, 2015



CERTIFIED PUBLIC ACCOUNTANTS

Prepared by:

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VILLAGE OF DWIGHT, ILLINOIS

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INDEPENDENT AUDITORS' REPORT



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Independent Auditors' Report

To the Honorable Mayor and
Village Board of Trustees
Village of Dwight, Illinois

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Dwight, Illinois, as of and for the year ended March 31, 2015, and the related notes to the financial statements, which collectively comprise 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 the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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.

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—modified cash basis of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Dwight, Illinois, as of March 31, 2015, and the respective changes in financial position—modified cash basis, thereof for the year then ended in accordance with the basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to that matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Village of Dwight, Illinois' basic financial statements. The combining and individual fund financial statements on pages 30-38 and 41-58, the IMRF schedule of funding progress on page 39, the notes to the other information on page 40, and the assessed valuations, tax rates, tax extensions and tax collections on pages 60-61 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements 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 non-major fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The IMRF schedule of funding progress, the notes to the other information, and the assessed valuations, tax rates, tax extensions and tax collections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Comparative Information

We previously audited the March 31, 2014 financial statements. The summarized comparative information is consistent, in all material respects, with the audited financial statements from which it has been derived. Such information is presented for comparison purposes only.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2015, on our consideration of the Village of Dwight, 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 or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Dwight, Illinois' internal control over financial reporting and compliance.

Mack & Associates, P.C.
Mack & Associates, P.C.
Certified Public Accountants

Morris, Illinois
June 22, 2015

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statement
Statement of Net Position - Modified Cash Basis
March 31, 2015

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	
			2015	2014
<u>Assets</u>				
Current assets:				
Cash and cash equivalents	\$ 1,231,601	706,159	1,937,760	2,484,947
Accounts receivable	-	55,194	55,194	74,971
Total current assets	1,231,601	761,353	1,992,954	2,559,918
Non-current assets:				
Capital Assets				
Land	171,366	45,500	216,866	181,866
Equipment	1,594,407	885,571	2,479,978	2,483,150
Buildings and improvements	3,222,920	128,914	3,351,834	3,329,089
Infrastructure	2,949,389	17,932,277	20,881,666	20,864,905
Accumulated Depreciation	(3,605,865)	(8,519,479)	(12,125,344)	(11,748,946)
Total non-current assets	4,332,217	10,472,783	14,805,000	15,110,064
Total assets	\$ 5,563,818	11,234,136	16,797,954	17,669,982
<u>Liabilities</u>				
Current Liabilities:				
Accounts payable	\$ -	7,562	7,562	7,858
Customer deposits	-	13,310	13,310	12,410
Due within one year:				
Notes payable	-	-	-	9,414
Bonds payable	65,000	330,000	395,000	550,000
EPA loan payable	-	429,159	429,159	418,101
Total current liabilities	65,000	780,031	845,031	997,783
Long-term Liabilities:				
Due in more than one year:				
Notes payable	-	-	-	60,192
Bonds payable	-	295,000	295,000	690,000
EPA loan payable	-	3,538,277	3,538,277	3,967,436
Total long-term liabilities	-	3,833,277	3,833,277	4,717,628
Total liabilities	65,000	4,613,308	4,678,308	5,715,411
<u>Net Position</u>				
Net investment in capital assets	4,267,217	5,880,347	10,147,564	9,414,921
Restricted	657,214	78,572	735,786	770,554
Unrestricted	574,387	661,909	1,236,296	1,769,096
Total net position	\$ 5,498,818	6,620,828	12,119,646	11,954,571

The Notes to Financial Statements are an integral part of this statement.

Government-wide Financial Statement
Statement of Activities - Modified Cash Basis
For the Year Ended March 31, 2015

Program Activities	Program Revenues			Net (Expenditures) Revenue and Changes in Net Position			
	Expenditures	Fees and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General Government	\$ 1,260,631	129,608	-	-	(1,131,023)	-	(833,510)
Garbage services	297,021	293,645	-	-	(3,376)	-	(3,984)
Public Safety	1,558,495	258,643	-	-	(1,299,852)	-	(1,054,831)
Streets and lighting	239,660	-	7,804	-	(231,856)	-	(105,504)
Culture and recreation	180,836	25,979	-	-	(154,857)	-	(158,803)
Unallocated interest - expense	10,964	-	-	-	(10,964)	-	(20,966)
Total governmental activities	3,547,607	707,875	7,804	-	(2,831,928)	-	(2,177,598)
Business-type activities:							
Waterworks	597,949	795,533	-	-	-	197,584	135,732
Sewer	794,360	951,827	-	-	-	157,467	176,719
Total business-type activities	1,392,309	1,747,360	-	-	-	355,051	312,451
Total primary government	\$ 4,939,916	2,455,235	7,804	-	(2,831,928)	355,051	(1,865,147)

General revenues:

Taxes:	Property taxes	Utility tax	Sales tax	Income tax	Replacement tax	Local use tax	TIF revenue	Motor fuel tax	Hotel/Motel tax	Video gaming tax	Interest on investments	Donations	Reimbursements	Miscellaneous
	\$ 677,344	348,342	644,910	403,431	41,487	83,226	122,676	143,116	28,551	59,222	6,402	5,784	7,813	42,053
	677,344	348,342	644,910	403,431	41,487	83,226	122,676	143,116	28,551	59,222	398	5,784	7,813	43,579
	693,900	375,155	632,385	445,034	43,418	73,386	124,000	106,446	30,617	21,106	6,941	4,992	18,412	79,380
	2,614,357	1,924	2,616,281	2,655,172	25,671	382,646	11,954,571	12,119,646	11,954,571	6,620,828	12,119,646	11,954,571	11,954,571	11,954,571
	2,614,357	1,924	2,616,281	2,655,172	25,671	382,646	11,954,571	12,119,646	11,954,571	6,620,828	12,119,646	11,954,571	11,954,571	11,954,571
	2,614,357	1,924	2,616,281	2,655,172	25,671	382,646	11,954,571	12,119,646	11,954,571	6,620,828	12,119,646	11,954,571	11,954,571	11,954,571
	2,614,357	1,924	2,616,281	2,655,172	25,671	382,646	11,954,571	12,119,646	11,954,571	6,620,828	12,119,646	11,954,571	11,954,571	11,954,571

The Notes to Financial Statements are an integral part of this statement.

Statement of Assets, Liabilities and Fund Balances
 Modified Cash Basis - Governmental Funds
 March 31, 2015

	Major Funds			Total	
	General Fund	Reserve Capital Expenditures Fund	Non-major Governmental Funds	Governmental Funds	
				2015	2014
<u>Assets</u>					
Cash	\$ 482,385	476,805	272,411	1,231,601	1,869,046
Due from TIF Fund	14,000	-	-	14,000	139,000
Total assets	<u>\$ 496,385</u>	<u>476,805</u>	<u>272,411</u>	<u>1,245,601</u>	<u>2,008,046</u>
<u>Liabilities and fund balances</u>					
Liabilities:					
Due to General Fund	\$ -	-	14,000	14,000	139,000
Total liabilities	<u>-</u>	<u>-</u>	<u>14,000</u>	<u>14,000</u>	<u>139,000</u>
Fund balances:					
Unassigned	337,674	-	(7,350)	330,324	757,678
Assigned	-	52,714	9,896	62,610	312,682
Committed	151,453	30,000	-	181,453	28,132
Restricted	7,258	394,091	255,865	657,214	770,554
Total fund balances	<u>496,385</u>	<u>476,805</u>	<u>258,411</u>	<u>1,231,601</u>	<u>1,869,046</u>
Total liabilities and fund balances	<u>\$ 496,385</u>	<u>476,805</u>	<u>272,411</u>		

Reconciliation to Statement of Net Position:

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities of \$7,938,082 (net of accumulated depreciation of \$3,605,865) are not financial resources and, therefore, are not reported in the funds.	4,332,217	4,172,146
Some liabilities, including capital debt obligations payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(65,000)	(324,803)
Net position of governmental activities	<u>\$ 5,498,818</u>	<u>5,716,389</u>

Statement of Revenues Received, Expenditures Disbursed, and Changes in Fund Balances
 Governmental Funds
 For the Year Ended March 31, 2015

	Major Funds			Total	
	General	Reserve Capital	Non-major	Governmental Funds	
	Fund	Expenditures	Governmental	2015	2014
		Fund	Funds		
Revenues received:					
Property taxes	\$ 416,777	-	260,567	677,344	693,900
Utility tax	348,342	-	-	348,342	375,155
Sales tax	644,910	-	-	644,910	632,385
Income tax	403,431	-	-	403,431	445,034
Replacement tax	41,487	-	-	41,487	43,418
Local use tax	83,226	-	-	83,226	73,386
Hotel/Motel tax	28,551	-	-	28,551	30,617
Video gaming tax	59,222	-	-	59,222	21,106
Interest income	2,653	3,486	263	6,402	6,559
Motor Fuel Tax	-	-	143,116	143,116	125,393
TIF Revenue	-	-	122,676	122,676	124,000
Charges for Services	578,267	-	-	578,267	670,016
Fines, fees, and forfeitures	74,372	-	-	74,372	68,697
Grants	7,804	-	-	7,804	83,176
Licenses and permits	55,236	-	-	55,236	73,802
Donations	5,784	-	-	5,784	4,992
Reimbursements	4,813	-	3,000	7,813	18,412
Miscellaneous	42,053	-	-	42,053	52,669
Total revenues received	2,796,928	3,486	529,622	3,330,036	3,542,717
Expenditures disbursed:					
Current:					
General government	418,281	113,824	451,899	984,004	800,776
Garbage services	297,021	-	-	297,021	287,315
Public safety	1,558,495	-	-	1,558,495	1,406,259
Streets and lighting	239,660	-	-	239,660	188,680
Culture and recreation	180,836	-	-	180,836	194,060
Capital Outlay	25,184	446,317	-	471,501	18,418
Debt Service					
Principal	-	-	225,000	225,000	219,547
Interest	-	-	10,964	10,964	20,966
Total expenditures disbursed	2,719,476	560,141	687,863	3,967,481	3,136,021
Excess (deficiency) of revenues received over (under) expenditures disbursed	77,452	(556,655)	(158,241)	(637,445)	406,696

The Notes to Financial Statements are an integral part of this statement.

Statement of Revenues Received, Expenditures Disbursed, and Changes in Fund Balances
Governmental Funds
For the Year Ended March 31, 2015

	Major Funds			Total Governmental Funds	
	General Fund	Reserve Capital Expenditures Fund	Non-major Governmental Funds	2015	2014
Other financing sources (uses):					
Transfers In	\$ 40,216	351,068	236,960	628,244	312,680
Transfers Out	(523,028)	-	(105,216)	(628,244)	(312,680)
Total other financing sources (uses)	(482,812)	351,068	131,744	-	-
Net Change in fund balance	(405,361)	(205,587)	(26,497)	(637,445)	406,696
Fund balances - beginning	901,746	682,392	284,908	1,869,046	1,462,350
Fund balances - ending	\$ 496,385	476,805	258,411	1,231,601	1,869,046

Reconciliation to the Statement of Activities:

Net Change in Fund Balances - total governmental funds \$ (637,445) 406,696

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

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:

Bonds Payable	225,000	219,547
Notes Payable	34,803	-

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The change in fund balance must be increased by capital purchases and decreased by depreciation expense.

Purchase of capital assets	432,610	33,193
Disposal of assets, net of depreciation	(17,477)	-
Depreciation	(255,062)	(190,008)

Change in net position of governmental activities (Statement B) \$ (217,571) 469,428

Statement of Fund Net Position
Proprietary Funds
March 31, 2015

	Major Funds						March 31,	
	Waterworks Fund	Water Capital Project Fund	Sewer Fund	Sewer Replacement Reserve Fund	Water Bond Fund			
						2015	2014	
<u>Assets</u>								
Current assets:								
Cash	\$ 421,853	78,572	106,745	98,989	-	706,159	615,901	
Accounts receivable	24,497	-	30,697	-	-	55,194	74,971	
Total current assets	446,350	78,572	137,442	98,989	-	761,353	690,872	
Non-current assets:								
Land	10,500	-	35,000	-	-	45,500	45,500	
Buildings & improvements	128,914	-	-	-	-	128,914	128,914	
Equipment	436,120	-	449,451	-	-	885,571	931,231	
Infrastructure	6,875,128	-	11,057,149	-	-	17,932,277	17,915,516	
Accumulated depreciation	(3,537,098)	-	(4,982,381)	-	-	(8,519,479)	(8,083,243)	
Total non-current assets	3,913,564	-	6,559,219	-	-	10,472,783	10,937,918	
Total assets	\$ 4,359,914	78,572	6,696,661	98,989	-	11,234,136	11,628,790	
<u>Liabilities</u>								
Current liabilities:								
Accounts payable	\$ 2,524	-	5,038	-	-	7,562	7,858	
Customer deposits	13,310	-	-	-	-	13,310	12,410	
Bonds payable - current portion	330,000	-	-	-	-	330,000	325,000	
EPA loan payable - current portion	-	-	221,105	208,054	-	429,159	418,101	
Notes payable - current portion	-	-	-	-	-	-	4,707	
Total current liabilities	345,834	-	226,143	208,054	-	780,031	768,076	
Long-term liabilities:								
Bonds payable - long term portion	295,000	-	-	-	-	295,000	625,000	
EPA Loan Payable - long term portion	-	-	734,277	2,804,000	-	3,538,277	3,967,436	
Notes Payable - long term portion	-	-	-	-	-	-	30,096	
Total long-term liabilities	295,000	-	734,277	2,804,000	-	3,833,277	4,622,532	
Total liabilities	640,834	-	960,420	3,012,054	-	4,613,308	5,390,608	
<u>Net Position</u>								
Invested in capital assets, net of related debt	3,288,564	-	5,603,837	(3,012,054)	-	5,880,347	5,567,578	
Restricted	-	78,572	-	-	-	78,572	34,649	
Unrestricted	430,516	-	132,404	98,989	-	661,909	635,955	
Total net position (deficit)	\$ 3,719,080	78,572	5,736,241	(2,913,065)	-	6,620,828	6,238,182	

The Notes to Financial Statements are an integral part of this statement.

VILLAGE OF DWIGHT, ILLINOIS

Statement of Revenues, Expenses, and Changes in Fund Net Position
 Proprietary Funds
 For the Year Ended March 31, 2015

	Major Funds						Year Ended March 31, 2014
	Waterworks Fund	Water Capital Project Fund	Sewer Fund	Replacement Reserve Fund	Water Bond Fund	Year Ended March 31, 2015	
Operating revenues:							
Sewer charges	-	-	751,173	200,654	-	951,827	986,481
Water charges	794,783	750	-	-	-	795,533	787,925
Other	1,281	-	245	-	-	1,526	7,764
Total operating revenues	796,064	750	751,418	200,654	-	1,748,886	1,782,170
Operating expenses:							
Water and sewer operations	358,448	14,429	411,078	-	-	783,955	824,395
Depreciation	198,463	-	274,301	-	-	472,764	483,876
Total operating expenses	556,911	14,429	685,379	-	-	1,256,719	1,308,271
Operating income (loss)	239,153	(13,679)	66,039	200,654	-	492,167	473,899
Non-operating revenues (expenses):							
Agent fees	-	-	-	-	(495)	(495)	(495)
Interest income	213	75	44	66	-	398	382
Interest expense	(1,209)	-	-	(108,981)	(24,905)	(135,095)	(153,189)
Total non-operating revenues (expenses)	(996)	75	44	(108,915)	(25,400)	(135,192)	(153,302)
Income (loss) before contributions and transfers	238,157	(13,604)	66,083	91,739	(25,400)	356,975	320,597
Contributed capital	25,671	-	-	-	-	25,671	54,403
Transfers in	-	57,541	-	120,731	25,386	203,658	223,157
Transfers out	(82,927)	-	(120,731)	-	-	(203,658)	(223,157)
Total	(57,256)	57,541	(120,731)	120,731	25,386	25,671	54,403
Change in net position	180,901	43,937	(54,648)	212,470	(14)	382,646	375,000
Total net position (deficit) - beginning	3,538,179	34,635	5,790,889	(3,125,535)	14	6,238,182	5,863,182
Total net position (deficit) - ending	\$ 3,719,080	78,572	5,736,241	(2,913,065)	-	6,620,828	6,238,182

The Notes to Financial Statements are an integral part of this statement.

Statement of Cash Flows
Proprietary Funds
For the Year Ended March 31, 2015

	Year Ended March 31,	
	2015	2014
Cash flows from operating activities:		
Receipts from customers	\$ 1,794,334	1,830,461
Payments for goods and services	(394,539)	(442,559)
Payments to employees	(389,712)	(374,887)
Net cash provided by operating activities	1,010,083	1,013,015
Cash flows from noncapital financing activities:		
Increase/(decrease) in current liabilities	900	840
Net cash provided by (used in) noncapital financing activities	900	840
Cash flows from capital financing activities:		
Capital purchases	(16,761)	(12,278)
Loss on disposals	9,132	-
Principal paid on capital debt	(777,904)	(726,876)
Interest paid on loan payable	(135,590)	(153,684)
Net cash provided by (used in) capital financing activities	(921,123)	(892,838)
Cash flows from investing activities:		
Interest	398	382
Net cash provided by investing activities	398	382
Net increase (decrease) in cash and cash equivalents	90,258	121,399
Cash balance - beginning of the year	615,901	494,502
Cash Balance - end of the year	\$ 706,159	615,901
Reconciliation of operating income to net cash provided by operating activities:		
Operating income (loss)	\$ 517,838	473,899
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	472,764	483,876
Changes in assets and liabilities	19,481	55,240
Net cash provided by operating activities	\$ 1,010,083	1,013,015

Statement of Fiduciary Net Position
 Agency Funds
 March 31, 2015

		March 31,	
		2015	2014
	<u>Assets</u>		
Cash		\$ 4,883	4,534
Total assets		<u>\$ 4,883</u>	<u>4,534</u>
	<u>Liabilities</u>		
Payable to others		\$ 4,883	4,534
Total liabilities		<u>\$ 4,883</u>	<u>4,534</u>

The Notes to Financial Statements are an integral part of this statement.

NOTES TO BASIC FINANCIAL STATEMENTS

VILLAGE OF DWIGHT, ILLINOIS

Notes to Financial Statements For the Year Ended March 31, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Dwight have been prepared on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Illinois, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Proprietary funds apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the Village's accounting policies are described below.

A. Reporting Entity

The Village Board is the basic level of government which has oversight responsibility and control over all activities related to the operation of the Village of Dwight, the primary government unit. The Board receives funding from local, state and federal government sources and must comply with the requirements of these funding sources entities. However, the Board is not included in any other governmental "reporting entity" as defined by the GASB pronouncement, since Board members are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters.

The Village follows the provision of Governmental Accounting Standards Board Statement No. 39, "Determining Whether Certain Organizations Are Component Units – an amendment of Statement No. 14." As defined by generally accepted accounting principles established by GASB, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate, tax-exempt entities and meet all of the following criteria:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents.
2. The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.
3. The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

The Village, for financial purposes, includes all funds relevant to the operations of the Village. The accompanying financial statements present the Village's primary government over which the Village exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the Village. The Village did not omit from the financial statements any agency that met the inclusion criteria. In addition, the Village 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.

VILLAGE OF DWIGHT, ILLINOIS

Notes to Financial Statements For the Year Ended March 31, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

A. *Reporting Entity – (Continued)*

Government-wide and Fund Financial Statements:

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the Village. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. For the most part, the effect of the inter-fund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to citizens or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported instead as general revenues.

Earnings on investments not included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and the proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The government-wide financial statements are reported using the modified cash basis of accounting. Revenues are recorded when cash is received and expenses are recorded when cash is paid.

B. *Fund Accounting*

The accounts of the Village are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue, and expenditures, or expenses, as appropriate. Village resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The Village has the following funds:

Governmental Fund Types - Governmental Funds are those through which general governmental functions of the Village are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are paid; and the difference between governmental fund assets and liabilities, the fund equity, is referred to as "fund balance." The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following comprise the Village's major governmental funds:

VILLAGE OF DWIGHT, ILLINOIS

Notes to Financial Statements
For the Year Ended March 31, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

B. *Fund Accounting* – (Continued)

General Fund - The General Fund is the general operating fund of the Village. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. Many of the more important activities of the Village, including operation of the Village's general service departments, street and highway maintenance, and public safety are accounted for in this fund.

Reserve for Capital Expenditures Fund – accounts for funds set aside for the acquisition of capital assets, except for those funded by enterprise fund activities.

The other governmental funds of the Village are considered non-major and are as follows:

Special Revenue Funds - The Special Revenue Funds are used to account for the proceeds to specific revenue sources (other than special assessments, expendable trust, or major capital projects) that are legally restricted to expenditures for specified purposes. The special revenue funds are:

FICA/IMRF Fund – accounts for taxes restricted for payment of retirement benefits to social security and the Illinois Municipal Retirement Fund.

CDAP Economic Development – accounts for funds restricted for loans and grants to encourage economic development in the Village.

Commercial Rent Subsidy Fund – accounts for funds restricted for providing rent subsidies for one year with the intent to benefit tenants and landlords by better utilization of existing commercial structures in the Village.

Commercial Rehabilitation Loan Fund – accounts for funds restricted for loans provided from a consortium of lending institutions in financing the restoration and/or rehabilitation of properties in the area.

Motor Fuel Tax Fund - The Motor Fuel Tax Fund is a Special Revenue Fund used to account for the motor fuel tax monies received from the State of Illinois. These monies are restricted for street and road project expenditures approved by the State of Illinois.

TIF Fund - The TIF Fund is described in detail in Note 17 to these financial statements.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and payment of, general long-term debt principal, interest and related costs. The 2005 MFT and the Public Service Bond Funds are the Village's only Debt Service funds. The fund balances of the funds are reserved to signify the amounts that are restricted exclusively for debt service expenses.

Capital Project Funds - Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village did not report any Capital Project Funds for the year ended March 31, 2015.

VILLAGE OF DWIGHT, ILLINOIS

Notes to Financial Statements
For the Year Ended March 31, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

B. *Fund Accounting – (Continued)*

Proprietary Fund Types

Enterprise Funds - Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that costs (expenses including depreciation) of providing goods and services to the general public on a continuing basis be financed and recovered primarily through user charges. The Waterworks Fund, Water Capital Fund, Sewer Fund, Sewer Replacement Fund, and Water Bond Fund are the major enterprise funds of the Village. Operating revenues include user charges and reimbursements, and operating expenses include the costs associated with providing goods and services to the public. Non-operating revenues and expenses include interest and fiscal agent fees.

C. *Basis of Accounting*

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the cash basis of accounting. Revenues are recognized when cash is received. Expenditures are recognized when checks are written.

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

All proprietary funds are accounted for using the accrual basis of accounting. Revenues are recognized when earned. Expenses are recognized when incurred.

Accrual basis financial statements include recognition of receivables and payables and other accrued and deferred items.

D. *Capital Assets and Long-Term Liabilities*

The accounting and reporting treatment applied to the capital assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on the balance sheets.

The reported fund balance (net position) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net position. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

VILLAGE OF DWIGHT, ILLINOIS

Notes to Financial Statements
For the Year Ended March 31, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

D. Capital Assets and Long-Term Liabilities – (Continued)

Depreciation is provided in amounts sufficient to relate costs of the depreciable assets to operations over their estimated service lives on the straight-line basis. Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. The service lives by type of asset are as follows:

Buildings & Infrastructure	40 years
Improvements	10 years
Equipment	7 years

E. Property Taxes

On the cash basis of accounting, property taxes are recognized as revenues when they are received. Property taxes are levied and attach as an enforceable lien on property on January 1 and are payable in two installments due on June 1 and September 1 subsequent to the year of levy.

The 2013 property tax levy, in the amount of \$632,000, reduced by statutory limitations to \$610,688, was received by the Village in the current fiscal year. The 2014 tax levy in the amount of \$632,000, reduced by statutory limitations to \$608,653, was adopted on November 24, 2014 and will be received by the Village in the subsequent fiscal year.

F. Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Village's financial position and operations. Certain amounts for 2014 may have been reclassified to conform to the 2015 presentation.

NOTE 2: CASH AND INVESTMENTS

Illinois statute authorizes the Village to invest in obligations of the U.S. Treasury, U.S. Agencies and banks and savings and loan associations covered by the federal depository insurance. The Village may also invest in commercial paper of U.S. corporations with assets exceeding \$500,000,000 provided that (a) the obligations are rated with the three highest classifications by at least two standards rating services and they mature within 180 days from the date of purchase, and (b) no more than 25% of any fund is invested in such obligation at any one time and (c) such purchases do not exceed 10% of the corporation's outstanding obligations.

Cash and cash equivalents, for reporting purposes, include bank accounts, petty cash and all short-term investments with a remaining maturity of three months or less when purchased, such as certificates of deposit. All amounts are stated at cost which approximates market.

Separate bank accounts are not maintained for all Village funds. Certain funds maintain their uninvested cash balances in a common checking account, with accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund.

VILLAGE OF DWIGHT, ILLINOIS

Notes to Financial Statements
For the Year Ended March 31, 2015

NOTE 2: CASH AND INVESTMENTS – (Continued)

Occasionally funds participating in the common bank account will incur overdrafts (deficits) in the account. The overdrafts result from expenditures which have been approved by the Board. Such overdrafts constitute unauthorized inter-fund loans, since they were not authorized by the Village Council.

Cash and investments as of March 31, 2015 are classified as cash and cash equivalents on the Statement of Net Position, and include the following:

Cash	\$ 975,790
Investments	<u>961,970</u>
Total	<u>\$ 1,937,760</u>

The Village's deposits and certificates of deposits are required to be covered by federal depository insurance (FDIC) or by securities held by the pledging financial institution. The FDIC currently insures the first \$250,000 of the Village's deposits at each financial institution. Deposit balances over \$250,000 are collateralized with securities held by the pledging financial institution. At March 31, 2015, the bank balance of the Village's deposits was \$1,971,742 and the carrying amount was \$1,937,560 (excluding petty cash of \$200).

Custodial Credit Risk:

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its deposits, investments, or collateral securities that are in the possession of another party. The Village does not have a deposit policy for custodial credit risk.

NOTE 3: PERSONAL PROPERTY REPLACEMENT TAX

The Village receives Personal Property Replacement Tax, which represents an additional State of Illinois income tax on corporations (certain utilities), trusts, partnerships, and Subchapter S corporations and a new tax on the invested capital of public utilities providing gas, communications, electrical and waste services.

VILLAGE OF DWIGHT, ILLINOIS

Notes to Financial Statements
For the Year Ended March 31, 2015

NOTE 4: CAPITAL ASSETS

A summary of changes in capital assets follows:

	Beginning Balance	Increase	Decrease	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 136,366	35,000	-	171,366
Capital assets being depreciated				
Machinery & equipment	1,551,919	374,865	(332,377)	1,594,407
Infrastructure	2,949,389	-	-	2,949,389
Buildings	3,200,175	22,745	-	3,222,920
Total capital assets being depreciated	7,701,483	397,610	(332,377)	7,766,716
Less accumulated depreciation for:				
Machinery & equipment	(1,433,667)	(118,541)	314,900	(1,237,308)
Infrastructure	(458,070)	(73,735)	-	(531,805)
Buildings	(1,773,966)	(62,786)	-	(1,836,752)
Total accumulated depreciation	(3,665,703)	(255,062)	314,900	(3,605,865)
Total capital assets being depreciated, net	4,035,780	142,548	(17,477)	4,160,851
Governmental activities capital assets, net	\$ 4,172,146	177,548	(17,477)	4,332,217
Business-Type Activities:				
Capital assets not being depreciated:				
Land - Water Fund	\$ 10,500	-	-	10,500
Land - Sewer Fund	35,000	-	-	35,000
Total capital assets not being depreciated	45,500	-	-	45,500
Capital assets being depreciated:				
Buildings/infrastructure - Water Fund	128,914	-	-	128,914
Utility Systems - Water Fund	6,875,125	-	-	6,875,125
Equipment - Water Fund	481,781	-	(45,660)	436,121
Utility Systems - Sewer Fund	11,040,387	16,761	-	11,057,148
Equipment - Sewer Fund	449,454	-	-	449,454
Total capital assets being depreciated	18,975,661	16,761	(45,660)	18,946,762
Less accumulated depreciation for:				
Buildings/infrastructure - Water Fund	(128,913)	-	-	(128,913)
Utility Systems - Water Fund	(2,877,856)	(171,878)	-	(3,049,734)
Equipment - Water Fund	(368,393)	(26,585)	36,528	(358,450)
Utility Systems - Sewer Fund	(4,322,760)	(259,979)	-	(4,582,739)
Equipment - Sewer Fund	(385,321)	(14,322)	-	(399,643)
Total accumulated depreciation	(8,083,243)	(472,764)	36,528	(8,519,479)
Total capital assets being depreciated, net	10,892,418	(456,003)	(9,132)	10,427,283
Business-type activities capital assets, net	\$ 10,937,918	(456,003)	(9,132)	10,472,783

VILLAGE OF DWIGHT, ILLINOIS

Notes to Financial Statements
For the Year Ended March 31, 2015

NOTE 5: CHANGE IN LONG-TERM OBLIGATIONS

The following is a summary of general long-term debt transactions of the Village for the year ended March 31, 2015:

Type of Debt	Beginning Balance	Additions	Retirements	Ending Balance	Due in One Year
Governmental Activities:					
Equipment Installment Note	\$ 34,803	-	34,803	-	-
Bonds Payable - Series 2009	170,000	-	105,000	65,000	65,000
Bonds Payable - MFT	120,000	-	120,000	-	-
Total Governmental Activities	\$ 544,350	-	259,803	65,000	65,000
Business-type Activities:					
Equipment Installment Note	\$ 34,803	-	34,803	-	-
Bonds Payable - Series 2010	950,000	-	325,000	625,000	330,000
IEPA Loan Payable	3,215,003	-	202,949	3,012,054	208,054
IEPA Loan Payable	468,117	-	128,986	339,131	132,740
IEPA Loan Payable	702,417	-	86,166	616,251	88,365
Total Business-type Activities	\$ 5,370,340	-	777,904	4,592,436	759,159

At March 31, 2015, bonds and notes payable consisted of the following:

\$630,000 – Refunding Bond (Alternate Revenue Source) Series 2009, due in annual installments of \$75,000 - \$105,000 from December 1, 2009 through December 1, 2015, interest ranges from 2.5% to 2.85%.

Due During Year Ended March 31,	Principal	Interest		Total
		June 1	December 1	
2016	\$ 65,000	926	926	66,852
	\$ 65,000	926	926	66,852

\$1,000,000 – General Obligation Bond (Alternate Revenue Source), due in annual installments of \$85,000 - \$120,000 from December 1, 2005 through December 1, 2014, interest ranges from 4.5% to 5.1%. This bond was paid in full during the year ended March 31, 2015.

Equipment Installment Note – due to Merchants Capital Resources, Inc., payable in 60 monthly installments of \$972.18 including interest at 3.45%, with a balloon payment in the amount of \$44,738.80 due on November 8, 2016. This note was terminated during the year ended March 31, 2015, as the equipment was traded for newer equipment. The new equipment is under an operating lease.

VILLAGE OF DWIGHT, ILLINOIS

Notes to Financial Statements
For the Year Ended March 31, 2015

NOTE 5: CHANGE IN LONG-TERM OBLIGATIONS – (Continued)

\$1,840,000 – 1994 General Obligation Refunding Waterworks Bonds, Series 2010, payable beginning December 1, 2011 through December 1, 2016, interest ranges from 2.3% to 3.00% and are not subject to redemption prior to maturity.

Due During Year Ended March 31,	Principal	Interest		Total
		June 1	December 1	
2016	\$ 330,000	8,715	8,715	347,430
2017	295,000	4,425	4,425	303,850
	<u>\$ 625,000</u>	<u>13,140</u>	<u>13,140</u>	<u>651,280</u>

Note Payable – Illinois Environmental Protection Agency (IEPA), payable in semi-annual installments of \$70,795 inclusive of interest, term of the loan agreement is from July 17, 1998 to July 17, 2017, interest rate of 2.89%.

Due During Year Ended March 31,	Principal	Interest		Total
		July 1	January 1	
2016	\$ 132,740	4,900	3,948	141,588
2017	136,607	2,982	2,002	141,591
2018	69,784	1,012	-	70,796
	<u>\$ 339,131</u>	<u>8,894</u>	<u>5,950</u>	<u>353,975</u>

Note Payable – Illinois Environmental Protection Agency (IEPA), payable in semi-annual installments of \$51,715 inclusive of interest, term of the loan agreement is from June 1, 2002 to June 1, 2021, interest rate of 2.535%.

Due During Year Ended March 31,	Principal	Interest		Total
		July 1	January 1	
2016	\$ 88,365	7,811	7,254	103,430
2017	90,551	6,725	6,154	103,430
2018	92,887	5,576	4,967	103,430
2019	95,302	4,364	3,764	103,430
2020	97,733	3,156	2,541	103,430
2021	100,226	1,918	1,286	103,430
2022	51,187	648	-	51,835
	<u>\$ 616,251</u>	<u>30,198</u>	<u>25,966</u>	<u>672,415</u>

VILLAGE OF DWIGHT, ILLINOIS

Notes to Financial Statements
For the Year Ended March 31, 2015

NOTE 5: CHANGE IN LONG-TERM OBLIGATIONS – (Continued)

\$4,500,000 Note Payable - Illinois Environmental Protection Agency (IEPA), payable in semi-annual installments inclusive of interest at 2.5%, term of the loan agreement is from November 15, 2006 to December 15, 2027.

Due During Year Ended March 31,	Principal	Interest		Total
		September 27	March 27	
2016	\$ 208,054	37,652	36,358	282,064
2017	213,289	35,050	33,725	282,064
2018	218,654	32,384	31,026	282,064
2019	224,155	29,651	28,258	282,064
2020	229,794	26,849	25,421	282,064
2021	235,575	23,976	22,513	282,064
2022	241,500	21,032	19,532	282,064
2023	247,576	18,013	16,475	282,064
2024	253,804	14,918	13,342	282,064
2025	260,188	11,746	10,130	282,064
2026	266,734	8,493	6,837	282,064
2027	273,444	5,159	3,461	282,064
2028	139,287	1,745	-	141,032
	<u>\$ 3,012,054</u>	<u>266,668</u>	<u>247,078</u>	<u>3,525,800</u>

NOTE 6: INDIVIDUAL FUND DISCLOSURES

During the course of normal operations, the Village has numerous transactions between funds including expenditures and transfers of resources primarily to provide services. The governmental and proprietary type funds financial statements generally reflect such transactions as transfers.

All Village funds record these payments to internal service funds as operating expenses. The proprietary funds record operating subsidies as other income whereas the fund paying the subsidy records it as either an expenditure or transfer.

At March 31, 2015, there was \$14,000 payable from the TIF Fund to the General Fund. A temporary transfer was made from the General Fund to cover TIF Fund expenditures in a prior year, and the majority of the outstanding balance (\$125,000) was repaid in the current year.

The transfers represent both routine and non-routine items. Generally, transfers occur to meet the operating purposes of another fund. Transfers were made to debt service and capital reserve funds from the General Fund and the MFT Fund. Transfers were made to capital projects and debt service funds from the Water & Sewer Funds.

VILLAGE OF DWIGHT, ILLINOIS

Notes to Financial Statements
For the Year Ended March 31, 2015

NOTE 6: INDIVIDUAL FUND DISCLOSURES – (Continued)

<u>Fund</u>	<u>Transfer from Other Funds</u>	<u>Transfer to Other Funds</u>
Governmental Funds:		
Major Funds:		
General Fund	\$ 40,216	523,028
Reserve Capital Expenditures	351,068	-
Non-major Funds:		
Commercial Rehab Fund	-	40,216
Public Service Bond Fund	110,340	-
MFT Bond Fund	125,953	-
Motor Fuel Tax	667	65,000
Total Governmental Funds	<u>628,244</u>	<u>628,244</u>
Business-type Funds:		
Water Capital Project Fund	57,541	-
Water Fund	-	82,927
Water Bond Fund	25,386	-
Sewer Replacement Reserve	120,731	-
Sewer Fund	-	120,731
Total Business-type Funds:	<u>203,658</u>	<u>203,658</u>
Total Transfers	<u>\$ 831,902</u>	<u>831,902</u>

NOTE 7: PARTICIPATION IN PUBLIC ENTITY RISK POOL

The Village is exposed to various risks of loss including, but not limited to, general liability, property casualty, workers compensation and public official liability. To limit exposure to these risks, the Village participated in the Illinois Municipal Insurance Cooperative. The Village's deductible under this plan is \$1,000. The Village's policy is to record any related expenditures in the year in which the Village is notified and pays the assessment. The Village is not aware of any additional assessments owed as of March 31, 2015.

During the year ended March 31, 2015, there were no significant reductions in insurance coverage from the prior year. Also, there have been no settlement amounts which have exceeded insurance coverage in the past three years.

NOTE 8: CONTINGENCIES - LITIGATION

The Village is not a defendant in any current litigation. With regards to other pending matters, the eventual outcome and the related liability, if any, is not determinable at this time.

VILLAGE OF DWIGHT, ILLINOIS

Notes to Financial Statements
For the Year Ended March 31, 2015

NOTE 9: ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF)

Plan Description - The Village'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 Village 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, Village 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 Village's annual required contribution rate for calendar year 2014 was 11.79 percent. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost - The required contribution for calendar year 2014 was \$145,483.

Three-Year Trend Information for the Regular Plan

Calendar Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2014	145,483	100%	\$ -
12/31/2013	145,122	100%	-
12/31/2012	180,369	100%	-

The required contribution for 2014 was determined as part of the December 31, 2012, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2012, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of 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, 2012 is being amortized as a level percentage of projected payroll on an open 29 year basis.

Funded Status and Funding Progress - As of December 31, 2014, the most recent actuarial valuation date, the Regular plan was 88.18 percent funded. The actuarial accrued liability for benefits was \$5,175,849 and the actuarial value of assets was \$4,563,935, resulting in an underfunded actuarial accrued liability (UAAL) of \$611,914. The covered payroll for calendar year 2014 (annual payroll of active employees covered by the plan) was \$1,233,953 and the ratio of the UAAL to the covered payroll was 50 percent.

VILLAGE OF DWIGHT, ILLINOIS

Notes to Financial Statements
For the Year Ended March 31, 2015

NOTE 9: ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF) - (Continued)

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

NOTE 10: COMPENSATED ABSENCES

The Village provides full-time employees with vacation, sick, and personal leave in varying amounts.

Vacation pay is awarded, based on years of service, annually at the beginning of each employee's employment anniversary date. Vacation must be taken during the year and may only be carried over if approved by the employee's immediate supervisor. Unused vacation days are paid to all employees upon separation of service. The Village's obligation for unused vacation at March 31, 2015 was \$63,604.

Each employee is awarded eight hours of sick pay for each month worked during a calendar year. Sick pay may be accumulated up to 700 hours. Employees have the option of trading unused sick leave exceeding 700 hours for additional vacation time at a rate of two hours for one hour of vacation.

Following the end of the calendar year, employees with excess accumulated sick leave hours are paid one hour of pay for every two hour in excess of the 700 maximum accumulation. One-half of accumulated sick hours are paid to employees when they separate from service due to retirement or a reduction in work force. The total accumulated sick leave obligation at year end was \$269,660.

NOTE 11: LEGAL DEBT MARGIN

The following schedule illustrates the legal debt margin of the Village as of March 31, 2015:

Assessed valuation - 2014		<u>\$ 62,894,725</u>
Statutory debt limitation (8.625% of assessed valuation)		\$ 5,424,670
Debt outstanding at March 31, 2015:		
Notes payable	\$ -	
General obligation bonds payable	690,000	
EPA loans payable	<u>3,967,435</u>	
	4,657,435	
EPA loan and other debt not included for purposes of debt limitation statute	<u>(4,657,435)</u>	<u>-</u>
Legal debt margin		<u>\$ 5,424,670</u>

VILLAGE OF DWIGHT, ILLINOIS

Notes to Financial Statements
For the Year Ended March 31, 2015

NOTE 12: SOCIAL SECURITY

Employees not qualifying for coverage under the Illinois Retirement Fund are considered as "non-participating employees." These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under social security. The Village paid \$105,214, the total required contribution for the year ended March 31, 2015.

NOTE 13: RESTRICTED FUND BALANCE

Amounts classified as restricted fund balance represent portions of fund balance which are specifically restricted by legal or administrative policy are not available for general operation expenditures.

Restricted tax levies:

Cash receipts and the related disbursements of the following restricted tax levies are accounted for in the General Fund. A portion of the General Fund's equity represents cumulative receipts over cumulative disbursements which is restricted for future expenditures for the following purposes:

	<u>Levy</u>	<u>Expenditure</u>	<u>Restricted Balance</u>
Audit	\$ 1,540	8,750	-
Street Lighting	32,693	31,868	2,211
Parks	49,040	121,424	-
Road & Bridge	65,347	41,223	5,047
Liability Insurance	95,204	112,951	-
Total	<u>\$ 243,824</u>	<u>316,216</u>	<u>7,258</u>

NOTE 14: MOTOR FUEL TAX ALLOTMENTS

Under current procedures, the allotments to the Village are being received from the State of Illinois each month. These allotments, however, may be expended only for specific projects that have been approved by the Department of Transportation, State of Illinois.

NOTE 15: GRANTS

The Village was awarded and received grants from various local agencies during the year ended March 31, 2015, which have been recorded as revenues of the General Fund. The Village did not receive any State or Federal grant funds during the year ended March 31, 2015.

VILLAGE OF DWIGHT, ILLINOIS

Notes to Financial Statements
For the Year Ended March 31, 2015

NOTE 16: POSTRETIREMENT BENEFITS OTHER THAN PENSIONS

GASB Statement No. 45 – Accounting and Financial Reporting by Employers for Postretirement Benefits Other Than Pensions. Projections of benefits for financial reporting purposes are based on a given plan and include the benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point.

The Village health plan for employees contains a provision whereby the Village will pay single health insurance premiums for retiring full-time employees that have a minimum of 15 years of service with the Village. The Village pays a percentage of the premium ranging from 50% to 70% depending on the years of service at retirement until the retiree becomes eligible for Medicare. The Village pays no part of the premiums once the retiree reaches age 65, but the retiree is eligible to remain on the group policy and pay the monthly premiums. The Village has not determined the actuarial obligation attributable to this plan.

NOTE 17: TIF DISTRICT

On April 3, 2009, the Village Board of Trustees passed Ordinance 1264 establishing a tax increment financing district. The goal of the Tax Increment Financing law is to induce private development, which would not occur without public expenditures, in economically depressed areas in order to improve property value and eliminate blight.

Also on April 3, 2009, the Village approved the Downtown/IL 47 Redevelopment Plan and Project and designated the Downtown/IL 47 Redevelopment Project Area as the TIF District.

The Village will use incremental tax revenues to pay for redevelopment project costs and obligations incurred during both projects.

The TIF Fund is accounted for on these financial statements as a Special Revenue Fund.

The Village made payments totaling \$2,650 for professional services during the current fiscal year, per an approved agreement.

VILLAGE OF DWIGHT, ILLINOIS

Notes to Financial Statements
For the Year Ended March 31, 2015

NOTE 18: FUND BALANCE – GASB 54 PRESENTATION

According to Government Accounting Standards, fund balances are to be classified into five major classifications: Non-spendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance.

A. Non-spendable Fund Balance

The non-spendable 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 and prepaid amounts.

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 laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Debt Service Funds are by definition restricted for these specified purposes. The Village has several different funds that also fall into these categories – see Note 13 for restricted levies accounted for in the General Fund. Additionally, the Village has the following restricted balances:

1. Social Security - Cash disbursed and the related cash receipts of this restricted tax levy are accounted for in the FICA & IMRF Fund. Revenue received exceeded expenditures disbursed for this purpose, resulting in a restricted fund balance of \$43,590.
2. IMRF - Cash disbursed and the related cash receipts of this restricted tax levy are accounted for in the FICA & IMRF Fund. Revenue received exceeded expenditures disbursed for this purpose, resulting in a restricted fund balance of \$62,640.
3. Motor Fuel Tax - Cash disbursed and the related cash receipts of this restricted income source are accounted for in the Motor Fuel Tax Fund. Revenue received exceeded expenditures disbursed for this purpose, resulting in a restricted fund balance of \$66,337. See Note 14 for additional information.
4. CDAP Loans - Cash disbursed and the related cash receipts of this restricted income source are accounted for in the CDAP Economic Development Fund. Revenue received exceeded expenditures disbursed for this purpose, resulting in a restricted fund balance of \$83,298. See Note 20 for additional information.
5. Capital Expenditures – Restricted fund balances in the Reserve for Capital Expenditures fund include the following, resulting from restricted contributions and donations:

Village Parks	\$	59,011
Pool Renovations		78,471
Brewster Run		104,973
Downtown Street Project		151,606
Total	\$	<u>394,061</u>

VILLAGE OF DWIGHT, ILLINOIS

Notes to Financial Statements
For the Year Ended March 31, 2015

NOTE 18: FUND BALANCE – GASB 54 PRESENTATION

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 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. As of March 31, 2015, the Village has the following committed fund balances:

1. In September 2014, the Village entered into a real estate contract to purchase property at a cost of \$35,000. The Village paid \$5,000 upon signing the agreement, and the remaining \$30,000 will be paid upon receipt of the deed. The outstanding \$30,000 has been reported as a committed fund balance in the Reserve for Capital Expenditures Fund.
2. In December 2014, the Village Board passed a resolution to commit funds for completion of the Pine Cone Path project, in conjunction with an Illinois Transportation Enhancement Program grant, to be completed in subsequent years. The Village has reported a committed fund balance of \$151,453 in the General Fund in connection with this resolution.

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 Board itself or (b) the finance committee or by the Treasurer/Administrator when the Village Board has delegated the authority to assign amounts to be used for specific purposes. The Village has the following assigned fund balances as of March 31, 2015:

1. Reserve for Capital Expenditures – Amounts in this fund which are intended to be used for future capital outlays of the Village, but have not been formally committed for specific purchases or projects total \$52,714, and are reported as assigned fund balance in the Reserve for Capital Expenditures Fund.
2. Commercial Rent Subsidy – Amounts in this fund are intended to be used for future rent subsidies with the intent to benefit tenants and landlords by better utilization of existing commercial structures in the Village. The Commercial Rent Subsidy Fund has an assigned fund balance of \$9,896 as of March 31, 2015.

E. Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amounts in the General Funds for amounts that have not been restricted, committed, or assigned to specific purposes within the General Funds. Additionally, the deficit of \$7,350 is reported as unassigned in the TIF fund at March 31, 2015.

VILLAGE OF DWIGHT, ILLINOIS

Notes to Financial Statements
For the Year Ended March 31, 2015

NOTE 19: LEASES

The Village had a lease agreement with McGrath Office Equipment for a copy machine. Payments were made monthly in the amounts of \$225, and the lease expired August 3, 2014.

In September of 2014, the Village entered into a new lease agreement with McGrath Office Equipment for a copy machine. Payments are made monthly in the amount of \$311, and the lease expires September 10, 2019.

In July of 2014, the Village entered into a lease agreement with Merchants Capital for a 2014 John Deere Tractor. Payments are made monthly in the amount of \$972, and the lease expires June 18, 2019.

The Village also had a lease agreement with NeoPost for a postage machine. Payments were made monthly in the amount of \$26, and lease payments were scheduled to increase at 5% annually. The lease was being carried on a month-to-month agreement through May, 2015. In June of 2015, the Village entered into a new lease agreement with NeoPost for a postage machine. Payments will be made monthly in the amount of \$20, and the lease expires June 4, 2018.

The following is the schedule of the Village's annual lease obligations:

Year Ending March 31,	McGrath	Merchants	NeoPost	Total
2016	\$ 3,732	11,666	200	15,598
2017	3,732	11,666	240	15,638
2018	3,732	11,666	240	15,638
2019	3,732	11,666	40	15,438
2020	1,555	2,917	-	4,472

NOTE 20: CDAP LOANS

The Village had two loan agreements with Spuds, Inc. and one with Dwight Restaurant Group, LLC. Spuds, Inc. has declared bankruptcy and the remaining loan balance of \$201,587 was written off during the year ended March 31, 2015. The Dwight Restaurant Group, LLC. has an outstanding loan balance of \$63,438 as of March 31, 2015.

NOTE 21: OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

Generally accepted accounting principles require disclosure, as part of the fund financial statements, an overview of certain information concerning individual funds including:

No funds had expenditures in excess of appropriations for the year ended March 31, 2015.

OTHER INFORMATION

Statement of Assets, Liabilities and
Fund Balance - Arising from Cash Transactions
March 31, 2015

Assets

Cash	\$	482,385
Due from Tax Increment Financing Fund		<u>14,000</u>
Total assets	\$	<u>496,385</u>

Fund Balance

Fund balance:		
Unassigned	\$	337,674
Committed for construction projects		151,453
Restricted for street lighting		2,211
Restricted for roads & bridges		<u>5,047</u>
Total fund balance	\$	<u>496,385</u>

VILLAGE OF DWIGHT, ILLINOIS
GENERAL FUND

SCHEDULE A-2

Statement of Revenues Received, Expenditures Disbursed and
Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2015
(With Comparative Figures for 2014)

	Original Budget	Amended Budget	Year Ended March 31,	
			2015	2014
Revenues received:				
Property taxes	\$ 438,500	438,500	416,777	434,329
Utility tax	230,000	230,000	232,889	241,961
Telecommunications taxes	145,000	115,000	115,453	133,194
Hotel/Motel taxes	30,000	30,000	28,551	30,617
State sales tax	670,000	640,000	644,910	632,385
State income taxes	416,628	416,628	403,431	445,034
Local use taxes	75,828	75,826	83,226	73,386
Replacement taxes	41,500	41,500	41,487	43,418
Gas tax refund	1,250	2,000	3,638	-
Garbage/refuse	301,057	301,557	293,645	283,331
Ambulance receipts	275,500	255,000	258,568	283,428
Police compensation	68,000	16,000	75	68,000
Grants	67,500	7,500	7,804	750
Interest income	2,750	2,750	2,653	2,606
Video gaming revenue	25,000	50,000	59,222	21,106
Miscellaneous	5,000	10,000	39,748	5,215
Permits	11,350	11,350	17,528	35,929
Licenses	33,600	33,600	37,708	37,873
County fines	56,250	56,250	56,537	60,546
Village fines	10,000	14,200	17,835	8,151
Donations	3,300	3,250	5,784	4,992
Park/Pool charges for service	42,200	25,100	25,979	35,257
Tourism revenue	2,750	2,750	2,305	2,773
Retiree insurance reimbursement	4,670	1,100	1,175	17,912
Total revenues received	\$ 2,957,633	2,779,861	2,796,928	2,902,193

VILLAGE OF DWIGHT, ILLINOIS
GENERAL FUND

SCHEDULE A-2
(Continued)

Statement of Revenues Received, Expenditures Disbursed and
Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2015
(With Comparative Figures for 2014)

	Original Budget	Amended Budget	Year Ended March 31,	
			2015	2014
Expenditures disbursed:				
General Government:				
Current:				
Salaries - Employees	\$ 88,000	87,500	85,439	82,948
Salaries - Elected	20,000	17,500	16,495	16,420
Employee benefits	17,085	14,391	12,645	29,264
Unemployment insurance	290	400	355	229
Worker's compensation	1,500	3,500	3,369	1,303
Transportation services	4,800	4,800	4,800	4,800
Building maintenance	16,000	30,000	29,524	17,943
Equipment maintenance	8,500	15,000	14,519	8,289
Engineering services	15,000	21,000	20,065	27,314
Legal & professional services	37,550	39,350	33,045	40,808
Dues and fees	2,000	2,000	1,630	2,417
Printing and publications	2,000	4,000	3,097	2,263
Postage	4,000	4,000	4,009	3,521
Telephone	3,500	4,000	3,815	3,722
Travel	1,750	1,500	871	1,417
Training	1,000	500	280	1,049
Economic development	45,000	50,000	46,054	62,630
Hotel/Motel expenditures	30,000	30,000	28,058	23,046
Utilities	2,000	5,200	5,078	1,628
Insurance	75,000	80,000	79,288	71,739
Equipment rental	4,250	6,500	6,158	3,692
Other contractual services	1,500	1,500	1,059	1,059
Maintenance supply - building	1,500	1,000	732	1,242
Maintenance supply - equipment	600	600	255	271
Office supplies	3,500	4,000	3,948	2,795
Sales tax paid	125	155	153	91
Miscellaneous expense	7,500	7,500	5,729	6,437
Garbage disposal:				
Current:				
Disposal services	297,558	297,558	296,188	286,152
Postage	650	850	833	797
Supplies	150	150	-	249
Miscellaneous expense	150	150	-	117

VILLAGE OF DWIGHT, ILLINOIS
GENERAL FUND

SCHEDULE A-2
(Continued)

Statement of Revenues Received, Expenditures Disbursed and
Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2015
(With Comparative Figures for 2014)

	Original Budget	Amended Budget	Year Ended March 31,	
			2015	2014
Expenditures disbursed (Continued):				
Public Safety:				
Current:				
Salaries - Employees	\$ 627,525	656,000	650,962	575,570
Employee benefits	109,380	109,380	108,996	84,764
Unemployment insurance	1,250	1,600	1,515	1,005
Worker's compensation	9,200	13,000	12,726	8,836
Uniform allowance	10,000	10,000	8,717	8,659
Contractual services	30,215	30,215	28,111	28,107
Maintenance - equipment	4,000	4,000	1,356	2,930
Maintenance - vehicles	14,000	14,000	12,222	16,983
Telephone	7,500	8,500	8,363	8,149
Printing & advertising	1,500	1,250	1,155	509
Dues and fees	1,200	1,500	1,359	1,040
Travel expense	3,000	1,500	912	1,483
Training expense	6,800	7,500	7,442	1,084
Supplies	3,750	5,000	4,589	4,611
Fuel/oil	33,000	30,000	27,507	30,410
DUI expense	5,000	7,000	6,994	-
Canine unit	4,500	6,250	6,100	336
Officer friendly expenditures	9,000	7,500	6,806	7,936
Range expense	1,000	500	469	5,418
Prisoner medical care	500	250	-	-
Humane officer & animal control	500	250	65	63
Miscellaneous	4,000	7,000	6,620	1,325
ESDA:				
Current:				
Salaries	1,000	750	641	612
Unemployment insurance	10	10	6	5
Worker's compensation	-	150	128	23
Contractual services	5,000	5,600	5,552	5,147
Repair & maintenance	500	550	535	-
Telephone	750	900	873	814
Training	300	200	-	-
Supplies	300	100	-	-
Other	200	100	76	445

VILLAGE OF DWIGHT, ILLINOIS
GENERAL FUND

SCHEDULE A-2
(Continued)

Statement of Revenues Received, Expenditures Disbursed and
Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2015
(With Comparative Figures for 2014)

	Original Budget	Amended Budget	Year Ended March 31,	
			2015	2014
Expenditures disbursed (Continued):				
Ambulance Services:				
Current:				
Salaries	\$ 74,180	75,000	74,867	71,301
Employee benefits	13,766	11,141	10,904	9,418
Unemployment insurance	125	125	123	97
Worker's compensation	4,000	4,500	4,381	3,704
Uniform allowance	4,000	4,500	4,139	4,416
Contractual services	464,000	464,000	462,505	445,192
Ambulance - OT	8,000	15,000	14,532	7,228
Ambulance - other	25,700	25,000	23,647	21,190
Maintenance - equipment	4,000	7,500	6,967	4,788
Maintenance - vehicles	15,000	17,500	17,450	15,286
Telephone	3,600	4,000	3,945	3,834
Printing & publications	100	100	-	-
Dues and fees	850	850	678	540
Travel expense	200	200	-	1,977
Training expense	2,000	3,500	3,356	-
Office supplies	1,800	2,000	1,912	1,605
Other supplies	1,200	1,500	1,277	1,196
Medical supplies	8,000	9,000	8,604	8,694
Fuel/oil	17,500	14,000	13,785	14,438
Donations	500	1,200	1,046	1,283
Miscellaneous expense	1,500	1,500	1,391	854
Streets & Lighting:				
Current:				
Salaries	83,500	50,500	47,158	45,811
Salaries - OT	3,000	8,500	8,421	10,868
Employee Benefits	20,060	8,641	7,879	7,849
Unemployment insurance	225	150	103	81
Worker's compensation	2,500	7,000	6,681	2,090
Uniform allowance	920	900	396	320
Maintenance - equipment	15,000	42,000	40,389	15,707
Maintenance - streets & alleys	40,000	17,750	16,059	18,995
Maintenance - lighting	2,000	2,500	2,448	1,281
Maintenance - sidewalks	5,000	500	200	5,624
Maintenance - trees	10,000	22,000	21,225	5,857

VILLAGE OF DWIGHT, ILLINOIS
GENERAL FUND

SCHEDULE A-2
(Continued)

Statement of Revenues Received, Expenditures Disbursed and
Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2015
(With Comparative Figures for 2014)

	Original Budget	Amended Budget	Year Ended March 31,	
			2015	2014
Expenditures disbursed (Continued):				
Streets & Lighting (Continued):				
Utilities	\$ 32,500	31,000	30,295	27,232
Snow removal	20,000	32,000	31,956	20,255
Creek maintenance	15,000	8,000	7,610	5,134
Engineering services	15,000	-	-	-
Telephone	1,000	1,250	1,193	1,126
Printing & publications	200	200	-	58
Training expense	250	500	407	-
Operating supplies	2,000	3,200	3,040	1,663
Small tools	500	500	467	411
Fuel/oil	15,000	15,000	13,608	17,625
Miscellaneous expense	500	500	125	693
Capital Outlay:				
Construction projects	-	25,500	25,184	-
Parks and Recreation:				
Current:				
Salaries	87,300	90,000	81,424	95,334
Salaries - OT	300	300	275	122
Employee benefits	16,412	10,212	8,146	14,116
Unemployment insurance	390	650	591	355
Worker's compensation	1,500	2,500	2,055	1,307
Uniform allowance	750	750	682	811
Repair & maintenance	5,500	4,000	3,102	4,532
Repair & maintenance - parks	10,000	25,000	23,789	19,222
Utilities	750	800	792	746
Operating supplies	1,000	500	257	775
Fuel/oil	6,000	3,500	2,957	4,993
Miscellaneous	500	500	-	-
Pool:				
Current:				
Salaries	38,000	35,000	34,767	30,891
Unemployment insurance	250	350	330	237
Worker's compensation	300	1,500	1,300	268
Maintenance - pool	12,500	8,000	7,585	5,904
Telephone	1,000	1,050	1,005	997
Printing	500	300	-	300

VILLAGE OF DWIGHT, ILLINOIS
GENERAL FUND

SCHEDULE A-2
(Continued)

Statement of Revenues Received, Expenditures Disbursed and
Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2015
(With Comparative Figures for 2014)

	Original Budget	Amended Budget	Year Ended March 31,	
			2015	2014
Expenditures disbursed (Continued):				
Pool (Continued):				
Utilities	\$ 7,500	7,000	6,971	6,747
Supplies	1,100	750	742	844
Concession stand supplies	5,000	2,500	2,386	2,990
Sales tax paid	350	350	340	335
Swim team expense	1,000	600	546	639
Miscellaneous expense	1,500	1,000	794	1,595
Total expenditures disbursed	<u>2,720,916</u>	<u>2,802,478</u>	<u>2,719,477</u>	<u>2,501,697</u>
Excess (deficiency) of revenues received over (under) expenditures disbursed	236,717	(22,617)	77,451	400,496
Other financing sources (uses):				
Transfers in	135,000	125,000	40,216	-
Transfers out	<u>(497,468)</u>	<u>(474,798)</u>	<u>(523,028)</u>	<u>(247,680)</u>
Total other financing sources (uses)	<u>(362,468)</u>	<u>(349,798)</u>	<u>(482,812)</u>	<u>(247,680)</u>
Net change in fund balance	<u>\$ (125,751)</u>	<u>(372,415)</u>	(405,361)	152,816
Fund balance, beginning of year			<u>901,746</u>	<u>748,930</u>
Fund balance, end of year			<u><u>496,385</u></u>	<u><u>901,746</u></u>

VILLAGE OF DWIGHT, ILLINOIS
RESERVE FOR CAPITAL EXPENDITURES FUND

SCHEDULE B-1

Statement of Assets, Liabilities and
Fund Balance - Arising from Cash Transactions
March 31, 2015

	<u>Assets</u>	
Cash		\$ 476,805
Total assets		<u>\$ 476,805</u>
	 <u>Fund Balance</u>	
Committed fund balance		\$ 30,000
Restricted fund balance		394,091
Assigned fund balance		<u>52,714</u>
Total fund balance		<u>\$ 476,805</u>

VILLAGE OF DWIGHT, ILLINOIS
RESERVE FOR CAPITAL EXPENDITURES FUND

SCHEDULE B-2

Statement of Revenues Received, Expenditures Disbursed
and Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2015
(With Comparative Figures for 2014)

	Original Budget	Amended Budget	Year Ended March 31,	
			2015	2014
Revenues received:				
Interest income	\$ 2,500	2,500	3,486	3,700
Grant income	380,000	-	-	82,426
Other income	-	-	-	2,138
Total revenues received	382,500	2,500	3,486	88,264
Expenditures disbursed:				
Current:				
Construction projects	363,210	55,000	53,410	25,995
Engineering service	104,230	62,000	60,414	21,335
Capital outlay:				
Equipment purchases	102,780	130,000	126,791	18,253
Vehicles	128,500	300,000	299,753	165
HSR Depot construction	-	11,500	11,051	-
Trees	-	4,000	3,722	-
Land purchase	-	35,000	5,000	-
Debt Service:				
Principal	-	-	-	4,547
Interest	-	-	-	1,286
Total expenditures disbursed	698,720	597,500	560,141	71,581
Excess (deficiency) of revenues received over (under) expenditures disbursed	(316,220)	(595,000)	(556,655)	16,683
Other financing sources (uses):				
Transfers in	326,170	351,068	351,068	77,000
Total other financing sources (uses)	326,170	351,068	351,068	77,000
Net change in fund balance	\$ 9,950	(243,932)	(205,587)	93,683
Fund balance, beginning of year			682,392	588,709
Fund balance, end of year			476,805	682,392

Schedule of Funding Progress
Illinois Municipal Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability 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)
12/31/14	\$ 4,563,935	5,175,849	611,914	88.18%	1,233,953	49.59%
12/31/13	4,144,185	4,544,480	400,295	91.19%	1,151,759	34.76%
12/31/12	3,568,720	4,180,702	611,982	85.36%	1,134,395	53.95%
12/31/11	3,144,740	3,903,415	758,675	80.56%	1,108,748	68.43%
12/31/10	2,805,874	3,523,490	717,616	79.63%	1,117,305	64.23%
12/31/09	2,466,657	3,276,162	809,505	75.29%	1,084,315	74.66%

On a market value basis, actuarial value of assets as of December 31, 2014 is \$5,214,145. On a market basis, the funded ratio would be 100.74%.

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

NOTES TO OTHER INFORMATION

VILLAGE OF DWIGHT, ILLINOIS

Notes to Other Information For the Year Ended March 31, 2015

NOTE 1: BUDGETARY PROCEDURES

The Village follows these procedures in establishing the budgetary data reflected in the financial statements.

1. The municipal budget officer compiles a budget containing estimates of revenues available to the Village for the fiscal year for which the budget is drafted, together with recommended expenditures for the Village and all the Village's departments, commissions and boards.
2. Passage of the annual budget by the Board of Trustees is in lieu of passage of the appropriation ordinance as required by Section 8-2-9 of the Illinois Municipal Code.
3. The annual budget is adopted by the Board of Trustees before the beginning of the fiscal year to which it applies.
4. Formal budgetary integration is employed as a management control device at the fund level during the year for the General Fund and Special Revenue Funds. Formal budgetary integration is not employed for Debt Service Funds because effective budgetary control is alternatively achieved through general obligation bond indenture provisions.
5. The Budget is adopted on a cash basis, which is a comprehensive basis of accounting other than generally accepted accounting principles (GAAP). Budgetary comparisons presented in this report are on this non-GAAP budgetary basis. On March 24, 2014 the Village approved Ordinance No. 1332 adopting the annual budget for the fiscal year ending March 31, 2015. The budget was amended on March 23, 2015.

NOTE 2: BUDGETARY COMPARISONS – MAJOR FUNDS

The following is an analysis of budget versus actual amounts for the Village's major funds for the year ended March 31, 2015:

Description	Budget	Actual	Variance
General Fund Revenues Received	\$ 2,779,861	2,796,928	17,067
General Fund Expenditures Disbursed	2,802,478	2,719,477	83,001
Reserve for Capital Expenditures Fund Revenues Received	2,500	3,486	986
Reserve for Capital Expenditures Fund Expenditures Disbursed	597,500	560,141	37,359

SUPPLEMENTARY INFORMATION

Combining Statement of Assets, Liabilities and
Fund Balance - Arising from Cash Transactions
March 31, 2015

	Special Revenue Funds					Debt Service Funds			Total Non-major Governmental Funds	
	Motor Fuel Tax Fund	FICA & IMRF Fund	Commercial Rent Subsidy Fund	Commercial Rehab Fund	TIF Fund	CDAP Economic Development Fund	2005 MFT Bond Fund	Public Service Bond Fund	2015	2014
Assets										
Cash in bank	\$ 66,337	106,230	9,896	-	6,650	83,298	-	-	272,411	423,908
Total assets	\$ 66,337	106,230	9,896	-	6,650	83,298	-	-	272,411	423,908
Liabilities and Fund Balance										
Liabilities:										
Due to General Fund	\$ -	-	-	-	14,000	-	-	-	14,000	139,000
Total liabilities	-	-	-	-	14,000	-	-	-	14,000	139,000
Fund balance:										
Restricted	66,337	106,230	-	-	-	83,298	-	-	255,865	361,718
Assigned	-	-	9,896	-	-	-	-	-	9,896	50,088
Unassigned	-	-	-	-	(7,350)	-	-	-	(7,350)	(126,898)
Total fund balance (deficit)	66,337	106,230	9,896	-	(7,350)	83,298	-	-	258,411	284,908
Total liabilities and fund balance	\$ 66,337	106,230	9,896	-	6,650	83,298	-	-	272,411	423,908

VILLAGE OF DWIGHT, ILLINOIS
NON-MAJOR GOVERNMENTAL FUNDS

SCHEDULE C-2

Combining Statement of Revenues Received, Expenditures Disbursed
and Changes in Fund Balances
For the Year Ended March 31, 2015

	Special Revenue Funds						Debt Service Funds			Total Non-major Governmental Funds	
	Motor Fuel Tax Fund	FICA & IMRF Fund	Commercial Rent Subsidy Fund	Commercial Rehab Fund	TIF Fund	CDAP Economic Development Fund	2005 MFT Bond Fund	Public Service Bond Fund	2015	March 31, 2014	
Revenues received:											
Property taxes	\$ -	260,567	-	-	-	-	-	-	260,567	259,571	
Interest income	23	104	5	19	72	40	-	-	263	253	
Motor fuel tax	143,116	-	-	-	-	-	-	-	143,116	125,393	
TIF revenue	-	-	-	-	122,676	-	-	-	122,676	124,000	
Revolving loan	-	-	-	-	-	3,000	-	-	3,000	500	
Miscellaneous	-	-	-	-	-	-	-	-	-	42,543	
Total revenues received	143,139	260,671	5	19	122,748	3,040	-	-	529,622	552,260	
Expenditures disbursed:											
General Government	200,000	247,699	-	-	3,200	-	500	500	451,899	328,063	
Debt Service:											
Principal	-	-	-	-	-	-	120,000	105,000	225,000	215,000	
Interest	-	-	-	-	-	-	6,120	4,844	10,964	19,680	
Total expenditures disbursed	200,000	247,699	-	-	3,200	-	126,620	110,344	687,863	562,743	
Excess (deficiency) of revenues received over (under) expenditures disbursed	(56,861)	12,972	5	19	119,548	3,040	(126,620)	(110,344)	(158,241)	(10,483)	
Other financing sources (uses):											
Transfers In	667	-	-	-	-	-	125,953	110,340	236,960	235,680	
Transfers Out	(65,000)	-	-	(40,216)	-	-	-	-	(105,216)	(65,000)	
Total other financing sources (uses)	(64,333)	-	-	(40,216)	-	-	125,953	110,340	131,744	170,680	
Net change in fund balance	(121,194)	12,972	5	(40,197)	119,548	3,040	(667)	(4)	(26,497)	160,197	
Fund balance (deficit), beginning of year	187,531	93,258	9,891	40,197	(126,898)	80,258	667	4	284,908	124,711	
Fund balance (deficit), end of year	\$ 66,337	106,230	9,896	-	(7,350)	83,298	-	-	258,411	284,908	

VILLAGE OF DWIGHT, ILLINOIS
MOTOR FUEL TAX FUND

SCHEDULE C-3

Statement of Assets, Liabilities and
Fund Balance - Arising from Cash Transactions
March 31, 2015

<u>Assets</u>		
Cash		\$ 66,337
Total assets		<u>\$ 66,337</u>
<u>Fund Balance</u>		
Fund balance		\$ 66,337
Total fund balance		<u>\$ 66,337</u>

Statement of Revenues Received, Expenditures Disbursed
and Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2015
(With Comparative Figures for 2014)

SCHEDULE C-4

	Original Budget	Amended Budget	Year Ended <u>March 31,</u>	
			2015	2014
Revenues received:				
Motor fuel tax allotments	\$ 103,518	103,518	105,222	106,446
Interest income	35	20	23	38
Supplemental allotments	-	-	37,894	18,947
Total revenues received	<u>103,553</u>	<u>103,538</u>	<u>143,139</u>	<u>125,431</u>
Expenditures disbursed:				
Construction projects	180,000	185,000	184,403	-
Engineering service	20,000	20,000	15,597	-
Total expenditures disbursed	<u>200,000</u>	<u>205,000</u>	<u>200,000</u>	<u>-</u>
Excess (deficiency) of revenues received over (under) expenditures disbursed	(96,447)	(101,462)	(56,861)	125,431
Other financing sources (uses):				
Transfers in	-	-	667	-
Transfers out	(65,000)	(65,000)	(65,000)	(65,000)
Total other financing sources (uses)	<u>(65,000)</u>	<u>(65,000)</u>	<u>(64,333)</u>	<u>(65,000)</u>
Net change in fund balance	<u>\$ (161,447)</u>	<u>(166,462)</u>	(121,194)	60,431
Fund balance, beginning of year			<u>187,531</u>	<u>127,100</u>
Fund balance, end of year			<u>66,337</u>	<u>187,531</u>

VILLAGE OF DWIGHT, ILLINOIS
FICA & IMRF FUND

SCHEDULE C-5

Statement of Assets, Liabilities and
Fund Balance - Arising from Cash Transactions
March 31, 2015

<u>Assets</u>		
Cash		\$ 106,230
Total assets		<u>\$ 106,230</u>
<u>Fund Balance</u>		
Fund balance		
Restricted - IMRF		\$ 62,640
Restricted - FICA		43,590
Total fund balance		<u>\$ 106,230</u>

Statement of Revenues Received, Expenditures Disbursed and
Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2015
(With Comparative Figures for 2014)

SCHEDULE C-6

	Original Budget	Amended Budget	Year Ended March 31,	
			2015	2014
Revenues received:				
Property taxes - IMRF	\$ 150,000	150,000	160,348	164,411
Property taxes - FICA	106,000	106,000	100,219	95,160
Interest income	40	40	104	95
Total revenues received	<u>256,040</u>	<u>256,040</u>	<u>260,671</u>	<u>259,666</u>
Expenditures disbursed:				
FICA contribution	106,000	106,000	105,214	97,795
IMRF contribution	150,000	150,000	142,485	144,607
Total expenditures disbursed	<u>256,000</u>	<u>256,000</u>	<u>247,699</u>	<u>242,402</u>
Excess (deficiency) of revenues received over (under) expenditures disbursed	<u>\$ 40</u>	<u>40</u>	12,972	17,264
Fund balance, beginning of year			<u>93,258</u>	<u>75,994</u>
Fund balance, end of year			<u>106,230</u>	<u>93,258</u>

VILLAGE OF DWIGHT, ILLINOIS
 COMMERCIAL RENT SUBSIDY FUND

SCHEDULE C-7

Statement of Assets, Liabilities and
 Fund Balance - Arising from Cash Transactions
 March 31, 2015

<u>Assets</u>	
Cash	\$ 9,896
Total assets	<u>\$ 9,896</u>
<u>Fund Balance</u>	
Fund balance	\$ 9,896
Total fund balance	<u>\$ 9,896</u>

Statement of Revenues Received, Expenditures Disbursed
 and Changes in Fund Balance - Budget & Actual
 For the Year Ended March 31, 2015
 (With Comparative Figures for 2014)

SCHEDULE C-8

	Original Budget	Amended Budget	Year Ended March 31,	
			2015	2014
Revenues received:				
Interest	\$ 5	5	5	5
Total revenues received	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>
Expenditures disbursed:				
Total expenditures disbursed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues received over (under) expenditures disbursed	<u>\$ 5</u>	<u>5</u>	5	5
Fund balance, beginning of year			<u>9,891</u>	<u>9,886</u>
Fund balance, end of year			<u>9,896</u>	<u>9,891</u>

VILLAGE OF DWIGHT, ILLINOIS
COMMERCIAL REHAB FUND

SCHEDULE C-9

Statement of Assets, Liabilities and
Fund Balance - Arising from Cash Transactions
March 31, 2015

<u>Assets</u>		
Cash		\$ -
Total assets		<u>\$ -</u>
<u>Fund Balance</u>		
Fund balance		\$ -
Total fund balance		<u>\$ -</u>

Statement of Revenues Received, Expenditures Disbursed
and Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2015
(With Comparative Figures for 2014)

SCHEDULE C-10

	Original Budget	Amended Budget	Year Ended March 31,	
			2015	2014
Revenues received:				
Interest income	\$ 20	19	19	21
Total revenues received	<u>20</u>	<u>19</u>	<u>19</u>	<u>21</u>
Expenditures disbursed:				
Total expenditures disbursed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues received over (under) expenditures disbursed	20	19	19	21
Other financing sources (uses):				
Transfers out	-	(40,216)	(40,216)	-
Total other financing sources (uses)	<u>-</u>	<u>(40,216)</u>	<u>(40,216)</u>	<u>-</u>
Net change in fund balance	<u>\$ 20</u>	<u>(40,197)</u>	<u>(40,197)</u>	<u>21</u>
Fund balance, beginning of year			<u>40,197</u>	<u>40,176</u>
Fund balance, end of year			<u>-</u>	<u>40,197</u>

VILLAGE OF DWIGHT, ILLINOIS
TIF FUND

SCHEDULE C-11

Statement of Assets, Liabilities and
Fund Balance - Arising from Cash Transactions
March 31, 2015

<u>Assets</u>	
Cash	\$ 6,650
Total assets	<u>\$ 6,650</u>
<u>Liabilities and Fund Balance</u>	
Liabilities:	
Due to General Fund	<u>\$ 14,000</u>
Fund balance (deficit)	<u>(7,350)</u>
Total liabilities and fund balance	<u>\$ 6,650</u>

Statement of Revenues Received, Expenditures Disbursed
and Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2015
(With Comparative Figures for 2014)

SCHEDULE C-12

	Original Budget	Amended Budget	Year Ended March 31,	
			2015	2014
Revenues received:				
TIF revenue	\$ 125,000	123,500	122,676	124,000
Miscellaneous income	-	-	-	42,543
Interest income	15	15	72	36
Total revenues received	<u>125,015</u>	<u>123,515</u>	<u>122,748</u>	<u>166,579</u>
Expenditures disbursed:				
Construction projects	-	-	-	8,237
Other professional services	1,500	3,000	2,650	5,000
Property tax abatements	-	-	-	71,074
Dues	400	500	550	350
Total expenditures disbursed	<u>1,900</u>	<u>3,500</u>	<u>3,200</u>	<u>84,661</u>
Excess (deficiency) of revenues received over (under) expenditures disbursed	123,115	120,015	119,548	81,918
Other financing sources (uses):				
Transfers in (out)	<u>(135,000)</u>	<u>(125,000)</u>	-	-
Total other financing sources (uses)	<u>(135,000)</u>	<u>(125,000)</u>	-	-
Net change in fund balance	<u>\$ (11,885)</u>	<u>(4,985)</u>	119,548	81,918
Fund balance (deficit), beginning of year			<u>(126,898)</u>	<u>(208,816)</u>
Fund balance (deficit), end of year			<u>(7,350)</u>	<u>(126,898)</u>

VILLAGE OF DWIGHT, ILLINOIS
 CDAP ECONOMIC DEVELOPMENT FUND

SCHEDULE C-13

Statement of Assets, Liabilities and
 Fund Balance - Arising from Cash Transactions
 March 31, 2015

<u>Assets</u>		
Cash		\$ 83,298
Total assets		<u>\$ 83,298</u>
<u>Fund Balance</u>		
Fund balance		\$ 83,298
Total fund balance		<u>\$ 83,298</u>

Statement of Revenues Received, Expenditures Disbursed
 and Changes in Fund Balance - Budget & Actual
 For the Year Ended March 31, 2015
 (With Comparative Figures for 2014)

SCHEDULE C-14

	Original Budget	Amended Budget	Year Ended March 31,	
			2015	2014
Revenues received:				
Principal	\$ 8,000	8,000	2,345	500
Interest	2,000	2,000	655	-
Interest Income	35	35	40	41
Total revenues received	<u>10,035</u>	<u>10,035</u>	<u>3,040</u>	<u>541</u>
Expenditures disbursed:				
Development	75,000	90,000	-	-
Total expenditures disbursed	<u>75,000</u>	<u>90,000</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues received over (under) expenditures disbursed	<u>\$ (64,965)</u>	<u>(79,965)</u>	3,040	541
Fund balance, beginning of year			<u>80,258</u>	<u>79,717</u>
Fund balance, end of year			<u>83,298</u>	<u>80,258</u>

VILLAGE OF DWIGHT, ILLINOIS
2005 MFT BOND FUND

SCHEDULE D-1

Statement of Assets, Liabilities and
Fund Balance - Arising from Cash Transactions
March 31, 2015

<u>Assets</u>		
Cash		\$ -
Total assets		<u>\$ -</u>
<u>Fund Balance</u>		
Fund balance		\$ -
Total fund balance		<u>\$ -</u>

Statement of Revenues Received, Expenditures Disbursed
and Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2015
(With Comparative Figures for 2014)

SCHEDULE D-2

	Original Budget	Amended Budget	Year Ended March 31,	
			2015	2014
Revenues received:				
Interest Income	\$ -	-	-	13
Total revenues received	<u>-</u>	<u>-</u>	<u>-</u>	<u>13</u>
Expenditures disbursed:				
Debt Service:				
Fees	500	500	500	500
Principal	120,000	120,000	120,000	115,000
Interest	6,120	6,120	6,120	11,985
Total expenditures disbursed	<u>126,620</u>	<u>126,620</u>	<u>126,620</u>	<u>127,485</u>
Excess (deficiency) of revenues received over (under) expenditures disbursed	(126,620)	(126,620)	(126,620)	(127,472)
Other financing sources (uses):				
Transfer in	125,953	125,953	125,953	127,485
Net change in fund balance	<u>\$ (667)</u>	<u>(667)</u>	(667)	13
Fund balance, beginning of year			667	654
Fund balance, end of year			<u>-</u>	<u>667</u>

VILLAGE OF DWIGHT, ILLINOIS
PUBLIC SERVICE BOND FUND

SCHEDULE D-3

Statement of Assets, Liabilities and
Fund Balance - Arising from Cash Transactions
March 31, 2015

<u>Assets</u>		
Cash		\$ -
Total assets		<u>\$ -</u>
<u>Fund Balance</u>		
Fund balance		\$ -
Total fund balance		<u>\$ -</u>

Statement of Revenues Received, Expenditures Disbursed
and Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2015
(With Comparative Figures for 2014)

SCHEDULE D-4

	Original Budget	Final Budget	Year Ended <u>March 31,</u>	
			2015	2014
Revenues received:				
Interest	\$ -	-	-	4
Total revenues received	<u>-</u>	<u>-</u>	<u>-</u>	<u>4</u>
Expenditures disbursed:				
Debt Service:				
Fees	500	500	500	500
Principal	105,000	105,000	105,000	100,000
Interest	4,845	4,845	4,844	7,695
Total expenditures disbursed	<u>110,345</u>	<u>110,345</u>	<u>110,344</u>	<u>108,195</u>
Excess (deficiency) of revenues received over (under) expenditures disbursed	(110,345)	(110,345)	(110,344)	(108,191)
Other financing sources (uses):				
Transfers in	<u>110,340</u>	<u>110,340</u>	<u>110,340</u>	<u>108,195</u>
Net change in fund balance	<u>\$ (5)</u>	<u>(5)</u>	(4)	4
Fund balance, beginning of year			<u>4</u>	-
Fund balance, end of year			<u>-</u>	<u>4</u>

VILLAGE OF DWIGHT, ILLINOIS
 WATERWORKS FUND

SCHEDULE E-1

Major Proprietary Fund
 Statement of Fund Net Position
 March 31, 2015

<u>Assets</u>	
Current assets:	
Cash	\$ 421,853
Accounts receivable	24,497
Total current assets	<u>446,350</u>
Non-current assets:	
Capital assets	7,450,662
Accumulated depreciation	<u>(3,537,098)</u>
Total non-current assets	<u>3,913,564</u>
Total assets	<u>\$ 4,359,914</u>
 <u>Liabilities and Net Position</u> 	
Current liabilities:	
Accounts payable	\$ 2,524
Water deposits	13,310
Current portion of long-term debt:	
Bonds payable	<u>330,000</u>
Total current liabilities	<u>345,834</u>
Long-term liabilities:	
Due in more than one year:	
Bonds payable	<u>295,000</u>
Total long-term liabilities	<u>295,000</u>
Total liabilities	<u>640,834</u>
Net position	<u>3,719,080</u>
Total liabilities and net position	<u>\$ 4,359,914</u>

VILLAGE OF DWIGHT, ILLINOIS
WATERWORKS FUND

SCHEDULE E-2

Major Proprietary Fund

Statement of Revenues, Expenses and Changes in Fund Net Position - Budget & Actual

For the Year Ended March 31, 2015

(With Comparative Figures for 2014)

	Original Budget	Amended Budget	Year Ended March 31,	
			2015	2014
Revenues:				
Water	\$ 820,000	765,000	786,627	778,960
Water meters	1,000	1,000	400	1,871
Water penalties	6,750	6,750	7,756	7,094
Interest	200	200	213	182
Miscellaneous	1,500	1,000	26,952	7,651
Total revenues	829,450	773,950	821,948	795,758
Expenses:				
Current:				
Salaries	188,100	190,000	189,510	182,230
Salaries - OT	10,000	6,500	5,315	6,327
Employee benefits	36,470	36,475	35,139	31,394
Unemployment insurance	410	410	373	690
Worker's compensation	4,500	4,600	4,990	3,818
Uniform allowance	1,167	1,167	798	853
Contractual services	5,500	6,250	6,335	5,751
Maintenance - equipment	12,500	7,500	4,536	8,389
Maintenance - system	60,000	37,500	34,119	36,948
Professional services	2,500	1,000	-	-
Postage	2,000	2,000	1,699	1,599
Telephone	950	1,100	1,105	931
Printing and publishing	1,000	750	394	652
Dues	500	500	448	440
Travel	300	150	-	-
Training	1,000	500	265	60
Utilities	45,000	45,000	43,185	41,174
Lease/rentals	3,500	3,235	3,221	2,971
Operating supplies	2,600	1,100	904	1,449
Small tools	500	500	329	220
Fuel/oil	9,000	7,500	6,935	8,953
Chemicals	17,500	10,000	8,807	8,610
Principal	4,706	4,706	4,624	-
Interest	1,127	1,127	1,209	1,286
Miscellaneous expense	1,500	2,000	1,880	1,908
Capital outlay	250,000	5,000	3,537	-
Depreciation	211,300	211,330	198,463	203,884
Total expenses	873,630	587,900	558,120	550,537
Excess of revenues over (under) expenses	(44,180)	186,050	263,828	245,221
Other financing sources (uses):				
Contributed capital	-	-	-	54,403
Transfers out	(357,453)	(357,453)	(82,927)	(48,516)
Total other financing sources (uses)	(357,453)	(357,453)	(82,927)	5,887
Change in net position	\$ (401,633)	(171,403)	180,901	251,108
Net position, beginning of year			3,538,179	3,287,071
Net position, end of year			3,719,080	3,538,179

VILLAGE OF DWIGHT, ILLINOIS
WATERWORKS FUND

SCHEDULE E-2

Major Proprietary Fund
Statement of Revenues, Expenses and Changes in Fund Net Position - Budget & Actual
For the Year Ended March 31, 2015
(With Comparative Figures for 2014)

	Original Budget	Amended Budget	Year Ended March 31,	
			2015	2014
Revenues:				
Water	\$ 820,000	765,000	786,627	778,960
Water meters	1,000	1,000	400	1,871
Water penalties	6,750	6,750	7,756	7,094
Interest	200	200	213	182
Miscellaneous	1,500	1,000	1,281	7,651
Total revenues	<u>829,450</u>	<u>773,950</u>	<u>796,277</u>	<u>795,758</u>
Expenses:				
Current:				
Salaries	188,100	190,000	189,510	182,230
Salaries - OT	10,000	6,500	5,315	6,327
Employee benefits	36,470	36,475	35,139	31,394
Unemployment insurance	410	410	373	690
Worker's compensation	4,500	4,600	4,990	3,818
Uniform allowance	1,167	1,167	798	853
Contractual services	5,500	6,250	6,335	5,751
Maintenance - equipment	12,500	7,500	4,536	8,389
Maintenance - system	60,000	37,500	34,119	36,948
Professional services	2,500	1,000	-	-
Postage	2,000	2,000	1,699	1,599
Telephone	950	1,100	1,105	931
Printing and publishing	1,000	750	394	652
Dues	500	500	448	440
Travel	300	150	-	-
Training	1,000	500	265	60
Utilities	45,000	45,000	43,185	41,174
Lease/rentals	3,500	3,235	3,221	2,971
Operating supplies	2,600	1,100	904	1,449
Small tools	500	500	329	220
Fuel/oil	9,000	7,500	6,935	8,953
Chemicals	17,500	10,000	8,807	8,610
Principal	4,706	4,706	4,624	-
Interest	1,127	1,127	1,209	1,286
Miscellaneous expense	1,500	2,000	1,880	1,908
Capital outlay	250,000	5,000	3,537	-
Depreciation	211,300	211,330	198,463	203,884
Total expenses	<u>873,630</u>	<u>587,900</u>	<u>558,120</u>	<u>550,537</u>
Excess of revenues over (under) expenses	(44,180)	186,050	238,157	245,221
Other financing sources (uses):				
Contributed capital	-	-	25,671	54,403
Transfers out	(357,453)	(357,453)	(82,927)	(48,516)
Total other financing sources (uses)	<u>(357,453)</u>	<u>(357,453)</u>	<u>(57,256)</u>	<u>5,887</u>
Change in net position	<u>\$ (401,633)</u>	<u>(171,403)</u>	180,901	251,108
Net position, beginning of year			3,538,179	3,287,071
Net position, end of year			<u>3,719,080</u>	<u>3,538,179</u>

VILLAGE OF DWIGHT, ILLINOIS
 WATER CAPITAL PROJECT FUND

SCHEDULE E-3

Major Proprietary Fund
 Statement of Fund Position
 March 31, 2015

<u>Assets</u>	
Cash	\$ 78,572
Total assets	<u>\$ 78,572</u>
<u>Net Position</u>	
Net position	\$ 78,572
Total net position	<u>\$ 78,572</u>

Statement of Revenues, Expenses, & Changes in Fund Net Position
 Budget & Actual
 For the Year Ended March 31, 2015
 (With Comparative Figures for 2014)

SCHEDULE E-4

	Original Budget	Amended Budget	Year Ended March 31,	
			2015	2014
Revenues:				
Tap-on fees	\$ 750	750	750	-
Interest Income	50	50	75	65
Total revenues	<u>800</u>	<u>800</u>	<u>825</u>	<u>65</u>
Expenses:				
Current:				
Engineering service	-	15,000	14,429	13,595
Miscellaneous	150	100	-	-
Repair and maintenance system	-	-	-	30,503
Capital outlay - construction project	-	-	-	24,913
Total expenses	<u>150</u>	<u>15,100</u>	<u>14,429</u>	<u>69,011</u>
Excess of revenues over (under) expenses	650	(14,300)	(13,604)	(68,946)
Other financing sources (uses):				
Transfer in	20,000	38,200	57,541	64,942
Total other financing sources (uses)	<u>20,000</u>	<u>38,200</u>	<u>57,541</u>	<u>64,942</u>
Net change in net position	<u>\$ 20,650</u>	<u>23,900</u>	43,937	(4,004)
Net position, beginning of year			<u>34,635</u>	<u>38,639</u>
Net position, end of year			<u>78,572</u>	<u>34,635</u>

VILLAGE OF DWIGHT, ILLINOIS
SEWER FUND

SCHEDULE E-5

Major Proprietary Fund
Statement of Fund Net Position
March 31, 2015

Assets

Current assets:	
Cash	\$ 106,745
Accounts receivable	30,697
Total current assets	<u>137,442</u>
Non-current assets:	
Capital assets	11,541,600
Accumulated depreciation	(4,982,381)
Total non-current assets	<u>6,559,219</u>
Total assets	<u>\$ 6,696,661</u>

Liabilities and Net Position

Current Liabilities:	
Accounts payable	\$ 5,038
Current portion of long-term debt:	
EPA loan payable	221,105
Total current liabilities	<u>226,143</u>
Long-term liabilities:	
Due in more than one year:	
EPA loan payable	734,277
Total long-term liabilities	<u>734,277</u>
Total liabilities	<u>960,420</u>
Net position	<u>5,736,241</u>
Total liabilities and net position	<u>\$ 6,696,661</u>

VILLAGE OF DWIGHT, ILLINOIS
SEWER FUND

SCHEDULE E-6

Major Proprietary Fund
Statement of Revenues, Expenses and Changes in Fund Net Position - Budget & Actual
For the Year Ended March 31, 2015
(With Comparative Figures for 2014)

	Original Budget	Amended Budget	Year Ended March 31,	
			2015	2014
Revenues:				
Sewer	\$ 828,000	773,000	750,575	786,747
Surcharge	100	50	6	-
Industrial cost recovery	1,500	600	592	758
Interest	100	40	44	49
Miscellaneous	200	200	245	113
Total revenues	829,900	773,890	751,462	787,667
Expenses:				
Current:				
Salaries	188,100	190,000	188,633	181,062
Salaries - OT	5,000	6,500	6,254	5,268
Employee benefits	36,470	35,470	35,140	31,394
Unemployment insurance	410	410	741	322
Worker's compensation	3,400	4,000	4,275	3,151
Uniform allowance	1,167	1,167	1,063	1,324
Contractual services	20,000	17,000	16,855	15,882
Maintenance - equipment	30,000	5,000	3,792	38,316
Maintenance - vehicle	1,500	1,500	942	1,422
Maintenance - system	25,000	45,000	28,177	11,745
Engineering service	1,500	1,000	265	-
Postage	1,700	2,000	1,835	1,626
Telephone	4,500	4,750	5,177	4,545
Printing & publishing	750	500	-	645
Dues	10,200	10,200	10,000	10,000
Travel	400	250	-	83
Training	500	250	-	75
Utilities	85,000	90,000	89,658	87,774
Insurance	2,500	2,250	2,205	2,227
Lease / rentals	500	250	-	-
Operating supplies	5,500	4,500	4,081	5,248
Small tools	1,000	500	256	854
Fuel/oil	7,500	4,500	3,745	3,950
Chemicals	500	1,000	540	2,111
Principal	4,706	4,706	4,624	-
Interest	1,127	1,127	1,209	-
Miscellaneous expense	1,500	1,750	1,611	993
Depreciation	285,500	285,500	274,301	279,992
Total expenses	725,930	721,080	685,379	690,009
Excess of revenues over (under) expenses	103,970	52,810	66,083	97,658
Other financing sources (uses):				
Transfers out	(327,083)	(327,083)	(120,731)	(158,215)
Change in net position	\$ (223,113)	(274,273)	(54,648)	(60,557)
Net position, beginning of year			5,790,889	5,851,446
Net position, end of year			5,736,241	5,790,889

VILLAGE OF DWIGHT, ILLINOIS
SEWER REPLACEMENT RESERVE FUND

SCHEDULE E-7

Major Proprietary Fund
Statement of Fund Net Position
March 31, 2015

<u>Assets</u>	
Cash	\$ 98,989
Total assets	<u>\$ 98,989</u>
 <u>Liabilities & Net Position</u>	
Current Liabilities	
Current Portion of EPA Loan Payable	<u>\$ 208,054</u>
Total current liabilities	<u>208,054</u>
Non-current Liabilities:	
EPA Loan Payable	<u>2,804,000</u>
Total non-current liabilities	<u>2,804,000</u>
Total liabilities	<u>3,012,054</u>
Net position (deficit)	<u>(2,913,065)</u>
Total liabilities & net position	<u>\$ 98,989</u>

VILLAGE OF DWIGHT, ILLINOIS
SEWER REPLACEMENT RESERVE FUND

SCHEDULE E-8

Major Proprietary Fund
Statement of Revenues, Expenses & Changes in Fund Net Position - Budget & Actual
For the Year Ended March 31, 2015
(With Comparative Figures for 2014)

	Original Budget	Final Budget	Year Ended March 31,	
			2015	2014
Revenues:				
Tap-on fees	\$ 1,500	1,500	1,500	-
Debt service revenue for 2005 sewer loan	200,000	200,000	199,154	198,976
Interest Income	55	55	66	59
Total revenues	<u>201,555</u>	<u>201,555</u>	<u>200,720</u>	<u>199,035</u>
Expenses:				
Debt service:				
Principal	418,101	418,101	-	-
Interest	108,981	108,981	108,981	119,753
Total expenses	<u>527,082</u>	<u>527,082</u>	<u>108,981</u>	<u>119,753</u>
Excess of revenues over (under) expenses	(325,527)	(325,527)	91,739	79,282
Other financing sources (uses):				
Transfer in	326,993	335,883	120,731	158,215
Total other financing sources (uses)	<u>326,993</u>	<u>335,883</u>	<u>120,731</u>	<u>158,215</u>
Net change in net position	<u>\$ 1,466</u>	<u>10,356</u>	212,470	237,497
Net position (deficit), beginning of year			<u>(3,125,535)</u>	<u>(3,363,032)</u>
Net position (deficit), end of year			<u>(2,913,065)</u>	<u>(3,125,535)</u>

VILLAGE OF DWIGHT, ILLINOIS
WATER BOND FUND

SCHEDULE E-9

Major Proprietary Fund
Statement of Fund Net Position
March 31, 2015

<u>Assets</u>	
Cash	\$ -
Total assets	<u>\$ -</u>
<u>Net Position</u>	
Net position	\$ -
Total net position	<u>\$ -</u>

Statement of Revenues, Expenses & Changes in Fund Net Position
Budget & Actual
For the Year Ended March 31, 2015
(With Comparative Figures for 2014)

SCHEDULE E-10

	Original Budget	Amended Budget	Year Ended March 31,	
			2015	2014
Revenues:				
Interest Income	\$ 10	5	-	27
Total revenues	<u>10</u>	<u>5</u>	<u>-</u>	<u>27</u>
Expenses:				
Debt Service:				
Fees	495	495	495	495
Principal	325,000	325,000	-	-
Interest	24,905	24,905	24,905	32,150
Total expenses	<u>350,400</u>	<u>350,400</u>	<u>25,400</u>	<u>32,645</u>
Excess of revenues over (under) expenses	(350,390)	(350,395)	(25,400)	(32,618)
Other financing sources (uses):				
Transfer in (out)	350,400	350,400	25,386	(16,426)
Total other financing sources (uses)	<u>350,400</u>	<u>350,400</u>	<u>25,386</u>	<u>(16,426)</u>
Net change in net position	<u>\$ 10</u>	<u>5</u>	(14)	(49,044)
Net position, beginning of year			<u>14</u>	<u>49,058</u>
Net position, end of year			<u>-</u>	<u>14</u>

Statement of Changes in Fiduciary Net Position
 For the Year Ended March 31, 2015
 (With Comparative Figures for 2014)

	Police Donations Fund	Disaster Relief Fund	Totals Year Ended March 31,	
			2015	2014
Additions:				
Revenues	\$ 350	4	354	4
Deductions:				
Expenditures	-	5	5	-
Net increase (decrease)	350	(1)	349	4
Cash balance, beginning of year	-	4,534	4,534	4,530
Cash balance, end of year	\$ 350	4,533	4,883	4,534

Assessed Valuations, Tax Rates, Tax Extensions and Tax Collections

	Tax Year				
	2010	2011	2012	2013	2014
Assessed valuations	\$ 74,628,555	72,707,997	69,188,903	65,247,172	62,894,275
Maximum Rate					
General	0.1849	0.2166	0.2276	0.2500	0.2500
Audit	0.0188	0.0151	0.0072	0.0023	0.0065
IMRF	0.2412	0.2269	0.2385	0.2452	0.2429
Social Security	0.1340	0.1314	0.1380	0.1533	0.1716
Liability Insurance	0.1340	0.1417	0.1503	0.1456	0.1700
Street Lighting	0.0500	0.0500	0.0434	0.0500	0.0500
Parks	0.0750	0.0750	0.0650	0.0750	0.0750
Recreation	-	-	0.0434	0.0146	0.0194
Totals	0.8379	0.8567	0.9135	0.9360	0.9854
Tax extensions:					
General	\$ 138,003	157,500	157,502	163,118	154,409
Audit	14,000	11,001	5,002	1,501	4,002
IMRF	180,004	165,004	165,002	160,006	150,014
Social Security	100,002	95,502	95,501	100,004	106,011
Liability Insurance	100,002	103,005	104,005	95,000	105,010
Street Lighting	37,314	36,354	30,000	32,624	30,882
Parks	55,971	54,531	45,000	48,935	46,323
Recreation	-	-	30,000	9,500	12,002
Totals	\$ 625,296	622,897	632,012	610,688	608,653
Road & Bridge (from townships)	\$ 62,822	64,229	64,147	65,349	-
Tax collections	\$ 688,615	687,758	693,900	677,344	-

VILLAGE OF DWIGHT, ILLINOIS

TIF District
Assessed Valuations, Tax Rates, Tax Extensions
and Tax Collections

	2012	2013	2014
Assessed valuations	\$ 4,427,428	4,215,565	3,944,807
Tax Rates: General	0.0000	0.0000	0.0000
Tax extensions: General	\$ 124,442	122,332	119,571
Tax collections	\$ 124,000	122,675	-



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**Independent Auditors' 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**

To the Honorable Mayor and
Village Board of Trustees
Village of Dwight, 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, the business-type activities, each major fund, and the aggregate remaining fund information of Village of Dwight, Illinois, as of and for the year ended March 31, 2015, and the related notes to the financial statements, which collectively comprise Village of Dwight, Illinois' basic financial statements, and have issued our report thereon dated June 22, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Village of Dwight, 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 Village of Dwight, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of Village of Dwight, Illinois' internal control.

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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *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.

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 that might be material weaknesses or significant deficiencies. 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Village of Dwight, Illinois' financial statements are free of 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*.

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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Mack & Associates, P.C.
Mack & Associates, P.C.
Certified Public Accountants

Morris, Illinois
June 22, 2015