

VILLAGE OF EAST DUNDEE, ILLINOIS

FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT

For the Year Ended  
April 30, 2009

Prepared By

Village of East Dundee, Illinois  
Department of Finance

VILLAGE OF EAST DUNDEE, ILLINOIS  
TABLE OF CONTENTS

---

	<u>Page(s)</u>
INTRODUCTORY SECTION	
Principal Officials.....	i
Organization Chart.....	ii
FINANCIAL SECTION	
INDEPENDENT AUDITOR’S REPORT.....	1-2
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Management’s Discussion and Analysis .....	MD&A 1-14
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Assets.....	3
Statement of Activities .....	4-5
Fund Financial Statements	
Governmental Funds	
Balance Sheet.....	6
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Assets .....	7
Statement of Revenues, Expenditures and Changes in Fund Balances.....	8
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Governmental Activities in the Statement of Activities .....	9

VILLAGE OF EAST DUNDEE, ILLINOIS  
 TABLE OF CONTENTS (Continued)

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	<u>Page(s)</u>
FINANCIAL SECTION (Continued)	
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)	
Basic Financial Statements (Continued)	
Fund Financial Statements (Continued)	
Proprietary Funds	
Statement of Net Assets .....	10
Statement of Revenues, Expenses and Changes in Fund Net Assets .....	11
Statement of Cash Flows .....	12-13
Fiduciary Funds	
Statement of Fiduciary Net Assets .....	14
Statement of Changes in Fiduciary Net Assets .....	15
Notes to Financial Statements .....	16-40
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund .....	41
Home Rule Sales Tax Fund .....	42
Dundee Crossings TIF Fund.....	43
Notes to Required Supplementary Information.....	44
Schedule of Funding Progress	
Illinois Municipal Retirement Fund.....	45
Police Pension Fund.....	46
Schedule of Employer Contributions	
Illinois Municipal Retirement Fund.....	47
Police Pension Fund.....	48

VILLAGE OF EAST DUNDEE, ILLINOIS  
 TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

COMBINING AND INDIVIDUAL FUND FINANCIAL  
 STATEMENTS AND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

General Fund	
Schedule of Revenues - Budget and Actual .....	49-50
Schedule of Expenditures - Budget and Actual.....	51-54
Capital Projects Fund	
Schedule of Revenues and Expenditures and Changes in Fund Balance - Budget and Actual .....	55

NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet .....	56-57
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	58-59
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Street and Bridge Fund .....	60
Motor Fuel Tax Fund.....	61
Rocky Road Power Improvement Fund.....	62
Business Development District Fund .....	63
Combining Balance Sheet - Prairie Lakes TIF Funds.....	64
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Prairie Lakes TIF Funds .....	65
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Prairie Lakes TIF Improvement Sub-Fund.....	66
Prairie Lakes TIF Debt Service Sub-Fund .....	67
Downtown Redevelopment TIF Fund.....	68

ENTERPRISE FUNDS

Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual - Water System Fund .....	69
Schedule of Operating Expenses - Budget and Actual - Water System Fund....	70
Combining Schedule of Net Assets - Sewer System Fund by Sub-Fund.....	71
Combining Schedule of Revenues, Expenses and Changes in Net Assets - Sewer System Fund by Sub-Fund.....	72
Combining Schedule of Cash Flows - Sewer System Fund by Sub-Fund.....	73-74
Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual - Sewer Operating Sub-Fund.....	75

VILLAGE OF EAST DUNDEE, ILLINOIS  
 TABLE OF CONTENTS (Continued)

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	<u>Page(s)</u>
FINANCIAL SECTION (Continued)	
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES (Continued)	
ENTERPRISE FUNDS (Continued)	
Schedule of Operating Expenses - Budget and Actual - Sewer Operating Sub-Fund.....	76
Schedule of Capital Assets and Accumulated Depreciation - Enterprise Funds.....	77
FIDUCIARY FUNDS	
Pension Trust Fund	
Schedule of Changes in Net Assets - Budget and Actual.....	78
Agency Fund	
Schedule of Changes in Assets and Liabilities - Escrow Deposit Fund .....	79
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS	
Schedule of Capital Assets and Accumulated Depreciation .....	80
LONG-TERM DEBT PAYABLE BY GOVERNMENTAL FUNDS	
Schedule of Changes in General Long-Term Debt .....	81
SUPPLEMENTAL DATA	
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH STATE OF ILLINOIS PUBLIC ACT 85-1142 .....	82
Schedule of Property Tax Assessed Valuations, Rates, Extensions and Collections - Last Ten Levy Years .....	83
Long-Term Debt Requirements	
Illinois Environmental Protection Agency Loan	
Wastewater Treatment Plant .....	84
Wastewater Treatment Plant Loan #2 .....	85
Tax Increment Revenue Bonds, Series 2002 .....	86

## INTRODUCTORY SECTION

VILLAGE OF EAST DUNDEE, ILLINOIS

PRINCIPAL OFFICIALS

April 30, 2009

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BOARD OF TRUSTEES

Jerald Bartels, Mayor

Robert Gorman

Paul VanOstenbridge

Michael Ruffulo

Jeff Lynam

John Cichowski

Lael Miller

Sue Norton, Village Clerk

VILLAGE ADMINISTRATION

Frank Koehler, Village Administrator

Terry Mee, Police Chief

Thomas Jack Moore, Public Works Director

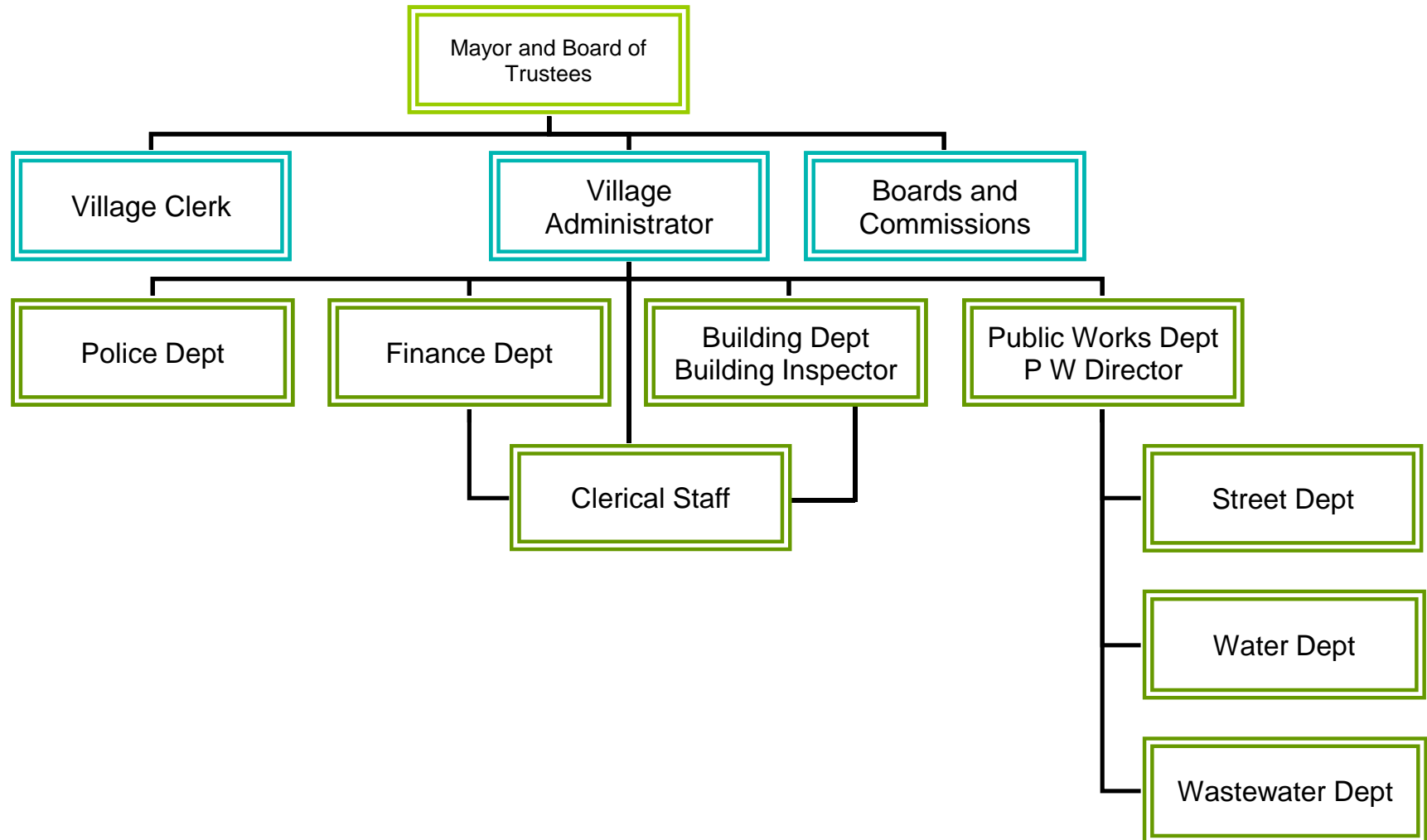
Robert Urbanowitz, Building Official

Nicholas Cinquegrani, Finance Manager

# VILLAGE OF EAST DUNDEE, ILLINOIS

## Organizational Chart

April 30, 2009





## FINANCIAL SECTION



998 Corporate Boulevard • Aurora, IL 60502

INDEPENDENT AUDITOR'S REPORT

The Honorable President  
Members of the Board of Trustees  
Village of East Dundee, 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 East Dundee, Illinois, as of and for the year ended April 30, 2009, which collectively comprise the Village of East Dundee, Illinois' basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the Village of East Dundee, Illinois' management. Our responsibility is to express opinions 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 basic 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 East Dundee, Illinois, as of April 30, 2009, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis and the required supplementary information listed in the table of contents are not a required part of the basic financial statements but are 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 supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of East Dundee Illinois' basic financial statements. The combining and individual fund financial statements and schedules and the supplementary data, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Village of East Dundee, Illinois. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink that reads "Schuch LLP". The signature is written in a cursive, professional style.

Aurora, Illinois  
August 21, 2009

GENERAL PURPOSE EXTERNAL  
FINANCIAL STATEMENTS

**VILLAGE OF EAST DUNDEE, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**April 30, 2009**

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The management of the Village of East Dundee (the "Village") offers readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2009. This discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

**USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL REPORT**

Historically, the primary focus of local government financial statements has been summarized as fund type information on a current financial resource basis. This approach has been modified by Government Accounting Standards Board Statement No. 34 and is presented in two methods, each with a different snapshot of the Village's finances. The focus of the new financial statements is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the Village's accountability.

**Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business. The focus of the Statement of Net Assets presents information on all of the Village's assets and liabilities, with the difference between the two reported as net assets. This statement combines and consolidates governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources management focus. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The Statement of Activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future (e.g., earned but unused compensated absences).

## VILLAGE OF EAST DUNDEE, ILLINOIS MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

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Both of the government-wide financial statements (see Pages 3-5) distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village reflect the Village’s basic services, including administration, police, community development, and public works. The business-type activities include the operations of the water system and the sewer system.

### **Fund Financial Statements**

Traditional users of governmental financial statements will find the fund financial statements to be more familiar. The focus of presentation is on major funds rather than fund types. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

***Governmental Funds.*** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near-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 facilitate this comparison between governmental funds and governmental activities.

The Village maintains ten individual governmental funds. Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for the General Fund, Home Rule Sales Tax Fund, Dundee Crossings TIF Fund, and the Capital Projects Fund, each of which is considered to be a “major” fund. Data from the other six governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining and individual statements elsewhere in the report.

The Village adopts an annual budget for each of its governmental funds. A budgetary comparison statement has been provided elsewhere in the report to demonstrate compliance with the budget. The basic governmental fund financial statements can be found on pages 6 through 9 of this report.

(See independent auditor’s report)

**VILLAGE OF EAST DUNDEE, ILLINOIS  
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)**

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**Proprietary Funds.** The Village maintains two enterprise funds in the proprietary funds category. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for the operations of its water system and its sewer system.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water System Fund and the Sewer System Fund, both of which are considered to be major funds of the Village.

The basic proprietary fund financial statements can be found on pages 10 through 13 of this report.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village’s own programs. The accounting for the fiduciary funds is much like that used for proprietary funds. The Village maintains two fiduciary funds: the Police Pension Fund and the Escrow Deposit Fund.

The basic fiduciary fund financial statements can be found on pages 14 through 15 of this report.

**Infrastructure Assets**

Historically, a government’s largest group of assets (infrastructure assets – roads, bridges, storm sewers, etc.) have not been reported nor depreciated in governmental financial statements. GASB Statement No. 34 requires that these assets be valued and reported within the Governmental column of the government-wide statements. Additionally, the government must elect to: (1) depreciate the assets over their useful life; or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity (modified approach). The Village has chosen to depreciate assets over the useful life. If a road project is considered maintenance- a recurring cost that does not extend the original useful life or expand its capacity- the cost of the project will be expensed. An “overlay” of a road will be considered maintenance whereas a “rebuild” of a road will be capitalized. The Village, as a Phase III government, has reported its infrastructure prospectively as of May 1, 2004.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 16 through 40 of this report.

**VILLAGE OF EAST DUNDEE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

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**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's progress in funding its obligation to provide benefits to its employees. Required supplementary information can be found on pages 41 through 48 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 49 through 79 of this report.



**VILLAGE OF EAST DUNDEE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

**GOVERNMENT-WIDE STATEMENTS**

**Net Assets**

The table below reflects the condensed Statement of Net Assets.

**Table 1  
Statement of Net Assets  
As of April 30, 2009**

	2008	2009	2008	2009	2008	2009
	Governmental	Governmental	Business-Type	Business-Type	Total Primary	Total Primary
	Activities	Activities	Activities	Activities	Government	Government
Current and other assets	6,385,470	6,013,769	582,506	472,563	6,967,976	6,486,332
Capital assets	1,874,118	1,797,912	18,961,211	19,127,459	20,835,329	20,925,371
<b>Total assets</b>	<b>8,259,588</b>	<b>7,811,681</b>	<b>19,543,717</b>	<b>19,600,022</b>	<b>27,803,305</b>	<b>27,411,703</b>
Long-term liabilities	2,440,749	1,463,882	10,516,863	9,945,052	12,957,612	11,408,934
Other liabilities	1,381,399	4,484,407	352,001	285,299	1,733,400	4,769,706
<b>Total liabilities</b>	<b>3,822,148</b>	<b>5,948,289</b>	<b>10,868,864</b>	<b>10,230,351</b>	<b>14,691,012</b>	<b>16,178,640</b>
Net assets:						
Invested in capital assets, net of debt	1,870,814	1,797,912	8,475,978	9,216,353	10,346,792	11,014,265
Restricted	1,185,161	943,393	-	-	1,185,161	943,393
Unrestricted	1,381,465	(877,913)	198,875	153,318	1,580,340	(724,595)
<b>Total net assets</b>	<b>\$4,437,440</b>	<b>\$1,863,392</b>	<b>\$8,674,853</b>	<b>\$9,369,671</b>	<b>\$13,112,293</b>	<b>\$11,233,063</b>

The deficit in unrestricted net assets for governmental activities is primarily the result of an economic development area (EDA) within the Dundee Crossings tax increment financing (TIF) district. As part of the inducement, the Village issued a note in the amount of \$2,115,280. This note did not produce a capital asset owned by the Village, and even though the Village is not generally obligated for the retirement of the debt as it is payable solely from the incremental taxes generated by the EDA, the notes are, nonetheless, required to be reported as a liability of the Village. If sufficient funds are not available in the EDA to pay the debt before the expiration of the TIF, then the obligations would be cancelled.

Since the EDA distorts the financial position of the Village, the table on the following page displays the Village's net assets without the EDA activity, which is a better measure of the financial position of the Village.

**VILLAGE OF EAST DUNDEE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

**Table 2  
Statement of Net Assets  
(Excluding EDA TIF Activity)  
As of April 30, 2009**

	2008	2009	2008	2009	2008	2009
	Governmental Activities	Governmental Activities	Business-Type Activities	Business-Type Activities	Total Primary Government	Total Primary Government
Current and other assets	5,480,171	5,028,199	582,506	472,563	6,062,677	5,500,762
Capital assets	1,874,118	1,797,912	18,961,211	19,127,459	20,835,329	20,925,371
<b>Total assets</b>	<b>7,354,289</b>	<b>6,826,111</b>	<b>19,543,717</b>	<b>19,600,022</b>	<b>26,898,006</b>	<b>26,426,133</b>
Long-term liabilities	1,711,344	705,411	10,516,863	9,945,052	12,228,207	10,650,463
Other liabilities	1,381,399	2,353,480	352,001	285,299	1,733,400	2,638,779
<b>Total liabilities</b>	<b>3,092,743</b>	<b>3,058,891</b>	<b>10,868,864</b>	<b>10,230,351</b>	<b>13,961,607</b>	<b>13,289,242</b>
Net assets:						
Invested in capital assets, net of debt	1,870,814	1,797,912	8,475,978	9,216,353	10,346,792	11,014,265
Restricted	872,250	638,212	-	-	872,250	638,212
Unrestricted	1,518,482	1,331,096	198,875	153,318	1,717,357	1,484,414
<b>Total net assets</b>	<b>\$4,261,546</b>	<b>\$3,767,220</b>	<b>\$8,674,853</b>	<b>\$9,369,671</b>	<b>\$12,936,399</b>	<b>\$13,136,891</b>

As you can see, exclusive of the EDA TIF activity, unrestricted funds of governmental activities are \$1,331,096. During the fiscal year ended April 30, 2009, net assets of governmental activities decreased \$494,326 and business-type assets increased \$694,818 for an overall increase of \$200,492. Net assets may serve over time as a useful indicator of a government's financial position. In the case of the Village of East Dundee (excluding EDA TIF activity), assets exceeded liabilities by \$13,136,891 as of April 30, 2009.

For more detailed information see the Statement of Net Assets (page 3).

**Activities**

The table on the following page summarizes the revenue and expenses of the Village's activities for the fiscal year ended April 30, 2009.

**VILLAGE OF EAST DUNDEE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

**Table 3  
Changes In Net Assets  
For the Fiscal Year Ended April 30, 2009**

	2008 Governmental Activities	2009 Governmental Activities	2008 Business-Type Activities	2009 Business-Type Activities	2008 Total Primary Government	2009 Total Primary Government
<b>REVENUES</b>						
Program revenues						
Charges for services	768,725	538,688	1,397,845	1,409,075	2,166,570	1,947,763
Operating and capital grants	200,344	233,088	-	-	200,344	233,088
General revenues						
Property taxes	956,250	1,072,689	-	-	956,250	1,072,689
Sales taxes	2,670,358	2,397,667	-	-	2,670,358	2,397,667
State income tax	272,077	269,244	-	-	272,077	269,244
Utility taxes	329,053	324,606	-	-	329,053	324,606
Telecommunications tax	214,046	197,187	-	-	214,046	197,187
Other taxes	101,471	98,180	-	-	101,471	98,180
Other revenue	177,672	73,640	307,181	633,305	484,853	706,945
<b>Total revenues</b>	<b>5,689,996</b>	<b>5,204,989</b>	<b>1,705,026</b>	<b>2,042,380</b>	<b>7,395,022</b>	<b>7,247,369</b>
<b>EXPENSES</b>						
General government	881,551	915,473	-	-	881,551	915,473
Public safety	2,021,612	2,172,283	-	-	2,021,612	2,172,283
Highways and streets	1,230,748	1,597,465	-	-	1,230,748	1,597,465
Economic development	6,000	2,161,448	-	-	6,000	2,161,448
Culture and welfare	21,072	22,722	-	-	21,072	22,722
Interest	119,448	129,637	-	-	119,448	129,637
Water system	-	-	688,310	731,779	688,310	731,779
Sewer system	-	-	1,165,501	1,395,783	1,165,501	1,395,783
<b>Total expenses</b>	<b>4,280,431</b>	<b>6,999,028</b>	<b>1,853,811</b>	<b>2,127,562</b>	<b>6,134,242</b>	<b>9,126,590</b>
<b>Increase (decrease) in net assets before contributions and transfers</b>	<b>1,409,565</b>	<b>(1,794,039)</b>	<b>(148,785)</b>	<b>(85,182)</b>	<b>1,260,780</b>	<b>(1,879,221)</b>
Contributions	-	-	-	-	-	-
Transfers in (out)	-	(780,000)	-	780,000	-	-
<b>CHANGE IN NET ASSETS</b>	<b>1,409,565</b>	<b>(2,574,039)</b>	<b>(148,785)</b>	<b>694,818</b>	<b>1,260,780</b>	<b>(1,879,221)</b>
NET ASSETS, MAY 1	3,027,875	4,437,431	8,823,638	8,674,853	11,851,513	13,112,284
<b>NET ASSETS, April 30</b>	<b>\$4,437,440</b>	<b>\$1,863,392</b>	<b>\$8,674,853</b>	<b>\$9,369,671</b>	<b>\$13,112,293</b>	<b>\$11,233,063</b>

(See independent auditor's report)  
MD&A 7

**VILLAGE OF EAST DUNDEE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

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**Normal Impacts**

There are eight basic impacts on revenues and expenses as reflected below:

**Revenues**

Economic condition – this can reflect a declining, stable, or growing economic environment and has a substantial impact on sales, income, and utility tax revenue as well as on public spending for building permits, elective user fees, and consumption volumes.

Increase/Decrease in Village approved rates – while certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase or decrease rates (water and sewer rates, permit fees, property tax rates, home rule sales tax, and certain other local taxes, etc.).

Changing patterns in intergovernmental and grant revenue (both recurring and non-recurring) – certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring or one-time grants are less predictable and often distort their impact on year-to-year comparisons.

Market impacts on investment income – the Village's cash management program is managed using a similar maturity to most other local governments. Market conditions may cause investment income to fluctuate.

**Expenses**

Introduction of new programs – within functional expense categories, individual programs may be added or deleted in order to meet the changing needs of the Village.

Changes in authorized personnel – changes in service demand may cause the Village Board to increase or decrease staffing levels. Personnel costs are the Village's most significant operating costs.

Salary increases (annual adjustments and merit) – the ability to attract and retain quality personnel requires the Village to strive to have competitive salary ranges and pay practices.

Inflation – while overall inflation has been reasonably modest, the Village is a major consumer of certain commodities such as supplies, fuels and repair parts. Some functions may experience unusual commodity specific increases.

**VILLAGE OF EAST DUNDEE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

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**Current Year Impacts**

***Governmental Activities***

**Revenues**

Total revenues for the Village's governmental activities for the fiscal year ended April 30, 2009 were \$5,204,989.

Revenues from sales taxes, including home rule sales taxes, the Village's largest single revenue source, amounted to \$2,397,667 or roughly 46% of total revenue. Total sales tax revenue decreased \$272,691 from the previous year. The decrease is due primarily to a number of business closures within the community, as well as, various economic factors nation-wide. Sales taxes are made up of a 1% general sales tax on all retail sales plus an additional 1.5% home rule sales tax on all retail sales excluding food and titled vehicles. The Village implemented a 1% home rule sales tax as of July 1, 2004 and increased the rate to 1.5% on January 1, 2007. Non-home rule sales taxes declined 14.95%. Utility taxes (5% of natural gas and electric) and a telecommunications tax of 6% contributed \$521,793 to governmental activities, a decrease of 3.92% from the previous year. General property taxes increased \$17,827 or 3.53%, exclusive of the Village's Tax Increment Financing (TIF) districts and Road and Bridge. Due to growth in the TIF districts, TIF property taxes increased from \$513,851 to \$680,389.

Beginning January 1, 2009, a Business Development District (BDD) was implemented. A BDD functions similarly to that of a TIF. However, rather than property taxes being the primary source of revenue, revenue is generated from sales tax within the district. BDD sales taxes are in addition to the sales tax and home rule sales tax. Currently, there is a 0.5% BDD sales tax on all retail sales excluding food and titled vehicles. BDD sales tax generated within the district was 67,414 for the fiscal year ending April 30, 2009.

State-shared revenues including state income tax, motor fuel tax, local use tax, and personal property replacement tax decreased in the fiscal year ended April 30, 2009 with total receipts of \$406,640 for a decrease of \$7,251 or 1.75% from the previous year. The decrease is due primarily to economic decline affecting state income and use taxes.

**Expenses**

Total expenses for the Village's governmental activities for the fiscal year ended April 30, 2009 were \$6,999,028, an increase of \$2,718,597 from the prior year. The increase is mainly due to proceeds from issuance of a note within the economic development area (as discussed earlier). As required by GASB Statement No. 34, total expenses include depreciation and interest on general governmental debt, but exclude expenditures for capital assets.

**VILLAGE OF EAST DUNDEE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

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Exclusive of the EDA TIF note expense, public safety expenses related to the operations of the Police Department accounted for \$2,172,283, or 44.5% of total expenses. Highways and streets followed with 32.7% of expenses, general government accounted for 18.7%, and interest was about 2.7%. Overall, total expenses in governmental activities exceeded total revenues by \$458,759. The increase in expenditures, compared to the prior fiscal year, is mainly attributable to the timing of the 2007 street program. The 2007 street program had been budgeted during the fiscal year ending April 30, 2008; however, the street program was not completed until the fiscal year ending April 30, 2009.

Once again, it needs to be mention the EDA TIF activity distorts the governmental activities net assets for 2009 (as discussed on pages MD&A 5 & 6).

***Business-Type Activities***

**Revenues**

Total revenues for the Village's business-type activities for the fiscal year ended April 30, 2009 were \$2,042,380.

Charges for water and sewer service provided \$1,409,075 or about 69% of total related business-type revenues, as related to 82% from the previous year. The percentage decrease is largely due to an increase in intergovernmental revenues. Exclusive of intergovernmental revenue, roughly 93.6% of business-type revenues are from charges for water and sewer service. Other revenues included intergovernmental revenues of \$537,421, rental income of \$46,542, investment income of \$10,406, and other revenues of \$38,936.

During the year, net assets of business-type activities increased \$694,818.

**Expenses**

Total expenses for the Village's business-type activities for the fiscal year ended April 30, 2009 were \$2,127,562 or an increase of \$273,751. This increase is largely attributed to a \$166,339 increase in interest expense and a \$28,232 increase in operating expenses.

Operating expenses for the Village's water and sewer systems were \$1,252,767 with an additional \$519,419 for depreciation and \$355,376 for interest expense.

**VILLAGE OF EAST DUNDEE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

**FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS**

As noted earlier, the Village of East Dundee uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. As of April 30, 2009, the governmental funds (as presented on the balance sheet on page 6) had a combined fund balance of \$4,585,931. This represents an overall decrease of \$455,682 from the prior year. The General Fund decreased about \$288,000, the Home Rule Sales Tax Fund (a special revenue fund) decreased about \$48,000, the Capital Projects Fund decreased about \$26,000, the Dundee Crossings TIF Fund increased about \$68,000, and other nonmajor governmental funds decreased about \$160,000.

The table below shows the budgeted amounts and the actual revenues and expenditures for the General Fund:

**Table 4  
General Fund Budgetary Highlights  
For the Fiscal Year Ended April 30, 2009**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>
<b>REVENUES</b>			
Property taxes	318,200	318,200	522,703
Sales taxes	1,383,000	1,383,000	1,224,128
Utility and telecommunications taxes	527,100	527,100	521,793
Other taxes	378,440	378,440	366,116
Licenses and permits	219,375	219,375	271,516
Reimbursements	780,000	780,000	572
Other revenue	438,103	438,103	405,453
<b>Total revenues</b>	<u>4,044,218</u>	<u>4,044,218</u>	<u>3,312,281</u>
<b>EXPENDITURES</b>			
General government	924,616	985,116	888,835
Public safety	1,821,573	2,103,378	2,093,343
Highways and streets	840,962	840,962	851,377
Miscellaneous	29,500	29,500	22,722
<b>Total expenditures</b>	<u>3,616,651</u>	<u>3,958,956</u>	<u>3,856,277</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	431,600	431,600	431,551
Transfers (out)	(85,000)	(85,000)	(180,266)
Sale of capital assets	10,500	10,500	4,250
<b>Total other financing sources (uses)</b>	<u>357,100</u>	<u>357,100</u>	<u>255,535</u>
<b>CHANGE IN FUND BALANCE</b>	<u>\$784,667</u>	<u>\$442,362</u>	<u>\$(288,461)</u>

(See independent auditor's report)  
MD&A 11

**VILLAGE OF EAST DUNDEE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

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Total General Fund revenues were about \$732,000 less than the budget amount due primarily to the delay in reimbursement of a Water Fund loan from the previous fiscal year in the amount of \$775,000. However, the Village's intentions are to reimburse the General Fund during the upcoming fiscal year. The decision to delay the repayment of the loan was based on the timeline of the drilling of the new water well. Sales tax had been budgeted at a 5% decrease from the previous year's receipts; however, sales tax decreased 11.5% from the prior year's sales tax receipts. Sales taxes have been declining each year since they reached their peak in the year 2000. The decline has been a concern to Village officials and reflects increasing competition for sales tax dollars from additional regional shopping malls and the Randall Road corridor.

The Village amended their budget at the conclusion of the budget year for unforeseen expenditures relating to union contracts, police pension contribution expense, timing of the 2007 Street Program, and implementation of the Business Development District.

**Capital Assets**

The following schedule reflects the Village's capital asset balances as of April 30, 2009.

**Table 5  
Capital Assets  
As of April 30, 2009**

	<i><u>Governmental Activities</u></i>	<i><u>Business-Type Activities</u></i>	<i><u>Total</u></i>
Land	281,035	1,193,635	1,474,670
Buildings and improvements	1,541,200	12,815,143	14,356,343
Equipment and vehicles	1,183,132	3,321,654	4,504,786
Distribution system	-	6,021,773	6,021,773
Construction work in progress	-	970,142	970,142
	<u>3,005,367</u>	<u>24,322,347</u>	<u>27,327,714</u>
Less:			
Accumulated depreciation	<u>(1,207,455)</u>	<u>(5,194,888)</u>	<u>(6,402,343)</u>
<b>Total capital assets</b>	<u><u>\$1,797,912</u></u>	<u><u>\$19,127,459</u></u>	<u><u>\$20,925,371</u></u>

(See independent auditor's report)



**VILLAGE OF EAST DUNDEE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

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At year-end, the Village's investment in capital assets (net of accumulated depreciation) for both its governmental and business-type activities was \$20,925,371 (see note 5 in the Notes to the Financial Statements for further information regarding capital assets). Major capital asset events during the fiscal year ended April 30, 2009 included the following:

- Replacement of one Public Safety vehicle, along with purchases of an additional Public Safety vehicle and Public Work vehicle.
- Overhaul of a Public Work dump truck
- Sewer and Manhole lining projects
- Construction work in progress on Well #5 and Well #6
- The completion of the Wastewater Treatment Plant Expansion, pursuant to an Intergovernmental agreement with the Village of West Dundee

**Long-Term Debt**

The Village of East Dundee had total long-term debt of \$14,429,459 outstanding as of April 30, 2009. The following table summarizes the Village's outstanding long-term debt.

**Table 6  
Long-Term Debt  
As of April 30, 2009**

	<i>Governmental Activities</i>	<i>Business-Type Activities</i>	<i>Total</i>
IEPA installment loan	-	9,911,106	9,911,106
Tax increment revenue bonds	2,150,000	-	2,150,000
Tax increment revenue note	2,130,927	-	2,130,927
Compensated absences	182,760	33,946	216,706
Net pension obligation	20,720	-	20,720
<b><i>Total long-term debt</i></b>	<b><u>\$4,484,407</u></b>	<b><u>\$9,945,052</u></b>	<b><u>\$14,429,459</u></b>

Previously, the Village had used home rule sales taxes to pay the annual debt service for the IEPA installment loan. However, in order to make enterprise funds self-supporting, home rule sales taxes are used to fund only a portion of the annual debt service on the IEPA installment loan. Incremental property taxes were used to pay the debt service on the tax increment revenue bonds and note. Neither of these issues is supported by a pledge of Village property taxes, but a limited pledge of sales taxes has been made. See Note 7 in the Notes to Financial Statements for further information regarding long-term debt.

**VILLAGE OF EAST DUNDEE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

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**Economic Factors**

While the Village's financial position remains a concern, several economic factors will play a significant role in the Village's financial condition over the next few years. After Village residents approved home rule status for the Village in March 2004, a 1% home rule sales tax was implemented as of July 1, 2004 and increased to 1.5% as of January 1, 2007. The sales tax increase will aid in improving the Village's financial position in the future. During the past fiscal year, this source of revenue contributed \$1,106,125 for the twelve-month period. However, business sales activity declined 10.2% during that same period. Randall Road business expansion continues to drain sales from area businesses. The closure of Santa's Village eliminated the Village's major source of amusement taxes. In addition, a major retailer in the corporate limits is considering a move to another municipality; this single event will dramatically impact future sales tax revenues of the Village. However, the Village Board stands ready to implement various actions if its major retailer ceases operations in the Village.

During the past year, and for at least the foreseeable future, the Village will be facing tough economic times where declining sales tax, declining state-shared revenues (income tax, motor fuel tax, local use tax, etc.), and increasing expenses will be a major concern. However, the Village Board has taken steps in attempt to improve the financial stability of the Village. A Business Development District (BDD) was implemented during the fiscal year and began generating sales tax revenue on January 1, 2009. \$70,917 was raised through the BDD during the first four months. These funds will be able to facilitate improvements in the district which is located around the route 25 and route 72 corridor.

Another factor that should help improve the Village's overall financial position is movement to implement a Debt Reduction Fee on all Village sewer accounts. The current sewer rates do not adequately cover the Sewer Fund expenses. A Debt Reduction Fee would be used to assist the Sewer Fund in paying a portion of the IEPA loan. Any Debt Reduction Fee assessed would cease once the loan has been paid in full.

**CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Nicholas Cinquegrani, Finance Manager, Village of East Dundee, 120 Barrington Avenue, East Dundee, Illinois 60118.

VILLAGE OF EAST DUNDEE, ILLINOIS

STATEMENT OF NET ASSETS

April 30, 2009

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,651,271	\$ 894,263	\$ 3,545,534
Cash with fiscal agent	287,771	-	287,771
Investments	250,363	-	250,363
Receivables (net of allowance where applicable)			
Property taxes	1,262,559	-	1,262,559
Other taxes	38,383	-	38,383
Accounts	75,616	353,300	428,916
Accrued interest	2,574	-	2,574
Miscellaneous	41,373	-	41,373
Due to/from other funds	775,000	(775,000)	-
Due from other governments	628,859	-	628,859
Capital assets			
Nondepreciable	281,035	2,163,777	2,444,812
Depreciable, net of accumulated depreciation	1,516,877	16,963,682	18,480,559
<b>Total assets</b>	<b>7,811,681</b>	<b>19,600,022</b>	<b>27,411,703</b>
<b>LIABILITIES</b>			
Accounts payable	77,238	168,021	245,259
Accrued payroll	62,439	24,076	86,515
Retainage payable	21,804	-	21,804
Accrued interest payable	36,046	93,202	129,248
Due to others	3,028	-	3,028
Deferred property taxes	1,262,559	-	1,262,559
Deferred revenue	750	-	750
Due to fiduciary fund	18	-	18
Noncurrent liabilities			
Due within one year	115,000	612,551	727,551
Due in more than one year	4,369,407	9,332,501	13,701,908
<b>Total liabilities</b>	<b>5,948,289</b>	<b>10,230,351</b>	<b>16,178,640</b>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	1,797,912	9,216,353	11,014,265
Restricted for			
Debt service	287,771	-	287,771
Highways and streets	555,217	-	555,217
Capital improvements	17,410	-	17,410
Economic development	54,995	-	54,995
Education	28,000	-	28,000
Unrestricted	(877,913)	153,318	(724,595)
<b>TOTAL NET ASSETS</b>	<b>\$ 1,863,392</b>	<b>\$ 9,369,671</b>	<b>\$ 11,233,063</b>

See accompanying notes to financial statements.

VILLAGE OF EAST DUNDEE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2009

FUNCTIONS/PROGRAMS	Program Revenues			
	Expenses	Charges for Services	Capital Grants	Operating Grants
<b>PRIMARY GOVERNMENT</b>				
Governmental activities				
General government	\$ 915,473	\$ 276,939	\$ -	\$ -
Public safety	2,172,283	216,119	98,313	-
Highways and streets	1,597,465	41,829	-	77,112
Economic development	2,161,448	-	57,663	-
Culture and welfare	22,722	3,801	-	-
Interest	129,637	-	-	-
Total governmental activities	<u>6,999,028</u>	<u>538,688</u>	<u>155,976</u>	<u>77,112</u>
Business-type activities				
Water	731,779	663,568	-	-
Sewer	1,395,783	745,507	-	-
Total business-type activities	<u>2,127,562</u>	<u>1,409,075</u>	<u>-</u>	<u>-</u>
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 9,126,590</u>	<u>\$ 1,947,763</u>	<u>\$ 155,976</u>	<u>\$ 77,112</u>

	Net (Expense) Revenue and Change in Net Assets		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (638,534)	\$ -	\$ (638,534)
	(1,857,851)	-	(1,857,851)
	(1,478,524)	-	(1,478,524)
	(2,103,785)	-	(2,103,785)
	(18,921)	-	(18,921)
	(129,637)	-	(129,637)
	(6,227,252)	-	(6,227,252)
	-	(68,211)	(68,211)
	-	(650,276)	(650,276)
	-	(718,487)	(718,487)
	(6,227,252)	(718,487)	(6,945,739)
General revenues			
Taxes			
Property taxes	1,072,689	-	1,072,689
Sales tax	2,397,667	-	2,397,667
Income tax	269,244	-	269,244
Utility taxes	324,606	-	324,606
Telecommunications taxes	197,187	-	197,187
Other taxes	98,180	-	98,180
Investment income	70,140	10,406	80,546
Intergovernmental revenue	-	537,421	537,421
Miscellaneous	3,500	85,478	88,978
Tranfers in (out)	(780,000)	780,000	-
Total	3,653,213	1,413,305	5,066,518
CHANGE IN NET ASSETS	(2,574,039)	694,818	(1,879,221)
NET ASSETS, MAY 1	4,437,431	8,674,853	13,112,284
NET ASSETS, APRIL 30	\$ 1,863,392	\$ 9,369,671	\$ 11,233,063

See accompanying notes to financial statements.

VILLAGE OF EAST DUNDEE, ILLINOIS

BALANCE SHEET  
GOVERNMENTAL FUNDS

April 30, 2009

	General	Home Rule Sales Tax	Dundee Crossings TIF	Capital Projects	Nonmajor Governmental	Total Governmental
<b>ASSETS</b>						
Cash and cash equivalents	\$ 849,927	\$ 992,354	\$ -	\$ 195,100	\$ 613,890	\$ 2,651,271
Cash with fiscal agent	-	-	-	-	287,771	287,771
Investments	250,000	-	-	-	363	250,363
Receivables (net of allowance where applicable)						
Property taxes	546,059	-	123,954	-	592,546	1,262,559
Other taxes	38,383	-	-	-	-	38,383
Accounts	75,616	-	-	-	-	75,616
Accrued interest	2,574	-	-	-	-	2,574
Miscellaneous	41,373	-	-	-	-	41,373
Due from other governments	348,360	222,814	-	-	57,685	628,859
Due from other funds	775,000	-	-	-	-	775,000
Advances to other funds	-	77,998	-	-	-	77,998
<b>TOTAL ASSETS</b>	<b>\$ 2,927,292</b>	<b>\$ 1,293,166</b>	<b>\$ 123,954</b>	<b>\$ 195,100</b>	<b>\$ 1,552,255</b>	<b>\$ 6,091,767</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ 48,130	\$ -	\$ -	\$ -	\$ 29,108	\$ 77,238
Accrued payroll	62,439	-	-	-	-	62,439
Retainage payable	-	-	-	1,058	20,746	21,804
Due to others	3,028	-	-	-	-	3,028
Deferred property taxes	546,059	-	123,954	-	592,546	1,262,559
Other deferred revenue	752	-	-	-	-	752
Advances from other funds	-	-	21,188	-	56,810	77,998
Due to fiduciary fund	18	-	-	-	-	18
<b>Total liabilities</b>	<b>660,426</b>	<b>-</b>	<b>145,142</b>	<b>1,058</b>	<b>699,210</b>	<b>1,505,836</b>
<b>FUND BALANCES</b>						
Reserved for debt service	-	-	-	-	287,771	287,771
Reserved for highways and streets	-	-	-	-	555,217	555,217
Reserved for capital improvements	-	-	-	-	17,410	17,410
Reserved for economic development	-	-	-	-	54,995	54,995
Reserved for education	28,000	-	-	-	-	28,000
Reserved for advances to other funds	-	77,998	-	-	-	77,998
Unreserved						
Designated for capital improvements	-	-	-	194,042	-	194,042
Undesignated - General Fund	2,238,866	-	-	-	-	2,238,866
Undesignated - Special Revenue Funds	-	1,215,168	(21,188)	-	(62,348)	1,131,632
<b>Total fund balances (deficit)</b>	<b>2,266,866</b>	<b>1,293,166</b>	<b>(21,188)</b>	<b>194,042</b>	<b>853,045</b>	<b>4,585,931</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 2,927,292</b>	<b>\$ 1,293,166</b>	<b>\$ 123,954</b>	<b>\$ 195,100</b>	<b>\$ 1,552,255</b>	<b>\$ 6,091,767</b>

See accompanying notes to financial statements.

VILLAGE OF EAST DUNDEE, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET ASSETS

April 30, 2008

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FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 4,585,931
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	1,797,912
Certain revenues that are deferred in the governmental funds are earned revenues in the statement of net assets	2
Interest payable is not due and payable in the current period and, therefore, not reported in the governmental funds	(36,046)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds	<u>(4,484,407)</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 1,863,392</u>

See accompanying notes to financial statements.

VILLAGE OF EAST DUNDEE, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS

For the Year Ended April 30, 2009

	General	Home Rule Sales Tax	Dundee Crossings TIF	Capital Projects	Nonmajor Governmental	Total Governmental
<b>REVENUES</b>						
Taxes						
Property tax	\$ 522,703	\$ -	\$ 97,752	\$ -	\$ 452,233	\$ 1,072,688
Sales tax	1,224,128	1,106,125	-	-	67,414	2,397,667
Income tax	269,244	-	-	-	-	269,244
Utility tax	324,606	-	-	-	-	324,606
Telecommunications tax	197,187	-	-	-	-	197,187
Other taxes	96,872	-	-	-	1,307	98,179
Licenses and permits						
Licenses	45,430	-	-	-	-	45,430
Franchise fees	41,829	-	-	-	-	41,829
Permits	184,257	-	-	-	-	184,257
Intergovernmental	98,313	-	-	-	77,112	175,425
Charges for services	70,785	-	-	-	-	70,785
Fines and forfeits	164,384	-	-	-	-	164,384
Investment income	40,540	14,313	770	1,852	12,665	70,140
Miscellaneous	32,003	57,663	-	-	3,500	93,166
<b>Total revenues</b>	<b>3,312,281</b>	<b>1,178,101</b>	<b>98,522</b>	<b>1,852</b>	<b>614,231</b>	<b>5,204,987</b>
<b>EXPENDITURES</b>						
Current						
General government	888,835	-	-	-	-	888,835
Public safety	2,093,343	-	-	-	-	2,093,343
Highways and streets	851,377	-	-	-	638,072	1,489,449
Economic development	-	-	2,145,526	-	15,922	2,161,448
Culture and welfare	22,722	-	-	-	-	22,722
Capital outlay	-	-	-	120,603	-	120,603
Debt service						
Principal	-	-	-	3,304	105,000	108,304
Interest and fiscal charges	-	-	-	10	115,485	115,495
<b>Total expenditures</b>	<b>3,856,277</b>	<b>-</b>	<b>2,145,526</b>	<b>123,917</b>	<b>874,479</b>	<b>7,000,199</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(543,996)</b>	<b>1,178,101</b>	<b>(2,047,004)</b>	<b>(122,065)</b>	<b>(260,248)</b>	<b>(1,795,212)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	431,551	-	-	95,315	184,951	711,817
Transfers (out)	(180,266)	(1,226,600)	-	-	(84,951)	(1,491,817)
Notes issued at par	-	-	2,115,280	-	-	2,115,280
Sale of capital assets	4,250	-	-	-	-	4,250
<b>Total other financing sources (uses)</b>	<b>255,535</b>	<b>(1,226,600)</b>	<b>2,115,280</b>	<b>95,315</b>	<b>100,000</b>	<b>1,339,530</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(288,461)</b>	<b>(48,499)</b>	<b>68,276</b>	<b>(26,750)</b>	<b>(160,248)</b>	<b>(455,682)</b>
<b>FUND BALANCES (DEFICIT), MAY 1</b>	<b>2,555,327</b>	<b>1,341,665</b>	<b>(89,464)</b>	<b>220,792</b>	<b>1,013,293</b>	<b>5,041,613</b>
<b>FUND BALANCES (DEFICIT), APRIL 30</b>	<b>\$ 2,266,866</b>	<b>\$ 1,293,166</b>	<b>\$ (21,188)</b>	<b>\$ 194,042</b>	<b>\$ 853,045</b>	<b>\$ 4,585,931</b>

See accompanying notes to financial statements.



VILLAGE OF EAST DUNDEE, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE  
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2009

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NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS	\$ (455,682)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	67,319
Some revenues in the statement of activities do not require the use of current financial resources and, therefore, are not reported as revenues in governmental funds	2
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Depreciation	(143,525)
Changes in compensated absences	(19,373)
Change in net pension obligation	(1,662)
The repayment of the principal on long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	108,304
The proceeds from issuance of notes are reported as an other financing source in governmental funds but as an increase of principal outstanding on the statement of net assets	(2,115,280)
The change in the accrual of interest is recorded as interest expense on the statement of activities	<u>(14,142)</u>
CHANGES IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u><u>\$ (2,574,039)</u></u>

See accompanying notes to financial statements.

VILLAGE OF EAST DUNDEE, ILLINOIS

STATEMENT OF NET ASSETS  
 PROPRIETARY FUNDS

April 30, 2009

	Business-Type Activities		
	Water System	Sewer System	Total
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$ 894,263	\$ -	\$ 894,263
Receivables			
Accounts	122,926	230,374	353,300
Due from other funds	172,881	-	172,881
Total current assets	1,190,070	230,374	1,420,444
<b>CAPITAL ASSETS</b>			
Nondepreciable	1,613,777	550,000	2,163,777
Depreciable, net of accumulated depreciation	3,711,129	13,252,553	16,963,682
Total capital assets	5,324,906	13,802,553	19,127,459
Total assets	6,514,976	14,032,927	20,547,903
<b>CURRENT LIABILITIES</b>			
Accounts payable	83,360	84,661	168,021
Accrued payroll	11,242	12,834	24,076
Accrued interest payable	-	93,202	93,202
Due to other funds	775,000	172,881	947,881
IEPA loan payable	-	612,551	612,551
Total current liabilities	869,602	976,129	1,845,731
<b>LONG-TERM LIABILITIES</b>			
Compensated absences payable	13,281	20,665	33,946
IEPA loan payable	-	9,298,555	9,298,555
Total long-term liabilities	13,281	9,319,220	9,332,501
Total liabilities	882,883	10,295,349	11,178,232
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	5,324,906	3,891,447	9,216,353
Unrestricted	307,187	(153,869)	153,318
<b>TOTAL NET ASSETS</b>	<b>\$ 5,632,093</b>	<b>\$ 3,737,578</b>	<b>\$ 9,369,671</b>

See accompanying notes to financial statements.

VILLAGE OF EAST DUNDEE, ILLINOIS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS  
 PROPRIETARY FUNDS

For the Year Ended April 30, 2009

	Business-Type Activities		
	Water System	Sewer System	Total
<b>OPERATING REVENUES</b>			
Charges for services	\$ 663,568	\$ 745,507	\$ 1,409,075
Total operating revenues	663,568	745,507	1,409,075
<b>OPERATING EXPENSES</b>			
Operations	571,486	681,281	1,252,767
Depreciation	140,918	378,501	519,419
Total operating expenses	712,404	1,059,782	1,772,186
OPERATING INCOME (LOSS)	(48,836)	(314,275)	(363,111)
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment income	9,417	989	10,406
Rental income	46,542	-	46,542
Intergovernmental revenue	-	537,421	537,421
Miscellaneous	16,652	22,284	38,936
Interest expense	(19,375)	(336,001)	(355,376)
Total nonoperating revenues (expenses)	53,236	224,693	277,929
INCOME (LOSS) BEFORE TRANSFERS	4,400	(89,582)	(85,182)
TRANSFERS IN	500,000	280,000	780,000
CHANGE IN NET ASSETS	504,400	190,418	694,818
NET ASSETS, MAY 1	5,127,693	3,547,160	8,674,853
NET ASSETS, APRIL 30	\$ 5,632,093	\$ 3,737,578	\$ 9,369,671

See accompanying notes to financial statements.

VILLAGE OF EAST DUNDEE, ILLINOIS

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS

For the Year Ended April 30, 2009

	Business-Type Activities		
	Water System	Sewer System	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 688,104	\$ 690,032	\$ 1,378,136
Payments to suppliers	(238,677)	(292,315)	(530,992)
Payments to employees	(307,641)	(326,916)	(634,557)
Rental income	46,542	-	46,542
Net cash from operating activities	188,328	70,801	259,129
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Due to (from) other funds	(172,881)	172,881	-
Interest on interfund loans	(3,238)	-	(3,238)
Transfers to other funds	-	(12,229)	(12,229)
Transfers from other funds	500,000	292,229	792,229
Net cash from noncapital financing activities	323,881	452,881	776,762
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchase of capital assets	(613,947)	(70,417)	(684,364)
Principal paid on IEPA loan payable	-	(574,127)	(574,127)
Interest paid	(19,375)	(267,707)	(287,082)
Intergovernmental receipts	-	322,708	322,708
Net cash from capital and related financing activities	(633,322)	(589,543)	(1,222,865)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received	9,417	989	10,406
Net cash from investing activities	9,417	989	10,406
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(111,696)	(64,872)	(176,568)
<b>CASH AND CASH EQUIVALENTS, MAY 1</b>	1,005,959	64,872	1,070,831
<b>CASH AND CASH EQUIVALENTS, APRIL 30</b>	\$ 894,263	\$ -	\$ 894,263

(This statement is continued on the following page.)

VILLAGE OF EAST DUNDEE, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)  
 PROPRIETARY FUNDS

For the Year Ended April 30, 2009

	Business-Type Activities		
	Water System	Sewer System	Total
<b>RECONCILIATION OF OPERATING INCOME</b>			
<b>(LOSS) TO NET CASH FLOWS FROM</b>			
<b>OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ (48,836)	\$ (314,275)	\$ (363,111)
Depreciation	140,918	378,501	519,419
Rental income	46,542	-	46,542
Miscellaneous	16,652	22,284	38,936
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Changes in assets and liabilities			
Accounts receivable	7,884	(77,759)	(69,875)
Accounts payable	19,749	55,714	75,463
Accrued payroll and compensated absences	5,419	6,336	11,755
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$ 188,328</b>	<b>\$ 70,801</b>	<b>\$ 259,129</b>

See accompanying notes to financial statements.

VILLAGE OF EAST DUNDEE, ILLINOIS  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS

April 30, 2009

	Pension Trust	Agency
<b>ASSETS</b>		
Cash and cash equivalents	\$ 73,440	\$ 62,110
Investments		
U.S. Treasury securities	714,039	-
U.S. agency securities	1,791,640	-
Municipal bonds	348,610	-
Mutual funds	1,966,346	-
Receivables		
Accrued interest	39,367	-
Due from other funds	18	-
Prepaid expenses	833	-
	4,934,293	\$ 62,110
Total assets	4,934,293	\$ 62,110
<b>LIABILITIES</b>		
Due to others	31,890	\$ 62,110
	31,890	\$ 62,110
Total liabilities	31,890	\$ 62,110
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>		
	\$ 4,902,403	

See accompanying notes to financial statements.

VILLAGE OF EAST DUNDEE, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
PENSION TRUST FUND

For the Year Ended April 30, 2009

<b>ADDITIONS</b>	
Contributions	
Employer	\$ 201,106
Employee	<u>101,414</u>
Total contributions	<u>302,520</u>
Investment income	
Net appreciation (depreciation) of fair value of investments	(817,202)
Interest	133,945
Dividends	<u>53,536</u>
Total investment income	(629,721)
Less investment expense	<u>(20,084)</u>
Net investment income	<u>(649,805)</u>
Total additions	<u>(347,285)</u>
<b>DEDUCTIONS</b>	
Benefits and refunds	199,973
Administrative	<u>15,723</u>
Total deductions	<u>215,696</u>
NET INCREASE (DECREASE)	(562,981)
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>	
May 1	<u>5,465,384</u>
April 30	<u>\$ 4,902,403</u>

See accompanying notes to financial statements.

# VILLAGE OF EAST DUNDEE, ILLINOIS

## NOTES TO FINANCIAL STATEMENTS

April 30, 2009

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of East Dundee, Illinois (the Village), have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

#### a. Reporting Entity

The Village is a municipal corporation governed by an elected board. As required by generally accepted accounting principles, these financial statements present the Village (the primary government) and its component units. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made based upon the significance of its operational or financial relationship with the primary government.

#### Police Pension Employees Retirement System

The Village's police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member board. Two members appointed by the Village President, one elected pension beneficiary and two elected police employees constitute the pension board. The Village and PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's eligible police employees. PPERS is reported as a pension trust fund.

#### b. Fund Accounting

The Village uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.



1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

A fund is a separate accounting entity with a self-balancing set of accounts. The minimum number of funds are maintained consistent with legal and managerial requirements.

Funds are classified into the following categories: governmental, proprietary and fiduciary.

Governmental funds are used to account for all or most of the Village's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of capital assets (capital projects funds) and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds). Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Government Entities That Use Proprietary Fund Accounting*, the Village has chosen to apply all GASB pronouncements as well as those FASB pronouncements issued on or before November 30, 1989 to account for its enterprise funds.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The Village utilizes a pension trust fund and an agency fund which are generally used to account for assets that the Village holds in a fiduciary capacity or on behalf of others as their agent.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and inter-governmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

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

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Home Rule Sales Tax Fund is a special revenue fund used to account for home rule sales tax revenues and the expenditures associated with this revenue source.

The Dundee Crossings TIF Fund is a special revenue fund used to account for the revenues and expenditures associated with the Dundee Crossings TIF Redevelopment Project. Financing is provided by incremental property taxes.

The Capital Projects Fund is used to account for the acquisition of equipment and improvements that are not associated with the government's proprietary funds. Financing is provided by home rule sales taxes, grants and investment income.

The Village reports the following major proprietary funds:

The Water System Fund and Sewer System Fund account for the provision of water and sanitary sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in these funds, including, but not limited to, administration, operations, maintenance, financing and related debt services and billing and collection.

The Village reports a pension trust fund as a fiduciary fund to account for the Police Pension Fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund (except for the agency fund which has no measurement focus) financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. The Village recognizes property taxes when they become both measurable and available in the period the tax is intended to finance. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing enterprise fund services. Incidental revenues/expenses are reported as nonoperating.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales taxes and telecommunication taxes which use a 90-day period. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

Sales taxes and telecommunication taxes owed to the state at year end, franchise fees, licenses, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Fines and permit revenue and miscellaneous revenues are considered to be measurable and available only when cash is received by the Village.

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Village; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation  
(Continued)

The Village reports deferred revenue on its financial statements. Deferred revenues arise when a potential revenue does not meet both the “measurable” and “available” or “earned” criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Village before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures. 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 financial statements and revenue is recognized.

e. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Village’s proprietary funds consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments with a maturity of one year or less at the time of purchase and all nonnegotiable certificates of deposits are stated at cost or amortized cost. Investments with a maturity greater than one year at the time of purchase are stated at fair value. All investments of the pension trust fund, regardless of length of maturity, are reported at fair value with the exception of insurance contracts. Fair value is based on published market quotes as of April 30, 2009. Insurance contracts are stated at the lesser of fair value or current redemption value.

f. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses.

VILLAGE OF EAST DUNDEE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS (Continued)

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost in excess of the following and an estimated useful life in excess of one year.

<u>Asset Class</u>	<u>Capitalization Threshold</u>
Building improvements and land improvements	\$ 5,000
Bridges, streets, storm sewers and traffic signals	20,000
Machinery and equipment	5,000
Vehicles	5,000

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs, including street overlays that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings and building improvements	10-50
Water and sewer distribution system	10-50
Machinery and equipment	10-20
Vehicles	5-15
Infrastructure	40-50

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Compensated Absences

Vested or accumulated vacation leave and compensatory time are reported as an expenditure and a fund liability of the governmental fund that will pay it once retirement or separation has occurred. Vested or accumulated vacation leave and compensatory time of proprietary funds and governmental activities are recorded as an expense and liability of those funds as the benefits accrue to employees. In accordance with the provisions of GASB Statement No. 16, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits. Employees retiring or terminating with greater than 20 years of service are paid for accumulated sick leave. Accordingly, a liability is recognized for proprietary funds and governmental activities for that portion of accumulated sick leave benefits that is estimated to vest in the future.

i. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

j. Net Assets/Fund Balance

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance, if any, represent tentative management plans that are subject to change. In the government-wide financial statements, restricted net assets are legally restricted by outside parties for a specific purpose. None of the Village's restricted net assets are restricted as a result of enabling legislation adopted by the Village. Invested in capital assets, net of related debt, represents the Village's investment in the book value of capital assets, less any outstanding debt that was issued to construct or acquire the capital asset.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Interfund Transactions

Interfund services are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except interfund services and reimbursements, are reported as transfers.

l. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

If applicable, advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

2. DEPOSITS AND INVESTMENTS

Permitted Deposits and Investments - Illinois Compiled Statutes and the Village’s investment policy authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated with the three highest classifications by at least two standard rating services, Illinois Funds and Illinois Metropolitan Investment Fund.

In accordance with its investment policy the Police Pension Fund is permitted to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, obligations of states, commercial paper, mutual funds and municipal bonds rated “A” or better.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Funds’ share price, the price at which the investment could be sold.

VILLAGE OF EAST DUNDEE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Illinois Metropolitan Investment Fund (IMET) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price at which the investment could be sold.

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank failure, the Village or the Police Pension Fund deposits may not be returned to them. The Village and Police Pension Fund investment policies require pledging of collateral held by an agent of the Village in the Village's name for all bank balances in excess of federal depository insurance and the amount of funds secured shall be reviewed at least quarterly and additional collateral shall be requested when the ratio declines below the level required.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Village and Police Pension Fund limit its exposure to credit risk by primarily investing in U.S. Treasury obligations, U.S. agency obligations and external investment pools. The Police Pension Fund also may invest in mutual funds. Illinois Funds and IMET are rated AAA.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village or the Police Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's and the Police Pension Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third-party acting as the Village's agent separate from where the investment was purchased. Illinois Funds and the money market funds are not subject to custodial credit risk.

The following table presents the investments and maturities of the Village's debt securities as of April 30, 2009:

Investment Type	Fair Value	Investment Maturities in Years - Village			
		Less than 1	1-5	6-10	Greater than 10
Illinois Funds	\$ 3,440,023	\$ 3,440,023	\$ -	\$ -	\$ -
Money market mutual fund	361,211	361,211	-	-	-
<b>TOTAL</b>	<b>\$ 3,801,234</b>	<b>\$ 3,801,234</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



VILLAGE OF EAST DUNDEE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

The following table presents the investments and maturities of the Police Pension Fund debt securities as of April 30, 2009:

Investment Type	Fair Value	Investment Maturities in Years - Police Pension			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 714,039	\$ -	\$ 714,039	\$ -	\$ -
U.S. agency obligations	1,791,640	210,266	649,945	609,169	322,260
Municipal bonds	348,610	5,000	223,160	25,081	95,369
<b>TOTAL</b>	<b>\$ 2,854,289</b>	<b>\$ 215,266</b>	<b>\$ 1,587,144</b>	<b>\$ 634,250</b>	<b>\$ 417,629</b>

The U.S. Treasury and U.S. agency obligations securities are rated AAA and the municipal bonds are rated AAA.

3. RECEIVABLES - PROPERTY TAXES

Property taxes for 2008 attach as an enforceable lien on January 1, 2008 on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about May 1, 2009 and August 1, 2009, and are payable in two installments, on or about June 1, 2009 and September 1, 2009. The County collects such taxes and remits them periodically.

The 2008 taxes are intended to finance the 2010 fiscal year and are not considered available for current operations and are, therefore, shown as deferred revenue. The 2009 tax levy has not been recorded as a receivable at April 30, 2009. Although the tax attached as a lien on property as of January 1, 2009, the tax will not be levied until December 2009 and, accordingly, is not measurable at April 30, 2009.

4. RECEIVABLES

The following receivables are included on the statement of net assets:

	Governmental Activities	Business-Type Activities
<b>OTHER TAXES</b>		
Utility tax	\$ 38,383	\$ -
Total other taxes	\$ 38,383	\$ -
<b>ACCOUNTS</b>		
Charges for services	\$ 75,616	\$ 283,281
Total accounts	\$ 75,616	\$ 283,281

VILLAGE OF EAST DUNDEE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

4. RECEIVABLES (Continued)

	Governmental Activities	Business-Type Activities
<b>MISCELLANEOUS</b>		
IRMA insurance (long-term)	\$ 2	\$ -
Franchise fees	14,216	-
Video tax	1,857	-
Grants	25,000	-
Developers reimbursements	298	-
Total miscellaneous	<u>\$ 41,373</u>	<u>\$ -</u>
<b>DUE FROM OTHER GOVERNMENTS</b>		
Sales tax	\$ 304,836	\$ -
Home rule sales tax	222,814	-
Telecommunication tax	49,148	-
Other taxes and court fines	52,061	-
Total due from other governments	<u>\$ 628,859</u>	<u>\$ -</u>

5. CAPITAL ASSETS

Capital asset activity for the Village for the year ended April 30, 2009 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital assets not being depreciated				
Land	\$ 281,035	\$ -	\$ -	\$ 281,035
Total capital assets not being depreciated	<u>281,035</u>	<u>-</u>	<u>-</u>	<u>281,035</u>
Capital assets being depreciated				
Buildings and improvements	1,541,200	-	-	1,541,200
Equipment	365,252	-	-	365,252
Vehicles	769,323	67,319	18,762	817,880
Total capital assets being depreciated	<u>2,675,775</u>	<u>67,319</u>	<u>18,762</u>	<u>2,724,332</u>
Less accumulated depreciation for				
Buildings and improvements	367,362	43,028	-	410,390
Equipment	285,460	23,287	-	308,747
Vehicles	429,870	77,210	18,762	488,318
Total accumulated depreciation	<u>1,082,692</u>	<u>143,525</u>	<u>18,762</u>	<u>1,207,455</u>
Total capital assets being depreciated, net	<u>1,593,083</u>	<u>(76,206)</u>	<u>-</u>	<u>1,516,877</u>
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<u>\$ 1,874,118</u>	<u>\$ (76,206)</u>	<u>\$ -</u>	<u>\$ 1,797,912</u>

VILLAGE OF EAST DUNDEE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

5. CAPITAL ASSETS (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
<b>BUSINESS-TYPE ACTIVITIES</b>				
Capital assets not being depreciated				
Land	\$ 1,193,635	\$ -	\$ -	\$ 1,193,635
Construction in progress	7,585,915	561,684	7,177,457	970,142
<b>Total capital assets not being depreciated</b>	<b>8,779,550</b>	<b>561,684</b>	<b>7,177,457</b>	<b>2,163,777</b>
Capital assets being depreciated				
Buildings and improvements	5,637,686	7,177,457	-	12,815,143
Equipment and vehicles	3,268,088	53,566	-	3,321,654
Water and sewer distribution system	5,951,356	70,417	-	6,021,773
<b>Total capital assets being depreciated</b>	<b>14,857,130</b>	<b>7,301,440</b>	<b>-</b>	<b>22,158,570</b>
Less accumulated depreciation for				
Buildings and improvements	1,450,316	190,010	-	1,640,326
Equipment and vehicles	1,885,640	180,550	-	2,066,190
Water and sewer distribution system	1,339,513	148,859	-	1,488,372
<b>Total accumulated depreciation</b>	<b>4,675,469</b>	<b>519,419</b>	<b>-</b>	<b>5,194,888</b>
<b>Total capital assets being depreciated, net</b>	<b>10,181,661</b>	<b>6,782,021</b>	<b>-</b>	<b>16,963,682</b>
<b>BUSINESS-TYPE ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<b>\$ 18,961,211</b>	<b>\$ 7,343,705</b>	<b>\$ 7,177,457</b>	<b>\$ 19,127,459</b>

Depreciation expense was charged to functions/programs of the primary government as follows:

<b>GOVERNMENTAL ACTIVITIES</b>	
General government	\$ 9,323
Public safety	58,073
Highways and streets, including depreciation of general infrastructure assets	<u>76,129</u>
<b>TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES</b>	<b>\$ 143,525</b>

6. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. These risks are provided for through a limited self-insurance program. The Village currently reports its risk management expenditures/expenses in the General Fund, Water Fund and Sewer Fund. The Village also purchases third-party indemnity insurance for medical claims for employees and retirees.

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperations Statute to pool its risk management needs. IRMA administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration and litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members. Levels of coverage provided by IRMA are as follows:

General liability	\$	10,000,000
Auto liability		10,000,000
Public officials' liability		10,000,000
Property		250,000,000
Workers' compensation		Statutory
Employer's liability		10,000,000

The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$2,500 of each occurrence, and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of IRMA beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits. The Village is not aware of any supplemental contributions owed to IRMA for prior policy years.

VILLAGE OF EAST DUNDEE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT

a. Changes in Long-Term Liabilities

During the fiscal year, the following changes occurred in liabilities reported in the governmental activities:

	Balances May 1	Additions	Reductions	Balances April 30	Current Portion
Tax increment revenue bonds	\$ 2,255,000	\$ -	\$ 105,000	\$ 2,150,000	\$ 115,000
Tax increment revenue note	-	2,130,927	-	2,130,927	-
Capital lease payable	3,304	-	3,304	-	-
Compensated absences payable	163,387	19,373	-	182,760	-
Net pension obligation	19,058	1,662	-	20,720	-
<b>TOTAL</b>	<b>\$ 2,440,749</b>	<b>\$ 2,151,962</b>	<b>\$ 108,304</b>	<b>\$ 4,484,407</b>	<b>\$ 115,000</b>

The increase in the tax increment revenue note includes the \$2,115,280 of the new note and \$15,647 in interest that accrues to the principal balance.

During the fiscal year, the following changes occurred in liabilities reported in the business-type activities:

	Balances May 1	Additions	Reductions	Balances April 30	Current Portion
IEPA loans payable	\$ 10,485,233	\$ -	\$ 574,127	\$ 9,911,106	\$ 612,551
Compensated absences payable	31,630	2,316	-	33,946	-
<b>TOTAL</b>	<b>\$ 10,516,863</b>	<b>\$ 2,316</b>	<b>\$ 574,127</b>	<b>\$ 9,945,052</b>	<b>\$ 612,551</b>

VILLAGE OF EAST DUNDEE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT (Continued)

b. Debt Issues

The long-term debt at April 30, 2009 of the Village is comprised of the following:

	Fund Retired by	Balance at April 30	Current Portion
Tax Increment Revenue Bonds			
\$2,500,000 tax increment revenue bonds dated September 1, 2002 that bear interest at rates from 3.50% to 5.40% and matures in graduated amounts with the final payment due January 1, 2022.	Prairie Lakes TIF Fund	\$ 2,150,000	\$ 115,000
Tax Increment Revenue Note			
\$2,115,280 tax increment revenue note dated March 16, 2009 that bears interest at 6% and matures on March 16, 2029.	Dundee Crossing TIF Fund	2,115,280	-
IEPA Loans			
The Village has entered into an installment agreement dated January 27, 1997, with the Illinois Environmental Protection Agency for advances of up to \$5,900,000 for construction of a sewer treatment plant. The advances bear interest at 2.89% and require semiannual payments of principal and interest. Total advances were \$5,900,000.	Sewer System Fund	3,145,554	310,755
The Village has entered into an installment agreement dated November 1, 2005, with the Illinois Environmental Protection Agency for advances of up to \$7,200,000 for construction of a sewer treatment plant. The advances bear interest at 2.50% and require semiannual payments of principal and interest.	Sewer System Fund	6,765,552	301,796
Capital Leases			
\$55,920 installment contract issued April 30, 2005 for the purchase of equipment. The balance is to be repaid over 36 equal monthly payments with interest at 4.25% maturing June 13, 2008. This was paid off at April 30, 2009.	Capital Projects Fund	-	-
<b>TOTAL</b>		<b>\$ 14,176,386</b>	<b>\$ 727,551</b>

VILLAGE OF EAST DUNDEE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT (Continued)

b. Debt Issues (Continued)

Debt service to maturity for these long-term liabilities is as follows:

Fiscal Year	Installment Loan #1		Installment Loan #2	
	IEPA Principal	Interest	IEPA Principal	Interest
2010	\$ 310,755	\$ 88,678	\$ 301,796	\$ 167,264
2011	319,800	79,633	309,388	159,672
2012	329,110	70,323	317,170	151,890
2013	338,690	60,743	325,150	143,910
2014	348,549	50,884	333,329	135,731
2015	358,695	40,738	341,714	127,346
2016	369,136	30,296	350,311	118,750
2017	379,881	19,551	359,123	109,937
2018	390,938	8,494	368,157	100,903
2019	-	-	377,419	91,641
2020	-	-	386,914	82,147
2021	-	-	396,647	72,413
2022	-	-	406,625	62,435
2023	-	-	416,855	52,206
2024	-	-	427,340	41,720
2025	-	-	438,092	30,969
2026	-	-	449,111	19,949
2027	-	-	460,411	8,650
<b>TOTAL</b>	<b>\$ 3,145,554</b>	<b>\$ 449,340</b>	<b>\$ 6,765,552</b>	<b>\$ 1,677,533</b>

VILLAGE OF EAST DUNDEE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT (Continued)

b. Debt Issues (Continued)

Fiscal Year	Total IEPA Loans		TIF Revenue		Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 612,551	\$ 255,942	\$ 115,000	\$ 108,138		
2011	629,188	239,305	125,000	103,078		
2012	646,280	222,213	130,000	97,515		
2013	663,840	204,653	140,000	91,470		
2014	681,878	186,615	150,000	84,820		
2015	700,409	168,084	160,000	77,620		
2016	719,447	149,046	165,000	69,780		
2017	739,004	129,488	175,000	61,530		
2018	759,095	109,397	185,000	52,605		
2019	377,419	91,641	190,000	42,985		
2020	386,914	82,147	200,000	33,010		
2021	396,647	72,413	205,000	22,410		
2022	406,615	62,435	210,000	11,340		
2023	416,855	52,206	-	-		
2024	427,340	41,720	-	-		
2025	438,092	30,969	-	-		
2026	449,111	19,949	-	-		
2027	460,411	8,650	-	-		
<b>TOTAL</b>	<b>\$ 9,911,106</b>	<b>\$ 2,126,873</b>	<b>\$ 2,150,000</b>	<b>\$ 856,301</b>		

c. Tax-Increment Financing Bonds

The Village has designated a portion of the Village as the Prairie Lakes redevelopment project area in accordance with the Tax Increment Allocation Redevelopment Act of the State of Illinois. The Village issued \$2,500,000 in Tax Increment Financing (TIF) Revenue Bonds in 2002 pursuant to establishing the project area. All property tax receipts within the project area for all taxing entities, in excess of base year amounts, are allocated to a special fund to pay for the costs of redeveloping portions of the project area. All incremental property taxes and other revenues are allocated to the TIF Tax Allocation (Special Revenue) Fund. These funds can only be used to pay debt service on TIF bonds or to pay costs of redevelopment in the project area. A separate debt service fund has been established to account for the payment of principal and interest on the TIF bonds and the administration of bond proceeds designated for debt service. Any shortfall in the required reserve for debt service is to be funded by limited sales taxes of the Village.



7. LONG-TERM DEBT (Continued)

d. Tax Increment Revenue Note

The Village, pursuant to an economic development agreement dated April 17, 2008, has agreed to reimburse the developer (PAL Land, LLC) for certain project costs the developer has incurred in the Dundee Crossings TIF District. The economic development agreement requires that a special tax increment revenue note executed each time the developer requests and the Village approves an advance. These notes are payable from and secured solely by the pledged incremental revenues of the Dundee Crossings TIF District. On July 1 and October 1 of each year through December 31, 2018, 55% of all incremental revenues shall be transferred and set aside to be used solely to reimburse the developer for redevelopment project costs (including interest costs and notes). Beginning after 2018 through December 1, 2029, the percentage increases to 65%. A note was issued March 16, 2009 for \$2,115,280. Interest on the note is 6%. The note provides that the payment of principal and interest on the note is due only if tax increment revenues are available for payment of debt service. Therefore, no set debt service to maturity schedule is available.

e. Legal Debt Margin

The Village is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin.

“The General Assembly may limit by law the amount and require referendum approval of the debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property... (2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: ...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts.”

To date the General Assembly has set no limits for home rule municipalities.

f. Conduit Debt

The Village has issued Industrial Development Revenue Bonds (IDRBs) to provide financial assistance to private organizations for the construction and acquisition of industrial and commercial improvements deemed to be in the public interest. The bonds are secured solely by the property financed and are payable solely from the payments received on the underlying mortgage loans on the property. The Village is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds outstanding are not reported as a liability in these financial statements. At April 30, 2009, there were three IDRBs with a total principal balance of \$4,594,949 outstanding.

VILLAGE OF EAST DUNDEE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

8. INTERFUND ACCOUNTS

Due from/to other funds at April 30, 2009 consisted of the following:

	<u>Due From</u>	<u>Due To</u>
General		
Water Fund	\$ 775,000	\$ -
Police Pension	-	18
Water Fund		
General	-	775,000
Sewer Fund	172,881	-
Sewer Fund		
Water Fund	-	172,881
Police Pension		
General	18	-
TOTAL	<u>\$ 947,899</u>	<u>\$ 947,899</u>

The \$775,000 due to the General Fund from the Water Fund was loaned on a short-term basis as approved by the Village Board. Payment is expected within one year.

The \$172,882 due to the Water Fund from the Sewer Fund was to reclassify negative cash balances in the Sewer Fund. Payment is expected within one year.

Advances to/from other funds at April 30, 2009 consisted of the following:

	<u>Advances From</u>	<u>Advances To</u>
Home Rule Sales Tax		
Nonmajor Special Revenue	\$ -	\$ 77,998
Nonmajor Special Revenue		
Home Rule Sales Tax	77,998	-
TOTAL	<u>\$ 77,998</u>	<u>\$ 77,998</u>

The \$77,998 advance from the General Fund to the TIF funds is to be repaid from future TIF revenues.

VILLAGE OF EAST DUNDEE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS (Continued)

8. INTERFUND ACCOUNTS (Continued)

Interfund transfers during the year ended April 30, 2009 consisted of the following:

	Transfers In	Transfers Out
General Fund	\$ 431,551	\$ 180,266
Home Rule Sales Tax Fund	-	1,226,600
Capital Projects Fund	95,315	-
Nonmajor Governmental	184,951	84,951
Water System	500,000	-
Sewer System	280,000	-
<b>TOTAL</b>	<b>\$ 1,491,817</b>	<b>\$ 1,491,817</b>

The purposes of significant interfund transfers are as follows:

\$1,226,600 was transferred to other funds from the Home Rule Sales Tax Fund. These transfers relate to using home rule sales tax revenues for garbage services and street program. \$75,000 and \$271,600 were transferred to the General Fund for economic development and garbage services, respectively; \$100,000 to the Motor Fuel Tax Fund for the street program; and \$500,000 and \$280,000 were transferred to the Water System and Sewer System Funds, respectively, for operations.

\$95,315 was transferred to the Capital Projects Fund from the General Fund for storm water improvement.

\$84,951 was transferred to the General Fund from the Motor Fuel Tax Fund for the street program.

\$84,951 was transferred to the Street and Bridge Fund from the General Fund for the street program.

None of the above transfers will be repaid.

9. DEFICIT FUND BALANCES

As of April 30, 2009, the Motor Fuel Tax Fund, Dundee Crossings TIF Fund, and Downtown Redevelopment TIF Fund had deficit fund balances of \$(5,454), \$(21,188) and \$(56,894), respectively.

10. CONTINGENT LIABILITIES

a. Litigation

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the Village's attorney that the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

10. CONTINGENT LIABILITIES (Continued)

b. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal Government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

c. Construction Commitments

As of April 30, 2009, the Village has \$249,722 in outstanding construction commitments to be paid from the Water Fund.

11. EMPLOYEE RETIREMENT SYSTEMS

The Village contributes to two defined benefit pension plans: the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system and the Police Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. None of the pension plans issue separate reports on the pension plans. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

a. Plan Descriptions

Illinois Municipal Retirement Fund

All employees (other than those covered by the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. Participating members who retire at or after age 60 with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2.00% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund the IMRF as specified by statute. The employer contribution rate for the calendar year ended 2008 was 10.05% of covered payroll.

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. At April 30, 2008, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	4
Current employees	<u>14</u>
TOTAL	<u><u>18</u></u>

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75.00% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter.

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective July 1, 1993, the Village has until the year 2033 to fully fund the past service cost for the Police Pension Plan. For the year ended April 30, 2009, the Village's contribution was 19.78% of covered payroll.

VILLAGE OF EAST DUNDEE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS (Continued)

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11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

b. Significant Investments

There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5.00% or more of plan net assets for the Police Pension Plan. Information for IMRF is not available.

c. Annual Pension Costs

Employer contributions have been determined as follows:

	Illinois Municipal Retirement	Police Pension
Actuarial valuation date	December 31, 2006	April 30, 2008
Actuarial cost method	Entry-age Normal	Entry-age Normal
Asset valuation method	5 Year Smoothed Market	Market
Amortization method	Level Percentage of Payroll	Level Percentage of Payroll
Amortization period	26 Years, Closed	25 Years, Closed
Significant actuarial assumptions		
a) Rate of return on present and future assets	7.50% Compounded Annually	7.50% Compounded Annually
b) Projected salary increase attributable to inflation	4.00% Compounded Annually	6.00% Compounded Annually
c) Additional projected salary increases for seniority/merit	.40% to 11.60%	Not Available

VILLAGE OF EAST DUNDEE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Annual Pension Costs (Continued)

Employer annual pension costs (APC), actual contributions and the net pension obligation (asset) (NPO) are as follows. The NPO is the cumulative difference between the APC and the contributions actually made.

	For Calendar Year	Illinois Municipal Retirement	For Fiscal Year	Police Pension
Annual pension cost (APC)	2006	\$ 96,414	2007	\$ 145,223
	2007	106,135	2008	183,232
	2008	109,432	2009	N/A
Actual contribution	2006	\$ 96,414	2007	\$ 158,798
	2007	106,135	2008	181,570
	2008	109,432	2009	201,106
Percentage of APC contributed	2006	100.00%	2007	109.35%
	2007	100.00%	2008	99.09%
	2008	100.00%	2009	N/A
NPO	2006	\$ -	2007	\$ 19,058
	2007	-	2008	20,720
	2008	-	2009	N/A

The net pension obligation (asset) has been calculated as follows:

Annual required contribution	\$ 183,010
Interest on net pension obligation	1,477
Adjustment to annual required contributions	<u>(1,255)</u>
Annual pension cost	183,232
Contributions made	<u>181,570</u>
Increase in net pension obligation	1,662
Net pension obligation, beginning of year	<u>19,058</u>
<b>NET PENSION OBLIGATION, END OF YEAR</b>	<b><u>\$ 20,720</u></b>

VILLAGE OF EAST DUNDEE, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS (Continued)

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11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

d. Funded Status

The funded status of the plans as of April 30, 2009, based on actuarial valuations performed as of December 31, 2008 and April 30, 2008, is as follows. The actuarial assumptions used to determine the funded status of the plans are the same actuarial assumptions used to determine the employer APC of the plans as disclosed in Note 11-c:

	Illinois Municipal Retirement	Police Pension
	<hr/>	<hr/>
Actuarial accrued liability (AAL)	\$ 2,956,753	\$ 7,373,616
Actuarial value of plan assets	2,281,881	5,465,384
Unfunded actuarial accrued liability (UAAL)	674,872	1,908,232
Funded ratio (actuarial value of plan assets/AAL)	77.18%	74.12%
Covered payroll (active plan members)	\$ 1,088,876	\$ 917,987
UAAL as a percentage of covered payroll	61.98%	207.87%

See the schedules of funding progress in the required supplementary information immediately following the notes to financial statements for additional information related to the funded status of the plans.



REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended April 30, 2009  
(with comparative actual for 2008)

	2009			2008 Actual
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Taxes				
Property tax	\$ 318,200	\$ 318,200	\$ 522,703	\$ 504,876
Sales tax	1,383,000	1,383,000	1,224,128	1,439,239
Income tax	277,000	277,000	269,244	272,077
Utility tax	324,100	324,100	324,606	329,053
Telecommunications tax	203,000	203,000	197,187	214,046
Other taxes	101,440	101,440	96,872	100,096
Licenses and permits				
Liquor licenses	40,900	40,900	39,425	43,925
Vehicle licenses	-	-	-	2,015
Other licenses	6,500	6,500	6,005	5,758
Franchise fees	41,000	41,000	41,829	39,339
Permits	130,975	130,975	184,257	119,232
Intergovernmental	107,100	107,100	98,313	87,215
Charges for services	88,898	88,898	70,785	47,484
Fines and forfeits	145,605	145,605	164,384	140,153
Investment income	71,000	71,000	40,540	101,423
Miscellaneous	805,500	805,500	32,003	370,819
Total revenues	4,044,218	4,044,218	3,312,281	3,816,750
<b>EXPENDITURES</b>				
Current				
General government	924,616	985,116	888,835	836,463
Public safety	1,821,573	2,103,378	2,093,343	1,967,414
Highways and streets	840,962	840,962	851,377	877,227
Culture and welfare	29,500	29,500	22,722	21,072
Total expenditures	3,616,651	3,958,956	3,856,277	3,702,176
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	427,567	85,262	(543,996)	114,574
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in				
Motor Fuel Tax	85,000	85,000	84,951	-
Home Rule Sales Tax	346,600	346,600	346,600	236,300
Transfers (out)				
Motor Fuel Tax	(85,000)	(85,000)	(84,951)	-
Capital Projects	-	-	(95,315)	-
Sale of capital assets	10,500	10,500	4,250	10,506
Total other financing sources (uses)	357,100	357,100	255,535	246,806
NET CHANGE IN FUND BALANCE	\$ 784,667	\$ 442,362	(288,461)	361,380
FUND BALANCE, MAY 1			2,555,327	2,193,947
FUND BALANCE, APRIL 30			\$ 2,266,866	\$ 2,555,327

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
HOME RULE SALES TAX FUND

For the Year Ended April 30, 2009  
(with comparative actual for 2008)

	2009		2008 Actual
	Original Budget	Final Budget	
<b>REVENUES</b>			
Taxes			
Home rule sales tax	\$ 1,225,000	\$ 1,225,000	\$ 1,106,125
Investment income	40,000	40,000	14,313
Miscellaneous			
Contributions	58,000	58,000	57,663
			30,632
Total revenues	1,323,000	1,323,000	1,178,101
			1,282,477
<b>EXPENDITURES</b>			
Economic development			
Contractual services	-	-	-
			6,000
Total expenditures	-	-	-
			6,000
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>			
	1,323,000	1,323,000	1,178,101
			1,276,477
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)			
General Fund	(346,600)	(346,600)	(346,600)
Street and Bridge Fund	(100,000)	(100,000)	(100,000)
Motor Fuel Tax Fund	-	-	-
Dundee Crossings TIF Fund	(60,000)	(60,000)	-
Downtown Redevelopment TIF Fund	(25,000)	(25,000)	-
Water Fund	(500,000)	(500,000)	(500,000)
Sewer Fund	(230,000)	(230,000)	(280,000)
			-
Total other financing sources (uses)	(1,261,600)	(1,261,600)	(1,226,600)
			(301,300)
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 61,400</b>	<b>\$ 61,400</b>	<b>(48,499)</b>
<b>FUND BALANCE, MAY 1</b>			<b>1,341,665</b>
			366,488
<b>FUND BALANCE, APRIL 30</b>			<b>\$ 1,293,166</b>
			\$ 1,341,665

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
DUNDEE CROSSINGS TIF FUND

For the Year Ended April 30, 2009  
(with comparative actual for 2008)

	2009			2008 Actual
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Taxes	\$ 60,100	\$ 60,100	\$ 97,752	\$ 56,373
Investment income	-	-	770	923
Total revenues	60,100	60,100	98,522	57,296
<b>EXPENDITURES</b>				
Economic development				
Contractual services				
Engineering	500	500	733	491
Auditing services	995	995	995	-
Legal services	2,000	2,000	93	5,369
Professional services	72,000	72,000	28,425	66,454
Travel and meetings	-	-	-	3,992
Printing and copying	1,500	1,500	-	-
Commodities	300	300	-	-
Capital outlay	40,000	40,000	2,115,280	-
Total expenditures	117,295	117,295	2,145,526	76,306
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(57,195)</b>	<b>(57,195)</b>	<b>(2,047,004)</b>	<b>(19,010)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in				
Home Rule Sales Tax	60,000	60,000	-	-
Notes issued at par	-	-	2,115,280	-
Total other financing sources (uses)	60,000	60,000	2,115,280	-
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 2,805</b>	<b>\$ 2,805</b>	<b>68,276</b>	<b>(19,010)</b>
FUND BALANCE (DEFICIT), MAY 1			(89,464)	(70,454)
FUND BALANCE (DEFICIT), APRIL 30			\$ (21,188)	\$ (89,464)

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2009

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1. BUDGETS

All departments of the Village submit requests to the Village Administrator so that a budget may be prepared. The budget is prepared by fund and includes information on the past year, current year estimates and requested expenditures for the next fiscal year. Annual budgets are adopted for the general, special revenue, capital projects, enterprise (except for the sewer improvement sub-fund) and pension trust funds. All budgets lapse at fiscal year end.

The proposed budget is presented to the governing body for review. The governing body holds public hearing and may add to, subtract from or change budgets, but may not change the form of the budget.

The administrator is authorized to transfer amounts between departments within any fund; however, any revisions that alter total expenditures of any fund must be approved by the governing body. Expenditures may not legally exceed budget at the fund level. There was one budget amendment for the year.

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF FUNDING PROGRESS  
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2009

Actuarial Valuation Date December 31	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) as a Percentage of Covered Payroll (4) / (5)
2003	\$ 1,484,307	\$ 1,769,434	83.89%	\$ 285,127	\$ 810,637	35.17%
2004	1,651,706	2,025,428	81.55%	373,722	837,073	44.65%
2005	1,902,916	2,296,010	82.88%	393,094	890,232	44.16%
2006	2,098,593	2,361,308	88.87%	262,715	868,599	30.25%
2007	2,427,123	2,759,956	87.94%	332,833	983,647	33.84%
2008	2,281,881	2,956,753	77.18%	674,872	1,088,876	61.98%

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF FUNDING PROGRESS  
POLICE PENSION FUND

April 30, 2009

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Actuarial Valuation Date April 30	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2003	\$ 3,548,871	\$ 4,440,869	79.91%	\$ 891,998	\$ 758,690	117.57%
2004	3,898,807	5,234,570	74.48%	1,335,763	810,759	164.75%
2005	4,206,906	5,456,208	77.10%	1,249,302	803,889	155.41%
2006	4,710,491	5,908,598	79.72%	1,198,107	836,417	143.24%
2007	5,263,542	6,416,858	82.03%	1,153,316	859,940	134.12%
2008	5,465,384	7,373,616	74.12%	1,908,232	917,987	207.87%

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2009

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<u>Calendar Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2003	\$ 60,392	\$ 60,392	100.00%
2004	83,624	83,624	100.00%
2005	93,474	93,474	100.00%
2006	96,414	96,414	100.00%
2007	106,135	106,135	100.00%
2008	109,432	109,432	100.00%

(See independent auditor's report.)



VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE PENSION FUND

April 30, 2009

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<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation (Asset)</u>
2003	\$ 100,000	\$ 105,334	94.94%	\$ 31,890
2004	115,000	110,509	104.06%	28,109
2005	119,000	126,154	94.33%	33,654
2006	140,000	138,296	101.23%	32,633
2007	158,798	144,484	109.91%	19,058
2008	181,570	183,010	99.21%	20,720

(See independent auditor's report.)

COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES

## MAJOR GOVERNMENTAL FUNDS

General Fund - to account for all financial resources of the general government, except those required to be accounted for in another fund.

Capital Projects Fund - to account for the use of certain grants, bond proceeds, investment income and transfers from the Home Rule Sales Tax Fund to make general governmental improvements and purchase general government capital assets.

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended April 30, 2009  
(with comparative actual for 2008)

	2009			2008 Actual
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Taxes				
Property taxes	\$ 318,200	\$ 318,200	\$ 522,703	\$ 504,876
Sales tax	1,383,000	1,383,000	1,224,128	1,439,239
Income tax	277,000	277,000	269,244	272,077
Utility tax	324,100	324,100	324,606	329,053
Telecommunications tax	203,000	203,000	197,187	214,046
Automobile rental tax	7,500	7,500	6,349	7,738
Personal property replacement tax	20,000	20,000	17,432	19,039
Amusement tax	1,600	1,600	1,293	976
Video cassette rental tax	30,700	30,700	28,946	32,065
State use tax	41,640	41,640	42,852	40,278
<b>Total taxes</b>	<b>2,606,740</b>	<b>2,606,740</b>	<b>2,634,740</b>	<b>2,859,387</b>
Licenses				
Liquor licenses	40,900	40,900	39,425	43,925
Vehicle licenses	-	-	-	2,015
Animal licenses	-	-	-	75
Franchise fee/license	41,000	41,000	41,829	39,339
Amusement device licenses	-	-	-	70
Business registrations	6,500	6,500	6,005	5,613
<b>Total licenses</b>	<b>88,400</b>	<b>88,400</b>	<b>87,259</b>	<b>91,037</b>
Permits				
Building permits	127,600	127,600	183,722	116,870
Inspection fees	2,600	2,600	-	1,842
Other permits	775	775	535	520
<b>Total permits</b>	<b>130,975</b>	<b>130,975</b>	<b>184,257</b>	<b>119,232</b>
Intergovernmental				
State reimbursements	107,100	107,100	98,313	87,215
<b>Total intergovernmental</b>	<b>107,100</b>	<b>107,100</b>	<b>98,313</b>	<b>87,215</b>

(This schedule is continued on the following page.)

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended April 30, 2009  
(with comparative actual for 2008)

	2009			2008 Actual
	Original Budget	Final Budget	Actual	
<b>REVENUES (Continued)</b>				
Charges for services				
Planning/zoning fees	\$ 10,450	\$ 10,450	\$ 10,023	\$ 6,124
Other service charges	78,448	78,448	60,762	41,360
Total charges for services	88,898	88,898	70,785	47,484
Fines and forfeits				
Traffic and court fines	105,400	105,400	118,084	101,577
DUI fines	8,300	8,300	17,184	8,881
Parking fines	27,555	27,555	21,421	23,675
Other fines	4,350	4,350	7,695	6,020
Total fines and forfeits	145,605	145,605	164,384	140,153
Investment income	71,000	71,000	40,540	101,423
Miscellaneous				
Rental income	4,500	4,500	1,375	3,795
Donations	10,000	10,000	3,801	14,411
Reimbursements	780,000	780,000	572	-
Other revenues	11,000	11,000	26,255	352,613
Total miscellaneous	805,500	805,500	32,003	370,819
<b>TOTAL REVENUES</b>	<b>\$ 4,044,218</b>	<b>\$ 4,044,218</b>	<b>\$ 3,312,281</b>	<b>\$ 3,816,750</b>

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended April 30, 2009  
(with comparative actual for 2008)

	2009			2008 Actual
	Original Budget	Final Budget	Actual	
<b>GENERAL GOVERNMENT</b>				
Administrative				
Personal services				
Salaries	\$ 163,836	\$ 163,836	\$ 164,752	\$ 126,612
Employee benefits	47,413	47,413	46,317	37,600
Total personal services	211,249	211,249	211,069	164,212
Contractual services				
Maintenance services	800	800	588	581
Professional services	214,950	241,450	203,411	191,014
Communications	7,956	7,956	6,166	7,349
Professional development	11,825	11,825	12,189	17,178
Other contractual services	30,350	30,350	17,112	13,835
Total contractual services	265,881	292,381	239,466	229,957
Commodities and supplies	5,327	5,327	3,639	12,101
Capital outlay				
Equipment	-	-	-	-
Other				
Uncollectible debt	-	-	-	16,793
Total administrative	482,457	508,957	454,174	423,063
Finance				
Personal services				
Salaries	70,460	70,460	63,836	58,540
Employee benefits	40,007	40,007	38,542	28,014
Total personal services	110,467	110,467	102,378	86,554
Contractual services				
Maintenance services	700	700	222	162
Professional services	49,545	49,545	47,742	46,659
Communications	2,482	2,482	1,758	2,385
Professional development	4,800	4,800	3,265	4,979
Other contractual services	1,280	1,280	1,481	1,995
Total contractual services	58,807	58,807	54,468	56,180
Commodities and supplies	2,833	2,833	2,515	3,283
Capital outlay				
Equipment	-	-	-	-
Total finance	172,107	172,107	159,361	146,017
Boards and commissions				
Personal services				
Board and commission fees	25,790	25,790	21,095	21,405
Employee benefits	2,873	2,873	2,317	1,157
Total personal services	28,663	28,663	23,412	22,562

(This schedule is continued on the following pages.)

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended April 30, 2009  
(with comparative actual for 2008)

	2009			2008
	Original Budget	Final Budget	Actual	Actual
<b>GENERAL GOVERNMENT (Continued)</b>				
Boards and commissions (Continued)				
Contractual services				
Professional services	\$ 7,160	\$ 7,160	\$ 2,251	\$ 2,835
Communications	3,050	3,050	2,524	2,060
Professional development	8,885	8,885	4,107	9,577
Dynergy scholarship	5,000	5,000	2,500	3,000
Other contractual services	1,280	1,280	1,481	1,947
Total contractual services	25,375	25,375	12,863	19,419
Commodities and supplies	3,950	3,950	3,805	5,389
Total boards and commissions	57,988	57,988	40,080	47,370
Building				
Personal services				
Salaries	87,564	87,564	87,900	85,246
Employee benefits	37,924	37,924	37,914	32,423
Total personal services	125,488	125,488	125,814	117,669
Contractual services				
Maintenance services	1,250	1,250	1,494	307
Professional services	3,200	3,200	4,257	4,413
Communications	1,400	1,400	1,372	1,474
Professional development	1,820	1,820	262	4,683
Other contractual services	2,550	2,550	2,950	2,646
Total contractual services	10,220	10,220	10,335	13,523
Commodities and supplies	3,050	3,050	2,618	3,202
Total building	138,758	138,758	138,767	134,394
Contractual services				
Professional services	60,000	94,000	93,187	84,356
Communications	740	740	1,161	-
Professional development	6,416	6,416	1,952	719
Total contractual services	67,156	101,156	96,300	85,075
Commodities and supplies	6,150	6,150	153	544
Total economic development	73,306	107,306	96,453	85,619
Total general government	924,616	985,116	888,835	836,463
<b>PUBLIC SAFETY</b>				
Police				
Personal services				
Salaries	1,166,745	1,237,390	1,230,109	1,163,061
Employee benefits	345,625	550,625	545,640	501,559
Total personal services	1,512,370	1,788,015	1,775,749	1,664,620

(This schedule is continued on the following pages.)

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended April 30, 2009  
(with comparative actual for 2008)

	2009			2008 Actual
	Original Budget	Final Budget	Actual	
<b>PUBLIC SAFETY (Continued)</b>				
Police (Continued)				
Contractual services				
Maintenance services	\$ 24,220	\$ 30,380	\$ 28,517	\$ 30,950
Professional services	7,800	7,800	9,527	14,116
Communications	129,694	129,694	128,137	122,473
Professional development	22,059	22,059	14,724	14,868
Other contractual services	55,500	55,500	64,274	51,007
Total contractual services	239,273	245,433	245,179	233,414
Commodities and supplies	49,130	49,130	50,909	64,354
Capital outlay				
Equipment	20,800	20,800	21,506	5,026
Total capital outlay	20,800	20,800	21,506	5,026
Total police	1,821,573	2,103,378	2,093,343	1,967,414
Total public safety	1,821,573	2,103,378	2,093,343	1,967,414
<b>HIGHWAYS AND STREETS</b>				
Streets				
Personal services				
Salaries	228,393	228,393	244,771	253,044
Employee benefits	105,108	105,108	103,309	99,054
Total personal services	333,501	333,501	348,080	352,098
Contractual services				
Maintenance services	102,968	102,968	92,926	94,881
Professional services	14,455	14,455	13,735	15,177
Communications	3,650	3,650	2,728	2,901
Professional development	2,230	2,230	920	1,240
Other contractual services	27,000	27,000	33,938	26,443
Total contractual services	150,303	150,303	144,247	140,642
Commodities and supplies	11,810	11,810	14,732	18,286
Capital outlay				
Flood disaster recovery	-	-	-	33,629
Total capital outlay	-	-	-	33,629
Total streets	495,614	495,614	507,059	544,655
Sanitation				
Contractual services				
Garbage collection services	271,600	271,600	272,074	254,836
Other contractual services	5,280	5,280	4,552	5,136
Total contractual services	276,880	276,880	276,626	259,972
Total sanitation	276,880	276,880	276,626	259,972

(This schedule is continued on the following page.)



VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended April 30, 2009  
(with comparative actual for 2008)

	2009			2008 Actual
	Original Budget	Final Budget	Actual	
<b>HIGHWAYS AND STREETS (Continued)</b>				
Public buildings and grounds				
Contractual services				
Maintenance services	\$ 29,764	\$ 29,764	\$ 24,546	\$ 30,686
Professional services	4,568	4,568	1,241	-
Other contractual services	32,136	32,136	39,390	39,659
Total contractual services	66,468	66,468	65,177	70,345
Commodities and supplies	2,000	2,000	2,515	2,255
Total public buildings and grounds	68,468	68,468	67,692	72,600
Total highways and streets	840,962	840,962	851,377	877,227
<b>CULTURE AND WELFARE</b>				
Community relations	3,900	3,900	5,596	3,421
Civic events	10,600	10,600	9,420	17,281
Infrastructure maintenance fee	15,000	15,000	7,706	370
Total culture and welfare	29,500	29,500	22,722	21,072
<b>TOTAL EXPENDITURES</b>	<b>\$ 3,616,651</b>	<b>\$ 3,958,956</b>	<b>\$ 3,856,277</b>	<b>\$ 3,702,176</b>

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND

For the Year Ended April 30, 2009  
(with comparative actual for 2008)

	2009			2008 Actual
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Investment income	\$ 5,700	\$ 5,700	\$ 1,852	\$ 10,428
Miscellaneous Reimbursements	40,000	40,000	-	-
Total revenues	45,700	45,700	1,852	10,428
<b>EXPENDITURES</b>				
Contractual services				
Engineering	9,950	9,950	-	-
Capital outlay				
Administrative equipment	12,000	12,000	5,416	11,073
Building equipment	32,000	32,000	5,566	24,393
Police equipment	66,300	66,300	56,381	57,348
Public works equipment	5,500	5,500	20,699	2,422
Public works improvements	55,250	55,250	32,541	22,965
Debt service				
Principal	3,000	3,000	3,304	19,340
Interest and fiscal charges	-	-	10	546
Total expenditures	184,000	184,000	123,917	138,087
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(138,300)	(138,300)	(122,065)	(127,659)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in				
General fund	-	-	95,315	-
Total other financing sources (uses)	-	-	95,315	-
NET CHANGE IN FUND BALANCE	\$ (138,300)	\$ (138,300)	(26,750)	(127,659)
FUND BALANCE, MAY 1			220,792	348,451
FUND BALANCE, APRIL 30			\$ 194,042	\$ 220,792

(See independent auditor's report.)

## NONMAJOR GOVERNMENTAL FUNDS

Street and Bridge Fund - to account for certain activities involved with street maintenance and other street related projects. Financing is provided by the Village's share of the street and bridge property tax, a portion of property tax replacement revenue, investment income and state and federal grants.

Motor Fuel Tax Fund - to account for the activities involved with street maintenance and construction. Financing is provided by the Village's share of state gasoline taxes and investment income. State law requires these gasoline taxes be used to maintain streets.

Rocky Road Power Improvement Fund - to account for the resources to make various improvements associated with the Rocky Road developer agreement. Financing is being provided by developer contributions and investment income.

Business Development District Fund - to account for the revenues and expenditures associated with the Business Development District. Financing is being provided by an additional 0.5% sales tax within the district.

Prairie Lakes TIF Funds - to account for the revenue and expenditures associated with the Prairie Lakes TIF Redevelopment Project. Financing is being provided by developer contributions, incremental property taxes, sale of bonds and investment income. The first priority of the incremental property taxes is to service the debt on the 2002 TIF revenue bonds.

Downtown Redevelopment TIF - to account for the revenue and expenditures associated with the Downtown TIF Redevelopment Project. Financing is being provided by incremental property taxes.

VILLAGE OF EAST DUNDEE, ILLINOIS

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2009

	Special Revenue Funds		
	Street and Bridge	Motor Fuel Tax	Rocky Road Power Improvement
<b>ASSETS</b>			
Cash and cash equivalents	\$ 152,759	\$ 1,783	\$ 438,727
Cash with fiscal agent	-	-	-
Investments	-	363	-
Receivables			
Property taxes	36,111	-	-
Due from other governments	-	5,901	-
<b>TOTAL ASSETS</b>	<b>\$ 188,870</b>	<b>\$ 8,047</b>	<b>\$ 438,727</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 15,523	\$ 13,501	\$ -
Retainage payable	20,746	-	-
Deferred property taxes	36,111	-	-
Advances from other funds	-	-	-
<b>Total liabilities</b>	<b>72,380</b>	<b>13,501</b>	<b>-</b>
<b>FUND BALANCES</b>			
Reserved for debt service	-	-	-
Reserved for highways and streets	116,490	-	438,727
Reserved for capital improvements	-	-	-
Reserved for economic development	-	-	-
Unreserved (deficit)	-	(5,454)	-
<b>Total fund balances</b>	<b>116,490</b>	<b>(5,454)</b>	<b>438,727</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 188,870</b>	<b>\$ 8,047</b>	<b>\$ 438,727</b>

Special Revenue Funds				
Business Development District	Prairie Lakes TIF	Downtown Redevelopment TIF	Total	
\$ 3,211	\$ 17,410	\$ -	\$ 613,890	
-	287,771	-	287,771	
-	-	-	363	
-	525,291	31,144	592,546	
51,784	-	-	57,685	
<u>\$ 54,995</u>	<u>\$ 830,472</u>	<u>\$ 31,144</u>	<u>\$ 1,552,255</u>	
\$ -	\$ -	\$ 84	\$ 29,108	
-	-	-	20,746	
-	525,291	31,144	592,546	
-	-	56,810	56,810	
-	525,291	88,038	699,210	
-	287,771	-	287,771	
-	-	-	555,217	
-	17,410	-	17,410	
54,995	-	-	54,995	
-	-	(56,894)	(62,348)	
54,995	305,181	(56,894)	853,045	
<u>\$ 54,995</u>	<u>\$ 830,472</u>	<u>\$ 31,144</u>	<u>\$ 1,552,255</u>	

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2009

	Special Revenue Funds		
	Street and Bridge	Motor Fuel Tax	Rocky Road Power Improvement
<b>REVENUES</b>			
Taxes	\$ 37,655	\$ -	\$ -
Intergovernmental	-	77,112	-
Investment income	1,369	1,797	5,184
Miscellaneous	-	-	-
<b>Total revenues</b>	<b>39,024</b>	<b>78,909</b>	<b>5,184</b>
<b>EXPENDITURES</b>			
Current			
Highways and streets	235,073	186,216	-
Economic development	-	-	-
Debt service			
Principal	-	-	-
Interest and fiscal charges	-	-	-
<b>Total expenditures</b>	<b>235,073</b>	<b>186,216</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(196,049)</b>	<b>(107,307)</b>	<b>5,184</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in			
General fund	84,951	-	-
Home rule sales tax	100,000	-	-
Transfers (out)			
General fund	-	(84,951)	-
<b>Total other financing sources (uses)</b>	<b>184,951</b>	<b>(84,951)</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(11,098)</b>	<b>(192,258)</b>	<b>5,184</b>
<b>FUND BALANCES (DEFICIT), MAY 1</b>	<b>127,588</b>	<b>186,804</b>	<b>433,543</b>
<b>FUND BALANCES (DEFICIT), APRIL 30</b>	<b>\$ 116,490</b>	<b>\$ (5,454)</b>	<b>\$ 438,727</b>

Special Revenue Funds				
Business Development District	Prairie Lakes TIF	Downtown Redevelopment TIF	Total	
\$ 67,414	\$ 415,885	\$ -	\$ 520,954	
-	-	-	77,112	
3	4,312	-	12,665	
3,500	-	-	3,500	
70,917	420,197	-	614,231	
-	207,442	9,341	638,072	
15,922	-	-	15,922	
-	105,000	-	105,000	
-	115,485	-	115,485	
15,922	427,927	9,341	874,479	
54,995	(7,730)	(9,341)	(260,248)	
-	-	-	84,951	
-	-	-	100,000	
-	-	-	(84,951)	
-	-	-	100,000	
54,995	(7,730)	(9,341)	(160,248)	
-	312,911	(47,553)	1,013,293	
\$ 54,995	\$ 305,181	\$ (56,894)	\$ 853,045	

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
STREET AND BRIDGE FUND

For the Year Ended April 30, 2009  
(with comparative actual for 2008)

	2009			2008 Actual
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Taxes				
Property taxes	\$ 39,500	\$ 39,500	\$ 36,348	\$ 38,456
Personal property replacement taxes	1,200	1,200	1,307	1,375
Investment income	3,300	3,300	1,369	5,212
<b>Total revenues</b>	<b>44,000</b>	<b>44,000</b>	<b>39,024</b>	<b>45,043</b>
<b>EXPENDITURES</b>				
Highways and streets				
Contractual services				
Engineering	152,000	152,000	55,416	32,687
Capital outlay				
Street improvements	242,000	242,000	179,657	-
<b>Total expenditures</b>	<b>394,000</b>	<b>394,000</b>	<b>235,073</b>	<b>32,687</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(350,000)</b>	<b>(350,000)</b>	<b>(196,049)</b>	<b>12,356</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in				
General fund	85,000	85,000	84,951	-
Home rule sales tax	100,000	100,000	100,000	-
<b>Total other financing sources (uses)</b>	<b>185,000</b>	<b>185,000</b>	<b>184,951</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (165,000)</b>	<b>\$ (165,000)</b>	<b>(11,098)</b>	<b>12,356</b>
<b>FUND BALANCE, MAY 1</b>			<b>127,588</b>	<b>115,232</b>
<b>FUND BALANCE, APRIL 30</b>			<b>\$ 116,490</b>	<b>\$ 127,588</b>

(See independent auditor's report.)



VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
MOTOR FUEL TAX FUND

For the Year Ended April 30, 2009  
(with comparative actual for 2008)

	2009			2008 Actual
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Intergovernmental				
Allotments	\$ 85,000	\$ 85,000	\$ 77,112	\$ 82,497
Investment income	500	500	1,797	5,140
Total revenues	<u>85,500</u>	<u>85,500</u>	<u>78,909</u>	<u>87,637</u>
<b>EXPENDITURES</b>				
Highways and streets				
Contractual services				
Engineering	-	15,100	14,910	9,219
Street improvements	-	171,400	171,306	-
Total contractual services	<u>-</u>	<u>186,500</u>	<u>186,216</u>	<u>9,219</u>
Total expenditures	<u>-</u>	<u>186,500</u>	<u>186,216</u>	<u>9,219</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>85,500</u>	<u>(101,000)</u>	<u>(107,307)</u>	<u>78,418</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in				
Home rule sales tax	-	-	-	65,000
Transfers (out)				
General fund	<u>(85,000)</u>	<u>(85,000)</u>	<u>(84,951)</u>	<u>-</u>
Total other financing sources (uses)	<u>(85,000)</u>	<u>(85,000)</u>	<u>(84,951)</u>	<u>65,000</u>
NET CHANGE IN FUND BALANCE	<u>\$ 500</u>	<u>\$ (186,000)</u>	<u>(192,258)</u>	<u>143,418</u>
FUND BALANCE, MAY 1			<u>186,804</u>	<u>43,386</u>
FUND BALANCE (DEFICIT), APRIL 30			<u>\$ (5,454)</u>	<u>\$ 186,804</u>

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
ROCKY ROAD POWER IMPROVEMENT FUND

For the Year Ended April 30, 2009  
(with comparative actual for 2008)

	2009		2008 Actual	
	Original Budget	Final Budget		Actual
<b>REVENUES</b>				
Investment income	\$ 13,080	\$ 13,080	\$ 5,184	\$ 16,713
Total revenues	13,080	13,080	5,184	16,713
<b>EXPENDITURES</b>				
None	-	-	-	-
Total expenditures	-	-	-	-
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 13,080</b>	<b>\$ 13,080</b>	5,184	16,713
FUND BALANCE, MAY 1			433,543	416,830
FUND BALANCE, APRIL 30			<u>\$ 438,727</u>	<u>\$ 433,543</u>

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
BUSINESS DEVELOPMENT DISTRICT FUND

For the Year Ended April 30, 2009  
(with comparative actual for 2008)

	2009			2008 Actual
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Sales tax	\$ -	\$ -	\$ 67,414	\$ -
Investment income	-	-	3	-
Miscellaneous income	-	-	3,500	-
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>70,917</b>	<b>-</b>
<b>EXPENDITURES</b>				
Economic development Contractual services	-	16,650	15,922	-
<b>Total expenditures</b>	<b>-</b>	<b>16,650</b>	<b>15,922</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ -</b>	<b>\$ (16,650)</b>	<b>54,995</b>	<b>-</b>
<b>FUND BALANCE, MAY 1</b>			<b>-</b>	<b>-</b>
<b>FUND BALANCE, APRIL 30</b>			<b>\$ 54,995</b>	<b>\$ -</b>

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

COMBINING BALANCE SHEET  
PRAIRIE LAKES TIF FUNDS

April 30, 2009

	Prairie Lakes Improvement Sub-Fund	Prairie Lakes Debt Service Sub-Fund	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 17,410	\$ -	\$ 17,410
Cash with fiscal agent	-	287,771	287,771
Receivables			
Property taxes	525,291	-	525,291
<b>TOTAL ASSETS</b>	<b>\$ 542,701</b>	<b>\$ 287,771</b>	<b>\$ 830,472</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ -	\$ -
Deferred property taxes	525,291	-	525,291
<b>Total liabilities</b>	<b>525,291</b>	<b>-</b>	<b>525,291</b>
<b>FUND BALANCES</b>			
Reserved for debt service	-	287,771	287,771
Reserved for capital improvements	17,410	-	17,410
<b>Total fund balances</b>	<b>17,410</b>	<b>287,771</b>	<b>305,181</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 542,701</b>	<b>\$ 287,771</b>	<b>\$ 830,472</b>

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
PRAIRIE LAKES TIF FUNDS

For the Year Ended April 30, 2009

	Prairie Lakes Improvement Sub-Fund	Prairie Lakes Debt Service Sub-Fund	Eliminations	Total
<b>REVENUES</b>				
Taxes	\$ 415,885	\$ -	\$ -	\$ 415,885
Investment income	2,515	1,797	-	4,312
Total revenues	418,400	1,797	-	420,197
<b>EXPENDITURES</b>				
Current				
Highways and streets	207,442	-	-	207,442
Debt service				
Principal	-	105,000	-	105,000
Interest and fiscal charges	2,140	113,345	-	115,485
Total expenditures	209,582	218,345	-	427,927
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	208,818	(216,548)	-	(7,730)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	205,206	415,885	(621,091)	-
Transfers (out)	(415,885)	(205,206)	621,091	-
Total other financing sources (uses)	(210,679)	210,679	-	-
<b>NET CHANGE IN FUND BALANCES</b>	(1,861)	(5,869)	-	(7,730)
<b>FUND BALANCES, MAY 1</b>	19,271	293,640	-	312,911
<b>FUND BALANCES, APRIL 30</b>	\$ 17,410	\$ 287,771	\$ -	\$ 305,181

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
PRAIRIE LAKES TIF IMPROVEMENT SUB-FUND

For the Year Ended April 30, 2009  
(with comparative actual for 2008)

	2009			2008 Actual
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Taxes				
Property tax increment	\$ 429,000	\$ 429,000	\$ 415,885	\$ 356,545
Investment income	4,000	4,000	2,515	4,252
Total revenues	433,000	433,000	418,400	360,797
<b>EXPENDITURES</b>				
Current				
Highways and streets				
Contractual services	1,495	1,495	2,236	2,212
Commodities	100	100	-	81
Capital outlay	206,500	206,500	205,206	109,012
Debt service				
Interest and fiscal changes	2,140	2,140	2,140	2,140
Total expenditures	210,235	210,235	209,582	113,445
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	222,765	222,765	208,818	247,352
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	206,500	206,500	205,206	144,287
Transfers (out)	(429,000)	(429,000)	(415,885)	(376,515)
Total other financing sources (uses)	(222,500)	(222,500)	(210,679)	(232,228)
<b>NET CHANGE IN FUND BALANCE</b>	\$ 265	\$ 265	(1,861)	15,124
<b>FUND BALANCE, MAY 1</b>			19,271	4,147
<b>FUND BALANCE, APRIL 30</b>			\$ 17,410	\$ 19,271

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
PRAIRIE LAKES TIF DEBT SERVICE SUB-FUND

For the Year Ended April 30, 2009  
(with comparative actual for 2008)

	2009			2008 Actual
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Investment income	\$ 12,000	\$ 12,000	\$ 1,797	\$ 12,855
Total revenues	12,000	12,000	1,797	12,855
<b>EXPENDITURES</b>				
Debt service				
Principal	105,000	105,000	105,000	100,000
Interest and fiscal charges	113,952	113,952	113,345	118,145
Total expenditures	218,952	218,952	218,345	218,145
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(206,952)</b>	<b>(206,952)</b>	<b>(216,548)</b>	<b>(205,290)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in				
Prairie Lakes Improvement Sub-Fund	429,000	429,000	415,885	341,240
General fund	-	-	-	35,275
Transfers (out)				
Prairie Lakes Improvement Sub-Fund	206,500	206,500	(205,206)	(144,287)
Total other financing sources (uses)	635,500	635,500	210,679	232,228
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 428,548</b>	<b>\$ 428,548</b>	<b>(5,869)</b>	<b>26,938</b>
FUND BALANCE, MAY 1			293,640	266,702
FUND BALANCE, APRIL 30			<u>\$ 287,771</u>	<u>\$ 293,640</u>

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
DOWNTOWN REDEVELOPMENT TIF FUND

For the Year Ended April 30, 2009  
(with comparative actual for 2008)

	2009			2008 Actual
	Original Budget	Final Budget	Actual	
REVENUES				
None	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Highways and streets				
Contractual services	24,100	24,100	9,341	42,705
Commodities	100	100	-	4,848
Total expenditures	24,200	24,200	9,341	47,553
NET CHANGE IN FUND BALANCE	\$ (24,200)	\$ (24,200)	(9,341)	(47,553)
FUND BALANCE (DEFICIT), MAY 1			(47,553)	-
FUND BALANCE (DEFICIT), APRIL 30			\$ (56,894)	\$ (47,553)

(See independent auditor's report.)



## ENTERPRISE FUNDS

Water System Fund - to account for the resources used to provide water service to the residents and businesses of the Village.

Sewer System Fund - to account for the resources used to provide sanitary sewer service to the residents and businesses of the Village.

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS - BUDGET AND ACTUAL  
WATER SYSTEM FUND

For the Year Ended April 30, 2009  
(with comparative actual for 2008)

	2009			2008 Actual
	Original Budget	Final Budget	Actual	
<b>OPERATING REVENUES</b>				
Charges for services				
Water fees	\$ 558,000	\$ 558,000	\$ 480,146	\$ 542,956
Late fees	9,240	9,240	9,167	10,064
Availability fees	49,900	49,900	50,382	50,061
Connection fees	90,510	90,510	107,310	46,500
Water meters	5,000	5,000	16,563	6,775
Total operating revenues	712,650	712,650	663,568	656,356
<b>OPERATING EXPENSES</b>				
Water system expenses	3,471,699	3,471,699	571,486	544,690
Depreciation	100,000	100,000	140,918	140,382
Total operating expenses	3,571,699	3,571,699	712,404	685,072
<b>OPERATING INCOME (LOSS)</b>	<b>(2,859,049)</b>	<b>(2,859,049)</b>	<b>(48,836)</b>	<b>(28,716)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment income	5,000	5,000	9,417	19,081
Rental income	48,544	48,544	46,542	47,222
Miscellaneous	10,000	10,000	16,652	12,572
Interest expense	(19,375)	(19,375)	(19,375)	(3,238)
Total nonoperating revenues (expenses)	44,169	44,169	53,236	75,637
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	<b>(2,814,880)</b>	<b>(2,814,880)</b>	<b>4,400</b>	<b>46,921</b>
<b>TRANSFERS IN</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>-</b>
<b>CHANGE IN NET ASSETS</b>	<b>\$ (2,314,880)</b>	<b>\$ (2,314,880)</b>	<b>504,400</b>	<b>46,921</b>
<b>NET ASSETS, MAY 1</b>			<b>5,127,693</b>	<b>5,080,772</b>
<b>NET ASSETS, APRIL 30</b>			<b>\$ 5,632,093</b>	<b>\$ 5,127,693</b>

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL  
WATER SYSTEM FUND

For the Year Ended April 30, 2009  
(with comparative actual for 2008)

	2009			2008 Actual
	Original Budget	Final Budget	Actual	
<b>WATER SYSTEM EXPENSES</b>				
Personal services				
Salaries	\$ 247,752	\$ 247,752	\$ 248,536	\$ 249,270
Employee benefits	66,324	66,324	64,524	64,022
Total personal services	314,076	314,076	313,060	313,292
Contractual services				
Maintenance services	87,900	87,900	51,974	70,981
Professional services	48,683	48,683	16,378	14,152
Communications	9,220	9,220	7,777	7,731
Professional development	9,695	9,695	4,464	7,729
Public utility services	52,000	52,000	49,266	52,162
Other contractual services	23,710	23,710	25,779	15,724
Total contractual services	231,208	231,208	155,638	168,479
Commodities and supplies	42,815	42,815	35,709	33,602
Capital improvements				
Equipment	9,200	9,200	58,807	11,375
Water mains	2,700,000	2,700,000	581,914	505,179
Other water system expenses	174,400	174,400	42,911	23,271
Total capital improvements	2,883,600	2,883,600	683,632	539,825
Total water system expenses	3,471,699	3,471,699	1,188,039	1,055,198
<b>ADJUSTMENTS TO GAAP BASIS</b>				
Fixed assets capitalized	-	-	(616,553)	(510,508)
Depreciation expense	100,000	100,000	140,918	140,382
Total adjustments to GAAP basis	100,000	100,000	(475,635)	(370,126)
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 3,571,699</b>	<b>\$ 3,571,699</b>	<b>\$ 712,404</b>	<b>\$ 685,072</b>

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

COMBINING SCHEDULE OF NET ASSETS  
SEWER SYSTEM FUND BY SUB-FUND

April 30, 2009

	Sewer Operating	Sewer Improvement	Total
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$ -	\$ -	\$ -
Receivables			
Accounts	230,374	-	230,374
Total current assets	230,374	-	230,374
<b>CAPITAL ASSETS</b>			
Nondepreciable	550,000	-	550,000
Depreciable, net of accumulated depreciation	13,252,553	-	13,252,553
Total capital assets	13,802,553	-	13,802,553
Total assets	14,032,927	-	14,032,927
<b>CURRENT LIABILITIES</b>			
Accounts payable	84,661	-	84,661
Accrued payroll	12,834	-	12,834
Accrued interest	93,202	-	93,202
Due to other funds	172,881	-	172,881
IEPA loan payable	612,551	-	612,551
Total current liabilities	976,129	-	976,129
<b>LONG-TERM LIABILITIES</b>			
Compensated absences payable	20,665	-	20,665
IEPA loan payable	9,298,555	-	9,298,555
Total long-term liabilities	9,319,220	-	9,319,220
Total liabilities	10,295,349	-	10,295,349
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	3,891,447	-	3,891,447
Unrestricted	(153,869)	-	(153,869)
<b>TOTAL NET ASSETS</b>	<b>\$ 3,737,578</b>	<b>\$ -</b>	<b>\$ 3,737,578</b>

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

COMBINING SCHEDULE OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS  
SEWER SYSTEM FUND BY SUB-FUND

For the Year Ended April 30, 2009

	Sewer Operating	Sewer Improvement	Eliminations	Total
<b>OPERATING REVENUES</b>				
Charges for services				
Sewer fees	\$ 614,735	\$ -	\$ -	\$ 614,735
Late fees	8,058	-	-	8,058
Availability fees	49,614	-	-	49,614
Connection fees	73,100	-	-	73,100
Total operating revenues	745,507	-	-	745,507
<b>OPERATING EXPENSES</b>				
Sewer system expenses	681,281	-	-	681,281
Depreciation	378,501	-	-	378,501
Total operating expenses	1,059,782	-	-	1,059,782
<b>OPERATING INCOME (LOSS)</b>	<b>(314,275)</b>	<b>-</b>	<b>-</b>	<b>(314,275)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment income	716	273	-	989
Miscellaneous	22,284	-	-	22,284
Intergovernmental revenue	537,421	-	-	537,421
Interest expense	(335,546)	(455)	-	(336,001)
Total nonoperating revenues (expenses)	224,875	(182)	-	224,693
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	<b>(89,400)</b>	<b>(182)</b>	<b>-</b>	<b>(89,582)</b>
<b>TRANSFERS</b>				
Transfers in	709,708	277,735	(707,443)	280,000
Transfers (out)	(277,735)	(429,708)	707,443	-
Total transfers	431,973	(151,973)	-	280,000
<b>CHANGE IN NET ASSETS</b>	<b>342,573</b>	<b>(152,155)</b>	<b>-</b>	<b>190,418</b>
<b>NET ASSETS, MAY 1</b>	<b>3,395,005</b>	<b>152,155</b>	<b>-</b>	<b>3,547,160</b>
<b>NET ASSETS, APRIL 30</b>	<b>\$ 3,737,578</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,737,578</b>

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS  
 COMBINING SCHEDULE OF CASH FLOWS  
 SEWER SYSTEM FUND BY SUB-FUND

For the Year Ended April 30, 2009

	Business-Type Activities		
	Sewer Operating	Sewer Improvement	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 690,032	\$ -	\$ 690,032
Payments to suppliers	(268,089)	(24,226)	(292,315)
Payments to employees	(326,916)	-	(326,916)
Net cash from operating activities	95,027	(24,226)	70,801
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Due to other funds	172,881	-	172,881
Transfers to other funds	-	(12,229)	(12,229)
Transfers from other funds	292,229	-	292,229
Net cash from noncapital financing activities	465,110	(12,229)	452,881
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchase of capital assets	(70,417)	-	(70,417)
Principal paid on IEPA loan payable	(574,127)	-	(574,127)
Interest paid	(267,252)	(455)	(267,707)
Intergovernmental receipts	316,220	6,488	322,708
Net cash from capital and related financing activities	(595,576)	6,033	(589,543)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received	716	273	989
Net cash from investing activities	716	273	989
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(34,723)	(30,149)	(64,872)
<b>CASH AND CASH EQUIVALENTS, MAY 1</b>	34,723	30,149	64,872
<b>CASH AND CASH EQUIVALENTS, APRIL 30</b>	\$ -	\$ -	\$ -

(This statement is continued on the following page.)

VILLAGE OF EAST DUNDEE, ILLINOIS

COMBINING SCHEDULE OF CASH FLOWS (Continued)  
SEWER SYSTEM FUND BY SUB-FUND

For the Year Ended April 30, 2009

	Business-Type Activities		
	Sewer Operating	Sewer Improvement	Total
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ (314,275)	\$ -	\$ (314,275)
Depreciation	378,501	-	378,501
Miscellaneous	22,284	-	22,284
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Changes in assets and liabilities			
Accounts receivable	(77,759)	-	(77,759)
Accounts payable	79,940	(24,226)	55,714
Accrued payroll and compensated absences	6,336	-	6,336
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$ 95,027</b>	<b>\$ (24,226)</b>	<b>\$ 70,801</b>

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS - BUDGET AND ACTUAL  
SEWER OPERATING SUB-FUND

For the Year Ended April 30, 2009  
(with comparative actual for 2008)

	2009			2008 Actual
	Original Budget	Final Budget	Actual	
<b>OPERATING REVENUES</b>				
Charges for services				
Sewer fees	\$ 656,000	\$ 656,000	\$ 614,735	\$ 648,327
Late fees	7,450	7,450	8,058	9,273
Availability fees	49,350	49,350	49,614	49,489
Connection fees	75,620	75,620	73,100	34,400
Total operating revenues	<u>788,420</u>	<u>788,420</u>	<u>745,507</u>	<u>741,489</u>
<b>OPERATING EXPENSES</b>				
Sewer system expenses	688,660	688,660	681,281	679,845
Depreciation	-	-	378,501	299,857
Total operating expenses	<u>688,660</u>	<u>688,660</u>	<u>1,059,782</u>	<u>979,702</u>
<b>OPERATING INCOME (LOSS)</b>	<u>99,760</u>	<u>99,760</u>	<u>(314,275)</u>	<u>(238,213)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment income	5,000	5,000	716	4,536
Miscellaneous	500	500	22,284	1,168
Intergovernmental revenue	442,400	442,400	537,421	221,201
Interest expense	(261,291)	(261,291)	(335,546)	(185,799)
Total nonoperating revenues (expenses)	<u>186,609</u>	<u>186,609</u>	<u>224,875</u>	<u>41,106</u>
<b>INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS</b>	<u>286,369</u>	<u>286,369</u>	<u>(89,400)</u>	<u>(197,107)</u>
<b>TRANSFERS</b>				
Transfers in	230,000	230,000	709,708	-
Transfers (out)	-	-	(277,735)	(139,289)
Total transfers	<u>230,000</u>	<u>230,000</u>	<u>431,973</u>	<u>(139,289)</u>
<b>CHANGE IN NET ASSETS</b>	<u>\$ 516,369</u>	<u>\$ 516,369</u>	<u>342,573</u>	<u>(336,396)</u>
<b>NET ASSETS, MAY 1</b>			<u>3,395,005</u>	<u>3,731,401</u>
<b>NET ASSETS, APRIL 30</b>			<u>\$ 3,737,578</u>	<u>\$ 3,395,005</u>

(See independent auditor's report.)



VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL  
SEWER OPERATING SUB-FUND

For the Year Ended April 30, 2009  
(with comparative actual for 2008)

	2009			2008 Actual
	Original Budget	Final Budget	Actual	
<b>SEWER SYSTEM OPERATING EXPENSES</b>				
Personal services				
Salaries	\$ 254,702	\$ 254,702	\$ 258,776	\$ 261,547
Employee benefits	75,751	75,751	74,476	73,326
Total personal services	330,453	330,453	333,252	334,873
Contractual services				
Maintenance services	34,959	34,959	48,741	32,893
Professional services	27,268	27,268	38,343	33,725
Communications	6,290	6,290	5,458	6,227
Professional development	4,211	4,211	2,613	6,319
Public utility services	120,000	120,000	162,110	168,497
Other contractual services	41,562	41,562	44,540	37,514
Intergovernmental expenditures	24,000	24,000	24,000	24,000
Total contractual services	258,290	258,290	325,805	309,175
Commodities and supplies	39,917	39,917	22,224	35,797
Capital improvements				
Equipment	60,000	60,000	70,417	66,964
Total capital improvements	60,000	60,000	70,417	66,964
Debt service				
Interest IEPA loan	261,291	261,291	335,546	185,799
Principal IEPA loan	580,544	580,544	574,126	293,424
Total debt service	841,835	841,835	909,672	479,223
Total sewer system operating expenses	1,530,495	1,530,495	1,661,370	1,226,032
<b>ADJUSTMENTS TO GAAP BASIS</b>				
Principal payments capitalized	(580,544)	(580,544)	(574,126)	(293,424)
Interest payments reclassified	(261,291)	(261,291)	(335,546)	(185,799)
Fixed assets capitalized	-	-	(70,417)	(66,964)
Depreciation expense	-	-	378,501	299,857
Total adjustments to GAAP basis	(841,835)	(841,835)	(601,588)	(246,330)
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 688,660</b>	<b>\$ 688,660</b>	<b>\$ 1,059,782</b>	<b>\$ 979,702</b>

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF CAPITAL ASSETS AND ACCUMULATED DEPRECIATION  
ENTERPRISE FUNDS

For the Year Ended April 30, 2009

	Capital Assets				Accumulated Depreciation				Net Capital Assets
	Balances		Retirements	Balances		Balances		Balances	
	May 1	Additions		April 30	May 1	Provisions	April 30		
<b>WATER SYSTEM</b>									
Land	\$ 643,635	\$ -	\$ -	\$ 643,635	\$ -	\$ -	\$ -	\$ -	\$ 643,635
Buildings and improvements	900,070	-	-	900,070	308,138	22,424	-	330,562	569,508
Equipment and vehicles	492,261	53,566	-	545,827	387,822	31,073	-	418,895	126,932
Water distribution system	3,911,908	-	-	3,911,908	809,798	87,421	-	897,219	3,014,689
Construction in progress	408,458	561,684	-	970,142	-	-	-	-	970,142
Total water system	6,356,332	615,250	-	6,971,582	1,505,758	140,918	-	1,646,676	5,324,906
<b>SEWER SYSTEM</b>									
Land	550,000	-	-	550,000	-	-	-	-	550,000
Construction in progress	7,177,457	-	7,177,457	-	-	-	-	-	-
Buildings and improvements	4,737,616	7,177,457	-	11,915,073	1,142,178	167,586	-	1,309,764	10,605,309
Equipment and vehicles	2,775,827	-	-	2,775,827	1,497,818	149,477	-	1,647,295	1,128,532
Sewer distribution system	2,039,448	70,417	-	2,109,865	529,715	61,438	-	591,153	1,518,712
Total sewer system	17,280,348	7,247,874	7,177,457	17,350,765	3,169,711	378,501	-	3,548,212	13,802,553
<b>TOTAL WATER AND SEWER</b>	<b>\$ 23,636,680</b>	<b>\$ 7,863,124</b>	<b>\$ 7,177,457</b>	<b>\$ 24,322,347</b>	<b>\$ 4,675,469</b>	<b>\$ 519,419</b>	<b>\$ -</b>	<b>\$ 5,194,888</b>	<b>\$ 19,127,459</b>

(See independent auditor's report.)

## FIDUCIARY FUNDS

### Pension Trust Fund

Police Pension Fund - to account for the resources necessary to provide retirement and disability benefits to personnel of the East Dundee Police Department. Revenues are provided by village contributions (made possible by a property tax levy), employee withholdings and investment income.

### Agency Fund

Escrow Deposit Fund - to account for deposits held by the Village to ensure the completion of improvements within the Village.

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF CHANGES IN NET ASSETS - BUDGET AND ACTUAL  
POLICE PENSION FUND

For the Year Ended April 30, 2009  
(with comparative actual for 2008)

	2009			2008 Actual
	Original Budget	Final Budget	Actual	
<b>ADDITIONS</b>				
Contributions				
Employer	\$ 200,300	\$ 200,300	\$ 201,106	\$ 181,570
Employee	94,400	94,400	101,414	93,914
Total contributions	294,700	294,700	302,520	275,484
Investment income				
Net appreciation (depreciation) in fair value of investments	-	-	(817,202)	(162,693)
Interest	272,200	272,200	133,945	139,338
Dividends	-	-	53,536	167,350
Total investment income	272,200	272,200	(629,721)	143,995
Less investment expense	(22,400)	(22,400)	(20,084)	(17,194)
Net investment income	249,800	249,800	(649,805)	126,801
Total additions	544,500	544,500	(347,285)	402,285
<b>DEDUCTIONS</b>				
Benefits and refunds				
Benefits	210,495	210,495	199,973	191,324
Contractual services				
Administration	2,050	2,050	-	2,011
Accounting services	8,560	8,560	8,995	2,415
Actuarial services	1,000	1,000	1,000	1,000
Legal services	2,000	2,000	2,067	1,500
Insurance	-	-	2,327	2,193
Other professional services	2,400	2,400	1,334	-
Total deductions	226,505	226,505	215,696	200,443
NET INCREASE (DECREASE)	\$ 317,995	\$ 317,995	(562,981)	201,842
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>				
May 1			5,465,384	5,263,542
April 30			\$ 4,902,403	\$ 5,465,384

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES  
 ESCROW DEPOSIT FUND

For the Year Ended April 30, 2009

	Balance May 1	Additions	Deductions	Balance April 30
<b>ASSETS</b>				
Cash and cash equivalents	\$ 38,244	\$ 33,477	\$ 9,611	\$ 62,110
<b>TOTAL ASSETS</b>	<b>\$ 38,244</b>	<b>\$ 33,477</b>	<b>\$ 9,611</b>	<b>\$ 62,110</b>
<b>LIABILITIES</b>				
Due to others	\$ 38,244	\$ 31,912	\$ 8,046	\$ 62,110
<b>TOTAL LIABILITIES</b>	<b>\$ 38,244</b>	<b>\$ 31,912</b>	<b>\$ 8,046</b>	<b>\$ 62,110</b>

(See independent auditor's report.)

## CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

General capital assets are those capital assets used in the operations accounted for in governmental funds. General capital assets include all capital assets of the Village not accounted for in Proprietary Funds.

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF CAPITAL ASSETS AND ACCUMULATED DEPRECIATION

For the Year Ended April 30, 2009

	Capital Assets				Accumulated Depreciation				Net Capital Assets
	Balances	Additions	Retirements	Balances	Balances	Provisions	Retirements	Balances	
	May 1			April 30	May 1			April 30	
<b>GENERAL GOVERNMENT</b>									
Land	\$ 72,885	\$ -	\$ -	\$ 72,885	\$ -	\$ -	\$ -	\$ -	\$ 72,885
Buildings and improvements	147,782	-	-	147,782	119,215	4,497	-	123,712	24,070
Equipment	98,659	-	-	98,659	74,457	4,826	-	79,283	19,376
Total general government	319,326	-	-	319,326	193,672	9,323	-	202,995	116,331
<b>PUBLIC SAFETY</b>									
Buildings and improvements	21,100	-	-	21,100	18,933	667	-	19,600	1,500
Equipment	209,659	-	-	209,659	156,965	17,844	-	174,809	34,850
Vehicles	200,376	52,320	18,762	233,934	130,664	39,562	18,762	151,464	82,470
Total public safety	431,135	52,320	18,762	464,693	306,562	58,073	18,762	345,873	118,820
<b>HIGHWAYS AND STREETS</b>									
Land	208,150	-	-	208,150	-	-	-	-	208,150
Buildings and improvements	1,372,318	-	-	1,372,318	229,214	37,864	-	267,078	1,105,240
Equipment	56,934	-	-	56,934	54,038	617	-	54,655	2,279
Vehicles	568,947	14,999	-	583,946	299,206	37,648	-	336,854	247,092
Total highways and streets	2,206,349	14,999	-	2,221,348	582,458	76,129	-	658,587	1,562,761
<b>TOTAL CAPITAL ASSETS</b>	<b>\$ 2,956,810</b>	<b>\$ 67,319</b>	<b>\$ 18,762</b>	<b>\$ 3,005,367</b>	<b>\$ 1,082,692</b>	<b>\$ 143,525</b>	<b>\$ 18,762</b>	<b>\$ 1,207,455</b>	<b>\$ 1,797,912</b>

(See independent auditor's report.)

LONG-TERM DEBT PAYABLE BY GOVERNMENTAL FUNDS

To account for the noncurrent portion of the Village's 2002 TIF Revenue Bonds, TIF Revenue Note, installment contracts, pension contributions and compensated absences.



VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF CHANGES IN GENERAL LONG-TERM DEBT  
LONG-TERM DEBT PAYABLE BY GOVERNMENTAL FUNDS

April 30, 2009

	Balances May 1	Additions	Reductions	Balances April 30
<b>AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT</b>				
Amount available in Prairie Lakes TIF Funds	\$ 293,640	\$ -	\$ 5,869	\$ 287,771
Amount to be provided for retirement of general long-term debt	2,147,109	2,115,280	81,400	4,180,989
<b>TOTAL</b>	<b>\$ 2,440,749</b>	<b>\$ 2,115,280</b>	<b>\$ 87,269</b>	<b>\$ 4,468,760</b>
<b>GENERAL LONG-TERM DEBT PAYABLE</b>				
Tax increment revenue bonds Economic development	\$ 2,255,000	\$ -	\$ 105,000	\$ 2,150,000
Tax increment revenue note Economic development	-	2,115,280	-	2,115,280
Capital lease Highways and streets	3,304	-	3,304	-
Compensated absences General government	8,722	6,333	-	15,055
Public safety	121,494	19,394	-	140,888
Highways and streets	33,171	(6,354)	-	26,817
Total compensated absences	163,387	19,373	-	182,760
Net pension obligation Public safety	19,058	1,662	-	20,720
<b>TOTAL</b>	<b>\$ 2,440,749</b>	<b>\$ 2,136,315</b>	<b>\$ 108,304</b>	<b>\$ 4,468,760</b>

(See independent auditor's report.)

## SUPPLEMENTAL DATA

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
STATE OF ILLINOIS PUBLIC ACT 85-1142

The Honorable President  
Members of the Board of Trustees  
Village of East Dundee, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of East Dundee, Illinois (the Village) as of and for the year ended April 30, 2009, and have issued our report thereon dated August 21, 2009. The financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on the eligibility for costs incurred incidental to the implementation of the redevelopment plan and redevelopment projects associated with the Prairie Lakes TIF District and the Dundee Crossings TIF District pursuant to Subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act.

Our audit was made 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 basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The Village of East Dundee, Illinois' management is responsible for the Village's compliance with laws and regulations. In connection with our audit referred to above, we selected and tested transactions and records to determine the Village's compliance with State of Illinois Public Act 85-1142, "An Act in Relation to Tax Increment Financing."

The results of our test indicated that for the items tested, the Village of East Dundee, Illinois complied with Subsection (q) of Section 11-74.4-3 of Public Act 85-1142.



Aurora, Illinois  
August 21, 2009

VILLAGE OF EAST DUNDEE, ILLINOIS

SCHEDULE OF PROPERTY TAX ASSESSED VALUATIONS, RATES, EXTENSIONS AND COLLECTIONS

Last Ten Levy Years

Tax Levy Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
ASSESSED VALUATION	\$ 75,034,028	\$ 78,380,917	\$ 83,155,240	\$ 89,935,470	\$ 96,790,423	\$ 104,054,800	\$ 114,236,414	\$ 121,877,843	\$ 131,231,792	\$ 136,510,959
TAX RATE PER \$100 OF ASSESSED VALUATION	0.561	0.553	0.545	0.456	0.445	0.423	0.407	0.436	0.421	0.434
TOTAL COLLECTIONS *	\$ 421,106	\$ 430,653	\$ 449,582	\$ 410,308	\$ 429,724	\$ 440,175	\$ 453,739	\$ 506,723	\$ 510,015	\$ -
LEVY AS EXTENDED	\$ 419,142	\$ 429,962	\$ 451,969	\$ 410,813	\$ 430,745	\$ 439,904	\$ 448,484	\$ 498,822	\$ 512,852	\$ 546,059
PERCENT COLLECTED	100.5%	100.2%	99.5%	99.9%	99.8%	100.1%	101.2%	101.6%	99.4%	0.0%

\* Excludes road and bridge

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS  
LONG-TERM DEBT REQUIREMENTS  
ILLINOIS ENVIRONMENTAL PROTECTION AGENCY LOAN  
WASTEWATER TREATMENT PLANT

April 30, 2009

Date of Issue	January 27, 1997
Date of Maturity	February 1, 2018
Authorized Issue	\$5,900,000
Actual Issue	\$5,900,000
Interest Rates	2.89%
Principal Maturity Date	February 1 and August 1
Interest Dates Payable at	February 1 and August 1

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals	Principal Due on			Interest Due on				
				August 1,	Amount	February 1,	Amount	August 1,	Amount	February 1,	Amount
2010	\$ 310,755	\$ 88,678	\$ 399,433	2009	\$ 154,263	2010	\$ 156,492	2009	\$ 45,454	2010	\$ 43,224
2011	319,800	79,633	399,433	2010	158,753	2011	161,047	2010	40,964	2011	38,669
2012	329,110	70,323	399,433	2011	163,375	2012	165,735	2011	36,342	2012	33,981
2013	338,690	60,743	399,433	2012	168,130	2013	170,560	2012	31,586	2013	29,157
2014	348,549	50,884	399,433	2013	173,024	2014	175,525	2013	26,692	2014	24,192
2015	358,695	40,738	399,433	2014	178,061	2015	180,634	2014	21,655	2015	19,083
2016	369,136	30,296	399,432	2015	183,244	2016	185,892	2015	16,472	2016	13,824
2017	379,881	19,551	399,432	2016	188,578	2017	191,303	2016	11,138	2017	8,413
2018	390,938	8,494	399,432	2017	194,067	2018	196,871	2017	5,649	2018	2,845
	<u>\$ 3,145,554</u>	<u>\$ 449,340</u>	<u>\$ 3,594,894</u>		<u>\$ 1,561,495</u>		<u>\$ 1,584,059</u>		<u>\$ 235,952</u>		<u>\$ 213,388</u>

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

LONG-TERM DEBT REQUIREMENTS  
ILLINOIS ENVIRONMENTAL PROTECTION AGENCY LOAN  
WASTEWATER TREATMENT PLANT - LOAN #2

April 30, 2009

Date of Issue	November 1, 2005
Date of Maturity	December 1, 2026
Authorized Issue	\$7,200,000
Actual Issue	\$7,200,000
Interest Rates	2.50%
Principal Maturity Date	June 1 and December 1
Interest Dates Payable at	June 1 and December 1

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals	Principal Due on			Interest Due on				
				June 1,	Amount	December 1,	Amount	June 1,	Amount	December 1,	Amount
2010	\$ 301,796	\$ 167,264	\$ 469,060	2009	\$ 149,961	2009	\$ 151,835	2009	\$ 84,569	2009	\$ 82,695
2011	309,388	159,672	469,060	2010	153,733	2010	155,655	2010	80,797	2010	78,875
2012	317,170	151,890	469,060	2011	157,600	2011	159,570	2011	76,930	2011	74,960
2013	325,150	143,910	469,060	2012	161,565	2012	163,585	2012	72,965	2012	70,945
2014	333,329	135,731	469,060	2013	165,629	2013	167,700	2013	68,901	2013	66,830
2015	341,714	127,346	469,060	2014	169,796	2014	171,918	2014	64,734	2014	62,612
2016	350,311	118,750	469,061	2015	174,068	2015	176,243	2015	60,463	2015	58,287
2017	359,123	109,937	469,060	2016	178,446	2016	180,677	2016	56,084	2016	53,853
2018	368,157	100,903	469,060	2017	182,935	2017	185,222	2017	51,595	2017	49,308
2019	377,419	91,641	469,060	2018	187,537	2018	189,882	2018	46,993	2018	44,648
2020	386,914	82,147	469,061	2019	192,256	2019	194,658	2019	42,275	2019	39,872
2021	396,647	72,413	469,060	2020	197,092	2020	199,555	2020	37,438	2020	34,975
2022	406,625	62,435	469,060	2021	202,050	2021	204,575	2021	32,480	2021	29,955
2023	416,855	52,206	469,061	2022	207,133	2022	209,722	2022	27,398	2022	24,808
2024	427,340	41,720	469,060	2023	212,343	2023	214,997	2023	22,187	2023	19,533
2025	438,092	30,969	469,061	2024	217,686	2024	220,406	2024	16,845	2024	14,124
2026	449,111	19,949	469,060	2025	223,161	2025	225,950	2025	11,369	2025	8,580
2027	460,411	8,650	469,061	2026	228,776	2026	231,635	2026	5,755	2026	2,895
	<u>\$ 6,765,552</u>	<u>\$ 1,677,533</u>	<u>\$ 8,443,085</u>		<u>\$ 3,361,767</u>		<u>\$ 3,403,785</u>		<u>\$ 859,778</u>		<u>\$ 817,755</u>

(See independent auditor's report.)

VILLAGE OF EAST DUNDEE, ILLINOIS

LONG-TERM DEBT REQUIREMENTS  
TAX INCREMENT REVENUE BONDS, SERIES 2002

April 30, 2009

Date of Issue	September 1, 2002
Date of Maturity	January 1, 2022
Authorized Issue	\$2,500,000
Actual Issue	\$2,500,000
Denomination of Bonds	\$5,000
Interest Rates	Ranging 3.50% to 5.40%
Principal Maturity Date	January 1
Interest Dates Payable at	January 1 and July 1

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Total Payment			Interest Due on			
	Principal	Interest	Totals	July 1,	Amount	January 1,	Amount
2010	\$ 115,000	\$ 108,138	\$ 223,138	2009	\$ 54,069	2010	\$ 54,069
2011	125,000	103,078	228,078	2010	51,539	2011	51,539
2012	130,000	97,515	227,515	2011	48,758	2012	48,757
2013	140,000	91,470	231,470	2012	45,735	2013	45,735
2014	150,000	84,820	234,820	2013	42,410	2014	42,410
2015	160,000	77,620	237,620	2014	38,810	2015	38,810
2016	165,000	69,780	234,780	2015	34,890	2016	34,890
2017	175,000	61,530	236,530	2016	30,765	2017	30,765
2018	185,000	52,605	237,605	2017	26,302	2018	26,303
2019	190,000	42,985	232,985	2018	21,492	2019	21,493
2020	200,000	33,010	233,010	2019	16,505	2020	16,505
2021	205,000	22,410	227,410	2020	11,205	2021	11,205
2022	210,000	11,340	221,340	2021	5,670	2022	5,670
	<u>\$ 2,150,000</u>	<u>\$ 856,301</u>	<u>\$ 3,006,301</u>		<u>\$ 428,150</u>		<u>\$ 428,151</u>

(See independent auditor's report.)