

**Village of Campton Hills
Campton Hills, Illinois
Annual Financial Report
For The Year Ended April 30, 2010**

**Village of Campton Hills
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For The Year Ended April 30, 2010**

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INDEPENDENT AUDITORS' REPORT

To The Board of Trustees
Village of Campton Hills
Campton Hills, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, including the fiduciary fund, of the Village of Campton Hills, Campton Hills, Illinois, as of and for the year ended April 30, 2010, 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 Campton Hills' management. Our responsibility is to express an opinion on these basic 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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information, including the fiduciary fund, of the Village of Campton Hills as of April 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis is not a required part of the financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming an opinion on the financial statements that collectively comprise the Village of Campton Hills' basic financial statements. The supplemental schedule listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Village of Campton Hills. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Knuttle & Associates, P.C.

**VILLAGE OF CAMPTON HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2010**

Introduction

The Village of Campton Hills, Illinois (Village) management discussion and analysis (MD&A) provides an overview of the Village's financial activities for the year ended April 30, 2010. Please read it as a narrative introduction to the financial statements that follow. This report is designed to assist the reader in focusing on significant financial issues, provide an overview of the Village's financial activity, identify changes in the Village's financial position, identify any material deviations from the approved appropriation and identify individual fund issues or concerns.

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

Financial Highlights

- The Village's total assets exceeded its total liabilities at the close of the most recent fiscal year by \$22,682,494. The Village's total net assets decreased \$172,493 or 0.8% over the previous fiscal year.
- Net assets of governmental activities also decreased \$172,493 or 0.8%.
- The Village continued its policy of not levying property taxes in the fiscal year.
- At April 30, 2010, the Village's governmental funds reported combined ending fund balances of \$819,890, an increase of \$304,135 from the prior year. This increase in fund balance is largely due to expense containment.
- The Village retired the Line of Credit at Private Bank and secured a new line of credit with First American Bank. The Village has not drawn on this line of credit. The Village also used capital leases to fund purchase of police squad cars.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the Village's basic financial statements. The Basic Financial Statements include three components: government-wide financial statements, fund financial statements and notes to the financial statements. The Village also includes in this report additional information to supplement the basic financial statements.

**VILLAGE OF CAMPTON HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2010**

Government-wide Financial Statements

The government-wide statements are designed to provide readers with a broad overview of the Village's finances. The two new government-wide financial statements, Statement of Net Assets and Statement of Activities represent an overview of the Village as a whole, separating its operations between governmental and business-type activities. At this time, the Village has no business-type activities. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The *Statement of Net Asset* presents information on all of the Village's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Village as a whole is improving or deteriorating.

The *Statement of Activities* presents changes in the Village's net assets during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid.

Both government-wide financial statements distinguish governmental activities of the Village that are principally supported by taxes and intergovernmental revenues, such as grants, from business-type activities (not applicable to the Village) that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government and police services. Business-type activities would reflect any Village private sector-type operations, (water, electric, or sewer sales) where the fee for services typically covers all or most of the cost of operation including depreciation. Fiduciary activities such as employee pension plans are not included in the government-wide statements since these assets are not available to fund Village programs.

The government-wide financial statements are presented on pages 11 and 12 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Village uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Village's most significant funds rather than the Village as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation.

The Village has only one kind of funds at this time, which are governmental funds:

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive

**VILLAGE OF CAMPTON HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2010**

view of the Village's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to assist in understanding the differences between these two perspectives.

Budgetary (appropriation) comparison statements are included in the basic financial statements for the general fund and other major funds. Budgetary (appropriation) comparison schedules can be found in a later section of this report. These statements and schedules demonstrate compliance with the Village's adopted annual appropriation ordinance.

The basic governmental fund financial statements are presented on pages 13 through 16 of this report.

Proprietary funds are reported in the fund financial statements and generally report services for which a Village charges customers a fee. There are two kinds of proprietary funds. These are enterprise funds and internal service funds. Enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the Village organization such as a water system. Internal service funds provide services to customers within the Village's organization. The Village does not use enterprise or internal service funds at this time; therefore, proprietary funds are not reported.

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 19 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The Village's Police Pension Fund data may be found on pages 17 and 18 of this report, which depicts the Village's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 31 through 35 of this report.

Major funds are reported in the basic financial statements as discussed. Individual fund statements and schedules are presented in a subsequent section of this report beginning on page 32.

**VILLAGE OF CAMPTON HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2010**

Government-wide Financial Analysis

This Village's first complete fiscal year was FY2008. Audited financials have been issued for FY2008 and FY2009 previous to this FY2010 report. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss changing financial position of the Village as a whole.

Statement of Net Assets

The Village's net assets decreased 0.8% or \$172,493 to \$22,682,494. The Village currently only conducts governmental activities, and therefore, has no business-type activities to report.

**Village's Net Assets
As of April 30, 2010**

	Governmental Activities 2010	Governmental Activities 2009
Current and Other Assets	\$ 1,439,647	\$ 1,345,712
Capital Assets	22,025,665	22,476,793
Total Assets	23,465,312	23,822,505
Current and Other Liabilities	612,053	795,270
Long Term Liabilities	170,765	172,248
Total Liabilities	782,818	967,518
Net Assets:		
Invested in Capital Assets, Net of Related Debt	21,887,188	22,476,793
Unrestricted Net Assets	795,306	378,194
Total Net Assets	\$ 22,682,494	\$ 22,854,987

**VILLAGE OF CAMPTON HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2010**

Statement of Activities

As noted earlier, the Village's net assets decreased by \$172,493 or 0.8% during the current fiscal year.

**Village of Campton Hills
Changes in Net Assets
For the Year Ended April 30, 2010**

	Governmental Activities	Governmental Activities
	2010	2009
<u>Revenues:</u>		
Program Revenues:		
Charges for services	114,191	87,165
Operating grants and contributions	18,632	2,800
General Revenues:		
Intergovernmental Revenues	1,707,958	1,823,680
Road and Bridge Revenues	461,088	476,108
Interest Income	488	3,401
Miscellaneous	83,358	119,740
 Total Revenues:	 <u>2,385,715</u>	 <u>2,422,929</u>
<u>Expenses</u>		
Governmental Activities		
General Government	2,558,209	2,629,575
 Total Expenses:	 <u>2,558,209</u>	 <u>2,629,575</u>
 Increase(Decrease) in Net Assets	 (172,493)	 (116,681)
 Net Assets - Beginning of Year	 <u>22,854,988</u>	 <u>22,971,669</u>
 Net Assets – End of Year	 <u>22,682,494</u>	 <u>22,854,988</u>

**VILLAGE OF CAMPTON HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2010**

Governmental Activities

As stated previously, Governmental activities decreased the Village's net assets by \$172,493. Key elements of the entity-wide performance are as follows:

- Total revenues decreased by 7% or \$170,037 from \$2,422,929 in 2009 to \$2,252,892 in 2010. This decreased revenue is largely due to a reduction in state shared revenues.
- The Village continued its policy of not levying for property taxes.
- Interest income decreased from \$3,401 to 488 due to tighter cash flow and record low interest rates.
- Total expenses decreased 3% or \$71,366, from \$2,629,575 in FY2009 to \$2,558,209 in FY2010. Legal fees decreased as legal issues over village annexation subsided.
- Total expenses were greater than revenues by \$172,493, again due to the decrease in state shared income.

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$819,890. Unreserved and undesignated fund balance was \$636,591 while the remaining \$183,299 was restricted to road maintenance and improvements and special service area improvements. The total ending fund balances of governmental funds reported an increase of \$304,135 from the prior year. This increase is primarily the result of the programs described within the analysis of the Village's governmental activities.

Major Governmental Funds

The General, Motor Fuel Tax, Road and Bridge, and Special Service Area Funds are the major operating funds of the Village.

The General Fund surplus as of April 30, 2010 was \$636,591 an increase of \$274,305 from the prior year. This is due to the decrease in contracted legal services related to disconnection issues.

The Motor Fuel Tax fund balance of \$148,828, which increased \$34,464 over the prior year. The slight increase was due to increased receipts of motor fuel tax dollars, attributed to the Village's pro-rata share of state shared revenues.

The Road and Bridge Fund ended the fiscal year with a fund balance of \$40,462, which was a \$19,399 increase from the prior year. Most of the Road and Bridge Fund proceeds are

**VILLAGE OF CAMPTON HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2010**

distributed to the Campton Township Highway District as per the Intergovernmental Agreement. The balance is attributed to funds collected from Plato Township residents.

Special Service Area (SSA) #1 Fund, created to fund drainage improvements in a specific area of the Village, ended the year with a negative fund balance of \$(736), a decrease of \$18,778 from the prior year. Capital outlays exceeded county and resident contributions.

General Fund Budgetary Highlights

The General Fund is the major operating fund of the Village, and accounts for all general government functions including administration, boards and commissions, police, and building and zoning services..

Revenues in the General Fund were \$1,502,516 , which was below the estimate of \$1,652,859 by \$150,343, again due to the decrease in state shared revenue.

Expenditures were \$1,228,211, or \$750,689 below the appropriated expenditure amounts. Revenues exceeded expenditures by \$274,305. The fund balance increased to \$636,591 at the end of the year from \$362,286 in the prior year.

Capital Asset and Debt Administration

Capital Assets

The Village's investment in capital assets, net of accumulated depreciation, for governmental activities as of April 30, 2010 was \$ 22,025,665.

Debt Administration

As of April 30, 2010, the Village of Campton Hills had three leases on police vehicles and a lease on the Village Hall copier. In the fall of 2009, the Village paid off a line of credit with The Private Bank in the amount of \$140,000, which was used for start up costs for the Village in addition to funding a special census. In addition, the Village has a long-term notes payable of \$90,000, with a remaining balance of \$79,471 as of April 30, 2010 to fund special service area drainage improvements, which will be repaid by the residents of the special service area.

Factors Impacting the Village's Future

While the Village's financial position improved this past year, as indicated by the increase in fund balances, several factors will play a significant role in the Village's financial condition over the next few years. The Village's General Fund and Motor Fuel Tax Fund are highly dependent upon state shared revenues. Any change in the Village's population, as might be indicated in the 2010 Census, or the manner in which the State of Illinois distributes state shared revenues in the future, may significantly impact the Village's financial condition. House Bill 5011, which recently passed, could also affect the Village's financial condition.

**VILLAGE OF CAMPTON HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2010**

Contacting the Village's Financial Management

This financial report is designed to provide a general overview of the Village's finances, comply with finance related laws and regulations and demonstrate the Village's commitment to public accountability. If you have any questions about this report or would like to request additional information, please contact Mary Slade, Village Treasurer, Village of Campton Hills, Illinois at (630) 584-5700.

**Village of Campton Hills
Statement of Net Assets
April 30, 2010**

	Total Governmental Activities
ASSETS	
Current Assets	
Cash	\$ 253,524
Accounts Receivable	90,103
Local Tax Revenue Receivable	436,412
State Shared Revenue Receivable	657,530
Due from Police Pension Fund	1,420
Other Assets	658
Total Current Assets	<u>1,439,647</u>
Non-Current Assets	
Capital Assets	
Capital Assets, Non-depreciable	10,507,998
Other Capital Assets, Net of Accumulated Depreciation	11,517,667
Total Non-Current Assets	<u>22,025,665</u>
TOTAL ASSETS	<u>23,465,312</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	104,169
Accrued Payroll Items	15,142
Accrued Vacation	37,765
Notes Payable	7,637
Capital Lease	23,229
Escrow Deposits	880
Deferred Tax Revenue - Road and Bridge	423,231
Total Current Liabilities	<u>612,053</u>
Non-Current Liabilities	
Notes Payable	71,834
Capital Lease	35,777
Deferred Tax Revenue - SSA	63,154
Total Non-Current Liabilities	<u>170,765</u>
TOTAL LIABILITIES	<u>782,818</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	21,887,188
Unrestricted Net Assets	795,306
TOTAL NET ASSETS	<u>\$ 22,682,494</u>

See Accompanying Notes to the Financial Statements.

Village of Campton Hills
Statement of Activities
For The Year Ended April 30, 2010

	Expenses	Program Revenues		Net (Expenses)
		Charges for Services	Operating Grants and Contributions	Revenues and Change in Net Assets
				Total Governmental Activities
FUNCTIONS/PROGRAMS				
Governmental Activities				
General Government	\$ 2,558,209	\$ 114,191	\$ 18,632	\$ (2,425,386)
Total Governmental Activities	\$ 2,558,209	\$ 114,191	\$ 18,632	\$ (2,425,386)
GENERAL REVENUES				
Intergovernmental Revenues				\$ 1,707,958
Road & Bridge Revenues				461,088
Interest Income				488
Miscellaneous				83,358
TOTAL GENERAL REVENUES				2,252,892
CHANGE IN NET ASSETS				(172,493)
NET ASSETS, BEGINNING OF YEAR				22,854,988
END OF YEAR				\$ 22,682,494

See Accompanying Notes to the Financial Statements.

**Village of Campton Hills
Governmental Funds
Balance Sheet
April 30, 2010**

	<u>General</u>	<u>Motor Fuel Tax</u>	<u>Road and Bridge</u>	<u>Special Service Area #1</u>	<u>Other Governmental Fund</u>	<u>Total</u>
ASSETS						
Cash	\$ 50,438	\$ 163,563	\$ 40,462	\$ 3,916	\$ (4,855)	\$ 253,524
Accounts Receivable	22,298	0	0	4,651	0	26,949
Local Tax Revenue Receivable	0	0	423,231	11,790	1,391	436,412
State Shared Revenue Receivable	628,283	29,247	0	0	0	657,530
Due from Other Funds	(282)	1,702	0	0	0	1,420
Other Assets	658	0	0	0	0	658
TOTAL ASSETS	<u>701,395</u>	<u>194,512</u>	<u>463,693</u>	<u>20,357</u>	<u>(3,464)</u>	<u>1,376,493</u>
LIABILITIES						
Accounts Payable	48,782	45,684	0	9,303	400	104,169
Accrued Payroll Items	15,142	0	0	0	0	15,142
Escrow Deposits	880	0	0	0	0	880
Deferred Tax Revenue	0	0	423,231	11,790	1,391	436,412
TOTAL LIABILITIES	<u>64,804</u>	<u>45,684</u>	<u>423,231</u>	<u>21,093</u>	<u>1,791</u>	<u>556,603</u>
FUND BALANCES						
Unreserved, Undesignated	636,591	0	0	0	0	636,591
Unreserved, Special Revenue Funds	0	148,828	40,462	(736)	(5,255)	183,299
TOTAL FUND BALANCES	<u>636,591</u>	<u>148,828</u>	<u>40,462</u>	<u>(736)</u>	<u>(5,255)</u>	<u>819,890</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 701,395</u>	<u>\$ 194,512</u>	<u>\$ 463,693</u>	<u>\$ 20,357</u>	<u>\$ (3,464)</u>	<u>\$ 1,376,493</u>

See Accompanying Notes to the Financial Statements.

Village of Campton Hills
Reconciliation of the Balance Sheet to the Statement of Net Assets
For The Year Ended April 30, 2010

Fund balances of Governmental Funds: (Balance Sheet - Governmental Funds)	\$ 819,890
Amounts are different in the Statement of Net Assets because:	
Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds.	22,025,665
Deferred Tax Revenue for current SSA is not reported in the government-wide statements.	13,181
Long-term portion of SSA Taxes Receivable is not reported in the fund statements.	63,154
Long-term portion of SSA Deferred Tax Revenue is not reported in the fund financial statements.	(63,154)
Long term debt items are not recorded as liabilities in the fund financial statements.	(79,471)
Capital lease obligation in government-wide financial statements funds is not a financial liability and therefore is not reported in the fund financial statements.	(59,006)
Accrued Vacation is not reported in the fund financial statements.	<u>(37,765)</u>
Net Assets of Governmental Activities (Statement of Net Assets)	<u><u>\$22,682,494</u></u>

See Accompanying Notes to the Financial Statements.

**Village of Campton Hills
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For The Year Ended April 30, 2010**

	<u>General</u>	<u>Motor Fuel Tax</u>	<u>Road and Bridge</u>	<u>Special Service #1 Area</u>	<u>Other Governmental Funds</u>	<u>Total</u>
REVENUES						
Intergovernmental	\$ 1,353,476	\$ 354,482	\$ 0	\$ 0	\$ 0	\$ 1,707,958
Road & Bridge Taxes	0	0	461,088	0	0	461,088
Permits & Fees	61,202	0	0	0	12,144	73,346
Early Resident SSA Fees	0	0	0	11,248	14,857	26,105
SSA Government Contributions	0	0	0	18,973	9,344	28,317
Interest	448	4	25	11	0	488
Reimbursed Items	40,845	0	0	0	0	40,845
Farmer's Market	1,277	0	0	0	0	1,277
Grants	18,632	0	0	0	0	18,632
Heritage Farm Festival	3,397	0	0	0	0	3,397
Miscellaneous Income	23,239	0	0	135	0	23,374
TOTAL REVENUES	<u>1,502,516</u>	<u>354,486</u>	<u>461,113</u>	<u>30,367</u>	<u>36,345</u>	<u>2,384,827</u>
EXPENDITURES						
Administration	703,276	0	0	0	0	703,276
Contractual Services	417,443	298,982	441,684	0	457	1,158,566
Capital Outlay	43,294	21,000	0	37,690	41,143	143,127
Commodities	37,221	0	0	0	0	37,221
Other Expenditures	26,977	40	30	0	0	27,047
Debt Service - Principal	0	0	0	7,282	0	7,282
Debt Service - Interest	0	0	0	4,173	0	4,173
TOTAL EXPENDITURES	<u>1,228,211</u>	<u>320,022</u>	<u>441,714</u>	<u>49,145</u>	<u>41,600</u>	<u>2,080,692</u>
NET CHANGE IN FUND BALANCE	<u>274,305</u>	<u>34,464</u>	<u>19,399</u>	<u>(18,778)</u>	<u>(5,255)</u>	<u>304,135</u>
FUND BALANCE, BEGINNING OF YEAR	<u>362,286</u>	<u>114,364</u>	<u>21,063</u>	<u>18,042</u>	<u>0</u>	<u>515,755</u>
END OF YEAR	<u>\$ 636,591</u>	<u>\$ 148,828</u>	<u>\$ 40,462</u>	<u>\$ (736)</u>	<u>\$ (5,255)</u>	<u>\$ 819,890</u>

See Accompanying Notes to the Financial Statements.

Village of Campton Hills
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balances of Governmental Funds to the Statement of Activities
For The Year Ended April 30, 2010

Net Change in Fund Balances - Total Governmental Funds (Combined Statement of Revenues, Expenditures and Changes in Fund Balances)	\$ 304,135
Amounts reported for governmental activities in the Statement of Activities are different because:	
Change in accrued vacation is not considered an expenditure in the fund financial statements.	(2,663)
Change in deferred SSA revenue is not considered a revenue in the fund financial statements.	887
Loss on the disposition of capital assets is not reported in the fund financial statements.	(8,055)
Capital lease payments are not recorded in the fund financial statements.	24,895
Capital lease commitments are not recorded in the fund financial statements.	(72,284)
Note payable payments are not recorded in the fund financial statements.	7,282
Depreciation of capital assets is not considered an expenditure in the fund financial statements.	(600,896)
Purchases of capital assets are considered an expenditure in the fund financial statements.	<u>174,205</u>
Change in Net Assets of Governmental Activities (Statement of Activities)	<u>\$ (172,493)</u>

See Accompanying Notes to the Financial Statements.

**Village of Campton Hills
Police Pension Fund
Statement of Fund Net Assets
April 30, 2010**

	<u>Balance April 30, 2009</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance April 30, 2010</u>
ASSETS				
Cash	\$ 102,290	\$ 0	\$ 0	\$ 102,290
Interest Receivable	0	935	0	935
Due from General Fund	140	0	(140)	0
TOTAL ASSETS	<u>102,430</u>	<u>935</u>	<u>(140)</u>	<u>103,225</u>
LIABILITIES				
Due to Other Funds	0	1,420	0	1,420
Accrued Pension	71,728	69,914	(41,416)	99,789
TOTAL LIABILITIES	<u>71,728</u>	<u>71,334</u>	<u>(41,416)</u>	<u>101,209</u>
NET ASSETS				
Restricted for Pension Funds	<u>372</u>	<u>1,644</u>	<u>0</u>	<u>2,016</u>
TOTAL NET ASSETS	<u>\$ 372</u>	<u>\$ 1,644</u>	<u>\$ 0</u>	<u>\$ 2,016</u>

See Accompanying Notes to the Financial Statements.

**Village of Campton Hills
 Police Pension Fund
 Schedule of Revenues, Expenses, and Changes in Fund Net Assets
 For The Year Ended April 30, 2010**

REVENUES	
Interest Income	1,644
	<hr/>
TOTAL REVENUES	1,644
	<hr/>
TOTAL EXPENSES	0
	<hr/>
NET CHANGE IN FUND NET ASSETS	1,644
NET ASSETS, BEGINNING OF YEAR	372
	<hr/>
END OF YEAR	<u>\$ 2,016</u>

See Accompanying Notes to the Financial Statements.

Village of Campton Hills
Notes To The Financial Statements
For The Year Ended April 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Campton Hills is a municipal corporation of the State of Illinois headquartered in the County of Kane and duly chartered pursuant to the Illinois revised statutes Chapter 127-42. The Village is governed by an elected board.

The accounting and reporting policies of the Village of Campton Hills relating to the funds included in the accompanying basic financial statements conform to generally accepted accounting principles (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies.

A. Reporting Entity

The Village follows the provisions of Governmental Accounting Standards Board Statement No. 39, "Determining Whether Certain Organizations Are Component Units – an amendment of GASB 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 that primary government.

The Village of Campton Hills has concluded that no entities meet the criteria of Statement 39 for inclusion as a component unit. Likewise, the Village of Campton Hills is not required to be included as a component unit of any other entity.

B. Changes in Accounting Methods

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments (GASB 34). The Village has implemented GASB 34 effective May 14, 2007.

The implementation of GASB 34 adds two "Government-Wide" financial statements as basic financial statements required for all governmental units. They are the Statement of Net Assets, which presents the financial condition of the governmental activities of the Village at fiscal year end, and the Statement of Activities, which presents a comparison between direct expenses and program revenues for each program or function of the Village's governmental activities.

Village of Campton Hills
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Changes in Accounting Methods (Continued)

The reporting model for GASB 34 classifies funds as governmental activities. Further, all non-fiduciary funds are classified as major or non-major funds. In reporting financial condition and results of operations for governmental units, the new standard concentrates on major funds versus non-major funds.

Both new statements are prepared on the full accrual basis. The Village is in compliance with this statement.

C. Basis of Presentation

GOVERNMENT -WIDE FINANCIAL STATEMENTS

The Statement of Net Assets and the Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. The Village does not allocate indirect expenses to functions in the Statement of Activities. Program revenues include charges to residents who purchase, use or directly benefit from goods, services, or privileges provided by a given function, and grants and contributions that are restricted to meeting the operational and capital requirements of a particular function. Taxes and other income items that are not specifically related to a function are reported as general revenues.

FUND FINANCIAL STATEMENTS

Fund financial statements of the reporting entity are organized into individual funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

Funds are organized as major funds or non-major funds within the governmental statements. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- Total assets, liabilities, revenues or expenditures/expenses of the individual governmental funds are at least ten percent of the corresponding total for all funds of that category or type, and
- Total assets, liabilities, revenues or expenditures/expenses of the individual governmental fund are at least five percent of the corresponding total for all governmental funds combined.

Village of Campton Hills
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND FINANCIAL STATEMENTS (CONTINUED)

C. Basis of Presentation (Continued)

Governmental Funds (Governmental Activities)

Governmental fund types are those through which most governmental functions of the Village are financed. The Village's expendable financial resources are accounted for through governmental funds. The measurement focus is based upon determination of changes in financial position rather than upon net income determination. A brief explanation of the Village's governmental funds follows:

General Fund

The General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required, legally or by sound financial management, to be accounted for in another fund.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than capital projects) that are legally restricted to expenditures for specific purposes. The Funds included in this fund category are the Motor Fuel Tax Fund, Road and Bridge Fund, Special Service Area #1 Fund, and the Special Service Area #2 and #3 Funds.

Fiduciary Fund Types

Fiduciary Funds are used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds. The Police Pension Fund is used to account for assets that the Village holds in a fiduciary capacity on behalf of its sworn police officers.

MAJOR FUNDS

The Village reports the following major governmental funds:

- The General Fund, which accounts for the operations of the Village.
- Motor Fuel Tax Fund, which accounts for motor fuel tax revenues and related expenditures.
- Road and Bridge Fund, which accounts for receipt of township road and bridge taxes and related expenditures.
- Special Service Area #1 Fund, which accounts for the revenues received from a special assessment on certain residents to reimburse the Village for a drainage improvement in a specific area.

NON-MAJOR FUNDS

The Village reports the following non-major funds:

- Special Service Area #2 and #3 Funds.

Village of Campton Hills
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basis of Accounting

In the government-wide Statement of Net Assets and Statement of Activities, governmental activities are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or the economic asset is used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The current financial resources measurement focus and the modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., both measurable and available to finance the Village's operations. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

State shared taxes, investment earnings, and charges for services are the primary revenue sources susceptible to accrual. The Village considers state shared taxes available if they are due and collected within 60 days after year end. All other revenues are recognized when cash is received. Expenditures are recorded when the related fund liability is incurred.

For governmental fund financial statements, deferred revenues occur when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the Village before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability for deferred revenue is removed from the Governmental Funds Balance Sheet and revenue is recognized accordingly.

The Police Pension Fund, a Fiduciary Fund Type, is accounted for using the accrual basis of accounting. Its revenues are recognized when they are earned and its expenses are recognized when they are incurred.

E. Measurement Focus

On the government-wide Statement of Net Assets and Statement of Activities, governmental activities are presented using the flow of economic resources measurement focus, which means all assets and liabilities (whether current or non-current) are included on the Statement of Net Assets and the operating statements present increases and decreases in net total assets.

The measurement focus is the flow of current financial resources concept. Under this concept, sources and uses of financial resources, including capital outlays, are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as deferred revenue or a reservation of fund equity. Liabilities for claims, judgments, compensated absences and pension contributions, which will not be currently liquidated using expendable available financial resources are included as liabilities in the government-wide financial statements, but are excluded from the funds financial statements. The related expenditures are recognized in the fund financial statements when the liabilities are liquidated.

Village of Campton Hills
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Measurement Focus (Continued)

The Police Pension Fund is accounted for on a capital maintenance measurement focus. This means that all liabilities (whether current or non-current) associated with their activity are included on the Statement of Fund Net Assets.

F. Budgets and Budgetary Accounting

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

During the first quarter of the fiscal year, the Finance Committee submits a proposed Appropriations Ordinance to the Village Board. The Board must approve an Appropriations Ordinance before the end of the first quarter. The Appropriations Ordinance provides the legal authority under state statute to allocate funds for specific spending activities. This ordinance establishes the Village's legal spending limit for the fiscal year.

Within thirty days of approving the Appropriations Ordinance, the Board will submit and file the Ordinance to the County Clerk.

G. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

H. Capital Assets

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Under GASB 34 reporting standards, all capital assets are valued at historical cost, or estimated historical cost if actual cost is unavailable. Donated capital assets are stated at their fair market value as of the date donated.

Prior to GASB 34, capital assets of governmental funds were accounted for in the general fixed assets account group and were not recorded directly as a part of any individual fund's financial statements. Infrastructure of governmental funds was not previously capitalized. Upon implementing GASB 34, governmental units are required to account for all capital assets, including infrastructure, in the government wide financial statements prospectively from the date of implementation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. For vehicles and equipment, a five-year life is used. For infrastructure assets, a fifty-year life is used.

Village of Campton Hills
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Capital Assets (Continued)

FUND FINANCIAL STATEMENTS

In the fund financial statements, assets used in governmental fund operations are accounted for as capital outlays in the fund from which the expenditure was made.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

I. Debt Commitments

In the government-wide financial statements, debt principal payments of government activities are reported as decreases in the balance of the liability on the Statement of Net Assets. In the fund financial statements, payments are treated in the same manner.

J. Equity Classifications

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Equity is classified as net assets and displayed in three components:

- Invested in capital assets – consists of capital assets, net of accumulated depreciation and net of related debt.
- Restricted net assets – consists of net assets with constraints placed on their use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or law through constitutional provisions or enabling legislation.
- Unrestricted net assets – consists of all other net assets that do not meet the definition of restricted or invested in capital assets.

FUND FINANCIAL STATEMENTS

Governmental fund equity is classified as fund balance. Fund balance may further be classified as reserved and unreserved.

K. Interfund Receivables/Payables

Amounts due to and due from other funds arise during the course of the Village's operations because of transactions between funds to finance operations. To the extent that these transactions have not been repaid at April 30, 2010, an interfund receivable and payable has been recorded. See detail in Note 10.

Village of Campton Hills
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Compensated Absences

Accrued vacation is reported in government-wide financial statements. In the government-wide and the fund financial statements, the current liability for accrued payroll items is recorded. This liability is expected to be liquidated with expendable available financial resources in the General Fund and is therefore reported as an expenditure and a fund liability of the fund that will pay it. This amount represents payroll accrued at the balance sheet date.

M. Prepaid items

Payments made to vendors for services that will benefit periods beyond April 30, 2010 are recorded as prepaid items.

NOTE 2 - DEPOSITS AND INVESTMENTS

A. Bank Deposits

Investments and deposits with financial institutions are pooled for the various funds and interest income earned on the investments is allocated to the various funds based upon the fund's investment balances.

Illinois statutes authorize the Village to invest in obligations of the U.S. Treasury, U.S. Agencies and banks and savings and loan associations covered by federal depository insurance, and the Illinois Funds. 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 within the 3 highest classifications by at least 2 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.

The Village also maintained a balance in the Illinois Funds. These pooled investments with other governmental entities are similar in nature to a money market fund and consist primarily of certificates of deposit, US Government securities, commercial paper, and corporate bonds. Because individual securities are not owned by the Village, amounts invested in the Illinois Funds are not categorized.

At April 30, 2010, the total cash for the Village of \$253,524 consisted of deposits with financial institutions and the Illinois Funds.

Deposits with financial institutions had bank balances of \$241,544 at April 30, 2010. At April 30, 2010, \$241,548 of the Village's bank balance was insured or collateralized, not including petty cash of \$600.

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Category #1	\$ 126,692	\$ 114,712
Category #2	0	0
Category #3	0	0
Investment in Illinois Funds	<u>126,832</u>	<u>126,832</u>
	<u>\$ 253,524</u>	<u>\$ 241,544</u>

Village of Campton Hills
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2010

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Pension Fund deposits with financial institutions and the Illinois Funds had carrying amounts of \$102,290 at April 30, 2010. At April 30, 2010, \$143,706 of the Pension Fund's bank balance was insured or collateralized.

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Category #1	\$ 80,657	\$ 80,657
Category #2	0	0
Category #3	0	0
Investment in Illinois Funds	21,633	63,049
	<u>\$ 102,290</u>	<u>\$ 143,706</u>

Category 1 includes deposits covered by depository insurance or collateralized, with securities held by the Village or by its agent in the Village's name.

Category 2 includes deposits which are collateralized, with securities held by the pledging financial institution's trust department or agent in the Village's name.

Category 3 includes deposits which are uncollateralized. This includes any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the entity's name.

B. Policies for Investments

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital and protection of investment principal), liquidity and yield.

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral of all bank balances in excess of federal depository insurance with the collateral held by a third party in the Village's name.

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government.

**Village of Campton Hills
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2010**

NOTE 3 – CAPITAL ASSETS

A summary of the changes in capital assets for the year follows for the governmental activities.
Total depreciation expense for the year charged for governmental activities was \$600,896.

	Balance April 30, 2009	Additions	Deletions	Balance April 30, 2010
Capital Assets:				
Not Subject to Depreciation				
Right of Way	\$ 10,507,998	\$ 0	\$ 0	\$ 10,507,998
Construction in Progress	148,398	(148,398)	0	0
Subtotal	<u>10,656,396</u>	<u>(148,398)</u>	<u>0</u>	<u>10,507,998</u>
Subject to Depreciation				
Infrastructure	18,308,989	0	0	18,308,989
Vehicles	85,972	72,284	(30,546)	127,710
Land Improvements	0	236,830	0	236,830
Equipment	36,810	13,489	0	50,299
Subtotal	<u>18,431,771</u>	<u>322,603</u>	<u>(30,546)</u>	<u>18,723,828</u>
Less - Accumulated Depreciation				
Infrastructure	(6,596,305)	(576,340)	0	(7,172,645)
Vehicles	(5,253)	(17,194)	6,109	(16,338)
Equipment	(9,816)	(7,362)	0	(17,178)
Subtotal	<u>(6,611,374)</u>	<u>(600,896)</u>	<u>6,109</u>	<u>(7,206,161)</u>
Net Capital Assets				
Governmental Activities	<u>\$ 22,476,793</u>	<u>\$ (426,691)</u>	<u>\$ (24,437)</u>	<u>\$ 22,025,665</u>

NOTE 4 – DEBT COMMITMENTS

A summary of the debt commitments held by the Village at April 30, 2010 follows:

	Balance 4/30/2009	New Debt	Debt Retired	Balance 4/30/2010	Due Within One Year
Short Term Commitments					
Private Bank Line of Credit					
\$140,000, interest at 4.25%	\$ 140,000	\$ 0	\$ 140,000	\$ 0	\$ 0
Subtotal	<u>140,000</u>	<u>0</u>	<u>140,000</u>	<u>0</u>	<u>0</u>
Long Term Commitments					
Private Bank Note Payable					
\$90,000, interest at 5.00%	86,752	0	7,281	79,471	7,637
Subtotal	<u>86,752</u>	<u>0</u>	<u>7,281</u>	<u>79,471</u>	<u>7,637</u>
Total Debt	<u>\$ 226,752</u>	<u>\$ 0</u>	<u>\$ 147,281</u>	<u>\$ 79,471</u>	<u>\$ 7,637</u>

At April 30, 2010, the Village had a \$140,000 line of credit with The Private Bank and Trust Company. Interest was paid monthly at an annum rate of 4.25%, the maturity date was November 2, 2009, with a principal balance due of \$140,000. The line of credit matured in 2010 and the balance on the line of credit was \$0 at April 30, 2010.

Village of Campton Hills
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2010

NOTE 4 – DEBT COMMITMENTS (CONTINUED)

During the year ended April 30, 2009, the Village entered into a Note Payable of \$90,000 with The Private Bank and Trust Company to fund a drainage project for Special Service Area #1. The note calls for monthly payments of \$954.50 each month beginning December, 2008 through October, 2013. A final balloon payment of \$51,538 is due on November 17, 2013.

Capital Leases – The Village has entered into lease agreements as lessee for financing the acquisition of vehicles to be used for police protection. The lease agreements qualify as capital leases for accounting purposes and, therefore, the assets and obligations have been recorded at the present value of the future minimum lease payments as of the inception date.

During the year ended April 30, 2010, \$72,284 of amounts included in capital assets were acquired via capital leases and at April 30, 2010, \$59,006 remains as a capital lease obligation. The obligations for the capital leases will be repaid from the General fund.

NOTE 5 - RETIREMENT PLAN

Police Pension Fund

The Village of Campton Hills operates a Police Pension Fund for its sworn police officers. The Village contributes 10% of the police employee's salary to the pension fund. The employees contribute 9.91% of their salaries to the pension fund as well. The Village's total pension expense for the year ending April 30, 2010 was \$36,923.

NOTE 6 – RISK MANAGEMENT

The Village is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation). The Village participates in the Illinois Municipal League Risk Management Association (IMLRMA). IMLRMA is an organization of governmental units in the State of Illinois which have formed an association to pool its risk management needs. IMLRMA administers a mix of self-insurance and commercial insurance coverages.

NOTE 7 – DEFICIT FUND BALANCES

At April 30, 2010, the Special Service Area #2 and #3 Funds had a deficit fund balance of \$5,255 and the Special Service Area #1 Fund had a deficit fund balance of \$736.

NOTE 8 - ACTUAL EXPENDITURES OVER BUDGET

For the year ending April 30, 2010 the Special Service Area #1 Fund had expenses over budget of \$35,295.

NOTE 9 – TRANSFERS

During the normal course of Village operations, transfers between funds arise to reimburse individual funds for expenditures/expenses incurred for the benefit of other funds. There were no transfers between funds for the year ended April 30, 2010.

Village of Campton Hills
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2010

NOTE 10 – INTERFUND RECEIVABLE/PAYABLE

During the normal course of Village operations, interfund balances are created. The following interfund receivables and payables exist at April 30, 2010.

	Due from Other Funds	Due to Other Funds
Major Governmental Activities		
General Fund	\$ 1,420	\$ 1,702
Motor Fuel Tax Fund	1,702	
Police Pension Fund	0	1,420
	<u>\$ 3,122</u>	<u>\$ 3,122</u>

NOTE 11 – SUBSEQUENT EVENTS

The date to which events occurring after April 30, 2010, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosure is July 28, 2010.

NOTE 12 – PENSION COMMITMENT

Plan Description. The employer’s defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The 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, the Village Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statutes requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate from calendar year 2009 was 9.44 percent of annual covered payroll. 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. For 2009, The Village’s annual pension cost of \$7,153 for the Regular plan was equal to the District’s required and actual contributions.

Actual Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2009	\$ 7,153	100%	\$ 0
12/31/2008	0	100%	0
12/31/2007	0	100%	0

Village of Campton Hills
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2010

NOTE 12 – PENSION COMMITMENT (CONTINUED)

The required contribution was determined as part of the December 31, 2007, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2007, 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 the Village Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investment over a five-year period with a 15% corridor between the actuarial and market value of assets. The Village Regular plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2007, was 30 years.

Funded Status and Funding Progress. As of December 31, 2009, the most recent actuarial valuation date, the Regular plan was 31.59 percent funded. The actuarial accrued liability for benefits was \$43,772 and the actuarial value of assets was \$13,827, resulting in an underfunded actuarial accrued liability (UAAL) of \$29,945. The covered payroll (annual payroll of active employees covered by the plan) was \$75,770 and the ratio of the UAAL to the covered payroll was 40 percent. In conjunction with December 2009 actuarial valuation the market value of investments was determined using techniques that spread the effect 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. In 2010, the unfunded actuarial accrued liability is being amortized on a level percentage of projected payroll on an open 30 year basis.

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

**Village of Campton Hills
 Required Supplementary Information
 For The Year Ended April 30, 2010**

**Village of Campton Hills
 EMPLOYER NUMBER: 06855R
 REQUIRED SUPPLEMENTARY INFORMATION
 Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2009	\$ 13,827	\$ 43,772	\$ 29,945	31.59%	\$ 75,770	39.52%
12/31/2008	0	0	0	0.00%	0	N/A
12/31/2007	0	0	0	0.00%	0	N/A

On a market value basis, the actuarial value of assets as of December 31, 2009 is \$13,563. On a market basis, the funded ratio would be 30.99%.

**Village of Campton Hills
General Fund
Appropriation Comparison Schedule
For The Year Ended April 30, 2010**

	<u>Appropriated Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>With Final Appropriation</u>
REVENUES				
Intergovernmental	\$ 1,535,664	\$ 1,535,664	\$ 1,353,476	\$ (182,188)
Permits & Fees	103,895	103,895	61,202	(42,693)
Interest	1,000	1,000	448	(552)
Reimbursed Items	0	0	40,845	40,845
Farmer's Market	0	0	1,277	1,277
Grants	0	0	18,632	18,632
Heritage Farm Festival	0	0	3,397	3,397
Miscellaneous Income	12,300	12,300	23,239	10,939
TOTAL REVENUES	<u>1,652,859</u>	<u>1,652,859</u>	<u>1,502,516</u>	<u>(150,343)</u>
EXPENDITURES				
Administration	900,700	900,700	703,276	197,424
Contractual Services	797,700	797,700	417,443	380,257
Capital Outlay	51,200	51,200	43,294	7,906
Commodities	53,500	53,500	37,221	16,279
Contingencies	153,200	153,200	0	153,200
Other Expenditures	22,600	22,600	26,977	(4,377)
TOTAL EXPENDITURES	<u>1,978,900</u>	<u>1,978,900</u>	<u>1,228,211</u>	<u>750,689</u>
NET CHANGE IN FUND BALANCE	<u>\$ (326,041)</u>	<u>\$ (326,041)</u>	274,305	<u>\$ 600,346</u>
FUND BALANCE, BEGINNING OF YEAR			<u>362,286</u>	
END OF YEAR			<u>\$ 636,591</u>	

(Required Supplementary Information)

Village of Campton Hills
 Motor Fuel Tax Fund
 Appropriation Comparison Schedule
 For The Year Ended April 30, 2010

	Appropriated Amounts		Actual	Variance With Final Appropriation
	Original	Final		
REVENUES				
Intergovernmental	\$ 447,385	\$ 447,385	\$ 354,482	\$ (92,903)
Interest	720	720	4	(716)
TOTAL REVENUES	<u>448,105</u>	<u>448,105</u>	<u>354,486</u>	<u>(93,619)</u>
EXPENDITURES				
Contractual Services	535,000	535,000	298,982	236,018
Capital Outlay	0	0	21,000	(21,000)
Contingencies	38,300	38,300	0	38,300
Bank Charges	0	0	40	(40)
TOTAL EXPENDITURES	<u>573,300</u>	<u>573,300</u>	<u>320,022</u>	<u>253,278</u>
NET CHANGE IN FUND BALANCE	<u>\$ (125,195)</u>	<u>\$ (125,195)</u>	34,464	<u>\$ 159,659</u>
FUND BALANCE, BEGINNING OF YEAR			<u>114,364</u>	
END OF YEAR			<u>\$ 148,828</u>	

(Required Supplementary Information)

Village of Campton Hills
Road and Bridge Fund
Appropriation Comparison Schedule
For The Year Ended April 30, 2010

	Appropriated Amounts		Actual	Variance With Final Appropriation
	Original	Final		
REVENUES				
Road and Bridge Taxes	\$ 482,451	\$ 482,451	\$ 461,088	\$ (21,363)
Interest	0	0	25	25
TOTAL REVENUES	<u>482,451</u>	<u>482,451</u>	<u>461,113</u>	<u>(21,338)</u>
EXPENDITURES				
Contractual Services	530,500	530,500	441,684	88,816
Contingencies	48,200	48,200	0	48,200
Bank Charges	0	0	30	(30)
TOTAL EXPENDITURES	<u>578,700</u>	<u>578,700</u>	<u>441,714</u>	<u>136,986</u>
NET CHANGE IN FUND BALANCE	<u>\$ (96,249)</u>	<u>\$ (96,249)</u>	19,399	<u>\$ 115,648</u>
FUND BALANCE, BEGINNING OF YEAR			<u>21,063</u>	
END OF YEAR			<u>\$ 40,462</u>	

(Required Supplementary Information)

**Village of Campton Hills
Special Service Area #1 Fund
Appropriation Comparison Schedule
For The Year Ended April 30, 2010**

	<u>Appropriated Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>With Final Appropriation</u>
REVENUES				
Early Resident SSA Fees	\$ 28,539	\$ 28,539	\$ 11,248	\$ (17,291)
County Contributions	0	0	18,973	18,973
Interest	0	0	11	11
Miscellaneous Income	0	0	135	135
TOTAL REVENUES	<u>28,539</u>	<u>28,539</u>	<u>30,367</u>	<u>1,828</u>
EXPENDITURES				
Capital Outlay	13,850	13,850	37,690	(23,840)
Debt Service - Principal	0	0	7,282	(7,282)
Debt Service - Interest	0	0	4,173	(4,173)
TOTAL EXPENDITURES	<u>13,850</u>	<u>13,850</u>	<u>49,145</u>	<u>(35,295)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 14,689</u>	<u>\$ 14,689</u>	(18,778)	<u>\$ (33,467)</u>
FUND BALANCE, BEGINNING OF YEAR			<u>18,042</u>	
END OF YEAR			<u>\$ (736)</u>	

(Required Supplementary Information)

**Village of Campton Hills
Special Service Area #2 and #3 Fund
Appropriation Comparison Schedule
For The Year Ended April 30, 2010**

	<u>Appropriated Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>With Final Appropriation</u>
REVENUES				
Permits & Fees	\$ 36,346	\$ 36,346	\$ 12,144	\$ (24,202)
Early Resident SSA Fees	0	0	14,857	14,857
County Contributions	0	0	9,344	9,344
TOTAL REVENUES	<u>36,346</u>	<u>36,346</u>	<u>36,345</u>	<u>(1)</u>
EXPENDITURES				
Special Service Area #2				
Capital Outlay	42,480	42,480	25,963	16,517
Special Service Area #3				
Capital Outlay	19,520	19,520	15,180	4,340
Contractual Services	1,770	1,770	457	1,313
TOTAL EXPENDITURES	<u>63,770</u>	<u>63,770</u>	<u>41,600</u>	<u>22,170</u>
NET CHANGE IN FUND BALANCE	<u>\$ (27,424)</u>	<u>\$ (27,424)</u>	(5,255)	<u>\$ 22,169</u>
FUND BALANCE, BEGINNING OF YEAR			<u>0</u>	
END OF YEAR			<u>\$ (5,255)</u>	

Village of Campton Hills
 General Fund
 Schedule of Activity by Department
 For The Year Ended April 30, 2010

	DEPARTMENTS			Total
	Administration	Police Protection	Building & Zoning	
REVENUES				
Intergovernmental	\$ 1,353,476	\$ 0	\$ 0	\$ 1,353,476
Permits & Fees	61,202	0	0	61,202
Interest	448	0	0	448
Reimbursed Items	40,845	0	0	40,845
Farmer's Market	1,277	0	0	1,277
Grants	18,632	0	0	18,632
Heritage Farm Festival	3,397	0	0	3,397
Miscellaneous Income	23,239	0	0	23,239
TOTAL REVENUES	1,502,516	0	0	1,502,516
EXPENDITURES				
Administration	59,560	593,597	50,119	703,276
Contractual Services	297,554	84,072	35,817	417,443
Capital Outlay	3,156	40,138	0	43,294
Commodities	0	37,221	0	37,221
Other Expenditures	16,190	6,634	4,153	26,977
TOTAL EXPENDITURES	376,460	761,662	90,089	1,228,211
NET CHANGE BY DEPARTMENT	1,126,056	(761,662)	(90,089)	274,305
DEPARTMENT BALANCE, BEGINNING OF YEAR	362,286	0	0	362,286
END OF YEAR	\$ 1,488,342	\$ (761,662)	\$ (90,089)	\$ 636,591