ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED APRIL 30, 2015

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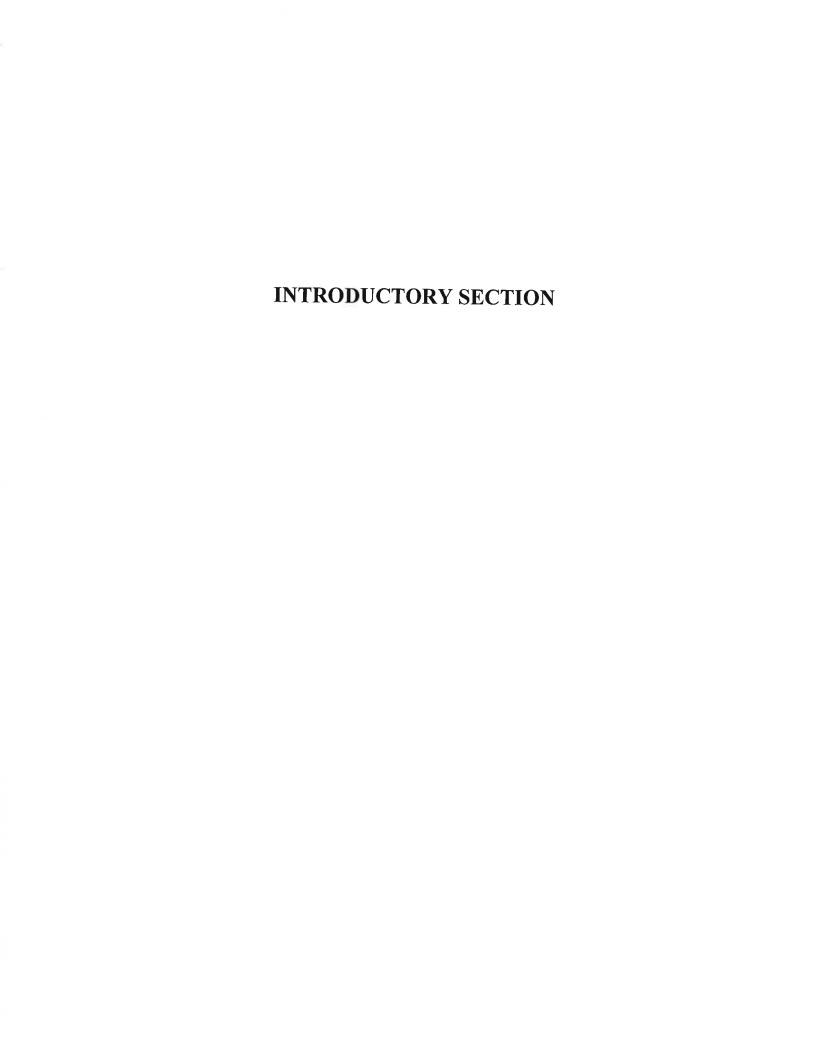
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List of Principal Officials April 30, 2015

VILLAGE PRESIDENT

Jeffrey Magnussen

VILLAGE BOARD OF TRUSTEES

George Brust

Martin Ebert

Janet Kraus

Michael Reid Jr.

Orris Ruth

Rob Whaley

ADMINISTRATIVE

Linda R. Vasquez, Village Clerk

Lori A. Lyons, Finance Director

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

This section includes the opinion of the Village's independent auditing firm.

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INDEPENDENT AUDITORS' REPORT

February 3, 2016

The Honorable Village President Members of the Board of Trustees Village of Hampshire, 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 Hampshire, Illinois, as of and for the year ended April 30, 2015, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Hampshire, Illinois, as of April 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Village of Hampshire, Illinois February 3, 2016 Page 2

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Hampshire, Illinois', basic financial statements. The introductory section, combining and individual fund financial statements and budgetary comparison schedules, and supplemental schedules are presented for purposes of additional analysis and are not a required part of the financial statements.

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

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

LAUTERBACH & AMEN, LLP

Lauterlock + Ohnen LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis April 30, 2015

Our discussion and analysis of the Village of Hampshire's financial performance provides an overview of the Village's financial activities for the fiscal year ended April 30, 2015. Please read it in conjunction with the Village's financial statements, which begin on page 3.

FINANCIAL HIGHLIGHTS

- The Village's net position decreased as a result of this year's operations. Net position of the governmental activities decreased by \$619,362, or 1.9 percent and net position of the business-type activities decreased by \$916,978, or 1.9 percent.
- During the year, government-wide revenues before transfers for the primary government totaled \$6,293,207 while expenses totaled \$7,829,547, resulting in a decrease to net position of \$1,536,340.
- The Village's net position totaled \$80,656,720 on April 30, 2015, which includes \$77,054,992 net investment in capital assets, \$3,451,301 subject to external restrictions, and \$150,427 unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors.
- The General Fund reported an increase in fund balance this year of \$334,425, resulting in ending fund balance of \$432,719, an increase of 340.2 percent.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 3 - 6) provide information about the activities of the Village as a whole and present a longer-term view of the Village's finances. Fund financial statements begin on page 7. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village's operations in more detail than the government-wide statements by providing information about the Village's most significant funds.

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Village's finances, in a matter similar to a private-sector business. The government wide financial statements can be found on pages 3 - 6 of this report.

The Statement of Net Position reports information on all of the Village's assets and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the Village's property tax base and the condition of the Village's capital assets, is needed to assess the overall health of the Village.

Management's Discussion and Analysis April 30, 2015

USING THIS ANNUAL REPORT – Continued

Government-Wide Financial Statements - Continued

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

Both of the government-wide financial statements 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 include general government, highways and streets, police protection, and economic development. The business-type activities of the Village include water, sewer, and garbage operations.

Fund Financial Statements

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 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 two categories: governmental funds and proprietary 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, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Village's near-term financing 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 the comparison between governmental funds and governmental activities.

Management's Discussion and Analysis April 30, 2015

USING THIS ANNUAL REPORT – Continued

Fund Financial Statements – Continued

Governmental Funds - Continued

The Village maintains nineteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, SSA 13 Improvement, Transportation Impact Fees, SSA 16 – 19 Improvements, SSA 14 Improvements, and Public Use Funds, all of which are considered major funds. Data from the other thirteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Village adopts an annual appropriated budget for all of the governmental funds, except the SSA 13 Improvements Fund, the SSA 16-19 Improvements Fund, the SSA 14 Improvements Fund, the SSA Bond 5-55 Fund, the Capital Improvements Fund, the Equipment Replacement Fund, the Early Warning Impact Fees Fund and the Health Insurance Fund. A budgetary comparison schedule for the budgeted funds has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 7 - 12 of this report.

Proprietary Funds

The Village maintains two proprietary fund types: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government—wide financial statements. The Village utilizes enterprise funds to account for its water, sewer and garbage operations. The Village utilizes a health insurance fund to mitigate the burden of increases in health insurance costs.

Proprietary fund financial statements 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 and Sewer Fund, which is considered to be a major fund of the Village. The health insurance fund is reported separately as an internal service fund.

The basic proprietary fund financial statements can be found on pages 13 - 16 of this report.

Management's Discussion and Analysis April 30, 2015

USING THIS ANNUAL REPORT - Continued

Fund Financial Statements - Continued

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside 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 of Hampshire's own programs. The accounting use for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 17 - 18 of this report.

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 19 - 54 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's General Fund budgetary comparison schedule and disclosures regarding the Village's Illinois Municipal Retirement Fund and Police Pension Fund. Required supplementary information can be found on pages 55 - 60 of this report. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 61 - 82 of this report.

Management's Discussion and Analysis April 30, 2015

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Village, assets exceeded liabilities and deferred inflows by \$80,656,720.

		Governr	nental	Busine	ess-type			
		Activi	ities	Acti	vities	Total		
	\equiv	2015	2014	2015	2014	2015	2014	
Current and Other Assets	\$	5,519,083	5,638,241	350,345	364,372	5,869,428	6,002,613	
Capital Assets		31,023,994	31,215,573	52,158,609	53,445,096	83,182,603	84,660,669	
Total Assets		36,543,077	36,853,814	52,508,954	53,809,468	89,052,031	90,663,282	
Long-Term Debt		2,117,753	2,353,052	3,339,898	3,784,179	5,457,651	6,137,231	
Other Liabilities		982,823	784,385	656,799	596,054	1,639,622	1,380,439	
Deferred Inflows		1,298,038	952,552			1,298,038	952,552	
Total Liabilities/Deferred Inflows	Ξ	4,398,614	4,089,989	3,996,697	4,380,233	8,395,311	8,470,222	
Net Position								
Net Investment in								
Capital Assets		28,680,276	28,655,028	48,374,716	49,319,942	77,054,992	77,974,970	
Restricted		3,451,301	4,309,236	5.00	:#S	3,451,301	4,309,236	
Unrestricted (Deficit)	_	12,886	(200,439)	137,541	109,293	150,427	(91,146)	
Total Net Position		32,144,463	32,763,825	48,512,257	49,429,235	80,656,720	82,193,060	

A large portion of the Village's net position, \$77,054,992 or 95.5 percent, reflects its investment in capital assets (for example, land, infrastructure, and equipment), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$3,451,301 or 4.3 percent, of the Village's net position represents resources that are subject to external restrictions on how they may be used, specifically for debt service requirements. The remaining \$150,427 represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

Management's Discussion and Analysis April 30, 2015

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

	Changes in Net Position							
		Govern	mental	Busines	ss-Type			
		Activ	ities	Activ	ities	Total		
		2015	2014	2015	2014	2015	2014	
Revenues								
Program Revenues								
Charges for Services	\$	714,558	663,602	2,275,574	2,107,013	2,990,132	2,770,615	
Operating Grants/Contrib.		181,357	165,086	25,000	-	206,357	165,086	
Capital Grants/Contrib.		372	156,596	5	:=:	7.	156,596	
General Revenues								
Property and Replacement Taxes		979,568	955,590	2	8=6	979,568	955,590	
Sales and Use Taxes		775,557	724,001	3	.	775,557	724,001	
Income Taxes		544,840	542,063	=	3 .	544,840	542,063	
Utility Taxes		438,353	451,116	-	:=:	438,353	451,116	
Interest Income		4,719	2,505	12	9	4,731	2,514	
Miscellaneous		353,627	140,541	42	3	353,669	140,541	
Total Revenues		3,992,579	3,801,100	2,300,628	2,107,022	6,293,207	5,908,122	
Expenses								
General Government		853,307	913,039	-	S#6	853,307	913,039	
Police Protection		1,794,745	1,617,164	=	323	1,794,745	1,617,164	
Highways and Streets		1,974,769	1,784,541	â	-	1,974,769	1,784,541	
Planning and Zoning		861	535	-	375	861	535	
Interest on Long-Term Debt		96,886	104,073	~	(=)	96,886	104,073	
Water and Sewer		16	(-	2,642,507	2,717,734	2,642,507	2,717,734	
Garbage		-		466,472	429,234	466,472	429,234	
Total Expenses		4,720,568	4,419,352	3,108,979	3,146,968	7,829,547	7,566,320	
Change in Net Position Before		(707.000)	((10.050)	(000 251)	(1.020.046)	(1.52(.240)	(1 (50 100)	
Transfers		(727,989)	(618,252)	(808,351)	(1,039,946)	(1,536,340)	(1,658,198)	
Transfers	ş 	108,627	82,325	(108,627)	(82,325)	1 m 2 m 2 m 2 m 2 m 2 m 2 m 2 m 2 m 2 m		
Change in Net Position		(619,362)	(535,927)	(916,978)	(1,122,271)	(1,536,340)	(1,658,198)	
Net Position - Beginning	3:	2,763,825	33,299,752	49,429,235	50,551,506	82,193,060	83,851,258	
Net Position-Ending	3:	2,144,463	32,763,825	48,512,257	49,429,235	80,656,720	82,193,060	

Management's Discussion and Analysis April 30, 2015

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

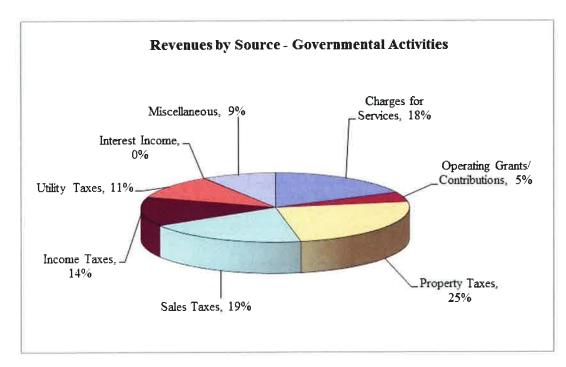
Net position of the Village's governmental activities decreased by 1.9 percent (\$32,144,463 in 2015, compared to \$32,763,825 in 2014). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, was a surplus of \$12,886 at April 30, 2015.

Net position of business-type activities decreased by 1.9 percent (\$48,512,257 in 2015 compared to a restated \$49,429,423 in 2014).

Governmental Activities

Revenues for governmental activities totaled \$3,992,579, while the cost of all governmental functions totaled \$4,720,568. This results in a decrease of \$727,989 prior to transfers in of \$108,627. In 2014, revenues of \$3,801,100 were less than expenses of \$4,419,352 resulting in a decrease of \$618,252 prior to transfers in of \$82,325. During 2015, the Village continued to see increases in some of its state shared revenues, including sales and uses taxes and income taxes and telecommunication utility taxes. Overall revenues for the governmental activities increased \$471,154 and expenses increased \$762,072.

The following table graphically depicts the major revenue sources of the Village. It depicts very clearly the reliance of property taxes and state shared revenues to fund governmental activities. It also clearly identifies the less significant percentage the Village receives from utility taxes and telecommunication taxes.

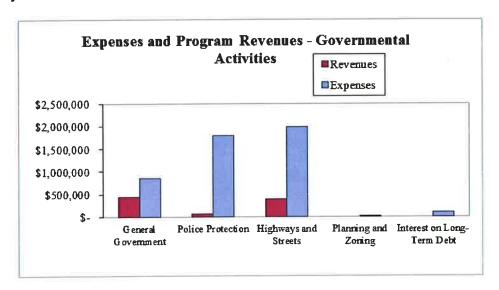


Management's Discussion and Analysis April 30, 2015

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

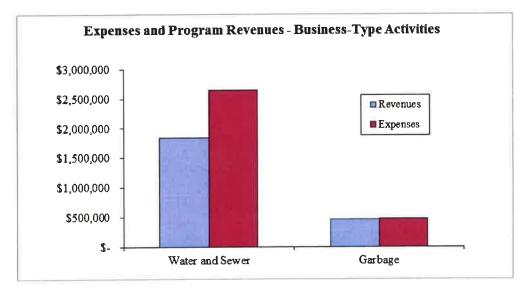
Governmental Activities - Continued

The 'Expenses and Program Revenues' Table identifies those governmental functions where program expenses greatly exceed revenues.



Business-Type activities

Business-Type activities reported total revenues of \$2,300,628, while the cost of all business-type activities totaled \$3,108,979. This results in a decrease in net position of \$808,351 prior to transfers out of \$108,627. In 2014, revenues of \$2,107,022 were less than expenses of \$3,146,968, resulting in a decrease in net position of \$1,039,946 prior to transfers out of \$82,325. The decrease in the current year is largely the result of depreciation expense.



The above graph compares program revenues to expenses for utility operations.

Management's Discussion and Analysis April 30, 2015

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The Village's governmental funds reported combining ending fund balances of \$3,468,462, which is \$646,789 lower than last year's total of \$4,115,251. Of the \$3,468,462 total, the Village has an unassigned deficit of \$41,556.

The General Fund reported fund balance for the year of \$432,719, an increase of \$334,425 or 340.2 percent. While revenues increased in the General Fund, expenditures increased as well.

The General Fund is the chief operating fund of the Village. At April 30, 2015, unassigned fund balance in the General Fund was \$291,270, which represents 67.3 percent of the total fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents approximately 9.3 percent of total General Fund expenditures.

The Village reports five capital projects funds as major funds: SSA 13 Improvement Fund, Transportation Impact Fees Fund, SSA 16 – 19 Improvements Fund, SSA 14 Improvements Fund, and Public Use Fund. The SSA 13 Improvement Fund reported a decrease in fund balance of \$917,026 due to restructuring the bond coupled with no revenues. The Transportation Impact Fees Fund reported an increase in fund balance of \$97,937 due to very little spending in this fund during the current year. The SSA 16-19 Improvement Fund reported a decrease in fund balance of \$127,631 while SSA 14 Improvement Fund reported an \$8,136 increase. The Public Use Fund reported an increase of \$9,721.

All other governmental funds of the Village are reported as nonmajor funds, including the Motor Fuel Tax Fund, Road and Bridge Fund, Revolving Loan Fund, Special Service Areas Fund, Evidence Fund, Tax Increment Financing Fund, Hotel/Motel Tax Fund, SSA Bond 5-55 Fund, Capital Improvements Fund, TIF Revenue Bonds of 2009A/Tuscany Woods Line of Credit Fund, 2006A Bonds Fund, Equipment Replacement Fund, and Early Warning Impact Fee Fund.

Management's Discussion and Analysis April 30, 2015

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS - Continued

Proprietary Funds

The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Village reports the Water and Sewer Fund as a major proprietary fund that account for the provision of water and sewer services to the residents of the Village. In the current year, the Water and Sewer Fund reported a decrease in net position of \$904,164 due mainly to depreciation costs.

The Village also reports the Garbage fund as a major proprietary fund, which accounts for the provision of garbage service to the residents of the Village. In the current year, the Garbage Fund reported a decrease in net position of \$12,814 due to garbage expenses exceeding collections.

GENERAL FUND BUDGETARY HIGHLIGHTS

No amendments were made to the General Fund budget during the year. General Fund actual revenues for the year totaled \$3,396,068 compared to budgeted revenues of \$2,991,089. Taxes, licenses and permits, and miscellaneous revenues were all higher than budgeted.

The General Fund actual expenditures for the year were \$3,132,661 with budgeted expenditures of \$3,129,662. The Village worked during the year to control costs in the General Fund but had unexpected costs in police protection.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Village's investment in capital assets for its governmental and business type activities as of April 30, 2015 was \$83,182,603 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, machinery and equipment, and underground water and sewer lines.

	Capital Assets - Net of Depreciation							
		Govern	mental	Busine	ss-type			
		Activ	ities	Activ	/ities	Total		
		2015	2014	2015	2014	2015	2014	
Land	\$	20,868,259	20,868,259	1,201,448	1,201,448	22,069,707	22,069,707	
Construction in Progress		-	a.	140,990	705,435	140,990	705,435	
Buildings		10,600	11,660	23,203,533	23,822,357	23,214,133	23,834,017	
Machinery and Equipment		342,657	390,170	112,816	70,390	455,473	460,560	
Underground Water and Sewer Lines	_	9,802,478	9,945,484	27,499,822	27,645,466	37,302,300	37,590,950	
Total		31,023,994	31,215,573	52,158,609	53,445,096	83,182,603	84,660,669	

Management's Discussion and Analysis April 30, 2015

CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

Capital Assets - Continued

This year's major additions included:

Construction in Progress	\$	41,303
Vehicles, Machinery and Equipment		118,609
Infrastructure	-	127,605
		287,517

Additional information on the Village's capital assets can be found in note 3 on pages 33 - 34 of this report.

Debt Administration

At year-end, the Village had total outstanding debt of \$6,117,680 as compared to \$6,666,385 the previous year, a decrease of 8.2 percent. The following is a comparative statement of outstanding debt:

		Long-Term Debt Outstanding							
		Govern	nmental	Busines	ss-type				
		Acti	vities	Activ	rities	To	tal		
		2015	2014	2015	2014	2015	2014		
Installment Contracts General Obligations/	\$	102,351	147,764		×	102,351	147,764		
Alternate Revenue Bonds		971,367	1,117,781	1,713,692	1,845,603	2,685,059	2,963,384		
TIF Revenue Bonds		1,270,000	1,295,000		(m)	1,270,000	1,295,000		
IEPA Loans			(#V)	2,060,270	2,260,237	2,060,270	2,260,237		
Debt Certificates	_	19:	#X	*	: **:	(*			
Total		2,343,718	2,560,545	3,773,962	4,105,840	6,117,680	6,666,385		

During the year the Village did not issued any new long-term debt and made annual payments on all other long-term debt issuances. State statutes limit the amount of general obligation debt a non-home rule governmental entity may issue to 8.625 percent of its total assessed valuation. The current debt margin for the Village is \$11,987,321.

Additional information on the Village's long-term debt can be found in Note 3 on pages 36 - 42 of this report.

Management's Discussion and Analysis April 30, 2015

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The downturn in the economy has affected the Village most notably in the slowdown of new residential development. Although the Village annexed several acres of commercial and residential property, virtually all new residential development had ceased. The Village offers a variety of housing types at costs competitive with neighboring communities. The Village remains optimistic about the recent number of new residential building permits issued and is seeing a modest upturn in the housing market.

Furthermore, the slumping economy has caused a sharp decline in interest rates and interest earnings. Until the economy improves, interest rates are expected to remain flat.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Village of Hampshire, 234 South State Street, PO Box 457, Hampshire, IL 60140.

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Proprietary Funds

Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

Statement of Net Position April 30, 2015

See Following Page

Statement of Net Position April 30, 2015

		overnmental Activities	Business- Type Activities	Totals	
ASSETS					
Current Assets					
Cash and Investments	\$	2,750,462	1,109,881	3,860,343	
Receivables - Net of Allowances		1,358,351	429,651	1,788,002	
Notes Receivable		128,806	*	128,806	
Prepaids		58,709	33,568	92,277	
Internal Balances	97	1,222,755	(1,222,755)	<u> </u>	
Total Current Assets	-	5,519,083	350,345	5,869,428	
Noncurrent Assets					
Capital Assets					
Nondepreciable Capital Assets		20,868,259	1,342,438	22,210,697	
Depreciable Capital Assets		12,596,948	64,239,372	76,836,320	
Accumulated Depreciation	# <u></u>	(2,441,213)	(13,423,201)	(15,864,414)	
Total Noncurrent Assets	1. 	31,023,994	52,158,609	83,182,603	
Total Assets		36,543,077	52,508,954	89,052,031	

	<u>x</u>		
	Governmental Activities	Business- Type Activities	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 233,166	137,386	370,552
Accrued Payroll	50,212	5,230	55,442
Accrued Interest Payable	32,813	40,111	72,924
Deposits Payable	642,522	3	642,522
Other Liabilities	17,933	18,620	36,553
Current Portion of Long-term Debt	321,392	455,452	776,844
Total Current Liabilities	1,298,038	656,799	1,954,837
Noncurrent Liabilities			
Net Pension Obligation	14,625		14,625
Installment Contracts	17,761	1 - 1	17,761
General Obligation Alternate Revenue Bonds	845,367	1,484,980	2,330,347
TIF Revenue Bonds	1,240,000	7.5	1,240,000
IEPA Loan		1,854,918	1,854,918
Total Noncurrent Liabilities	2,117,753	3,339,898	5,457,651
Total Liabilities	3,415,791	3,996,697	7,412,488
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	982,823		982,823
Total Liabilities and Deferred Inflows of Resources	4,398,614	3,996,697	8,395,311
NET POSITION			
Net Investment in Capital Assets Restricted	28,680,276	48,374,716	77,054,992
Police Impound Fees	12,568	₩.	12,568
Tree Replacement	70,172		70,172
Highways and Streets	1,517,273	:: =	1,517,273
Public Safety	5,967	72	5,967
Subdivision Maintenance	51,175		51,175
Economic Development	1,016,375	-	1,016,375
Tourism	46,000	Ē	46,000
Public Use	731,771	-	731,771
Unrestricted	12,886	137,541	150,427
Total Net Position	32,144,463	48,512,257	80,656,720

Statement of Activities For the Fiscal Year Ended April 30, 2015

			Program Revenues					
			Ch	arges	Ope	erating	Capita	al
				for	Gr	ants/	Grant	s/
		Expenses	Sei	rvices	Contr	ibutions	Contribu	tions
Primary Government								
Governmental Activities								
General Government	\$	853,307	4	48,520		:=::		
Police Protection		1,794,745		62,013		÷(
Highways and Streets		1,974,769	2	04,025		181,357		<u>~</u>
Planning and Zoning		861				: * 8		-
Interest on Long-Term Debt		96,886		-		-		<u>.</u>
Total Governmental Activities	_	4,720,568	7	14,558		181,357		=
Business-Type Activities								
Water and Sewer		2,642,507	1,8	21,916		25,000		-
Garbage		466,472	4	53,658		₩.		
Total Business-Type Activities	_	3,108,979	2,2	75,574		25,000		-
Total Primary Government	_	7,829,547	2,9	90,132		206,357		

General Revenues

Taxes

Property Taxes
Replacement Taxes
Sales and Use Taxes
Income Taxes
Utility Taxes
Investment Income
Miscellaneous
Transfers - Internal Activity

Change in Net Position

Net Position - Beginning

Net Position - Ending

Net (Expenses)/Revenues			
	Primary Government		
Governmental	Business-Type	,	
Activities	Activities	Totals	
(404.797)		(40.4.707)	
(404,787)	₩((404,787)	
(1,732,732)		(1,732,732)	
(1,589,387)	2	(1,589,387)	
(861)	(9 /)	(861)	
(96,886)	<u>_</u>	(96,886)	
(3,824,653)	₩X	(3,824,653)	
0 = 0	(795,591)	(795,591)	
\ -	(12,814)	(12,814)	
~	(808,405)	(808,405)	
(3,824,653)	(808,405)	(4,633,058)	
957,075	2 0	957,075	
22,493	·	22,493	
775,557	20	775,557	
544,840	27 27	544,840	
438,353		438,353	
4,719	12	4,731	
353,627	42	353,669	
108,627	(108,627)	200,000	
3,205,291	(108,573)	3,096,718	
0,200,201	(100,010)	5,050,710	
(619,362)	(916,978)	(1,536,340)	
32,763,825	49,429,235	82,193,060	
	•		

48,512,257

32,144,463

80,656,720

Governmental Funds - Balance Sheet April 30, 2015

	General	SSA 13 Improvement	Transportation Impact Fees
		•	
ASSETS			
Cash and Investments	\$ 794,181	27	330,175
Receivables - Net of Allowances			
Property Taxes	816,641	-	(=)
Other Taxes	362,590		
Due from Other Funds	1,439,157	·	131,025
Notes Receivable	-	8€1	≔ 0
Prepaids	58,709		-2
Total Assets	3,471,278	27	461,200
LIABILITIES			
Accounts Payable	96,056		2,400
Accrued Payroll	48,974	:27	2,400
Deposits Payable	642,522		
Other Liabilities	17,933		-
Due to Other Funds	1,335,631	1700 1700	24,000
Compensated Absences Payable	80,802		24,000
Total Liabilitiés	2,221,918	•	26,400
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	816,641	=	=
Total Liabilities and Deferred Inflows of Resources	3,038,559		26,400
FUND BALANCES			
Nonspendable	58,709	Table 1	
Restricted	82,740	27	434,800
Unassigned	291,270	∠1 =:	434,000
Total Fund Balances	432,719	27	434,800
	132,117	21	434,000
Total Liabilities, Deferred Inflows of Resources			
and Fund Balances	3,471,278	27	461,200

Capital Projects	S			
SSA 16 - 19 Improvements	SSA 14 Improvements	Public Use	Nonmajor	Totals
24	168,686	245,445	1,211,924	2,750,462
ie.		:=:	166,182	982,823
X **	2 7	1 <u>4</u> 9	12,938	375,528
()	=	589,327	1,028,450	3,187,959
Y#	≌′.	€	128,806	128,806
			= =	58,709
24	168,686	834,772	2,548,300	7,484,287
5 8 6	-	3,507	131,503	233,466
18	-	* C	1,238	50,212
-	<u>#</u>	3 0	-	642,522
æ		4 6	2	17,933
•	2	99,494	548,942	2,008,067
	<u> </u>	<u>-</u>	=	80,802
(~	103,001	681,683	3,033,002
		#	166,182	982,823
*	<u> </u>	103,001	847,865	4,015,825
3€3	≣,	₩	-	58,709
24	168,686	731,771	2,033,261	3,451,309
-			(332,826)	(41,556)
24	168,686	731,771	1,700,435	3,468,462
24	168,686	834,772	2,548,300	7,484,287

Reconciliation of Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities

April 30, 2015

Total Governmental Fund Balances	\$	3,468,462
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.		31,023,994
Internal service funds are used by the Village to charge the costs of health insurance to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the Statement of Net Position.		43,163
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Net Pension Obligation Installment Contracts General Obligation/Alternate Revenue Bonds TIF Revenue Bonds Accrued Interest Payable	:	(14,625) (102,351) (971,367) (1,270,000) (32,813)
Net Position of Governmental Activities		32,144,463

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds For the Fiscal Year Ended April 30, 2015

See Following Page

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds For the Fiscal Year Ended April 30, 2015

			Transportation
		SSA 13	Impact
	General	Improvement	Fees
Revenues			
Taxes	\$ 2,545,363	_	_
Charges for Services	231,695	= =	124,336
Intergovernmental	231,093	E 10	124,330
Licenses and Permits	216,825	-	-
Fines and Forfeits	59,316	₩ 2	- -
Investment Income	365	- 10	
Miscellaneous	342,504	30	1
Total Revenues	3,396,068	40	124 227
Total Revenues		40	124,337
Expenditures			
Current			
General Government	838,133		
Highways and Streets	430,007	917,066	2 400
Police Protection	1,754,194	917,000	2,400
Planning and Zoning		:-	-
Debt Service	861	1 8	-
	04.652		
Principal Retirement	94,653	-	2
Interest and Fiscal Charges	14,813	017.066	- 2 400
Total Expenditures	3,132,661	917,066	2,400
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	263,407	(917,026)	121,937
Other Financing Sources (Uses)			
Debt Issuance	45,755	1 1 m	=
Transfers In	115,263	₹	-
Transfers Out	(90,000)	<u> </u>	(24,000)
	71,018	(#	(24,000)
Net Change in Fund Balances	334,425	(917,026)	97,937
-	,	` , ,	,
Fund Balances - Beginning	98,294	917,053	336,863
Fund Balances - Ending	432,719	27	434,800

Capital Project	s			
SSA 16 - 19	SSA 14	Public		
Improvements	Improvements	Use	Nonmajor	Total
: - :	X.E.	; = ?	192,955	2,738,318
·	Į.	<u></u>	191	356,222
7 2 -i	-	79,498	184,054	263,552
:=:	-	: <u>*</u>	<u></u>	216,825
•	8	\$ ≅ :	S	59,316
3	10	223	4,107	4,719
140	8,126	· ·	2,827	353,627
143	8,136	79,721	384,134	3,992,579
7. = 1		3#	15,174	853,307
127,774	<u>≅</u>	7	346,237	1,823,484
12	2	-	3.€	1,754,194
	-	=		861
_	_	_	167,929	262,582
-	-	-	84,509	99,322
127,774		=	613,849	4,793,750
(127,631)	8,136	79,721	(229,715)	(801,171)
2	12 3	-	-	45,755
		 	292,627	407,890
	*	(70,000)	(115,263)	(299,263)
	•	(70,000)	177,364	154,382
(127,631)	8,136	9,721	(52,351)	(646,789)
127,655	160,550	722,050	1,752,786	4,115,251
24	168,686	731,771	1,700,435	3,468,462
	100,000		7	

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Activities

For the Fiscal Year Ended April 30, 2015

Net Change in Fund Balances - Total Governmental Funds	\$	(646,789)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Capital Outlays		176,293
Depreciation Expense		(362,126)
The net effect of various miscellaneous transactions involving capital assets is to decrease net position. Disposals - Cost Disposals - Accumulated Depreciation		(83,112) 77,366
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds. Additions to Net Pension Obligation Debt Issuance Retirement of Debt		(257) (45,755) 262,582
Changes to accrued interest on long-term debt in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	1	2,436
Changes in Net Position of Governmental Activities		(619,362)

Statement of Net Position - Proprietary Funds April 30, 2015

See Following Page

Statement of Net Position - Proprietary Funds April 30, 2015

	i -		e Activities -	Enterprise	Governmental Activities
		Water and			Internal
	-	Sewer	Garbage	Total	Service
ASSETS					
Current Assets					
Cash and Investments	\$	1,109,881	X	1,109,881	7 2
Receivables - Net of Allowances Accounts		339,350	90,301	429,651	∂. :
Due from Other Funds		73,083	18,782	91,865	43,163
Prepaids	i. 	33,568	Æ	33,568	<u> </u>
Total Current Assets	-	1,555,882	109,083	1,664,965	43,163
Noncurrent Assets Capital Assets					
Nondepreciable Capital Assets		1,342,438	: <u>-</u>	1,342,438	140
Depreciable Capital Assets		64,239,372	~	64,239,372	*
Accumulated Depreciation	13	(13,423,201)	•	(13,423,201)	
Total Noncurrent Assets	1	52,158,609		52,158,609	*
Total Assets	7	53,714,491	109,083	53,823,574	43,163

		Business-Tyj Water and	pe Activities - I	Enterprise	Governmental Activities Internal
		Sewer	Carbaga	Total	Service
	-	Sewer	Garbage	Total	Service
LIABILITIES					
Current Liabilities					
Accounts Payable	\$	99,234	38,152	137,386	
Accrued Payroll		5,230	~	5,230	24
Accrued Interest Payable		40,111	9€	40,111	i e :
Other Liabilities		18,620	7	18,620	
Due to Other Funds		1,269,556	45,064	1,314,620	:#:
Compensated Absences Payable		11,457	3%	11,457	
Installment Contracts		9,931	∂ ; ±:	9,931	356
General Obligation Bonds		228,712	<u>(</u>	228,712	9
IEPA Loan	Ş <u></u>	205,352	9 #	205,352	
Total Current Liabilities	8	1,888,203	83,216	1,971,419	
Noncurrent Liabilities					
General Obligation Bonds		1,484,980	0.5	1,484,980	9 1
IEPA Loan		1,854,918	5 =	1,854,918	200
Total Noncurrent Liabilities	-	3,339,898	100	3,339,898) =
Total Liabilities	2	5,228,101	83,216	5,311,317	ræ .
NET POSITION					
Net Investment in Capital Assets		48,374,716	-	48,374,716	-
Unrestricted	- S	111,674	25,867	137,541	43,163
Total Net Position	31	48,486,390	25,867	48,512,257	43,163

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds For the Fiscal Year Ended April 30, 2015

	Business-Type Activities - Enterprise Water and Sewer Garbage Total		*	Governmental Activities Internal Service	
Operating Revenues					
Charges for Services	\$	1,753,881	453,658	2,207,539	
Operating Expenses Operations					
Water Department		563,266	~	563,266	\(\varepsilon\)
Sewer Department		540,042	466,472	1,006,514	: <u>-</u> :
System Improvements		43,408	•	43,408	.)
Depreciation		1,397,711	:	1,397,711	-
Total Operating Expenses		2,544,427	466,472	3,010,899	
Operating Income (Loss)		(790,546)	(12,814)	(803,360)	
Nonoperating Revenues (Expenses)					
Tap On Fees		68,035	=	68,035	2 0
Investment Income		12		12	=
Grant		25,000		25,000	:-:
Other Income		42	3#3	42	920
Interest and Fiscal Charges		(98,080)		(98,080)	# 0
		(4,991)		(4,991)	
Income (Loss) Before Transfers		(795,537)	(12,814)	(808,351)	•)
Transfers Out		(108,627)	<u></u>	(108,627)	¥
Change in Net Position		(904,164)	(12,814)	(916,978)	=
Net Position - Beginning		49,390,554	38,681	49,429,235	43,163
Net Position - Ending	_	48,486,390	25,867	48,512,257	43,163

Statement of Cash Flows - Proprietary Funds For the Fiscal Year Ended April 30, 2015

	Business-Typ	e Activities -	Enterprise	Governmental Activities
	Water and			Internal
	Sewer	Garbage	Total	Service
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 3,019,214	437,948	3,457,162	
Payments to Employees	(179,918)	-37,540	(179,918)	_
Payments to Suppliers	(1,309,993)	(628,824)	(1,938,817)	1.00 20
r dyments to oupphers	1,529,303	(190,876)	1,338,427	
	1,023,000	(170,070)	1,550,127	
Cash Flows from Noncapital Financing Activities				
Transfers Out	(108,627)	796	(108,627)	
Cash Flows from Capital and Related Financing Activities				
Purchase of Capital Assets	(111,224)	.=	(111,224)	£
Issuance of Capital Debt	*	:=	· *	₽
Principal on Capital Debt	(341,261)	3,€	(341,261)	=
Interest on Capital Debt	(98,080)	, ĝ	(98,080)	<u> </u>
	(550,565)		(550,565)	
Cash Flows from Investing Activities				
Interest Received	12	-	12	
Net Change in Cash and Cash Equivalents	870,123	(190,876)	679,247	π.
Cash and Cash Equivalents - Beginning	239,758	190,876	430,634	<u> </u>
Cash and Cash Equivalents - Ending	1,109,881		1,109,881	
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	(790,546)	(12,814)	(803,360)	
Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by (Used In) Operating Activities:				
Depreciation Expense	1,397,711	ĕ	1,397,711	=
Other Income	93,077	2	93,077	<u></u>
(Increase) Decrease in Current Assets	1,172,256	(15,710)	1,156,546	+
Increase (Decrease) in Current Liabilities	(343,195)	(162,352)	(505,547)	=
Net Cash Provided by Operating Activities	1,529,303	(190,876)	1,338,427	

Statement of Fiduciary Net Position April 30, 2015

ASSETS	PensionTrust	Agency
ASSETS		
Cash and Cash Equivalents	\$ 852,947	2,863,783
Cash with Fiscal Agent	g=.	293,021
Due from Other Funds	: <u></u>	12,612
Total Assets	852,947	3,169,416
LIABILITIES		
Account Payable	120	
Due to Park District and Village Parks	=	505,984
Due to School Districts	()	19,637
Due to Library Districts) (= :	86,282
Due to Fire Districts	-	21,004
Due to Others	:=	961
Due to Other Funds	:•	12,912
Due to Bondholders	<u> </u>	2,522,636
Total Liabilities	120	3,169,416
NET POSITION		
Net Position Restricted for Pensions	<u>852,827</u>	

Statement of Changes in Fiduciary Net Position For the Fiscal Year Ended April 30, 2015

	PensionTrust
Additions	
Contributions - Employer	\$ 208,600
Contributions - Plan Members	83,662
Total Contributions	292,262
Other Income	50
Investment Income	
Interest Earned	215
Net Change in Fair Value	
	215
Less Investment Expenses	E
Net Investment Income	215
Total Additions	292,527_
Deductions	
Administration	5,449
Benefits and Refunds	35,131_
T . 15 1	
Total Deductions	40,580
Change in Fiduciary Net Position	251,947
Net Position Restricted for Pensions	
Beginning	600,880
Ending	<u>852,827</u>

Notes to the Financial Statements April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Hampshire (Village), Illinois, is a municipal corporation governed by an elected president and six-member Board of Trustees. The Village's major operations include police protection, highway and street maintenance and reconstruction, planning and zoning, economic development, water, sewer and garbage services and general administrative services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP), except as described in the Basis of Presentation below. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

REPORTING ENTITY

The Village's financial reporting entity comprises the primary government, the Village of Hampshire.

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Village. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

Police Pension Employees Retirement System

The Village's sworn 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 pension board. Two members appointed by the Village's President, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining 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.

Although it is legally separate from the Village, the 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 police employees. The PPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the PPERS.

Notes to the Financial Statements April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Village's police protection, highway and street maintenance and reconstruction, planning and zoning, economic development and general administrative services are classified as governmental activities. The Village's water, sewer and garbage services are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations.

The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, police protection, highways and streets, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) changes 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 contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function or business-type activity) are normally covered by general revenue (property tax, sales tax, interest income, etc.). The Village allocates indirect costs to the proprietary funds for personnel who perform administrative services for those funds, along with other indirect costs deemed necessary for their operations, but are paid through the General Fund. This government-wide focus concentrates on the sustainability of the Village as an entity and the change in the Village's net position resulting from the current year's activities.

Notes to the Financial Statements April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements.

A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Village:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Village:

General fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

Notes to the Financial Statements April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements - Continued

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains seven non-major special revenue funds.

Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Village maintains one nonmajor debt service fund.

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains five major capital projects funds, the SSA 13 Improvement, Transportation Impact Fees, SSA 16 - 19 Improvements, SSA 14 Improvements and Public Use Funds. The SSA 13 Improvement Fund is used to account for the proceeds from the SSA 13 bond issue and the capital improvements benefiting SSA 13. The Transportation Impact Fees Fund is used to account for the proceeds of transportation impact fees and the improvements funded by the fees. The SSA 16 - 19 Improvements Fund is used to account for the proceeds from the SSA 16-19 bond issue and the capital improvements benefiting SSA 16 - 19. The SSA 14 Improvements Fund is used to account for the proceeds from the SSA 14 bond issue received by the Village and the capital improvements benefiting SSA 14. The Public Use Fund is used to account for the proceeds of public use impact fees and the improvements funded by the fees. The Village also maintains five non-major capital projects funds.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary fund of the Village:

Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains two major enterprise funds, the Water and Sewer Fund and the Garbage Fund. The Water and Sewer Fund is used to account for the provision of potable water and sewer services to the residents and businesses of the Village. The Garbage Fund is used to account for the provision of solid waste services to the residents and businesses of the Village financed by user fees.

Notes to the Financial Statements April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements - Continued

Proprietary Funds – Continued

Internal service funds are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the Village on a cost-reimbursement basis. The Village maintains one internal service fund, the Health Insurance Fund, which mitigates the burden of increases in health insurance costs. The Village has various arrangements for medical, dental and vision insurance coverage for employees. The Village's plan is to charge the department from which the employee is associated a set amount building net assets. The accumulated resources will be used in the future to lessen the amount of premium increases charged to employees and the employees' departments. The department charges account for the revenues in this fund.

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support Village programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

Pension trust funds are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund is used to account for the accumulation of resources to be used for disability and retirement annuity payments to employees covered by the plan. Financing is provided by employee contributions, the Village's contribution and investment income.

Agency funds are used to account for assets held by the Village in a purely custodial capacity. The agency fund is used to account for the collection and remittance of impact fees for the Park District, Library Districts, School District, and Fire Protection District and collection of taxes from special service areas 9, 14 and 16 through 19 and remittance to bondholders.

The Village's fiduciary funds are presented in the fiduciary fund financial statements by type (agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Notes to the Financial Statements April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All proprietary and fiduciary funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net position. Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, franchise taxes, licenses, interest revenue and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

Notes to the Financial Statements April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

All proprietary, pension trust and agency funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds are charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows," cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Prepaids

Prepaids are valued at cost, which approximates market. The cost of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements.

Notes to the Financial Statements April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Capital Assets

Capital assets purchased or acquired with an original cost of \$10,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. Infrastructure, such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement costs. Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated fair market value on the date donated.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings and Improvements	10 - 50 Years
Vehicles, Machinery and Equipment	5 - 20 Years
Underground Water/Sewer Lines	25 - 50 Years
Infrastructure	25 - 50 Years

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types 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 type Statement of Net Position. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

In the fund financial statements, governmental fund types 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 debt service expenditure.

Notes to the Financial Statements April 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted – All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles. All departments of the Village submit requests for budgets so that a budget may be prepared. The budget is prepared by fund, function, and activity, and includes information on the past year, current year estimates, and requested budgets for the next fiscal year.

The proposed budget is presented to the Village Board for review. The Village Board holds public hearings and may add to, subtract from, or change budgeted amounts, but may not change the form of the budget.

The Finance Director is authorized to transfer budgeted amounts within any fund; however, the Board of Trustees must approve any revisions that alter the total expenditures of any fund. State statues establish that expenditures may not legally exceed budgeted appropriations at the fund level. Appropriations lapse at the end of the fiscal year. No supplemental appropriations were made during the year.

Notes to the Financial Statements April 30, 2015

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

BUDGETARY INFORMATION – Continued

Budgets are prepared for all funds except the SSA 13 Improvement Fund, the SSA 16 - 19 Improvements Fund, the SSA 14 Improvements Fund, the SSA Bond 5-55 Fund, the Capital Improvements Fund, the Equipment Replacement Fund, the Early Warning Impact Fees and the Health Insurance Fund.

EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had an excess of actual expenditures/expenses, exclusive of depreciation, over budget for the fiscal year:

Fund		Excess	
General	\$	3,039	
Motor Fuel Tax		60,283	
Revolving Loan		1,231	
Special Service Areas		3,331	
Evidence		613	
Tax Increment Financing		281	
TIF Revenue Bonds of 2009A/Tuscany Woods Line of Credit		109,565	
Garbage		29,282	
Police Pension		30,555	

DEFICIT FUND BALANCE

The following funds reported deficit fund equity at year-end:

Fund		Deficit
Tax Increment Financing	\$	320,560
Capital Improvements		12,266

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

Notes to the Financial Statements April 30, 2015

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS – Continued

Permitted Deposits and Investments – Statutes 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 within the three highest classifications by at least two standard rating services, Illinois Funds and the Illinois Metropolitan Investment Fund.

The deposits and investments of the Pension Fund are held separately from those of other Village funds. Statutes authorize the Pension Fund to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Funds Market Fund (Formerly known as IPTIP, Illinois Public Treasurer's Investment Pool), or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies; and separate accounts of life insurance companies and mutual funds, the mutual funds must meet specific restrictions, provided the investment in separate accounts and mutual funds does not exceed ten percent of the Pension Fund's plan net position; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase. Pension Funds with plan net position of \$2.5 million or more may invest up to forty-five percent of plan net position in separate accounts of life insurance companies and mutual funds. Pension Funds with plan net position of at least \$5 million that have appointed an investment advisor, may through that investment advisor invest up to forty-five percent of the plan net position in common and preferred stocks that meet specific restrictions. In addition, pension funds with plan net position of at least \$10 million that have appointed an investment advisor, may invest up to fifty percent of its net position in common and preferred stocks and mutual funds that meet specific restrictions effective July 1, 2011 and up to fifty-five percent effective July 1, 2012.

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

Notes to the Financial Statements April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$2,998,263 and the bank balances totaled \$2,974,842. The Village also has \$862,080 invested in the Illinois Funds.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's investment policy states that the portfolio should be structured to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market and limiting investments to a maximum maturity of three years from purchase, unless designated for a specific purpose. The Village's investment in the Illinois Funds has an average maturity of less than one year.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village limits its exposure to credit risk by primarily investing in external investment pools. The Village's investment in the Illinois Funds was rated AAAm by Standard & Poor's.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held by an independent third-party custodian designated by the treasurer and evidenced by safekeeping receipts and a custodial agreement. At year-end \$129,550 of the bank balance of the deposits was not covered by federal depository or equivalent insurance, and represents cash at paying agent for debt service payments. The Village's investment in the Illinois Funds is not subject to custodial credit risk.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy states that investments shall be diversified to the best of the Village's ability based on the type of funds invested and the cash flow needs of those funds. At year-end, the Village has over 5 percent of the total cash and investment portfolio (other than U.S. Government guaranteed obligations) invested in the Illinois Funds.

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund's deposits totaled \$852,947 and the bank balances totaled \$854,241.

Interest Rate Risk. The Fund's investment policy states assets shall be sufficiently liquid to enable the Fund to pay all necessary benefits and meet all operating requirements which might be reasonably anticipated.

Notes to the Financial Statements April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk - Continued

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of bank failure, the Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Fund's investment policy states that investment contracts and agreements of life insurance companies licensed to do business in the state of Illinois shall be rated at least A+ by Moody's and AA+ by Standard and Poor's, and securities issued by the state of Illinois, or any county, township, or municipal corporation within the state of Illinois should not be rated less than Aa by Moody's or AA+ by Standard and Poor's.

Credit Risk. The Fund's investment policy limits credit risk by restricting investments to those allowed by the Illinois Pension Code, Illinois Compiled Statutes Chapter 40 Act 5 Articles 1 and 3, and the Public Funds Investment Act.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Fund's investment in a single issuer. The Fund's investment policy states that investments shall be undertaken in a manner that seeks to ensure the preservation of capital. As such, the Board has consciously diversified the aggregate fund to ensure that adverse or unexpected results will not have an excessively detrimental impact on the entire portfolio when possible. Diversification is to be interpreted to include diversification by asset type, characteristics, number of investments, and in the case of investment money managers, by investment style. At year-end, the Fund does not have any investments over 5 percent of net plan position available for retirement benefits (other than U.S. Government guaranteed obligations).

The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

		Long-Term
		Expected Real
Asset Class	Target	Rate of Return
Cash and Cash Equivalents	100%	0.0%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 10%. Securities in any one company should not exceed 5% of the total fund.

Notes to the Financial Statements April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk - Continued

Concentration Risk – Continued. The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in May 2015 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of April 30, 2015 are listed in the table above.

Rate of Return

For the year ended April 30, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 0.03%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

PROPERTY TAXES

Property taxes for 2014 attach as an enforceable lien on January 1, 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 County Collector and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically.

COMMUNITY DEVELOPMENT ASSISTANCE PROGRAM – REVOLVING LOAN FUND

The Village provides financing for qualified recipients under the Community Development Assistance Program (CDAP). Principal balances outstanding as of April 30, 2015 total \$128,806. Minimum future receipts from recipients under this program are as follows:

Fiscal			
Year	Principal	Interest	Total
2016	\$ 128,806	5,517	134,323

Notes to the Financial Statements April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 20,868,259	·##		20,868,259
Depreciable Capital Assets				
Buildings and Improvements	58,800			58,800
Vehicles and Equipment	1,131,980	48,688	83,112	1,097,556
Infrastructure	11,312,987	127,605		11,440,592
	12,503,767	176,293	83,112	12,596,948
Less Accumulated Depreciation				
Buildings and Improvements	47,140	1,060	=	48,200
Vehicles and Equipment	741,810	90,455	77,366	754,899
Infrastructure	1,367,503	270,611		1,638,114
	2,156,453	362,126	77,366	2,441,213
Total Net Depreciable Capital Assets	10,347,314	(185,833)	5,746	10,155,735
Total Net Capital Assets	31,215,573	(185,833)	5,746	31,023,994

Depreciation expense was charged to governmental activities as follows:

Public Safety	\$	40,294
Highways and Streets	· -	321,832
	N	
		362,126

Notes to the Financial Statements April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning			Ending
	Balances	Increases	Decreases	Balances
Nondepreciable Capital Assets				
Land	\$ 1,201,448	2	628	1,201,448
Construction in Progress	705,435	41,303	605,748	140,990
S	1,906,883	41,303	605,748	1,342,438
Depreciable Capital Assets				
Buildings	28,725,498	~	-	28,725,498
Machinery and Equipment	354,612	69,921		424,533
Underground Water and Sewer Lines	34,483,593	605,748	(=)	35,089,341
	63,563,703	675,669		64,239,372
Less Accumulated Depreciation				
Buildings	4,903,141	618,824	8	5,521,965
Machinery and Equipment	284,222	27,495	944	311,717
Underground Water and Sewer Lines	6,838,127	751,392		7,589,519
	12,025,490	1,397,711	######################################	13,423,201
Total Net Depreciable Capital Assets	51,538,213	(722,042)	<u>.</u>	50,816,171
Total Net Capital Assets	53,445,096	(680,739)	605,748	52,158,609

Depreciation expense was charged to business-type activities as follows:

Water and Sewer

\$ 1,397,711

Notes to the Financial Statements April 30, 2015

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund Balances

The composition of interfund balances as of the date of this report is as follows:

Receivable Fund	Payable Fund	Amount
General	Transportation Impact Fees	\$ 16,017
General	Public Use	99,494
General	Nonmajor Governmental	445,856
General	Water and Sewer	851,726
General	Garbage	16,902
General	Agency	9,162
Transportation Impact Fees	General	51,801
Transportation Impact Fees	Nonmajor Governmental	51,062
Transportation Impact Fees	Garbage	28,162
Public Use	General	585,577
Public Use	Agency	3,750
Nonmajor Governmental	General	604,610
Nonmajor Governmental	Nonmajor Governmental	13,653
Nonmajor Governmental	Water and Sewer	410,187
Water and Sewer	General	50,432
Water and Sewer	Nonmajor Governmental	22,651
Garbage	General	3,062
Garbage	Nonmajor Governmental	15,720
Health Insurance	General	35,520
Health Insurance	Water and Sewer	7,643
Agency	General	4,629
Agency	Transportation Impact Fees	7,983
·	•	
		3,335,599

Interfund balances are advances in anticipation of receipts.

Notes to the Financial Statements April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS - Continued

Interfund Transfers

Interfund transfers for the year consisted of the following:

Transfer In Transfer Out		Amount		
 General	Nonmajor Governmental	\$	115,263	
Nonmajor Governmental	General		90,000	
 Nonmajor Governmental	Transportation Impact Fees		24,000	
Nonmajor Governmental	Public Use		70,000	
Nonmajor Governmental	Water and Sewer	-	108,627	
		_	407,890	

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

LONG-TERM DEBT

Installment Contracts

The Village enters into installment contracts to provide funds for the acquisition of capital assets. Installment contracts currently outstanding are as follows:

Notes to the Financial Statements April 30, 2015

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT – Continued

Installment Contracts – Continued

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
International Plow Truck Installment Contract of 2011 - Due in monthly installments of \$2,533 including interest at 4.00% through May 1, 2016.	General S	\$ 60,613		28,457	32,156
Dodge Charger Installment Contract of 2012 - Due in annual installments of \$8,017 including interest at 6.50% through July 18, 2014.	General	7,527	ã <u>.</u>	7,527	<u>-</u>
Dodge Charger Installment Contract of 2013 - Due in annual installments of \$16,080 including interest at 4.00% through July 3, 2015.	General	29,275		14,177	15,098
Dodge Ram Installment Contract of 2013 Due in annual installments of \$10,511 including interest at 5.84% through January 28, 2016.	Water and Sewer	19,314	æ	9,383	9,931
International TerraStar Dump Truck with Plow Installment Contract of 2014 - Due in annual installments of \$25,912 including interest at 1.947% through July 9, 2016.	General	50,349	8 = :	24,932	25,417
Dodge Chargers Installment Contract of 2015 - Due in annual installments of \$16,075 including interest at 5.50% through June 13, 2016.	General _	÷	45,755	16,075	29,680_
	=	167,078	45,755	100,551	112,282

Notes to the Financial Statements April 30, 2015

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT – Continued

General Obligation Alternate Revenue Source Bonds

The Village issues bonds for which the Village pledges income derived from specific revenue sources to pay debt service. Alternate revenue source bonds further pledge the full faith and credit of the Village should the alternate revenue source be insufficient. Alternate revenue source bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation (Alternate Revenue Source) Bonds of 2006 - Due in annual installments of \$60,000 to \$135,000 plus interest of 4.10% - 5.00% through December 15, 2015.	Capital Bonds	\$ 90,000	8 2	90,000	·*
Taxable General Obligation Alternate Bonds of 2010 - Due in annual installments of \$51,564 to \$66,305 plus interest of 1.15% - 4.80% through December 15, 2020.	Water and Sewer	413,384	ā	53,325	360,059
General Obligation (Alternate Revenue Source) Refunding Bonds of 2012 - Due in annual installments of \$95,000 to	Capital Bonds	1,027,781		56,414	971,367
\$135,000 plus interest of 2.00% - 2.75% through December 15, 2023.	Water and Sewer	1,432,219	-	78,586	1,353,633
		2,963,384		278,325	2,685,059

Notes to the Financial Statements April 30, 2015

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

TIF Revenue Bonds

The Village issues bonds for which the Village pledges income derived from specific revenue sources to pay debt service. TIF revenue bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
TIF Revenue Bonds of 2009A - Due in annual installments of \$25,000 to \$215,000, plus interest of 5.25%, through December 15, 2028.	Tax Increment Financing §	1,295,000	- :	25,000	1,270,000

IEPA Loan

The Village has entered into an agreement with the IEPA to provide low interest financing for water and sewer improvements. IEPA revolving loan currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Loan of 2002 - Due in semi-annual installments of \$129,550 including interest at 2.675% through November 15, 2023.	Water and Sewer	\$ 2,260,237	- 2	199,967	2,060,270

Noncommitment Debt - Special Service Area Bonds

Special service area bonds outstanding as of the date of this report totaled \$20,447,459. These bonds are not an obligation of the government and are secured by the levy of an annual tax on the real property within the special service area. The government is in no way liable for repayment but is only acting as agent for the property owners in levying and collecting the tax, and forwarding the collections to bondholders.

Notes to the Financial Statements April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity

Changes in long-term liabilities during the fiscal year were as follows:

	Beginning			Ending	Amounts Due within
Type of Debt	Balances	Additions	Deductions	Balances	One Year
Governmental Activities					·
Compensated Absences	\$ 75,371	10,862	5,431	80,802	80,802
Net Pension Obligation	14,368	257	=	14,625	-
Installment Contracts	147,764	45,755	91,168	102,351	84,590
General Obligation Alternate	13.				
Revenue Bonds	1,117,781	= 0	146,414	971,367	126,000
TIF Revenue Bonds	1,295,000		25,000	1,270,000	30,000
	2,650,284	56,874	268,013	2,439,145	321,392
Business-Type Activities					
Compensated Absences	12,845	1,388	2,776	11,457	11,457
Installment Contracts	19,314	₩.	9,383	9,931	9,931
General Obligation Alternate					
Revenue Bonds	1,845,603	-	131,911	1,713,692	228,712
IEPA Loan	2,260,237	<u> </u>	199,967	2,060,270	205,352
	4 127 000	1 200	244.027	2.705.250	455.450
	4,137,999	1,388	344,037	3,795,350	455,452

For governmental activities, payments on the compensated absences, the net pension obligation, and the installment contracts are being made by the General Fund. The Capital Bonds Fund makes payments on the general obligation alternate revenue bonds. The Tax Increment Financing Fund makes payments on the TIF revenue bonds.

For business-type activities, the Water and Sewer Fund makes payments on the compensated absences, the installment contracts, general obligation alternate revenue bonds and IEPA loan.

Notes to the Financial Statements April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity

	-			Government	al Activities		
		Install	ment	General O	bligation	TIF Rev	venue
Fiscal		Contr	acts	Alternate Rev	enue Bonds	Bon	ds
Year		Principal	Interest	Principal	Interest	Principal	Interest
		-0:					
2016	\$	84,590	3,869	126,000	20,827	30,000	66,676
2017		17,761	847	132,300	18,307	30,000	65,100
2018		= 3	35	132,300	15,661	30,000	63,526
2019		9)	<u>}</u>	136,500	13,015	30,000	61,950
2020		# 5	94	138,600	10,285	30,000	60,376
2021		(* 3)	8.	142,800	7,513	35,000	58,800
2022		-	1/25	54,600	4,371	30,000	56,962
2023		=	() •	56,700	3,034	30,000	55,388
2024		5 0	0.75	51,567	1,559	35,000	53,812
2025		20	100	<u>=</u>	¥	185,000	51,975
2026		:=::		-	-	190,000	42,262
2027		<u>.</u>	1.5	E .	Ē	195,000	32,287
2028		12 6		<u>u</u>	= 1	205,000	22,050
2029				-	-	215,000	11,287
Total	_	102,351	4,716	971,367	94,571	1,270,000	702,451

Notes to the Financial Statements April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity – Continued

		Business-Type Activities					
		Instal	ment	General Ob	oligation		
Fiscal		Cont	racts	Alternate Reve	enue Bonds	IEPA :	Loan
Year	Pı	rincipal	Interest	Principal	Interest	Principal	Interest
2016	\$	9,931	580	228,712	43,537	205,352	53,748
2017		-	<u>u</u>	239,108	38,360	210,882	48,218
2018		90	. 	241,138	32,676	216,561	42,539
2019		-	₩)	249,276	26,684	222,392	36,708
2020		=:	949	254,820	20,271	228,381	30,719
2021		±0	180	263,505	13,557	234,530	24,570
2022		4	3	75,400	6,037	240,847	18,253
2023		724		78,300	4,189	247,333	11,767
2024		(€)		83,433	2,153	253,992	5,107
_ 	•						
Total		9,931	580	1,713,692	187,465	2,060,270	271,629

Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

Assessed Valuation - 2014	\$ 138,983,434
Legal Debt Limit - 8.625% of Assessed Value	11,987,321
Amount of Debt Applicable to Limit	
Legal Debt Margin	11,987,321

Notes to the Financial Statements April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of April 30, 2015:

Governmental Activities

Capital Assets - Net of Accumulated Depreciation		\$ 31,023,994
Less Capital Related Debt: Installment Contracts of 2011, 2012, 2013, 2014 and 2015	(102,351)	
General Obligation (ARS) Bonds of 2012	(971,367)	
TIF Revenue Bonds of 2009A	(1,270,000)	(2,343,718)
Net Investment in Capital Assets		28,680,276
Business-Type Activities		
Capital Assets - Net of Accumulated Depreciation		52,158,609
Less Capital Related Debt: Installment Contract of 2013	(9,931)	
	, ,	
General Obligation (ARS) Bonds of 2010	(360,059)	
General Obligation (ARS) Bonds of 2012	(1,353,633)	
IEPA Loan of 2002	(2,060,270)	(3,783,893)
Net Investment in Capital Assets		48,374,716

Notes to the Financial Statements April 30, 2015

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

		Capital Projects						
		Transportation					•	
		SSA 13	Impact	SSA 16 - 19	SSA 14	Public		
	General	Improvement	Fees	Improvements	Improvements	Use	Nonmajor	Totals
Fund Balances								
Nonspendable	\$ 58,709		- 3	3.		290	380	58,709
Restricted								
Police Impound Fees	12,568		:=0	9	2		-	12,568
Tree Replacement	70,172		(m)	: #		186	. 20	70,172
Highways and Streets		27	434,800	24	168,686		913,736	1,517,273
Public Safety	2	*	3.5	: **		3.63	5,967	5,967
Subdivision Maintenance	*	2		ê	_	3.53	51,175	51,175
Economic Development	*	₩.	3 2 6	*	-		1,016,375	1,016,375
Tourism	*	*	•	<u>-</u>	-	<u> </u>	46,000	46,000
Debt Service	5.	=	9.5	-	2	:20	8	8
Public Use				=	-	731,771		731,771
	82,740	27	434,800	24	168,686	731,771	2,033,261	3,451,309
Unassigned	291,270	*			<u> </u>	:•:	(332,826)	(41,556)
Total Fund Balances	432,719	27	434,800	24	168,686	731,771	1,700,435	3,468,462

Minimum Fund Balance Policy. The Villages policy manual states that the General Fund should maintain a minimum fund balance equal to no less than 10% and no more than 20% of the subsequent year's budgeted operating expenditures.

In the governmental funds financial statements, the Village considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Village first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

Notes to the Financial Statements April 30, 2015

NOTE 4 – OTHER INFORMATION

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. The Village has purchased insurance from private insurance companies. Risks covered included certain types of liabilities and bonds. Premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

CONTINGENT LIABILITIES

Litigation

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

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.

Sales Tax Rebates

The Village has a sales tax rebate agreements which was designed to induce a vendor to locate and retain their business within the Village. The first agreement originating in 2000, covered point-of-sale transactions within the Village. The agreement has been amended from time to time with the latest amendment occurring in 2010. The 2010 amendment calls for a rebate of 50% of the sales tax receipts received by the Village starting with the first dollar.

The first sales tax rebate is payable to the vendor each year once the August sales tax remittance has been received by the Village from the State of Illinois. As of April 30, 2015, sales tax rebates of \$33,611 were remitted. The Village has recorded this liability in the General Fund.

Notes to the Financial Statements April 30, 2015

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system, and the Police Pension Plan which is a single-employer pension plan. A separate report is issued for the Police Pension Plan and may be obtained by writing to the Village at 234 South State Street, PO Box 457, Hampshire, Illinois 60140. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

Plan Descriptions

Illinois Municipal Retirement System (IMRF)

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Participating members hired before January 1, 2011 (Tier 1) who retire at or after age 60 (full benefits) or age 55 (reduced benefits) with 8 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. For participating members hired on or after January 1, 2011 (Tier 2) who retire at or after age 67 (full benefits) or age 62 (reduced benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3 percent of their final rate (average of the highest 96 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Village is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer contribution and annual required contribution rate for calendar year 2014 was 12.77 percent.

Notes to the Financial Statements April 30, 2015

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Plan Descriptions - Continued

Police Pension Plan

Plan Administration. The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum 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 Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active police employees.

Plan Membership. At April 30, 2015, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	-
Inactive Plan Members Entitled to but not yet Receiving Benefits	-
Active Plan Members	12
Total	12

Benefits Provided. The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ 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 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent 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 percent of the original pension and 3 percent compounded annually thereafter.

Notes to the Financial Statements April 30, 2015

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Plan Descriptions - Continued

Police Pension Plan – Continued

Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police office retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent of ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions. Covered employees are required 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 and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2015, the Village's contribution was 24.39% of covered payroll.

Notes to the Financial Statements April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting. The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments. Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

Significant Investments. At year end, the Police Pension Plan has no investments (other than U.S. Government and U.S. Government-guaranteed obligations) in any one organization that represent 5 percent or more of net position available for benefits.

Related Party Transactions. There are no securities of the employer or any other related parties included in plan assets.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of April 30, 2015, using the following actuarial methods and assumptions:

	Police Pension
Actuarial Valuation Date	4/15/2015
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions Interest Rate	6.00%
Salary Increases	5.00%
Cost of Living Adjustments	2.00 - 3.00%
Inflation	2.50%

Mortality rates were based on the RP-2000 CHBCA Mortality Table. The actuarial assumptions used in the April 30, 2015 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

Notes to the Financial Statements April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Discount Rate

The discount rate used to measure the total pension liability was 6.00%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liabilities calculated using the discount rate as well as what the net pension liabilities would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	Current					
Police Pension	1% Decrease (5.00%)	Discount Rate (6.00%)	1% Increase (7.00%)			
Net Pension Liability	\$ 2,166,140	1,763,942	1,433,887			

Net Pension Liability

The components of the net pension liability of the Village's Plan as of April 30, 2015, calculated in accordance with GASB Statement No. 67, were as follows:

D 11

	77	Police Pension
Total Pension Liabiltiy Plan Fiduciary Net Position	\$	2,616,769 852,827
Village's Net Pension Liability	2 	1,763,942
Plan Fiduciary Net Position as a Percentage of the total Pension Liability		32.59%

See the Schedule of Changes in the Employer's Net Pension Liability and Related Ratios in the required supplementary information for additional information related to the funded status of the Fund.

Notes to the Financial Statements April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Trend Information

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

	Fiscal Year	IMRF	Police Pension
Annual Pension Cost	2013	\$ 86,104	\$ 121,222
(APC)	2014	70,097	140,444
	2015	68,712	208,587
Actual Contributions	2013	86,104	121,222
	2014	70,097	126,076
	2015	68,712	208,600
Percentage of APC	2013	100.00%	100.00%
Contributed	2014	100.00%	89.77%
	2015	100.00%	100.01%
Net Pension Obligation	2013	_	
a cuguita.	2014		14,368
	2015	=	14,625
			·

Annual Pension Cost and Net Pension Obligation

The pension liability as determined in accordance with GASB Statement No. 27, "Accounting for Pensions by State and Local Governmental Employers." The net pension obligation for the Police Pension Plan is as follows:

	Police
	Pension
Annual Required Contribution	\$ 208,601
Interest on Net Pension Obligation	862
Adjustment to Annual Required Contribution	(606)
Annual Pension Cost	208,857
Actual Contribution	208,600
Increase / Decrease to the NPO	257
NPO Beginning	14,368
NPO Ending	14,625
	- 1,020

Notes to the Financial Statements April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Annual Pension Cost and Net Pension Obligation - Continued

The actuarial assumptions and related plan information for the IMRF and Police Pension Plans are as follows:

	n mr	Police
	<u>IMRF</u>	Pension
Contribution Rates		
Employer	12.77%	24.39%
Employee	4.50%	9.91%
Zmproyee		
Actuarial Valuation Date	12/31/2014	4/30/2015
Actuarial Cost Method	Entry Age	Entry Age
	Normal	Normal
Amortization Method	Level % of	Level % of
Amortization Method	Projected Payroll	Projected Payroll
	Open Basis	Closed Basis
	Open Busis	Oloova Babis
Remaining Amortization Period	29 Years	26 Years
<u> </u>		
Asset Valuation Method	5-Year	Market
	Smoothed Market	
A 4 - 2.1 A		
Actuarial Assumptions Investment Rate of Return	7.50%	6.00%
investment Rate of Return	Compounded	Compounded
	Annually	Annually
	Annuarry	Timidally
Projected Salary Increases	.4 to 10.0%	5.00%
Inflation Rate Included	4.00%	2.50%
	2.009/	2.00 2.000/
Cost-of-Living Adjustments	3.00%	2.00 - 3.00%

Notes to the Financial Statements April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Funded Status and Funding Progress

The Village's funded status for the current year and related information for each plan is as follows:

	Illinois	
	Municipal	Police
	Retirement	Pension
Actuarial Valuation Date	12/31/14	4/30/15
Percent Funded	132.02%	32.59%
Actuarial Accrued Liability for Benefits	\$1,264,244	\$2,616,769
Actuarial Value of Assets	\$1,668,999	\$852,827
Over (Under) Funded Actuarial Accrued Liability (UAAL)	\$404,755	(\$1,763,942)
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$538,077	\$855,320
Ratio of UAAL to Covered Payroll	(75.22%)	206.23%

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

Notes to the Financial Statements April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

The Village has evaluated its potential other post-employment benefits liability. Former employees who choose to retain their rights to health insurance through the Village are required to pay 100% of the current premium. However, no former employees have chosen to stay in the Village's health insurance plan. Therefore, there has been 0% utilization and, no implicit subsidy to calculate in accordance with GASB Statement No. 45, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions. Additionally, the Village had no former employees for which the Village was providing an explicit subsidy and no current employees with agreements for future explicit subsidies upon retirement. Therefore, the Village has not recorded any post-employment benefit liability as of April 30, 2015.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Funding Progress and Employer Contributions Illinois Municipal Retirement Fund Police Pension Fund
- Schedule of Employer Contributions
 Illinois Municipal Retirement Fund
 Police Pension Fund
- Schedule of Changes in the Employer's Net Pension Liability Police Pension Fund
- Schedule of Investment Returns Police Pension Fund
- Budgetary Comparison Schedule General Fund

Notes to the Required Supplementary Information

• Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

Illinois Municipal Retirement Fund

Required Supplementary Information Schedule of Funding Progress and Employer Contributions April 30, 2015

Funding Pro	gres	S							
				(2)			(4) Unfunded		(6) Unfunded (Overfunded) Actuarial Accrued Liability
		(1)		Actuarial			Omunaea Overfunded)		as a
		Actuarial		Accrued	(3)	(-	Actuarial	(5)	Percentage
Actuarial		Value		Liability	Funded		Accrued	Annual	of Covered
Valuation		of Plan		(AAL)	Ratio		Liability	Covered	Payroll
Dec. 31		Assets		Entry Age	$(1) \div (2)$		(2) - (1)	Payroll	$(4) \div (5)$
2009 2010	\$	1,580,847 1,782,282	\$	2,104,546 2,317,563	75.12% 76.90%	\$	523,699 535,281	\$ 1,334,950 1,163,715	39.23% 46.00%
2011		1,378,253		2,181,700	63.17%		803,447	1,184,048	67.86%
2012		1,555,670		2,000,925	77.75%		445,255	559,041	79.65%
2013		1,556,834		1,208,960	128.77%		(347,874)	584,631	(59.50%)
2014		1,668,999		1,264,244	132.02%		(404,755)	538,077	(75.22%)
Employer Co	ontri	butions					Annual		
Fiscal				Employer			Required		Percent
Year			С	ontributions		C	ontribution		Contributed
2010			\$	125,218		\$	125,218		100.00%
2011			Ψ	119,630		Ψ	119,630		100.00%
2012				126,101			126,101		100.00%
2013				86,104			86,104		100.00%
2014				70,097			70,097		100.00%
2015				68,712			68,712		100.00%

Police Pension Fund

Required Supplementary Information Schedule of Funding Progress and Employer Contributions April 30, 2015

Funding P	rogre	ss							
							(4)		(6) Unfunded (Overfunded) Actuarial Accrued
				(2)			Unfunded		Liability
		(1)		Actuarial	(5)	,	overfunded)	(5)	as a
		Actuarial		Accrued	(3)		Actuarial	(5)	Percentage
Actuarial		Value		Liability	Funded		Accrued	Annual	of Covered
Valuation		of Plan	,	(AAL)	Ratio		Liability	Covered	Payroll
Apr. 30		Assets		Entry Age	$(1) \div (2)$		(2) - (1)	Payroll	$(4) \div (5)$
2009	\$	N/A	\$	N/A	N/A	\$	N/A	\$ N/A	N/A
2010		N/A		N/A	N/A		N/A	N/A	N/A
2011		N/A		N/A	N/A		N/A	N/A	N/A
2013		403,239		2,448,519	16.47%		2,045,280	745,796	274.24%
2014		600,880		2,413,011	24.90%		1,812,131	786,835	230.31%
2015		852,827		2,616,769	32.59%		1,763,942	855,320	206.23%
Employer	Cont	ributions							
							Annual		
Fiscal]	Employer			Required		Percent
Year			Сс	ntributions		C	ontribution		Contributed
2010			\$	N/A		\$	N/A		N/A
2011				N/A			N/A		N/A
2012				N/A			N/A		N/A
2013				121,222			121,222		100.00%
2014				126,076			140,444		89.77%
2015				208,600			208,601		100.00%

N/A - The Village established a Police Pension Fund effective May 1, 2012.

Police Pension Fund

Required Supplementary Information Schedule of Employer Contributions April 30, 2015

Fiscal Year	D	ctuarially etermined ontribution	in the D	ontributions Relation to Actuarially etermined ontribution	Е	tribution xcess/ ficiency)	Covered- Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2015	\$	208,601	\$	208,600	\$	(1)	\$ 855,320	24.39%

Notes to the Required Supplementary Information:

Actuarial Valuation Date	April 30, 2015
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	26 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.50%
Salary Increases	5.00%
Investment Rate of Return	6.00%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP 2000 CHBCA

Note: The information presented above is formatted to comply with the requirement of GASB Statement No. 67.

Police Pension Fund

Required Supplementary Information Schedule of Changes in the Employer's Net Pension Liability April 30, 2015

	_	2015
Total Pension Liability		
Service Cost	\$	154,285
Interest	•	143,727
Changes in Benefit Terms		a n
Differences Between Expected and Actual Experience		(176,846)
Change of Assumptions		117,723
Benefit Payments, Including Refunds of Member Contributions	-	(35,131)
Net Change in Total Pension Liability		203,758
Total Pension Liability - Beginning	•	2,413,011
Total Pension Liability - Ending	_	2,616,769
Plan Fiduciary Net Position		
Contributions - Employer	\$	208,600
Contributions - Members		83,662
Contributions - Other		50
Net Investment Income Renefit Poyments, Including Refunds of Marchan Contributions		215
Benefit Payments, Including Refunds of Member Contributions Administrative Expense		(35,131)
Administrative Expense	-	(5,449)
Net Change in Plan Fiduciary Net Position		251,947
Plan Net Position - Beginning		600,880
Plan Net Position - Ending	_	852,827
Employer's Net Pension Liability	\$	1,763,942
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		32.59%
Covered-Employee Payroll	\$	855,320
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll		206.23%

Police Pension Fund

Required Supplementary Information Schedule of Investment Returns April 30, 2015

	Annual Mone Weighted Rat
	of Return, Ne
Fiscal	of Investment
Year	Expense
2015	0.03%

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended April 30, 2015

		Budget				
	Origin		Final	Actual		
Revenues						
Taxes	\$ 2,421	,469	2,421,469	2,545,363		
Charges for Services	85	,300	85,300	231,695		
Licenses and Permits	235	,850	235,850	216,825		
Fines and Forfeits	70	,000	70,000	59,316		
Investment Income	1	,000	1,000	365		
Miscellaneous Income	177	,470	177,470	342,504		
Total Revenues	2,991	,089	2,991,089	3,396,068		
Expenditures						
General Government	889	,012	889,012	838,133		
Police Protection	1,696	•	1,696,077	1,754,194		
Highways and Streets	•	,825	472,825	430,007		
Planning and Zoning		,384	2,384	861		
Debt Service		,	Ź			
Principal Retirement	56	5,889	56,889	94,653		
Interest and Fiscal Charges	12	2,435	12,435	14,813		
Total Expenditures	3,129	,622	3,129,622	3,132,661		
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	(138	3,533)	(138,533)	263,407		
Other Financing Sources (Uses)						
Debt Issuance		e	: <u>-</u>	45,755		
Transfers In	230),888	230,888	115,263		
Transfers Out	(90),000)	(90,000)	(90,000)		
	-),888	140,888	71,018		
Net Change in Fund Balance	2	2,355	2,355	334,425		
Fund Balance - Beginning				98,294		
Fund Balance - Ending				432,719		

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules Major Governmental Funds
- Combining Statements Nonmajor Governmental Funds
- Budgetary Comparison Schedules Nonmajor Governmental Funds
- Budgetary Comparison Schedules Enterprise Funds
- Budgetary Comparison Schedule Police Pension Pension Trust Fund
- Statement of Changes in Assets and Liabilities Agency Fund

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

The General Fund accounts for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

Special Revenue Funds are created to account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditure for specified purposes.

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for the maintenance and construction of streets and roads as approved by the Illinois Department of Transportation.

Road and Bridge Fund

The Road and Bridge Fund is used to account for the revenues and expenditures associated with the maintenance of local roads. Revenue is provided through a tax levy.

Revolving Loan Fund

The Revolving Loan Fund is used to account for the revenues and expenditures associated with the business development loans made.

Special Service Areas Fund

The Special Service Areas Fund is used to account for the revenues and expenditures used in the maintenance of various special service areas in the Village.

Evidence Fund

The Evidence Fund is used to account for the resources provided by the seizure of assets through application of the local and state laws.

Tax Increment Financing Fund

The Tax Increment Financing Fund is used to account for expenditures of incremental property taxes and sales tax generated in the designated downtown Tax Increment Financing area.

Hotel/Motel Tax Fund

The Hotel/Motel Tax Fund is used to account for the revenues and expenditures associated with the collection of the hotel/motel tax within the Village.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

DEBT SERVICE FUND

Debt Service Funds are created to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

SSA Bond Fund 5-55

The SSA Bond Fund 5-55 Fund is used to account for the accumulation of money used for the future payments of SSA #5 outstanding debts.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are created to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by Proprietary Funds.

SSA 13 Improvement Fund

The SSA 13 Improvements Fund is used to account for the proceeds from the SSA 13 bond issue (reported as contributions from property owners), received by the Village and the capital improvements benefiting SSA 13.

Transportation Impact Fees Fund

The Transportation Impact Fees Fund is used to account for the proceeds of transportation impact fees charged by the Village and the improvements funded by the fees.

SSA 16 – 19 Improvements Fund

The SSA Improvements Fund is used to account for the proceeds from the SSA 16 - 19 bond issue (reported as contributions from property owners), received by the Village and the capital improvements benefiting SSA 16 - 19.

SSA 14 Improvements Fund

The SSA 14 Improvements Fund is used to account for the proceeds from the SSA #14 bond issue (reported as contributions from property owners), received by the Village and the capital improvements benefiting SSA #14.

Public Use Fund

The Public Use Fund is used to account for the proceeds of public use impact fees charged by the Village and the improvements funded by the fees.

Capital Improvements Fund

The Capital Improvements Fund is used to account for transfers from other funds for various construction projects.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

CAPITAL PROJECTS FUNDS - Continued

TIF Revenue Bonds of 2009A/Tuscany Woods Line of Credit Fund

The TIF Revenue Bonds of 2009A/Tuscany Woods Line of Credit Fund is used to account for servicing projects related to the TIF Revenue Bonds of 2009A and the Tuscany Woods line of credit.

Capital Bonds Fund

The Capital Bonds Fund is used to account for the proceeds of the 2006 Alternate Revenue Source Bonds and 2012 Alternate Revenue Source Bonds to construct various Village improvements.

Equipment Replacement Fund

The Equipment Replacement Fund is used to account for the purchase of replacement vehicles for the Village fleet. Revenue is provided through excess funds.

Early Warning Impact Fees Fund

The Early Warning Impact Fees Fund is used to account for proceeds of early warning impact fees charged by the Village and the improvements funded by the fees.

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

Water and Sewer Fund

The Water and Sewer Fund is used to account for the provision of water and sewer services to the residents and businesses of the Village financed by user fees.

Garbage Fund

The Garbage Fund is used to account for the provision of solid waste services to the residents and businesses of the Village financed by user fees.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

INTERNAL SERVICE FUND

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies, or to other governmental units, on a cost-reimbursement basis.

Health Insurance Fund

The Health Insurance Fund is used to mitigate the burden of increases in health insurance costs. The Village has various arrangements for medical, dental and vision insurance coverage for employees. The Village's plan is to charge the department from which the employee is associated a set amount building net assets. The accumulated resources will be used in the future to lessen the amount of premium increases charged to employees and the employees' departments. The department charges account for the revenues in this fund.

TRUST AND AGENCY FUNDS

PENSION TRUST FUND

Police Pension Fund

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the police force at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

AGENCY FUND

The Agency Fund is used to account for the collection and remittance of impact fees for the Park District, Library Districts, School District and Fire Protection District and the collection of taxes from special service areas 9, 14, and 16 through 19 and related remittance to the bondholders.

General Fund

Schedule of Revenues - Budget and Actual For the Fiscal Year Ended April 30, 2015

	Budg		
	Original	Final	Actual
Taxes			
Property Taxes	\$ 763,357	763,357	764,120
Sales and Use Taxes	695,070	695,070	775,557
State Income Taxes	516,858	516,858	544,840
Replacement Taxes	20,524	20,524	22,493
Utility Taxes	425,660	425,660	438,353
	2,421,469	2,421,469	2,545,363
			;
Charges for Services	85,300	85,300	231,695
Licenses and Permits	235,850	235,850	216,825
Fines and Forfeits	70,000	70,000	59,316
Investment Income	1,000	1,000	365
Miscellaneous Income	177,470	177,470	342,504
Total Revenues	2,991,089	2,991,089	3,396,068

General Fund

Schedule of Expenditures - Budget and Actual For the Fiscal Year Ended April 30, 2015

	Bud	Budget		
	Original	Final	Actual	
General Government				
Personal Services	\$ 301,923	301,923	237,034	
Contractual Services	498,539	498,539	517,660	
Commodities	13,500	13,500	12,080	
Other Expenditures	48,000	48,000	41,359	
Capital Outlay	27,050	27,050	30,000	
oup.uii outiuj	889,012	889,012	838,133	
		007,012	030,133	
Police Protection				
Personal Services	1,382,727	1,382,727	1,441,369	
Contractual Services	175,100	175,100	177,021	
Commodities	81,800	81,800	66,444	
Capital Outlay	56,450	56,450	69,360	
	1,696,077	1,696,077	1,754,194	
Highways and Streets				
Personal Services	280,325	280,325	279 722	
Contractual Services	133,850	133,850	278,732	
Commodities	57,900	57,900	113,334	
Other Expenditures	750	· ·	37,409	
Other Experientures	472,825	750	532	
	4/2,823	472,825	430,007	
Planning and Zoning				
Personal Services	1,884	1,884	861	
Contractual Services	500	500	-	
	2,384	2,384	861	
Debt Service				
Principal Retirement	56,889	56,889	94,653	
Interest and Fiscal Charges	12,435	12,435	14,813	
	69,324	69,324	109,466	
Total Expenditures	3,129,622	3,129,622	3,132,661	

Transportation Impact Fees - Capital Projects Fund

	Budg		
	Original	Final	Actual
Revenues			
Charges for Services	\$ 163,600	163,600	124,336
Investment Income	40	40	1
Total Revenues	163,640	163,640	124,337
Expenditures			
Streets and Highways	54,000	54,000	2,400
Excess (Deficiency) of Revenues Over (Under) Expenditures	109,640	109,640	121,937
Other Financing (Uses) Transfers Out	(70,000)	(70,000)	(24,000)
Net Change in Fund Balance	39,640	39,640	97,937
Fund Balance - Beginning			336,863
Fund Balance - Ending			434,800

Public Use - Capital Projects Fund

	Budget			
		Original	Final	Actual
Revenues				
Intergovernmental	\$	100,000	100,000	79,498
Investment Income		110	110	223
Total Revenues	-2	100,110	100,110	79,721
Expenditures General Government		(#1	- 8	
Excess (Deficiency) of Revenues Over (Under) Expenditures		100,110	100,110	79,721
Other Financing (Uses) Transfers Out		(225,000)	(225,000)	(70,000)
Net Change in Fund Balance	-	(124,890)	(124,890)	9,721
Fund Balance - Beginning				722,050
Fund Balance - Ending				731,771

Nonmajor Governmental Funds

Combining Balance Sheet April 30, 2015

See Following Page

Nonmajor Governmental Funds

Combining Balance Sheet April 30, 2015

	Special Revenue						
					Special		Tax
	_	Motor	Road and	Revolving	Service		Increment
	I	Fuel Tax	Bridge	Loan	Areas	Evidence	Financing
ASSETS							
Cash and Investments	\$	39,753	6,046	887,569	93,555	6,130	48,139
Receivables - Net of Allowances Property Taxes		_	108,548		40,400		17,234
Other Taxes		12,938	100,540		40,400		17,237
Due from Other Funds		106,797	248,954	; - :	_	· · · · · · · · · · · · · · · · · · ·	
Notes Receivable		-	2-10,23-1	128,806	1	#)	<u> </u>
110100 110001110010				1=0,000			
Total Assets	_	159,488	363,548	1,016,375	133,955	6,130	65,373
LIABILITIES							
Accounts Payable		3,547		1	188	163	9
Accrued Payroll		_	2#	2=5	1,238	(4)	-
Due to Other Funds		-	-	: * :	40,954	-	368,699
Total Liabilities		3,547	I iii	<u>=</u>	42,380	163	368,699
DEFERRED INFLOWS OF RESOURCES							
Property Taxes		-	108,548		40,400	(+)	17,234
Total Liabilities and Deferred Inflows of Resources		3,547	108,548	~	82,780	163	385,933
FUND BALANCES							
Restricted		155,941	255,000	1,016,375	51,175	5,967	-
Unassigned			=======================================	-,010,070	= 1,1,0	-	(320,560)
Total Fund Balances	_	155,941	255,000	1,016,375	51,175	5,967	(320,560)
Total Liabilities, Deferred Inflows of							
Resources and Fund Balances	_	159,488	363,548	1,016,375	133,955	6,130	65,373

	Debt		Capit	al Projects			
	Service	<u> </u>	TIF Revenue				
Hotel/	SSA		Bonds of 2009A/			Early	
Motel	Bond	Capital	Tuscany Woods	Capital	Equipment	Warning	m . 1
Tax	Fund 5-55	Improvements	Line of Credit	Bonds	Replacement	Impact Fees	Totals
50,448	2,531	27	65,621	8,663	470	2,972	1,211,924
**	8	-	¥	:=6	-	*	166,182
-	=	: 	-	3.8	-	S=1	12,938
0.5	=		171,360	454,491	46,848	2 <u>4</u> 5	1,028,450
		:=1	-		*	()	128,806
50,448	2,531	27	236,981	463,154	47,318	2,972	2,548,300
=							
-	<u> 22</u> 71.	≈	127,605	:=:		3 =	131,503
-	:=):	0.■	<u>.</u> ≡8	漂	€.	3 €	1,238
4,448	2,523	12,293	29,763	52,587	37,598	77	548,942
4,448	2,523	12,293	157,368	52,587	37,598	77	681,683
		<u> </u>		<u> </u>	<u> </u>	<u> </u>	166,182
4,448	2,523	12,293	157,368	52,587	37,598	77	847,865
46,000	8	÷	79,613	410,567	9,720	2,895	2,033,261
-	**	(12,266)		-	:#E	-	(332,826)
46,000	8	(12,266)	79,613	410,567	9,720	2,895	1,700,435
		-					2
50,448	2,531	27	236,981	463,154	47,318	2,972	2,548,300

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances For the Fiscal Year Ended April 30, 2015

	Special Revenue					
				Special		Tax
	Motor		Revolving	Service		Increment
	Fuel Tax	Bridge	Loan	Areas	Evidence	Financing
Revenues						
Taxes	\$ -	115,263	-	40,057	-	17,952
Charges for Services		.	(¥ <u>=</u>	7#E	=	- · ,
Intergovernmental	181,357	=	5€	3.5	2,697	-
Investment Income	9	9	3,978	-	9	4
Miscellaneous	:=::	_	//=	200	*	-
Total Revenues	181,366	115,272	3,978	40,057	2,706	17,956
Expenditures						
General Government			1 211		0.112	1.750
	150 292		1,311	41.200	2,113	1,750
Highways and Streets Debt Service	150,283	-	:- <u>-</u> :	41,389	-	-
						01.515
Principal Retirement	<u>=</u>	\$		7.5		21,515
Interest and Fiscal Charges Total Expenditures	150,283		1,311	41 200	2 112	58,484
Total Expellutures	130,263	<u></u>	1,311	41,389	2,113	81,749
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	31,083	115,272	2,667	(1,332)	593	(63,793)
•	¥					
Other Financing Sources (Uses)						
Transfers In	₩)	÷.	-	i.	=	5 5 0
Transfers Out	940	(115,263)	8=	: <u>-</u>	2	20
		(115,263)	18	(#	-	
Net Change in Fund Balances	31,083	9	2,667	(1,332)	593	(63,793)
Fund Balances - Beginning	124,858	254,991	1,013,708	52,507	5,374	(256,767)
Fund Balances - Ending	155,941	255,000	1,016,375	51,175	5,967	(320,560)

				al Projects			
	Debt		TIF Revenue				
Hotel/	Service		Bonds of 2009A/			Early	
Motel	SSA	Capital	Tuscany Woods	Capital	Equipment	Warning	
Tax	Bond 5-55	Improvements	Line of Credit	Bonds	Replacement	Impact Fees	Totals
÷							
							4000##
19,683	. = 0	•	5₹	-	5.		192,955
	₹4	8	=	-	-	191	191
: = :	= 5	-	30€	: 	(m)	250	184,054
64	4	-	9 5	30		-	4,107
<u> </u>	=	2	2,827		(#)	290	2,827
19,747	4	-	2,827	30		191	384,134
10,000	-	=	57	7.5	-	-	15,174
=	•	ž1	154,565	©	24	345	346,237
=		24	5	146,414	-	(- 6	167,929
		Na.	= =====================================	26,025	2=	1=	84,509
10,000	7#1	# 0	154,565	172,439	8 5 8	651	613,849
9,747	4	æ	(151,738)	(172,409)	35	191	(229,715)
-	<u>}.=</u> 1		訊	292,627	105	(A)	292,627
y	•	<u> </u>	9	2	16	í E	(115,263)
=======	3 -	:=:		292,627		198	177,364
9,747	4	-	(151,738)	120,218	2	191	(52,351)
36,253	4	(12,266)	231,351	290,349	9,720	2,704	1,752,786
46,000	8	(12,266)	79,613	410,567	9,720	2,895	1,700,435

Motor Fuel Tax - Special Revenue Fund

	Budg	et		
	Original	Final	Actual	
Revenues Intergovernmental				
Motor Fuel Tax Allotments Investment Income	\$ 128,422 	128,422	181,357 9	
Total Revenues	128,422	128,422	181,366	
Expenditures Highways and Streets	90,000	90,000	150,283	
Net Change in Fund Balance	38,422	38,422	31,083	
Fund Balance - Beginning			124,858_	
Fund Balance - Ending			155,941	

Road and Bridge - Special Revenue Fund

	Budg		
	Original	Final	Actual
Revenues			
Taxes			
	\$ 113,182	113,182	115,263
Property Taxes			113,203
Replacement Taxes	1,400	1,400	
Investment Income		111 500	9
Total Revenues	114,582	114,582	115,272
Expenditures			
Highways and Streets	-	<u>=</u>	<u> </u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	114,582	114,582	115,272
Other Financing (Uses)			
Transfers Out	(113,182)	(113,182)	(115,263)
Net Change in Fund Balance	1,400	1,400	9
Fund Balance - Beginning			254,991
Fund Balance - Ending			255,000

Revolving Loan - Special Revenue Fund

	Budget			
	Original		Final	Actual
Revenues Investment Income	\$	800	800	3,978
Expenditures General Government	4	80	80	1,311
Net Change in Fund Balance		720	720	2,667
Fund Balance - Beginning				1,013,708
Fund Balance - Ending				1,016,375

Special Service Areas - Special Revenue Fund

	Budget			
	Ori	ginal	Final	Actual
Revenues Taxes Property Taxes	\$ 3	39,592	39,592	40,057
Expenditures Highways and Streets	3	38,058	38,058	41,389
Net Change in Fund Balance	-	1,534	1,534	(1,332)
Fund Balance - Beginning				52,507_
Fund Balance - Ending				51,175

Evidence - Special Revenue Fund

	Original		Final	Actual
Revenues				
Intergovernmental				
Evidence Money/DUI/Drug	\$	1,000	1,000	2,697
Investment Income	-	4	4	9
Total Revenues	:54	1,004	1,004	2,706
Expenditures General Government	-	1,500	1,500	2,113
Net Change in Fund Balance	-	(496)	(496)	593
Fund Balance - Beginning				5,374
Fund Balance - Ending				5,967

Tax Increment Financing - Special Revenue Fund

	Dudo	Dudoot		
	Budg Original	Final	Actual	
	3.18	1 11101	7 TOTALLI	
Revenues				
Taxes				
Property Taxes	\$ 17,952	17,952	17,952	
Investment Income			4	
Total Revenues	17,952	17,952	17,956	
Expenditures				
General Government				
Professional Services	1,500	1,500	1,750	
Debt Service	•	,	,	
Principal Retirement	21,500	21,500	21,515	
Interest and Fiscal Charges	58,468	58,468	58,484	
Total Expenditures	81,468	81,468	81,749	
Net Change in Fund Balance	(63,516)	(63,516)	(63,793)	
Fund Balance - Beginning			(256,767)	
Fund Balance - Ending			(320,560)	

Hotel/Motel Tax - Special Revenue Fund

	Budget			
	Original		Final	Actual
Revenues				
Taxes				
Hotel/Motel Tax	\$	15,000	15,000	19,683
Investment Income		25	25	64
Total Revenues	:	15,025	15,025	19,747
Expenditures General Government	ş	19,000	19,000	10,000
Net Change in Fund Balance	-	(3,975)	(3,975)	9,747
Fund Balance - Beginning				36,253
Fund Balance - Ending				46,000

TIF Revenue Bonds of 2009A/Tuscany Woods Line of Credit - Capital Projects Fund

	Budge		
	Original	Final	Actual
Revenues			
Miscellaneous	\$	-	2,827
Expenditures			
Highways and Streets	45,000	45,000	154,565
Net Change in Fund Balance	(45,000)	(45,000)	(151,738)
Fund Balance - Beginning			231,351_
Fund Balance - Ending			79,613

Capital Bonds - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2015

	Budget			
	Original	Final	Actual	
D.				
Revenues			2.0	
Investment Income	\$ -	<u> </u>	30	
Expenditures				
Debt Service				
Principal Retirement	146,150	146,150	146,414	
Interest and Fiscal Charges	148,205	148,205	26,025	
Total Expenditures	294,355	294,355	172,439	
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(294,355)	(294,355)	(172,409)	
Other Financing Sources				
Transfers In	294,627	294,627	292,627	
Net Change in Fund Balance	272	272	120,218	
Fund Balance - Beginning			290,349	
Fund Balance - Ending			410,567	

Water and Sewer - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual For the Fiscal Year Ended April 30, 2015

	Budg	pet	
	Original	Final	Actual
Operating Revenues			
Charges for Services	\$ 1,608,453	1,608,453	1,753,881
Operating Expenses			
Operations			
Water Department	595,505	595,505	563,266
Sewer Department	597,382	597,382	540,042
System Improvements	57,011	57,011	43,408
Depreciation	-	\$ = 7	1,397,711
Total Operating Expenses	1,249,898	1,249,898	2,544,427
Operating Income (Loss)	358,555	358,555	(790,546)
Nonoperating Revenues (Expenses)			
Tap On Fees	-	_	68,035
Investment Income	66,880	66,880	12
Grant	•	-	25,000
Other Income	•	-	42
Interest and Fiscal Charges	(75,297)	(75,297)	(98,080)
	(8,417)	(8,417)	(4,991)
Income (Loss) Before Transfers	350,138	350,138	(795,537)
Transfers Out	(108,627)	(108,627)	(108,627)
Change in Net Position	241,511	241,511	(904,164)
Net Position - Beginning			49,390,554
Net Position - Ending			48,486,390

Water and Sewer - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual For the Fiscal Year Ended April 30, 2015

	Budget		
	Original	Final	Actual
Operations			
Water Department			
Personal Services	\$ 125,448	105 440	110.005
Contractual Services	,	125,448	110,985
Commodities	373,457	373,457	373,498
Miscellaneous	83,850	83,850	66,033
Miscenaneous	12,750	12,750	12,750
	595,505	595,505	563,266
Sewer Department			
Personal Services	144,220	144,220	154,022
Contractual Services	370,537	370,537	292,921
Commodities	50,375	50,375	62,849
Miscellaneous	32,250	32,250	30,250
	597,382	597,382	540,042
		,	
Total Operations	1,192,887	1,192,887	1,103,308
System Improvements			
Water Department	57,011	57.011	12 109
water Department	37,011	57,011	43,408
Depreciation			
Water Department	¥:	2	487,925
Sewer Department	5	-	909,786
- F			303,700
Total Depreciation	. = 3	<i>≥</i>	1,397,711
 	1)		1,00,,,11
Total Operating Expenses	1,249,898	1,249,898	2,544,427

Garbage - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual For the Fiscal Year Ended April 30, 2015

	Budget			
	Original	Final	Actual	
Operating Revenues Charges for Services	\$ 432,582	432,582	453,658	
Operating Expenses Operations Sewer Department	437,190	437,190	466,472	
Change in Net Position	(4,608)	(4,608)	(12,814)	
Net Position - Beginning			38,681_	
Net Position - Ending			25,867	

Police Pension - Pension Trust Fund

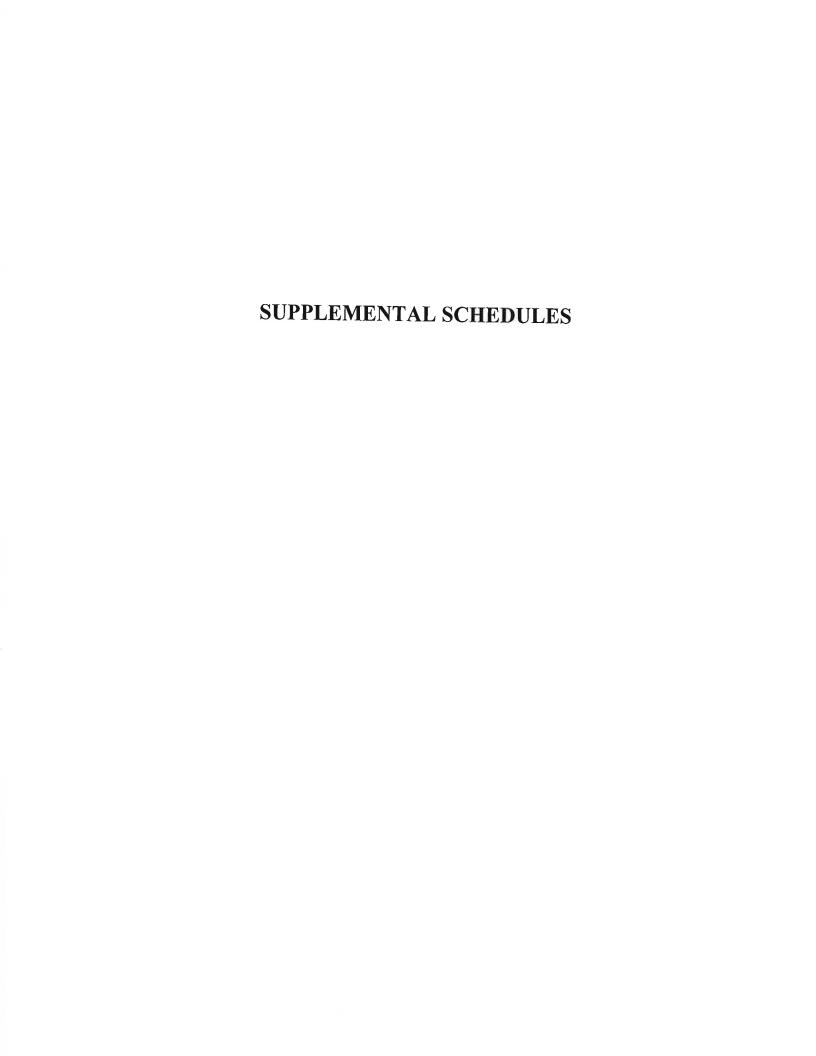
Schedule of Changes in Fiduciary Net Position - Budget and Actual For the Fiscal Year Ended April 30, 2015

	Budg	et	
	Original	Final	Actual
Additions			
Contributions - Employer	\$ 208,000	208,000	208,600
Contributions - Plan Members	79,483	79,483	83,662
Total Contributions	287,483	287,483	292,262
Other Income			
			50
Investment Income			
Interest Earned	75	75	215
Net Change in Fair Value	<u></u>	<u> </u>	
	75	75	215
Less Investment Expenses	· <u> </u>	X	
Net Investment Income	75	75	215
Total Additions	287,558	287,558	292,527
Deductions			
Administration	10,025	10,025	5,449
Benefits and Refunds		<u> </u>	35,131
Total Deductions	10,025	10,025	40,580
Change in Fiduciary Net Position	277,533	277,533	251,947
Net Position Restricted for Pensions			COO 990
Beginning			600,880
Ending			852,827

Agency Fund

Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended April 30, 2015

		ginning nlances	Additions	Deductions	Ending Balances
ASSETS					
Cash with Fiscal Agent Cash and Cash Equivalents	\$	296,491	293,021	,	293,021
Due from Other Funds		96,537	2,863,783 12,612	, ,	2,863,783 12,612
Total Assets	3	,323,725	3,169,416	3,323,725	3,169,416
LIABILITIES					
Due to Park District and Village Parks Due to School Districts		542,390	505,984	,	505,984
Due to Library Districts		156,180 75,225	19,637 86,282	,	19,637 86,282
Due to Fire Districts Due to Others		52,060 560	21,004 961	52,060 560	21,004 961
Due to Other Funds Due to Bondholders	2	8,257 ,489,053	12,912 2,522,636	8,257 2,489,053	12,912
Total Liabilities		,323,725	3,169,416	3,323,725	2,522,636 3,169,416



Schedule of Tax Data - Last Ten Tax Levy Years April 30, 2015

See Following Page

VILLAGE OF HAMPSHIRE, ILLINOIS

Schedule of Tax Data - Last Ten Tax Levy Years April 30, 2015

	,	2005	2006	2007	2008
Assessed Valuation	\$	134,812,215	152,273,309	171,620,628	195,010,364
Tax Rates by Fund					
General		0.1138	0.1176	0.1294	0.1377
Police Protection		0.0313	0.0350	0.0646	0.0800
Special Revenue Funds					
Audit		0.0356	0.0093	0.0087	0.0073
Liability		0.0641	0.0542	0.0408	0.0398
Illinois Municipal Retirement		0.0641	0.0745	0.0645	0.0489
Social Security		0.0612	0.0685	0.0591	0.0330
Total Tax Rates	_	0.3701	0.3591	0.3671	0.3467
Tax Extension by Fund					
General	\$	153,528	179,121	209,691	267,398
Police Protection		42,220	53,346	104,744	155,276
Special Revenue Funds					
Audit		47,978	14,146	14,169	14,137
Liability		86,360	82,518	66,120	77,282
Illinois Municipal Retirement		86,360	113,470	104,539	94,932
Social Security	_	82,521	104,380	95,814	63,979
Total Tax Extensions		498,967	546,981	595,077	673,004
Total Collections - All Funds					
Levy Collections through April 30	_	494,579	546,273	580,576	662,244
Percent Collected	_	99.12%	99.87%	97.56%	98.40%

Note: The 2014 levy is not collected until fiscal year 2016.

2009	2010	2011	2012	2013	2014
196,154,394	180,785,131	169 905 219	154 012 252	142 582 005	120 015 020
190,134,394	180,/83,131	168,805,218	154,913,352	142,583,995	138,815,939
0.1404	0.1256	0.2627	0.2945	0.3462	0.3626
0.0802	0.0775	0.0727	0.0816	0.0920	0.1037
0.0073	0.0725	0.0245	0.0276	0.0173	0.0144
0.0386	0.0339	0.0380	0.0480	0.0541	0.0588
0.0511	0.0494	0.0208	0.0188	0.0212	0.0284
0.0351	0.0373	0.0129	0.0137	0.0154	0.0203
0.3527	0.3962	0.4316	0.4842	0.5463	0.5883
0.5527	0.3902	0.4510	0.4042	0.5405	0.5665
274,232	226,601	442,682	456,162	493,570	503,366
156,705	139,797	122,485	126,482	131,202	143,948
14,301	130,732	41,344	42,694	24,710	20,058
75,414	61,183	64,093	74,391	77,166	81,639
99,899	89,073	34,976	29,172	30,261	39,400
68,559	67,283	21,783	21,236	22,028	28,230
689,110	714,669	727 262	750 127	779 026	916 640
089,110	/14,009	727,363	750,137	778,936	816,640
677,651	702,147	715,525	735,499	764,121	-
4		- 3			
98.34%	98.25%	98.37%	98.05%	98.10%	0.00%

Schedule of Water/Sewer Data April 30, 2015

Number of Water Users	2,238
Water Rate per 1,000 Gallons Over 5,000 Gallons	\$ 4.33
Number of Sewer Users	2,357
Sewer Rate per 1,000 Gallons	\$ 5.41
Sewer User Billings Charge per Billing	\$ 1.00
Capital Improvements per Billing	\$ 10.00

Long-Term Debt Requirements

International Plow Truck Installment Contract of 2011 April 30, 2015

Date of Issue
Date of Maturity
Authorized Issue
Interest Rate
Principal Maturity and Interest Dates
Payable at

April 1, 2011 May 1, 2016 \$137,321 4.00% Monthly First American Bank

Year	P	rincipal	Interest	Totals
2016	\$	29,632	761	30,393
2017	D-	2,524	9	2,533
		32,156	770	32,926

Long-Term Debt Requirements

Dodge Charger Installment Contract of 2013 April 30, 2015

Date of Issue
Date of Maturity
Authorized Issue
Interest Rate
Principal Maturity and Interest Dates
Payable at

July 3, 2013 July 3, 2015 \$45,355 4.00% Annually

Ford Motor Credit Company

Fiscal				
Year	P	rincipal	Interest	Totals
2016	\$	15,098	981	16,079

Long-Term Debt Requirements

Dodge Ram Installment Contract of 2013 April 30, 2015

Date of Issue
Date of Maturity
Authorized Issue
Interest Rate
Principal Maturity and Interest Dates
Payable at

January 28, 2013 January 28, 2016 \$29,825 5.84% Annually

Ally Contract Processing Center

Fiscal				
Year	P ₁	rincipal	Interest	Totals
2016	\$	9,931	580	10,511

Long-Term Debt Requirements

International TerraStar Dump Truck with Plow Installment Contract of 2014 April 30, 2015

Date of Issue
Date of Maturity
Authorized Issue
Interest Rate
Principal Maturity and Interest Dates
Payable at

July 9, 2013 July 9, 2016

\$75,205

1.947%

Annually

Edgar County Bank & Trust Company

Fiscal	297			
<u>Year</u>	Principal		Interest	Totals
2016	_\$	25,417	495	25,912

Long-Term Debt Requirements

Dodge Chargers Installment Contract of 2015 April 30, 2015

Date of Issue
Date of Maturity
Authorized Issue
Interest Rate
Principal Maturity and Interest Dates
Payable at

June 13, 2014 June 13, 2016 \$45,755 5.50% Annually

Ford Motor Credit Company

Year	Principal		Interest	Totals	
2016	\$	14,443	1,632	16,075	
2017		15,237	838	16,075	
		29,680	2,470	32,150	

Long-Term Debt Requirements

Taxable General Obligation Alternate Bonds of 2010 April 30, 2015

Date of Issue
Date of Maturity
Authorized Issue
Denomination of Bonds
Interest Rates
Interest Dates
Principal Maturity Date
Payable at

December 16, 2010
December 15, 2020
\$568,582
\$5,000
1.15% to 4.80%
June 15 and December 15
December 15
County of Kane, Illinois

Year	Principal		Interest	Totals
2016	\$	54,712	14,776	60 100
2017	Φ	56,408	13,080	69,488 69,488
2018		58,438	11,049	69,487
2019		60,776	8,712	69,488
2020		63,420	6,068	69,488
2021		66,305	3,183	69,488
		360,059	56,868	416,927

Long-Term Debt Requirements

General Obligation (Alternate Revenue Source) Refunding Bonds of 2012 April 30, 2015

Date of Issue
Date of Maturity
Authorized Issue
Denomination of Bonds
Interest Rates
Interest Dates
Principal Maturity Date
Payable at

December 20, 2012
December 15, 2023
\$2,555,000
\$5,000
2.00% to 2.75%
June 15 and December 15
December 15
Bank of New York Mellon

Fiscal				
Year	Principal		Interest	Totals
2016	\$	300,000	49,588	349,588
2017		315,000	43,587	358,587
2018		315,000	37,288	352,288
2019		325,000	30,987	355,987
2020		330,000	24,488	354,488
2021		340,000	17,887	357,887
2022		130,000	10,408	140,408
2023		135,000	7,223	142,223
2024	7	135,000	3,712	138,712
		2,325,000	225,168	2,550,168

Long-Term Debt Requirements

TIF Revenue Bonds of 2009A April 30, 2015

Date of Issue
Date of Maturity
Authorized Issue
Denomination of Bonds
Interest Rate
Interest Dates
Principal Maturity Date
Payable at

May 15, 2009
December 15, 2028
\$1,400,000
\$5,000
5.25%
June 15 and December 15
December 15

Bank of New York Mellon

Fiscal	7			
<u>Year</u>	P	rincipal	Interest	Totals
2016	\$	30,000	66,676	96,676
2017		30,000	65,100	95,100
2018		30,000	63,526	93,526
2019		30,000	61,950	91,950
2020		30,000	60,376	90,376
2021		35,000	58,800	93,800
2022		30,000	56,962	86,962
2023		30,000	55,388	85,388
2024		35,000	53,812	88,812
2025		185,000	51,975	236,975
2026		190,000	42,262	232,262
2027		195,000	32,287	227,287
2028		205,000	22,050	227,050
2029		215,000	11,287	226,287
	-			
		1,270,000	702,451	1,972,451

Long-Term Debt Requirements

IEPA Loan of 2002 April 30, 2015

Date of Issue
Date of Maturity
Authorized Issue
Interest Rate
Interest Dates
Principal Maturity Date
Payable at

April 18, 2002 November 15, 2023 \$3,993,045 2.675% May 15 and November 15 May 15 and November 15 Illinois Environmental Protection Agency

Fiscal				
Year		Principal	Interest	Totals
2016	\$	205,352	53,748	259,100
2017		210,882	48,218	259,100
2018		216,561	42,539	259,100
2019		222,392	36,708	259,100
2020		228,381	30,719	259,100
2021		234,530	24,570	259,100
2022		240,847	18,253	259,100
2023		247,333	11,767	259,100
2024	-	253,992	5,107	259,099
		2.060.270	271 (20	2 221 800
	-	2,060,270	271,629	2,331,899