

VILLAGE OF BRIGHTON, ILLINOIS
REPORT AND FINANCIAL STATEMENTS
JUNE 30, 2006

VILLAGE OF BRIGHTON, ILLINOIS

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITOR'S REPORT	1 - 2
<u>BASIC FINANCIAL STATEMENTS:</u>	
<u>Exhibit</u>	
<u>Government-Wide Financial Statements</u>	
A Statement of Net Assets	3
B Statement of Activities	4
<u>Fund Financial Statements</u>	
C Balance Sheet - Governmental Funds	5
D Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	6
E Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	7
F Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	8
G Statement of Net Assets - Proprietary Funds	9
H Statement of Revenues, Expenses and Changes in Fund Net Assets - Proprietary Funds	10
I Statement of Cash Flows - Proprietary Funds	11
<u>NOTES TO FINANCIAL STATEMENTS</u>	12-20
<u>REQUIRED SUPPLEMENTARY INFORMATION</u>	
<u>Schedule</u>	
1 Statements of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual - Major Governmental Funds	21-24
Illinois Municipal Retirement Fund	25-26
<u>SUPPLEMENTARY INFORMATION</u>	
<u>Schedule</u>	
General Fund-	
2 Statement of Revenues, Expenditures and Changes in Fund Balance	27
3 Schedule of Expenditures	28
Special Revenue Funds -	
4 Combining Balance Sheet	29-30

Special Revenue Funds - (Continued)-

5	Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	31-33
	Motor Fuel Tax -	
6	Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	34
	Illinois Municipal Retirement -	
7	Statement of Revenues, Expenditures and Changes in Fund Balance	35
	Social Security -	
8	Statement of Revenues, Expenditures and Changes in Fund Balance	36
	Audit -	
9	Statement of Revenues, Expenditures and Changes in Fund Balance	37
	Civil Defense -	
10	Statement of Revenues, Expenditures and Changes in Fund Balance	38
	Parks and Recreation -	
11	Statement of Revenues, Expenditures and Changes in Fund Balance	39
	Tort Insurance -	
12	Statement of Revenues, Expenditures and Changes in Fund Balance	40
	Police -	
13	Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	41
	Street and Bridge -	
14	Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	42
	Library Fund -	
15	Statement of Revenues, Expenditures and Changes in Fund Balance	43
	Unemployment Insurance -	
16	Statement of Revenues, Expenditures and Changes in Fund Balance	44

Enterprise Fund -

Waterworks and Sewerage -

17	Combining Balance Sheet	45-46
18	Combining Statement of Changes in Municipal Equity	47
19	Combining Statement of Revenues and Expenses	48
20	Combining Schedule of Expenses	49
21	Assessed Valuations, Rates, Extensions and Collections	50

Scheffel & Company, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

Richard C. Scheffel, C.P.A.
Dennis E. Ulrich, C.P.A.
Ronald C. Schneider, C.P.A.
Michael E. Fitzgerald, C.P.A.
Kimberly S. Loy, C.P.A.
Steven P. Langendorf, C.P.A.
Steven C. Pembrook, C.P.A.

☑ 322 State Street
Alton, IL 62002
618-465-4288 Fax 462-3818

☐ 143 N. Kansas
P.O. Box 633
Edwardsville, IL 62025
618-656-1206 Fax 656-3536

☐ #2 Woodcrest
Professional Park
Highland, IL 62249
618-654-9895 Fax 654-9898

☐ 106 County Road
Jerseyville, IL 62052
618-498-6841 Fax 498-6842

☐ Rural Rt. 3, Box 129BA
U.S. Highway 67 North
Carrollton, IL 62016
217-942-3821 Fax 942-6614

August 18, 2006

INDEPENDENT AUDITOR'S REPORT

Mayor and Board of Trustees
Village of Brighton, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Brighton, Illinois, as of and for the year ended June 30, 2006, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village of Brighton, Illinois' management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Brighton, Illinois, as of June 30, 2006, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The budgetary comparison information on pages 21 through 24 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The Village of Brighton has not presented the Management's Discussion and Analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be a part of, the basic financial statements.

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

Scheffel & Company, P.C.

VILLAGE OF BRIGHTON, ILLINOIS

STATEMENT OF NET ASSETS

JUNE 30, 2006

<u>ASSETS</u>	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITIES</u>	<u>TOTAL</u>
Current Assets:			
Cash	\$ 417,512	\$ 975,516	\$ 1,393,028
Investments - Time Certificates	55,501	385,330	440,831
Property Taxes Receivable	195,386		195,386
Accounts Receivable and Unbilled Water Usage (Net of Allowance for Uncollectible Accounts)		172,703	172,703
Due from Governmental Agencies	44,392		44,392
Other Receivables	1,660		1,660
Prepaid Expenses	938		938
Total Current Assets	<u>\$ 715,389</u>	<u>\$ 1,533,549</u>	<u>\$ 2,248,938</u>
CAPITAL ASSETS (Net of Accumulated Depreciaton)	<u>722,395</u>	<u>4,806,543</u>	<u>5,528,938</u>
TOTAL ASSETS	<u>\$ 1,437,784</u>	<u>\$ 6,340,092</u>	<u>\$ 7,777,876</u>
<u>LIABILITIES AND FUND EQUITY</u>			
Current Liabilities:			
Accounts Payable	\$ 33,011	\$ 40,521	\$ 73,532
Customers' Deposits		31,584	31,584
Accrued Expenses	11,560		11,560
Due to Governmental Agencies		36,322	36,322
Total Current Liabilities	<u>\$ 44,571</u>	<u>\$ 108,427</u>	<u>\$ 152,998</u>
Long-Term Liabilities:			
Due to Governmental Agencies		\$ 108,966	\$ 108,966
Accrued Sick Pay	\$ 16,768		16,768
Total Long-Term Liabilities	<u>\$ 16,768</u>	<u>\$ 108,966</u>	<u>\$ 125,734</u>
Total Liabilities	<u>\$ 61,339</u>	<u>\$ 217,393</u>	<u>\$ 278,732</u>
Net Assets:			
Invested in Capital Assets, net of Related Debt	\$ 722,395	\$ 4,661,255	\$ 5,383,650
Restricted	39,010	819,744	858,754
Unrestricted	615,040	641,700	1,256,740
Total Net Assets	<u>\$ 1,376,445</u>	<u>\$ 6,122,699</u>	<u>\$ 7,499,144</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,437,784</u>	<u>\$ 6,340,092</u>	<u>\$ 7,777,876</u>

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

VILLAGE OF BRIGHTON, ILLINOIS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2006

<u>Functions/Programs</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Assets</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants And Contributions</u>	<u>Primary Government</u>		
				<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>Primary Government:</u>						
<u>Governmental Activities:</u>						
General Government	\$ 717,321	\$ 36,142	\$ 526,545	\$ (154,634)	\$	\$ (154,634)
Public Safety	205,011	15,901		(189,110)		(189,110)
Streets and Highways	173,907			(173,907)		(173,907)
Welfare	96,083			(96,083)		(96,083)
Recreation	32,412			(32,412)		(32,412)
Library	35,705	28,530		(7,175)		(7,175)
<u>Total Governmental Activities</u>	<u>\$ 1,260,439</u>	<u>\$ 80,573</u>	<u>\$ 526,545</u>	<u>\$ (653,321)</u>		<u>\$ (653,321)</u>
<u>Business-Type Activities:</u>						
Water	\$ 698,872	\$ 969,554		\$ 270,682	\$ 270,682	\$ 270,682
Sewer	252,198	249,399		(2,799)	(2,799)	(2,799)
<u>Total Business-Type Activities</u>	<u>\$ 951,070</u>	<u>\$ 1,218,953</u>		<u>\$ 267,883</u>	<u>\$ 267,883</u>	<u>\$ 267,883</u>
<u>Total Primary Government</u>	<u>\$ 2,211,509</u>	<u>\$ 1,299,526</u>	<u>\$ 526,545</u>	<u>\$ (653,321)</u>	<u>\$ 267,883</u>	<u>\$ (385,438)</u>
<u>General Revenues:</u>						
<u>Taxes:</u>						
Property Taxes, Levied For General Purposes				\$ 222,434	\$	\$ 222,434
Intergovernmental				450,003		450,003
Interest				4,006	\$ 17,348	21,354
Miscellaneous				3,715		3,715
<u>Total General Revenues</u>				<u>\$ 680,158</u>	<u>\$ 17,348</u>	<u>\$ 697,506</u>
<u>CHANGE IN NET ASSETS</u>				<u>\$ 26,837</u>	<u>\$ 285,231</u>	<u>\$ 312,068</u>
<u>NET ASSETS, BEGINNING OF YEAR</u>				<u>1,349,608</u>	<u>5,837,468</u>	<u>7,187,076</u>
<u>NET ASSETS, END OF YEAR</u>				<u>\$ 1,376,445</u>	<u>\$ 6,122,699</u>	<u>\$ 7,499,144</u>

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

VILLAGE OF BRIGHTON, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2006

	<u>GENERAL</u> <u>CORPORATE</u>	<u>LIBRARY</u>	<u>STREET &</u> <u>BRIDGE</u>	<u>TORT</u>	<u>OTHER</u> <u>GOVERNMENTAL</u> <u>FUNDS</u>	<u>TOTALS</u>
<u>ASSETS</u>						
Cash	\$ 236,214	\$ 13,581	\$ 539	\$ 16,518	\$ 150,660	\$ 417,512
Investments	20,000	35,501				55,501
Property Taxes Receivable	60,744	31,070	12,452	34,599	56,521	195,386
Due from Governmental Agencies	38,697				5,695	44,392
Other Receivables	1,660					1,660
Prepaid Expenses					938	938
Due from Special Revenue Funds	31,727					31,727
TOTAL ASSETS	\$ 389,042	\$ 80,152	\$ 12,991	\$ 51,117	\$ 213,814	\$ 747,116
<u>LIABILITIES AND FUND BALANCES</u>						
Liabilities:						
Accounts Payable	\$ 27,687	\$ 1,491			\$ 3,833	\$ 33,011
Accrued Expenses	11,560					11,560
Deferred Property Taxes	60,744	31,070	\$ 12,452	\$ 34,599	56,521	195,386
Due to General Fund		-	30,008		1,719	31,727
Total Liabilities	\$ 99,991	\$ 32,561	\$ 42,460	\$ 34,599	\$ 62,073	\$ 271,684
Fund Balances						
Reserved	\$ 39,010					\$ 39,010
Unreserved, General Fund	250,041					250,041
Unreserved Special Revenue Funds		\$ 47,591	\$ (29,469)	\$ 16,518	\$ 151,741	186,381
Total Fund Balances (Deficits)	\$ 289,051	\$ 47,591	\$ (29,469)	\$ 16,518	\$ 151,741	\$ 475,432
TOTAL LIABILITIES AND FUND BALANCES	\$ 389,042	\$ 80,152	\$ 12,991	\$ 51,117	\$ 213,814	\$ 747,116

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

VILLAGE OF BRIGHTON, ILLINOIS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENTS OF NET ASSETS
JUNE 30, 2006

Total Governmental Fund Balances	\$ 475,432
----------------------------------	------------

Total net assets reported for governmental activities in the statement of net assets is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Those assets consist of

Land	\$ 156,800	
Buildings and improvements, net of		
\$217,618 accumulated depreciation	217,326	
Land Improvements, net of		
\$329,936 accumulated depreciation	84,839	
Equipment, net of \$362,445		
accumulated depreciation	263,430	
Total		722,395

Some of the District's taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred revenue in the funds.

195,386

Long-term liabilities applicable to the Village's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities.

All liabilities - both current and long-term - are reported in the statement of net assets.

Balance of accrued sick pay at June 30, 2006

(16,768)

Total Net Assets of Governmental Activities

\$ 1,376,445

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

VILLAGE OF BRIGHTON, ILLINOIS
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2006

	<u>GENERAL CORPORATE</u>	<u>LIBRARY</u>	<u>STREET & BRIDGE</u>	<u>TORT INSURANCE</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL</u>
REVENUES:						
Taxes	\$ 63,636	\$ 30,843	\$ 30,708	\$ 36,956	\$ 49,826	\$ 211,969
Intergovernmental	386,401				63,602	450,003
Licenses and Permits	15,753					15,753
Fines	15,901					15,901
Interest	1,685	675	846	454	346	4,006
Other	550,649	28,530				579,179
Total Revenues	<u>\$ 1,034,025</u>	<u>\$ 60,048</u>	<u>\$ 31,554</u>	<u>\$ 37,410</u>	<u>\$ 113,774</u>	<u>\$ 1,276,811</u>
EXPENDITURES:						
General Government	\$ 649,295			\$ 29,286	\$ 3,101	681,682
Public Safety	196,323				29,866	226,189
Streets and Highways	66,170		\$ 39,704		53,525	159,399
Welfare	63,883				32,201	96,084
Recreation	24,155				16,120	40,275
Library		\$ 37,448				37,448
Total Expenditures	<u>\$ 999,826</u>	<u>\$ 37,448</u>	<u>\$ 39,704</u>	<u>\$ 29,286</u>	<u>\$ 134,813</u>	<u>\$ 1,241,077</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 34,199</u>	<u>\$ 22,600</u>	<u>\$ (8,150)</u>	<u>\$ 8,124</u>	<u>\$ (21,039)</u>	<u>\$ 35,734</u>
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	<u>254,852</u>	<u>24,991</u>	<u>(21,319)</u>	<u>8,394</u>	<u>172,780</u>	<u>439,698</u>
FUND BALANCE (DEFICIT), END OF YEAR	<u>\$ 289,051</u>	<u>\$ 47,591</u>	<u>\$ (29,469)</u>	<u>\$ 16,518</u>	<u>\$ 151,741</u>	<u>\$ 475,432</u>

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

VILLAGE OF BRIGHTON, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2006

Net Change in Fund Balances - Total Governmental Funds	\$ 35,734
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which depreciation exceeded capital outlay in the current period.	(21,351)
Since some property tax will not be collected for several months after the Village's fiscal year end, they are not considered "available" revenues in the governmental funds.	10,465
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	<u>1,989</u>
Changes in Net Assets of Governmental Activities	<u>\$ 26,837</u>

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

VILLAGE OF BRIGHTON, ILLINOIS
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
JUNE 30, 2006

<u>ASSETS</u>	<u>OPERATION AND MAINTENANCE</u>	<u>OTHER ENTERPRISE FUNDS</u>	<u>TOTALS</u>
CURRENT ASSETS:			
Cash	\$ 352,641	\$ 622,875	\$ 975,516
Investments - Time Certificates	54,915	330,415	385,330
Accounts Receivable - Customers (Net of Allowance for Uncollectible Accounts)	128,074		128,074
Estimated Unbilled Water and Sewer Usage	44,629		44,629
Total Current Assets	<u>\$ 580,259</u>	<u>\$ 953,290</u>	<u>\$ 1,533,549</u>
CAPITAL ASSETS (Net of Accumulated Depreciation)	<u>\$ 4,806,543</u>		<u>\$ 4,806,543</u>
TOTAL ASSETS	<u>\$ 5,386,802</u>	<u>\$ 953,290</u>	<u>\$ 6,340,092</u>
 <u>LIABILITIES AND NET ASSETS</u>			
CURRENT LIABILITIES:			
Accounts Payable	\$ 40,521		\$ 40,521
Customers' Deposits		\$ 31,584	31,584
Due to Governmental Agencies	36,322		36,322
Total Current Liabilities	<u>\$ 76,843</u>	<u>\$ 31,584</u>	<u>\$ 108,427</u>
LONG-TERM LIABILITIES:			
Due to Governmental Agencies	<u>\$ 108,966</u>		<u>\$ 108,966</u>
Total Liabilities	<u>\$ 185,809</u>	<u>\$ 31,584</u>	<u>\$ 217,393</u>
NET ASSETS:			
Invested in Capital Assets, net of Related Debt	\$ 4,661,255		\$ 4,661,255
Restricted		\$ 819,744	819,744
Unrestricted	539,738	101,962	641,700
Total Net Assets	<u>\$ 5,200,993</u>	<u>\$ 921,706</u>	<u>\$ 6,122,699</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 5,386,802</u>	<u>\$ 953,290</u>	<u>\$ 6,340,092</u>

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

VILLAGE OF BRIGHTON, ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2006

	<u>OPERATION AND MAINTENANCE</u>	<u>OTHER ENTERPRISE FUNDS</u>	<u>TOTALS</u>
OPERATING REVENUES:			
Sales of Water	\$ 926,725		\$ 926,725
Bulk Water Sales	3,586		3,586
Sewer Charges	240,994		240,994
Connection Charges	20,170		20,170
Late Penalties	21,256		21,256
Commissions	1,436		1,436
Miscellaneous	4,786		4,786
Total Operating Revenues	<u>\$ 1,218,953</u>		<u>\$ 1,218,953</u>
OPERATING EXPENSES:			
Water Purchased	\$ 308,700		\$ 308,700
Repairs and Supplies	21,602		21,602
Insurance	5,858		5,858
Office Supplies and Expense	5,071		5,071
Audit	5,101		5,101
Miscellaneous	19,652		19,652
Legal	3,450		3,450
Engineering	3,172		3,172
Bad Debts	11,160		11,160
Service Contracts	412,118		412,118
Total Operating Expenses	<u>\$ 795,884</u>		<u>\$ 795,884</u>
OPERATING INCOME BEFORE DEPRECIATION	\$ 423,069		\$ 423,069
DEPRECIATION	<u>155,186</u>		<u>155,186</u>
NET OPERATING INCOME	<u>\$ 267,883</u>		<u>\$ 267,883</u>
OTHER INCOME (EXPENSE), NET:			
Fiscal Agent Fees		\$ (12)	\$ (12)
Interest Income and Other Income	\$ 2,030	15,330	17,360
Total Other Income (Expense)	<u>\$ 2,030</u>	<u>\$ 15,318</u>	<u>\$ 17,348</u>
NET INCOME	\$ 269,913	\$ 15,318	\$ 285,231
TRANSFER (TO) FROM:	<u>34,311</u>	<u>(34,311)</u>	<u>0</u>
INCREASE (DECREASE) IN NET ASSETS	\$ 304,224	\$ (18,993)	\$ 285,231
NET ASSETS, BEGINNING OF YEAR	<u>4,896,769</u>	<u>940,699</u>	<u>5,837,468</u>
NET ASSETS, END OF YEAR	<u>\$ 5,200,993</u>	<u>\$ 921,706</u>	<u>\$ 6,122,699</u>

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

VILLAGE OF BRIGHTON, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2006

	<u>OPERATION AND MAINTENANCE</u>	<u>OTHER ENTERPRISE FUNDS</u>	<u>TOTALS</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received from Customers	\$ 1,210,584	\$ 2,310	\$ 1,212,894
Cash Payments for Goods and Services	(788,514)		(788,514)
Net Cash Provided by Operating Activities	<u>\$ 422,070</u>	<u>\$ 2,310</u>	<u>\$ 424,380</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Operating Transfers From (to) Other Funds	<u>\$ 34,311</u>	<u>\$ (34,311)</u>	<u>\$ 0</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Fiscal Agent Fees Paid	\$ (12)		\$ (12)
Payments for Capital Acquisitions	(340,088)		(340,088)
Payments to Governmental Agencies	(36,322)		(36,322)
Net Cash Used by Financing Activities	<u>\$ (376,422)</u>		<u>\$ (376,422)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest Income	<u>\$ 2,030</u>	<u>\$ 15,330</u>	<u>\$ 17,360</u>
NET INCREASE (DECREASE) IN CASH	\$ 81,989	\$ (16,671)	\$ 65,318
CASH, BEGINNING OF YEAR	<u>325,555</u>	<u>969,973</u>	<u>1,295,528</u>
CASH, END OF YEAR	<u><u>\$ 407,544</u></u>	<u><u>\$ 953,302</u></u>	<u><u>\$ 1,360,846</u></u>
RECONCILIATION OF NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Net Operating Income	\$ 267,883		\$ 267,883
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities:			
Depreciation	155,186		155,186
Decrease in Accounts Receivable	(8,369)		(8,369)
Increase in Customers' Deposits		\$ 2,310	2,310
Increase in Accounts Payable	<u>7,370</u>		<u>7,370</u>
Net Cash Provided by Operating Activities	<u><u>\$ 422,070</u></u>	<u><u>\$ 2,310</u></u>	<u><u>\$ 424,380</u></u>

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

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2006

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Village of Brighton, Illinois (the Village) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies:

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

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

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

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

B. Fund Accounting

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

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

C. Basis of Accounting

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2006

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net assets resulting from the current year's activities.

FUND FINANCIAL STATEMENTS

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

GOVERNMENTAL FUNDS

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

Revenue Recognition

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

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

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

Expenditure Recognition

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

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2006

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

PROPRIETARY FUNDS

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

D. Vacation and Sick Pay

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

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

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

The Village's sick leave policy grants an employee 6 paid sick days per year. The policy permits an accumulation of up to 60 days of unused sick leave. The Village is liable at June 30, 2006 for \$16,768 in unused sick leave.

E. Cash

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

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2006

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Governmental Receivables

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

G. Estimates

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

H. Budgets and Budgetary Accounting

Appropriations are authorized by ordinance for the General and Special Revenue Funds and prepared under the same method of accounting used for the fund financial statements. The Village uses the fund appropriations for its budgetary control. Fund expenditures may not legally exceed appropriations. Appropriations lapse at year end. The appropriation ordinance, which was not amended, was adopted on September 6, 2005.

I. Net Assets

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

J. Capital Assets and Depreciation

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

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

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

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2006

NOTE 2. CASH AND CERTIFICATES OF DEPOSIT

Cash and investments as of June 30, 2006 are classified in the accompanying financial statements as follows:

Cash	\$ 1,393,028
Investments - Time Certificates	<u>440,831</u>
Total	<u>\$ 1,833,859</u>

Cash includes \$303 of cash on hand and \$1,392,725 of deposits with financial institutions of which \$200,000 is insured by FDIC limits and the remaining balance is fully collateralized. Of the investments in time certificates, \$200,000 is insured by FDIC limits with the remaining balance being fully collateralized.

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

The Village's funds are required to be deposited and invested under the terms of a depository contract pursuant to Statute. The depository bank pledges for safekeeping and trust with the Village's third party agent, approved securities in an amount sufficient to protect Village funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the dollar amount of Federal Deposit Insurance Corporation coverage.

Under the depository contract, the Village, at its own discretion, invests funds in time deposits and certificates of deposit provided by the depository bank at interest rates approximating United States Treasury Bill rates.

A. Interest Rate Risk

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

At June 30, 2006, the remaining maturity for all certificates of deposit held by the Village is 12 months or less.

NOTE 3. PROPERTY TAX REVENUES

The Village levies property taxes in December of each year. The calendar year 2004 tax levy was adopted on December 5, 2005. Property taxes levied become a lien on Village residents' properties on the first day of the levy year, which is the succeeding calendar year. The County Collectors mail the property tax statements approximately six or seven months after the lien sets in on properties. Taxes are usually payable in two installments. The County Collectors receive property tax revenues and remit them to the Village within two to six months after the statements have been mailed to the residents. The total time elapsed between the levy and collection of taxes by the Village is approximately one to one-and-one half years.

Due dates for 2005 taxes are as follows:

	<u>First Installment</u>	<u>Second Installment</u>
Macoupin County	September 15, 2006	October 15, 2006
Jersey County	August 7, 2006	September 8, 2006

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2006

NOTE 4. PROPERTY AND EQUIPMENT

Capital asset activity for the year ended June 30, 2006, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Non-Depreciable:				
Land	\$ 156,800			\$ 156,800
Depreciable Capital Assets:				
Buildings and Improvements	\$ 476,394	\$ 3,550		\$ 479,944
Land Improvements	411,774	3,000		414,774
Equipment	<u>586,868</u>	<u>50,501</u>	\$ 11,494	<u>625,875</u>
Subtotal	\$ 1,475,036	\$ 57,051	\$ 11,494	\$ 1,520,593
Accumulated Depreciation:				
Buildings and Improvements	\$ 245,719	\$ 16,899		\$ 262,618
Land Improvements	307,803	22,132		329,935
Equipment	<u>334,568</u>	<u>39,371</u>	\$ 11,494	<u>362,445</u>
Subtotal	\$ 888,090	\$ 78,402	\$ 11,494	\$ 954,998
Net Depreciable Capital Assets	\$ 586,946	\$ (21,351)	\$ 0	\$ 565,595
Net Capital Assets	\$ 743,746	\$ (21,351)	\$ 0	\$ 722,395

Depreciation was charged to functions as follows:

Governmental activities:	
General Government	\$ 46,984
Police	11,485
Streets and Bridge	14,508
Parks and Recreation	3,145
Library	<u>2,280</u>
Total Governmental Activities Depreciation Expense	<u>\$ 78,402</u>

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2006

NOTE 4. PROPERTY AND EQUIPMENT (Continued)

A summary of business-type activities at June 30, 2006 follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type Activities:				
Non-Depreciable				
Land	\$ 34,378			\$ 34,378
Work in Process	0	\$ 14,105		14,105
Subtotal	<u>\$ 34,378</u>	<u>\$ 14,105</u>		<u>\$ 48,483</u>
Depreciable Capital Assets:				
Buildings	\$ 46,370			\$ 46,370
Equipment	394,412	\$ 57,451		451,863
Sewer Plant	4,823,416	13,343		4,836,759
Tanks & Pumping Station	606,155	2,195		608,350
Water System	<u>1,847,557</u>	<u>252,994</u>		<u>2,100,545</u>
Subtotal	<u>\$ 7,717,904</u>	<u>\$ 325,983</u>	<u>\$ 0</u>	<u>\$ 8,043,887</u>
Accumulated Depreciation:				
Buildings	\$ 46,291	\$ 74		\$ 46,365
Equipment	325,537	20,633		346,170
Sewer Plant	1,735,917	88,281		1,824,198
Tanks & Pumping Station	389,095	10,345		399,440
Water System	<u>633,801</u>	<u>35,853</u>		<u>669,654</u>
Subtotal	<u>\$ 3,130,641</u>	<u>\$ 155,186</u>	<u>\$ 0</u>	<u>\$ 3,285,827</u>
Net Depreciable Capital Assets	<u>\$ 4,587,263</u>	<u>\$ 170,797</u>	<u>\$ 0</u>	<u>\$ 4,758,060</u>
Net Capital Assets	<u>\$ 4,621,641</u>	<u>\$ 184,902</u>	<u>\$ 0</u>	<u>\$ 4,806,543</u>

Depreciation was charged to functions as follows:

Business-type Activities:	
Water	\$ 56,588
Sewer	98,598
Total Business-type Activities Depreciation Expense	<u>\$ 155,186</u>

NOTE 5. INTERFUND RECEIVABLES AND PAYABLES

A summary of interfund receivables and payables as of June 30, 2006 follows:

<u>Due To</u>	<u>Due From</u>	<u>Amount</u>
General Fund	Park and Recreation Fund	<u>\$ 1,719</u>
General Fund	Street and Bridge Fund	<u>\$ 30,008</u>

These interfund receivables and payables are due to bills being paid by the General Fund at times when the other funds may not have sufficient cash balances primarily. Insufficient cash balances are due to the timing of property tax revenue payments. The balances stated above are expected to be repaid within the next year.

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2006

NOTE 6. DUE TO GOVERNMENTAL AGENCIES

During the year ended June 30, 2005, the Village entered into an agreement with the Illinois Department of Transportation (IDOT) to pay \$217,932 for water lines installed by IDOT. Annual payments of \$36,322 are due on or before October 15 of each year until the full amount of debt is repaid.

The following liabilities constitute the balance owed to IDOT as of June 30, 2006:

Current Liability	\$ 36,322
Long-Term Liability	<u>108,966</u>
Total	<u>\$ 145,288</u>

NOTE 7. INTERGOVERNMENTAL COOPERATION CONTRACT - RISK MANAGEMENT

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

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

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

The Village's contributions to the self-insured retention fund during the year ended June 30, 2006, totaled \$26,494 for coverage from January 1, 2006 to December 31, 2006.

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

NOTE 8. LEGAL DEBT MARGIN

The computation of legal debt margin is as follows:

Assessed valuation as of December 31, 2005	<u>\$ 22,249,361</u>
Debt limit - 8.625% of assessed valuation	\$ 1,919,007
Less, general obligation bonded indebtedness	<u>0</u>
Legal debt margin	<u>\$ 1,919,007</u>

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

The Village had reserved fund balances and restricted net assets of \$39,010 pertaining to grants as of June 30, 2006. See Note 10 for details of the grants.

The following funds showed deficit fund balances at June 30, 2006:

Parks and Recreation	<u>\$ (1,569)</u>
Street and Bridge	<u>\$ (29,469)</u>

The Illinois Municipal Retirement Fund had actual expenditures of \$996 in excess of budgeted expenditures for the year ended June 30, 2006.

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2006

NOTE 9. GRANTS

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

During the year ended June 30, 2004, the Village was awarded a \$385,350 DCCA Housing Grant from CDAP. The grant proceeds are to be used to rehabilitate approximately 15 substandard deteriorating, single family, owner-occupied, very low to moderate income status households in a targeted area of the Village. The funds must be spent between May 17, 2004 and May 16, 2006. No funds were received or expended under this grant during the year ended June 30, 2004. During the year ended June 30, 2005 the Village received \$281,395 and expended \$256,911. During the year ended June 30, 2006, the Village received \$103,955 and expended \$128,439.

During the year ended June 30, 2005 the Village was awarded a \$376,000 DCCA Housing Grant to rehabilitate fifteen substandard deteriorating, single-family, owner-occupied, very low to moderate income status households in a targeted area of the Village. This grant was awarded June 1, 2005 and work must be completed by May 31, 2007. This grant was leveraged by a \$105,000 grant from IHDA to be used strictly for rehabilitation costs whereas the DCCA grant monies cover rehabilitation costs, rehabilitation administration and grant administration. No funds were received or expended under these grants during the year ended June 30, 2005. During the year ended June 30, 2006, the Village received \$358,502 and expended \$295,008.

During the year ended June 30, 2006 the Village was awarded a \$312,340 CDAP Grant to rehabilitate the sanitary sewer collection system in the northern portion of the Village. This grant was awarded August 1, 2005 and work must be completed by July 31, 2007. This grant was leveraged by a \$104,410 to be provided by the Village to be used strictly for rehabilitation costs whereas the CDAP grant monies cover rehabilitation costs, construction engineering and general administration. No funds were received or expended under this grant during the year ended June 30, 2006.

During the year ended June 30, 2006 the Village was awarded a \$81,399 MARS Housing Grant to rehabilitate five homes occupied by persons with disabilities, as specifically identified in the application. This grant was awarded October 1, 2005 and work must be completed by September 30, 2006. During the year ended June 30, 2006, the Village received and expended \$64,088.

VILLAGE OF BRIGHTON, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2006

VILLAGE OF BRIGHTON, ILLINOISGENERAL FUNDSTATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCEBUDGET AND ACTUALMAJOR GOVERNMENTAL FUNDSFOR THE YEAR ENDED JUNE 30, 2006

	<u>ORIGINAL AND FINAL BUDGET</u>	<u>ACTUAL</u>
REVENUES:		
Taxes		\$ 63,636
Intergovernmental Revenues		386,401
Licenses & Permits		15,753
Fines		15,901
Interest		1,685
Other		550,649
Total Revenues		<u>\$ 1,034,025</u>
EXPENDITURES:		
General Government	\$ 1,160,875	\$ 649,295
Public Safety	264,265	196,323
Streets and Highways	125,000	66,170
Welfare	19,680	63,883
Recreation	56,600	24,155
Total Expenditures	<u>\$ 1,626,420</u>	<u>\$ 999,826</u>
REVENUES OVER EXPENDITURES		\$ 34,199
FUND BALANCE, BEGINNING OF YEAR		<u>254,852</u>
FUND BALANCE, END OF YEAR		<u>\$ 289,051</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUNDS
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2006

	<u>LIBRARY</u>	
	<u>ORIGINAL</u> <u>AND FINAL</u> <u>BUDGET</u>	<u>ACTUAL</u>
REVENUES:		
Property Taxes		\$ 30,843
Interest		675
Other		28,530
Total Revenues		<u>\$ 60,048</u>
EXPENDITURES:		
Library	<u>\$ 43,050</u>	<u>\$ 37,448</u>
REVENUES OVER EXPENDITURES		\$ 22,600
FUND BALANCE, BEGINNING OF YEAR		<u>24,991</u>
FUND BALANCE, END OF YEAR		<u>\$ 47,591</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUNDS
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2006

	<u>STREET AND BRIDGE</u>	
	<u>ORIGINAL AND FINAL BUDGET</u>	<u>ACTUAL</u>
REVENUES:		
Property Taxes		\$ 30,708
Interest		846
Total Revenues		<u>\$ 31,554</u>
EXPENDITURES:		
Streets and Highways	<u>\$ 58,703</u>	<u>\$ 39,704</u>
REVENUES UNDER EXPENDITURES		\$ (8,150)
FUND BALANCE, BEGINNING OF YEAR		<u>(21,319)</u>
FUND BALANCE, END OF YEAR		<u>\$ (29,469)</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUNDS
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2006

	<u>TORT INSURANCE</u>	
	<u>ORIGINAL AND FINAL BUDGET</u>	<u>ACTUAL</u>
REVENUES:		
Property Taxes		\$ 36,956
Interest		454
Total Revenues		<u>\$ 37,410</u>
EXPENDITURES:		
General Government	<u>\$ 40,800</u>	<u>\$ 29,286</u>
REVENUES OVER EXPENDITURES		\$ 8,124
FUND BALANCE, BEGINNING OF YEAR		<u>8,394</u>
FUND BALANCE, END OF YEAR		<u>\$ 16,518</u>

VILLAGE OF BRIGHTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2006

A. Plan Description

The Village of Brighton's defined benefit pension plan, Illinois Municipal Retirement (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an Agent - Multiple - Employer Public Employee Retirement System and acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a financial report that includes financial statements and required supplementary information. That report may be obtained at www.imrf.org/pubs/pubs_homepage.htm, or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The member rate is established by state statute. The Village of Brighton is required to contribute at an actuarially determined rate. The employer rate for calendar year 2005 was 6.47 percent of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees.

IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (over funded liability amortized on an open basis). The remaining amortization period at December 31, 2005 was 27 years.

For December 31, 2005, the Village of Brighton's annual pension cost of \$12,052 was equal to the Village of Brighton's required and actual contributions. The required contribution was determined as part of the December 31, 2003 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from a 0.4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor. The assumptions used for the 2005 actuarial valuation were based on the 2002-2004 experience study.

B. Trend Information

<u>Actuarial Valuation Date</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/05	\$12,502	100%	\$0
12/31/04	4,481	100%	0
12/31/03	1,391	100%	0
12/31/02	1,509	100%	0
12/31/01	4,578	100%	0
12/31/00	11,804	100%	0
12/31/99	13,791	100%	0
12/31/98	15,729	100%	0
12/31/97	16,375	100%	0
12/31/96	14,554	100%	0

VILLAGE OF BRIGHTON, ILLINOIS
ILLINOIS MUNICIPAL RETIREMENT FUND
JUNE 30, 2006

C. Required Supplementary Information

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/05	\$688,984	\$667,175	\$(21,809)	103.27%	\$193,228	0.00%
12/31/04	622,360	607,342	(15,018)	102.47%	172,352	0.00%
12/31/03	580,826	507,225	(73,601)	114.51%	154,583	0.00%
12/31/02	558,691	473,243	(85,448)	118.06%	162,231	0.00%
12/31/01	534,049	415,404	(118,645)	128.56%	165,872	0.00%
12/31/00	626,578	499,012	(127,566)	125.56%	161,255	0.00%
12/31/99	545,004	466,967	(78,037)	116.71%	160,184	0.00%
12/31/98	431,874	407,361	(24,513)	106.02%	147,826	0.00%
12/31/97	346,823	358,451	11,628	96.76%	145,273	8.00%
12/31/96	313,530	367,122	53,592	85.40%	141,026	38.00%
12/31/95	264,508	350,083	85,575	75.56%	229,338	37.31%

On a market value basis, the actuarial value of assets as of December 31, 2005 is \$697,003. On a market basis, the funded ratio would be 104.47%.

***Digest of Changes**

The actuarial assumptions used to determine the actuarial accrued liability for 2005 are based on the 2002-2004 Experience Study.

The principal changes were:

- The 1994 Group Annuity Mortality implemented
- For Regular members, fewer normal and early retirements are expected to occur.

VILLAGE OF BRIGHTON, ILLINOIS
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2006

VILLAGE OF BRIGHTON, ILLINOIS

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED JUNE 30, 2006

WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2005

	TOTALS	
	2006	2005
REVENUES:		
Taxes:		
General Property	\$ 59,476	\$ 54,944
Replacement	4,160	3,282
Total Taxes	<u>\$ 63,636</u>	<u>\$ 58,226</u>
Intergovernmental Revenue:		
State Income Tax	\$ 209,468	\$ 214,769
Sales Tax	176,933	159,017
Total Intergovernmental Revenue	<u>\$ 386,401</u>	<u>\$ 373,786</u>
Licenses:		
Vendor	\$ 335	\$ 335
Tavern	6,987	3,300
Dog	579	534
Total Licenses	<u>\$ 7,901</u>	<u>\$ 4,169</u>
Permits	<u>\$ 7,852</u>	<u>\$ 5,866</u>
Fines	<u>\$ 15,901</u>	<u>\$ 15,716</u>
Interest	<u>\$ 1,685</u>	<u>\$ 1,259</u>
Other:		
Grant	\$ 526,545	\$ 334,686
Franchise Fees	6,127	6,113
Village Hall Rent	1,800	3,020
Equipment Rental	12,462	11,878
Miscellaneous	3,715	9,561
Total Other	<u>\$ 550,649</u>	<u>\$ 365,258</u>
Total Revenues	\$ 1,034,025	\$ 824,280
EXPENDITURES (SCHEDULE 3)	<u>999,826</u>	<u>774,515</u>
REVENUES OVER EXPENDITURES	\$ 34,199	\$ 49,765
FUND BALANCE, BEGINNING OF YEAR	<u>254,852</u>	<u>205,087</u>
FUND BALANCE, END OF YEAR	<u>\$ 289,051</u>	<u>\$ 254,852</u>

VILLAGE OF BRIGHTON, ILLINOIS
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2006
WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2005

	<u>2006</u>	<u>2005</u>
	<u>BUDGET</u>	<u>ACTUAL</u>
General Government:		
Village Officers' Salaries	\$ 48,245	\$ 50,926
Village Hall Salaries		195
Street Lighting		13,876
Telephone	1,500	889
Miscellaneous	2,000	9,313
Office Expense	4,000	3,911
Village Hall Expenditures	56,030	38,475
Legal Publications	1,500	1,545
Zoning	500	1,139
Animal Control	6,350	5,165
Attorney	6,500	9,361
Capital Outlay	7,000	2,929
Gas	900	13,101
Grant Expense	1,009,350	487,535
Donations	1,000	425
Economic Development	3,000	
Sales Tax Rebate	10,000	7,225
Holiday/ Contingency Fund	3,000	3,285
Total General Government	<u>\$ 1,160,875</u>	<u>\$ 649,295</u>
Public Safety:		
Police Salaries and Dispatching Salaries	\$ 173,600	\$ 161,809
Police Department Expenditures	86,265	34,514
Capital Outlay	4,400	
Total Public Safety	<u>\$ 264,265</u>	<u>\$ 196,323</u>
Streets and Highways:		
EMC Contract	\$ 119,000	\$ 65,940
Public Works Expense	4,000	230
Decorations	2,000	
Total Streets and Highways	<u>\$ 125,000</u>	<u>\$ 66,170</u>
Welfare:		
Employees Health Insurance	\$ 19,680	\$ 63,883
Parks and Recreation:		
Salaries		\$ 800
Park Utilities	\$ 6,500	\$ 5,105
Park and Recreation Expenses	16,400	19,050
Capital Expenditures	33,700	
Total Parks and Recreation	<u>\$ 56,600</u>	<u>\$ 24,155</u>
Total Expenditures	<u>\$ 1,626,420</u>	<u>\$ 999,826</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2006

WITH COMPARATIVE TOTALS FOR JUNE 30, 2005

<u>ASSETS</u>	<u>MOTOR FUEL TAX</u>	<u>ILLINOIS MUNICIPAL RETIREMENT</u>	<u>SOCIAL SECURITY</u>	<u>AUDIT</u>	<u>CIVIL DEFENSE</u>	<u>PARKS AND RECREATION</u>
Cash	\$ 67,597	\$ 15,923	\$ 3,825	\$ 32	\$ 984	\$ 150
Property Taxes Receivable			16,803	3,970	5,373	14,830
Prepaid Expenses		938				
Due from Governmental Agencies	5,695					
TOTAL	\$ 73,292	\$ 16,861	\$ 20,628	\$ 4,002	\$ 6,357	\$ 14,980
<u>LIABILITIES AND FUND EQUITY</u>						
<u>LIABILITIES:</u>						
Accounts Payable	\$ 3,833					\$ 1,719
Due to General Fund						14,830
Deferred Property Taxes						\$ 16,549
Total Liabilities	\$ 3,833		\$ 16,803	\$ 3,970	\$ 5,373	\$ 1,719
FUND EQUITY:			\$ 16,803	\$ 3,970	\$ 5,373	\$ 14,830
Fund Balance (Deficit)	\$ 69,459	\$ 16,861	\$ 3,825	\$ 32	\$ 984	\$ (1,569)
TOTAL	\$ 73,292	\$ 16,861	\$ 20,628	\$ 4,002	\$ 6,357	\$ 14,980

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2006
WITH COMPARATIVE TOTALS FOR JUNE 30, 2005

ASSETS	TORT INSURANCE	POLICE	STREET AND BRIDGE	LIBRARY	UNEMPLOYMENT INSURANCE	TOTALS
					2006	2005
Cash	\$ 16,518	\$ 16,314	\$ 539	\$ 13,581	\$ 45,835	\$ 201,357
Certificate of Deposit						
Property Taxes Receivable	34,599	15,545	12,452	35,501	35,501	14,227
Prepaid Expenses				31,070	134,642	127,254
Due from Governmental Agencies					938	
TOTAL	\$ 51,117	\$ 31,859	\$ 12,991	\$ 80,152	\$ 45,835	\$ 347,784
					5,695	4,946
					\$ 358,074	\$ 347,784
<u>LIABILITIES AND FUND EQUITY</u>						
LIABILITIES:						
Accounts Payable				\$ 1,491		\$ 11,629
Due to General Fund			\$ 30,008	-	\$ 5,324	\$ 11,629
Deferred Property Taxes	\$ 34,599	\$ 15,545	12,452	31,070	31,727	24,056
Total Liabilities	\$ 34,599	\$ 15,545	\$ 42,460	\$ 32,561	134,642	127,254
					\$ 171,693	\$ 162,939
FUND EQUITY:						
Fund Balance (Deficit)	\$ 16,518	\$ 16,314	\$ (29,469)	\$ 47,591	\$ 186,381	\$ 184,845
TOTAL	\$ 51,117	\$ 31,859	\$ 12,991	\$ 80,152	\$ 45,835	\$ 347,784

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2006

	ILLINOIS				AUDIT	
	MOTOR FUEL TAX	MUNICIPAL RETIREMENT	SOCIAL SECURITY		BUDGET	ACTUAL
	BUDGET	BUDGET	BUDGET	ACTUAL		
REVENUES:						
Property Taxes						
Intergovernmental Revenues						
Interest	\$ 63,602		\$ 15,000		\$ 3,108	
Total Revenues	70	\$ 21	91		15	
	\$ 63,672	\$ 21	\$ 15,091		\$ 3,123	
EXPENDITURES:						
General Government					\$ 4,000	\$ 3,101
Streets and Highways	\$ 124,750					
Welfare						
Total Expenditures	\$ 124,750	\$ 13,000	\$ 18,500	\$ 18,205	\$ 4,000	\$ 3,101
		\$ 13,000	\$ 18,500	\$ 18,205		
REVENUES UNDER EXPENDITURES	\$ 10,147	\$ (13,975)	\$ (3,114)		\$ 22	
TRANSFERS (TO) FROM SPECIAL REVENUE FUNDS			5,000			
FUND BALANCE, BEGINNING OF YEAR	59,312	30,836	1,939			10
FUND BALANCE, END OF YEAR	\$ 69,459	\$ 16,861	\$ 3,825			\$ 32

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2006

	CIVIL DEFENSE		PARKS AND RECREATION		TORT INSURANCE		POLICE	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
REVENUES:								
Property Taxes		\$ 1,325		\$ 14,999		\$ 36,956		\$ 15,394
Interest		6		71		454		72
Total Revenues		<u>\$ 1,331</u>		<u>\$ 15,070</u>		<u>\$ 37,410</u>		<u>\$ 15,466</u>
EXPENDITURES:								
General Government					\$ 40,800	\$ 29,286		
Public Safety	\$ 5,420	\$ 3,065		\$ 16,120		\$ 27,648	\$ 26,801	
Recreation			\$ 16,400	\$ 16,120				
Total Expenditures	<u>\$ 5,420</u>	<u>\$ 3,065</u>	<u>\$ 16,400</u>	<u>\$ 16,120</u>	<u>\$ 40,800</u>	<u>\$ 29,286</u>	<u>\$ 27,648</u>	<u>\$ 26,801</u>
REVENUES OVER (UNDER) EXPENDITURES		\$ (1,734)		\$ (1,050)		\$ 8,124		\$ (11,335)
FUND BALANCE (DEFICIT), BEGINNING OF YEAR		<u>2,718</u>		<u>(519)</u>		<u>8,394</u>		<u>27,649</u>
FUND BALANCE (DEFICIT), END OF YEAR		<u>\$ 984</u>		<u>\$ (1,569)</u>		<u>\$ 16,518</u>		<u>\$ 16,314</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2006

	STREET AND BRIDGE		LIBRARY		UNEMPLOYMENT INSURANCE		TOTALS 2006		2005 ACTUAL
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	
REVENUES:									
Property Taxes		\$ 30,708		\$ 30,843			\$ 148,333	\$ 143,487	
Intergovernmental Revenues							63,602	63,469	
Interest		846		675			2,321	1,493	
Other				28,530			28,530	7,926	
Total Revenues		<u>\$ 31,554</u>		<u>\$ 60,048</u>			<u>\$ 242,786</u>	<u>\$ 216,375</u>	
EXPENDITURES:									
General Government									
Public Safety					\$ 10,000		\$ 54,800	\$ 32,483	
Streets and Highways	\$ 58,703	\$ 39,704					33,068	29,866	3,355
Welfare							183,453	93,229	164,076
Recreation							31,500	32,201	24,430
Library							16,400	16,120	13,859
Total Expenditures	<u>\$ 58,703</u>	<u>\$ 39,704</u>		<u>\$ 37,448</u>	<u>\$ 10,000</u>		<u>\$ 362,271</u>	<u>\$ 241,251</u>	<u>\$ 273,720</u>
REVENUES OVER (UNDER) EXPENDITURES		\$ (8,150)		\$ 22,600				\$ 1,535	\$ (57,345)
TRANSFERS (TO) FROM SPECIAL REVENUE FUNDS									
FUND BALANCE (DEFICIT), BEGINNING OF YEAR		<u>(21,319)</u>		<u>24,991</u>				<u>184,846</u>	<u>242,190</u>
FUND BALANCE (DEFICIT), END OF YEAR		<u>\$ (29,469)</u>		<u>\$ 47,591</u>				<u>\$ 186,381</u>	<u>\$ 184,845</u>

VILLAGE OF BRIGHTON, ILLINOIS

SPECIAL REVENUE FUND

MOTOR FUEL TAX

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2006

WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2005

	2006		2005
	BUDGET	ACTUAL	
REVENUES:			
Intergovernmental - Allotments		\$ 63,602	\$ 63,469
Interest		70	125
Other			475
Total Revenues		<u>\$ 63,672</u>	<u>\$ 63,594</u>
EXPENDITURES:			
Streets and Highways:			
Oil and Asphalt	\$ 17,000	\$ 16,276	\$ 12,888
Rock, Chips	3,000	1,731	1,921
Engineering	7,000	5,028	4,864
Cold Patch, Hot Mix	10,000	3,267	2,806
Slag	20,000	16,765	13,654
Signs	1,500	1,253	1,319
Equipment Rental	10,000	(3,557)	16,541
Street Sweep	2,500	2,500	2,500
Culverts	5,000	112	1,456
Bid Letting	1,000	63	818
Sidewalks	10,000	1,255	32,968
Culvert & Ditch Cleaning	3,000	720	3,214
Street Lighting	20,000	8,448	20,180
Other	14,750	(336)	9,847
Total Expenditures	<u>\$ 124,750</u>	<u>\$ 53,525</u>	<u>\$ 124,976</u>
REVENUES OVER (UNDER) EXPENDITURES		\$ 10,147	\$ (61,382)
FUND BALANCE, BEGINNING OF YEAR		<u>59,312</u>	<u>121,717</u>
FUND BALANCE, END OF YEAR		<u>\$ 69,459</u>	<u>\$ 60,335</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUND
ILLINOIS MUNICIPAL RETIREMENT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2006
WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2005

	<u>TOTALS</u>	
	<u>2006</u>	<u>2005</u>
REVENUES:		
Interest	\$ 21	\$ 31
EXPENDITURES:		
Welfare:		
Illinois Municipal Retirement	<u>13,996</u>	<u>8,134</u>
REVENUES UNDER EXPENDITURES	\$ (13,975)	\$ (8,103)
FUND BALANCE, BEGINNING OF YEAR	<u>30,836</u>	<u>38,939</u>
FUND BALANCE, END OF YEAR	<u>\$ 16,861</u>	<u>\$ 30,836</u>

VILLAGE OF BRIGHTON, ILLINOIS

SPECIAL REVENUE FUND

SOCIAL SECURITY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED JUNE 30, 2006

WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2005

	<u>TOTALS</u>	
	<u>2006</u>	<u>2005</u>
REVENUES:		
Property Taxes	\$ 15,000	\$ 14,235
Interest	91	31
Total Revenues	<u>\$ 15,091</u>	<u>\$ 14,266</u>
EXPENDITURES:		
Welfare:		
Social Security	<u>\$ 18,205</u>	<u>\$ 16,296</u>
REVENUES UNDER EXPENDITURES	\$ (3,114)	\$ (2,030)
TRANSFERS FROM UNEMPLOYMENT INSURANCE FUND	5,000	0
FUND BALANCE, BEGINNING OF YEAR	<u>1,939</u>	<u>3,969</u>
FUND BALANCE, END OF YEAR	<u>\$ 3,825</u>	<u>\$ 1,939</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUND

SCHEDULE "9"

AUDIT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2006
WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2005

	<u>TOTALS</u>	
	<u>2006</u>	<u>2005</u>
REVENUES:		
Property Taxes	\$ 3,108	\$ 2,536
Interest	15	
Total Revenues	<u>\$ 3,123</u>	<u>\$ 2,536</u>
EXPENDITURES:		
General Government:		
Audit	<u>\$ 3,101</u>	<u>\$ 2,550</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ 22	\$ (14)
FUND BALANCE, BEGINNING OF YEAR	<u>10</u>	<u>24</u>
FUND BALANCE, END OF YEAR	<u>\$ 32</u>	<u>\$ 10</u>

VILLAGE OF BRIGHTON, ILLINOIS

SPECIAL REVENUE FUND

CIVIL DEFENSE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED JUNE 30, 2006

WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2005

	<u>TOTALS</u>	
	<u>2006</u>	<u>2005</u>
REVENUES:		
Property Taxes	\$ 1,325	\$ 4,517
Interest	6	
Total Revenues	<u>\$ 1,331</u>	<u>\$ 4,517</u>
EXPENDITURES:		
General Government:		
Public Safety	<u>\$ 3,065</u>	<u>\$ 3,355</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ (1,734)	\$ 1,162
FUND BALANCE, BEGINNING OF YEAR	<u>2,718</u>	<u>1,556</u>
FUND BALANCE, END OF YEAR	<u>\$ 984</u>	<u>\$ 2,718</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUND
PARKS AND RECREATION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2006
WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2005

	<u>TOTALS</u>	
	<u>2006</u>	<u>2005</u>
REVENUES:		
Property Taxes	\$ 14,999	\$ 13,812
Interest	71	
Total Revenues	<u>\$ 15,070</u>	<u>\$ 13,812</u>
EXPENDITURES:		
Recreation:		
EMC Contract	\$ 16,120	\$ 13,859
Total Expenditures	<u>\$ 16,120</u>	<u>\$ 13,859</u>
REVENUES UNDER EXPENDITURES	\$ (1,050)	\$ (47)
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	<u>(519)</u>	<u>(472)</u>
FUND BALANCE (DEFICIT), END OF YEAR	<u>\$ (1,569)</u>	<u>\$ (519)</u>

VILLAGE OF BRIGHTON, ILLINOISSPECIAL REVENUE FUNDTORT INSURANCESTATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCEFOR THE YEAR ENDED JUNE 30, 2006WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2005

	<u>TOTALS</u>	
	<u>2006</u>	<u>2005</u>
REVENUES:		
Property Taxes	\$ 36,956	\$ 34,948
Interest	454	240
Total Revenues	<u>\$ 37,410</u>	<u>\$ 35,188</u>
EXPENDITURES:		
General Government:		
Insurance	\$ 18,130	\$ 17,205
Dues	277	268
Legal Fees	12,000	12,000
Police Training	(1,301)	280
Miscellaneous	180	180
Total Expenditures	<u>\$ 29,286</u>	<u>\$ 29,933</u>
REVENUES OVER EXPENDITURES	\$ 8,124	\$ 5,255
FUND BALANCE, BEGINNING OF YEAR	<u>8,394</u>	<u>3,139</u>
FUND BALANCE, END OF YEAR	<u>\$ 16,518</u>	<u>\$ 8,394</u>

VILLAGE OF BRIGHTON, ILLINOIS

SPECIAL REVENUE FUND

POLICE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2006

WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2005

	<u>BUDGET</u>	<u>2006</u> <u>ACTUAL</u>	<u>2005</u>
REVENUES:			
Property Taxes		\$ 15,394	\$ 14,490
Interest		72	
Total Revenues		<u>\$ 15,466</u>	<u>\$ 14,490</u>
EXPENDITURES	<u>\$ 27,648</u>	<u>26,801</u>	<u>0</u>
REVENUES OVER (UNDER) EXPENDITURES		\$ (11,335)	\$ 14,490
FUND BALANCE, BEGINNING OF YEAR		<u>27,649</u>	<u>13,159</u>
FUND BALANCE, END OF YEAR		<u>\$ 16,314</u>	<u>\$ 27,649</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUND
STREET AND BRIDGE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2006
WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2005

	<u>2006</u>		<u>2005</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	
REVENUES:			
Property Taxes		\$ 30,708	\$ 30,284
Interest		846	675
Total Revenues		<u>\$ 31,554</u>	<u>\$ 30,959</u>
EXPENDITURES:			
Streets and Highways:			
EMC Contract	\$ 33,703	\$ 38,209	\$ 36,723
Capital Outlay	15,000		
Repairs		0	189
Rock, Patch, Sand	2,000		
Engineering	1,500		
Mosquito Spraying	1,500	1,300	525
Miscellaneous		195	164
Special Projects	5,000		
Total Expenditures	<u>\$ 58,703</u>	<u>\$ 39,704</u>	<u>\$ 37,601</u>
REVENUES UNDER EXPENDITURES		\$ (8,150)	\$ (6,642)
FUND BALANCE (DEFICIT), BEGINNING OF YEAR		<u>(21,319)</u>	<u>(14,677)</u>
FUND BALANCE (DEFICIT), END OF YEAR		<u>\$ (29,469)</u>	<u>\$ (21,319)</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUND
LIBRARY FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2006
WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2005

		<u>2006</u>	<u>TOTALS</u> <u>2005</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	
REVENUES:			
Property Taxes		\$ 30,843	\$ 28,665
Donations		20,357	169
Other		8,848	7,673
Total Revenues		<u>\$ 60,048</u>	<u>\$ 36,507</u>
EXPENDITURES:			
Library Wages	\$ 20,000	\$ 18,363	\$ 17,634
Capital Expenditures	5,000	2,997	1,587
Utilities	3,000	1,617	3,016
Telephone	1,600	1,219	1,636
Water	200	214	170
Books	6,000	5,934	5,870
Office Expense	1,500	1,989	1,570
Summer Reading Program	500	208	231
Cleaning & Supplies	1,500	1,300	1,150
Repairs & Maintenance	1,200	1,314	748
Building Insurance	1,800	1,978	1,748
Miscellaneous	750	315	157
Total Expenditures	<u>\$ 43,050</u>	<u>\$ 37,448</u>	<u>\$ 35,517</u>
REVENUES OVER EXPENDITURES		\$ 22,600	\$ 990
FUND BALANCE, BEGINNING OF YEAR		<u>24,991</u>	<u>24,001</u>
FUND BALANCE, END OF YEAR		<u>\$ 47,591</u>	<u>\$ 24,991</u>

VILLAGE OF BRIGHTON, ILLINOIS
SPECIAL REVENUE FUND
UNEMPLOYMENT INSURANCE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2006
WITH COMPARATIVE FIGURES FOR THE YEAR ENDED JUNE 30, 2005

	<u>TOTALS</u>	
	<u>2006</u>	<u>2005</u>
REVENUES:		
Property Taxes	\$ 0	\$ 0
EXPENDITURES	<u>0</u>	<u>0</u>
REVENUES OVER EXPENDITURES	\$ 0	\$ 0
TRANSFERS TO SOCIAL SECURITY FUND	(5,000)	0
FUND BALANCE, BEGINNING OF YEAR	<u>50,835</u>	<u>70,835</u>
FUND BALANCE, END OF YEAR	<u>\$ 45,835</u>	<u>\$ 70,835</u>

VILLAGE OF BRIGHTON, ILLINOIS
ENTERPRISE FUND
WATERWORKS AND SEWERAGE
COMBINING BALANCE SHEET

JUNE 30, 2006

WITH COMPARATIVE TOTALS FOR JUNE 30, 2005

ASSETS	OPERATION AND MAINTENANCE	BOND AND INTEREST	DEPRECIATION	SURPLUS	CUSTOMERS' DEPOSITS ACCOUNT	TOTALS 2006	2005
CASH	\$ 352,641	\$ 101,962	\$ 175,946	\$ 313,383	\$ 31,584	\$ 975,516	\$ 921,056
INVESTMENTS - TIME CERTIFICATES	\$ 54,915		\$ 330,415			\$ 385,330	\$ 374,472
RECEIVABLES:							
Accounts - Customers, Net of Allowance for Uncollectible Accounts	\$ 128,074					\$ 128,074	\$ 119,184
Estimated Unbilled							
Water and Sewer Usage	44,629					44,629	45,150
Total Receivables	\$ 172,703					\$ 172,703	\$ 164,334
PROPERTY, PLANT AND EQUIPMENT, AT COST:							
Buildings and Land	\$ 80,748					\$ 80,748	\$ 80,748
Water System	2,100,545					2,100,545	1,847,550
Sewerage System	4,836,759					4,836,759	4,823,417
Tanks and Pumping Station	608,350					608,350	606,155
Equipment	451,863					451,863	394,413
Work - In - Process	14,105						
Total	\$8,092,370					\$8,092,370	\$7,752,283
Less, Accumulated Depreciation	3,285,827					3,285,827	3,130,642
Net Property, Plant and Equipment	\$4,806,543					\$4,806,543	\$4,621,641
TOTAL	\$5,386,802	\$ 101,962	\$ 506,361	\$ 313,383	\$ 31,584	\$6,340,092	\$6,081,503

VILLAGE OF BRIGHTON, ILLINOIS
ENTERPRISE FUND
WATERWORKS AND SEWERAGE
COMBINING BALANCE SHEET
JUNE 30, 2006

WITH COMPARATIVE TOTALS FOR JUNE 30, 2005

LIABILITIES AND FUND EQUITY:	OPERATION AND MAINTENANCE	BOND AND INTEREST	DEPRECIATION	SURPLUS	CUSTOMERS' DEPOSITS ACCOUNT		TOTALS	
					2006	2005	2006	2005
CURRENT LIABILITIES:								
Accounts Payable	\$ 40,521				\$ 40,521	\$ 33,151	\$ 40,521	\$ 33,151
Customers' Deposits					31,584	29,274	31,584	29,274
Due to Governmental Agencies	36,322				36,322	36,322	36,322	36,322
Total Current Liabilities	\$ 76,843				\$ 108,427	\$ 98,747	\$ 108,427	\$ 98,747
LONG-TERM LIABILITIES:								
Due to Governmental Agencies	\$ 108,966				\$ 108,966	\$ 145,288	\$ 108,966	\$ 145,288
Total Liabilities	\$ 185,809				\$ 217,393	\$ 244,035	\$ 217,393	\$ 244,035
FUND EQUITY:								
Reserve for Extraordinary Repairs and Replacement			\$ 506,361		\$ 506,361	589,039	\$ 506,361	589,039
Surplus				\$ 313,383	313,383	250,668	313,383	250,668
Total Reserves				\$ 313,383	\$ 819,744	\$ 839,707	\$ 819,744	\$ 839,707
Retained Earnings	\$5,200,993	\$ 101,962			5,302,955	4,997,761	5,302,955	4,997,761
Total Fund Equity	\$5,200,993	\$ 101,962		\$ 313,383	\$ 6,122,699	\$ 5,837,468	\$ 6,122,699	\$ 5,837,468
TOTAL	\$5,386,802	\$ 101,962	\$ 506,361	\$ 313,383	\$ 6,340,092	\$ 6,081,503	\$ 6,340,092	\$ 6,081,503

VILLAGE OF BRIGHTON, ILLINOIS
ENTERPRISE FUND
WATERWORKS AND SEWERAGE
COMBINING STATEMENT OF CHANGES IN MUNICIPAL EQUITY
JUNE 30, 2006
WITH COMPARATIVE TOTALS FOR JUNE 30, 2005

	<u>OPERATION AND MAINTENANCE</u>	<u>BOND AND INTEREST</u>	<u>DEPRECIATION</u>	<u>SURPLUS</u>	<u>TOTALS</u>
					<u>2005</u> <u>2004</u>
EQUITY, BEGINNING OF YEAR	\$ 4,896,769	\$ 100,992	\$ 589,039	\$ 250,668	\$ 5,837,468 \$ 5,557,743
NET INCOME	269,913	970	11,633	2,715	285,231 279,725
TRANSFER (TO) FROM:	<u>34,311</u>		<u>(94,311)</u>	<u>60,000</u>	<u>0</u> <u>0</u>
EQUITY, END OF YEAR	<u>\$ 5,200,993</u>	<u>\$ 101,962</u>	<u>\$ 506,361</u>	<u>\$ 313,383</u>	<u>\$ 6,122,699</u> <u>\$ 5,837,468</u>

VILLAGE OF BRIGHTON, ILLINOIS
ENTERPRISE FUND
WATERWORKS AND SEWERAGE
COMBINING STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED JUNE 30, 2006
WITH COMPARATIVE FIGURES FOR JUNE 30, 2005

	<u>OPERATION AND MAINTENANCE</u>			<u>BOND</u>	<u>DEPRECIATION</u>		<u>TOTALS</u>	
	<u>WATER</u>	<u>SEWER</u>	<u>COMBINED</u>	<u>AND</u>	<u>INTEREST</u>	<u>SURPLUS</u>	<u>2006</u>	<u>2005</u>
REVENUES:								
Sale of Water	\$ 926,725		\$ 926,725				\$ 926,725	\$ 899,010
Bulk Water Sales	3,586		3,586				3,586	2,125
Sewer Charges		\$ 240,994	240,994				240,994	223,990
Connection Charges	18,970	1,200	20,170				20,170	8,486
Late Penalties	14,879	6,377	21,256				21,256	20,414
Commissions	718	718	1,436				1,436	1,656
Miscellaneous	4,676	110	4,786				4,786	4,584
Total Revenues	\$ 969,554	\$ 249,399	\$1,218,953				\$1,218,953	\$1,160,265
EXPENSES (SCHEDULE 20)								
	642,284	153,600	795,884				795,884	746,064
OPERATING INCOME BEFORE DEPRECIATION	\$ 327,270	\$ 95,799	\$ 423,069				\$ 423,069	\$ 414,201
DEPRECIATION	56,588	98,598	155,186				155,186	143,850
OPERATING INCOME (LOSS)	\$ 270,682	\$ (2,799)	\$ 267,883				\$ 267,883	\$ 270,351
OTHER INCOME (EXPENSES), NET:								
Fiscal Agent Fees					\$ (6)	\$ (6)	\$ (12)	\$ (450)
Investment Income and Other Income	\$ 1,015	\$ 1,015	\$ 2,030	\$ 970	11,639	2,721	17,360	9,824
Total Other Income (Expenses)	\$ 1,015	\$ 1,015	\$ 2,030	\$ 970	\$ 11,633	\$ 2,715	\$ 17,348	\$ 9,374
NET INCOME (LOSS)	\$ 271,697	\$ (1,784)	\$ 269,913	\$ 970	\$ 11,633	\$ 2,715	\$ 285,231	\$ 279,725

VILLAGE OF BRIGHTON, ILLINOIS
ENTERPRISE FUND
WATERWORKS AND SEWERAGE
COMBINING SCHEDULE OF EXPENSES
FOR THE YEAR ENDED JUNE 30, 2006
WITH COMPARATIVE FIGURES FOR JUNE 30, 2005

EXPENSES:	<u>OPERATION</u> <u>AND</u> <u>MAINTENANCE</u>		<u>TOTALS</u>	
	<u>WATER</u>	<u>SEWER</u>	<u>2006</u>	<u>2005</u>
Water Purchased	\$ 308,700		\$ 308,700	\$ 319,992
Repairs and Supplies	16,049	\$ 5,553	21,602	5,918
Insurance	2,034	3,824	5,858	6,454
Office Supplies and Expense	3,501	1,570	5,071	5,308
Audit	3,451	1,650	5,101	3,757
Miscellaneous	6,292	13,360	19,652	153
Legal	2,865	585	3,450	2,970
Engineering	-	3,172	3,172	20,389
Bad Debts	11,160	-	11,160	20,132
Service Contracts	288,232	123,886	412,118	360,991
Total Expenses	<u>\$ 642,284</u>	<u>\$ 153,600</u>	<u>\$ 795,884</u>	<u>\$ 746,064</u>

VILLAGE OF BRIGHTON, ILLINOIS
 ASSESSED VALUATIONS, RATES, EXTENSIONS AND COLLECTIONS
 JUNE 30, 2006

TAX RATES															
YEAR	TOTAL ASSESSED VALUE	PARKS AND RECREATION										STREET AND BRIDGE	UNEMPLOYMENT INSURANCE	LIBRARY	TOTAL
		GENERAL	POLICE	CIVIL DEFENSE	IMRF	AUDIT	RECREATION	TORT INSURANCE	SOCIAL SECURITY						
1996	11,849,571	.2774	.0728	.0147	.1899	.0184	.0728	.1363	.1705	.0582			.1304	1.1414	
1997	12,862,360	.2660	.0707	.0116	.1413	.0197	.0576	.1156	.1177	.0558		.1238	.1302	1.1100	
1998	14,233,499	.2692	.0677	.0095	.1121	.0211	.0561	.1452	.0981	.0540		.0930	.1346	1.0606	
1999	15,561,877	.2828	.0750	.0087	.0450	.0193	.0750	.1331	.0900	.0579		.0450	.1370	.9688	
2000	16,706,555	.2740	.0699	.0048	.0654	.0150	.0719	.1063	.0958	.0575		.0419	.1437	.9462	
2001	17,310,534	.2860	.0750	.0046	.0352	.0162	.0750	.1082	.0840	.0600		.0452	.1500	.9394	
2002	19,041,412	.2689	.0706	.0254	.0368	.0137	.0706	.1242	.0893	.0565			.1411	.8971	
2003	20,570,894	.2661	.0706	.0220		.0123	.0673	.1703	.0694	.0561			.1394	.8735	
2004	20,793,012	.2830	.0741	.0064		.0150	.0722	.1780	.0722	.0587			.1479	.9075	
2005	22,249,361	.2778	.0709	.0245		.0181	.0676	.1577	.0766	.0568			.1417	.8917	
TAXES EXTENDED															
1996	32,780	8,603	1,736	22,440	2,174	8,603	16,106	20,147	6,879	15,207			15,207	134,675	
1997	34,175	9,082	1,490	18,154	2,531	7,401	14,853	15,123	7,168	16,727	15,906		16,727	142,610	
1998	38,317	9,636	1,352	15,956	3,003	7,985	20,667	13,963	7,686	19,158	13,237		19,158	150,960	
1999	44,009	11,671	1,354	7,003	3,003	11,671	20,713	14,006	9,010	21,320	7,003		21,320	150,763	
2000	45,776	11,678	802	10,926	2,506	12,012	17,759	16,005	9,606	24,007	7,000		24,007	158,077	
2001	49,508	12,983	796	6,093	2,804	12,983	18,730	14,541	10,386	25,966	7,824		25,966	162,614	
2002	51,202	13,443	4,837	7,007	2,609	13,443	23,649	17,004	10,758	26,867	7,824		26,867	170,819	
2003	54,737	14,521	4,524		2,528	13,842	35,030	14,274	11,538	28,674			28,674	179,668	
2004	58,844	15,408	1,331		3,119	15,013	37,012	15,013	12,206	30,753			30,753	188,697	
2005	60,744	15,545	5,373		3,970	14,830	34,599	16,803	12,452	31,070			31,070	195,386	
TOTAL TAXES COLLECTED															
		TOTAL TAXES EXTENDED	TAXES COLLECTED	% OF TOTAL TAXES COLLECTED		UNCOLLECTED BALANCE AT JUNE 30,									
1996		134,675	133,867	99.40		808									
1997		142,610	140,685	98.65		1,925									
1998		150,960	148,223	98.18		2,737									
1999		150,763	151,163	100.27		0									
2000		158,077	156,696	99.13		1,381									
2001		162,614	175,370	107.84		0									
2002		170,819	169,644	99.31		1,175									
2003		179,668	179,653	99.99		15									
2004		188,697	188,582	99.94		15									
2005		195,386				195,386									