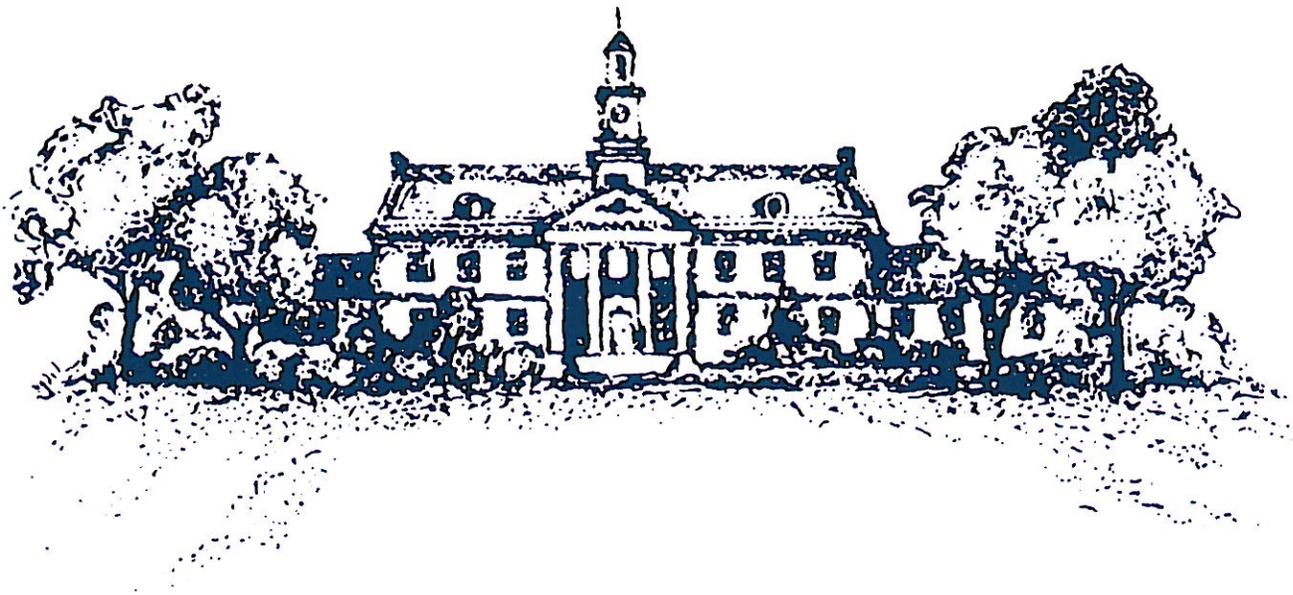


# *Village of Hinsdale, Illinois*



*Comprehensive Annual Financial Report  
For The Fiscal Year Ended  
April 30, 2010*

**VILLAGE OF HINSDALE  
HINSDALE, ILLINOIS**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**For the Year Ended  
April 30, 2010**

**Prepared by Finance Department**

**Darrell Langlois  
Assistant Village Manager/Finance Director**

**VILLAGE OF HINSDALE, ILLINOIS**  
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## **INTRODUCTORY SECTION**

VILLAGE OF HINSDALE, ILLINOIS

Principal Officials  
April 30, 2010

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Principal Officials

VILLAGE PRESIDENT  
Thomas K. Cauley, Jr.

BOARD OF TRUSTEES

J. Kimberley Angelo  
Doug Geoga  
Laura LaPlaca

Bob Schultz  
Robert Saigh  
Cindy Williams

DEPUTY VILLAGE CLERK  
Christine Bruton

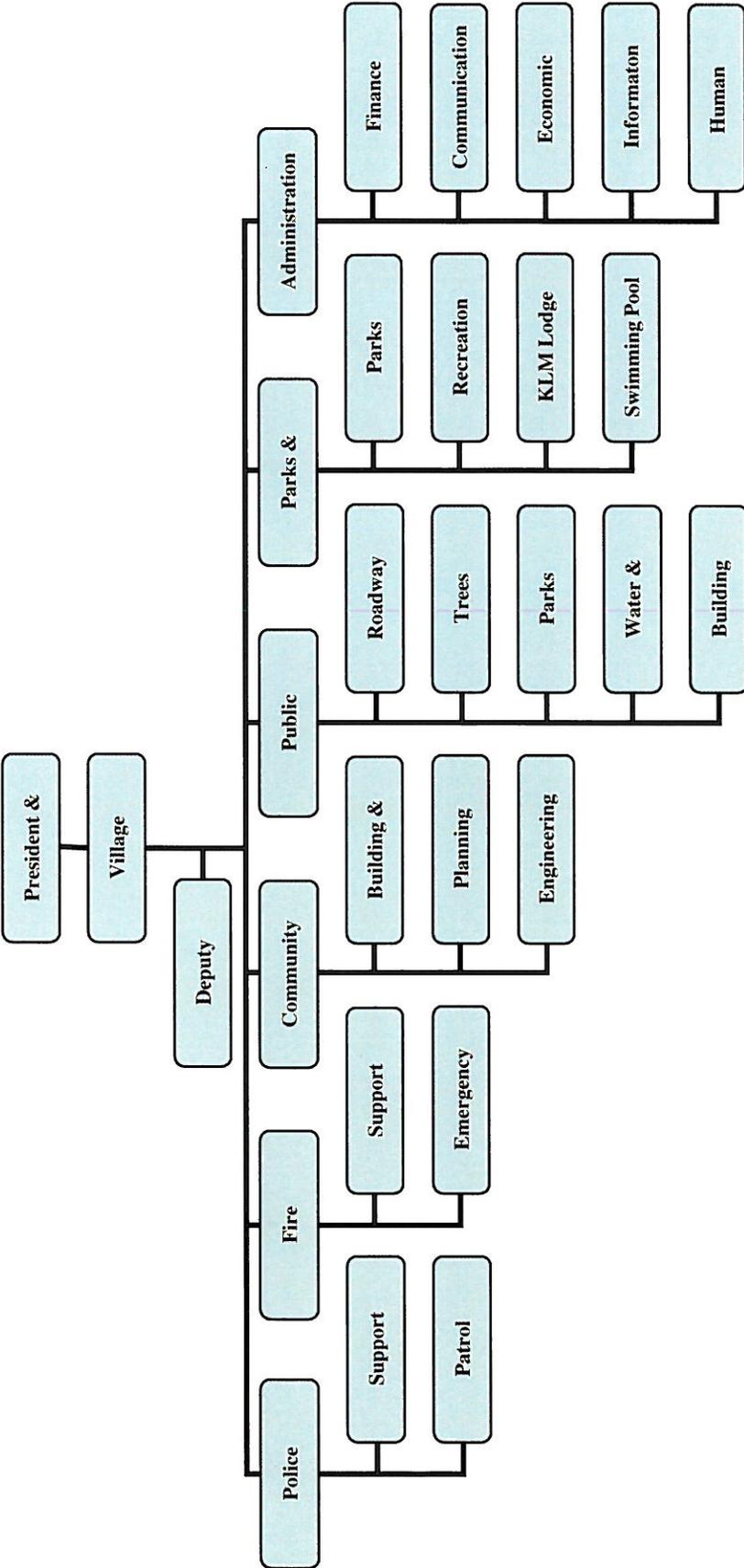
VILLAGE TREASURER  
Gerry K. Fink

VILLAGE STAFF

David C. Cook  
Darrell Langlois  
Michael Kelly  
Bradley J. Bloom  
Gina Hassett  
Robert McGinnis  
George Franco

Village Manager  
Assistant Village Manager/Director of Finance  
Fire Chief  
Police Chief  
Director of Park and Recreation Services  
Building Commissioner/Director of Community Development  
Director of Public Service

# Village of Hinsdale Organizational Structure



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Hinsdale  
Illinois

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
April 30, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director



**VILLAGE  
OF HINSDALE** FOUNDED IN 1873  
19 EAST CHICAGO AVENUE  
HINSDALE, ILLINOIS 60521-3489 • (630) 789-7000  
Village Website: <http://www.villageofhinsdale.org>

POLICE DEPARTMENT 789-7070  
FIRE DEPARTMENT 789-7060  
121 SYMONDS DRIVE

VILLAGE PRESIDENT  
Tom Cauley

TRUSTEES  
J. Kimberley Angelo  
Doug Geoga  
Laura LaPlaca  
Bob Saigh  
Bob Schultz  
Cindy Williams

September 27, 2010

To the President and Board of Trustees:

The Comprehensive Annual Financial Report of the Village of Hinsdale, Illinois (Village) for the year ended April 30, 2010 is hereby submitted. As mandated by Village ordinances and State statutes, the Village is required to annually issue a report on its financial position and activity presented in conformance with generally accepted accounting principles (GAAP) of the United States of America and audited in accordance with generally accepted auditing standards by an independent certified public accounting firm.

This report consists of management's representations concerning the finances of the Village of Hinsdale. Responsibility for the both the accuracy of the information and thoroughness and fairness of the presentation, including all disclosures, rests with the Village. To provide a reasonable basis for making these representations, management of the Village has established a comprehensive internal control framework that is designed both to protect the Village's assets from loss, theft or misuse and to compile reliable information for the preparation of the Village's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Village's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village's financial statements have been audited by Sikich LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village for the fiscal year ended April 30, 2010 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. Based upon their audit, the independent auditor has rendered an unqualified opinion that the Village's financial statements for the fiscal year ended April 30, 2010 are fairly presented in conformity with GAAP. The independent auditor's report is presented at the beginning of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Village's MD&A can be found immediately following the report of the independent auditor.

## **Profile of the Village of Hinsdale**

The Village of Hinsdale, incorporated in 1873, is a non-home rule municipality under the Illinois Constitution. The Village, with a population of 17,940, is located approximately 20 miles west of downtown Chicago and encompasses 4.86 square miles. Approximately 89% of the Village's 2009 Equalized Assessed Valuation is in DuPage County and the remainder in Cook County.

An elected President and Board of six Trustees govern the Village. The President is the Village's chief executive officer and is elected to a four-year term. The Trustees serve staggered four-year terms. The governing body is elected on a non-partisan, at-large basis. The Village Board appoints a Village Manager for direction of day-to-day operations. The Village provides a full range of services, including police and fire services, parks and recreation, community development, public services and water and sewer services.

The annual budget serves as the foundation for the Village's financial planning and control. All departments of the Village submit their budget requests to the Village Manager on or before December 31<sup>st</sup> of each year. The Village Manager uses these requests as the starting point for developing a proposed budget, which is prepared on a fund and department basis (e.g. police). The Village Manager normally presents this proposed budget to the Village Board at its first meeting in February. The Village Board reviews the proposed budget over a two-month period, which is then adopted prior to the start of the new fiscal year (May 1<sup>st</sup>). Within the first three months of the fiscal year, the Board adopts the annual appropriations ordinance, which sets the legal spending authority for the Village. The adopted budget is used as the basis for the appropriation ordinance as well as contingency amounts being added in a number of funds and programs in order to provide funding for unforeseen items.

The Village Board may make transfers of appropriations within a department or between departments. Budget-to-actual comparisons are provided for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented beginning on page 72 in the Combining and Individual Fund Financial Statements and Schedules section. For the Capital Project Fund, this comparison is presented in the same section of this report, on page 83. For nonmajor governmental funds with appropriated annual budgets, this comparison is presented in the same section of this report, starting on page 86.

## **Major Initiatives**

During Fiscal Year 2009-10 the Village was confronted with continued declines in revenue due to the recession. In addition, both the Village Board and the Finance Commission recognized the need to significantly increase spending on its aging infrastructure and departmental capital. In order to adjust the Village budget to these lower revenue levels and to increase capital spending, the following adjustments began in late FY 2009-10 and will be completed early in FY 2010-11:

- Elimination of eleven full-time positions of which of six are the result of outsourcing Police and Fire dispatch operations to Southwest Central Dispatch.
- Salary and wage freeze for all non-union employees.
- Significant restrictions on all non-emergency overtime.
- Reductions and eliminations in numerous programs including the elimination of the Senior Taxi program, elimination of the Village Newsletter, reduction in street sweeping and downtown landscaping, elimination of the End of Summer Concert, re-instating a 50% resident contribution toward the Dutch Elm Tree Fungiciding Program, and reductions in pool hours.
- Restrictions on out-of-state training, suspension of tuition reimbursement program, continued reductions in many expenditure line items, and deferring many non-essential purchases.

Led by the Finance Commission, the Village updated the Infrastructure Master Plan in order to address the poor condition of its streets, aging water and sewer systems, and significant infrastructure improvements needed in the Woodlands area of the Village. The cost of this program is estimated at \$86.8 million over the next 15 years. As a result of budget reductions, increased water rates, and continuation of revenues previously used for this purpose, the Village has identified approximately \$3.2 million of annual revenue that can be dedicated towards the Infrastructure Master Plan. This will fall significantly short of accomplishing this Plan in the fifteen year period contemplated by the Finance Commission. In order to increase funding of the Plan, the Village will once again seek referendum approval in November, 2010 to impose a 1% non-home rule sales tax. If successful, this new revenue source would generate approximately \$1.5 million annually to be used on infrastructure funding.

Once the referendum process is completed, the Village will prepare an update of its Five-Year Financial Plan. The Five-Year Financial Plan serves as a key management tool in setting goals, objectives, and priorities for future years and will form the basis for the FY 2011-12 Budget. The continuing objectives of the long-range planning process are as follows:

- Provide sufficient funding for the Village's Infrastructure Master Plan and Departmental Capital Program
- Improve the Village's financial position by achieving a General Fund fund balance reserve of 25% of annual operating expenses
- Maintain a stable property tax levy

The most significant financial item occurring during FY 2009-10 was the completion of the \$5.4 million Veeck Park Wet Weather Treatment Facility. This project was undertaken to help reduced the burden on the existing storm water system of the Village during periods of exceptionally wet weather. Also during FY 2009-10 the Village completed the 2009 resurfacing program, purchased two replacement squad cars, purchased equipment necessary for the changeover to Southwest Central Dispatch, replaced one Fire Department vehicle and one Public Services vehicle, purchased an asphalt planer, and completed several improvements at the community pool.

## **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the perspective of the specific environment within which the Village operates.

Local Economy – Despite the national recession, the Village’s diversified revenue base has somewhat mitigated the sharp downward trend. Major revenue sources for the Village include property taxes, sales taxes, state income taxes and utility taxes. The Village has a highly skilled labor force comprised mostly of professional positions. This helps to maintain employment at levels more favorable than the state and national levels. Hinsdale’s largest employer is Hinsdale Hospital, which will undergo a major expansion project beginning in 2010.

The current economic environment has impacted most revenue streams for the Village. Income and Sales Taxes, which together account for approximately 23.8% of the Village’s General Fund operating revenue, have been negatively affected during the last two years. Although property tax revenues have not declined, the tax cap legislation that limits growth in property tax revenue to changes in the consumer price index will result in minimal growth in the next several years due to the low inflationary environment. The Village’s underlying assessed value of property continues to be stable. The continued downward trend in new home construction has resulted in decreases in permit fee revenues.

Long-term Financial Planning – During FY 2009-10, the major focus was on the updating of the Infrastructure Master Plan and balancing the long-term budget of the Village due to the recession. During FY 2010-11, it is expected that the Village will update its Five-Year Financial Plan once the non-home rule sales tax question is decided at the November, 2010 election.

Financial Policies: The Village has in place several key financial policies including a General Fund fund balance policy, capitalization policy, investment policy and purchasing policy. The General Fund fund balance policy is currently 25% of annual operating expenses. The Village had a General Fund reserve level of 23.6% of annual operating expenses as of April 30, 2010, an increase of 2.0% from 2009 despite the declining economy. Although this percentage is below the policy level of 25%, the Village continues to take important steps in order to achieve the stated policy level by Fiscal Year 2011-12.

Cash Management Policies and Practices - Cash temporarily idle during the year was invested in U.S. Agency securities, Certificate of Deposits at various United States Financial Institutions, the Illinois Metropolitan Investment Fund (IMET) and the Illinois State Treasurer's pool (Illinois Funds). The maturities of the investments range from being immediately accessible (Illinois Funds) to 30 years (U.S. Treasury and Agency securities). The Police and Firefighters Pension funds also invest in mutual funds and common stocks.

Risk Management - The Village continues to participate in two public entity risk pools to protect against casualty and health risk losses. The Intergovernmental Personnel Benefit Cooperative (IPBC) provides health, dental, and life insurance for Village employees and the Intergovernmental Risk Management Agency (IRMA) insures first party property losses, third party liability claims, worker's compensation claims and Public Official Liability claims. In addition, various control techniques, including employee accident prevention training, have been implemented during the year to minimize accident-related losses.

Pension and Other Post Employment Benefits - The Village sponsors single-employer defined benefit pension plans for its sworn police officers and firefighters. As a matter of policy, the Village determines each year's required contribution based on an actuarial study. As of April 30, 2009 Village's funded percentages are 59.34% for the Police Pension Fund and 53.22% for the Firefighters Pension Fund (Note: April 30, 2010 data is not currently available). In accordance with state statutes, the unfunded liability is being amortized to 2033 and is included as part of the annual required contribution as calculated by the actuarial study.

The Village also provides pension benefits for employees who exceed 1,000 scheduled hours and are not covered by the Police or Firefighters' Pension Fund. These benefits are provided through a statewide plan managed by the Illinois Municipal Retirement Plan (IMRF). The Village has no obligation in connection with employee benefits offered through this plan beyond its contractual payments to IMRF.

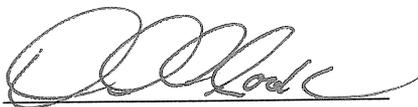
Additional information on the Village's pension funds can be found in Note #12 in the financial statements.

Awards and Acknowledgments - The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended April 30, 2009. This was the sixteenth consecutive year that the Village has received this prestigious award. In order to be awarded a Certificate of Achievement, the Village published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the dedicated services of the Finance Department staff. We would like to express our appreciation to all Finance Department staff that assisted and contributed to the preparation of this report. Recognition should be given to the Village President and Board of Trustees for their interest and support in planning and conducting the operations of the Village in a responsible manner.

Respectfully submitted,



David C. Cook  
Village Manager



Darrell J. Langlois  
Assistant Village Manager/Finance Director

## **FINANCIAL SECTION**

**INDEPENDENT AUDITOR'S REPORT**



998 Corporate Boulevard • Aurora, IL 60502

INDEPENDENT AUDITOR'S REPORT

The Honorable Village President  
Members of the Board of Trustees  
Village of Hinsdale  
Hinsdale, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Hinsdale, Illinois, as of and for the year ended April 30, 2010, which collectively comprise the Village of Hinsdale, Illinois' basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the Village of Hinsdale, Illinois' nonmajor governmental and fiduciary funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended April 30, 2010, as listed in the table of contents. These financial statements are the responsibility of the Village of Hinsdale, Illinois' management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Village of Hinsdale, Illinois, as of April 30, 2010, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental and fiduciary fund of the Village of Hinsdale, Illinois, as of April 30, 2010, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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

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

The introductory and statistical sections listed in the table of contents were not audited by us, and accordingly, we do not express an opinion thereon.

A handwritten signature in cursive script that reads "Seluch LLP".

Aurora, Illinois  
September 24, 2010

**GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS**

# VILLAGE OF HINSDALE, ILLINOIS

## MANAGEMENT'S DISCUSSION AND ANALYSIS

April 30, 2010

---

The Village of Hinsdale (the "Village) discussion and analysis is designed to (1) assist the reader in focusing on significant issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD & A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Transmittal Letter (beginning on page iv) and the Village's financial statements (beginning on page 3).

### Financial Highlights

- During Fiscal Year 2010, total Village-wide net assets increased by \$2,485,687 from \$81,933,352 to \$84,419,039. Net assets for governmental activities increased by \$2,949,522, from \$66,399,193 to \$69,348,715, while net assets for business-type activities decreased by \$463,835, from \$15,534,159 to \$15,070,324.
- The national recession has continued to negatively impact many Village revenue sources, including those received locally (such as permit fees, services charges, etc.) as well as those received from the State (such as sales taxes, income taxes, etc.). These negative revenue trends were closely monitored throughout the year by Village staff, the Finance Commission, and the Village Board. Despite these declines in revenue, the actual results for the General Fund, on a net basis, were favorable when compared to the original budget.
- The General Fund ending fund balance increased by \$21,405 to \$3,683,264, which represents 23.6% of total Fiscal Year 2010 expenditures. While still below the Village Board policy level of 25% of total annual expenditures, this amount is a continued improvement from the fiscal year 2009 ending amount of \$3,661,859, which was 21.6% of total annual expenditures. It is important to note that during the development of the Village's FY 2010-11 Budget, the reserve level continued to be a major focus of Board policy as a further increase to 24% of total annual expenditures is projected.
- Following a number significant budget reduction measures in the prior year, the Village Board has adopted a number of additional changes in order to balance the long-term budget of the Village as well as increasing the fund balance level. These changes include reductions in personnel costs (elimination of ten full time positions for FY 2010-11), outsourcing public safety dispatch operations, reductions in many expenditure line items, a non-union wage freeze, and cost shifting of a number of services formerly provided by the Village. Over two years the Village will have reduced the number of full-time employees from 116 to 96.
- In order to maintain and improve the financial condition of the Village, the Finance Commission recommended and Village Board approved a balanced budget for FY 2010-11 that takes into account these reduced revenue levels as well as inclusion of a \$300,000 contingency amount (should there be any unforeseen needs or declines in revenue beyond the budget assumptions). The FY 2010-11 Budget also includes a \$500,000 General Corporate Fund contribution towards the Infrastructure Investment Plan.

(See independent auditor's report)

**VILLAGE OF HINSDALE, ILLINOIS  
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

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

The financial statement’s focus is on both the Village as a whole (government-wide) and on major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the Village’s accountability.

**Government-Wide Financial Statements**

The government-wide financial statements (see pages 3-5) are designed to be corporate-like in that all governmental and business-type activities are consolidated into columns which add to a total for the Primary Government. The focus of the Statement of Net Assets (the "Unrestricted Net Assets") is designed to be similar to “bottom line” results for the Village and its governmental and business-type activities. This statement combines and consolidates governmental funds’ current financial resources (short-term spendable resources) with capital assets and long term obligations using the accrual basis of accounting and economic resources measurement focus. Increases or decreases in net assets over time may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The Statement of Activities (see pages 4-5) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the Village's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The governmental activities reflect the Village's basic services, including administration and finance, police, fire, public services, community development, and parks and recreation. Property taxes, sales taxes, local utility taxes, and shared state income taxes finance the majority of these services. The business-type activities reflect private sector type operations (Waterworks and Sewerage), where the fee for service should cover all or most of the cost of operation including depreciation.

**Fund Financial Statements**

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

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

**VILLAGE OF HINSDALE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

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Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for the General Fund and Capital Projects Fund, both of which are considered to be "major" funds. Data from the other three governmental funds are combined into a single, aggregate 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 budget for each of its governmental funds. A budgetary comparison statement has been provided elsewhere in this report to demonstrate compliance with the budget. The basic governmental fund financial statements can be found on pages 6 through 9 of this report.

**Proprietary Fund.** The Village's Waterworks and Sewerage Fund is maintained as a proprietary/enterprise fund. Proprietary funds provide the same type of information as the business-type activities in the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 10 through 13 of this report.

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

**Infrastructure Assets**

Historically, a government's largest group of assets (infrastructure -roads, bridges, etc.) have neither been reported nor depreciated in governmental financial statements. The Village implemented GASB Statement No. 34 in Fiscal Year 2004. This statement requires that these assets be valued and reported within the Governmental Activities column of the Government-Wide Statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity (the modified approach). The Village has chosen to depreciate assets over their useful life. If a road project is considered maintenance-a recurring cost that does not extend the road's original useful life or expand its capacity-the cost of the project will be expensed. An "overlay" of a road will be considered maintenance, whereas a "rebuild" of a road will be capitalized.

**VILLAGE OF HINSDALE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

**GOVERNMENT -WIDE STATEMENTS**

**Statement of Net Assets**

The Village's combined net assets increased to \$84,419,039 from \$81,993,352, an increase of \$2,485,687. The primary cause of this increase is due to a special item of \$3,040,462 being recognized by the governmental activities due to shifting of the liability associated with 2006 General Obligation Bonds to the Component Unit-Library since these bonds were used to finance capital assets held by the Component Unit-Library. The following analysis will look at net assets and net expenses of governmental and business type activities separately. Table 1 reflects the condensed Statement of Net Assets and Table 2 reflects changes in net assets of the governmental and business-type activities.

**Table 1  
Statement of Net Assets  
As of April 30, 2010**

	<b>Governmental Activities 2010</b>	<b>Governmental Activities 2009</b>	<b>Business-type Activities 2010</b>	<b>Business-type Activities 2009</b>	<b>Total Primary Government 2010</b>	<b>Total Primary Government 2009</b>
Current and other assets	12,409,057	11,409,771	1,317,920	4,728,446	13,726,977	16,138,217
Capital Assets	70,443,981	71,497,241	19,943,482	16,173,823	90,387,463	87,671,064
<b>Total Assets</b>	<b>82,853,038</b>	<b>82,907,012</b>	<b>21,261,402</b>	<b>20,902,269</b>	<b>104,114,440</b>	<b>103,809,281</b>
Long term liabilities	6,967,086	8,657,091	4,110,438	4,097,158	11,077,524	12,754,249
Other liabilities	6,537,237	7,750,728	2,080,640	1,270,952	8,617,877	9,121,680
<b>Total Liabilities</b>	<b>13,504,323</b>	<b>16,507,819</b>	<b>6,191,078</b>	<b>5,368,110</b>	<b>19,695,401</b>	<b>21,875,929</b>
Net Assets:						
Invested in capital assets, net of related debt	65,041,753	63,052,158	15,893,899	11,792,064	80,935,652	74,844,222
Restricted	1,084,616	978,973	0	0	1,084,616	978,973
Unrestricted	3,222,346	2,368,062	(823,575)	3,742,095	2,398,771	6,110,157
<b>Total Net Assets</b>	<b>69,348,715</b>	<b>66,399,193</b>	<b>15,070,324</b>	<b>15,534,159</b>	<b>84,419,039</b>	<b>81,933,352</b>

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

**VILLAGE OF HINSDALE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

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**Normal Impacts**

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Assets summary presentation.

**Net Results of Activities**—which will impact (increase/decrease) current assets and unrestricted net assets.

**Borrowing for Capital**—which will increase current assets and long-term debt.

**Spending Borrowed Proceeds on New Capital**—which will reduce current assets and increase capital assets. There is a second impact, an increase in invested capital assets and an increase in related net debt which will not change the invested in capital assets, net of debt.

**Spending of Non-borrowed Current Assets on New Capital**—which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net assets and increase capital assets and (b) will reduce unrestricted net assets and increase invested in capital assets, net of debt.

**Principal Payment on Debt**—which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net assets and increase invested in capital assets, net of debt.

**Reduction of Capital Assets Through Depreciation**—which will reduce capital assets and invested in capital assets, net of debt.

**Current Year Impacts**

The most significant impact on the net assets of the Village is the changes that occurred related to capital expenditures and long-term debt obligations. The largest portion of the Village's net assets, 95.7%, or \$80.9 million, reflects its investment in capital assets, net of any debt used to acquire those assets. During FY 2009-10 the Village issued General Obligation bonds totaling \$2,305,000 in order to refund the balance remaining on the 2002 General Obligation bonds and to generate \$755,242 for road improvements. Also during FY 2009-10, net assets of governmental activities were increased by \$3,040,462 due to a special item whereby the liability associated with 2006 General Obligation Bonds was shifted to the Component Unit-Library since these bonds were used to finance fixed assets held by the Component Unit-Library.

The net assets of business-type activities decreased by \$463,835 due to depreciation expense and increased cost of water purchased from the Du Page Water Commission. Also during FY 2009-10, current assets have been reduced and capital assets have been increased by approximately \$4.3 million, due primarily to FY 2009-10 outlays associated with the construction of the Veeck Park Sewer Treatment Plant.

**VILLAGE OF HINSDALE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

**Change in Net Assets**

The following table and chart highlights the revenues and expenses of the Village's activities:

**Table 2  
Changes in Net Assets  
For the Fiscal Year Ended April 30, 2010**

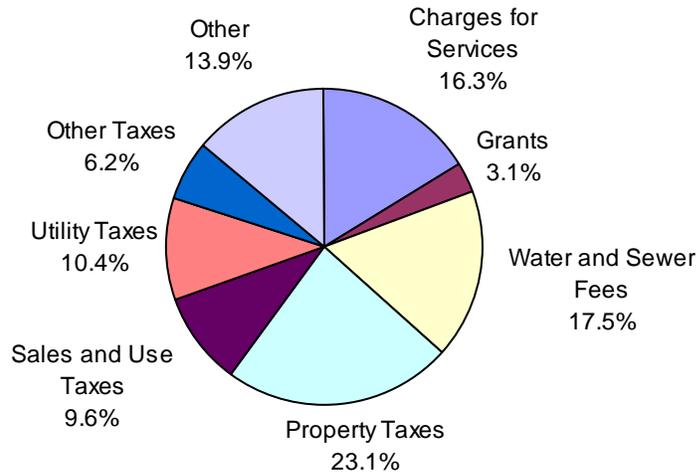
	<b>Governmental Activities 2010</b>	<b>Governmental Activities 2009</b>	<b>Business- type Activities 2010</b>	<b>Business- type Activities 2009</b>	<b>Total Primary Government 2010</b>	<b>Total Primary Government 2009</b>
<b>REVENUES</b>						
Program revenues						
Charges for services	4,147,940	4,598,062	4,459,381	4,096,779	8,607,321	8,694,841
Operating grants	513,589	610,186	-	-	513,589	510,186
Capital grants	271,315	22,877	-	-	271,315	22,877
General revenues						
Property taxes	5,902,769	5,568,964	-	-	5,902,769	5,568,964
Other taxes	6,687,477	7,053,670	-	-	6,687,477	7,053,670
Other revenues	452,795	952,836	44,748	126,031	497,543	1,078,867
Special Item	3,040,462				3,040,462	-
<b>Total Revenues</b>	<b>21,016,347</b>	<b>18,806,595</b>	<b>4,504,129</b>	<b>4,222,810</b>	<b>25,520,476</b>	<b>23,029,405</b>
<b>EXPENSES</b>						
<b>Governmental activities</b>						
General government	2,682,575	2,553,442	-	-	2,682,575	2,553,442
Public safety	9,426,901	9,101,637	-	-	9,426,901	9,101,637
Public services	2,803,977	2,943,573	-	-	2,803,977	2,943,573
Community development	992,363	1,232,760			992,363	1,232,760
Parks and recreation	1,980,601	2,162,186	-	-	1,980,601	2,162,186
Interest	180,408	300,800	-	-	180,408	300,800
<b>Business-type</b>						
Waterworks & sewerage	-	-	4,967,964	5,133,001	4,967,964	5,133,001
<b>Total Expenses</b>	<b>18,066,825</b>	<b>18,294,398</b>	<b>4,967,964</b>	<b>5,133,001</b>	<b>23,034,789</b>	<b>23,427,399</b>
<b>Change in Net Assets</b>	<b>2,949,522</b>	<b>512,197</b>	<b>(463,835)</b>	<b>(910,191)</b>	<b>2,485,687</b>	<b>(397,994)</b>
<b>NET ASSETS BEGINNING</b>	<b>66,399,193</b>	<b>65,886,996</b>	<b>15,534,159</b>	<b>16,444,350</b>	<b>81,933,352</b>	<b>82,331,346</b>
<b>NET ASSETS - ENDING</b>	<b>69,348,715</b>	<b>66,399,193</b>	<b>15,070,324</b>	<b>15,534,159</b>	<b>84,419,039</b>	<b>81,933,352</b>

(See independent auditor's report)  
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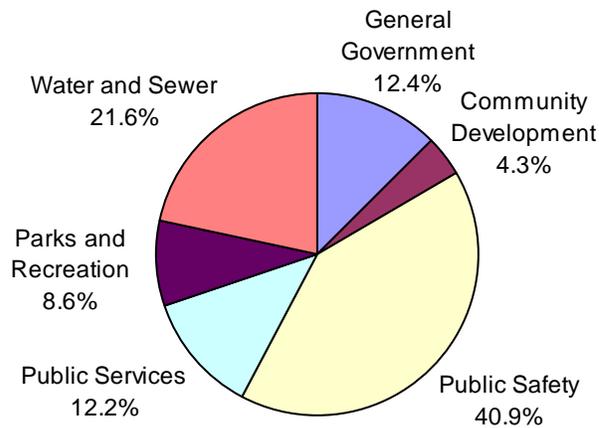
**VILLAGE OF HINSDALE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

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**2010 Government-Wide Revenues**



**2010 Government-Wide Expenses**



(See independent auditor's report)  
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**VILLAGE OF HINSDALE, ILLINOIS  
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

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**Normal Impacts**

**Revenues:**

**Economic Condition**—which can reflect a declining, stable, or growing economic environment and has a substantial impact on state income, sales and utility tax revenue as well as public spending habits for building permits, elective user fees, and volumes of consumption.

**Increase/Decrease in Village approved rates**—while certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (water/sewer, building fees, utility tax rates, etc.).

**Changing patterns in Intergovernmental and Grant Revenue (both Recurring and Non-recurring)**—certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically, while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year to year comparisons.

**Market Impacts on Investment Income**—the maturity schedule of the Village’s investment portfolio may cause investment income to fluctuate due to changes in market interest rates.

**Expenses:**

**Introduction of New Programs**—within the functional expense categories (General Government, Police, Fire, Public Services, Parks and Recreation, etc.) individual programs may be added or deleted to meet changing community needs.

**Changes in Authorized Personnel**—changes in service demand may cause the Village Board to increase/decrease authorized staffing. Personnel costs (salary and related benefits) represent 72.1% of the Village’s General Fund operating expenditures.

**Salary Increases (annual adjustments and merit)**—the ability to attract and retain quality personnel requires the Village to strive to approach a competitive salary range in the market place.

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

**VILLAGE OF HINSDALE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

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**Current Year Impacts**

***Governmental Activities***

**Revenues:**

Total revenue from governmental activities for the year ended April 30, 2010 amounted to \$21,016,347. Property tax receipts of \$5,902,769 accounted for 23.1% of the total. While property taxes remain the largest single source of Village revenue, other taxes, including state shared taxes (sales, income, and personal property replacement taxes) amount to \$4,021,543 or 15.8% of total revenues.

Utility tax revenues amounted to \$2,665,932, or 10.4% of total revenues. The Village imposes utility taxes on electric, natural gas, water, and telecommunications services. The Village's current utility tax rates are 5% for all utilities, which is the maximum rate allowed by law except for telecommunications services, which has been imposed at the statutory maximum rate of 6%.

Revenue from charges for services totaled \$4,147,940 or 16.3% of total revenues. Major charges for service revenue categories include fines, building permits, parking permits and meter fees, ambulance service fees, and park and recreation program fees. Revenue from fines totaled \$474,143, a decrease of \$61,737 or 11.5% due to decreases in the number of citations issued. Building permit revenue amounted to \$850,852, which is a decline of \$177,643 or 17.3% from the prior year amount. The continued downward trend in new home construction and alterations is the cause for decrease in permit fees. Most other services fees categories have been relatively consistent to the preceding year.

Other income accounts for \$3,538,005 or 13.9 % of total revenue. As described in the Notes to the Financial Statements, within this category is a one-time special item of \$3,040,462 attributed to shifting the reporting of the liabilities associated with the 2006 General Obligation Alternative Revenue Source Bonds to the Component Unit-Library.

**Expenses:**

For the fiscal year ended April 30, 2010, expenses for governmental activities totaled \$18,066,825, a decrease of \$227,573 or 1.2% from 2009. General government expenses increased by \$308,471 or 12.1% due to increased maintenance expenses for the Village's roadway system. Public safety expenses increased by \$325,264 or 3.6% due to increased pension costs. Public services expenses declined by \$139,596 (-4.7%), park and recreation expenses declined by \$179,585 (-8.3%), and community development expenses decreased by \$240,397 (-19.5%). All of these expense reductions are due to a number budget reduction initiatives taken in response to the declining economy.

***Business-type Activities***

**Revenues:**

Total revenue from water and sewer fees increased by \$362,602 or 8.9% over the previous year. The revenue increase is the result of a water and sewer rate increase that was effective on May 1, 2009. Other revenues declined by \$81,283 or 64.4% due to reduced investment income as a result of lower investment balances and lower market yields.

**VILLAGE OF HINSDALE, ILLINOIS  
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

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**Expenses:**

Operating expenses declined by \$165,037 or 3.2%. Decreased costs of professional services, primarily engineering fees related to water, sewer, and drainage issues within the Village, are the major reason for this change.

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

At April 30, 2010, the governmental funds (as presented on the balance sheet on page 6) reported a combined fund balance of \$5,502,852. Of this amount, the General Fund (the major operating fund of the Village) ended the year with a fund balance of \$3,683,264, which is an increase of \$21,405 over the previous year. The ending General Fund unreserved fund balance at April 30, 2010 amounted to \$3,510,722. For the Capital Projects Fund, the unreserved fund balance was \$855,077, an increase of \$884,482 over the previous year due primarily to receipt of bond proceeds from the issuance of the 2010 General Obligation Bonds. For the Nonmajor Governmental Funds, the ending fund balance was \$964,511, which was a slight decrease of \$14,462 over the previous year.

**General Fund Budgetary Highlights**

<b>General Fund</b>	<b>FY 2010 Original Budget</b>	<b>FY 2010 Amended Budget</b>	<b>FY 2010 Actual</b>
Revenues and Other Financing Sources			
Taxes	7,690,228	7,690,228	7,523,091
Intergovernmental	4,048,750	4,048,750	4,043,467
Service Charges	2,063,276	2,063,276	1,945,163
Licenses, Permits and Fines	2,170,000	2,170,000	1,730,882
Other	910,100	910,100	855,590
<b>Total</b>	<b>16,882,354</b>	<b>16,882,354</b>	<b>16,098,193</b>
Expenditures and Transfers Out	16,880,288	16,880,288	16,076,788
Change in Fund Balance	2,066	2,066	21,405

Total General Fund revenues and other financing sources were \$784,161 below the budgeted amount. Tax revenue was \$167,137 under budget due to decreased utility tax revenue on natural gas and telecommunications services. Service charges were under budget by \$118,113 due to decreased park and recreation user fees economic factors. Licenses, permits, and fines were \$439,118 below budget due to lower than expected receipts for building permit revenues and a decrease in parking and traffic citations issued.

Overall, the Village’s actual expenditures within the General Fund were under budget by \$803,500. The primary factors impacting this positive variance include the unspent Village Board contingency amount of \$300,000 as well as budget reductions and deferrals spread out over most operating programs of the Village in response to the declining economy.

(See independent auditor’s report)  
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**VILLAGE OF HINSDALE, ILLINOIS  
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

**Capital Assets**

At the end of Fiscal Year 2009-10, the Village had a combined total of Capital Assets of \$90,387,463 invested in a broad range of capital assets including general government buildings and equipment, police and fire equipment, parks and recreation equipment and facilities, other village physical plant, roads and related infrastructure, water plant equipment, and parking lot land improvements (see Table 3). Further information on the Village’s capital assets is located in the notes to the financial statements (pages 36-39).

**Table 3  
Capital Assets at Year End  
Net of Depreciation**

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Non-depreciable Assets						
Land	6,862,173	6,862,173	215,452	215,452	7,077,625	7,077,625
Land Right of Way	45,921,203	45,921,203	-	-	45,921,203	45,921,203
Other Capital Assets						
Infrastructure	9,374,172	9,655,845	-	-	9,374,172	9,655,845
Land Improvements	2,691,809	2,902,467	-	-	2,691,809	2,902,467
Water System	-	-	19,516,420	15,699,358	19,516,420	15,699,358
Building and Pool	2,555,221	2,731,892	35,570	38,136	2,590,791	2,770,028
Parking Lots	540,991	584,065	-	-	540,991	584,065
Vehicles	969,730	1,160,964	70,934	131,744	1,040,664	1,292,708
Machinery & Equipment	1,462,709	1,604,054	105,106	89,133	1,567,815	1,693,187
Parking Lot Equipment	65,973	74,578	-	-	65,973	74,578
<b>Total</b>	<b>70,443,981</b>	<b>71,497,241</b>	<b>19,943,482</b>	<b>16,173,823</b>	<b>90,387,463</b>	<b>87,671,064</b>

**Debt Outstanding**

The Village maintains a AAA bond rating by both Standard and Poor’s (S & P) and Fitch Ratings. Low debt levels, well managed financial operations, and a population base characterized by high wealth and income levels were all items noted in the ratings assignment that was reaffirmed in August, 2009. As of April 30, 2010, the Village has \$4,530,000 of outstanding debt in General Obligation Bonds, \$4,030,000 in General Obligation Alternative Revenue Source Bonds payable with water revenues, and an installment contract of \$884,132. The Component Unit-Library has General Obligation Alternative Revenue Source Bonds of \$2,975,000 and an installment contract of \$450,000. Further information on the Village’s Debt Outstanding can be located in the Notes to the Financial Statements (pages 40-47).

**VILLAGE OF HINSDALE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

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**Economic Factors**

The Village is dependent on several sources of intergovernmental, or shared state revenue sources, to finance general operations. The Village continues to monitor these sources of revenues and has adjusted its spending accordingly where necessary. In August 2003, the Village completed a special census that indicated an increase in its population level from the 2000 census of 17,349 to 17,940. This represents a 3.4% increase and has had an impact on state per-capita distributions.

Over the last several years, the Village has experienced declines in the development and re-development of its residential and commercial properties due to the economy, which is consistent with what has been experienced nationally. Despite the current economic climate, the overall value of real property in Hinsdale remains strong, as does the overall wealth of the Village in terms of per capita income and unemployment. According to the 2000 census, the Village had a median family income of \$132,993 compared to \$79,314 for Du Page County, and \$55,545 for the State of Illinois.

**CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions regarding this report or requests for additional information should be directed to Darrell J. Langlois, Assistant Village Manager/Finance Director, Village of Hinsdale, 19 East Chicago Ave., Hinsdale, IL 60521.

**VILLAGE OF HINSDALE, ILLINOIS**

STATEMENT OF NET ASSETS

April 30, 2010

	Governmental Activities	Business-Type Activities	Total	Component Unit Library
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,515,995	\$ 109,039	\$ 1,625,034	\$ 545,983
Investments	2,194,825	166,981	2,361,806	769,555
Receivables (net, where applicable, of allowances for uncollectibles)				
Property taxes	5,283,943	-	5,283,943	2,252,163
Utility taxes and franchise fees	452,227	-	452,227	-
Accrued interest	7,427	-	7,427	-
Accounts	-	1,001,866	1,001,866	-
Other	900,588	40,034	940,622	445
Due from other governments	1,552,012	-	1,552,012	20,797
Prepays	8,370	-	8,370	14,329
Inventories	44,067	-	44,067	-
Net pension asset	449,603	-	449,603	-
Capital assets not being depreciated	52,783,376	215,452	52,998,828	-
Capital assets (net of accumulated depreciation)	17,660,605	19,728,030	37,388,635	3,483,522
<b>Total assets</b>	<b>82,853,038</b>	<b>21,261,402</b>	<b>104,114,440</b>	<b>7,086,794</b>
<b>LIABILITIES</b>				
Accounts payable	567,240	1,055,928	1,623,168	16,012
Accrued payroll	260,117	12,625	272,742	26,578
Accrued interest payable	80,635	56,960	137,595	43,321
Deposits payable	2,513	-	2,513	-
Retainage payable	6,761	199,410	206,171	-
Other payables	95,761	30,717	126,478	-
Unearned revenues	5,524,210	-	5,524,210	2,252,163
Due to fiduciary funds	-	725,000	725,000	-
Noncurrent liabilities				
Due within one year	1,145,038	357,958	1,502,996	138,471
Due in more than one year	5,822,048	3,752,480	9,574,528	3,313,502
<b>Total liabilities</b>	<b>13,504,323</b>	<b>6,191,078</b>	<b>19,695,401</b>	<b>5,790,047</b>
<b>NET ASSETS</b>				
Invested in capital assets net of related debt	65,041,753	15,893,899	80,935,652	76,692
Restricted for				
Public services	277,988	-	277,988	-
Debt service	721,931	-	721,931	-
Public safety	84,697	-	84,697	-
Unrestricted	3,222,346	(823,575)	2,398,771	1,220,055
<b>TOTAL NET ASSETS</b>	<b>\$ 69,348,715</b>	<b>\$ 15,070,324</b>	<b>\$ 84,419,039</b>	<b>\$ 1,296,747</b>

See accompanying notes to financial statements.

VILLAGE OF HINSDALE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2010

	Expenses	Program Revenues		
		Charges for Services	Operating Grants	Capital Grants and Contributions
FUNCTIONS/PROGRAMS				
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 2,682,575	\$ 1,452,459	\$ -	\$ 268,315
Public safety	9,302,669	993,545	50,609	-
Public services	2,803,977	7,711	462,980	-
Community development	992,363	888,151	-	-
Parks and recreation	1,980,601	806,074	-	3,000
Interest	304,640	-	-	-
Total governmental activities	18,066,825	4,147,940	513,589	271,315
Business-Type Activities				
Water and sewer	4,967,964	4,459,381	-	-
Total business-type activities	4,967,964	4,459,381	-	-
TOTAL PRIMARY GOVERNMENT	\$ 23,034,789	\$ 8,607,321	\$ 513,589	\$ 271,315
COMPONENT UNIT				
Library	\$ 2,313,945	\$ 55,585	\$ 41,272	\$ -

	Net (Expense) Revenue and Change in Net Assets			
	Primary Government		Component Unit	
	Governmental Activities	Business-Type Activities	Total	Library
<b>FUNCTIONS/PROGRAMS</b>				
<b>PRIMARY GOVERNMENT</b>				
Governmental Activities				
General government	\$ (961,801)	\$ -	\$ (961,801)	\$ -
Public safety	(8,258,515)	-	(8,258,515)	-
Public services	(2,333,286)	-	(2,333,286)	-
Community development	(104,212)	-	(104,212)	-
Parks and recreation	(1,171,527)	-	(1,171,527)	-
Interest	(304,640)	-	(304,640)	-
Total governmental activities	(13,133,981)	-	(13,133,981)	-
Business-Type Activities				
Water and sewer	-	(508,583)	(508,583)	-
Total business-type activities	-	(508,583)	(508,583)	-
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>(13,133,981)</b>	<b>(508,583)</b>	<b>(13,642,564)</b>	<b>-</b>
<b>COMPONENT UNIT</b>				
Library	-	-	-	(2,217,088)
General Revenues				
Taxes				
Property	5,902,769	-	5,902,769	2,337,605
Utility	2,665,934	-	2,665,934	-
Sales	2,442,968	-	2,442,968	-
Income	1,383,656	-	1,383,656	-
Replacement	194,919	-	194,919	17,445
Investment income	87,838	36,260	124,098	3,093
Miscellaneous	364,957	8,488	373,445	45,489
Special item	3,040,462	-	3,040,462	(3,040,462)
Total	16,083,503	44,748	16,128,251	(636,830)
<b>CHANGE IN NET ASSETS</b>	<b>2,949,522</b>	<b>(463,835)</b>	<b>2,485,687</b>	<b>(2,853,918)</b>
<b>NET ASSETS, MAY 1</b>	<b>66,399,193</b>	<b>15,534,159</b>	<b>81,933,352</b>	<b>4,150,665</b>
<b>NET ASSETS, APRIL 30</b>	<b>\$ 69,348,715</b>	<b>\$ 15,070,324</b>	<b>\$ 84,419,039</b>	<b>\$ 1,296,747</b>

See accompanying notes to financial statements.

VILLAGE OF HINSDALE, ILLINOIS

BALANCE SHEET

GOVERNMENTAL FUNDS

April 30, 2010

	General	Capital Projects	Nonmajor Governmental	Total Governmental
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,239,019	\$ 56,614	\$ 220,362	\$ 1,515,995
Investments	895,603	438,577	860,645	2,194,825
Receivables (net, where applicable, of allowances for uncollectibles)				
Property taxes	4,897,649	-	386,294	5,283,943
Utility taxes and franchise fees	343,657	108,570	-	452,227
Accrued interest	7,427	-	-	7,427
Other	900,588	-	-	900,588
Due from other governments	1,213,097	300,000	38,915	1,552,012
Prepaid items	8,370	-	-	8,370
Inventories	44,067	-	-	44,067
<b>TOTAL ASSETS</b>	<b>\$ 9,549,477</b>	<b>\$ 903,761</b>	<b>\$ 1,506,216</b>	<b>\$ 11,959,454</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 369,906	\$ 41,923	\$ 155,411	\$ 567,240
Accrued payroll	260,117	-	-	260,117
Deposits payable	2,513	-	-	2,513
Retainage payable	-	6,761	-	6,761
Other payables	95,761	-	-	95,761
Deferred revenues				
Property taxes	4,897,649	-	386,294	5,283,943
Other	240,267	-	-	240,267
<b>Total liabilities</b>	<b>5,866,213</b>	<b>48,684</b>	<b>541,705</b>	<b>6,456,602</b>
<b>FUND BALANCES</b>				
Reserved for prepaid items	8,370	-	-	8,370
Reserved for inventories	44,067	-	-	44,067
Reserved for public services	120,105	-	157,883	277,988
Reserved for debt service	-	-	721,931	721,931
Reserved for public safety	-	-	84,697	84,697
Unreserved, undesignated	3,510,722	855,077	-	4,365,799
<b>Total fund balances</b>	<b>3,683,264</b>	<b>855,077</b>	<b>964,511</b>	<b>5,502,852</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 9,549,477</b>	<b>\$ 903,761</b>	<b>\$ 1,506,216</b>	<b>\$ 11,959,454</b>

See accompanying notes to financial statements.

VILLAGE OF HINSDALE, ILLINOIS

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

April 30, 2010

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FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 5,502,852
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	70,443,981
The net pension asset is not a current financial resource and is therefore not reported in the governmental funds	449,603
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds:	
Bonds payable	(4,530,000)
Unamortized bond discount	11,904
Installment contract payable	(884,132)
Compensated absences payable	(1,295,768)
OPEB liability	(269,090)
Interest payable	(80,635)
NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 69,348,715</u>

See accompanying notes to financial statements.

VILLAGE OF HINSDALE, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the Year Ended April 30, 2010

	General	Capital Projects	Nonmajor Governmental	Total Governmental
<b>REVENUES</b>				
Property taxes	\$ 5,494,190	\$ -	\$ 408,579	\$ 5,902,769
Utility taxes	2,028,901	637,033	-	2,665,934
Intergovernmental	4,043,467	300,000	503,628	4,847,095
Service charges	1,945,163	-	-	1,945,163
Licenses, permits and fines	1,730,882	-	-	1,730,882
Investment income	67,546	5,981	14,311	87,838
Miscellaneous	788,044	-	8,160	796,204
<b>Total revenues</b>	<b>16,098,193</b>	<b>943,014</b>	<b>934,678</b>	<b>17,975,885</b>
<b>EXPENDITURES</b>				
Current				
General government	1,352,386	-	-	1,352,386
Public safety	8,920,202	-	16,053	8,936,255
Public services	2,172,586	80,337	426,629	2,679,552
Community development	1,011,237	-	-	1,011,237
Parks and recreation	1,679,285	-	-	1,679,285
Capital outlay	338,358	686,217	139,192	1,163,767
Debt service				
Principal	89,420	-	715,000	804,420
Bond issuance costs	-	47,220	-	47,220
Interest and fees	34,812	-	130,768	165,580
<b>Total expenditures</b>	<b>15,598,286</b>	<b>813,774</b>	<b>1,427,642</b>	<b>17,839,702</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>499,907</b>	<b>129,240</b>	<b>(492,964)</b>	<b>136,183</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds issued, at par	-	755,242	1,549,758	2,305,000
Payment to bond escrow agent	-	-	(1,549,758)	(1,549,758)
Transfers in	-	-	478,502	478,502
Transfers (out)	(478,502)	-	-	(478,502)
<b>Total other financing sources (uses)</b>	<b>(478,502)</b>	<b>755,242</b>	<b>478,502</b>	<b>755,242</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>21,405</b>	<b>884,482</b>	<b>(14,462)</b>	<b>891,425</b>
<b>FUND BALANCES, MAY 1</b>	<b>3,661,859</b>	<b>(29,405)</b>	<b>978,973</b>	<b>4,611,427</b>
<b>FUND BALANCES, APRIL 30</b>	<b>\$ 3,683,264</b>	<b>\$ 855,077</b>	<b>\$ 964,511</b>	<b>\$ 5,502,852</b>

See accompanying notes to financial statements.

**VILLAGE OF HINSDALE, ILLINOIS**

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

For the Year Ended April 30, 2010

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 891,425
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	276,163
The net effect of various miscellaneous transactions involving capital assets (i.e., sales and trade ins) is to decrease net assets	(8,456)
The change in net pension asset is not a current financial resource and, therefore, is not reported in the governmental funds	271,547
The change in net OBEB liability is not a current financial resource and, therefore, is not reported in the governmental funds	(135,764)

The issuance of long-term debt provides current financial resources to governmental funds while the repayment of long-term debt is reported as an expenditure when due in governmental funds. The issuance and repayment of long-term debt are reported as an increase and reduction of principal outstanding, respectively, in the statement of activities. Also, governmental funds report the effect of discounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:

Liability transfer	3,045,000
G.O. bonds proceeds	(2,305,000)
Payment to bond escrow agent	1,549,758
Bond principal paid	680,242
Installment contract principal paid	89,420
Amortization of bond discount	(16,565)

Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds

Interest	(42,314)
Compensated absences	(24,967)
Depreciation	(1,320,967)

CHANGES IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$ 2,949,522
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See accompanying notes to financial statements.

VILLAGE OF HINSDALE, ILLINOIS

STATEMENT OF NET ASSETS

PROPRIETARY FUND

April 30, 2010

	<u>Waterworks and Sewerage</u>
<b>CURRENT ASSETS</b>	
Cash and cash equivalents	\$ 109,039
Investments	166,981
Receivables	
Accounts - billed	552,573
Accounts - unbilled	449,293
Other	<u>40,034</u>
Total current assets	<u>1,317,920</u>
<b>NONCURRENT ASSETS</b>	
Capital assets	
Land	215,452
Building and improvements	2,216,267
Water and sewerage system	26,189,911
Vehicles	975,849
Office equipment	98,957
Other equipment	<u>522,302</u>
Subtotal	30,218,738
Accumulated depreciation	<u>(10,275,256)</u>
Net capital assets	<u>19,943,482</u>
Total assets	<u>21,261,402</u>
<b>CURRENT LIABILITIES</b>	
Accounts payable	1,055,928
Bonds payable - current portion	345,000
Retainage payable	199,410
Accrued payroll	12,625
Compensated absences payable - current portion	12,958
Accrued interest payable	56,960
Due to other funds	725,000
Other payables	<u>30,717</u>
Total current liabilities	<u>2,438,598</u>
<b>NONCURRENT LIABILITIES</b>	
Compensated absences payable	38,874
OPEB liability	9,023
Unamortized premium on bonds	19,583
General obligation alternate revenue bonds payable	<u>3,685,000</u>
Total noncurrent liabilities	<u>3,752,480</u>
Total liabilities	<u>6,191,078</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	15,893,899
Unrestricted (deficit)	<u>(823,575)</u>

See accompanying notes to financial statements.

VILLAGE OF HINSDALE, ILLINOIS

STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET ASSETS

PROPRIETARY FUND

For the Year Ended April 30, 2010

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	<u>Waterworks and Sewerage</u>
OPERATING REVENUES	
Charges for services	\$ 4,459,381
Miscellaneous	8,488
	<u>4,467,869</u>
Total operating revenues	<u>4,467,869</u>
OPERATING EXPENSES	
Waterworks and sewerage	4,277,704
Depreciation	531,363
	<u>4,809,067</u>
Total operating expenses	<u>4,809,067</u>
OPERATING INCOME (LOSS)	<u>(341,198)</u>
NONOPERATING REVENUES (EXPENSES)	
Investment income	36,260
Interest expense	(158,897)
	<u>(122,637)</u>
Total nonoperating revenues (expenses)	<u>(122,637)</u>
CHANGE IN NET ASSETS	(463,835)
NET ASSETS, MAY 1	<u>15,534,159</u>
NET ASSETS, APRIL 30	<u>\$ 15,070,324</u>

See accompanying notes to financial statements.

VILLAGE OF HINSDALE, ILLINOIS

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the Year Ended April 30, 2010

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	<u>Waterworks and Sewerage</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers and users	\$ 4,245,585
Payments to suppliers	(2,262,837)
Receipts from miscellaneous revenues	2,011
Payments for interfund services	(900,879)
Payments to employees	(683,492)
	<u>400,388</u>
Net cash from operating activities	
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Loan from agency fund	725,000
Principal payments	(330,000)
Capital assets purchased	(4,305,621)
Interest paid	(163,100)
	<u>(4,073,721)</u>
Net cash from capital and related financing activities	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Sale of investments	3,269,705
Interest received	42,154
	<u>3,311,859</u>
Net cash from investing activities	
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(361,474)</b>
<b>CASH AND CASH EQUIVALENTS, MAY 1</b>	<b><u>470,513</u></b>
<b>CASH AND CASH EQUIVALENTS, APRIL 30</b>	<b><u>\$ 109,039</u></b>

This statement is continued on the following page.

VILLAGE OF HINSDALE, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)

PROPRIETARY FUND

For the Year Ended April 30, 2010

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	<u>Waterworks and Sewerage</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income (loss)	\$ (341,198)
Adjustments to reconcile operating income (loss) to net cash from operating activities	
Depreciation	531,363
Changes in assets and liabilities	
Accounts receivable	(222,246)
Other receivable	(6,477)
Accounts payable	443,501
Deposits payable	8,450
Accrued payroll	(16,316)
Compensated absences payable	3,255
OPEB liability	56
NET CASH FROM OPERATING ACTIVITIES	<u>\$ 400,388</u>

See accompanying notes to financial statements.

VILLAGE OF HINSDALE, ILLINOIS

STATEMENT OF FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

April 30, 2010

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	Pension Trust Funds	Agency Funds
	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,335,596	\$ 71,026
Investments, at fair value		
IMET	-	1,196,999
U.S. Government and agency obligations	15,222,186	98,738
Corporate bonds	889,592	-
Municipal bonds	455,916	-
Equities	6,626,518	-
Mutual funds	6,002,587	-
Receivables		
Accrued interest	126,094	-
Due from other funds	-	725,000
	<u>                    </u>	<u>                    </u>
Total assets	30,658,489	\$ 2,091,763
	<u>                    </u>	<u>                    </u>
<b>LIABILITIES</b>		
Accounts payable	18,047	\$ 76,543
Deposits payable	-	2,013,343
Held for dependent care reimbursement	-	1,877
	<u>                    </u>	<u>                    </u>
Total liabilities	18,047	\$ 2,091,763
	<u>                    </u>	<u>                    </u>
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>	<u>                    </u> <u>                    </u>	
	\$ 30,640,442	

See accompanying notes to financial statements.

VILLAGE OF HINSDALE, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

PENSION TRUST FUNDS

For the Year Ended April 30, 2010

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ADDITIONS	
Contributions	
Employer	\$ 1,646,023
Employees	445,574
Other	<u>17,806</u>
Total contributions	<u>2,109,403</u>
Investment income	
Net appreciation in fair value of investments	2,851,334
Interest income	<u>1,034,668</u>
Total investment income	3,886,002
Less investment expense	<u>(107,090)</u>
Net investment income	<u>3,778,912</u>
Total additions	<u>5,888,315</u>
DEDUCTIONS	
Retirement benefits	1,502,753
Disability benefits	210,136
Pension refunds	19,488
Administrative expenses	<u>30,397</u>
Total deductions	<u>1,762,774</u>
NET INCREASE	4,125,541
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	
MAY 1	<u>26,514,901</u>
APRIL 30	<u>\$ 30,640,442</u>

See accompanying notes to financial statements.

VILLAGE OF HINSDALE, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

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April 30, 2010

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**NOTES TO FINANCIAL STATEMENTS**  
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# VILLAGE OF HINSDALE, ILLINOIS

## NOTES TO FINANCIAL STATEMENTS

April 30, 2010

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### a. Reporting Entity

The Village was incorporated on April 3, 1873. The Village is a municipal corporation governed by an elected seven-member board. The Village operates under a Board-Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, water and sanitation, planning and zoning, public improvements, and general administrative services. As required by generally accepted accounting principles, these financial statements present the Village (the primary government) and its component unit. The component unit discussed below is included in the Village's reporting entity because of the significance of its operational and financial relationship with the Village.

##### Discretely Presented Component Unit

The component unit columns in the basic financial statements include the financial data of the Village's other component unit. It is reported in a separate column to emphasize that it is legally separate from the Village.

##### Village of Hinsdale Public Library

The Village of Hinsdale Public Library (the Library) is governed by the Hinsdale Public Library Board of Trustees elected by the voters of the Village. The Library Board of Trustees selects management staff, establishes budgets and otherwise directs the affairs of the Library. The Library may not issue bonded debt without the Village's approval. The Library receives most of its funding through property taxes levied by the Village on behalf of the Library. The Library does not issue separate financial statements.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**a. Reporting Entity (Continued)**

The Village's financial statements include two pension trust funds:

**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 pension beneficiary elected by the membership, and two active police officers elected by the membership constitute pension board. The Village and PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many characteristics of a legally separate government, PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the Village's police employees and because of the fiduciary nature of such activities. PPERS is reported as a pension trust fund. No separate annual financial report is issued for PPERS.

**Firefighters' Pension Employees Retirement System**

The Village's firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS 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 pension beneficiary elected by the membership and two active fire employees elected by the membership constitute the pension board. The Village and FPERS participants are obligated to fund all FPERS 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 possesses many of the characteristics of a legally separate government, FPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the Village's firefighters and because of the fiduciary nature of such activities, FPERS is reported as a pension trust fund. No separate annual financial report is issued for FPERS.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**b. Fund Accounting**

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

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

Governmental funds are those through which most governmental functions of the Village are financed. The Village's expendable resources (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the Village's governmental funds:

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

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related cost.

Capital Projects Funds - 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 proprietary funds).

Proprietary funds are used to account for activities which are similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. The measurement focus is upon determination of net income.

Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

**VILLAGE OF HINSDALE, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**b. Fund Accounting (Continued)**

The Village has elected, under the provisions of GASB Statement 20, titled *“Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting,”* to apply all applicable GASB pronouncements and all FASB statements and interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARB) issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements.

Fiduciary funds are used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, other governmental units or other funds.

Fiduciary Funds - Fiduciary Funds are used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. These include Pension Trust and Agency Funds. Pension Trust Funds are accounted for in essentially the same manner as proprietary funds since capital maintenance is critical. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**c. Government-Wide and Fund Financial Statements**

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

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

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

The Village reports the following major governmental funds:

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

The Capital Projects Fund accounts for the costs of various improvements to Village property and infrastructure.

The Village reports the following major proprietary fund:

The Waterworks and Sewerage Fund accounts for the activities of the water and sewerage operations.

The Village reports the following fiduciary funds:

The Village reports pension trust funds as fiduciary funds to account for the Police Pension Fund and Firefighter's Pension Fund. The Village reports the Escrow and Flexible Benefit Agency Funds as fiduciary funds.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary (excluding agency) fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenue in the year for which they are levied (i.e., intended to finance).

Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing water and sewer services. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales taxes, income taxes and telecommunication taxes, which are considered available when vouchered by the State of Illinois (generally within 90 days). The Village recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

Sales taxes owed to the state at year end, franchise fees, licenses, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidelines. Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

The Village reports deferred (unearned) revenue on its financial statements. Deferred revenues arise when potential revenue does not meet both the measurable and available criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Village before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed from the financial statements and revenue is recognized.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**e. Cash and Investments**

Cash and Cash Equivalents

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

Investments

Investments with a maturity of one year or less when purchased and non-negotiable certificates of deposits are stated at amortized cost. Investments with a maturity greater than one year when purchased are reported at fair value. Investments in the pension trust funds are stated at fair value. Fair value is based on quoted market prices at April 30 for debt securities, equity securities and mutual funds, and contract values for insurance contracts.

**f. Interfund Receivables/Payables**

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

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

**g. Inventories**

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental inventories are recorded as expenditures when consumed rather than when purchased.

**h. Prepaids**

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

**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**i. Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

<b>Assets</b>	<b>Years</b>
Land improvements	20
Buildings and building improvements	20-45
Parking lots and improvements	20
Water and sewer system	10-67
Vehicles	5
Machinery and equipment	3-10
Infrastructure	40-50

**j. Compensated Absences**

The Village accrues a liability for vacation and sick leave benefits as these benefits are earned. At April 30, 2010, the liabilities for the accumulated unpaid benefits are accounted for in the Enterprise Fund at all levels and in the governmental activities column in the government-wide financial statements.

**k. Long-Term Obligations**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**k. Long-Term Obligations (Continued)**

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

**l. Fund Balances/Net Assets**

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

**m. Interfund Transactions**

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

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

**n. Special Items**

Certain significant transactions or other events within the control of management that are either unusual in nature or infrequent in occurrence are special items. The Village has changed the recording of bonds payable outstanding on the 2006 Alternate Revenue Source Bonds from the Governmental Activities to the Component Unit - Library since this bond was utilized to fund the acquisition of capital assets reported in the Component Unit - Library.

## **2. DEPOSITS AND INVESTMENTS**

The Village maintains a cash and investment pool that is available for use by all funds, except the pension trust funds. Each fund'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.

### **a. Village Deposits and Investments**

The Village's investment policy authorizes the Village to invest in all investments allowed by Illinois Compiled Statutes. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value), and the Illinois Metropolitan Investment Fund (IMET), a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold. The Village's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

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

#### Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 105% of the fair market value of the funds secured, with the collateral held by the Village, an independent third-party or the Federal Reserve Bank of Chicago.

**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**2. DEPOSITS AND INVESTMENTS (Continued)**

**a. Village Deposits and Investments (Continued)**

Investments

The following table presents the investments and maturities of the Village's debt securities as of April 30, 2010:

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1-5	5-10	Greater than 10
U.S. agency obligations	\$ 98,738	\$ -	\$ -	\$ 48,966	\$ 49,772
Illinois Funds	430,946	430,946	-	-	-
Illinois Metropolitan Investment Fund	2,751,534	245,529	2,506,005	-	-
Money Markets	302,325	302,325	-	-	-
Negotiable Certificate of Deposits	805,164	298,631	506,533	-	-
<b>TOTAL</b>	<b>\$ 4,388,707</b>	<b>\$ 1,031,902</b>	<b>\$ 3,258,067</b>	<b>\$ 48,966</b>	<b>\$ 49,772</b>

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for cash requirements for ongoing operations in shorter-term securities, money market funds or similar investment pools and limiting the length of maturity for debt securities.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. To limit its exposure, the Village invests in the safest types of securities; pre-qualifies financial institutions, intermediaries and advisors with which the Village will conduct business; and diversifies the investment portfolio so that potential losses on individual investments will be minimized. Illinois Funds and IMET funds are rated AAA. The U.S. agency obligations are rated AAA. The Negotiable Certificate of Deposits are not rated. The Village has no formal policy relating to credit risk.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's 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 and evidenced by safekeeping receipts and a written custodial agreement. Illinois Funds and IMET are not subject to custodial credit risk.

**2. DEPOSITS AND INVESTMENTS (Continued)**

**a. Village Deposits and Investments (Continued)**

Investments (Continued)

Concentration of credit risk is the risk that the Village has a high percentage of its investments invested in one type of investment. The Village's investment policy requires diversification of investments but does not establish specific portfolio percentages to avoid unreasonable risk by limiting investments to avoid overconcentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities); limiting investment in securities that have higher credit risks; investing in securities with varying maturities; and continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPS's) or money market funds to ensure that proper liquidity is maintained in order to meet ongoing obligations.

**b. Police Pension Fund Deposits and Investments**

The Police Pension Fund's investment policy authorizes the Police Pension Fund to invest in all investments allowed by Illinois Compiled Statutes. These include deposits/investments in insured commercial banks, savings and loan institutions, interest bearing obligations of the U.S. Treasury and U.S. agencies, interest bearing bonds of the State of Illinois or any county, township, or municipal corporation of the State of Illinois, direct obligations of the State of Israel, money market mutual funds whose investments consist of obligations of the U.S. Treasury or U.S. agencies, separate accounts managed by life insurance companies, mutual funds, common and preferred stock, Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value), and IMET, a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold.

It is the policy of the Police Pension Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the cash flow demands of the Police Pension Fund and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity and rate of return.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Police Pension Fund's deposits may not be returned to it. The Police Pension Fund's investment policy does not address this issue.

**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**2. DEPOSITS AND INVESTMENTS (Continued)**

**b. Police Pension Fund Deposits and Investments (Continued)**

Investments

The following table presents the investments and maturities of the Police Pension Fund's debt securities as of April 30, 2010:

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury Obligations	\$ 4,065,437	\$ -	\$ 1,779,471	\$ 2,285,966	\$ -
U.S. agency obligations	5,123,258	476,145	1,912,065	328,472	2,406,576
Municipal Bonds	152,949	-	152,949	-	-
Corporate Bonds	889,592	-	408,992	407,367	73,233
Illinois Funds	69,125	69,125	-	-	-
<b>TOTAL</b>	<b>\$ 10,300,361</b>	<b>\$ 545,270</b>	<b>\$ 4,253,477</b>	<b>\$ 3,021,805</b>	<b>\$ 2,479,809</b>

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Police Pension Fund's investment policy does not address this issue. The Police Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market. The Police Pension Fund further limits its exposure to interest rate risk by limiting the length of maturity debt securities

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The U.S. agency obligations are AAA rated. 100% of the investments in the Municipal Bonds have been rated A2. 100% of the investments in Corporate Bonds as well as Illinois Funds have been rated AAA. The Police Pension Fund has no formal policy relating to credit risk.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Police Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Police Pension Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held by a third-party custodian and evidenced by safekeeping receipts. Illinois Funds are not subject to custodial credit risk.

**2. DEPOSITS AND INVESTMENTS (Continued)**

**b. Police Pension Fund Deposits and Investments (Continued)**

Concentration of credit risk is the risk that the Police Pension Fund has a high percentage of its investments invested in one type of investment. The Police Pension Fund's investment policy does not address this above. The Police Pension Fund's investment policy requires diversification of investment to avoid unreasonable risk but does not establish specific maximum portfolio percentages. Target percentages are cash 3%; fixed income 62%; large cap domestic equities 25%; small cap domestic equities 5%; and international equities 5%.

**c. Firefighters' Pension Fund Deposits and Investments**

The Firefighters' Pension Fund's investment policy authorizes the Firefighters' Pension Fund to invest in all investments allowed by Illinois Compiled Statutes. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value), and IMET, a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold.

It is the policy of the Firefighters' Pension Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Firefighters Pension Fund and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity and return on investment.

**Deposits with Financial Institutions**

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Firefighters' Pension Fund's deposits may not be returned to it. The Firefighters Pension Fund's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance at an amount not less than 110% of the fair market value at the funds secured, with the collateral held by an independent third-party or the Federal Reserve Bank, and evidenced by safekeeping receipts.

**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**2. DEPOSITS AND INVESTMENTS (Continued)**

**c. Firefighters' Pension Fund Deposits and Investments (Continued)**

Investments

The following table presents the investments and maturities of the Firefighters' Pension Fund's debt securities as of April 30, 2010:

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury Obligations	\$ 3,590,401	\$ 702,765	\$ 958,370	\$ 1,461,514	\$ 467,752
U.S. agency obligations	2,443,090	410,624	1,480,811	1,438,124	113,531
Municipal Bonds	302,967	-	-	-	302,967
Money Markets	800,759	800,759	-	-	-
Illinois Funds	89,027	89,027	-	-	-
<b>TOTAL</b>	<b>\$ 7,226,244</b>	<b>\$ 2,003,175</b>	<b>\$ 2,439,181</b>	<b>\$ 2,899,638</b>	<b>\$ 884,250</b>

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Firefighters' Pension Fund's investments policy does not address this issue. The Firefighters' Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market. The Firefighters' Pension Fund further limits its exposure to interest rate risk by limiting the length of maturity for debt securities.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The U.S. Treasury and agency obligations are rated AAA. 100% of the investments in the Municipal Bonds have been rated AA2. Illinois Funds and Money Market accounts have been rated AAA. The Firefighters' Pension Fund has no formal policy relating to credit risk.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Firefighters' Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Firefighters' Pension Fund's 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 a third-party custodian and evidenced by safekeeping receipts. Illinois Funds are not subject to custodial credit risk.

**2. DEPOSITS AND INVESTMENTS (Continued)**

**c. Firefighters' Pension Plan Deposits and Investments (Continued)**

Investments (Continued)

Concentration of credit risk is the risk that the Firefighters' Pension Fund has a high percentage of its investments invested in one type of investment. The Firefighters' Pension Fund's investment policy requires diversification of investment to avoid unreasonable risk but does not establish specific portfolio percentages.

**d. Component Unit Library Deposits and Investments**

The Library's investment policy authorizes the Library to invest in all investments allowed by Illinois Compiled Statutes. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value) and IMET, a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold. The Library's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

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

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Library's deposits may not be returned to it. The Library's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 105% of the fair market value of the funds secured, with the collateral held by the Library, an independent third-party or the Federal Reserve Bank of Chicago.

**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**2. DEPOSITS AND INVESTMENTS (Continued)**

**d. Component Unit Library Deposits and Investments (Continued)**

Investments

The following table presents the investments and maturities of the Library's debt securities as of April 30, 2010:

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1-5	6-10	Greater than 10
Illinois Funds	\$ 63,001	\$ 63,001	\$ -	\$ -	\$ -
Money Markets	454,383	454,383	-	-	-
IMET	769,554	-	769,554	-	-
<b>TOTAL</b>	<b>\$ 1,286,938</b>	<b>\$ 517,384</b>	<b>\$ 769,554</b>	<b>\$ -</b>	<b>\$ -</b>

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Library limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for cash requirements for ongoing operations in shorter-term securities, money market funds or similar investment pools.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Library limits its exposure to credit risk limiting investments to the safest types of securities; pre-qualifying the financial institutions, intermediaries and advisors with which the Library will conduct business; and diversifying the investment portfolio so that potential losses on individual investments will be minimized. Illinois Funds and IMET funds are rated AAA. The Library has no formal policy relating to a specific investment-related risk.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Library will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Library'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 and evidenced by safekeeping receipts and a written custodial agreement. Illinois Funds is not subject to custodial credit risk.

**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**2. DEPOSITS AND INVESTMENTS (Continued)**

**d. Component Unit Library Deposits and Investments (Continued)**

Investments (Continued)

Concentration of credit risk is the risk that the Library has a high percentage of its investments invested in one type of investment. The Library's investment policy requires diversification of investments but does not establish specific portfolio percentages to avoid unreasonable risk by limiting investments to avoid over concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities); limiting investment in securities that have higher credit risks; investing in securities with varying maturities; and continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPS's) or money market funds to ensure that proper liquidity is maintained in order to meet ongoing obligations.

**3. RECEIVABLES AND DUE FROM OTHER GOVERNMENTS**

**a. Property Taxes**

Property taxes for 2009 attach as an enforceable lien on January 1, 2009, 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 DuPage County and issued on or about May 1, 2010 and August 1, 2010, and are payable in two installments, on or about June 1, 2010 and September 1, 2010. Tax bills are prepared by Cook County and issued on or about February 1, 2010 and September 1, 2010, and are payable in two installments, on or about March 1, 2010 and October 1, 2010. The Counties collect such taxes and remit them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy to reflect actual collection experience. Those 2009 taxes (except for Cook County taxes received prior to April 30, 2010) are intended to finance the 2011 fiscal year and are not considered available for current operations and are, therefore, reported as deferred revenue. For the 2010 tax levy that attached as a lien on property as of January 1, 2010 and will be levied in December 2010, this tax levy has not been recorded as a receivable as of April 30, 2010 since it is not measurable or available.

**b. Due From Other Governments**

The following receivables are included in Due from Other Governments on the Statement of Net Assets.

Governmental Activities	
Income Tax	\$ 672,489
Sales Tax	426,734
Motor Fuel Tax	38,915
Federal Grant Funds	300,000
Local Grant Funds	2,483
Miscellaneous - Other	<u>111,391</u>
<b>TOTAL</b>	<b><u>\$ 1,552,012</u></b>

**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. CAPITAL ASSETS**

Capital asset activity for the year ended April 30, 2010 was as follows:

	Balances May 1	Increases	Decreases	Balances April 30
<b>PRIMARY GOVERNMENT</b>				
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital assets not being depreciated				
Land	\$ 6,862,173	\$ -	\$ -	\$ 6,862,173
Land right of way	45,921,203	-	-	45,921,203
Total capital assets not being depreciated	<u>52,783,376</u>	-	-	<u>52,783,376</u>
Capital assets being depreciated				
Land improvements	4,386,298	15,251	-	4,401,549
Building and improvements and pool facilities	6,116,856	-	-	6,116,856
Parking lots and improvements	1,473,598	-	-	1,473,598
Vehicles	3,174,416	88,784	59,612	3,203,588
Machinery and equipment	5,150,051	96,426	-	5,246,477
Parking lot equipment	123,612	-	-	123,612
Infrastructure	21,128,880	75,702	-	21,204,582
Total capital assets being depreciated	<u>41,553,711</u>	<u>276,163</u>	<u>59,612</u>	<u>41,770,262</u>
Less accumulated depreciation for				
Land improvements	1,483,831	225,909	-	1,709,740
Building and improvements and pool facilities	3,384,964	176,671	-	3,561,635
Parking lots and improvements	889,533	43,074	-	932,607
Vehicles	2,013,452	271,562	51,156	2,233,858
Machinery and equipment	3,545,997	237,771	-	3,783,768
Parking lot equipment	49,034	8,605	-	57,639
Infrastructure	11,473,035	357,375	-	11,830,410
Total accumulated depreciation	<u>22,839,846</u>	<u>1,320,967</u>	<u>51,156</u>	<u>24,109,657</u>
Total capital assets being depreciated, net	<u>18,713,865</u>	<u>(1,044,804)</u>	<u>8,456</u>	<u>17,660,605</u>
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<u>\$ 71,497,241</u>	<u>\$ (1,044,804)</u>	<u>\$ 8,456</u>	<u>\$ 70,443,981</u>

**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. CAPITAL ASSETS (Continued)**

	Balances May 1	Increases	Decreases	Balances April 30
<b>PRIMARY GOVERNMENT (Continued)</b>				
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 215,452	\$ -	\$ -	\$ 215,452
Capital assets being depreciated				
Building and improvements	2,216,267	-	-	2,216,267
Water system	21,920,369	4,269,542	-	26,189,911
Vehicles	975,849	-	-	975,849
Office equipment	98,957	-	-	98,957
Other equipment	490,822	31,480	-	522,302
Total capital assets being depreciated	25,702,264	4,301,022	-	30,003,286
Less accumulated depreciation for				
Building and improvements	2,178,131	2,566	-	2,180,697
Water system	6,221,011	452,480	-	6,673,491
Vehicles	844,105	60,810	-	904,915
Machinery and equipment	89,281	1,766	-	91,047
Other equipment	411,365	13,741	-	425,106
Total accumulated depreciation	9,743,893	531,363	-	10,275,256
Total capital assets being depreciated, net	15,958,371	3,769,659	-	19,728,030
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	\$ 16,173,823	\$ 3,769,659	\$ -	\$ 19,943,482

**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. CAPITAL ASSETS (Continued)**

	Balances May 1	Increases	Decreases	Balances April 30
<b>COMPONENT UNIT-LIBRARY</b>				
GOVERNMENTAL ACTIVITIES				
Capital assets being depreciated				
Building and improvements	\$ 3,670,865	\$ -	\$ -	\$ 3,670,865
Machinery and equipment	811,501	-	-	811,501
Library books/multi-media	2,678,800	-	-	2,678,800
Total capital assets being depreciated	<u>7,161,166</u>	-	-	<u>7,161,166</u>
Less accumulated depreciation for				
Building and improvements	277,154	100,124	-	377,278
Machinery and equipment	600,214	21,352	-	621,566
Library books/multi-media	2,678,800	-	-	2,678,800
Total accumulated depreciation	<u>3,556,168</u>	<u>121,476</u>	-	<u>3,677,644</u>
Total capital assets being depreciated, net	<u>3,604,998</u>	<u>(121,476)</u>	-	<u>3,483,522</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 3,604,998</u>	<u>\$ (121,476)</u>	<u>\$ -</u>	<u>\$ 3,483,522</u>

Depreciation expense was charged to functions/programs as follows:

**Primary Government**

GOVERNMENTAL

General government	\$ 539,567
Public safety	360,681
Public services	90,643
Parks and recreation	287,003
Parking system	<u>43,073</u>

TOTAL DEPRECIATION EXPENSE -  
GOVERNMENTAL ACTIVITIES

\$ 1,320,967

Component Unit

Library	<u>\$ 121,476</u>
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**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**4. CAPITAL ASSETS (Continued)**

**Construction Contracts**

The Village has entered into contracts for the construction or renovation of various facilities as follows:

	Project Authorizations	Expended to Date	Commitment
Veeck Park CSO - Construction	\$ 4,660,622	\$ 4,254,438	\$ 406,184
Veeck Park CSO - Engineering	748,444	718,249	30,195
	<u>\$ 5,409,066</u>	<u>\$ 4,972,687</u>	<u>\$ 436,379</u>

**5. RISK MANAGEMENT**

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets and omissions; injuries to employees; illnesses of employees; and natural disasters.

**a. Intergovernmental Personnel Benefit Cooperative (IPBC)**

The Village participates in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC is a public entity risk pool established by certain units of local government in Illinois to administer most of the personnel benefit programs (primarily medical, dental and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain other governmental, quasi governmental and nonprofit public service entities.

The IPBC receives, processes and pays such claims as may come within the benefit program of each member. Management consists of a board of directors comprised of one appointed representative from each member. The Village does not exercise any control over the activities of the IPBC beyond its representation on the board of directors.

**b. Intergovernmental Risk Management Agency (IRMA)**

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

**5. RISK MANAGEMENT (Continued)**

**b. Intergovernmental Risk Management Agency (IRMA) (Continued)**

The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$2,500 of each occurrence and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level. Currently, the Village has chosen an additional optional deductible of \$7,500 for a total deductible of \$10,000 per occurrence.

Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The Village does exercise any control over the activities of IRMA beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the bylaws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to any membership year during which they were a member. Supplemental contributions may be required to fund these deficits.

**6. LONG-TERM DEBT**

**a. General Obligation Bonds**

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both general government and proprietary activities. These bonds, therefore, are reported in the proprietary funds as they are expected to be repaid from proprietary revenues. The Village also issues general obligation bonds for the Component Unit-Hinsdale Public Library. These bonds, therefore, are reported in the component unit fund as they are expected to be repaid from component unit revenues.

General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

Issue	Fund Debt Retired By	Balances May 1	Issuances	Reductions	Balances April 30	Current
<b>Primary Government</b>						
<b>GOVERNMENTAL ACTIVITIES</b>						
General Obligation Refunding Bonds Series 1999, due in annual installments of \$30,000 to \$230,000 plus interest at 3.85% to 3.95% through December 15, 2011	Debt Service	\$ 660,000	\$ -	\$ 210,000	\$ 450,000	\$ 220,000
General Obligation Limited Tax Bonds Series 2002, due in annual installments of \$15,000 to \$160,000 plus interest at 4.00% to 4.95% through January 1, 2022	Debt Service	1,610,000	-	1,610,000	-	-
General Obligation (Shared State Income Taxes Alternate Revenue Source) Bonds Series 2003, due in annual installments of \$305,000 to \$465,000 plus interest at 1.00% to 3.25% through December 15, 2013	Debt Service	2,185,000	-	410,000	1,775,000	425,000
General Obligation Limited Tax Bonds Series 2009, due in annual installments of \$85,000 to \$160,000 plus interest at 2.00% to 4.20% through December 15, 2029	General Fund	-	2,305,000	-	2,305,000	
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>		<b>\$ 4,455,000</b>	<b>\$ 2,305,000</b>	<b>\$ 2,230,000</b>	<b>\$ 4,530,000</b>	<b>\$ 730,000</b>
<b>BUSINESS-TYPE ACTIVITIES</b>						
General Obligation (Alternate Revenue Source) Bonds Series 2001, due in annual installments of \$205,000 to \$300,000 plus interest at 3.375% to 3.500% through December 15, 2011	Waterworks and Sewerage	\$ 860,000	\$ -	\$ 275,000	\$ 585,000	\$ 285,000
General Obligation (Alternate Revenue Source) Bonds Series 2008, due in annual installments of \$55,000 to \$475,000 plus interest at 3.375% to 4.000% through December 15, 2020	Waterworks and Sewerage	3,500,000	-	55,000	3,445,000	60,000
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>		<b>\$ 4,360,000</b>	<b>\$ -</b>	<b>\$ 330,000</b>	<b>\$ 4,030,000</b>	<b>\$ 345,000</b>
<b>Component Unit - Library</b>						
General Obligation Library Fund Tax (Alternate Revenue Source) Bonds Series 2006, due in annual installments of \$70,000 to \$300,000 plus interest at 3.75% to 4.00% through December 15, 2026	Debt Service	\$ 3,045,000	\$ -	\$ 70,000	\$ 2,975,000	\$ 80,000
<b>TOTAL COMPONENT UNIT - LIBRARY</b>		<b>\$ 3,045,000</b>	<b>\$ -</b>	<b>\$ 70,000</b>	<b>\$ 2,975,000</b>	<b>\$ 80,000</b>

**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**6. LONG-TERM DEBT (Continued)**

**a. General Obligation Bonds (Continued)**

**Refunding**

On October 1, 2009, the Village issued \$2,305,000 General Obligation Limited Tax Bonds, Series 2009, with principal maturing December 15, 2010 – 2028, ranging from \$855,000 to \$315,000, interest payable semiannually each June 15 and December 15, commencing June 15, 2010 at rates of 2.00% to 4.20%. \$1,549,758 of the proceeds of the bonds, including reoffering premium, have been deposited into an irrevocable trust to advance refund, through an in-substance defeasance, \$1,515,000 of the Series 2002 General Obligation Limited Tax Bonds. Through the refunding, the Village reduced its overall debt service by \$136,706 and had an economic gain of \$105,026. All of the defeased bonds were retired from escrow prior to April 30, 2010.

**b. Installment Contracts**

The Village has issued an installment contract to provide funds for the purchase of a fire ladder truck. The Component Unit-Hinsdale Public Library has issued an installment contract for the acquisition of HVAC equipment.

**Primary Government**

GOVERNMENTAL ACTIVITIES

Installment loan due in annual installments  
of \$89,420 to \$105,693 plus interest at  
3.75% through July 1, 2018

General Fund	\$ 973,552	\$ -	\$ 89,420	\$ 884,132	\$ 91,097
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TOTAL GOVERNMENTAL ACTIVITIES

\$ 973,552	\$ -	\$ 89,420	\$ 884,132	\$ 91,097
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**Component Unit - Library**

Installment loan due in annual installments  
of \$50,000 plus interest at 3.94% through  
October 1, 2018

Debt Service	\$ 500,000	\$ -	\$ 50,000	\$ 450,000	\$ 50,000
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TOTAL COMPONENT UNIT - LIBRARY

\$ 500,000	\$ -	\$ 50,000	\$ 450,000	\$ 50,000
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**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT (Continued)**

**c. Debt Service Requirements to Maturity**

**Primary Government**

The annual requirements to amortize all debt outstanding of the primary government as of April 30, 2010 are as follows:

Fiscal Year	Governmental Activities				Business-Type Activities	
	G.O. Bonds		Installment Contract		Principal	Interest
	Principal	Interest	Principal	Interest		
2011	\$ 730,000	\$ 160,708	\$ 91,097	\$ 31,447	\$345,000	\$151,894
2012	765,000	123,488	92,805	27,999	355,000	139,894
2013	550,000	99,570	94,545	24,486	365,000	127,538
2014	565,000	83,620	96,318	20,907	380,000	115,219
2015	105,000	66,508	98,124	17,261	390,000	101,919
2016	105,000	64,408	99,964	13,547	405,000	87,294
2017	110,000	62,046	101,838	9,763	420,000	71,600
2018	110,000	59,296	103,748	5,909	440,000	54,800
2019	115,000	56,160	105,693	1,982	455,000	37,200
2020	115,000	52,596	-	-	475,000	19,000
2021	120,000	48,800	-	-	-	-
2022	125,000	44,660	-	-	-	-
2023	130,000	40,160	-	-	-	-
2024	135,000	35,480	-	-	-	-
2025	140,000	30,350	-	-	-	-
2026	145,000	25,030	-	-	-	-
2027	150,000	19,230	-	-	-	-
2028	155,000	13,230	-	-	-	-
2029	160,000	6,720	-	-	-	-
<b>TOTAL</b>	<b>\$ 4,530,000</b>	<b>\$ 1,092,060</b>	<b>\$884,132</b>	<b>\$153,301</b>	<b>\$4,030,000</b>	<b>\$906,358</b>

**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**6. LONG-TERM DEBT (Continued)**

**c. Debt Service Requirements to Maturity (Continued)**

**Component Unit - Library**

The annual requirements to amortize all debt outstanding of the component unit as of April 30, 2010 are as follows:

Fiscal Year	Component Unit			
	G.O. Bonds		Installment Contract	
	Principal	Interest	Principal	Interest
2011	\$ 80,000	\$ 115,525	\$ 50,000	\$ 16,745
2012	85,000	112,526	50,000	14,775
2013	95,000	109,338	50,000	12,805
2014	105,000	105,728	50,000	10,835
2015	115,000	101,738	50,000	8,865
2016	130,000	97,368	50,000	6,895
2017	140,000	92,428	50,000	4,925
2018	150,000	87,108	50,000	2,955
2019	165,000	81,408	50,000	985
2020	185,000	75,138	-	-
2021	195,000	68,016	-	-
2022	210,000	60,508	-	-
2023	230,000	52,318	-	-
2024	240,000	43,348	-	-
2025	265,000	33,868	-	-
2026	285,000	23,400	-	-
2027	300,000	12,000	-	-
<b>TOTAL</b>	<b>\$ 2,975,000</b>	<b>\$ 1,271,763</b>	<b>\$ 450,000</b>	<b>\$ 79,785</b>

**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT (Continued)**

**d. Pledged Future Revenues**

The amount of pledges remaining at April 30, 2010 is as follows:

Debt Issue	Pledged Revenue Source	Pledge Remaining	Commitment End Date
General Obligation (Shared State Income Taxes and Alternate Revenue Source) bonds Series 2003	Shared state income taxes	\$ 1,914,651	December 15, 2013

A comparison of pledges collected and the related principal and interest expenditures for fiscal year 2010 is as follows.

Debt Issue	Pledged Revenue	Principal and Interest Paid	Estimate % of Revenue Pledged
General Obligation (Shared State Income Taxes and Alternate Revenue Source) bonds Series 2003	\$ 1,383,656	\$ 473,628	34.23%

**e. Changes in Long-Term Liabilities**

During the fiscal year, the following changes occurred in liabilities reported on the schedule of long-term liabilities payable by governmental funds:

**Primary Government**

	Balances May 1	Additions	Reductions	Balances April 30	Due Within One Year
<b>GOVERNMENTAL ACTIVITIES</b>					
General obligation bonds payable	\$ 4,455,000	\$ 2,305,000	\$ 2,230,000	\$ 4,530,000	\$ 730,000
Installment contracts	973,552	-	89,420	884,132	91,097
Less unamortized bond discount	(28,469)	(12,531)	(29,096)	(11,904)	-
Subtotal	5,400,083	2,292,469	2,290,324	5,402,228	821,097
Compensated absences payable	1,270,801	1,295,768	1,270,801	1,295,768	323,941
Net OPEB liability	133,326	135,764	-	269,090	-
Subtotal	1,404,127	1,431,532	1,270,801	1,564,858	323,941
<b>TOTAL GENERAL LONG-TERM DEBT</b>	<b>\$ 6,804,210</b>	<b>\$ 3,724,001</b>	<b>\$ 3,561,125</b>	<b>\$ 6,967,086</b>	<b>\$ 1,145,038</b>

**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT (Continued)**

**Primary Government (Continued)**

**e. Changes in Long-Term Liabilities (Continued)**

	Balances May 1	Additions	Reductions	Balances April 30	Due Within One Year
<b>BUSINESS-TYPE ACTIVITIES</b>					
General obligation alternate revenue bonds Series 2001	\$ 860,000	\$ -	\$ 275,000	\$ 585,000	\$ 285,000
General obligation alternate revenue bonds Series 2008	3,500,000	-	55,000	3,445,000	60,000
Plus unamortized bond premium	21,759	-	2,176	19,583	-
Subtotal	<u>4,381,759</u>	<u>-</u>	<u>332,176</u>	<u>4,049,583</u>	<u>345,000</u>
Compensated absences	48,577	51,832	48,577	51,832	12,958
Net OPEB Liability	8,967	56	-	9,023	-
Subtotal	<u>57,544</u>	<u>51,888</u>	<u>48,577</u>	<u>60,855</u>	<u>12,958</u>
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<u>\$ 4,439,303</u>	<u>\$ 51,888</u>	<u>\$ 380,753</u>	<u>\$ 4,110,438</u>	<u>\$ 357,958</u>

**Component Unit - Library**

	Balances May 1	Additions	Reductions	Balances April 30	Due Within One Year
General Obligation Alternate Revenue Bonds Series 2006	\$ 3,045,000	\$ -	\$ 70,000	\$ 2,975,000	\$ 80,000
2008 Installment Loan	500,000	-	50,000	450,000	50,000
Less unamortized bond discount	-	(19,306)	(1,136)	(18,170)	-
Subtotal	<u>3,545,000</u>	<u>(19,306)</u>	<u>118,864</u>	<u>3,406,830</u>	<u>130,000</u>
Compensated absences	23,907	33,881	23,907	33,881	8,471
Net OPEB Liability	6,051	5,211	-	11,262	-
Subtotal	<u>29,958</u>	<u>39,092</u>	<u>23,907</u>	<u>45,143</u>	<u>8,471</u>
<b>TOTAL COMPONENT UNIT</b>	<u>\$ 3,574,958</u>	<u>\$ 19,786</u>	<u>\$ 142,771</u>	<u>\$ 3,451,973</u>	<u>\$ 138,471</u>

Compensated absences for the primary government are paid for out of General Fund revenues and Water Fund operating revenues. The component unit finances these liabilities through the Library revenues.

**f. Legal Debt Margin**

ASSESSED VALUATION – 2009 (LATEST AVAILABLE)	<u>\$ 1,982,799,609</u>
LEGAL DEBT LIMIT - 8.625% OF ASSESSED VALUATION	\$ 171,016,466
AMOUNT OF DEBT APPLICABLE TO DEBT LIMIT	
General Obligation Bonds	11,535,000
Installment Loans	<u>1,334,132</u>
	<u>12,869,132</u>
LEGAL DEBT MARGIN	<u>\$ 158,147,334</u>

**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**6. LONG-TERM DEBT (Continued)**

**f. Legal Debt Margin (Continued)**

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."

**7. INTERFUND ACTIVITY**

**a. Individual Fund Transfers**

Individual fund transfers are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ -	\$ 478,502
Nonmajor governmental	478,502	-
<b>TOTAL</b>	<u>\$ 478,502</u>	<u>\$ 478,502</u>

As required under the bond ordinance the General Fund transferred the required annual financing amount of state income tax revenues to finance the principal and interest due in the next year for the 2003 General Obligation (Shared State Income Taxes Alternate Revenue Source) Bonds.

**b. Due To/From Other Funds**

Due to/from other funds are as follows:

	<u>Due To</u>	<u>Due From</u>
Waterworks and Sewerage Fund	\$ 725,000	\$ -
Escrow Fund	-	725,000
<b>TOTAL</b>	<u>\$ 725,000</u>	<u>\$ 725,000</u>

This interfund loan provided short-term financing for capital improvements in the Waterworks and Sewerage Fund. It is expected that this will be repaid during fiscal year 2011.

**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**8. COMMITMENTS - DUPAGE WATER COMMISSION (DWC)**

The Village is a customer of the DuPage Water Commission (DWC) and has executed a Water Supply Contract (the Contract) with the DWC for a term ending 2024. The contract provides that the Village pay its proportionate share of fixed costs (debt service and capital costs) to DWC, such obligation being unconditional and irrevocable whether or not water is delivered.

Fiscal Year Ending April 30	Amount
2011	\$ 543,996
2012	543,902
2013	543,963
2014	543,956

These amounts are estimates, which have been calculated using the Village's current allocation percentage of 3.2439%. In future years, the estimates and the allocation percentage will be subject to change. Estimates for the remaining years of the contract are not currently available. However, the Village does not expect the minimum amounts for the remaining years of the contract to materially vary from the amounts presented above.

**9. CONTINGENT LIABILITIES**

**a. 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.

**b. Grants**

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

**c. DuPage Water Commission (DWC)**

The Village's water supply agreement with the DWC provides that each customer is liable for its proportionate share of any costs arising from defaults in payment obligations by other customers.

**10. DEFERRED COMPENSATION**

The Village offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administered by the ICMA Retirement Corporation and the Nationwide Retirement Solutions, Inc. The plan, available to all permanent village employees, permits them to defer a portion of their current salary to future years. The deferred compensation is not available to the participants until termination, retirement, death or an unforeseeable emergence occurs.

On December 1, 1996, the Village amended the deferred compensation plans. Under the amendment the assets of the plans are now held in trust (ICMA Retirement Corporation Deferred Compensation Plan and Trust) and Nationwide Retirement Solutions, Inc., with the Village serving as trustee, for the exclusive benefit of the plans' participants and their beneficiaries. The assets cannot be diverted to any other purpose. The Village's beneficial ownership of the plan's assets held in the ICMA Retirement Trust is held for the future exclusive benefit of the participants and their beneficiaries. The Village and its agent have no liability for losses under the plans, but do have the duty of care that would be required of an ordinary prudent investor.

**11. POSTEMPLOYMENT HEALTH CARE BENEFITS**

**Plan Description and Benefits Provided**

The Village provides pre and post Medicare postretirement healthcare benefits to all retirees who worked for the Village, were enrolled in one of the Village's healthcare plans at the time of employment, and receive a pension from the Village through one of the following plans:

- Illinois Municipal Retirement Fund (IMRF)
- Police Pension Fund
- Firefighters' Pension Fund

The eligibility and vesting requirements for pension benefits are:

- IMRF participants are eligible at age 55 with at least eight years of service, or if they are totally and permanently disabled
- Police officers and firefighters are eligible at age 50 with 20 years of service, or if they are medically disabled and unable to perform the duties of a police officer or firefighter
- Police officers are eligible for a reduced benefit at age 60 with at least eight years of service but less than 20 and firefighters are eligible for a reduced benefit at age 60 with at least ten years of service but less than 20
- Police officers and firefighters that terminate with a vested benefit are eligible for post-retirement healthcare benefits commencing at the time of separation

**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**11. POSTEMPLOYMENT HEALTH CARE BENEFITS (Continued)**

**Plan Description and Benefits Provided (Continued)**

Spouses and dependents of retirees are eligible to continue healthcare coverage while the retiree is alive if they were enrolled at the time of retirement. Surviving spouses and dependent children of Police Officers and Firefighters that were injured or killed in the line of duty, during an emergency and surviving spouses of all retirees are eligible to continue healthcare coverage.

In addition to providing pension benefits, the Village permits retired employees and former employees receiving disability pensions from any of the Village's pension plans to continue their enrollment in the Village's health care plans. The retired and former employees pay all health care premiums during their postemployment period. The Village is not obligated to pay any cost associated with their enrollment. Currently, 28 retired and former employees have elected to remain in the Village's health care plans.

	<u>Village</u>	<u>Library</u>
Retirees and beneficiaries currently receiving benefits	27	1
Terminated employees entitled to benefits but not yet receiving them	-	-
Current employees		
Vested	17	4
Nonvested	99	11
	<hr/>	<hr/>
TOTAL	<u>143</u>	<u>16</u>

**Funding Policy**

Retiree healthcare benefits are funded on a pay as you go basis.

**Annual OPEB Costs and Net OPEB Obligation**

The Village had an actuarial valuation performed for the plan as of April 30, 2010 to determine the funded status of the plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended April 30, 2010. The Village's annual OPEB cost (expense) was \$277,255.

**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**11. POSTEMPLOYMENT HEALTH CARE BENEFITS (Continued)**

**Annual OPEB Costs and Net OPEB Obligation (Continued)**

	For Fiscal Year	Village	Library
Annual OPEB cost	2009	\$ 267,638	\$ 8,994
	2010	277,255	9,502
Employer contributions	2009	125,345	2,943
	2010	141,435	4,291
Percentage of annual OPEB cost contributed	2009	46.80%	32.70%
	2010	51.00%	45.20%
Net OPEB obligation	2009	\$ 142,293	\$ 6,051
	2010	278,113	11,262

The net OPEB obligation as of April 30, 2010 was calculated as follows:

	Village	Library
Annual OPEB cost	\$ 277,255	\$ 9,502
Contributions made	141,435	4,291
Increase in net OPEB obligation	135,820	5,211
Net OPEB obligation, beginning of year	142,293	6,051
<b>NET OPEB OBLIGATION, END OF YEAR</b>	<b>\$ 278,113</b>	<b>\$ 11,262</b>

**Funded Status and Funding Progress**

The funded status of the plan as of April 30, 2010, was as follows:

	Village	Library
Actuarial accrued liability (AAL)	\$ 3,181,131	\$ 93,454
Actuarial value of plan assets	-	-
Unfunded actuarial accrued liability (UAAL)	3,181,131	93,454
Funded ratio (actuarial value of plan assets/AAL)	-	-
Covered payroll (active plan members)	8,241,842	754,669
UAAL as a percentage of covered payroll	38.60%	12.38%

**11. POSTEMPLOYMENT HEALTH CARE BENEFITS (Continued)**

**Funded Status and Funding Progress (Continued)**

Actuarial valuations of the ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as the actual results are compared with the past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements present multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to actuarial accrued liabilities for benefits.

**Actuarial Methods and Assumptions.**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and includes the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets, consistent with the long-term perspective of calculations.

The retiree healthcare valuation was based on the entry age normal cost method. Under this method, each participant's projected benefits are assumed to be funded by annual installments, equal to a level percentage of compensation, payable from date of participation to assumed date of retirement. The total normal cost is the sum of the current year's annual installment determined for all active participants. The actuarial accrued liability is the excess value of the present value of future benefits for all participants (both active and retired) over the present value of future normal costs.

In the April 30, 2010 actuarial valuation, the entry-age actuarial cost method was used. The actuarial assumptions included a 4.00% investment rate of return (net of administrative expenses) and an initial healthcare cost trend of 9.50% reducing to an ultimate rate of 4.50%. Both rates include a 3.00% inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll for a 30 year open amortization period.

**12. EMPLOYEE RETIREMENT SYSTEMS**

**Plan Descriptions and Provisions**

**Illinois Municipal Retirement Fund**

The Village contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Village's total payroll for the year ended December 31, 2009 was \$10,393,392. Of this amount, \$4,916,336 in payroll earnings were reported to and covered by IMRF.

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. Participating members who retire at or after age 60 with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of their final rate (average of the highest 48 consecutive months' earnings during the last ten years) of earnings, for each year of credited service up to 15 years and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by Illinois Compiled Statutes.

IMRF issues a separate financial report for the plan as a whole, but not for individual employers, which may be obtained by writing them at: IMRF, Drake Oak Brook Plaza, Suite 500, 2211 S. York Road, Oak Brook, Illinois 60523.

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund the coverage of its own employees in the system, using the actuarial basis specified by state statute (entry age normal); for 2009 the rate was 15.94%.

**Police Pension Plan**

Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois Compiled Statutes (Chapter 40-Article 5/3) and may be amended only by the Illinois legislature. The Village accounts for the Police Pension Plan as a Pension Trust Fund. The Village's payroll for employees covered by the Police Pension Plan for the year ended April 30, 2009 was \$2,266,498 out of a total payroll of \$10,859,017. At April 30, 2009, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	21
Terminated employees entitled to benefits but not yet receiving them	-
Current employees	
Vested	22
Nonvested	6
	<hr/>
TOTAL	46
	<hr/> <hr/>

**12. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Plan Descriptions and Provisions (Continued)**

**Police Pension Plan (Continued)**

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

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% 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 pension 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% of the original pension and 3% simple interest annually thereafter.

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 as actuarially determined by an enrolled actuary. The Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded by the year 2033.

**Firefighters' Pension Plan**

Fire sworn personnel are covered by the Firefighters' Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are mandated by Illinois Compiled Statutes (Chapter 40-Article 5/4) and may be amended only by the Illinois legislature. The Village accounts for the Firefighters' Pension Plan as a Pension Trust Fund. The Village's payroll for employees covered by the Firefighters' Pension Plan for the year ended April 30, 2009 was \$2,040,687 out of a total payroll of \$10,859,016. At April 30, 2009, the Firefighters' Pension Plan membership consisted of:

**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**12. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Plan Descriptions and Provisions (Continued)**

**Firefighters' Pension Plan (Continued)**

Retirees and beneficiaries currently receiving benefits	20
Terminated employees entitled to benefits but not yet receiving them	-
Current employees	
Vested	13
Nonvested	13
	<hr/>
TOTAL	46
	<hr/>

The following is a summary of the Firefighters' Pension Plan as provided for in Illinois Compiled Statutes.

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one-half of the monthly salary attached to the rank held in the fire service at the date of retirement. The monthly benefit shall be increased by one-twelfth of 2.50% of such monthly salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a firefighter 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 paid upon reaching at least the age 55, by 3% of the original pension and 3% annually thereafter.

Covered employees are required to contribute 9.455% of their salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without interest. The Village is required to contribute the remaining amounts necessary to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. The Village's contributions must accumulate to the point where the past service cost of the Firefighters' Pension Plan is fully funded by the year 2033.

**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**12. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Summary of Significant Accounting Policies and Plan Asset Matters**

**a. Basis of Accounting**

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

**b. Method Used to Value Investments**

Investments are reported at fair value. Investment income is recognized as earned. Gains and losses on sales and exchanges of fixed-income securities are recognized on the transaction date.

**c. Significant Investments**

The following are investments (other than U.S. Government and U.S. Government-guaranteed obligations) in any one organization that represent 5 percent or more of net assets available for benefits:

Plan	Organization	Amount
Police Pension	Harris Insight Funds (Small Cap Fund)	\$ 1,580,241
	Dodge and Cox International Fund	<u>843,796</u>
		2,424,037
Firefighters' Pension	MSCI Emerging Mkts	<u>836,745</u>
		<u>\$ 3,260,782</u>

**d. Administrative Costs**

Administrative costs for both the Police Pension Plan and the Firefighters' Pension Plan are financed primarily through investment earnings.

**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**12. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Annual Pension Cost and Net Pension Obligation (NPO)**

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial valuation date	December 31, 2009	April 30, 2008	April 30, 2008
Actuarial cost method	Entry-age Normal	Entry-age Normal	Entry-age Normal
Asset valuation method	5 Year Smoothed Market	Market	Market
Amortization method	Level Percentage of Payroll	Level Percentage of Payroll	Level Percentage of Payroll
Amortization period	30 Years, Open	25 Years, Closed	25 Years, Closed
Significant actuarial assumptions			
a) Rate of return on present and future assets	7.50% Compounded Annually	7.00% Compounded Annually	7.00% Compounded Annually
b) Projected salary increase - attributable to inflation	4.00% Compounded Annually	5.50% Compounded Annually	5.50% Compounded Annually
c) Additional projected salary increases - seniority/merit	0.40 to 10.0%	3.00%	3.00%

**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**12. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Annual Pension Cost and Net Pension Obligation (NPO)**

The net pension obligation (asset) at April 30, 2010 has been calculated as follows:

	Police Pension	Firefighters' Pension
Annual required contribution	\$ 609,971	\$ 768,160
Interest on net pension obligation (asset)	(6,930)	(5,534)
Adjustment to annual required contribution	4,898	3,911
Annual pension cost	607,939	766,537
Contributions made	794,923	851,100
Increase (decrease) in net pension obligation	(186,984)	(84,563)
Net pension obligation (asset), beginning of year	(99,000)	(79,056)
 NET PENSION OBLIGATION (ASSET), END OF YEAR	 <u>\$ (285,984)</u>	 <u>\$ (163,619)</u>

**Trend Information**

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due.

	For Fiscal Year	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual pension cost (APC)	2008	\$ 548,972	\$ 473,404	\$ 522,710
	2009	670,173	503,404	547,801
	2010	822,962	607,939	766,537
Actual contribution	2008	\$ 548,972	\$ 472,227	\$ 521,823
	2009	670,173	521,838	565,947
	2010	822,962	794,923	851,100
Percentage of APC contributed	2008	100.00%	99.8%	99.8%
	2009	100.00%	103.7%	103.3%
	2010	100.00%	130.8%	111.0%
NPO (asset)	2008	\$ -	\$ (80,566)	\$ (60,910)
	2009	-	(99,000)	(79,056)
	2010	-	(285,984)	(163,619)

**VILLAGE OF HINSDALE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**12. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Funded Status and Funding Progress**

The funded status of IMRF as of December 31, 2009 and the Police Pension Fund and Firefighters' Pension Fund as of April 30, 2009 was as follows. The actuarial assumptions used to determine the funded status of the plans are the same actuarial assumptions used to determine the employer APC of the plans as disclosed previously:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial accrued liability (AAL)	\$ 11,509,877	\$ 25,817,390	\$ 21,034,153
Actuarial value of plan assets	3,700,615	15,319,718	11,195,183
Unfunded actuarial accrued liability (UAAL)	7,809,262	10,497,672	9,838,970
Funded ratio (actuarial value of plan assets/AAL)	32.15%	59.34%	53.22%
Covered payroll (active plan members)	\$ 4,916,336	\$ 2,266,498	\$ 2,040,687
UAAL as a percentage of covered payroll	158.84%	463.17%	482.14%

The actuarial value of plan assets of the Police and Firefighters' Pension Plans above are as of April 30, 2009.

**REQUIRED SUPPLEMENTARY INFORMATION**

VILLAGE OF HINSDALE, ILLINOIS

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

GENERAL FUND

For the Year Ended April 30, 2010

	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Property taxes	\$ 5,410,228	\$ 5,410,228	\$ 5,494,190
Utility taxes	2,280,000	2,280,000	2,028,901
Intergovernmental			
Sales tax	2,250,000	2,250,000	2,442,968
State income tax	1,381,250	1,381,250	1,383,656
Replacement tax	170,000	170,000	194,919
State and local grants	247,500	247,500	21,924
Service charges	2,063,276	2,063,276	1,945,163
Licenses	450,800	450,800	405,887
Permits	1,041,000	1,041,000	850,852
Fines	678,200	678,200	474,143
Investment income	101,000	101,000	67,546
Miscellaneous	809,100	809,100	788,044
Total revenues	<u>16,882,354</u>	<u>16,882,354</u>	<u>16,098,193</u>
<b>EXPENDITURES</b>			
Current			
General government	1,708,045	1,708,045	1,352,386
Public safety	8,916,234	8,916,234	8,920,202
Public services	2,276,997	2,276,997	2,172,586
Community development	1,070,550	1,070,550	1,011,237
Parks and recreation	1,947,100	1,947,100	1,679,285
Capital outlay	358,000	358,000	338,358
Debt service	124,860	124,860	124,232
Total expenditures	<u>16,401,786</u>	<u>16,401,786</u>	<u>15,598,286</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>			
	<u>480,568</u>	<u>480,568</u>	<u>499,907</u>
<b>OTHER FINANCING (USES)</b>			
Transfer to other funds	(478,502)	(478,502)	(478,502)
Total other financing (uses)	<u>(478,502)</u>	<u>(478,502)</u>	<u>(478,502)</u>
<b>NET CHANGE IN FUND BALANCE</b>			
	<u>\$ 2,066</u>	<u>\$ 2,066</u>	21,405
<b>FUND BALANCE, MAY 1</b>			
			<u>3,661,859</u>
<b>FUND BALANCE, APRIL 30</b>			
			<u>\$ 3,683,264</u>

(See independent auditor's report.)

**VILLAGE OF HINSDALE, ILLINOIS**

**SCHEDULE OF FUNDING PROGRESS  
ILLINOIS MUNICIPAL RETIREMENT FUND**

April 30, 2010

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Actuarial Valuation Date December 31,	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Percentage Funded (1) / (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) / (5)
2004	\$ 10,622,811	\$ 12,722,985	83.49%	\$ 2,100,174	\$ 4,354,966	48.22%
2005	11,630,563	13,785,787	84.37%	2,155,224	4,534,805	47.53%
2006	10,020,369	13,231,745	75.73%	3,211,376	4,762,828	67.43%
2007*	6,255,863	10,507,603	59.54%	4,251,740	4,941,243	86.05%
2008*	3,226,393	11,325,524	28.49%	8,099,131	5,042,687	160.61%
2009	3,700,615	11,509,877	32.15%	7,809,262	4,916,336	158.84%

\* Assets and liabilities were reduced to reflect participants retiring or who had left the plan.

(See independent auditor's report.)

**VILLAGE OF HINSDALE, ILLINOIS**

**SCHEDULE OF FUNDING PROGRESS  
POLICE PENSION FUND**

April 30, 2010

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Actuarial Valuation Date April 30,	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Percentage Funded (1) / (2)	(4) Unfunded Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll (4) / (5)
2004	\$ 13,551,761	\$ 16,981,862	79.80%	\$ 3,430,101	\$ 1,770,462	193.74%
2005	14,402,530	18,273,511	78.80%	3,870,981	1,702,165	227.42%
2006	15,813,225	19,336,505	81.78%	3,523,280	1,914,078	184.07%
2007	17,131,960	20,849,619	82.17%	3,717,659	2,040,977	182.15%
2008	17,434,315	24,200,582	72.04%	6,766,267	2,102,533	321.82%
2009	15,319,718	25,817,390	59.34%	10,497,672	2,266,498	463.17%

(See independent auditor's report.)

VILLAGE OF HINSDALE, ILLINOIS

SCHEDULE OF FUNDING PROGRESS  
FIREFIGHTERS' PENSION FUND

April 30, 2010

Actuarial Valuation Date April 30,	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Percentage Funded (1) / (2)	(4) Unfunded Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll (4) / (5)
2004	\$ 9,164,423	\$ 12,884,145	71.13%	\$ 3,719,722	\$ 1,545,829	240.63%
2005	9,635,866	13,788,267	69.88%	4,152,401	1,725,019	240.72%
2006	10,839,205	15,129,534	71.64%	4,290,329	1,808,117	237.28%
2007	12,130,288	16,521,668	73.42%	4,391,380	1,939,098	226.47%
2008	12,452,680	19,657,775	63.35%	7,205,095	1,985,384	362.91%
2009	11,195,183	21,034,153	53.22%	9,838,970	2,040,687	482.14%

(See independent auditor's report.)

VILLAGE OF HINSDALE, ILLINOIS

SCHEDULE OF FUNDING PROGRESS  
OTHER POSTEMPLOYMENT BENEFIT PLAN - VILLAGE

April 30, 2010

Actuarial Valuation Date April 30,	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Percentage Funded (1) / (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) / (5)
2009	\$ -	\$ 3,047,112	0.00%	\$ 3,047,112	\$ 7,924,847	38.45%
2010	-	3,181,131	0.00%	3,181,131	8,241,842	38.60%

The Village implemented GASB Statement No. 45 for the fiscal year ended April 30, 2009. Information for prior years is not available.

(See independent auditor's report.)

**VILLAGE OF HINSDALE, ILLINOIS**

**SCHEDULE OF FUNDING PROGRESS  
OTHER POSTEMPLOYMENT BENEFIT PLAN - LIBRARY**

April 30, 2010

Actuarial Valuation Date April 30,	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Percentage Funded (1) / (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) / (5)
2009	\$ -	\$ 86,762	0.00%	\$ 86,762	\$ 725,643	11.96%
2010	-	93,454	0.00%	93,454	754,669	12.38%

The Village implemented GASB Statement No. 45 for the fiscal year ended April 30, 2009. Information for prior years is not available.

(See independent auditor's report.)

VILLAGE OF HINSDALE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2010

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<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2005	\$ 381,930	\$ 381,930	100.00%
2006	454,841	454,841	100.00%
2007	541,534	541,534	100.00%
2008	548,972	548,972	100.00%
2009	670,173	670,173	100.00%
2010	822,962	822,962	100.00%

(See independent auditor's report.)

**VILLAGE OF HINSDALE, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE PENSION FUND**

April 30, 2010

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<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2005	\$ 369,364	\$ 363,213	101.69%
2006	424,667	427,012	99.45%
2007	494,277	454,088	108.85%
2008	472,227	473,404	99.75%
2009	521,838	503,404	103.66%
2010	794,923	609,971	130.32%

(See independent auditor's report.)

**VILLAGE OF HINSDALE, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
FIREFIGHTERS' PENSION FUND**

April 30, 2010

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<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2005	\$ 399,442	\$ 392,235	101.84%
2006	465,925	467,743	99.61%
2007	516,221	510,408	101.14%
2008	521,823	522,710	99.83%
2009	565,947	547,801	103.31%
2010	851,100	768,160	110.80%

(See independent auditor's report.)

**VILLAGE OF HINSDALE, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
OTHER POSTEMPLOYMENT BENEFIT PLAN - VILLAGE**

April 30, 2010

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<u>Calendar Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2009	\$ 125,345	\$ 267,638	46.83%
2010	141,435	277,255	51.01%

The Village implemented GASB Statement No. 45 for the fiscal year ended April 30, 2010. Information for prior years is not available.

(See independent auditor's report.)

**VILLAGE OF HINSDALE, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
OTHER POSTEMPLOYMENT BENEFIT PLAN - LIBRARY**

April 30, 2010

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<u>Calendar Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2009	\$ 2,943	\$ 8,994	32.72%
2010	4,291	9,502	45.16%

The Village implemented GASB Statement No. 45 for the fiscal year ended April 30, 2009. Information for prior years is not available.

(See independent auditor's report.)

## VILLAGE OF HINSDALE, ILLINOIS

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2010

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#### BUDGETS AND BUDGETARY ACCOUNTING

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

- a. A proposed operating budget for the General, Special Revenue, Debt Service, Capital Projects, and Enterprise Funds of the Village is submitted to the Board of Trustees for the fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- b. Budgets are prepared on a basis consistent with GAAP.
- c. Budget hearings are conducted to obtain taxpayer comments.
- d. The Board of Trustees adopts the fiscal year budget.
- e. The appropriation ordinance sets the legal spending limit for the Village. The adopted budget is used as the basis for the appropriation ordinance. In addition to the budget amounts, contingency amounts are added in a number of funds and programs in order to provide funding for unforeseen items. Prior to July 31 each year, an appropriation ordinance is adopted by the Board of Trustees.
- f. The appropriation ordinance may be amended by the Board of Trustees. One such amendment occurred this year.
- g. Excess of actual expenditures/expenses over budget in individual funds:

The Motor Fuel Tax fund had budgeted expenditures of \$282,000 with an annual appropriation of \$517,000. The fund's actual expenditures were \$547,094.

**COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES**

## **MAJOR GOVERNMENTAL FUNDS**

**General Fund Schedule of Expenditures - Budget and Actual** - General Fund actual expenditures by department with comparison to budget by line item budget amounts.

**Capital Projects Fund** - A fund established to account for the resources used for the acquisition and construction of capital facilities of governmental fund operations.

## **NONMAJOR GOVERNMENTAL FUNDS**

**Motor Fuel Tax Fund** - A special revenue fund established to account for the municipal portion of motor fuel tax revenues collected and distributed by the State of Illinois, which are used to pay for street improvements, maintenance, and repairs.

**Foreign Fire Insurance Tax Fund** - This fund is used to account for revenue derived from non-Illinois insurance companies. Monies are to be expended for fire department related items.

**Debt Service Fund** - This fund is used to account for revenues derived from a debt service property tax levy for payment of principal and interest and Village general obligation debt.

VILLAGE OF HINSDALE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

For the Year Ended April 30, 2010

	Original Budget	Final Budget	Actual	Variance Under (Over)
<b>GENERAL GOVERNMENT</b>				
Administration division				
Personal services				
Salaries and wages	\$ 739,535	\$ 739,535	\$ 767,809	\$ (28,274)
Overtime	6,000	6,000	5,935	65
Temporary help	56,440	56,440	50,874	5,566
Longevity pay	1,400	1,400	1,400	-
Water Fund cost allocation	(623,664)	(623,664)	(623,664)	-
Social Security	43,789	43,789	45,315	(1,526)
IMRF	123,544	123,544	135,431	(11,887)
Medicare	11,649	11,649	11,812	(163)
Employee insurance	95,586	95,586	86,833	8,753
Professional services				
Legal services	350,000	350,000	278,138	71,862
Auditing	21,900	21,900	18,275	3,625
Miscellaneous services	11,700	11,700	42,514	(30,814)
Contractual services				
Data processing	58,460	58,460	63,767	(5,307)
Miscellaneous	29,825	29,825	35,411	(5,586)
Purchased services				
Postage	32,000	32,000	19,738	12,262
Utilities	2,520	2,520	1,920	600
Telephone	20,000	20,000	18,484	1,516
Legal publications	5,500	5,500	3,220	2,280
Employment advertising	5,000	5,000	966	4,034
Printing and publications	27,950	27,950	13,583	14,367
Miscellaneous services	6,400	6,400	5,551	849
Materials and supplies				
Office supplies	18,500	18,500	16,151	2,349
Gasoline and oil	2,400	2,400	2,379	21
Licenses	3,780	3,780	2,537	1,243
Computer equipment supplies	5,000	5,000	3,843	1,157
Software purchases	1,500	1,500	380	1,120
Miscellaneous supplies	500	500	782	(282)
Repairs and maintenance				
Office equipment	6,100	6,100	6,473	(373)
Motor vehicles	1,000	1,000	1,194	(194)
Computer equipment	3,000	3,000	419	2,581
Other expenditures				
Conferences and staff development	10,740	10,740	5,806	4,934
Memberships/subscriptions	30,255	30,255	24,881	5,374
Employee relations	14,750	14,750	8,608	6,142
Plan commission	1,800	1,800	2,381	(581)
Historic preservation commission	6,175	6,175	218	5,957
BD of Fire/Police Comm	10,000	10,000	607	9,393
Economic Dev Task Force	115,000	115,000	97,559	17,441
Zoning Board of Appeals	1,000	1,000	-	1,000
Zoning Code Review Task Force	20,000	20,000	50,392	(30,392)
Contributions	3,600	3,600	-	3,600
Ceremonial occasions	7,500	7,500	292	7,208
Educational training	1,000	1,000	-	1,000
Personnel	1,200	1,200	55	1,145

(This schedule is continued on the following pages.)

VILLAGE OF HINSDALE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2010

	Original Budget	Final Budget	Actual	Variance Under (Over)
<b>GENERAL GOVERNMENT (Continued)</b>				
Administration division (Continued)				
Other expenditures (Continued)				
Mileage reimbursement	\$ 1,000	\$ 1,000	\$ 260	\$ 740
Sr. taxi program	28,000	28,000	18,198	9,802
Bank and bond fees	33,400	33,400	45,797	(12,397)
Miscellaneous expenses	300,000	300,000	30,252	269,748
Risk management				
IRMA premiums	50,011	50,011	49,261	750
Self insured liability	5,000	5,000	-	5,000
Other insurance	300	300	349	(49)
<b>Total general government</b>	<b>1,708,045</b>	<b>1,708,045</b>	<b>1,352,386</b>	<b>355,659</b>
<b>PUBLIC SAFETY</b>				
Police department				
Personal services				
Salaries and wages	2,769,212	2,769,212	2,874,225	(105,013)
Overtime	220,000	220,000	165,785	54,215
Reimbursable overtime	30,000	30,000	44,850	(14,850)
Temporary help	188,795	188,795	153,380	35,415
Longevity pay	15,900	15,900	16,600	(700)
Social Security	36,585	36,585	39,197	(2,612)
IMRF	74,445	74,445	92,605	(18,160)
Medicare	39,102	39,102	37,421	1,681
Police Pension	771,875	771,875	794,923	(23,048)
Employee insurance	434,611	434,611	410,622	23,989
Water Fund cost allocation	(15,525)	(15,525)	(15,525)	-
Unemployment compensation	-	-	3,241	(3,241)
Professional services				
Miscellaneous services	8,230	8,230	4,780	3,450
Contractual services				
Refuse removal	595	595	595	-
Buildings and grounds	500	500	652	(152)
Custodial	15,700	15,700	14,350	1,350
Data processing	14,139	14,139	15,212	(1,073)
Miscellaneous	40,013	40,013	30,607	9,406
Purchased services				
Postage	1,500	1,500	1,815	(315)
Utilities	12,000	12,000	8,368	3,632
Telephone	42,420	42,420	53,579	(11,159)
Teletype/pagers	1,000	1,000	1,230	(230)
Dog pound	2,300	2,300	-	2,300
Printing and publications	9,800	9,800	2,067	7,733
Materials and supplies				
Office supplies	6,500	6,500	7,707	(1,207)
Gasoline and oil	44,900	44,900	55,882	(10,982)
Uniforms	24,000	24,000	19,764	4,236
Chemicals	500	500	-	500
Building supplies	500	500	643	(143)
Licenses	700	700	914	(214)
Janitor supplies	4,000	4,000	3,774	226

(This schedule is continued on the following pages.)

VILLAGE OF HINSDALE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2010

	Original Budget	Final Budget	Actual	Variance Under (Over)
PUBLIC SAFETY (Continued)				
Police department (Continued)				
Materials and supplies (Continued)				
Range supplies	\$ 8,000	\$ 8,000	\$ 5,840	\$ 2,160
Camera supplies	1,000	1,000	500	500
Computer equipment supplies	-	-	1,972	(1,972)
Emergency management	2,000	2,000	149	1,851
Medical supplies	600	600	662	(62)
Software purchases	2,500	2,500	2,818	(318)
Miscellaneous supplies	10,400	10,400	11,022	(622)
Repairs and maintenance				
Buildings	12,000	12,000	12,068	(68)
Office equipment	11,900	11,900	8,166	3,734
Motor vehicles	19,000	19,000	24,266	(5,266)
Radios	7,100	7,100	3,832	3,268
Parking meters	13,000	13,000	8,346	4,654
General equipment	3,600	3,600	1,739	1,861
Other expenditures				
Conferences/staff development	3,250	3,250	3,347	(97)
Memberships/subscriptions	5,960	5,960	6,666	(706)
HSD sewer use	247	247	1,905	(1,658)
Educational training	45,500	45,500	24,064	21,436
Personnel	1,000	1,000	855	145
Mileage reimbursement	2,000	2,000	1,453	547
Risk management				
IRMA premiums	104,040	104,040	102,699	1,341
Self-insured deductible	20,000	20,000	10,040	9,960
Total police department	5,067,394	5,067,394	5,071,672	(4,278)
Fire Department				
Personal services				
Salaries and wages	2,131,932	2,131,932	2,237,555	(105,623)
Overtime	168,500	168,500	118,902	49,598
Temporary Help	4,000	4,000	-	4,000
Longevity pay	8,900	8,900	9,700	(800)
Social Security	5,505	5,505	6,342	(837)
IMRF	13,516	13,516	18,283	(4,767)
Medicare	28,127	28,127	25,211	2,916
Firefighters Pension	828,745	828,745	851,100	(22,355)
Employee insurance	387,117	387,117	355,274	31,843
Unemployment Compensation	10,400	10,400	373	10,027
Water Fund cost allocation	(15,525)	(15,525)	(15,525)	-
Contractual services				
Refuse removal	595	595	595	-
Buildings and grounds	600	600	577	23
Custodial	2,350	2,350	2,686	(336)
Miscellaneous services	2,000	2,000	1,660	340
Purchased services				
Postage	1,400	1,400	1,724	(324)
Utilities	13,000	13,000	8,082	4,918
Telephone	18,000	18,000	14,748	3,252

(This schedule is continued on the following pages.)

VILLAGE OF HINSDALE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2010

	Original Budget	Final Budget	Actual	Variance Under (Over)
<b>PUBLIC SAFETY (Continued)</b>				
Fire Department (Continued)				
Materials and supplies				
Printing and publications	\$ 800	\$ 800	\$ 455	\$ 345
Office supplies	4,000	4,000	3,503	497
Gasoline and oil	22,200	22,200	16,578	5,622
Uniforms	9,500	9,500	8,179	1,321
Motor vehicles	500	500	487	13
Building supplies	6,370	6,370	6,278	92
Licenses	50	50	115	(65)
Tools	5,045	5,045	2,633	2,412
Camera supplies	200	200	45	155
Computer supplies	4,700	4,700	1,311	3,389
Medical supplies	7,371	7,371	6,260	1,111
Fire prevention supplies	2,000	2,000	739	1,261
Oxygen and air supplies	2,500	2,500	2,364	136
Hazardous material supplies	2,500	2,500	1,776	724
Fire suppression supplies	3,000	3,000	2,188	812
Fire inspection supplies	225	225	73	152
Infection control supplies	2,299	2,299	1,462	837
Safety supplies	500	500	-	500
Software purchases	500	500	1,798	(1,298)
Repairs and maintenance				
Buildings	11,000	11,000	5,013	5,987
Office equipment	1,350	1,350	359	991
Motor vehicles	22,000	22,000	32,086	(10,086)
Radios	4,000	4,000	1,641	2,359
Computer	3,260	3,260	2,240	1,020
General equipment	12,000	12,000	7,047	4,953
Other expenditures				
Conferences/staff development	2,900	2,900	1,337	1,563
Memberships/subscriptions	5,550	5,550	6,483	(933)
HSD sewer use	500	500	191	309
Educational training	14,915	14,915	10,189	4,726
Personnel	500	500	1,280	(780)
Risk Management				
IRMA premiums	82,443	82,443	81,206	1,237
Self-insured deductible	5,000	5,000	5,927	(927)
Total fire department	3,848,840	3,848,840	3,848,530	310
Total public safety	8,916,234	8,916,234	8,920,202	(3,968)
<b>PUBLIC SERVICES</b>				
Public Services Department				
Personal services				
Salaries and wages	817,991	817,991	818,317	(326)
Overtime	94,500	94,500	60,264	34,236
Temporary help	28,000	28,000	32,385	(4,385)
Longevity pay	3,500	3,500	3,500	-
Social Security	56,419	56,419	54,258	2,161
IMRF	142,023	142,023	144,275	(2,252)
Medicare	13,325	13,325	12,800	525

(This schedule is continued on the following pages.)

VILLAGE OF HINSDALE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2010

	Original Budget	Final Budget	Actual	Variance Under (Over)
PUBLIC SERVICES (Continued)				
Public Services Department (Continued)				
Personal services (Continued)				
Employee insurance	\$ 133,043	\$ 133,043	\$ 120,306	\$ 12,737
Unemployment compensation	-	-	3,717	(3,717)
Water Fund cost allocation	(107,632)	(107,632)	(107,632)	-
Contractual services				
Street sweeping	52,000	52,000	51,371	629
Refuse removal	12,810	12,810	8,784	4,026
Mosquito abatement	55,000	55,000	52,250	2,750
D E D removals	48,000	48,000	51,339	(3,339)
Buildings and grounds	13,996	13,996	8,167	5,829
Custodial	47,455	47,455	42,233	5,222
Traffic signals	3,000	3,000	384	2,616
Landscaping	62,000	62,000	39,501	22,499
Tree trimming	50,000	50,000	38,375	11,625
Elm tree fungicide program	145,000	145,000	133,573	11,427
Miscellaneous	31,500	31,500	23,375	8,125
Purchased services				
Postage	1,800	1,800	972	828
Utilities	148,500	148,500	169,767	(21,267)
Telephone	6,000	6,000	14,274	(8,274)
Teletype/pagers	200	200	77	123
Dumping	22,000	22,000	20,871	1,129
Equipment rental	2,500	2,500	-	2,500
Holiday decorating	17,000	17,000	15,260	1,740
Printing and publications	1,200	1,200	569	631
Miscellaneous services	500	500	396	104
Materials and supplies				
Office supplies	1,300	1,300	1,321	(21)
Gasoline and oil	36,200	36,200	36,376	(176)
Uniforms	8,000	8,000	8,619	(619)
Chemicals	103,800	103,800	79,991	23,809
Motor vehicle supplies	3,000	3,000	2,919	81
Building supplies	4,150	4,150	3,516	634
Licenses	600	600	175	425
Janitor supplies	7,000	7,000	9,295	(2,295)
Tools	5,700	5,700	2,506	3,194
Camera supplies	300	300	-	300
Lab supplies	500	500	96	404
Trees	10,000	10,000	3,956	6,044
Computer equipment supplies	1,000	1,000	889	111
Medical supplies	900	900	373	527
Miscellaneous supplies	18,000	18,000	11,792	6,208
Repairs and maintenance				
Buildings	33,000	33,000	28,784	4,216
Office equipment	800	800	127	673
Motor vehicles	19,000	19,000	31,904	(12,904)
Radios	1,350	1,350	-	1,350
Grounds	5,500	5,500	1,817	3,683
Streets and alleys	25,000	25,000	37,161	(12,161)
General equipment	4,000	4,000	3,073	927

(This schedule is continued on the following pages.)

VILLAGE OF HINSDALE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2010

	Original Budget	Final Budget	Actual	Variance Under (Over)
<b>PUBLIC SERVICES (Continued)</b>				
Public Services Department (Continued)				
Repairs and maintenance (Continued)				
Traffic and street lights	\$ 4,000	\$ 4,000	\$ 2,162	\$ 1,838
Traffic and street signs	13,000	13,000	9,107	3,893
Miscellaneous repairs	1,800	1,800	1,751	49
Other expenditures				
Conferences/staff development	300	300	-	300
Memberships/subscriptions	1,450	1,450	1,510	(60)
HSD sewer use	1,350	1,350	1,822	(472)
Educational training	1,700	1,700	960	740
Personnel	-	-	595	(595)
Risk Management				
IRMA Premiums	52,667	52,667	51,876	791
Self-insured deductible	10,000	10,000	17,075	(7,075)
<b>Total public services department</b>	<b>2,276,997</b>	<b>2,276,997</b>	<b>2,165,276</b>	<b>111,721</b>
Infrastructure Department				
Parking Projects				
Professional services				
Miscellaneous professional services	-	-	3,000	(3,000)
<b>Total parking projects</b>	<b>-</b>	<b>-</b>	<b>3,000</b>	<b>(3,000)</b>
Train Station Projects				
Professional services				
Miscellaneous professional services	-	-	350	(350)
Repairs and maintenance				
Buildings	-	-	3,960	(3,960)
<b>Total train station projects</b>	<b>-</b>	<b>-</b>	<b>4,310</b>	<b>(4,310)</b>
<b>Total infrastructure department</b>	<b>-</b>	<b>-</b>	<b>7,310</b>	<b>(7,310)</b>
<b>Total public services</b>	<b>2,276,997</b>	<b>2,276,997</b>	<b>2,172,586</b>	<b>104,411</b>
<b>COMMUNITY DEVELOPMENT</b>				
Community Development Department				
Personal services				
Salaries and wages	758,492	758,492	729,685	28,807
Overtime	5,000	5,000	751	4,249
Temporary Help	-	-	12,722	(12,722)
Longevity pay	800	800	800	-
Social Security	46,205	46,205	43,161	3,044
IMRF	121,828	121,828	122,897	(1,069)
Medicare	11,082	11,082	10,555	527
Employee insurance	76,767	76,767	67,427	9,340
Water Fund cost allocation	(123,008)	(123,008)	(123,008)	-
Unemployment Compensation	-	-	5,872	(5,872)
Professional services				
Engineering	5,500	5,500	1,099	4,401
Miscellaneous	4,000	4,000	3,873	127

(This schedule is continued on the following pages.)

VILLAGE OF HINSDALE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2010

	Original Budget	Final Budget	Actual	Variance Under (Over)
<b>COMMUNITY DEVELOPMENT (Continued)</b>				
Community Development Department (Continued)				
Contractual services				
Data Processing	\$ 8,000	\$ 8,000	\$ 8,485	\$ (485)
Inspectors	16,000	16,000	8,650	7,350
Commercial Review	30,000	30,000	29,247	753
Purchased services				
Postage	6,000	6,000	4,278	1,722
Telephone	12,750	12,750	10,888	1,862
Citizen information	500	500	-	500
Printing and publications	2,500	2,500	1,699	801
Miscellaneous services	6,000	6,000	5,677	323
Materials and supplies				
Office supplies	6,500	6,500	8,449	(1,949)
Publications	2,500	2,500	61	2,439
Gasoline and oil	6,300	6,300	5,604	696
Uniforms	500	500	528	(28)
Tools	200	200	294	(94)
Camera supplies	1,500	1,500	238	1,262
Computer equipment supplies	3,500	3,500	4,561	(1,061)
Miscellaneous supplies	500	500	97	403
Repairs and maintenance				
Office equipment	16,750	16,750	11,666	5,084
Motor vehicles	2,000	2,000	2,666	(666)
Radios	50	50	-	50
Miscellaneous	300	300	-	300
Other expenditures				
Conferences/staff development	4,100	4,100	1,486	2,614
Memberships/subscriptions	4,000	4,000	3,611	389
Educational training	5,500	5,500	2,193	3,307
Mileage reimbursement	500	500	466	34
Risk Management				
IRMA permiums	24,934	24,934	24,559	375
Self-insured deductible	2,500	2,500	-	2,500
<b>Total community development</b>	<b>1,070,550</b>	<b>1,070,550</b>	<b>1,011,237</b>	<b>59,313</b>
<b>PARKS AND RECREATION</b>				
Administration				
Personal services				
Salaries and wages	145,998	145,998	143,498	2,500
Overtime	1,000	1,000	97	903
Social Security	9,114	9,114	8,676	438
IMRF	23,431	23,431	23,805	(374)
Medicare	2,131	2,131	2,029	102
Employee insurance	32,202	32,202	29,211	2,991
Water Fund cost allocation	(15,525)	(15,525)	(15,525)	-
Professional services				
Miscellaneous services	1,500	1,500	-	1,500
Other services				
Postage	3,600	3,600	6,069	(2,469)
Telephone	4,200	4,200	3,972	228

(This schedule is continued on the following pages.)

VILLAGE OF HINSDALE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2010

	Original Budget	Final Budget	Actual	Variance Under (Over)
PARKS AND RECREATION (Continued)				
Administration (Continued)				
Materials and supplies				
Office supplies	\$ 2,000	\$ 2,000	\$ 846	\$ 1,154
Gasoline and oil	2,000	2,000	1,244	756
Computer equipment supplies	600	600	128	472
Repairs and maintenance				
Office equipment	150	150	-	150
Motor vehicles	500	500	141	359
Other expenditures				
Conferences/staff development	1,000	1,000	510	490
Memberships/subscriptions	1,295	1,295	1,080	215
Park and recreation commission	300	300	502	(202)
Risk management				
IRMA premiums	44,665	44,665	43,995	670
Self-insured deductible	5,000	5,000	(10,000)	15,000
Total administration	265,161	265,161	240,278	24,883
Parks maintenance				
Personal services				
Salaries and wages	266,235	266,235	224,759	41,476
Overtime	8,000	8,000	6,851	1,149
Temporary help	19,945	19,945	12,941	7,004
Longevity pay	1,600	1,600	1,600	-
Social Security	17,102	17,102	15,512	1,590
IMRF	43,968	43,968	39,724	4,244
Medicare	4,000	4,000	3,628	372
Employee insurance	66,133	66,133	45,185	20,948
Contractual services				
Refuse removal	7,100	7,100	8,030	(930)
Buildings/grounds	45,220	45,220	26,720	18,500
Landscaping	101,954	101,954	85,641	16,313
Miscellaneous contractual services	-	-	437	(437)
Purchased services				
Telephone	3,000	3,000	2,895	105
Teletypes/pagers	100	100	44	56
Dumping	300	300	-	300
Materials and supplies				
Office supplies	1,000	1,000	438	562
Gasoline and oil	9,700	9,700	9,563	137
Uniforms	2,800	2,800	3,208	(408)
Chemicals	3,000	3,000	710	2,290
Building supplies	300	300	180	120
Janitor supplies	100	100	14	86
Tools	1,000	1,000	525	475
Recreation supplies	18,200	18,200	15,382	2,818
Repairs and maintenance				
Buildings	18,000	18,000	7,564	10,436
Motor vehicles	3,500	3,500	4,126	(626)
Radios	500	500	170	330
Grounds	18,000	18,000	14,516	3,484

(This schedule is continued on the following pages.)

VILLAGE OF HINSDALE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2010

	Original Budget	Final Budget	Actual	Variance Under (Over)
<b>PARKS AND RECREATION (Continued)</b>				
Repairs and maintenance (Continued)				
Playground equipment	\$ 1,500	\$ 1,500	\$ 2,225	\$ (725)
General equipment	5,000	5,000	4,105	895
Other expenditures				
Educational training	400	400	548	(148)
Total parks maintenance	<u>667,657</u>	<u>667,657</u>	<u>537,241</u>	<u>130,416</u>
Recreational services				
Personal services				
Salaries and wages	43,925	43,925	38,317	5,608
Overtime	5,000	5,000	43	4,957
Temporary help	31,675	31,675	33,434	(1,759)
Social Security	4,996	4,996	4,503	493
IMRF	7,800	7,800	6,608	1,192
Medicare	1,169	1,169	1,053	116
Employee insurance	5,852	5,852	7,119	(1,267)
Unemployment Compensation	-	-	1,411	(1,411)
Contractual services				
Buildings and grounds	6,000	6,000	4,295	1,705
Custodial	5,000	5,000	4,700	300
Data processing	12,400	12,400	13,740	(1,340)
Recreational programs	285,600	285,600	245,229	40,371
Other services				
Postage	4,500	4,500	1,012	3,488
Utilities	55,000	55,000	46,082	8,918
Citizens information	20,500	20,500	21,576	(1,076)
Equipment rental	12,000	12,000	576	11,424
Printing and publications	500	500	1,517	(1,017)
Materials and supplies				
Office supplies	2,500	2,500	1,765	735
Uniforms	1,500	1,500	400	1,100
Recreation supplies	11,000	11,000	5,118	5,882
Repairs and maintenance				
Buildings	8,000	8,000	1,724	6,276
Other expenditures				
Conferences/staff development	600	600	354	246
Memberships/subscriptions	520	520	239	281
HSD sewer use charge	4,000	4,000	2,455	1,545
Mileage reimbursement	900	900	239	661
Bank and bond fees	3,000	3,000	2,083	917
Total recreational services	<u>533,937</u>	<u>533,937</u>	<u>445,592</u>	<u>218,783</u>
<b>KLM LODGE</b>				
Personal services				
Temporary help	48,000	48,000	47,827	173
Social Security	3,592	3,592	2,965	627
IMRF	4,453	4,453	5,063	(610)
Medicare	840	840	694	146
Contractual services				
Refuse removal	2,000	2,000	2,850	(850)
Custodial	20,000	20,000	18,641	1,359
Miscellaneous	3,000	3,000	1,183	1,817

(This schedule is continued on the following pages.)

VILLAGE OF HINSDALE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2010

	Original Budget	Final Budget	Actual	Variance Under (Over)
PARKS AND RECREATION (Continued)				
KLM LODGE (Continued)				
Purchased services				
Utilities	\$ 30,000	\$ 30,000	\$ 27,383	\$ 2,617
Telephone	3,000	3,000	2,523	477
Printing and publications	8,000	8,000	6,063	1,937
Materials and supplies				
Office supplies	800	800	675	125
Building supplies	2,400	2,400	1,627	773
Janitorial supplies	4,000	4,000	4,490	(490)
KLM event supplies	3,500	3,500	1,730	1,770
Repairs and maintenance				
Buildings	18,000	18,000	8,889	9,111
Office equipment	500	500	-	500
Miscellaneous repairs	1,000	1,000	242	758
Other expenditures				
Bank and bond fees	600	600	521	79
Total KLM Lodge	153,685	153,685	133,366	20,319
Swimming pool				
Personal services				
Temporary help	135,000	135,000	169,810	(34,810)
Social Security	8,680	8,680	10,417	(1,737)
Medicare	2,030	2,030	2,436	(406)
Contractual services				
Refuse removal	2,000	2,000	1,440	560
Building and grounds	3,000	3,000	1,983	1,017
Custodial	15,000	15,000	4,726	10,274
Data processing	11,000	11,000	7,805	3,195
Landscaping	5,170	5,170	3,895	1,275
Recreation programs	4,000	4,000	2,316	1,684
Miscellaneous	10,000	10,000	4,257	5,743
Purchased services				
Utilities	44,000	44,000	40,661	3,339
Telephone	6,000	6,000	5,505	495
Citizens information	4,000	4,000	3,725	275
Equipment rental	150	150	-	150
Printing and publications	500	500	1,610	(1,110)
Materials and supplies				
Office supplies	1,300	1,300	1,340	(40)
Uniforms	5,200	5,200	4,431	769
Chemicals	17,000	17,000	14,136	2,864
Licenses	4,300	4,300	4,750	(450)
Janitor supplies	3,700	3,700	1,755	1,945
Tools	250	250	77	173
Recreation supplies	5,350	5,350	5,764	(414)
Computer Equipment Supplies	1,500	1,500	1,349	151
Medical supplies	300	300	-	300
Safety supplies	750	750	202	548
Miscellaneous supplies	450	450	397	53

(This schedule is continued on the following page.)

VILLAGE OF HINSDALE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2010

	Original Budget	Final Budget	Actual	Variance Under (Over)
<b>PARKS AND RECREATION (Continued)</b>				
Swimming pool (Continued)				
Repairs and maintenance				
Buildings	\$ 6,200	\$ 6,200	\$ 3,138	\$ 3,062
General equipment	19,150	19,150	12,680	6,470
Other expenditures				
Conferences/staff development	-	-	103	(103)
HSD sewer use	4,500	4,500	4,288	212
Bank & bond fees	6,180	6,180	7,812	(1,632)
Total swimming pool	326,660	326,660	322,808	3,852
Total parks and recreation	1,947,100	1,947,100	1,679,285	398,253
<b>DEBT SERVICE</b>				
Principal	89,420	89,420	89,420	-
Interest	35,440	35,440	34,812	628
Total debt service	124,860	124,860	124,232	628
<b>CAPITAL OUTLAY</b>				
General Government				
Administration division				
Office equipment	10,000	10,000	-	10,000
Public safety				
Police department				
Vehicles	81,000	81,000	48,149	32,851
Buildings	10,000	10,000	7,495	2,505
General equipment	100,000	100,000	91,694	8,306
Fire department				
Vehicles	18,000	18,000	16,999	1,001
Buildings	10,000	10,000	10,250	(250)
General equipment	-	-	23,458	(23,458)
Public works				
Vehicles	16,500	16,500	-	16,500
Buildings	10,000	10,000	7,110	2,890
General equipment	-	-	43,859	(43,859)
Parks and recreation				
Parks maintenance				
Motor vehicles	29,500	29,500	27,591	1,909
Land/Grounds	22,000	22,000	21,251	749
KLM Lodge				
General equipment	6,000	6,000	3,076	2,924
Community swimming pool				
Buildings	45,000	45,000	15,826	29,174
General equipment	-	-	21,600	(21,600)
Total capital outlay	358,000	358,000	338,358	19,642
<b>TOTAL EXPENDITURES</b>	<b>\$ 16,401,786</b>	<b>\$ 16,401,786</b>	<b>\$ 15,598,286</b>	<b>\$ 933,938</b>

(See independent auditor's report.)

**VILLAGE OF HINSDALE, ILLINOIS**

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

**CAPITAL PROJECTS FUND**

For the Year Ended April 30, 2010

	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Utility Tax - Electric	\$ 248,000	\$ 248,000	\$ 229,194
Utility Tax - Gas	154,000	154,000	109,953
Utility Tax - Telephone	298,000	298,000	297,886
Intergovernmental			
State and local Grants	1,632,000	1,632,000	300,000
Investment income	-	-	5,981
Total revenues	2,332,000	2,332,000	943,014
<b>EXPENDITURES</b>			
Current			
Public services			
Professional services	-	-	80,337
Capital outlay	2,132,000	2,132,000	686,217
Debt service			
Bond issuance costs	-	-	47,220
Total expenditures	2,132,000	2,132,000	813,774
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	200,000	200,000	129,240
<b>OTHER FINANCING SOURCES (USES)</b>			
Bond issued, at par	-	-	755,242
Total other financing sources (uses)	-	-	755,242
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 2,132,000</b>	<b>\$ 2,132,000</b>	<b>\$ 884,482</b>
FUND BALANCE, MAY 1			(29,405)
FUND BALANCE, APRIL 30			<b>\$ 855,077</b>

(See independent auditor's report.)

VILLAGE OF HINSDALE, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

April 30, 2010

	Special Revenue			
	Motor Fuel Tax	Foreign Fire Insurance Tax	Debt Service	Total
<b>ASSETS</b>				
Cash and cash equivalents	\$ 70,741	\$ 84,697	\$ 64,924	\$ 220,362
Investments	202,323	-	658,322	860,645
Receivables				
Property taxes	-	-	386,294	386,294
Due from other governments	38,915	-	-	38,915
<b>TOTAL ASSETS</b>	<b>\$ 311,979</b>	<b>\$ 84,697</b>	<b>\$ 1,109,540</b>	<b>\$ 1,506,216</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 154,096	\$ -	\$ 1,315	\$ 155,411
Deferred property taxes	-	-	386,294	386,294
<b>Total liabilities</b>	<b>154,096</b>	<b>-</b>	<b>387,609</b>	<b>541,705</b>
<b>FUND BALANCES</b>				
Reserved for streets	157,883	-	-	157,883
Reserved for public safety	-	84,697	-	84,697
Reserved for debt service	-	-	721,931	721,931
<b>Total fund balances</b>	<b>157,883</b>	<b>84,697</b>	<b>721,931</b>	<b>964,511</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 311,979</b>	<b>\$ 84,697</b>	<b>\$ 1,109,540</b>	<b>\$ 1,506,216</b>

(See independent auditor's report.)

VILLAGE OF HINSDALE, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES

For the Year Ended April 30, 2010

	Special Revenue			Total
	Motor Fuel Tax	Foreign Fire Insurance Tax	Debt Service	
REVENUES				
Property taxes	\$ -	\$ -	\$ 408,579	\$ 408,579
Intergovernmental				
Motor fuel tax allotments	462,980	-	-	462,980
Foreign fire insurance tax	-	40,648	-	40,648
Investment income	4,537	491	9,283	14,311
Miscellaneous	8,160	-	-	8,160
Total revenues	475,677	41,139	417,862	934,678
EXPENDITURES				
Current				
Public safety	-	16,053	-	16,053
Public services	426,629	-	-	426,629
Capital outlay	120,465	18,727	-	139,192
Debt service				
Principal	-	-	715,000	715,000
Interest and fees	-	-	130,768	130,768
Total expenditures	547,094	34,780	845,768	1,427,642
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(71,417)	6,359	(427,906)	(492,964)
OTHER FINANCING SOURCES				
Bonds issued, at par	-	-	1,549,758	1,549,758
Payment to bond escrow agent	-	-	(1,549,758)	(1,549,758)
Transfers in	-	-	478,502	478,502
Total other financing sources	-	-	478,502	478,502
NET CHANGE IN FUND BALANCES	(71,417)	6,359	50,596	(14,462)
FUND BALANCES, MAY 1	229,300	78,338	671,335	978,973
FUND BALANCES, APRIL 30	\$ 157,883	\$ 84,697	\$ 721,931	\$ 964,511

(See independent auditor's report.)

VILLAGE OF HINSDALE, ILLINOIS

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

MOTOR FUEL TAX FUND

For the Year Ended April 30, 2010

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	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Intergovernmental			
Motor fuel tax allotments	\$ 500,000	\$ 500,000	\$ 462,980
Investment income	20,000	20,000	4,537
Miscellaneous income			
Private contributions	6,000	6,000	8,160
	<hr/>		
Total revenues	526,000	526,000	475,677
	<hr/>		
<b>EXPENDITURES</b>			
Current			
Public services	197,000	432,000	426,629
Capital outlay	85,000	85,000	120,465
	<hr/>		
Total expenditures	282,000	517,000	547,094
	<hr/>		
NET CHANGE IN FUND BALANCE	<u>\$ 244,000</u>	<u>\$ 9,000</u>	(71,417)
FUND BALANCE, MAY 1			<hr/> 229,300
FUND BALANCE, APRIL 30			<hr/> <u>\$ 157,883</u>

(See independent auditor's report.)

VILLAGE OF HINSDALE, ILLINOIS

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

FOREIGN FIRE INSURANCE TAX FUND

For the Year Ended April 30, 2010

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	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Intergovernmental			
Foreign fire insurance tax	\$ 37,000	\$ 37,000	\$ 40,648
Investment income	500	500	491
	<hr/>		
Total revenues	37,500	37,500	41,139
	<hr/>		
<b>EXPENDITURES</b>			
Current			
Public safety	13,750	13,750	16,053
Capital outlay	26,250	26,250	18,727
	<hr/>		
Total expenditures	40,000	40,000	34,780
	<hr/>		
NET CHANGE IN FUND BALANCE	\$ (2,500)	\$ (2,500)	6,359
	<hr/>		
FUND BALANCE, MAY 1			78,338
	<hr/>		
FUND BALANCE, APRIL 30			\$ 84,697
	<hr/>		

(See independent auditor's report.)

**VILLAGE OF HINSDALE, ILLINOIS**

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

**DEBT SERVICE FUND**

For the Year Ended April 30, 2010

	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Property taxes	\$ 405,057	\$ 405,057	\$ 408,579
Investment income	17,000	17,000	9,283
<b>Total revenues</b>	<b>422,057</b>	<b>422,057</b>	<b>417,862</b>
<b>EXPENDITURES</b>			
Debt service			
Principal	715,000	715,000	715,000
Interest	163,685	163,685	128,484
Fees	2,000	2,000	2,284
<b>Total expenditures</b>	<b>880,685</b>	<b>880,685</b>	<b>845,768</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(458,628)</b>	<b>(458,628)</b>	<b>(427,906)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds issued, at par	-	-	1,549,758
Payment to bond escrow agent	-	-	(1,549,758)
Transfers in	478,582	478,582	478,502
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 19,954</b>	<b>\$ 19,954</b>	<b>\$ 50,596</b>
<b>FUND BALANCE, MAY 1</b>			<b>671,335</b>
<b>FUND BALANCE, APRIL 30</b>			<b>\$ 721,931</b>

(See independent auditor's report.)

## **MAJOR ENTERPRISE FUND**

**Waterworks and Sewerage Fund** - An enterprise fund established to account for all operations of the water and sewer utility services provided by the Village.

VILLAGE OF HINSDALE, ILLINOIS

MAJOR ENTERPRISE FUND

SCHEDULE OF NET ASSETS - BY SUBFUND

WATERWORKS AND SEWERAGE FUND

April 30, 2010

	Operations and Maintenance	Water Capital	2001 Alt. Rev. Bond P and I	2008 Alt. Rev. Bond P and I	Totals
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	\$ 415	\$ 25,799	\$ 50,919	\$ 31,906	\$ 109,039
Investments	-	-	118,632	48,349	166,981
Receivables					
Accounts - billed	552,573	-	-	-	552,573
Accounts - unbilled	449,293	-	-	-	449,293
Other	40,034	-	-	-	40,034
<b>Total current assets</b>	<b>1,042,315</b>	<b>25,799</b>	<b>169,551</b>	<b>80,255</b>	<b>1,317,920</b>
<b>NONCURRENT ASSETS</b>					
Capital assets					
Land	215,452	-	-	-	215,452
Buildings and improvements	2,216,267	-	-	-	2,216,267
Water system	26,189,911	-	-	-	26,189,911
Vehicles	975,849	-	-	-	975,849
Office equipment	98,957	-	-	-	98,957
Miscellaneous	522,302	-	-	-	522,302
<b>Subtotal</b>	<b>30,218,738</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,218,738</b>
Accumulated depreciation	(10,275,256)	-	-	-	(10,275,256)
<b>Net capital assets</b>	<b>19,943,482</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,943,482</b>
<b>Total assets</b>	<b>20,985,797</b>	<b>25,799</b>	<b>169,551</b>	<b>80,255</b>	<b>21,261,402</b>
<b>CURRENT LIABILITIES</b>					
Accounts payable	200,913	854,920	-	95	1,055,928
Accrued payroll	12,625	-	-	-	12,625
Accrued interest payable	-	-	7,679	49,281	56,960
Retainage payable	-	199,410	-	-	199,410
Other payables	30,717	-	-	-	30,717
Due to other funds	419,000	306,000	-	-	725,000
Bonds payable - current	-	-	285,000	60,000	345,000
Compensated absences payable - current portion	12,958	-	-	-	12,958
<b>Total current liabilities</b>	<b>676,213</b>	<b>1,360,330</b>	<b>292,679</b>	<b>109,376</b>	<b>2,438,598</b>
<b>NONCURRENT LIABILITIES</b>					
Compensated absences payable	38,874	-	-	-	38,874
OPEB liability	9,023	-	-	-	9,023
Unamortized premium on bonds	-	-	-	19,583	19,583
General obligation alternate revenue bonds payable	-	-	300,000	3,385,000	3,685,000
<b>Total noncurrent liabilities</b>	<b>47,897</b>	<b>-</b>	<b>300,000</b>	<b>3,404,583</b>	<b>3,752,480</b>
<b>Total liabilities</b>	<b>724,110</b>	<b>1,360,330</b>	<b>592,679</b>	<b>3,513,959</b>	<b>6,191,078</b>
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	19,943,482	-	(585,000)	(3,464,583)	15,893,899
Unrestricted	318,205	(1,334,531)	161,872	30,879	(823,575)
<b>TOTAL NET ASSETS</b>	<b>\$ 20,261,687</b>	<b>\$ (1,334,531)</b>	<b>\$ (423,128)</b>	<b>\$ (3,433,704)</b>	<b>\$ 15,070,324</b>

(See independent auditor's report.)

VILLAGE OF HINSDALE, ILLINOIS

MAJOR ENTERPRISE FUND

SCHEDULE OF REVENUES, EXPENSES  
AND CHANGES IN NET ASSETS - BY SUBFUND

WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2010

	Operations and Maintenance	Water Capital	2001 Alt. Rev. Bond P and I	2008 Bond P and I	Totals
<b>OPERATING REVENUES</b>					
Service charges					
Water sales	\$ 4,040,911	\$ -	\$ -	\$ -	\$ 4,040,911
Sewer use	394,859	-	-	-	394,859
Lost customer discount	23,611	-	-	-	23,611
Total service charges	4,459,381	-	-	-	4,459,381
Miscellaneous	8,488	-	-	-	8,488
Total operating revenues	4,467,869	-	-	-	4,467,869
<b>OPERATING EXPENSES</b>					
Waterworks and sewerage					
Personal services	1,571,366	-	-	-	1,571,366
Professional services	35,303	283,200	-	-	318,503
Contractual services	1,688,975	-	-	-	1,688,975
Purchased services	169,335	-	-	-	169,335
Materials and supplies	26,271	-	-	-	26,271
Repairs and maintenance	121,142	-	-	-	121,142
Other expenses	203,659	-	800	95	204,554
Risk management	177,558	-	-	-	177,558
Total operating expenses	3,993,609	283,200	800	95	4,277,704
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	474,260	(283,200)	(800)	(95)	190,165
Depreciation	531,363	-	-	-	531,363
OPERATING INCOME (LOSS)	(57,103)	(283,200)	(800)	(95)	(341,198)
<b>NONOPERATING INCOME (EXPENSE)</b>					
Investment income	2,292	29,589	1,706	2,673	36,260
Interest expense	-	-	(26,319)	(132,578)	(158,897)
Total nonoperating income (expense)	2,292	29,589	(24,613)	(129,905)	(122,637)
NET INCOME (LOSS) BEFORE INTRAFUND TRANSFERS	(54,811)	(253,611)	(25,413)	(130,000)	(463,835)
<b>INTRAFUND TRANSFERS IN (OUT)</b>					
Water capital	(296,235)	296,235	-	-	-
Operations and maintenance	4,251,919	(4,251,919)	-	-	-
Bond principal and interest payments	(494,682)	-	305,097	189,585	-
Total intrafund transfers in (out)	3,461,002	(3,955,684)	305,097	189,585	-
CHANGE IN NET ASSETS	3,406,191	(4,209,295)	279,684	59,585	(463,835)
NET ASSETS (DEFICIT), MAY 1	16,855,496	2,874,764	(702,812)	(3,493,289)	15,534,159
NET ASSETS (DEFICIT), APRIL 30	\$ 20,261,687	\$ (1,334,531)	\$ (423,128)	\$ (3,433,704)	\$ 15,070,324

(See independent auditor's report.)

VILLAGE OF HINSDALE, ILLINOIS

MAJOR ENTERPRISE FUND

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL

OPERATIONS AND MAINTENANCE SUB-FUND

For the Year Ended April 30, 2010

	Original Budget	Final Budget	Actual	Variance Under (Over)
<b>WATERWORKS AND SEWERAGE</b>				
Personal services				
Salaries and wages	\$ 378,885	\$ 378,885	\$ 429,692	\$ (50,807)
Overtime	45,000	45,000	49,304	(4,304)
Temporary Help	9,990	9,990	12,775	(2,785)
Longevity pay	800	800	800	-
Water Fund cost allocation	900,879	900,879	900,879	-
Social Security	26,900	26,900	30,024	(3,124)
IMRF	67,568	67,568	83,742	(16,174)
Medicare	6,291	6,291	7,022	(731)
Group insurance	58,323	58,323	57,128	1,195
Professional services				
Legal expenses	10,000	10,000	14,266	(4,266)
Engineering	23,000	23,000	8,302	14,698
Miscellaneous services	47,600	47,600	12,735	34,865
Contractual services				
Refuse removal	1,500	1,500	1,625	(125)
Buildings and grounds	500	500	1,875	(1,375)
Custodial	3,670	3,670	3,168	502
Water purchases	1,380,800	1,380,800	1,682,307	(301,507)
Purchased services				
Postage	13,000	13,000	9,560	3,440
Utilities	52,000	52,000	99,953	(47,953)
Telephone	9,500	9,500	11,262	(1,762)
Dumping	12,500	12,500	18,817	(6,317)
Citizen information	2,800	2,800	2,100	700
Printing and publications	250	250	-	250
Miscellaneous services	30,000	30,000	27,643	2,357
Materials and supplies				
Office supplies	1,000	1,000	1,119	(119)
Gasoline and oil	17,000	17,000	11,113	5,887
Uniforms	3,600	3,600	4,965	(1,365)
Chemicals	500	500	5,248	(4,748)
Building supplies	500	500	-	500
Janitor supplies	900	900	243	657
Tools	3,000	3,000	505	2,495
Camera supplies	150	150	-	150
Laboratory supplies	600	600	679	(79)
Computer equipment supplies	2,500	2,500	614	1,886
Medical supplies	400	400	273	127
Miscellaneous supplies	1,000	1,000	1,512	(512)

(This schedule is continued on the following page.)

VILLAGE OF HINSDALE, ILLINOIS

MAJOR ENTERPRISE FUND

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL (Continued)

OPERATIONS AND MAINTENANCE SUB-FUND

For the Year Ended April 30, 2010

	Original Budget	Final Budget	Actual	Variance Under (Over)
<b>WATERWORKS AND SEWERAGE (Continued)</b>				
Repairs and maintenance				
Buildings	\$ 10,000	\$ 10,000	\$ 13,833	\$ (3,833)
Office equipment	500	500	144	356
Motor vehicles	6,500	6,500	8,808	(2,308)
Radios	1,000	1,000	-	1,000
Sewers	30,000	30,000	17,632	12,368
Water mains	50,000	50,000	44,265	5,735
Catch basins	18,500	18,500	14,783	3,717
General equipment	15,000	15,000	15,243	(243)
Miscellaneous supplies	20,000	20,000	6,434	13,566
Other expenses				
Conferences/staff development	750	750	-	750
Memberships/subscriptions	2,300	2,300	1,794	506
Utility tax	230,000	230,000	199,364	30,636
HSD sewer use	600	600	461	139
Educational training	1,000	1,000	2,040	(1,040)
Risk management				
Liability insurance	179,433	179,433	177,558	1,875
Vandalism repairs	300	300	-	300
Self insured liability	3,800	3,800	-	3,800
Capital outlay				
Motor Vehicles	37,000	37,000	-	37,000
Water meters	31,770	31,770	17,622	14,148
Fire hydrants	40,000	40,000	(367)	40,367
General equipment	20,000	20,000	31,480	(11,480)
Subtotal	3,811,359	3,811,359	4,042,344	(230,985)
Less nonoperating items				
Capitalized fixed assets	(128,770)	(128,770)	(48,735)	(80,035)
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 3,682,589</b>	<b>\$ 3,682,589</b>	<b>\$ 3,993,609</b>	<b>\$ (311,020)</b>

(See independent auditor's report.)

## **FIDUCIARY FUNDS**

## **PENSION TRUST FUNDS**

**Police Pension Fund** - A pension trust fund established to account for pensions paid for police officers.

**Firefighters' Pension Fund** - A pension trust fund established to account for pensions paid for firefighters.

VILLAGE OF HINSDALE, ILLINOIS

COMBINING STATEMENT OF PLAN NET ASSETS

PENSION TRUST FUNDS

April 30, 2010

---

	Police Pension	Firefighters' Pension	Totals
<b>ASSETS</b>			
Cash and cash equivalents	\$ 418,632	\$ 916,964	\$ 1,335,596
Investments, at fair value			
U.S. Government and agency obligations	9,188,695	6,033,491	15,222,186
Corporate Bonds	889,592	-	889,592
Municipal Bonds	152,949	302,967	455,916
Equities	4,661,807	1,964,711	6,626,518
Mutual funds	2,424,037	3,578,550	6,002,587
Receivables			
Accrued interest	53,060	45,056	98,116
Interest purchased	26,121	1,857	27,978
Total assets	17,814,893	12,843,596	30,658,489
<b>LIABILITIES</b>			
Accounts payable	18,047	-	18,047
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>			
	<u>\$ 17,796,846</u>	<u>\$ 12,843,596</u>	<u>\$ 30,640,442</u>

(See independent auditor's report.)

**VILLAGE OF HINSDALE, ILLINOIS**

COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS

PENSION TRUST FUNDS

For the Year Ended April 30, 2010

	Police Pension	Firefighters' Pension	Totals
<b>ADDITIONS</b>			
Contributions			
Employer	\$ 794,923	\$ 851,100	\$ 1,646,023
Employees	242,098	203,476	445,574
Pension portability contribution	-	17,806	17,806
Total contributions	<u>1,037,021</u>	<u>1,072,382</u>	<u>2,109,403</u>
Investment income			
Net appreciation (depreciation) in fair value of investments	1,963,041	888,293	2,851,334
Interest	482,368	552,300	1,034,668
Total investment income	2,445,409	1,440,593	3,886,002
Less investment expense	(77,703)	(29,387)	(107,090)
Net investment income	<u>2,367,706</u>	<u>1,411,206</u>	<u>3,778,912</u>
Total additions	<u>3,404,727</u>	<u>2,483,588</u>	<u>5,888,315</u>
<b>DEDUCTIONS</b>			
Retirement benefits	847,333	655,420	1,502,753
Disability benefits	57,061	153,075	210,136
Pension refunds	8,436	11,052	19,488
Administrative expenses	14,769	15,628	30,397
Total deductions	<u>927,599</u>	<u>835,175</u>	<u>1,762,774</u>
<b>NET INCREASE</b>	2,477,128	1,648,413	4,125,541
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>			
MAY 1	<u>15,319,718</u>	<u>11,195,183</u>	<u>26,514,901</u>
APRIL 30	<u>\$ 17,796,846</u>	<u>\$ 12,843,596</u>	<u>\$ 30,640,442</u>

(See independent auditor's report.)

## **AGENCY FUNDS**

**Escrow Funds** - This fund is used to account for money deposited by developers and contractors in the Village to guarantee performance of construction requirements.

**Flexible Benefit Fund** - This fund is used to account for assets held for employees in accordance with provisions of the Internal Revenue Code Section 125.

**VILLAGE OF HINSDALE, ILLINOIS**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUNDS

For the Year Ended April 30, 2010

	Balances May 1	Additions	Deductions	Balances April 30
<b>Escrow Fund</b>				
ASSETS				
Cash and cash equivalents	\$ 1,137,648	\$ 2,925,062	\$ 3,993,561	\$ 69,149
Investments, at fair value				
IMET	801,011	1,290,988	895,000	1,196,999
U.S. Government and agency obligations	261,629	11,124	174,015	98,738
Due from other funds	-	725,000	-	725,000
<b>TOTAL ASSETS</b>	<b>\$ 2,200,288</b>	<b>\$ 4,952,174</b>	<b>\$ 5,062,576</b>	<b>\$ 2,089,886</b>
LIABILITIES				
Accounts payable	\$ 25,616	\$ 936,436	\$ 987,363	\$ 76,543
Deposits payable	2,174,672	1,130,176	968,847	2,013,343
<b>TOTAL LIABILITIES</b>	<b>\$ 2,200,288</b>	<b>\$ 2,066,612</b>	<b>\$ 1,956,210</b>	<b>\$ 2,089,886</b>
<b>Flexible Benefit Fund</b>				
ASSETS				
Cash and cash equivalents	\$ (3,848)	\$ 35,171	\$ 29,446	\$ 1,877
LIABILITIES				
Held for medical reimbursement	\$ (6,755)	\$ 24,183	\$ 30,451	\$ (487)
Held for dependent care reimbursement	2,907	5,263	4,720	2,364
<b>TOTAL LIABILITIES</b>	<b>\$ (3,848)</b>	<b>\$ 29,446</b>	<b>\$ 35,171</b>	<b>\$ 1,877</b>

(This statement is continued on the following page.)

VILLAGE OF HINSDALE, ILLINOIS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)

AGENCY FUNDS

For the Year Ended April 30, 2010

	Balances April 30	Additions	Deductions	Balances April 30
<b>All Funds</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,133,800	\$ 2,960,233	\$ 4,023,007	\$ 71,026
Investments, at fair value				
IMET	801,011	1,290,988	895,000	1,196,999
U.S. Government and agency obligations	261,629	11,124	174,015	98,738
Due from other funds	-	725,000	-	725,000
<b>TOTAL ASSETS</b>	<b>\$ 1,395,429</b>	<b>\$ 4,987,345</b>	<b>\$ 5,092,022</b>	<b>\$ 2,091,763</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 25,616	\$ 936,436	\$ 987,363	\$ 76,543
Deposits payable	2,174,672	1,130,176	968,847	2,013,343
Held for medical reimbursement	(6,755)	24,183	30,451	(487)
Held for dependent care reimbursement	2,907	5,263	4,720	2,364
<b>TOTAL LIABILITIES</b>	<b>\$ 2,196,440</b>	<b>\$ 2,096,058</b>	<b>\$ 1,991,381</b>	<b>\$ 2,091,763</b>

(See independent auditor's report.)

## **COMPONENT UNIT**

Discretely presented component units are reported in a separate column in the basic financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position, results of operations, and cash flows from those of the primary government.

**Library Fund** - To account for all operations of the Library. The main revenue source of the Library is a special property tax levy.

VILLAGE OF HINSDALE, ILLINOIS

BALANCE SHEET

COMPONENT UNIT - LIBRARY FUND

April 30, 2010

---

ASSETS

Cash and cash equivalents	\$ 545,983
Investments	769,555
Receivables	
Property taxes	2,252,163
Other	445
Due from other governments	20,797
Prepays	<u>14,329</u>
 TOTAL ASSETS	 <u><u>\$ 3,603,272</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 16,012
Accrued payroll	26,578
Deferred revenues - property taxes	<u>2,252,163</u>
 Total liabilities	 <u>2,294,753</u>

FUND BALANCE

Reserved for prepaids	14,329
Unreserved - undesignated	<u>1,294,190</u>
 Total fund balance	 <u>1,308,519</u>

TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 3,603,272</u></u>
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(See independent auditor's report.)

VILLAGE OF HINSDALE, ILLINOIS

RECONCILIATION OF FUND BALANCES OF LIBRARY GOVERNMENTAL FUNDS  
TO THE COMPONENT UNIT IN THE STATEMENT OF NET ASSETS

April 30, 2010

---

FUND BALANCES OF COMPONENT UNIT - LIBRARY FUNDS \$ 1,308,519

Amounts reported for governmental activities in the  
statement of net assets are different because:

Capital assets used in governmental activities are  
not financial resources and, therefore, are not  
reported in the governmental funds 3,483,522

Long-term liabilities are not due and payable in the  
current period and, therefore, are not reported  
in the governmental funds:

Compensated absences payable (33,881)  
OPEB liability (11,262)  
Installment loans payable (450,000)  
Bonds payable (2,975,000)  
Unamortized discount 18,170  
Interest payable (43,321)

NET ASSETS OF COMPONENT UNIT - LIBRARY \$ 1,296,747

(See independent auditor's report.)

**VILLAGE OF HINSDALE, ILLINOIS**

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

**COMPONENT UNIT - LIBRARY FUND**

For the Year Ended April 30, 2010

	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Property taxes	\$ 2,353,633	\$ 2,353,633	\$ 2,337,605
Intergovernmental			
Replacement tax	17,220	17,220	17,445
Grants	21,000	21,000	41,272
Service charges	11,500	11,500	15,052
Fines	30,000	30,000	40,533
Investment income	27,000	27,000	3,093
Miscellaneous			
Donations	500	500	31,178
Other	-	-	14,311
<b>Total revenues</b>	<b>2,460,853</b>	<b>2,460,853</b>	<b>2,500,489</b>
<b>EXPENDITURES</b>			
Current			
Culture			
Personal services	1,497,062	1,497,062	1,389,484
Professional services	15,500	15,500	17,656
Contractual services	34,000	34,000	27,530
Purchased services	107,900	107,900	82,830
Materials and supplies	338,460	338,460	306,241
Repairs and maintenance	95,000	95,000	84,130
Other expenditures	31,000	31,000	34,896
Risk management	59,799	59,799	57,064
Capital outlay	-	-	10,899
Debt service			
Principal	120,000	120,000	120,000
Interest	94,000	94,000	136,865
<b>Total expenditures</b>	<b>2,392,721</b>	<b>2,392,721</b>	<b>2,267,595</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 68,132</b>	<b>\$ 68,132</b>	<b>232,894</b>
<b>FUND BALANCE, MAY 1</b>			<b>1,075,625</b>
<b>FUND BALANCE, APRIL 30</b>			<b>\$ 1,308,519</b>

(See independent auditor's report.)

VILLAGE OF HINSDALE, ILLINOIS

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

For the Year Ended April 30, 2010

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NET CHANGE IN FUND BALANCES -	
TOTAL GOVERNMENTAL FUNDS	\$ 232,894
The issuance and repayment of long-term debt are reported as an increase and reduction of principal outstanding respectively in the statement of activities.	
Installment contract principal paid	50,000
Bond principal paid	70,000
Transfer recognition of bonds payable liability from governmental activities to Component Unit - Library	(3,040,462)
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Compensated absences	(9,974)
OPEB Liability	(5,211)
Interest payable	(28,553)
Amortization of bond discount	(1,136)
Depreciation	(121,476)
CHANGES IN NET ASSETS OF COMPONENT UNIT - LIBRARY	<u>\$ (2,853,918)</u>

(See independent auditor's report.)

**VILLAGE OF HINSDALE, ILLINOIS**

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

COMPONENT UNIT - LIBRARY FUND

For the Year Ended April 30, 2010

	Original Budget	Final Budget	Actual	Variance Under (Over)
<b>EXPENDITURES</b>				
Personal services				
Salaries and wages	\$ 1,145,850	\$ 1,145,850	\$ 1,097,379	\$ 48,471
Temporary help	2,000	2,000	-	2,000
Social Security	71,051	71,051	66,937	4,114
IMRF	182,670	182,670	150,528	32,142
Medicare	16,617	16,617	15,655	962
Group insurance	78,874	78,874	58,985	19,889
Total personal services	<u>1,497,062</u>	<u>1,497,062</u>	<u>1,389,484</u>	<u>107,578</u>
Professional services				
Legal services	3,500	3,500	3,249	251
Planning services	5,000	5,000	7,173	(2,173)
Miscellaneous	7,000	7,000	7,234	(234)
Total professional services	<u>15,500</u>	<u>15,500</u>	<u>17,656</u>	<u>(2,156)</u>
Contractual services				
Custodial	34,000	34,000	27,530	6,470
Total contractual services	<u>34,000</u>	<u>34,000</u>	<u>27,530</u>	<u>6,470</u>
Purchased services				
Postage	3,000	3,000	2,980	20
Utilities	16,000	16,000	16,000	-
Telephone	7,200	7,200	6,932	268
Citizen information	44,000	44,000	23,500	20,500
Accounting	12,700	12,700	12,643	57
Library programs	23,500	23,500	20,413	3,087
Miscellaneous services	1,500	1,500	362	1,138
Total purchased services	<u>107,900</u>	<u>107,900</u>	<u>82,830</u>	<u>25,070</u>
Materials and supplies				
Office supplies	15,500	15,500	12,441	3,059
Janitor supplies	5,000	5,000	5,155	(155)
Copy machine supplies	4,000	4,000	3,972	28
Software purchases	18,000	18,000	17,134	866
Books - junior department	58,460	58,460	58,558	(98)
Books - adult reference	203,300	203,300	182,805	20,495
Periodicals	18,700	18,700	14,787	3,913
Microfilm purchases	500	500	72	428
Catalog cards	15,000	15,000	11,317	3,683
Total materials and supplies	<u>338,460</u>	<u>338,460</u>	<u>306,241</u>	<u>32,219</u>

(This schedule is continued on the following page.)

**VILLAGE OF HINSDALE, ILLINOIS**

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

COMPONENT UNIT - LIBRARY FUND

For the Year Ended April 30, 2010

	Original Budget	Final Budget	Actual	Variance Under (Over)
<b>EXPENDITURES (Continued)</b>				
Repairs and maintenance				
Buildings	\$ -	\$ -	\$ -	\$ -
Office equipment	4,000	4,000	3,371	629
Computer equipment	50,000	50,000	39,567	10,433
Miscellaneous repairs	41,000	41,000	41,192	(192)
Total repairs and maintenance	95,000	95,000	84,130	10,870
Other expenditures				
Conferences/staff development	15,000	15,000	16,564	(1,564)
Membership-board development	2,000	2,000	1,802	198
Ceremonial occasions	1,500	1,500	314	1,186
Personnel	2,000	2,000	15	1,985
Helen O'Neill scholarships	500	500	500	-
LSTA Grant expenditures	10,000	10,000	-	10,000
Friends Pledges expenditures	-	-	1,882	(1,882)
Miscellaneous	-	-	13,819	(13,819)
Total other expenditures	31,000	31,000	34,896	(3,896)
Risk management				
Liability insurance	59,799	59,799	56,763	3,036
Self-insured liability	-	-	301	(301)
Total risk management	59,799	59,799	57,064	2,735
Debt service				
Installment loan payment	50,000	50,000	50,000	-
Interest	20,000	20,000	18,715	1,285
Bond principal payment	70,000	70,000	70,000	-
Interest	74,000	74,000	118,150	(44,150)
Total debt service	214,000	214,000	256,865	(42,865)
Capital outlay				
Buildings	-	-	10,899	(10,899)
Total capital outlay	-	-	10,899	(10,899)
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,392,721</b>	<b>\$ 2,392,721</b>	<b>\$ 2,267,595</b>	<b>\$ 125,126</b>

(See independent auditor's report.)

## **SUPPLEMENTAL DATA**

**VILLAGE OF HINSDALE, ILLINOIS**

**LONG-TERM DEBT REQUIREMENTS**

**GENERAL OBLIGATION REFUNDING BONDS SERIES 1999**

April 30, 2010

Date of Issue	March 10, 1999
Date of Maturity	December 15, 2011
Authorized Issue	\$1,760,000
Actual Issue	\$1,760,000
Interest Rate	3.85% to 3.95%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15 , 2011
Payable at	Cole Taylor Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending	Requirements			Interest Due On			
	Principal	Interest	Total	June 15	Amount	Dec. 15	Amount
2011	\$ 220,000	\$ 17,665	\$ 237,665	2010	\$ 8,833	2010	\$ 8,832
2012	230,000	9,085	239,085	2011	4,543	2011	4,542
	<u>\$ 450,000</u>	<u>\$ 26,750</u>	<u>\$ 476,750</u>		<u>\$ 13,376</u>		<u>\$ 13,374</u>

(See independent auditor's report.)

**VILLAGE OF HINSDALE, ILLINOIS**

**LONG-TERM DEBT REQUIREMENTS**

**GENERAL OBLIGATION (ALTERNATE REVENUE SOURCE) BONDS SERIES 2001**

April 30, 2010

Date of Issue	November 1, 2001
Date of Maturity	December 15, 2011
Authorized Issue	\$2,500,000
Actual Issue	\$2,500,000
Interest Rate	3.375% to 3.50%
Interest Date	June 15 and December 15
Principal Maturity Date	December 15, 2011
Payable at	Cole Taylor Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending	Requirements			Interest Due On			
	Principal	Interest	Total	June 15	Amount	Dec. 15	Amount
2011	\$ 285,000	\$ 20,475	\$ 305,475	2010	\$ 10,238	2010	\$ 10,237
2012	300,000	10,500	310,500	2011	5,250	2011	5,250
	<u>\$ 585,000</u>	<u>\$ 30,975</u>	<u>\$ 615,975</u>		<u>\$ 15,488</u>		<u>\$ 15,487</u>

(See independent auditor's report.)

VILLAGE OF HINSDALE, ILLINOIS

LONG-TERM DEBT REQUIREMENTS

GENERAL OBLIGATION (SHARED STATE INCOME TAXES  
ALTERNATE REVENUE SOURCE) BONDS SERIES 2003

April 30, 2010

Date of Issue	August 1, 2003
Date of Maturity	December 15, 2013
Authorized Issue	\$4,000,000
Actual Issue	\$4,000,000
Interest Rate	1.00% to 3.250%
Interest Date	June 15 and Dec. 15
Principal Maturity Date	December 15, 2013
Payable at	Hinsdale Bank and Trust

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending	Requirements			Interest Due On			
	Principal	Interest	Total	June 15	Amount	Dec. 15	Amount
2011	\$ 425,000	\$ 53,582	\$ 478,582	2010	\$ 26,791	2010	\$ 26,791
2012	435,000	41,895	476,895	2011	20,948	2011	20,947
2013	450,000	29,062	479,062	2012	14,531	2012	14,531
2014	465,000	15,112	480,112	2013	7,556	2013	7,556
	<u>\$ 1,775,000</u>	<u>\$ 139,651</u>	<u>\$ 1,914,651</u>		<u>\$ 69,826</u>		<u>\$ 69,825</u>

(See independent auditor's report.)

VILLAGE OF HINSDALE, ILLINOIS

LONG-TERM DEBT REQUIREMENTS

GENERAL OBLIGATION LIBRARY FUND TAX  
(ALTERNATE REVENUE SOURCE) BONDS SERIES 2006

April 30, 2010

Date of Issue	December 15, 2006
Date of Maturity	December 15, 2026
Authorized Issue	\$3,045,000
Actual Issue	\$3,045,000
Interest Rate	3.75% to 4.00%
Interest Date	June 15 and December 15
Principal Maturity Date	December 15 , 2026
Payable at	

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending	Requirements			Interest Due On			
	Principal	Interest	Total	June 15	Amount	Dec. 15	Amount
2011	\$ 80,000	\$ 115,526	\$ 195,526	2010	\$ 57,763	2010	\$ 57,763
2012	85,000	112,526	197,526	2011	56,263	2011	56,263
2013	95,000	109,338	204,338	2012	54,669	2012	54,669
2014	105,000	105,728	210,728	2013	52,864	2013	52,864
2015	115,000	101,738	216,738	2014	50,869	2014	50,869
2016	130,000	97,368	227,368	2015	48,684	2015	48,684
2017	140,000	92,428	232,428	2016	46,214	2016	46,214
2018	150,000	87,108	237,108	2017	43,554	2017	43,554
2019	165,000	81,408	246,408	2018	40,704	2018	40,704
2020	185,000	75,138	260,138	2019	37,569	2019	37,569
2021	195,000	68,016	263,016	2020	34,008	2020	34,008
2022	210,000	60,508	270,508	2021	30,254	2021	30,254
2023	230,000	52,318	282,318	2022	26,159	2022	26,159
2024	240,000	43,348	283,348	2023	21,674	2023	21,674
2025	265,000	33,868	298,868	2024	16,934	2024	16,934
2026	285,000	23,400	308,400	2025	11,700	2025	11,700
2027	300,000	12,000	312,000	2026	6,000	2026	6,000
	<u>\$ 2,975,000</u>	<u>\$ 1,271,764</u>	<u>\$ 4,246,764</u>		<u>\$ 635,878</u>		<u>\$ 635,882</u>

(See independent auditor's report.)

VILLAGE OF HINSDALE, ILLINOIS

LONG-TERM DEBT REQUIREMENTS

2008 FIRE LADDER TRUCK INSTALLMENT LOAN

April 30, 2010

Date of Issue	June 25, 2008
Date of Maturity	July 1, 2018
Authorized Issue	\$973,552
Actual Issue	\$973,552
Interest Rate	3.75%
Interest Date	January 1 and July 1
Principal Maturity Date	July 1, 2018
Payable at	Chase Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending	Requirements			Interest Due On			
	Principal	Interest	Total	July 1	Amount	January 1	Amount
2011	\$ 91,097	\$ 31,447	\$ 122,544	2010	\$ 16,578	2010	\$ 14,869
2012	92,805	27,998	120,803	2011	14,869	2011	13,129
2013	94,545	24,486	119,031	2012	13,129	2012	11,357
2014	96,318	20,908	117,226	2013	11,357	2013	9,551
2015	98,124	17,262	115,386	2014	9,551	2014	7,711
2016	99,964	13,547	113,511	2015	7,711	2015	5,836
2017	101,838	9,763	111,601	2016	5,836	2016	3,927
2018	103,748	5,909	109,657	2017	3,927	2017	1,982
2019	105,693	1,982	107,675	2018	1,982	2018	-
	<u>\$ 884,131</u>	<u>\$ 153,302</u>	<u>\$ 1,037,434</u>		<u>\$ 84,940</u>		<u>\$ 68,362</u>

(See independent auditor's report.)

VILLAGE OF HINSDALE, ILLINOIS

LONG-TERM DEBT REQUIREMENTS

2008 LIBRARY HVAC INSTALLMENT LOAN

April 30, 2010

Date of Issue	August 29, 2008
Date of Maturity	October 1, 2018
Authorized Issue	\$500,000
Actual Issue	\$500,000
Interest Rate	3.94%
Interest Date	October 1 and April 1
Principal Maturity Date	October 1, 2018
Payable at	Chase Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending	Requirements			Interest Due On			
	Principal	Interest	Total	October 1	Amount	April 1	Amount
2011	\$ 50,000	\$ 16,745	\$ 66,745	2010	\$ 8,865	2011	\$ 7,880
2012	50,000	14,775	64,775	2011	7,880	2012	6,895
2013	50,000	12,805	62,805	2012	6,895	2013	5,910
2014	50,000	10,835	60,835	2013	5,910	2014	4,925
2015	50,000	8,865	58,865	2014	4,925	2015	3,940
2016	50,000	6,895	56,895	2015	3,940	2016	2,955
2017	50,000	4,925	54,925	2016	2,955	2017	1,970
2018	50,000	2,955	52,955	2017	1,970	2018	985
2019	50,000	985	50,985	2018	985	2019	-
	<u>\$ 450,000</u>	<u>\$ 79,785</u>	<u>\$ 529,785</u>		<u>\$ 44,325</u>		<u>\$ 35,460</u>

(See independent auditor's report.)

**VILLAGE OF HINSDALE, ILLINOIS**

**LONG-TERM DEBT REQUIREMENTS**

**GENERAL OBLIGATION BONDS (WATER AND SEWERAGE SYSTEMS  
ALTERNATE REVENUE SOURCE), SERIES 2008**

April 30, 2010

Date of Issue	December 9, 2008
Date of Maturity	December 15, 2019
Authorized Issue	\$3,500,000
Actual Issue	\$3,500,000
Interest Rate	3.75 to 4.00%
Interest Date	June 15 and December 15
Principal Maturity Date	December 15 , 2019
Payable at	

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending	Requirements			Interest Due On			
	Principal	Interest	Total	June 15	Amount	Dec. 15	Amount
2011	\$ 60,000	\$ 131,418	\$ 191,418	2010	\$ 65,709	2010	\$ 65,709
2012	55,000	129,394	184,394	2011	64,697	2011	64,697
2013	365,000	127,538	492,538	2012	63,769	2012	63,769
2014	380,000	115,219	495,219	2013	57,609	2013	57,609
2015	390,000	101,919	491,919	2014	50,959	2014	50,959
2016	405,000	87,294	492,294	2015	43,647	2015	43,647
2017	420,000	71,600	491,600	2016	35,800	2016	35,800
2018	440,000	54,800	494,800	2017	27,400	2017	27,400
2019	455,000	37,200	492,200	2018	18,600	2018	18,600
2020	475,000	19,000	494,000	2019	9,500	2019	9,500
	<u>\$ 3,445,000</u>	<u>\$ 875,382</u>	<u>\$ 4,320,382</u>		<u>\$ 437,690</u>		<u>\$ 437,690</u>

(See independent auditor's report.)

VILLAGE OF HINSDALE, ILLINOIS

LONG-TERM DEBT REQUIREMENTS

GENERAL OBLIGATION LIMITED TAX BONDS, SERIES 2009

April 30, 2010

Date of Issue	September 1, 2009
Date of Maturity	December 15, 2028
Authorized Issue	\$2,305,000
Actual Issue	\$2,305,000
Interest Rate	2.00 to 4.20%
Interest Date	June 15 and December 15
Principal Maturity Date	December 15 , 2028
Payable at	

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending	Requirements			Interest Due On			
	Principal	Interest	Total	June 15	Amount	Dec. 15	Amount
2011	\$ 85,000	\$ 89,461	\$ 174,461	2010	\$ 52,357	2010	\$ 37,104
2012	100,000	72,508	172,508	2011	36,254	2011	36,254
2013	100,000	70,508	170,508	2012	35,254	2012	35,254
2014	100,000	68,508	168,508	2013	34,254	2013	34,254
2015	105,000	66,508	171,508	2014	33,254	2014	33,254
2016	105,000	64,408	169,408	2015	32,204	2015	32,204
2017	110,000	62,046	172,046	2016	31,023	2016	31,023
2018	110,000	59,296	169,296	2017	29,648	2017	29,648
2019	115,000	56,160	171,160	2018	28,080	2018	28,080
2020	115,000	52,596	167,596	2019	26,298	2019	26,298
2021	120,000	48,800	168,800	2020	24,400	2020	24,400
2022	125,000	44,660	169,660	2021	22,330	2021	22,330
2023	130,000	40,160	170,160	2022	20,080	2022	20,080
2024	135,000	35,480	170,480	2023	17,740	2023	17,740
2025	140,000	30,350	170,350	2024	15,175	2024	15,175
2026	145,000	25,030	170,030	2025	12,515	2025	12,515
2027	150,000	19,230	169,230	2026	9,615	2026	9,615
2028	155,000	13,230	168,230	2027	6,615	2027	6,615
2029	160,000	6,720	166,720	2028	3,360	2028	3,360
	<u>\$ 2,305,000</u>	<u>\$ 925,659</u>	<u>\$ 3,230,659</u>		<u>\$ 470,456</u>		<u>\$ 455,203</u>

\*\* The Village issued bonds in the amount of \$2,305,000 to pay off the 2002 Limited source bonds balance of 1,520,000. The additional funds of 780,000 will be used to help finance capital improvement projects.

(See independent auditor's report.)

## STATISTICAL SECTION

This part of the Village of Hinsdale, Illinois' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the Village's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	111-116
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the property tax.	117-122
Debt Capacity These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	123-127
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	128-129
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the city provides and the activities it performs.	130-132

*Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The Village of Hinsdale, Illinois implemented GASB Statement 34 in 2004; schedules presenting government-wide information include information beginning in that year.*

**VILLAGE OF HINSDALE, ILLINOIS**

NET ASSETS BY COMPONENT

Last Seven Fiscal Years

Fiscal Year	2004	2005	2006	2007	2008	2009	2010
<b>GOVERNMENTAL ACTIVITIES</b>							
Invested in capital assets net of related debt	\$ 69,001,104	\$ 67,475,442	\$ 63,472,477	\$ 63,386,203	\$ 62,220,632	\$ 63,052,158	\$ 65,041,753
Restricted	1,439,219	2,248,776	1,593,491	2,042,918	1,864,165	978,973	1,084,616
Unrestricted	(2,937,451)	(2,640,547)	2,126,871	1,606,309	1,088,914	2,368,062	3,222,346
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 67,502,872</b>	<b>\$ 67,083,671</b>	<b>\$ 67,192,839</b>	<b>\$ 67,035,430</b>	<b>\$ 65,173,711</b>	<b>\$ 66,399,193</b>	<b>\$ 69,348,715</b>
<b>BUSINESS-TYPE ACTIVITIES</b>							
Invested in capital assets net of related debt	\$ 11,370,267	\$ 11,826,212	\$ 12,388,605	\$ 12,362,183	\$ 12,831,653	\$ 11,792,064	\$ 15,893,899
Unrestricted	3,407,695	2,993,311	2,711,245	3,110,191	3,612,697	3,742,095	(823,575)
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>\$ 14,777,962</b>	<b>\$ 14,819,523</b>	<b>\$ 15,099,850</b>	<b>\$ 15,472,374</b>	<b>\$ 16,444,350</b>	<b>\$ 15,534,159</b>	<b>\$ 15,070,324</b>
<b>PRIMARY GOVERNMENT</b>							
Invested in capital assets net of related debt	\$ 80,371,371	\$ 79,301,654	\$ 75,861,082	\$ 76,198,386	\$ 75,052,285	\$ 74,844,222	\$ 80,935,652
Restricted	1,439,219	2,248,776	1,593,491	2,042,918	1,864,165	978,973	1,084,616
Unrestricted	470,244	352,764	4,838,116	4,726,500	4,701,611	6,110,157	2,398,771
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 82,280,834</b>	<b>\$ 81,903,194</b>	<b>\$ 82,292,689</b>	<b>\$ 82,967,804</b>	<b>\$ 81,618,061</b>	<b>\$ 81,933,352</b>	<b>\$ 84,419,039</b>

Data Source

Audited Financial Statements

VILLAGE OF HINSDALE, ILLINOIS

CHANGE IN NET ASSETS

Last Seven Fiscal Years

Fiscal Year	2004	2005	2006	2007	2008	2009	2010
<b>EXPENSES</b>							
Governmental activities							
General government	\$ 1,422,166	\$ 1,696,137	\$ 2,388,907	\$ 2,385,878	\$ 5,522,424	\$ 2,553,442	\$ 2,682,575
Public safety	6,734,789	7,129,625	7,773,211	8,483,017	8,861,223	9,101,637	9,302,669
Public services	5,121,431	4,860,329	4,779,565	4,419,818	4,401,392	2,943,573	2,803,977
Community development	-	-	-	-	-	1,232,760	992,363
Parks and recreation	2,010,870	2,044,913	2,140,131	2,364,398	2,410,526	2,162,186	1,980,601
Interest	183,259	269,851	232,049	309,460	302,074	300,800	304,640
Total governmental activities expenses	<u>15,472,515</u>	<u>16,000,855</u>	<u>17,313,863</u>	<u>17,962,571</u>	<u>21,497,639</u>	<u>18,294,398</u>	<u>18,066,825</u>
Business-type activities							
Water and sewer	4,260,038	4,348,405	4,408,504	4,067,550	4,510,300	5,133,001	4,967,964
Total business-type activities expenses	<u>4,260,038</u>	<u>4,348,405</u>	<u>4,408,504</u>	<u>4,067,550</u>	<u>4,510,300</u>	<u>5,133,001</u>	<u>4,967,964</u>
<b>TOTAL PRIMARY GOVERNMENT EXPENSES</b>	<u>\$ 19,732,553</u>	<u>\$ 20,349,260</u>	<u>\$ 21,722,367</u>	<u>\$ 22,030,121</u>	<u>\$ 26,007,939</u>	<u>\$ 23,427,399</u>	<u>\$ 23,034,789</u>
<b>PROGRAM REVENUES</b>							
Governmental activities							
Charges for services							
General government	\$ 909,059	\$ 949,345	\$ 1,063,230	\$ 1,221,412	\$ 1,464,008	\$ 1,478,135	\$ 1,452,459
Public safety	773,525	797,813	905,192	1,077,991	1,192,009	1,098,984	993,545
Public services	1,071,356	1,505,152	1,402,995	1,421,828	1,385,078	16,889	7,711
Community development	-	-	-	-	-	1,066,247	888,151
Parks and recreation	717,108	865,566	767,886	1,335,541	1,013,074	937,807	806,074
Operating grants and contributions	524,632	537,133	537,636	583,425	531,694	610,186	513,589
Capital grants and contributions	100,000	169,927	1,173,284	385,139	47,725	22,877	271,315
Total governmental activities program revenues	<u>4,095,680</u>	<u>4,824,936</u>	<u>5,850,223</u>	<u>6,025,336</u>	<u>5,633,588</u>	<u>5,231,125</u>	<u>4,932,844</u>
Business-type activities							
Charges for services							
Water and sewer	4,225,011	4,320,911	4,631,254	4,381,683	3,982,209	4,096,779	4,459,381
Total business-type activities program revenues	<u>4,225,011</u>	<u>4,320,911</u>	<u>4,631,254</u>	<u>4,381,683</u>	<u>3,982,209</u>	<u>4,096,779</u>	<u>4,459,381</u>
<b>TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES</b>	<u>\$ 8,320,691</u>	<u>\$ 9,145,847</u>	<u>\$ 10,481,477</u>	<u>\$ 10,407,019</u>	<u>\$ 9,615,797</u>	<u>\$ 9,327,904</u>	<u>\$ 9,392,225</u>

VILLAGE OF HINSDALE, ILLINOIS

CHANGE IN NET ASSETS (Continued)

Last Seven Fiscal Years

Fiscal Year	2004	2005	2006	2007	2008	2009	2010
NET (EXPENSE) REVENUE							
Governmental activities	\$ (11,376,835)	\$ (11,175,919)	\$ (11,463,640)	\$ (11,937,235)	\$ (15,864,051)	\$ (13,063,273)	\$ (13,133,981)
Business-type activities	(35,027)	(27,494)	222,750	314,133	(528,091)	(1,036,222)	(508,583)
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	\$ (11,411,862)	\$ (11,203,413)	\$ (11,240,890)	\$ (11,623,102)	\$ (16,392,142)	\$ (14,099,495)	\$ (13,642,564)
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS							
Governmental activities							
Taxes							
Property	\$ 4,130,644	\$ 4,533,571	\$ 4,667,262	\$ 5,016,290	\$ 5,154,180	\$ 5,568,964	\$ 5,902,769
Utility	2,463,309	2,328,059	2,250,382	2,590,916	2,338,989	2,652,968	2,665,934
Sales	2,048,858	2,120,042	2,470,855	2,115,249	2,704,298	2,587,484	2,442,968
Income	1,063,886	1,250,074	1,387,687	1,547,333	1,690,241	1,579,895	1,383,656
Replacement	145,191	169,854	218,147	242,289	267,190	233,323	194,919
Investment earnings	115,163	-	229,880	466,435	335,650	104,224	87,838
Special item	-	-	-	-	-	-	3,040,462
Miscellaneous	178,169	190,430	348,595	261,314	1,051,784	848,612	364,957
Gain on sale of assets	(41,192)	164,688	-	-	-	-	-
Total governmental activities	10,104,028	10,756,718	11,572,808	12,239,826	13,542,332	13,575,470	16,083,503
Business-type activities							
Investment earnings	32,875	69,055	57,577	58,391	183,678	105,839	28,605
Miscellaneous	10,702	-	-	-	61,986	20,192	16,143
DWC Rebate	-	-	-	-	1,254,403	-	-
Total business-type activities	43,577	69,055	57,577	58,391	1,500,067	126,031	44,748
TOTAL PRIMARY GOVERNMENT	\$ 10,147,605	\$ 10,825,773	\$ 11,630,385	\$ 12,298,217	\$ 15,042,399	\$ 13,701,501	\$ 16,128,251
CHANGE IN NET ASSETS							
Governmental activities	\$ (1,272,807)	\$ (419,201)	\$ 109,168	\$ 302,591	\$ (2,321,719)	\$ 512,197	\$ 2,949,522
Business-type activities	8,550	41,561	280,327	372,524	971,976	(910,191)	(463,835)
TOTAL PRIMARY GOVERNMENT CHANGE IN NET ASSETS	\$ (1,264,257)	\$ (377,640)	\$ 389,495	\$ 675,115	\$ (1,349,743)	\$ (397,994)	\$ 2,485,687

Data Source

VILLAGE OF HINSDALE, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>GENERAL FUND</b>										
Reserved	\$ 288,476	\$ 728,232	\$ 565,815	\$ 273,759	\$ 36,318	\$ 50,048	\$ 49,960	\$ 97,475	\$ 44,757	\$ 172,542
Unreserved	4,164,730	4,673,053	4,093,679	4,038,876	3,886,279	3,203,661	2,996,324	2,778,884	3,617,102	3,510,722
<b>TOTAL GENERAL FUND</b>	<b>\$ 4,453,206</b>	<b>\$ 5,401,285</b>	<b>\$ 4,659,494</b>	<b>\$ 4,312,635</b>	<b>\$ 3,922,597</b>	<b>\$ 3,253,709</b>	<b>\$ 3,046,284</b>	<b>\$ 2,876,359</b>	<b>\$ 3,661,859</b>	<b>\$ 3,683,264</b>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>										
Reserved	\$ 1,010,768	\$ 705,439	\$ 858,974	\$ 3,612,577	\$ 2,166,787	\$ 1,649,275	\$ 4,227,231	\$ 1,864,165	\$ 978,973	\$ 964,511
Unreserved, reported in										
Special Revenue Funds	545,305	104,034	-	-	-	-	-	-	-	-
Capital Project Funds	124,183	-	-	-	-	-	-	-	(29,405)	855,077
<b>TOTAL ALL OTHER GOVERNMENTAL FUNDS</b>	<b>\$ 1,680,256</b>	<b>\$ 809,473</b>	<b>\$ 858,974</b>	<b>\$ 3,612,577</b>	<b>\$ 2,166,787</b>	<b>\$ 1,649,275</b>	<b>\$ 4,227,231</b>	<b>\$ 1,864,165</b>	<b>\$ 949,568</b>	<b>\$ 1,819,588</b>

Data Source

Audited Financial Statements

VILLAGE OF HINSDALE, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>REVENUES</b>										
Property taxes	\$ 3,636,059	\$ 3,509,464	\$ 4,106,321	\$ 4,130,644	\$ 4,533,571	\$ 4,667,262	\$ 5,016,290	\$ 5,154,180	\$ 5,568,964	\$ 5,902,769
Utility taxes	1,622,053	1,780,181	2,180,678	2,463,309	2,328,059	2,250,382	2,115,249	2,338,988	2,652,968	2,665,934
Intergovernmental	4,254,291	3,982,595	3,867,989	3,915,059	4,288,320	5,823,988	5,383,338	5,277,485	5,078,370	4,847,095
Service charges	971,648	955,903	1,373,426	1,389,723	1,491,175	1,541,688	1,694,922	2,093,797	2,056,504	1,945,163
Licenses, permits and fines	1,660,562	1,707,362	1,834,298	1,703,035	2,063,125	2,108,144	2,291,103	2,314,144	1,960,669	1,730,882
Investment income	794,587	341,754	303,914	111,955	189,070	229,880	466,435	335,651	104,224	87,838
Miscellaneous	936,163	918,484	847,888	527,175	688,335	801,687	1,297,825	1,661,675	1,384,896	796,204
Total revenues	13,875,363	13,195,743	14,514,514	14,240,900	15,581,655	17,423,031	18,265,162	19,175,920	18,806,595	17,975,885
<b>EXPENDITURES</b>										
Current										
General government	2,204,305	2,343,620	1,358,441	1,203,503	1,482,744	2,098,160	1,938,849	2,578,511	1,568,841	1,352,386
Public safety	3,880,867	4,172,076	5,838,064	6,383,535	6,760,118	7,383,195	8,097,248	8,381,013	8,576,622	8,936,255
Public services	4,424,313	3,709,240	2,929,172	2,971,127	3,218,651	3,192,665	3,694,597	3,841,888	2,684,716	2,679,552
Community development	-	-	-	-	-	-	-	-	1,232,760	1,011,237
Parks and recreation	1,175,460	1,246,332	1,613,893	1,725,960	1,725,433	1,818,752	2,043,044	2,026,592	1,853,914	1,679,285
Pensions	501,742	438,308	-	-	-	-	-	-	-	-
Capital outlay	3,437,344	1,424,869	3,585,430	3,205,625	3,390,325	3,267,683	2,242,853	3,897,579	3,003,954	1,163,767
Debt service										
Principal	874,057	890,000	675,000	180,000	560,000	615,000	640,000	665,000	685,000	804,420
Interest	202,780	156,684	171,766	164,406	280,212	233,976	219,449	318,327	303,437	165,580
Bond issuance costs	-	-	25,001	-	-	-	40,878	-	-	47,220
Fees	1,000	1,000	-	-	-	-	-	-	-	-
Total expenditures	16,701,868	14,382,129	16,196,767	15,834,156	17,417,483	18,609,431	18,916,918	21,708,910	19,909,244	17,839,702
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>										
	(2,826,505)	(1,186,386)	(1,682,253)	(1,593,256)	(1,835,828)	(1,186,400)	(651,756)	(2,532,990)	(1,102,649)	136,183

Fiscal Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers in	\$ 4,746,170	\$ 2,155,589	\$ 33,053	\$ 431,721	\$ 431,721	\$ 454,978	\$ 464,242	\$ 467,120	\$ 473,628	\$ 478,502
Transfers (out)	(3,866,686)	(1,249,721)	(33,053)	(431,721)	(431,721)	(454,978)	(464,242)	(467,120)	(473,628)	(478,502)
Bonds issued	-	-	2,050,000	4,000,000	-	-	3,045,000	-	-	2,305,000
Payment to bond escrow agent	-	-	-	-	-	-	-	-	-	(1,549,758)
Discount on bonds issued	-	-	(14,098)	-	-	-	(22,713)	-	-	-
Installment contract proceeds	-	-	-	-	-	-	-	-	973,552	-
<b>Total other financing sources (uses)</b>	<b>879,484</b>	<b>905,868</b>	<b>2,035,902</b>	<b>4,000,000</b>	<b>-</b>	<b>-</b>	<b>3,022,287</b>	<b>-</b>	<b>973,552</b>	<b>755,242</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (1,947,021)</b>	<b>\$ (280,518)</b>	<b>\$ 353,649</b>	<b>\$ 2,406,744</b>	<b>\$ (1,835,828)</b>	<b>\$ (1,186,400)</b>	<b>\$ 2,370,531</b>	<b>\$ (2,532,990)</b>	<b>\$ (129,097)</b>	<b>\$ 891,425</b>
<b>DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES</b>	<b>8.12%</b>	<b>8.08%</b>	<b>6.71%</b>	<b>2.73%</b>	<b>5.99%</b>	<b>5.53%</b>	<b>5.15%</b>	<b>5.52%</b>	<b>5.85%</b>	<b>5.82%</b>

Data Source

Audited Financial Statements

**VILLAGE OF HINSDALE, ILLINOIS**

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Railroad Property	Less Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2000	\$ 705,782,593	\$ 75,403,970	\$ 82,000	\$ 232,560	\$ -	\$ 866,471,193	0.5657	\$ 2,599,413,579	33.333%
2001	799,429,559	76,766,600	84,870	252,041	-	965,468,438	0.5306	2,896,405,314	33.333%
2002	874,934,296	82,961,790	-	264,830	-	1,080,697,865	0.4953	3,242,093,595	33.333%
2003	1,035,415,806	83,454,980	-	229,843	-	1,245,313,686	0.4576	3,735,941,058	33.333%
2004	1,145,139,471	89,432,010	-	224,611	-	1,363,842,440	0.4255	4,091,527,320	33.333%
2005	1,248,838,812	92,072,140	-	208,021	-	1,509,171,813	0.4196	4,527,515,439	33.333%
2006	1,370,582,758	98,810,190	57,590	216,736	-	1,637,720,114	0.4110	4,913,160,342	33.333%
2007	1,712,201,638	109,799,140	-	242,584	-	1,822,243,362	0.3964	5,466,730,086	33.333%
2008	1,829,792,697	114,833,480	-	277,905	-	1,944,904,082	0.3888	5,834,712,246	33.333%
2009*	1,869,449,771	113,015,650	-	334,188	-	1,982,799,609	0.4024	5,948,398,827	33.333%

Note: Property in the Village is reassessed each year. Property is assessed at 33% of actual value.

\*The assessed valuations for the 2009 tax levy year have been estimated.

Data Source

Office of the DuPage County Clerk

**VILLAGE OF HINSDALE, ILLINOIS**

**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**

Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>DIRECT TAX RATES</b>										
Village of Hinsdale	0.4220	0.3866	0.3586	0.3338	0.3111	0.3066	0.2902	0.2773	0.2745	0.2818
Hinsdale Public Library	0.1437	0.1440	0.1367	0.1238	0.1144	0.1130	0.1208	0.1191	0.1143	0.1206
<b>TOTAL DIRECT TAX RATES</b>	<b>0.5657</b>	<b>0.5306</b>	<b>0.4953</b>	<b>0.4576</b>	<b>0.4255</b>	<b>0.4196</b>	<b>0.4110</b>	<b>0.3964</b>	<b>0.3888</b>	<b>0.4024</b>
<b>OVERLAPPING TAX RATES</b>										
DuPage County - General	0.2536	0.2353	0.2154	0.1999	0.1850	0.1797	0.1713	0.1651	0.1557	0.1554
DuPage County Forest Preserve	0.1742	0.1654	0.1534	0.1419	0.1358	0.1271	0.1303	0.1187	0.1206	0.1217
DuPage Water Commission	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
DuPage Airport Authority	0.0291	0.0271	0.0248	0.0230	0.0213	0.0198	0.0183	0.0170	0.0160	0.0148
Downers Grove Township	0.0873	0.0850	0.0810	0.0765	0.0724	0.0694	0.0669	0.0629	0.0633	0.0641
York Grove Township	0.0410	0.0402	0.0379	0.0368	0.0345	0.0352	0.0344	0.0331	0.0318	0.0334
Hinsdale Sanitary District	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
College of DuPage District 502	0.1966	0.1930	0.2179	0.2097	0.1972	0.1874	0.1929	0.1888	0.1858	0.2127
Hinsdale High School District 86	1.4367	1.4250	1.3858	1.3094	1.2310	1.1910	1.1418	1.0943	1.0804	1.0948
Grade School District 181	2.0491	2.0282	2.2920	2.1781	2.3635	2.0148	1.9491	1.8836	1.8306	1.9023
<b>TOTAL OVERLAPPING TAX RATES</b>	<b>4.8333</b>	<b>4.7298</b>	<b>4.9035</b>	<b>4.6329</b>	<b>4.6662</b>	<b>4.2440</b>	<b>4.1160</b>	<b>3.9599</b>	<b>3.8730</b>	<b>4.0016</b>

(1) Property tax rates are listed per \$100 of assessed valuation.

(2) The property tax rates listed above are for the largest tax districts in the Village and are indicative of the property tax rates in other tax districts of the Village.

Data Source

DuPage County Clerk

VILLAGE OF HINSDALE, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	Type of Business	2009			Taxpayer	Type of Business	2000		
		Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation			Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
Harris Management Company	Real Estate Service	\$ 7,824,060	1	0.39%	Office Park of Hinsdale	Office Complex	\$ 11,626,640	1	1.34%
Pht Hinsdale Mobs	Real Estate Service	6,776,570	2	0.34%	Individual	Office Complex	6,380,130	2	0.74%
Individual	Office Complex	4,833,330	3	0.24%	Harris Bank of Hinsdale	Commercial Property	3,222,280	3	0.37%
Midwest Bank	Banking Services	4,594,140	4	0.23%	Americana Healthcare	Healthcare Facility	2,327,210	4	0.27%
Manor Care	Healthcare Facility	3,621,990	5	0.18%	Howard Sproat and Company	Apartments	2,187,660	5	0.25%
Individual	Private Property	3,410,330	6	0.11%	Individual	Private Property	1,996,130	6	0.23%
Grant Square LLC	Grant Square Shopping Center	3,208,690	7	0.16%	Hinsdale Management Company	Grant Square Shopping Center	1,954,880	7	0.23%
Individual	Private Property	2,774,840	8	0.14%	Individual	Private Property	1,447,890	8	0.17%
HSS Partners	Material Mangment Solutions	2,427,050	9	0.12%	Washington Square, Inc	Retirement Community	1,442,740	9	0.17%
Estado Del Roble LLC	Real Estate Service	<u>2,221,150</u>	10	<u>0.11%</u>	Clay Venture	Office Complex	<u>1,359,050</u>	10	<u>0.16%</u>
		<u>\$ 41,692,150</u>		<u>2.04%</u>			<u>\$ 33,944,610</u>		<u>3.92%</u>

NOTE:

Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

Data Source

Office of the County Clerk

**VILLAGE OF HINSDALE, ILLINOIS**

**PROPERTY TAX LEVIES AND COLLECTIONS**

Last Ten Levy Years

Levy Year	Tax Levied	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2000	\$ 3,995,148	\$ 3,831,185	95.90%	\$ 383,119	\$ 4,214,304	105.49%
2001	3,876,781	3,631,784	93.68%	277,887	3,909,671	100.85%
2002	3,938,129	3,667,431	93.13%	252,162	3,919,593	99.53%
2003	4,237,709	4,042,991	95.41%	231,901	4,274,892	100.88%
2004	4,424,326	4,146,704	93.73%	237,094	4,383,798	99.08%
2005	4,658,954	4,417,996	94.83%	250,812	4,668,808	100.21%
2006	4,891,870	4,585,217	93.73%	274,333	4,859,550	99.34%
2007	5,109,805	4,947,676	96.83%	273,873	5,221,549	102.19%
2008	5,483,285	5,214,137	95.09%	301,891	5,516,028	100.60%
2009*	5,682,704	345,388	6.08%	-	345,388	6.08%

\* Will be collected in 2010 in accordance with Illinois law. Estimated levy based on Tax Levy Ordinance. Actual extension not available at time of printing.

Note: Property in the Village is reassessed each year. Property is assessed at 33% of actual value.

Data Source

Office of the County Clerk

**VILLAGE OF HINSDALE, ILLINOIS**

**SALES TAX BY CATEGORY**

Last Ten Calendar Years

Calendar Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General merchandise	\$ -	\$ -	\$ -	\$ -	\$ 878	\$ -	\$ -	\$ -	\$ -	\$ -
Food	295,211	305,761	313,894	300,978	316,446	328,858	336,960	358,221	376,022	377,265
Drinking and eating places	174,727	164,771	164,246	185,399	159,721	213,150	224,135	235,290	221,152	197,767
Apparel	145,892	125,780	119,670	137,239	156,342	158,147	150,626	148,071	128,166	101,075
Furniture & H.H. & radio	133,773	175,658	183,866	100,862	120,623	100,942	96,172	104,151	90,557	84,296
Lumber, building hardware	52,577	48,712	75,088	37,229	41,005	32,919	29,582	27,691	27,545	-
Automobile and filling stations	378,805	371,345	467,952	447,219	442,770	586,350	635,990	662,649	627,561	580,207
Drugs and miscellaneous retail	407,225	395,355	371,667	367,129	401,174	408,883	414,136	413,342	379,887	357,318
Agriculture and all others	263,294	243,119	258,187	256,665	203,798	238,364	274,066	289,371	278,454	261,065
Manufacturers	19,116	16,783	10,003	7,564	51,742	155,530	179,995	201,523	207,788	182,949
<b>TOTAL</b>	<b>\$ 1,878,701</b>	<b>\$ 1,870,620</b>	<b>\$ 1,847,284</b>	<b>\$ 1,964,573</b>	<b>\$ 1,840,284</b>	<b>\$ 1,894,498</b>	<b>\$ 2,223,143</b>	<b>\$ 2,341,662</b>	<b>\$ 2,337,131</b>	<b>\$ 2,141,942</b>
Village direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Data Source

Illinois Department of Revenue

VILLAGE OF HINSDALE, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Levy Years

Cook County Tax Rate								DuPage County Tax Rate						
Fiscal Year	State Rate	Village Direct Rate	Cook County Rate	Regional Transportation Authority	Cook County Home Rule	DuPage Water Commission	Total Rate Cook	Fiscal Year	State Rate	Village Direct Rate	DuPage County Rate	Regional Transportation Authority	DuPage Water Commission	Total Rate DuPage
2001	5.00%	1.00%	0.25%	0.75%	0.75%	0.25%	8.00%	2001	5.00%	1.00%	0.25%	0.25%	0.25%	6.75%
2002	5.00%	1.00%	0.25%	0.75%	0.75%	0.25%	8.00%	2002	5.00%	1.00%	0.25%	0.25%	0.25%	6.75%
2003	5.00%	1.00%	0.25%	0.75%	0.75%	0.25%	8.00%	2003	5.00%	1.00%	0.25%	0.25%	0.25%	6.75%
2004	5.00%	1.00%	0.25%	0.75%	0.75%	0.25%	8.00%	2004	5.00%	1.00%	0.25%	0.25%	0.25%	6.75%
2005	5.00%	1.00%	0.25%	0.75%	0.75%	0.25%	8.00%	2005	5.00%	1.00%	0.25%	0.25%	0.25%	6.75%
2006	5.00%	1.00%	0.25%	0.75%	0.75%	0.25%	8.00%	2006	5.00%	1.00%	0.25%	0.25%	0.25%	6.75%
2007	5.00%	1.00%	0.25%	0.75%	0.75%	0.25%	8.00%	2007	5.00%	1.00%	0.25%	0.25%	0.25%	6.75%
2008	5.00%	1.00%	0.25%	1.00%	0.75%	0.25%	8.25%	2008	5.00%	1.00%	0.25%	0.75%	0.25%	7.25%
2009	5.00%	1.00%	0.25%	1.00%	1.75%	0.25%	9.25%	2009	5.00%	1.00%	0.25%	0.75%	0.25%	7.25%
2010	5.00%	1.00%	0.25%	1.00%	1.75%	0.25%	9.25%	2009	5.00%	1.00%	0.25%	0.75%	0.25%	7.25%

Data Source

Village and County Records

VILLAGE OF HINSDALE, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities			Business-Type Activities		Total Primary Government	Percentage of Personal Income*	Per Capita*
	General Obligation Bonds	Alternate Revenue Source G.O. Bonds	Installment Contracts	Alternate Revenue Source G.O. Bonds				
2001	\$ 3,315,000	\$ -	\$ -	\$ -	\$ 3,315,000	0.32%	\$ 191.08	
2002	2,425,000	-	-	2,500,000	4,925,000	0.45%	283.88	
2003	3,800,000	-	-	2,295,000	6,095,000	0.55%	339.74	
2004	3,620,000	4,000,000	-	2,075,000	9,695,000	0.86%	540.41	
2005	3,365,000	3,695,000	-	1,850,000	8,910,000	0.78%	496.66	
2006	3,110,000	3,335,000	-	1,615,000	8,060,000	0.69%	449.28	
2007	2,840,000	2,965,000	-	1,370,000	7,175,000	0.63%	399.94	
2008	2,560,000	2,580,000	-	1,120,000	6,260,000	0.55%	348.94	
2009	2,270,000	2,185,000	973,552	860,000	6,288,552	0.55%	350.53	
2010	2,755,000	1,775,000	884,132	4,030,000	9,444,132	0.83%	526.43	

Note: Details of the Village's outstanding debt can be found in the notes to the financial statements.

\* See the schedule of Demographic and Economic Information on page 128 for personal income and population data.

Data Source

Audited financial statements

**VILLAGE OF HINSDALE, ILLINOIS**

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**

Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Business-Type Activities	Total	Less Amounts Available In Debt Service Fund	Total	Estimated Actual Taxable Value of Property*	Per Capita
	General Obligation Bonds	Alternate Revenue Source G.O. Bonds	Alternate Revenue Source G.O. Bonds					
2001	\$ 3,315,000	\$ -	\$ -	\$ 3,315,000	\$ 988,511	\$ 2,326,489	0.09%	\$ 134.10
2002	2,425,000	-	2,500,000	4,925,000	705,439	4,219,561	0.15%	243.22
2003	3,800,000	-	2,295,000	6,095,000	85,890	6,009,110	0.19%	334.96
2004	3,620,000	4,000,000	2,075,000	9,695,000	509,769	9,185,231	0.25%	512.00
2005	3,365,000	3,695,000	1,850,000	8,910,000	518,461	8,391,539	0.21%	467.76
2006	3,110,000	3,335,000	1,615,000	8,060,000	534,693	7,525,307	0.17%	419.47
2007	2,840,000	2,965,000	1,370,000	7,175,000	591,866	6,583,134	0.13%	366.95
2008	2,560,000	2,580,000	1,120,000	6,260,000	620,752	5,639,248	0.10%	314.34
2009	2,270,000	2,185,000	860,000	5,315,000	671,335	4,643,665	0.08%	258.84
2010	2,755,000	1,775,000	4,030,000	8,560,000	721,931	7,838,069	0.13%	436.90

Note: Details of the Village's outstanding debt can be found in the notes to the financial statements.

\* See the schedule of Assessed Value and Actual Value of Taxable Property on page 117 for property value data.

**VILLAGE OF HINSDALE, ILLINOIS**

**DIRECT AND OVERLAPPING BONDED DEBT  
GENERAL OBLIGATION BONDS**

April 30, 2010

Taxing District Tax Code	Net General Obligation Debt Outstanding	Percentage Applicable to of Hinsdale	Amount Applicable to of Hinsdale
<b>DIRECT</b>			
Village of Hinsdale	\$ 4,530,000	100.00%	\$ 4,530,000
<b>COMPONENT UNIT</b>			
Library	2,975,000	100.00%	2,975,000
<b>OVERLAPPING</b>			
<b>Schools</b>			
School District Number 60	21,915,000	0.21%	45,123
Grade School District 181	86,270,182	71.30%	61,514,694
High School District Number 86	10,180,000	29.82%	3,035,350
Community College District Number 502	<u>237,950,000</u>	4.28%	<u>10,176,646</u>
	356,315,182		74,771,813
<b>Others:</b>			
DuPage County - General	175,910,000	4.12%	7,250,131
DuPage County Forest Preserve	228,967,980	4.12%	9,436,915
DuPage Water Commission	<u>12,465,000</u>	4.28%	533,801
<b>Total overlapping</b>	<u>417,342,980</u>		<u>17,220,847</u>
<b>TOTAL</b>	<u>\$ 424,847,980</u>		<u>\$ 99,497,660</u>

Data Source

- 1 DuPage County Clerks' Offices
- 2 Overlapping debt percentages based on DuPage County 2009 EAV, the most current available.

VILLAGE OF HINSDALE, ILLINOIS

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

Fiscal Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
ASSESSED VALUE OF PROPERTY	\$ 866,471,193	\$ 965,468,438	\$ 1,080,697,865	\$ 1,245,313,686	\$ 1,363,842,440	\$ 1,509,171,813	\$ 1,637,720,114	\$ 1,822,243,362	\$ 1,944,904,082	\$ 1,982,799,609
Legal debt limit - 8.625% of assessed value	\$ 74,733,140	\$ 83,271,653	\$ 93,210,191	\$ 107,408,305	\$ 117,631,410	\$ 130,166,069	\$ 141,253,360	\$ 157,168,490	\$ 167,747,977	\$ 171,016,466
Total net debt applicable to limit	3,315,000	4,925,000	6,095,000	9,695,000	8,910,000	8,060,000	10,220,000	9,305,000	13,333,552	12,869,132
LEGAL DEBT MARGIN	\$ 71,418,140	\$ 78,346,653	\$ 87,115,191	\$ 97,713,305	\$ 108,721,410	\$ 122,106,069	\$ 131,033,360	\$ 147,863,490	\$ 154,414,425	\$ 158,147,334
Total net debt applicable to the limit as a percentage of debt limit	4.44%	5.91%	6.54%	9.03%	7.57%	6.19%	7.24%	5.92%	7.95%	7.53%

Note: State finance statues limit the Village's outstanding general debt to no more than 8.625% of the assessed value of property. The legal debt margin is the Village's available borrowing authority under state finance statues and is calculated by submitting the total debt applicable to the legal debt limit from the legal debt limit.

Data Source

Audited financial statements

**VILLAGE OF HINSDALE, ILLINOIS**

**PLEDGED-REVENUE COVERAGE**

Last Ten Fiscal Years

General Obligation Alternative Revenue Source Bond Series 2001 and General Obligation Alternative Revenue Source Bond Series 2008							
Fiscal Year	Water Charges and Other	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage	
				Principal	Interest		
2001	\$ 4,703,845	\$ 2,894,375	\$ 1,809,470	-	-	N/A	
2002	4,316,599	2,949,537	1,367,062	-	42,310	\$ 32.31	
2003	4,402,460	3,791,833	610,627	220,000	29,460	2.45	
2004	4,268,588	3,767,255	501,333	225,000	26,676	1.99	
2005	4,389,966	3,851,980	537,986	235,000	23,807	2.08	
2006	4,688,831	3,921,815	767,016	245,000	20,526	2.89	
2007	4,440,074	3,568,551	871,523	250,000	20,526	3.22	
2008	5,482,276	3,987,946	1,494,330	260,000	14,350	5.45	
2009	4,222,810	3,662,940	559,870	330,000	163,100	1.14	
2010	4,504,129	3,993,609	510,520	345,000	163,100	1.00	

Note: Details of the Village's outstanding debt can be found in the notes to the financial statements. Operating expenses does not include depreciation expense.

# VILLAGE OF HINSDALE, ILLINOIS

## DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

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Fiscal	(1) Population	(2) Equalized Assessed Value	Personal Income	(1) Per Capita Personal Income	(3) Unemployment Rate
2001	17,349	\$ 866,471,193	\$ 1,031,502,144	\$ 59,456	2.6%
2002	17,349	965,468,438	1,106,258,985	63,765	2.6%
2003	17,940	1,080,697,865	1,117,626,120	62,298	3.2%
2004	17,940	1,245,313,686	1,127,690,460	62,859	2.8%
2005	17,940	1,363,842,440	1,138,974,720	63,488	3.0%
2006	17,940	1,509,171,813	1,172,002,260	65,329	2.5%
2007	17,940	1,637,720,114	1,139,835,840	63,536	5.4%
2008	17,940	1,822,243,362	1,139,835,840	63,536	3.6%
2009	17,940	1,944,904,082	1,137,306,300	63,395	7.4%
2010	17,940	1,982,799,609	1,135,081,740	63,271	8.7%

### Date Source

(1) U.S. Census Bureau

(2) Office of the County Clerk

(3) Department of Labor Statistics

**VILLAGE OF HINSDALE, ILLINOIS**

**PRINCIPAL EMPLOYERS**

Current Year and Nine Years Ago

2001 (1)				2010 (2)			
Employer	Rank	Employees	% of Total Village Population	Employer	Rank	Employees	% of Total Village Population
Hinsdale Hospital	1	2,375	13.24%	Adventist Hinsdale Hospital	1	1,555	8.67%
Amlings Flowerland	2	500	2.79%	Lathers Union Local 74-L	2	400	2.23%
Transport Service Co	3	500	2.79%	Harris Bank N.A.	3	92	0.51%
K & R Express Systems, Inc.	4	300	1.67%	Re-Max Elite Corp	4	60	0.33%
Liberty Federal Bank	5	150	0.84%	Hinsdale Surgical Center, LLC	5	53	0.30%
The Pilcher Hamilton Corp	6	150	0.84%	Baird & Warner, Inc	6	52	0.29%
Professional Benefit Administrators	7	145	0.81%	Adventist Lab Partners Reference Lab	7	50	0.28%
Storm Products Co	8	125	0.70%	Alfred Koplín Co, Inc	8	50	0.28%
				Container Handling Systems, Inc	9	50	0.28%
				Midwest Bank & Trust Co.	10	50	0.28%

Data Source

(1) 2001 Illinois Manufacturers Directory, 2001 Illinois Services Directory and a selective telephone survey

(2) 2009 Illinois Manufacturers Directory, 2009 Illinois Services Directory and a selective telephone survey

**VILLAGE OF HINSDALE, ILLINOIS**

**BUDGETED FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION**

Last Ten Fiscal Years

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Police Department	41.3	41.3	41.3	41.3	41.3	41.3	41.8	41.8	41.8	40.3
Fire Department	23.0	23.0	23.0	28.0	29.3	29.3	29.0	29.0	29.0	26.0
Public Services	26.0	25.0	24.0	24.0	24.0	24.0	23.0	23.5	23.9	25.8
Parks and Recreation	18.5	18.4	18.0	17.1	17.6	18.5	18.5	17.4	17.4	16.4
General Government	9.5	9.5	9.5	9.5	9.5	10.0	11.5	11.9	10.9	10.5
Community Development	8.0	8.0	8.0	8.0	8.0	9.0	10.5	11.7	12.7	10.0
<b>TOTALS</b>	<b>126.3</b>	<b>125.2</b>	<b>123.8</b>	<b>127.9</b>	<b>129.7</b>	<b>132.1</b>	<b>134.3</b>	<b>135.3</b>	<b>135.7</b>	<b>129.0</b>

Data Source

Village budget office

VILLAGE OF HINSDALE, ILLINOIS

OPERATING INDICATORS BY FUNCTION

Last Ten Fiscal Years

Function/Program	2001	2002	2003	2004	2005	2006	2007	2008*	2009	2010
Finance Department										
Vehicle stickers issued	9,437	9,356	9,378	9,301	9,454	8,361	10,154	10,727	9,496	9,503
Utility bills****	35,352	35,352	35,352	35,352	35,352	35,352	35,352	34,335	34,371	34,464
Community Development										
Building Division										
Permits issued	1,373	1,438	1,452	1,666	1,621	1,608	1,842	1,750	1,348	1,301
Plan reviews	2,746	2,876	2,904	3,332	3,242	3,216	3,684	3,500	2,700	2,600
Building code inspections	1,854	1,936	1,962	2,553	2,897	4,195	7,923	7,300	6,900	4,200
Public Safety										
Police										
Number of crimes	661	606	643	608	809	1,018	960	777	650	341
Number of service calls	10,523	10,945	11,424	11,251	10,243	11,443	11,206	10,714	9,831	7,359
Number of arrests	194	137	204	141	204	291	286	418	520	244
Moving violations	3,210	3,647	3,538	2,777	3,069	3,330	4,057	3,571	3,828	1,913
Parking citations	7,857	7,523	8,089	2,771	4,314	4,822	4,204	5,460	5,219	3,330
Fire										
Fire calls	1,725	1,603	1,801	1,616	1,891	1,837	1,850	1,778	1,634	1,375
EMS calls	943	925	991	911	920	994	950	1,026	967	1,033
Fire prevention inspections	831	892	994	812	895	952	950	768	991	1,080
Training hours	N/A	7,815	8,484	9,731	12,897	9,975	10,000	7,281	5,083	7,134
Public Works										
Streets										
Street reconstruction (miles)**	0.41**	1.38	0.00	0.33	0.48	0.00	0.21	0.20	0.70	0.20
Street resurfacing (miles)**	1.71**	1.22	1.75	1.67	1.73	0.00	0.49	0.53	1.00	1.00
Leaves removed (cubic yards)	15,000	15,000	15,000	15,000	15,000	15,000	15,000	3,828*****	500	2000
Water										
Water mains installed (lineal feet)***	5,090	1,699***	1,375	1,699***	1,980	420	1,334	1,200	1,500	1,600
Water billed (1,000 gallons)	7,900	7,822	8,004	7,660	8,021	8,603	8,209	8,228	7,571	7,594
Sanitary sewers cleaned (ft)	75,000	75,000	75,000	75,000	75,000	75,000	75,000	103,870	85,000	76,000
Refuse (single/multi-family)										
Solid waste collected (1,000 gallons)	1,185	1,173	1,201	1,149	1,203	1,290	1,231	1,234	1,230	1,191

NOTES:

\*2009 are estimated amounts Final figures are not available at time of printing report.

\*\*1998 and 2001 Street reconstruction and resurfacing are estimated amounts Final figures are not available at time of printing report.

\*\*\*1998, 2001, and 2004 Water mains installed are estimated amounts Final figures are not available at time of printing report.

\*\*\*\* Utility Bills produced are based off estimates. Final figures are not available at time of printing.

\*\*\*\*\*The Village implemented a new Leaf Program. Leaf removal was distributed to hired landscapers, Fullers, and Allied Waste.

Data Source

Various village departments

**VILLAGE OF HINSDALE, ILLINOIS**

**CAPITAL ASSET STATISTICS**

Last Ten Fiscal Years

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Function/Program	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>CULTURE AND RECREATION</b>										
Community Centers	2	2	2	2	2	2	2	2	2	2
Parks	18	18	18	18	18	18	18	18	18	18
Park Acreage	132	132	132	132	132	132	132	132	122	122
<b>PUBLIC SAFETY</b>										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrols vehicles	8	8	8	8	8	8	9	9	9	9
Fire										
Fire stations	1	1	1	1	1	1	1	1	1	1
Fire engines/vehicles	10	10	10	10	10	10	10	10	9	9
<b>PUBLIC WORKS</b>										
Aterial streets (miles)	8	8	8	8	8	8	8	8	8	8
Residential streets (miles)	66	66	66	66	66	66	66	66	66	66
Streetlights	865	865	865	865	865	865	865	865	865	865
<b>WATER</b>										
Water mains (miles)	81	81	81	81	81	81	81	81	81	81
Fire hydrants	869	869	869	869	869	869	869	869	869	869
Storage capacity (gallons)	4,420,000	4,420,000	4,420,000	4,420,000	4,420,000	4,420,000	4,420,000	4,420,000	4,420,000	4,420,000
<b>WASTEWATER</b>										
Sanitary sewers (miles)	41	41	41	41	41	41	41	41	41	41
Storm sewers (miles)	28	28	28	28	28	28	28	28	28	28

Data Source

Various village departments