

**NEW ISSUE**

**Investment Rating:  
Standard & Poor's ... AA**

ADDENDUM DATED SEPTEMBER 9, 2008

OFFICIAL STATEMENT DATED AUGUST 26, 2008

**\$280,000  
CAMPTON TOWNSHIP  
Kane County, Illinois  
Taxable General Obligation Bonds, Series 2008A**

**AMOUNTS, MATURITIES, INTEREST RATES AND YIELDS**

<u>Principal Amount</u>	<u>Due Dec. 15</u>	<u>Interest Rate</u>	<u>Yield</u>
\$125,000 .....	2009	4.750%	3.600%
105,000 .....	2010	4.800%	4.000%
50,000 .....	2011	4.900%	4.400%

The Official Statement of the Township dated August 26, 2008 (the "Official Statement") with respect to the Series 2008A Bonds is incorporated by reference herein and made a part hereof. The "Final Official Statement" of the Township with respect to the Series 2008A Bonds as that term is defined in Rule 15c2-12 of the Securities and Exchange Commission shall be comprised of the following:

1. Official Statement dated August 26, 2008; and
2. This Addendum dated September 9, 2008.

No dealer, broker, salesman or other person has been authorized by the Township to give any information or to make any representations with respect to the Series 2008A Bonds other than as contained in the Final Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Township. Certain information contained in the Final Official Statement may be obtained from sources other than records of the Township and, while believed to be reliable, is not guaranteed as to completeness. NEITHER THE DELIVERY OF THE OFFICIAL STATEMENT OR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE THEREUNDER SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE TOWNSHIP SINCE THE DATE THEREOF.

The Township has authorized preparation of the Final Official Statement containing pertinent information relative to the Series 2008A Bonds and the Township. Copies of that Final Official Statement can be obtained from the Series 2008A Underwriter, as defined herein. Additional information may also be obtained from the Township or from the independent public finance consultants to the Township:

Established 1954

*Speer Financial, Inc.*

**INDEPENDENT PUBLIC FINANCE CONSULTANTS**  
ONE NORTH LASALLE STREET ♦ SUITE 4100 ♦ CHICAGO, ILLINOIS 60602  
Telephone: (312) 346-3700; Facsimile: (312) 346-8833

## ADDITIONAL INFORMATION

References herein to laws, rules, regulations, ordinances, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Official Statement or the Final Official Statement, they will be furnished on request.

## DEBT INFORMATION

### General Obligation Bonded Debt(1) (Principal Only)

Calendar Year	Series 2001	Series 2002B(2)	Series 2005A(2)	Series 2005B	Series 2006B(2)	Series 2007A	Series 2007B	Series 2008A	Series 2008B	Total	Cumulative Retirement	
										Outstanding Debt	Amount	Percent
2009 ....	\$ 0	\$ 565,000	\$ 50,000	\$ 0	\$ 0	\$215,000	\$ 100,000	\$125,000	\$ 0	\$ 1,055,000	\$ 1,055,000	2.48%
2010 ....	0	685,000	190,000	0	145,000	0	150,000	105,000	0	1,275,000	2,330,000	5.48%
2011 ....	0	810,000	0	60,000	495,000	0	200,000	50,000	0	1,615,000	3,945,000	9.29%
2012 ....	0	935,000	0	395,000	420,000	0	300,000	0	0	2,050,000	5,995,000	14.11%
2013 ....	0	1,090,000	0	375,000	550,000	0	330,000	0	85,000	2,430,000	8,425,000	19.83%
2014 ....	0	1,255,000	0	415,000	645,000	0	375,000	0	280,000	2,970,000	11,395,000	26.82%
2015 ....	0	1,430,000	0	625,000	770,000	0	400,000	0	355,000	3,580,000	14,975,000	35.25%
2016 ....	1,000,000	690,000	0	740,000	720,000	0	425,000	0	580,000	4,155,000	19,130,000	45.03%
2017 ....	1,885,000	0	0	850,000	830,000	0	850,000	0	380,000	4,795,000	23,925,000	56.32%
2018 ....	2,105,000	0	0	1,010,000	410,000	0	950,000	0	1,020,000	5,495,000	29,420,000	69.26%
2019 ....	2,340,000	0	0	1,795,000	0	0	0	0	1,955,000	6,090,000	35,510,000	83.59%
2020 ....	2,585,000	0	0	1,940,000	0	0	0	0	655,000	5,180,000	40,690,000	95.79%
2021 ....	0	0	0	1,790,000	0	0	0	0	0	1,790,000	42,480,000	100.00%
<b>Total</b>	<b>\$9,915,000</b>	<b>\$7,460,000</b>	<b>\$240,000</b>	<b>\$9,995,000</b>	<b>\$4,985,000</b>	<b>\$215,000</b>	<b>\$4,080,000</b>	<b>\$280,000</b>	<b>\$5,310,000</b>	<b>\$42,480,000</b>		

Notes: (1) Source: the Township.  
(2) Prepaid. The Township has deposited December 2008 payments with the Registrar and Paying Agent thereby recapturing capacity.

**Legal Debt Margin(1)**  
(As of May 12, 2008)

2007 Equalized Assessed Valuation.....		\$849,673,451
Statutory Debt Limitation (5.00% of EAV).....		\$ 42,483,673
General Obligation Debt:		
Series 2001 .....	\$ 9,915,000	
Series 2002B(2) .....	7,460,000	
Series 2005A(2) .....	240,000	
Series 2005B .....	9,995,000	
Series 2006A(2) .....	0	
Series 2006B(2) .....	4,985,000	
Series 2007A .....	215,000	
Series 2007B .....	4,080,000	
Series 2008A .....	280,000	
Series 2008B .....	<u>5,310,000</u>	
Total .....	\$42,480,000	
Total Applicable Debt .....		<u>\$ 42,480,000</u>
Legal Debt Margin .....		\$ 3,673

Notes: (1) Source: the Township.  
(2) Prepaid. The Township has deposited December 2008 payments with the Registrar and Paying Agent, thereby recapturing capacity.

**THE UNDERTAKING**

**Annual Financial Information Disclosure**

“Annual Financial Information” means:

1. All of the tables under the heading **PROPERTY ASSESSMENT AND TAX INFORMATION** within this Official Statement;
2. All of the tables under the heading **DEBT INFORMATION** within this Official Statement; and
3. All of the tables under the heading **FINANCIAL INFORMATION** within this Official Statement.

**INVESTMENT RATING**

The Series 2008A Bonds have been rated "AA" by Standard & Poor’s Investors Service. The Township has supplied certain information and material concerning the Series 2008A Bonds and the Township to the rating service shown on the cover page as part of its application for an investment rating on the Series 2008A Bonds. Generally, such rating service bases its rating on such information and material, and also on such investigations, studies and assumptions that it may undertake independently. There is no assurance that such rating will continue for any given period of time or that it may not be lowered or withdrawn entirely by such rating service if, in its judgment, circumstances so warrant. Any such downward change in or withdrawal of such rating may have an adverse effect on the secondary market price of the Series 2008A Bonds. An explanation of the significance of investment ratings may be obtained from the rating agency: Standard & Poor’s Investors Service, 55 Water Street, New York, New York 10041, telephone 212-238-2000.

## **UNDERWRITING**

The Series 2008A Bonds were offered for sale by the Township at a public, competitive sale on September 9, 2008. The best bid submitted at the sale was submitted by Bernardi Securities, Inc., Chicago, Illinois (the "Series 2008A Underwriter"). The Township awarded the contract for sale of the Series 2008A Bonds to the Series 2008A Underwriter at a price of \$280,000.00, plus accrued interest. The Series 2008A Underwriter has represented to the Township that the Series 2008A Bonds have been subsequently re-offered to the public initially at the yields set forth in this Addendum.

## **AUTHORIZATION**

The Official Statement dated August 26, 2008, and this Addendum dated September 9, 2008, for the \$280,000 Taxable General Obligation Bonds, Series 2008A, have been prepared under the authority of the Township and have been authorized for distribution by the Township.

/s/ **RICHARD JOHANSEN**  
*Township Clerk*  
CAMPTON TOWNSHIP  
Kane County, Illinois

/s/ **NEAL ANDERSON**  
*Supervisor*  
CAMPTON TOWNSHIP  
Kane County, Illinois

NEW ISSUE

Investment Rating:  
Standard & Poor's ... AA

ADDENDUM DATED SEPTEMBER 9, 2008

OFFICIAL STATEMENT DATED AUGUST 26, 2008

**\$5,310,000**  
**CAMPTON TOWNSHIP**  
**Kane County, Illinois**  
**General Obligation Bonds, Series 2008B**

**AMOUNTS, MATURITIES, INTEREST RATES AND YIELDS**

Principal Amount	Due Dec. 15	Interest Rate	Yield	Principal Amount	Due Dec. 15	Interest Rate	Yield
\$ 85,000	2013	3.375%	3.000%	\$ 380,000	2017*	3.750%	3.650%
280,000	2014	3.500%	3.150%	1,020,000	2018*	3.750%	3.800%
355,000	2015	3.500%	3.350%	1,955,000	2019*	3.875%	3.950%
580,000	2016	3.750%	3.500%	655,000	2020*	3.875%	4.000%

\*These maturities have been priced to call.

The Official Statement of the Township dated August 26, 2008 (the "Official Statement") with respect to the Series 2008B Bonds is incorporated by reference herein and made a part hereof. The "Final Official Statement" of the Township with respect to the Series 2008B Bonds as that term is defined in Rule 15c2-12 of the Securities and Exchange Commission shall be comprised of the following:

1. Official Statement dated August 26, 2008; and
2. This Addendum dated September 9, 2008.

No dealer, broker, salesman or other person has been authorized by the Township to give any information or to make any representations with respect to the Series 2008B Bonds other than as contained in the Final Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Township. Certain information contained in the Final Official Statement may be obtained from sources other than records of the Township and, while believed to be reliable, is not guaranteed as to completeness. NEITHER THE DELIVERY OF THE OFFICIAL STATEMENT OR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE THEREUNDER SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE TOWNSHIP SINCE THE DATE THEREOF.

The Township has authorized preparation of the Final Official Statement containing pertinent information relative to the Series 2008B Bonds and the Township. Copies of that Final Official Statement can be obtained from the Series 2008B Underwriter, as defined herein. Additional information may also be obtained from the Township or from the independent public finance consultants to the Township:

Established 1954

***Speer Financial, Inc.***

**INDEPENDENT PUBLIC FINANCE CONSULTANTS**

ONE NORTH LASALLE STREET ♦ SUITE 4100 ♦ CHICAGO, ILLINOIS 60602

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2009 ....	\$ 0	\$ 565,000	\$ 50,000	\$ 0	\$ 0	\$215,000	\$ 100,000	\$125,000	\$ 0	\$ 1,055,000	\$ 1,055,000	2.48%
2010 ....	0	685,000	190,000	0	145,000	0	150,000	105,000	0	1,275,000	2,330,000	5.48%
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2019 ....	2,340,000	0	0	1,795,000	0	0	0	0	1,955,000	6,090,000	35,510,000	83.59%
2020 ....	2,585,000	0	0	1,940,000	0	0	0	0	655,000	5,180,000	40,690,000	95.79%
2021 ....	0	0	0	1,790,000	0	0	0	0	0	1,790,000	42,480,000	100.00%
<b>Total</b>	<b>\$9,915,000</b>	<b>\$7,460,000</b>	<b>\$240,000</b>	<b>\$9,995,000</b>	<b>\$4,985,000</b>	<b>\$215,000</b>	<b>\$4,080,000</b>	<b>\$280,000</b>	<b>\$5,310,000</b>	<b>\$42,480,000</b>		

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(As of May 12, 2008)

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Statutory Debt Limitation (5.00% of EAV).....		\$ 42,483,673
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Series 2005A(2) .....	240,000	
Series 2005B .....	9,995,000	
Series 2006A(2) .....	0	
Series 2006B(2) .....	4,985,000	
Series 2007A .....	215,000	
Series 2007B .....	4,080,000	
Series 2008A .....	280,000	
Series 2008B .....	<u>5,310,000</u>	
Total .....	\$42,480,000	
Total Applicable Debt .....		<u>\$ 42,480,000</u>
Legal Debt Margin .....		\$ 3,673

Notes: (1) Source: the Township.  
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**THE UNDERTAKING**

**Annual Financial Information Disclosure**

“Annual Financial Information” means:

1. All of the tables under the heading **PROPERTY ASSESSMENT AND TAX INFORMATION** within this Official Statement;
2. All of the tables under the heading **DEBT INFORMATION** within this Official Statement; and
3. All of the tables under the heading **FINANCIAL INFORMATION** within this Official Statement.

**INVESTMENT RATING**

The Series 2008B Bonds have been rated "AA" by Standard & Poor’s Investors Service. The Township has supplied certain information and material concerning the Series 2008B Bonds and the Township to the rating service shown on the cover page as part of its application for an investment rating on the Series 2008B Bonds. Generally, such rating service bases its rating on such information and material, and also on such investigations, studies and assumptions that it may undertake independently. There is no assurance that such rating will continue for any given period of time or that it may not be lowered or withdrawn entirely by such rating service if, in its judgment, circumstances so warrant. Any such downward change in or withdrawal of such rating may have an adverse effect on the secondary market price of the Series 2008B Bonds. An explanation of the significance of investment ratings may be obtained from the rating agency: Standard & Poor’s Investors Service, 55 Water Street, New York, New York 10041, telephone 212-238-2000.

## **UNDERWRITING**

The Series 2008B Bonds were offered for sale by the Township at a public, competitive sale on September 9, 2008. The best bid submitted at the sale was submitted by BMO Capital Markets GKST Inc., Chicago, Illinois (the "Series 2008B Underwriter"). The Township awarded the contract for sale of the Series 2008B Bonds to the Series 2008B Underwriter at a price of \$5,287,243.55, plus accrued interest. The Series 2008B Underwriter has represented to the Township that the Series 2008B Bonds have been subsequently re-offered to the public initially at the yields set forth in this Addendum.

## **AUTHORIZATION**

The Official Statement dated August 26, 2008, and this Addendum dated September 9, 2008, for the \$5,310,000 General Obligation Bonds, Series 2008B, have been prepared under the authority of the Township and have been authorized for distribution by the Township.

/s/ **RICHARD JOHANSEN**  
*Township Clerk*  
CAMPTON TOWNSHIP  
Kane County, Illinois

/s/ **NEAL ANDERSON**  
*Supervisor*  
CAMPTON TOWNSHIP  
Kane County, Illinois



New Issue

Date of Sale:

Tuesday, September 9, 2008

Series 2008A: 10:00 A.M., C.D.T. (*Sealed Bids*)

Series 2008B: Between 10:15 and 10:30 A.M., C.D.T. (*Open Auction Internet Sale*)

Investment Rating:

Standard & Poor's ... AA-

(*Outstanding – Review Requested*)

## Official Statement

*In the opinion of Chapman and Cutler LLP, Bond Counsel, interest on the 2008A Taxable Bonds is not excludable from gross income for federal income tax purposes. The 2008A Taxable Bondholders should consult their tax advisors with respect to the inclusion of interest on the 2008A Taxable Bonds in gross income for federal income tax purposes. See "TAX MATTERS – THE 2008A TAXABLE BONDS" herein for a more complete discussion.*

*Subject to compliance by the Township with certain covenants, in the opinion of Chapman and Cutler LLP, Bond Counsel, under present law, interest on the 2008B Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but such interest is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. See "TAX MATTERS – THE 2008B BONDS" herein for a more complete discussion. The 2008B Bonds are "Qualified Tax-Exempt Obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. See "QUALIFIED TAX-EXEMPT OBLIGATIONS – THE 2008B BONDS" herein.*

## CAMPTON TOWNSHIP

Kane County, Illinois

**\$280,000 Taxable General Obligation Bonds, Series 2008A**

**\$5,310,000\* General Obligation Bonds, Series 2008B**

**Dated September 15, 2008 Book-Entry 2008B Bonds Bank Qualified Due December 15 as Detailed Herein**

The \$280,000 Taxable General Obligation Bonds, Series 2008A (the "2008A Taxable Bonds") and the \$5,310,000\* General Obligation Bonds, Series 2008B (the "2008B Bonds") (collectively, the "Bonds") are being issued by Campton Township, Kane County, Illinois (the "Township"). Interest on the Bonds is payable semiannually on June 15 and December 15 of each year, commencing June 15, 2009. The Bonds will be issued using a book-entry system. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The ownership of one fully registered Bond for each maturity will be registered in the name of Cede & Co., as nominee for DTC and no physical delivery of Bonds will be made to purchasers. The Bonds will mature on December 15 as detailed herein.

## OPTIONAL REDEMPTION

The Bonds 2008A Taxable Bonds are **not** subject to optional redemption prior to maturity.

The 2008B Bonds due December 15, 2013-2016, inclusive, are non-callable. The 2008B Bonds due December 15, 2017-2020, inclusive, are callable in whole or in part on any date on or after December 15, 2016, at a price of par and accrued interest. If less than all the 2008B Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the Township and within any maturity by lot. See "**OPTIONAL REDEMPTION**" herein.

## PURPOSE, LEGALITY AND SECURITY

The 2008A Taxable Bond proceeds will be used to finance the ongoing maintenance of properties acquired by the Township and to pay the costs of issuance of the 2008A Taxable Bonds. See "**THE PROJECTS**" herein.

The 2008B Bond proceeds will be used to finance the preservation of open space and to pay the costs of issuance of the 2008B Bonds. See "**THE PROJECTS**" herein.

In the opinion of Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel, the Bonds will constitute valid and legally binding obligations of the Township payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

This Official Statement is dated August 26, 2008, and has been prepared under the authority of the Township. An electronic copy of this Official Statement is available from the [www.speerfinancial.com](http://www.speerfinancial.com) web site under "Debt Auction Center/Official Statement Competitive Sales Calendar". Additional copies may be obtained from Mr. Neal Anderson, Township Supervisor, Campton Township, 4N498 Town Hall Road, Campton Hills, Illinois 60175, or from the Independent Public Finance Consultants to the Township:

\*Subject to movement between maturities.

Established 1954

*Speer Financial, Inc.*

**INDEPENDENT PUBLIC FINANCE CONSULTANTS**

ONE NORTH LASALLE STREET, SUITE 4100 • CHICAGO, ILLINOIS 60602

Telephone: (312) 346-3700; Facsimile: (312) 346-8833

[www.speerfinancial.com](http://www.speerfinancial.com)



For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or corrected by the Township from time to time (collectively, the “Official Statement”), may be treated as an Official Statement with respect to the Bonds described herein that is deemed near final as of the date hereof (or the date of any such supplement or correction) by the Township.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts and interest rates of the Bonds, together with any other information required by law or deemed appropriate by the Township, shall constitute a “Final Official Statement” of the Township with respect to the Bonds, as that term is defined in Rule 15c2-12. Any such addendum shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference.

No dealer, broker, salesman or other person has been authorized by the Township to give any information or to make any representations with respect to the Bonds other than as contained in the Official Statement or the Final Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Township. Certain information contained in the Official Statement and the Final Official Statement may have been obtained from sources other than records of the Township and, while believed to be reliable, is not guaranteed as to completeness. **THE INFORMATION AND EXPRESSIONS OF OPINION IN THE OFFICIAL STATEMENT AND THE FINAL OFFICIAL STATEMENT ARE SUBJECT TO CHANGE, AND NEITHER THE DELIVERY OF THE OFFICIAL STATEMENT OR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE UNDER EITHER SUCH DOCUMENT SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE TOWNSHIP SINCE THE RESPECTIVE DATES THEREOF.**

References herein to laws, rules, regulations, ordinances, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Official Statement or the Final Official Statement they will be furnished on request. This Official Statement does not constitute an offer to sell, or solicitation of an offer to buy, any securities to any person in any jurisdiction where such offer or solicitation of such offer would be unlawful.

## BOND ISSUE SUMMARY

This Bond Issue Summary is expressly qualified by the entire Official Statement, including the Official Notices of Sale and the Official Bid Forms, which are provided for the convenience of potential investors and which should be reviewed in their entirety by potential investors. The following descriptions apply equally to the 2008A Taxable Bonds and the 2008B Bonds. Other terms specific to each series are provided separately herein.

<b>Issuer:</b>	Campton Township, Kane County, Illinois.
<b>Dated Date:</b>	September 15, 2008.
<b>Interest Due:</b>	Each June 15 and December 15, commencing June 15, 2009.
<b>Authorization:</b>	Authorized by referendum held in April 5, 2005, and by vote of the Township Board.
<b>Security:</b>	The Bonds are valid and legally binding obligations of the Township payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount.
<b>Credit Rating:</b>	The Township's outstanding general obligation rating is "AA-" from Standard & Poor's, a Division of the McGraw-Hill Companies, a rating for the Bonds has been requested.
<b>Bond Registrar/Paying Agent:</b>	The Bank of New York Mellon Trust Company, National Association, Chicago, Illinois.
<b>Delivery:</b>	The Bonds are expected to be delivered on or about September 29, 2008.
<b>Book-Entry Form:</b>	The Bonds will be registered in the name of Cede & Co. as nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository of the Bonds. See <b>APPENDIX B</b> herein.
<b>Financial Advisor:</b>	Speer Financial, Inc., Chicago, Illinois.

**THE 2008A TAXABLE BONDS**

**Issue:** \$280,000 Taxable General Obligation Bonds, Series 2008A.

**Principal Due:** Serially or as Term Bonds each December 15, commencing December 15, 2009 through 2012, as detailed below.

**Optional Redemption:** The Bonds 2008A Taxable Bonds are **not** subject to optional redemption prior to maturity.

**Purpose:** The 2008A Taxable Bond proceeds will be used to finance the ongoing maintenance of properties acquired by the Township and to pay the costs of issuance of the 2008A Taxable Bonds. See **“THE PROJECTS”** herein.

**Tax Exemption:** **None.** Interest on the 2008A Taxable Bonds is not excludable from gross income for federal income tax purposes. See **“TAX MATTERS – THE 2008A TAXABLE BONDS”** herein. Interest on the 2008A Taxable Bonds is not exempt from present State of Illinois income taxes.

**Denomination:** \$1,000 or integral multiples thereof.

**AMOUNTS, MATURITIES, INTEREST RATES AND PRICES OR YIELDS**

Taxable Principal Amount	Due Dec. 15	Interest Rate	Yield or Price
\$ 85,000 .....	2009	_____%	_____%
67,000 .....	2010	_____%	_____%
103,000 .....	2011	_____%	_____%
25,000 .....	2012	_____%	_____%

**THE 2008B BONDS**

**Issue:** \$5,310,000\* General Obligation Bonds, Series 2008B.

**Principal Due:** Serially or as Term Bonds each December 15, commencing December 15, 2013 through 2020, as detailed below.

**Optional Redemption:** The 2008B Bonds maturing on or after December 15, 2017, are callable at the option of the Township on any date on or after December 15, 2016, at a price of par plus accrued interest. See “**OPTIONAL REDEMPTION**” herein.

**Purpose:** The 2008B Bond proceeds will be used to finance the preservation of open space and to pay the costs of issuance of the 2008B Bonds. See “**THE PROJECTS**” herein.

**Tax Exemption:** Chapman and Cutler LLP, Chicago, Illinois, will provide an opinion as to the tax exemption of the 2008B Bonds as discussed under “**TAX MATTERS – THE 2008B BONDS**” in this Official Statement. Interest on the 2008B Bonds is not exempt from present State of Illinois income taxes.

**Bank Qualification:** The 2008B Bonds are “qualified tax-exempt obligations” under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. See “**QUALIFIED TAX-EXEMPT OBLIGATIONS – THE 2008B BONDS**” herein.

**Denomination:** \$5,000 or integral multiples thereof.

**AMOUNTS\*, MATURITIES, INTEREST RATES AND PRICES OR YIELDS**

<u>Principal</u> <u>Amount*</u>	<u>Due</u> <u>Dec. 15</u>	<u>Interest</u> <u>Rate</u>	<u>Yield or</u> <u>Price</u>	<u>Principal</u> <u>Amount*</u>	<u>Due</u> <u>Dec. 15</u>	<u>Interest</u> <u>Rate</u>	<u>Yield or</u> <u>Price</u>
\$ 85,000 .....	2013	_____ %	_____ %	\$ 380,000 .....	2017	_____ %	_____ %
280,000 .....	2014	_____ %	_____ %	1,020,000 .....	2018	_____ %	_____ %
355,000 .....	2015	_____ %	_____ %	1,955,000 .....	2019	_____ %	_____ %
580,000 .....	2016	_____ %	_____ %	655,000 .....	2020	_____ %	_____ %

*Any consecutive maturities may be aggregated into no more than three term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.*

\*Subject to movement between maturities.

**CAMPTON TOWNSHIP**  
**Kane County, Illinois**

**Supervisor**

Neal Anderson

**Township Trustees**

Christian Boissonnas  
Kathleen Judy

John Kubar  
Thomas Stutesman

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**Township Officials**

Richard Johansen  
*Township Clerk*

Alan Rottmann  
*Township Assessor*

Sam Gallucci  
*Township Highway Commissioner*

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**Staff**

Julia Glas  
*Township Administrator*

John Noble  
*Township Attorney*

Louise McKay  
*Accountant*

**THE TOWNSHIP**

**Overview**

Campton Township (the “Township”), incorporated in 1850, is located in Kane County, Illinois. The Township covers approximately 36 square miles. On May 14, 2007, the Village of Campton Hills was incorporated and encompasses approximately 80% of the Township. In addition, the Township serves all of the Village of Lily Lake (approximately 5% of the Township’s 2007 Equalized Assessed Valuation, the “EAV”) and a portion of the Village of Elburn (approximately 22% of the Township’s 2007 EAV). The 1990 Census population for the Township was reported at 9,473 and the 2000 Census population was reported at 14,072, an increase of approximately 48%.

**Organization and Services**

The governing body of the Township is composed of the Township Supervisor and the four-member Township Board. The Township Clerk, Assessor and Highway Commissioner are also elected officials in the Township. All are elected for four-year terms. The appointed Administrator is in charge of the day-to-day operations of the Township.

Township residents approved a referendum in 2001 that approved the issuance of \$18,765,000 of general obligation bonds which were issued in 2001 and 2002 for the preservation of open space. In addition, in April of 2005, an added authorization of \$28,375,000 was approved by the voters. The Series 2005, Series 2006 and Series 2007 issues constitute a portion of the 2005 authorization. To date, the following properties have been acquired or preserved from development.

	2001 <u>Bonds</u>	2002B <u>Bonds</u>	2005B <u>Bonds</u>	2006B <u>Bonds</u>	2007B <u>Bonds</u>	<u>Subtotal</u>
Land Acquired for Parks/Preservation (in Acres):						
Corron Farm.....	222	0	0	0	0	222
HCA North.....	96	0	0	0	0	96
HCA South.....	74	74	0	0	0	148
Poynor Park.....	0	121	0	0	0	121
Mongerson South Farm.....	0	67	0	0	0	67
Bull Run Farm.....	0	35	15	0	0	50
Brown Road Parcel.....	0	0	85	0	0	85
Harley Woods Bellenburg.....	0	0	0	16	0	16
Harley Woods - Swick.....	0	0	0	13	0	13
Harley Woods - Burm.....	0	0	0	7	0	7
Harley Woods - Torchie.....	0	0	0	0	10	10
HCA-Motz Farm Addition.....	0	0	10	40	5	55
Total Acres Purchased.....	<u>392</u>	<u>297</u>	<u>110</u>	<u>76</u>	<u>15</u>	<u>890</u>
Development Easement Purchases (in Acres):						
DeBier/Anderson Easement.....	0	0	67	0	0	67
Harley Woods Easement.....	0	0	0	2	25	27
Mongerson North Easement.....	<u>95</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>95</u>
Total Acres-Development Easements.....	<u>95</u>	<u>0</u>	<u>67</u>	<u>2</u>	<u>25</u>	<u>189</u>
Total Open Space Program.....	<u>487</u>	<u>297</u>	<u>177</u>	<u>78</u>	<u>40</u>	<u>1,079</u>
Campton Township Property Not Acquired Under O.S. Program:						
Campton Community Park.....						50
La Fox Ball Fields.....						5
Community Center Ball Fields.....						1
Total Campton Township.....						<u>1,135</u>

The Township also owns one park site on 50 acres of land, the Community Center with two ballfields on 3.75 acres of land and the Town Hall. Park facilities include, but are not limited to, three softball fields, four baseball fields, one playground, one basketball field, two tennis courts, one football field, three soccer fields, wetland preservation, prairie trail system and parking facility.

The Township has thirteen full-time and nine part-time employees among the Clerk’s Office, Assessor’s Office, Community Building and the Highway Department.

## **General Government Services and Education**

Fire protection is provided by the Elburn, Pingree Grove, South Elgin and St. Charles Countryside Fire Protection Districts. Police protection is provided by the Village of Campton Hills Police Department supplemented by the Kane County Sheriff. Delnor Community Hospital and West Town Human Services provide health care services to the residents.

Burlington School District Number 301, Kaneland School District Number 302 and St. Charles School District Number 303 provide elementary and secondary education to residents. Elgin Community College District Number 509 and Waubensee Community College District Number 516 provide continuing education, college transfer courses and associates degree to Township residents.

## **Transportation**

A variety of highway and commuter and freight rail facilities are available to the Township residents. Commuter travel to and from Chicago's downtown business district is available from the Regional Transportation Authority, with commuter stations located in downtown Geneva; on LaFox Road as well as in the Village of Elburn. Illinois Routes 25 and 31 straddle the Fox River, which is located approximately five miles east of the Township. Randall Road just on the east edge of the Township and Route 47 on the west edge of the Township connect with the Interstate 88 East-West Tollway approximately eight miles south of the Township and with the Interstate 90 Northwest Tollway approximately 12 miles to the north. Route 64 and Route 38 both run east and west through the center of the Township. O'Hare International Airport is a 45-minute drive away via tollway.

## **SOCIOECONOMIC INFORMATION**

Demographic information is not available for the Township. The following statistics principally pertain to Kane County (the "County") and the State of Illinois (the "State").

### **Employment**

Substantial employment is available in surrounding communities, the "Research and Development Corridor" south of the Township, and throughout the Chicago metropolitan area. Numerous employers serve the Township in nearby communities.

The following employment data shows a consistently diverse and strong growth trend for employment in the County. This data is **NOT** comparable to similar U.S. Census statistics, which would include government employment, and establishments not covered by the Illinois Unemployment Insurance Program, and could classify employment categories differently.



**Kane County Private, Non-Agricultural Employment  
 Covered by the Illinois Unemployment Insurance Act(1)**

(Data as of March for each Year)

	2003	2004	2005	2006	2007
Farm and Forestry.....	721	669	701	737	754
Mining and Quarrying.....	80	74	71	88	123
Construction.....	10,793	11,183	11,170	12,250	12,136
Manufacturing.....	35,184	35,067	34,783	34,660	34,227
Transportation, Communications, Utilities.....	5,990	6,192	3,386	7,012	7,588
Wholesale Trade.....	9,052	9,376	10,142	10,596	11,105
Retail Trade.....	20,771	21,586	21,579	21,309	21,399
Finance, Insurance, Real Estate.....	9,950	10,116	10,028	10,118	9,898
Services.....	71,018	72,783	75,998	77,761	80,377
Total.....	163,559	167,046	171,148(2)	174,531	177,607
Percent Increase.....	(0.47%)(3)	2.13%	2.46%	1.98%	1.76%

- Notes: (1) Source: Illinois Department of Employment Security.  
 (2) Includes unclassified establishments.  
 (3) Percent increase based on 164,339 employment in 2002.  
 (4)

Following are lists of large employers located in the area surrounding the Township.

**Major Area Employers(1)**

Location	Name	Business or Product	Approximate Employment
Batavia.....	Fermi National Accelerator Laboratory .....	High Energy Physics Research Laboratory.....	2,000
Geneva.....	DeInor-Community Hospital .....	General Hospital .....	1,650
Geneva.....	Burgess-Norton Manufacturing Company .....	Screw Machine Products and Powdered Metal Parts.....	900
Geneva.....	Kane County Government .....	County, Court and Government Activities.....	850
West Chicago...	General Mills, Inc. ....	Dry Food Products .....	600
Geneva.....	Peacock Engineering Company .....	Industrial Machinery .....	600
St. Charles....	System Sensor .....	Fire Alarms and Smoke Detectors.....	500
St. Charles....	Pheasant Run Resort and Convention Center .....	Hotel and Convention Center.....	500
St. Charles....	Omron Automotive Electronics, Inc. ....	Electronic Automotive Components.....	500
Batavia.....	Suncast Corporation .....	Plastic Lawn and Garden Products.....	450
Batavia.....	AGCO Corp., Parts Division .....	Distributor of Farm Equipment Part.....	425
West Chicago...	Ball Horticultural Company .....	Flowers and Florists' Supplies.....	400
West Chicago...	The Jel Sert Company .....	Beverage Powders, Confections and Freezer Bars.....	400

- Note: (1) Source: 2008 Illinois Manufacturers Directory, 2008 Illinois Services Directory and a selective telephone survey.

The following tables show employment by industry and by occupation for the Township, Kane County and the State as reported by the 2000 Census.

### Employment By Industry(I)

Classification	The Township		Kane County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing, Hunting, and Mining..	52	0.71%	1,196	0.61%	66,481	1.14%
Construction.....	501	6.87%	14,549	7.42%	334,176	5.73%
Manufacturing.....	1,195	16.40%	40,752	20.77%	931,162	15.96%
Wholesale Trade.....	475	6.52%	9,446	4.81%	222,990	3.82%
Retail Trade.....	890	12.21%	22,459	11.45%	643,472	11.03%
Transportation and Warehousing, and Utilities.....	327	4.49%	9,661	4.92%	352,193	6.04%
Information.....	292	4.01%	6,601	3.36%	172,629	2.96%
Finance, Insurance, Real Estate, Rental and Leasing..	546	7.49%	13,411	6.84%	462,169	7.92%
Professional, Scientific, Management, Administrative, and Waste Management Services.....	903	12.39%	20,575	10.49%	590,913	10.13%
Educational, Health and Social Services.....	1,335	18.32%	30,608	15.60%	1,131,987	19.41%
Arts, Entertainment, Recreation, Accommodation and Food Services.....	296	4.06%	13,781	7.02%	417,406	7.16%
Other Services (Except Public Administration).....	271	3.72%	7,991	4.07%	275,901	4.73%
Public Administration.....	205	2.81%	5,154	2.63%	231,706	3.97%
Total.....	7,288	100.00%	196,184	100.00%	5,833,185	100.00%

Note: (1) Source: U.S. Bureau of the Census.

### Employment By Occupation(I)

Classification	The Township		Kane County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Management, Professional and Related Occupations.....	3,431	47.08%	63,523	32.38%	1,993,671	34.18%
Service .....	470	6.45%	24,251	12.36%	813,479	13.95%
Sales and Office .....	2,361	32.40%	54,514	27.79%	1,609,939	27.60%
Farming, Fishing and Forestry.....	45	0.62%	608	0.31%	17,862	0.31%
Construction, Extraction, and Maintenance.....	402	5.52%	17,467	8.90%	480,418	8.24%
Production, Transportation, and Material Moving.....	579	7.94%	35,821	18.26%	917,816	15.73%
Total.....	7,288	100.00%	196,184	100.00%	5,833,185	100.00%

Note: (1) Source: U.S. Bureau of the Census.

### Annual Average Unemployment Rates(I)

Calendar Year	The Township	Kane County	State of Illinois
1999.....	2.3%	3.8%	4.3%
2000.....	2.3%	3.9%	4.4%
2001.....	3.2%	5.2%	5.4%
2002.....	3.5%	6.7%	6.5%
2003.....	3.8%	7.0%	6.7%
2004.....	3.7%	5.9%	6.2%
2005.....	3.5%	5.7%	5.7%
2006.....	N/A	4.3%	4.5%
2007.....	N/A	4.8%	5.0%
2008(2).....	N/A	7.1%	7.1%

Notes: (1) Source: Illinois Department of Employment Security.  
 (2) Preliminary rates for the month of June 2008.

## Housing

The 2000 Census reported that the median value of the Township's owner-occupied homes was \$284,600, which compares with \$160,400 for Kane County and \$130,800 for the State. The 2000 market value of specified owner-occupied units for the Township, Kane County and the State was as follows:

### Specified Owner-Occupied Units(1)

Value	The Township		Kane County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Under \$50,000	4	0.10%	565	0.61%	230,049	9.31%
\$50,000 to \$99,999	54	1.35%	12,311	13.35%	651,605	26.38%
\$100,000 to \$149,999	199	4.96%	28,217	30.60%	583,409	23.62%
\$150,000 to \$199,999	503	12.54%	21,013	22.79%	429,311	17.38%
\$200,000 to \$299,999	1,463	36.48%	19,767	21.44%	344,651	13.95%
\$300,000 to \$499,999	1,598	39.85%	8,417	9.13%	163,254	6.61%
\$500,000 to \$999,999	188	4.69%	1,699	1.84%	55,673	2.25%
\$1,000,000 or more	1	0.02%	216	0.23%	12,386	0.50%
Total	4,010	100.00%	92,205	100.00%	2,470,338	100.00%

Note: (1) Source: U.S. Bureau of the Census.

## Income

### Per Capita Personal Income for the Ten Highest Income Counties in the State(1)

Rank		2000
1	Lake County	\$32,102
2	DuPage County	31,315
3	McHenry County	26,476
4	Kendall County	25,188
5	Will County	24,613
6	<b>Kane County</b>	<b>24,315</b>
7	Cook County	23,227
8	Sangamon County	23,173
9	Monroe County	22,954
10	Grundy County	22,591

Note: (1) Source: U.S. Bureau of the Census.

The following shows a ranking of family income for the metropolitan area among 3,141 counties from the 2000 Census.

### Ranking of Median Family Income(1)

Ill. County	Family Income	Ill. Rank
Lake County	\$76,424	2
DuPage County	79,314	1
McHenry County	71,553	3
Kendall County	69,383	5
Will County	69,608	4
<b>Kane County</b>	<b>66,558</b>	<b>6</b>
Cook County	53,784	14

Note: (1) Source: U.S. Bureau of the Census.

According to the 2000 Census, the Township had a median family income of \$103,735. This compares to \$66,558 for Kane County and \$55,545 for the State. The following table represents the distribution of family incomes for the Township, Kane County and the State at the time of the 2000 Census. 52.90% of the Township had a median family income of not less than \$100,000, compared to 24.59% for the County and 18.20% for the State.

### Median Family Income(I)

Value	The Township		Kane County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Under \$10,000	6	0.15%	2,784	2.73%	156,205	5.00%
\$10,000 to \$14,999	52	1.32%	1,994	1.96%	105,747	3.38%
\$15,000 to \$24,999	38	0.97%	6,418	6.30%	273,712	8.76%
\$25,000 to \$34,999	95	2.41%	7,993	7.84%	331,907	10.62%
\$35,000 to \$49,999	203	5.16%	14,194	13.93%	506,429	16.20%
\$50,000 to \$74,999	675	17.15%	25,480	25.00%	736,897	23.58%
\$75,000 to \$99,999	785	19.94%	18,001	17.66%	445,390	14.25%
\$100,000 to \$149,999	1,039	<b>26.40%</b>	15,907	15.61%	356,068	11.39%
\$150,000 to \$199,999	527	<b>13.39%</b>	4,821	4.73%	101,955	3.26%
\$200,000 or more	516	<b>13.11%</b>	4,331	4.25%	111,008	3.55%
Total	3,936	100.00%	101,923	100.00%	3,125,318	100.00%

Note: (1) Source: U.S. Bureau of the Census.

According to the 2000 Census, the Township had a median household income of \$100,484. This compares to \$59,351 for Kane County and \$46,590 for the State. The following table represents the distribution of household incomes for the Township, Kane County and the State at the time of the 2000 Census.

### Median Household Income(I)

Value	The Township		Kane County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Under \$10,000	18	0.41%	5,511	4.12%	383,299	8.35%
\$10,000 to \$14,999	74	1.71%	4,486	3.35%	252,485	5.50%
\$15,000 to \$24,999	73	1.68%	11,012	8.23%	517,812	11.27%
\$25,000 to \$34,999	137	3.16%	12,658	9.47%	545,962	11.89%
\$35,000 to \$49,999	284	6.54%	20,694	15.47%	745,180	16.23%
\$50,000 to \$74,999	756	17.42%	31,358	23.45%	952,940	20.75%
\$75,000 to \$99,999	812	18.71%	20,750	15.52%	531,760	11.58%
\$100,000 to \$149,999	1,116	25.71%	17,472	13.06%	415,348	9.04%
\$150,000 to \$199,999	533	12.28%	5,128	3.83%	119,056	2.59%
\$200,000 or more	537	<b>12.37%</b>	4,664	3.49%	128,898	2.81%
Total	4,340	100.00%	133,733	100.00%	4,592,740	100.00%

Note: (1) Source: U.S. Bureau of the Census.

## THE PROJECTS

The 2008A Taxable Bond proceeds will be used to finance the ongoing maintenance of properties acquired by the Township and to pay the costs of issuance of the 2008A Taxable Bonds.

The 2008B Bond proceeds will be used to finance the preservation of open space and to pay the costs of issuance of the 2008B Bonds.

### DEBT INFORMATION

After issuance of the Bonds, the Township will have outstanding \$42,480,000 principal amount of general obligation bonds. The Township also has outstanding capital lease obligations.

The Township does not intend to issue additional debt within the next six months.

#### General Obligation Bonded Debt(1) (Principal Only)

Calendar Year	Series 2001	Series 2002B(2)	Series 2005A(2)	Series 2005B	Series 2006B(2)	Series 2007A	Series 2007B	Series 2008A	Series 2008B(3)	Total Outstanding Debt	Cumulative Retirement	
											Amount	Percent
2009 ....	\$ 0	\$ 565,000	\$ 50,000	\$ 0	\$ 0	\$215,000	\$ 100,000	\$ 85,000	\$ 0	\$ 1,015,000	\$ 1,015,000	2.39%
2010 ....	0	685,000	190,000	0	145,000	0	150,000	67,000	0	1,237,000	2,252,000	5.30%
2011 ....	0	810,000	0	60,000	495,000	0	200,000	103,000	0	1,668,000	3,920,000	9.23%
2012 ....	0	935,000	0	395,000	420,000	0	300,000	25,000	0	2,075,000	5,995,000	14.11%
2013 ....	0	1,090,000	0	375,000	550,000	0	330,000	0	85,000	2,430,000	8,425,000	19.83%
2014 ....	0	1,255,000	0	415,000	645,000	0	375,000	0	280,000	2,970,000	11,395,000	26.82%
2015 ....	0	1,430,000	0	625,000	770,000	0	400,000	0	355,000	3,580,000	14,975,000	35.25%
2016 ....	1,000,000	690,000	0	740,000	720,000	0	425,000	0	580,000	4,155,000	19,130,000	45.03%
2017 ....	1,885,000	0	0	850,000	830,000	0	850,000	0	380,000	4,795,000	23,925,000	56.32%
2018 ....	2,105,000	0	0	1,010,000	410,000	0	950,000	0	1,020,000	5,495,000	29,420,000	69.26%
2019 ....	2,340,000	0	0	1,795,000	0	0	0	0	1,955,000	6,090,000	35,510,000	83.59%
2020 ....	2,585,000	0	0	1,940,000	0	0	0	0	655,000	5,180,000	40,690,000	95.79%
2021 ....	0	0	0	1,790,000	0	0	0	0	0	1,790,000	42,480,000	100.00%
Total .	\$9,915,000	\$7,460,000	\$240,000	\$9,995,000	\$4,985,000	\$215,000	\$4,080,000	\$280,000	\$5,310,000	\$42,480,000		

- Notes: (1) Source: the Township.  
 (2) Prepaid. The Township has deposited December 2008 payments with the Registrar and Paying Agent thereby recapturing capacity.  
 (3) Subject to movement between maturities.

**Detailed Overlapping Bonded Debt(I)**  
 (As of May 12, 2008)

	Outstanding Debt	Applicable to Township	
		Percent(2)	Amount
<b>Schools:</b>			
School District Number 301.....	\$ 56,389,442	17.13%	\$ 9,659,511
School District Number 302.....	91,535,832	9.74%	8,915,590
School District Number 303.....	165,445,000	19.92%	32,956,644
Community College District Number 509.....	58,207,604	5.89%	3,428,428
Community College District Number 516.....	78,920,796	0.84%	662,935
Total Schools.....			\$55,623,108
<b>Others:</b>			
Kane County.....	\$ 82,045,000	5.75%	\$ 4,717,588
Kane County Forest Preserve District.....	260,115,866	5.75%	14,956,662
City of Elgin.....	132,197,471	0.01%	13,220
Village of Campton Hills.....	0	1.74%	0
Village of Lily Lake.....	0	100.00%	0
Village of Elburn.....	95,000	33.74%	32,053
St. Charles Park District.....	28,325,000	0.01%	2,833
Gail Borden Library District.....	25,930,000	0.01%	2,593
St. Charles Library District.....	0	0.01%	0
Town and Country Library District.....	3,300,000	45.27%	1,493,910
Total Others.....			\$21,218,859
Total Schools and Other Overlapping Bonded Debt.....			\$76,841,967

Notes: (1) Source: Kane County Clerk.  
 (2) Overlapping debt percentages based on 2007 EAV, the most current available.

**Statement of Bonded Indebtedness(I)**  
 (As of May 12, 2008)

	Amount Applicable	Ratio To		Per Capita (2000 Census Pop. 14,072)
		Equalized Assessed	Estimated Actual	
Township EAV of Taxable Property, 2007.....	\$ 849,673,451	100.00%	33.33%	\$ 60,380.43
Estimated Actual Value, 2007.....	\$2,549,020,353	300.00%	100.00%	\$181,141.30
Direct Bonded Debt.....	\$ 42,480,000	5.00%	1.67%	\$ 3,018.76
<b>Overlapping Bonded Debt:</b>				
Schools.....	\$ 55,623,108	6.55%	2.18%	\$ 3,952.75
All Others.....	21,218,859	2.50%	0.83%	1,507.88
Total Overlapping Bonded Debt.....	\$ 76,841,967	9.05%	3.01%	\$ 5,460.63
Total Direct and Overlapping Bonded Debt.....	\$ 119,321,967	14.05%	4.68%	\$ 8,479.39

Note: (1) Source: Kane County Clerk.

**Legal Debt Margin(I)**  
 (As of May 12, 2008)

2007 Equalized Assessed Valuation.....	\$849,673,451
Statutory Debt Limitation (5.00% of EAV).....	\$ 42,483,673
General Obligation Debt:	
Series 2001 .....	\$ 9,915,000
Series 2002B(2) .....	7,460,000
Series 2005A(2) .....	240,000
Series 2005B .....	9,995,000
Series 2006A(2) .....	0
Series 2006B(2) .....	4,985,000
Series 2007A .....	215,000
Series 2007B .....	4,080,000
Series 2008A .....	280,000
Series 2008B(3) .....	<u>5,310,000</u>
Total .....	\$42,480,000
Total Applicable Debt .....	\$ 42,480,000
Legal Debt Margin .....	\$ 3,673

- Notes: (1) Source: the Township.  
 (2) Prepaid. The Township has deposited December 2008 payments with the Registrar and Paying Agent, thereby recapturing capacity.  
 (3) Subject to movement between maturities.

**PROPERTY ASSESSMENT AND TAX INFORMATION**

For the 2007 levy year, the Township's EAV was comprised of 94.88% residential, 0.08% industrial, 3.25% commercial and 1.79% farm.

**Equalized Assessed Valuation(I)**

Property Class	Levy Years				
	2003	2004	2005	2006	2007
Residential.....	\$545,862,120	\$590,909,145	\$657,168,532	\$734,683,041	\$806,193,003
Farm.....	13,472,579	14,141,470	13,940,776	13,934,884	15,198,804
Commercial.....	13,772,107	17,584,410	19,860,137	22,326,466	27,593,030
Industrial.....	343,490	359,669	377,437	401,405	688,614
Total.....	\$573,450,296	\$622,994,694	\$691,346,882	\$771,345,796	\$849,673,451
Percent Change +(-).....	11.15%(2)	8.64%	10.97%	11.57%	10.15%

- Notes: (1) Source: Kane County Clerk.  
 (2) Percentage change based on 2002 EAV of \$515,919,902.

**Tax Extensions and Collections(I)**  
 (Includes Road and Bridge)

Levy Year	Coll. Year	Taxes	Total Collections	
		Extended	Amount(2)	Percent
2001.....	2002.....	\$1,945,501	\$1,894,447	97.38%
2002.....	2003.....	2,350,531	2,295,804	97.67%
2003.....	2004.....	2,326,488	2,265,711	97.39%
2004.....	2005.....	2,514,407	2,455,944	97.67%
2005.....	2006.....	3,631,189	3,570,488	98.33%
2006.....	2007.....	4,104,330	4,043,776	98.52%
2007.....	2008(3).....	4,694,810	2,077,961	44.26%

- Notes: (1) Source: Kane County Treasurer.  
 (2) Total collections include back taxes, taxpayer refunds, interest, etc.  
 (3) Partial collections through July 23, 2008.

**Representative Tax Rates(I)  
 (Per \$100 EAV)**

	Levy Years				
	2003	2004	2005	2006	2007
<b>Township Rates:</b>					
Town Fund.....	\$0.0705	\$0.0689	\$0.0667	\$0.0644	\$0.0616
Bonds & Interest.....	<u>0.1452</u>	<u>0.1491</u>	<u>0.2788</u>	<u>0.2941</u>	<u>0.3251</u>
Total Township Rates(2).....	\$0.2157	\$0.2179	\$0.3455	\$0.3585	\$0.3866
<b>Kane County</b>					
Kane County.....	0.3578	0.3467	0.3367	0.3452	0.3322
Kane County Forest Preserve District.....	0.1270	0.1432	0.1905	0.1747	0.1974
Campton Township Road District.....	0.1900	0.1857	0.1798	0.1736	0.1659
Campton Township Cemetery.....	0.0027	0.0024	0.0022	0.0019	0.0018
St. Charles Countryside Fire District.....	0.2051	0.1976	0.1911	0.1848	0.1780
School District Number 303.....	4.1659	4.2668	4.2549	4.2121	4.0516
Community College District Number 509.....	<u>0.3854</u>	<u>0.4154</u>	<u>0.4011</u>	<u>0.3398</u>	<u>0.3280</u>
Total Rates(3).....	\$5.6496	\$5.7757	\$5.9017	\$5.7907	\$5.6415

- Notes: (1) Source: Kane County Clerk.  
 (2) Statutory tax rate limit for the Township is as follows: Town Fund - \$0.2500.  
 (3) Representative tax rates for other governmental units are from tax code 23, which represents the largest portion of the Township's 2007 EAV.

**Principal Taxpayers(I)**

<u>Taxpayer Name</u>	<u>Business/Service</u>	<u>2007 EAV(2)</u>
Jewel Food Store.....	Grocery Store.....	\$1,775,524
Campton Wasco, LLC.....	Real Property.....	1,382,214
Individual.....	Trust.....	995,008
FVO Properties, LLC.....	Real Property.....	876,042
Bond Property Group, LLC.....	Real Property.....	856,025
KC Propco LLC (3).....	Real Property.....	824,228
Individual.....	Real Property.....	786,758
Individual.....	Real Property.....	783,250
DeInor Community Health Care Foundation.....	Health Services.....	780,463
Individual.....	Real Property.....	<u>743,093</u>
Total.....		\$9,802,605
Ten Largest Taxpayers as Percent of Township's 2007 EAV (\$849,673,451).....		1.15%

- Notes: (1) Source: the Township.  
 (2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked. The 2007 EAV is the most current available.  
 (3) Previously Kindercare Learning Centers, Inc.

**REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION**

**Tax Levy and Collection Procedures**

Local assessment officers determine the assessed valuation of taxable real property and railroad property not held or used for railroad operations. The Illinois Department of Revenue (the "Department") assesses certain other types of taxable property, including railroad property held or used for railroad operations. Local assessment officers' valuation determinations are subject to review at the county level and then, in general, to equalization by the Department. Such equalization is achieved by applying to each county's assessments a multiplier determined by the Department. The purpose of equalization is to provide a common basis of assessments among counties by adjusting assessments toward the statutory standard of 33-1/3% of fair cash value. Farmland is assessed according to a statutory formula which takes into account factors such as productivity and crop mix. Taxes are extended against the assessed values after equalization.



Property tax levies of each taxing body are filed in the office of the county clerk of each county in which territory of that taxing body is located. The county clerk computes the rates and amount of taxes applicable to taxable property subject to the tax levies of each taxing body and determines the dollar amount of taxes attributable to each respective parcel of taxable property. The county clerk then supplies to the appropriate collecting officials within the county the information needed to bill the taxes attributable to the various parcels therein. After the taxes have been collected, the collecting officials distribute to the various taxing bodies their respective shares of the taxes collected. Taxes levied in one calendar year are due and payable in two installments during the next calendar year. Taxes that are not paid when due, or that are not paid by mail and postmarked on or before the due date, are subject to a penalty of 1-1/2% per month until paid. Unpaid property taxes, together with penalties, interest and costs, constitute a lien against the property subject to the tax.

## **Exemptions**

An annual General Homestead Exemption (the "General Homestead Exemption") provides that the Equalized Assessed Valuation ("EAV") of certain property owned and used for residential purposes ("Residential Property") may be reduced by the amount of any increase over the 1977 EAV, up to a maximum reduction of \$3,500 for assessment years prior to assessment year 2004 in counties with less than 3,000,000 inhabitants, and a maximum reduction of \$5,000 for assessment year 2004 through 2007 in all counties. Additionally, the maximum reduction is \$5,500 for assessment year 2008 and the maximum reduction is \$6,000 for assessment year 2009 and thereafter in all counties.

The Homestead Improvement Exemption applies to Residential Properties that have been improved or rebuilt in the 2 years following a catastrophic event. The exemption is limited to \$45,000 through December 31, 2003, and \$75,000 per year beginning January 1, 2004 and thereafter, to the extent the assessed value is attributable solely to such improvements or rebuilding.

Additional exemptions exist for senior citizens. The Senior Citizens Homestead Exemption ("Senior Citizens Homestead Exemption") operates annually to reduce the EAV on a senior citizen's home for assessment years prior to 2004 by \$2,000 in counties with less than 3,000,000 inhabitants. For assessment years 2004 and 2005, the maximum reduction is \$3,000 in all counties. For assessment years 2006 and 2007, the maximum reduction is \$3,500 in all counties. In addition, for assessment year 2008 and thereafter, the maximum reduction is \$4,000 for all counties. Furthermore, beginning with assessment year 2003, for taxes payable in 2004, property that is first occupied as a residence after January 1 of any assessment year by a person who is eligible for the Senior Citizens Homestead Exemption must be granted a pro rata exemption for the assessment year based on the number of days during the assessment year that the property is occupied as a residence by a person eligible for the exemption.

A Senior Citizens Assessment Freeze Homestead Exemption (“Senior Citizens Assessment Freeze Homestead Exemption”) freezes property tax assessments for homeowners, who are 65 and older and receive a household income not in excess of the maximum income limitation. The maximum income limitation is \$35,000 for years prior to 1999, \$40,000 for assessment years 1999 through 2003, \$45,000 for assessment years 2004 and 2005, \$50,000 from assessment years 2006 and 2007 and for assessments year 2008 and after, the maximum income limitation is \$55,000. In general, the Senior Citizens Assessment Freeze Homestead Exemption limits the annual real property tax bill of such property by granting to qualifying senior citizens an exemption as to a portion of the valuation of their property. In counties with a population of 3,000,000 or more, the exemption for all assessment years is equal to the EAV of the residence in the assessment year for which application is made less the base amount. Furthermore, for those counties with a population of less than 3,000,000, the Senior Citizens Assessment Freeze Homestead Exemption is as follows: through assessment year 2005 and for assessment year 2007 and later, the exempt amount is the difference between (i) the current EAV of their residence and (ii) the base amount, which is the EAV of a senior citizen’s residence for the year prior to the year in which he or she first qualifies and applies for the Exemption (plus the EAV of improvements since such year). For assessment year 2006, the amount of the Senior Citizens Assessment Freeze Homestead Exemption phases out as the amount of household income increases. The amount of the Senior Citizens Assessment Freeze Homestead Exemption is calculated by using the same formula as above, and then multiplying the resulting value by a ratio that varies according to household income.

Another exemption available to disabled veterans operates annually to exempt up to \$70,000 of the Assessed Valutaion of property owned and used exclusively by such veterans or their spouses for residential purposes. Also, certain property is exempt from taxation on the basis of ownership and/or use, such as public parks, not-for-profit schools and public schools, churches, and not-for-profit hospitals and public hospitals. However, individuals claiming exemption under the Disabled Persons’ Homestead Exemption (“Disabled Persons’ Homestead Exemption”) or the Disabled Veterans Standard Homestead Exemption (“Disabled Veterans Standard Homestead Exemption”) cannot claim the aforementioned exemption.

Furthermore, beginning with assessment year 2007, the Disabled Persons’ Homestead Exemption provides an annual homestead exemption in the amount of \$2,000 for property that is owned and occupied by certain persons with a disability. However, individuals claiming exemption as a disabled veteran or claiming exemption under the Disabled Veterans Standard Homestead Exemption cannot claim the aforementioned exemption.

In addition, the Disabled Veterans Standard Homestead Exemption provides disabled veterans an annual homestead exemption starting with assessment year 2007 and thereafter. Specifically, (i) those veterans with a service-connected disability of 75% are granted an exemption of \$5,000 and (ii) those veterans with a service-connected disability of less than 75%, but at least 50% are granted an exemption of \$2,500. Furthermore, the veteran’s surviving spouse is entitled to the benefit of the exemption, provided that the spouse has legal or beneficial title of the homestead, resides permanently on the homestead and does not remarry. Moreover, if the property is sold by the surviving spouse, then an exemption amount not to exceed the amount specified by the current property tax roll may be transferred to the spouse’s new residence, provided that it is the spouse’s primary residence and the spouse does not remarry. However, individuals claiming exemption as a disabled veteran or claiming exemption under the Disabled Persons’ Homestead Exemption cannot claim the aforementioned exemption.

Beginning with assessment year 2007, the Returning Veterans' Homestead Exemption ("Returning Veterans' Homestead Exemption") is available for property owned and occupied as the principal residence of a veteran in the assessment year the veteran returns from an armed conflict while on active duty in the United States armed forces. This provision grants a homestead exemption of \$5,000, which is applicable in all counties. In order to apply for the Returning Veterans' Homestead Exemption, the individual must pay real estate taxes on the property, own the property or have either a legal or an equitable interest in the property, "or a leasehold interest of land on which a single family residence is located, which is occupied as a principle residence of a veteran returning from an armed conflict involving the armed forces of the United States who has an ownership interest therein, legal, equitable or as a lessee, and on which the veteran is liable for the payment of property taxes." Those individuals eligible for the Returning Veterans' Homestead Exemption may claim the Returning Veterans' Homestead Exemption, in addition to other homestead exemptions, unless otherwise noted.

### **Property Tax Extension Limitation Law**

The Property Tax Extension Limitation Law, as amended (the "Limitation Law"), limits the annual growth in the amount of property taxes to be extended for certain Illinois non-home-rule units, including the Township. In general, the annual growth permitted under the Limitation Law is the lesser of 5% or the percentage increase in the Consumer Price Index during the calendar year preceding the levy year. Taxes can also be increased due to new construction, referendum approval of tax rate increases, mergers and consolidations.

The effect of the Limitation Law is to limit the amount of property taxes that can be extended for a taxing body. In addition, general obligation bonds, notes and installment contracts payable from ad valorem taxes unlimited as to rate and amount cannot be issued by the affected taxing bodies unless they are approved by referendum, are alternate bonds or are for certain refunding purposes.

The Township has the authority to levy taxes for many different purposes. See the table entitled **Representative Tax Rates** under "**PROPERTY ASSESSMENT AND TAX INFORMATION**" herein. The ceiling at any particular time on the rate at which these taxes may be extended for the Township is either (i) unlimited (as provided by statute), (ii) initially set by statute but permitted to be increased by referendum, (iii) capped by statute, or (iv) limited to the rate approved by referendum. Public Act 94-0976, effective June 30, 2006, provides that the only ceiling on a particular tax rate is the ceiling set by statute above, at which the rate is not permitted to be further increased by referendum or otherwise. Therefore, taxing districts (such as the Township) will have increased flexibility to levy taxes for the purposes for which they most need the money. The total aggregate tax rate for the various purposes subject to the Limitation Law, however, will not be allowed to exceed the Township's limiting rate computed in accordance with the provisions of the Limitation Law.

Local governments, including the Township, can issue limited tax bonds in lieu of general obligation bonds that have otherwise been authorized by applicable law.

### **Truth in Taxation Law**

Legislation known as the Truth in Taxation Law (the "Law") limits the aggregate amount of certain taxes which can be levied by, and extended for, a taxing district to 105% of the amount of taxes extended in the preceding year unless specified notice, hearing and certification requirements are met by the taxing body. The express purpose of the Law is to require published disclosure of, and hearing upon, an intention to adopt a levy in excess of the specified levels.

## FINANCIAL INFORMATION

### Budgeting

The Township follows the procedures listed below in establishing the budgetary data reflected in the financial statements.

- The Appropriation Resolution prepared by Township Accountant, reviewed by the Township elected Officials and Administrator prior to the adoption by the Township Board and enacted into law prior to the end of the first quarter of the fiscal year. The Appropriation Resolution is filed with Kane County and is published in a Kane County ad in a local newspaper of general circulation.
- All appropriations lapse at year-end.
- Budgets for the General Fund and certain Special Revenue Funds (General Assistance, Road and Bridge, and Revenue Sharing Fund) are adopted on a basis consistent with generally accepted accounting principles. Reported budget amounts represent the originally adopted budget as amended.

### Investment Policy

The Township makes deposits or investments in checking and money market accounts. The Township's deposits are either insured by federal depository insurance for up to \$100,000 or collateralized for greater amounts with securities held in the name of the Township.

### Financial Reports

The Township's financial statements are audited annually by certified public accountants. The Township's financial statements are completed on a modified accrual basis of accounting consistent with generally accepted accounting principles applicable to governmental entities. See **APPENDIX A** for more detail.

### Summary Financial Information

The following tables are summaries and do not purport to be the complete audits, copies of which are available upon request. See **APPENDIX A** for excerpts of the Township's 2008 fiscal year audit.

### No Consent or Updated Information Requested of the Auditor

The tables and excerpts (collectively, the "Excerpted Financial Information") contained in this "**FINANCIAL INFORMATION**" section and in **APPENDIX A** are from the audited financial statements of the Township, including the audited financial statements for the fiscal year ended March 31, 2008 (the "2008 Audit"). The 2008 Audit has been prepared by Sikich LLP, Certified Public Accountants and Advisors, Aurora, Illinois, (the "Auditor"), and approved by formal action of the Township Board. The Township has not requested the Auditor to update information contained in the Excerpted Financial Information; nor has the Township requested that the Auditor consent to the use of the Excerpted Financial Information in this Official Statement. Other than as expressly set forth in this Official Statement, the financial information contained in the Excerpted Financial Information has not been updated since the date of the 2008 Audit. The inclusion of the Excerpted Financial Information in this Official Statement in and of itself is not intended to demonstrate the fiscal condition of the Township since the date of the 2008 Audit. Questions or inquiries relating to financial information of the Township since the date of the 2008 Audit should be directed to the Township.

**Statement of Net Assets  
 Governmental Activities**

	As of March 31			
	2005	2006	2007	2008
<b>ASSETS:</b>				
Cash and Investments.....	\$ 5,895,213	\$11,134,745	\$10,800,499	\$ 7,642,535
Motor Fuel Tax Allotment.....	110,046	0	0	0
Receivables, Net of Allowances:				
Taxes.....	2,559,079	3,568,173	4,104,601	4,694,811
Accrued Interest.....	0	97,415	121,550	126,702
Intergovernmental.....	0	400,000	0	409,473
Other.....	0	0	4,403	23,459
Prepaid Expenses.....	29,627	13,772	18,037	17,110
Deferred Charges.....	0	140,450	169,546	0
Unamortized Bond Issuance Costs.....	0	0	0	223,010
Capital Assets, Not Being Depreciated.....	29,378,915	36,006,336	42,570,466	39,808,848
Capital Assets, Being Depreciated.....	<u>18,434,664</u>	<u>15,653,197</u>	<u>15,330,484</u>	<u>3,913,484</u>
Total Assets.....	<u>\$56,407,544</u>	<u>\$67,014,088</u>	<u>\$73,119,586</u>	<u>\$56,859,432</u>
<b>LIABILITIES:</b>				
Accounts Payable.....	\$ 13,051	\$ 89,040	\$ 17,449	\$ 105,044
Accrued Payroll.....	43,129	18,273	21,133	24,950
Accrued Interest.....	0	528,256	526,371	544,184
Deferred Revenue.....	0	3,616,823	4,127,401	4,714,761
Capital Lease Obligations.....	54,129	0	0	0
Noncurrent Liabilities:				
Due Within One Year.....	95,000	378,171	711,309	1,181,315
Due In More Than One Year.....	<u>18,670,000</u>	<u>29,008,028</u>	<u>33,921,043</u>	<u>37,066,299</u>
Total Liabilities.....	<u>\$18,875,309</u>	<u>\$33,638,591</u>	<u>\$39,324,706</u>	<u>\$43,636,553</u>
<b>NET ASSETS:</b>				
Invested In Capital Assets, Net.....	\$47,942,768	\$32,501,459	\$30,729,478	\$ 8,774,480
Restricted.....	0	1,075,964	3,328,346	4,553,259
Unrestricted.....	<u>(10,410,533)</u>	<u>(201,926)</u>	<u>(262,944)</u>	<u>(104,860)</u>
Total Net Assets.....	<u>\$37,532,235</u>	<u>\$33,375,497</u>	<u>\$33,794,880</u>	<u>\$13,222,879</u>

**Statement of Activities**

	Net (Expense) Revenue and Change in Net Assets as of March 31			
	2005	2006	2007	2008
<b>PRIMARY GOVERNMENT:</b>				
Governmental Activities:				
General Activities.....	\$ (503,541)	\$ (415,427)	\$ (439,440)	\$ (475,653)
Highways and Streets.....	(1,152,372)	(1,535,275)	(1,648,744)	(1,349,016)
Parks and Recreation.....	(3,000)	(60,825)	(85,777)	(134,926)
Open Space.....	(1,230,277)	43,758	(122,900)	1,065,351
Interest.....	<u>(824,340)</u>	<u>(1,135,252)</u>	<u>(1,411,839)</u>	<u>(1,605,461)</u>
Total Governmental Activities.....	<u>\$(3,713,530)</u>	<u>\$(3,103,021)</u>	<u>\$(3,708,700)</u>	<u>\$ (2,499,705)</u>
General Revenues:				
Taxes.....	\$ 2,460,613	\$ 2,459,587	\$ 3,570,001	\$ 4,040,185
Investment Income.....	114,733	382,011	547,107	516,668
Land Cash Money.....	72,625	0	0	0
Miscellaneous.....	192,758	6,065	10,975	10,649
Extraordinary Item.....	0	0	0	(22,639,798)(1)
Contributions.....	<u>0</u>	<u>5,231,997</u>	<u>0</u>	<u>0</u>
Total General Revenues.....	<u>\$ 2,840,729</u>	<u>\$ 8,079,660</u>	<u>\$ 4,128,083</u>	<u>\$(18,072,296)</u>
Change In Net Assets.....	\$ (872,801)	\$ 4,976,639	\$ 419,383	\$(20,572,001)
Net Assets, Beginning of the Year.....	\$38,405,036	\$37,532,235	\$33,375,497	\$ 33,794,880
Prior Period Adjustment.....	0	(9,133,377)	0	0
Net Assets, Restated.....	<u>\$38,405,036</u>	<u>\$28,398,858</u>	<u>\$33,375,497</u>	<u>\$ 33,794,880</u>
Net Assets, End of Year.....	<u>\$37,532,235</u>	<u>\$33,375,497</u>	<u>\$33,794,880</u>	<u>\$ 13,222,879</u>

Note: (1) Due to the disposal of a significant portion of the capital assets of the Township as a result of the creation of a new village.

### General Fund Balance Sheet

	Audited as of March 31	
	2003	2004
<b>ASSETS:</b>		
Cash and Investments .....	\$169,248	\$192,001
Total Assets .....	<u>\$169,248</u>	<u>\$192,001</u>
 <b>LIABILITIES AND FUND EQUITY:</b>		
Liabilities:		
Accounts Payable .....	\$ 905	\$ 1,145
Accrued Payroll Taxes .....	10,160	13,393
Notes Payable .....	0	0
Total Liabilities .....	<u>\$ 11,065</u>	<u>\$ 14,538</u>
 Fund Equity:		
Fund Balance .....	\$158,183	\$177,463
Total Fund Equity .....	<u>\$158,183</u>	<u>\$177,463</u>
Total Liabilities and Fund Equity .....	<u>\$169,248</u>	<u>\$192,001</u>

### General Fund Balance Sheet

	Audited as of March 31(1)			
	2005	2006	2007	2008
<b>ASSETS:</b>				
Cash and Investments .....	\$ 187,654	\$199,923	\$191,976	\$220,058
Property Tax Receivable .....	429,181	461,198	496,901	523,144
Other Receivable .....	0	0	1,568	1,518
Due from Other Funds .....	0	0	17,000	17,000
Prepaid Assets .....	3,241	3,505	4,057	3,182
Capital Assets .....	2,264,464	0	0	0
Total Assets .....	<u>\$2,884,540</u>	<u>\$664,626</u>	<u>\$711,502</u>	<u>\$764,902</u>
 <b>LIABILITIES AND FUND BALANCE:</b>				
Liabilities:				
Accounts Payable .....	\$ 1,640	\$ 716	\$ 515	\$ 678
Accrued Payroll Taxes .....	17,093	6,850	8,453	8,826
Capital Lease Obligations .....	13,767	0	0	0
Deferred Revenues .....	0	461,198	496,901	523,144
Invested in Capital Assets .....	2,299,242	0	0	0
Total Liabilities .....	<u>\$2,331,742</u>	<u>\$468,764</u>	<u>\$505,869</u>	<u>\$532,648</u>
 Fund Balance:				
Fund Balance .....	\$ 552,798	\$195,862	\$205,633	\$232,254
Total Fund Balance .....	<u>\$ 552,798</u>	<u>\$195,862</u>	<u>\$205,633</u>	<u>\$232,254</u>
Total Liabilities and Fund Balance .....	<u>\$2,884,540</u>	<u>\$664,626</u>	<u>\$711,502</u>	<u>\$764,902</u>

Note: (1) For fiscal years 2005 through 2008, the Township implemented a new financial reporting model as required by the provisions of Government Auditing Standards Board Statement No. 34.

**General Fund  
 Revenues and Expenditures**

	Audited Fiscal Year Ending March 31	
	<u>2003</u>	<u>2004</u>
<b>REVENUES:</b>		
Property Taxes .....	\$ 356,172	\$ 379,515
Corporate Replacement Taxes .....	1,231	1,360
Investment Income .....	2,388	1,577
Grant Proceeds .....	338,926	0
Miscellaneous .....	20,003	131
Total Revenues .....	<u>\$ 718,720</u>	<u>\$ 382,583</u>
<b>EXPENDITURES:</b>		
Personnel .....	\$ 304,681	\$ 330,580
Contractual Services .....	106,143	184,796
Commodities .....	10,453	6,971
Loan Expenses .....	7,266	0
Capital Outlay .....	<u>101,094</u>	<u>22,756</u>
Total Expenditures .....	<u>\$ 529,637</u>	<u>\$ 545,103</u>
Excess of Revenues Over (Under) Expenditures .....	\$ 189,083	\$(162,520)
Other Financing Sources (Uses):		
Operating Transfers, Net .....	<u>\$ 433,062</u>	<u>\$ 181,800</u>
Total Other Financing Sources (Uses) .....	\$ 433,062	\$ 181,800
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under)		
Expenditures .....	\$ 622,145	\$ 19,280
Beginning Fund Balance .....	<u>(463,962)</u>	<u>158,183</u>
Ending Fund Balance .....	<u>\$ 158,183</u>	<u>\$ 177,463</u>

**General Fund  
 Revenues and Expenditures**

	Audited Fiscal Year Ending March 31(1)			
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<b>REVENUES:</b>				
Property Taxes .....	\$429,181	\$430,726	\$462,717	\$498,645
Corporate Replacement Taxes .....	1,473	0	0	0
Intergovernmental .....	0	5,766	2,697	2,271
Charges for Services .....	0	0	4,400	8,400
Investment Income .....	1,641	4,931	13,881	15,286
Grant Proceeds .....	0	0	0	0
Miscellaneous .....	110	40	80	80
Total Revenues .....	<u>\$432,405</u>	<u>\$441,463</u>	<u>\$483,775</u>	<u>\$524,682</u>
<b>EXPENDITURES:</b>				
Personnel .....	\$352,405	\$449,072	\$436,464	\$426,799
Contractual Services .....	106,931	36,107	38,607	43,394
Commodities .....	6,811	0	0	20,568
Debt Service .....	0	8,334	5,433	0
Capital Outlay .....	<u>34,978</u>	<u>0</u>	<u>0</u>	<u>18,300</u>
Total Expenditures .....	<u>\$501,125</u>	<u>\$493,513</u>	<u>\$480,504</u>	<u>\$509,061</u>
Excess of Revenues Over (Under) Expenditures .....	\$(68,720)	\$(52,050)	\$ 3,271	\$ 15,621
Other Financing Sources (Uses):				
Operating Transfers, Net .....	<u>62,720</u>	<u>75,750</u>	<u>6,500</u>	<u>11,000</u>
Total Other Financing Sources (Uses) .....	\$ 62,720	\$ 75,750	\$ 6,500	\$ 11,000
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures .....				
Beginning Fund Balance .....	\$ (6,000)	\$ 23,700	\$ 9,771	\$ 26,621
Prior Period Adjustment .....	558,798	552,798	195,862	205,633
Ending Fund Balance .....	<u>0</u>	<u>(380,636)</u>	<u>0</u>	<u>0</u>
Ending Fund Balance .....	<u>\$552,798</u>	<u>\$195,862</u>	<u>\$205,633</u>	<u>\$232,254</u>

Note: (1) For fiscal years 2005 through 2008, the Township implemented a new financial reporting model as required by the provisions of Government Auditing Standards Board Statement No. 34.

**Special Revenue Fund  
 Balance Sheet**

	Audited as of March 31	
	2003	2004
<b>ASSETS:</b>		
Cash and Investments.....	\$12,849,163	\$6,747,588
Accounts Receivable.....	0	72,995
Motor Fuel Tax Allotment.....	57,440	84,530
Total Assets.....	<u>\$12,906,603</u>	<u>\$6,905,113</u>
<b>LIABILITIES AND FUND EQUITY:</b>		
Liabilities:		
Accounts Payable.....	\$ 11,749	\$ 19,196
Accrued Payroll Taxes.....	20,219	25,476
Total Liabilities.....	<u>\$ 31,968</u>	<u>\$ 44,672</u>
Fund Equity:		
Fund Balance.....	\$12,874,635	\$6,860,441
Total Fund Equity.....	<u>\$12,874,635</u>	<u>\$6,860,441</u>
Total Liabilities and Fund Equity....	<u>\$12,906,603</u>	<u>\$6,905,113</u>

**Special Revenue Fund  
 Balance Sheet**

	Audited as of March 31(1)			
	2005	2006	2007	2008
<b>ASSETS:</b>				
Cash and Investments.....	\$ 5,707,559	\$10,934,822	\$10,608,523	\$ 7,422,477
Accounts Receivable.....	2,129,898	3,106,975	3,610,535	4,193,608
Motor Fuel Tax Allotment.....	110,046	0	0	0
Intergovernmental - Grant.....	0	400,000	0	409,473
Accrued Interest.....	0	97,415	121,550	126,702
Prepays.....	26,386	10,267	13,980	13,928
Capital Assets.....	45,549,115	0	0	0
Total Assets.....	<u>\$ 53,523,004</u>	<u>\$14,549,479</u>	<u>\$14,354,588</u>	<u>\$12,166,188</u>
<b>LIABILITIES AND FUND BALANCE:</b>				
Liabilities:				
Accounts Payable.....	\$ 11,411	\$ 88,324	\$ 16,934	\$ 104,366
Accrued Payroll Taxes.....	26,036	11,423	12,680	16,124
Deferred Revenues.....	0	3,155,625	3,630,500	4,191,617
Due to Other Funds.....	0	0	17,000	17,000
Capital Lease Obligations.....	40,362	0	0	0
Long-Term Liabilities.....	18,765,000	0	0	0
Investment in Capital Assets.....	45,643,526	0	0	0
Total Liabilities.....	<u>\$ 64,486,335</u>	<u>\$ 3,255,372</u>	<u>\$ 3,677,114</u>	<u>\$ 4,329,107</u>
Fund Balance:				
Fund Balance.....	\$(10,963,331)	\$11,294,107	\$10,677,474	\$ 7,837,081
Total Fund Balance.....	<u>\$(10,963,331)</u>	<u>\$11,294,107</u>	<u>\$10,677,474</u>	<u>\$ 7,837,081</u>
Total Liabilities and Fund Balance.....	<u>\$ 53,523,004</u>	<u>\$14,549,479</u>	<u>\$14,354,588</u>	<u>\$12,166,188</u>

Note: (1) For fiscal years 2005 through 2008, the Township implemented a new financial reporting model as required by the provisions of Government Auditing Standards Board Statement No. 34. Comprised of Open Space Fund, Road and Bridge Fund, General Assistance Fund and Park and Recreation Fund.



### Special Revenue Fund Revenues and Expenditures

	Audited Fiscal Year Ending March 31	
	2003	2004
<b>REVENUES:</b>		
Property Taxes .....	\$ 1,538,275	\$ 1,916,289
Corporate Replacement Taxes.....	2,439	2,696
Investment Income .....	137,872	205,582
Culvert Permits .....	110,150	144,000
Land Cash Money .....	35,404	34,860
Motor Fuel Tax Allotment.....	114,292	142,090
Grant Proceeds .....	2,340,000	0
Miscellaneous .....	73,655	104,980
Total Revenues .....	\$ 4,352,087	\$ 2,550,497
<b>EXPENDITURES:</b>		
Personnel .....	\$ 103,196	\$ 121,255
Contractual Services.....	282,843	127,454
Commodities .....	22,743	27,306
General Assistance .....	7,206	5,245
Maintenance .....	1,055,837	1,035,510
Bond Repayment Costs.....	619,823	937,110
Capital Outlay .....	7,932,608	6,129,011
Total Expenditures.....	\$10,024,256	\$ 8,382,891
Excess of Revenues Over (Under) Expenditures..	\$(5,672,169)	\$(5,832,394)
Other Financing Sources (Uses):		
Operating Transfers, Net.....	\$ (432,823)	\$ (181,800)
Bond Proceeds (Net of OID).....	8,832,692	0
Total Other Financing Sources (Uses).....	\$ 8,399,869	\$ (181,800)
Excess (Deficiency) of Revenues and Other		
Financing Sources Over (Under) Expenditures..	\$ 2,727,700	\$(6,014,194)
Beginning Fund Balance.....	10,146,935	12,874,635
Ending Fund Balance .....	\$12,874,635	\$ 6,860,441

**Special Revenue Fund  
 Revenues and Expenditures**

	Audited Fiscal Year Ending March 31(1)			
	2005	2006	2007	2008
<b>REVENUES:</b>				
Property Taxes .....	\$ 2,027,041	\$ 2,028,861	\$ 3,107,284	\$3,541,540
Corporate Replacement Taxes .....	2,918	0	0	0
Intergovernmental .....	0	459,069	67,374	1,286,393
Investment Income .....	113,092	377,080	533,226	501,382
Charges for Services .....	0	144,950	62,736	48,654
Culvert Permits .....	141,600	0	0	0
Land Cash Money .....	72,625	15,977	11,620	0
Motor Fuel Tax Allotment .....	157,781	0	0	0
Grant Proceeds .....	1,079,624	0	0	0
Miscellaneous .....	34,867	6,025	10,895	10,569
Total Revenues .....	\$ 3,629,548	\$ 3,031,962	\$ 3,793,135	\$5,388,538
<b>EXPENDITURES:</b>				
Personnel .....	\$ 68,122	\$ 2,075	\$ 1,100	\$ 739,297
Contractual Services .....	35,375	45,825	34,044	63,650
Commodities .....	65,663	0	0	359,645
Open Space .....	0	181,953	179,854	265,711
General Assistance .....	2,416	0	0	0
Maintenance .....	1,142,540	848,834	988,528	0
Bond Repayment Costs .....	824,340	1,106,713	1,826,018	2,329,311
Capital Outlay/Improvements .....	2,295,173	5,736,702	6,892,475	8,755,317
Total Expenditures .....	\$ 4,433,629	\$ 7,922,102	\$ 9,922,019	\$12,512,931
Excess of Revenues Over (Under) Expenditures ....	\$ (804,081)	\$ (4,890,140)	\$ (6,128,884)	\$ (7,124,393)
<b>Other Financing Sources (Uses):</b>				
Operating Transfers, Net .....	\$ (62,720)	\$ (75,750)	\$ (6,500)	\$ (11,000)
Bond Proceeds (Net of OID) .....	0	10,490,000	5,518,751	4,295,000
Total Other Financing Sources (Uses) .....	\$ (62,720)	\$ 10,414,250	\$ 5,512,251	\$4,284,000
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures ....	\$ (866,801)	\$ 5,524,110	\$ (616,633)	\$ (2,840,393)
Beginning Fund Balance .....	(10,096,530)	(10,963,331)	11,294,107	10,677,474
Prior Period Adjustment .....	0	16,733,328	0	0
Ending Fund Balance .....	\$ (10,963,331)	\$11,294,107	\$10,677,474	\$ 7,837,081

Note: (1) For fiscal years 2005 through 2008, the Township implemented a new financial reporting model as required by the provisions of Government Auditing Standards Board Statement No. 34. Comprised of Open Space Fund, Road and Bridge Fund, General Assistance Fund and Park and Recreation Fund.

**General Fund  
 Budget Financial Information**

	Budget Twelve Months Ending 3/31/09
<b>REVENUES:</b>	
Property Taxes .....	\$523,000
Corporate Replacement Taxes .....	1,500
Investment Income .....	6,250
Wetland Revenue .....	4,000
Field Fees .....	9,250
TTY Donation .....	0
Grant Proceeds .....	0
Transfers .....	0
Miscellaneous .....	0
Total Revenues .....	<u>\$544,000</u>
<b>EXPENDITURES:</b>	
Personnel .....	\$469,600
Contractual Services .....	66,100
Commodities .....	19,300
Maintenance .....	
Capital Outlay .....	20,000
Transfers .....	(31,000)
Miscellaneous .....	0
Total Expenditures .....	<u>\$544,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures .....	\$ 0

**Special Revenue Fund(I)  
 Budget Financial Information**

	Budget Twelve Months Ending 3/31/09
<b>REVENUES:</b>	
Receipt from Land/Cash .....	\$ 116,000
Property Tax, Net .....	1,335,000
Replacement Tax .....	3,000
Bond Issuance Proceeds .....	0
Bond Tax Revenue .....	2,734,548
Motor Fuel Tax .....	120,000
Grant Proceeds .....	400,000
Interest Income .....	150,300
Farm Lease Income .....	0
Headwaters Wetland Income .....	10,000
Culvert and Access Permits .....	35,000
Transfers .....	0
Miscellaneous .....	17,000
Total Revenues .....	<u>\$ 4,920,848</u>
<b>EXPENDITURES:</b>	
Administration .....	\$ 946,500
General Assistance .....	5,000
Land Acquisition/Development .....	1,490,000
Debt Service .....	2,780,811
Contractual Services .....	579,800
Commodities .....	298,500
Transfers .....	12,000
Capital Improvements .....	3,500
Capital Outlay .....	68,500
Miscellaneous .....	17,000
Total Expenditures .....	<u>\$ 6,201,611</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures .....	\$(1,280,763)

Note: (1) Comprised of Open Space Fund, Road and Bridge District Fund, General Assistance Fund and Park and Recreation Fund.

## **PENSION AND RETIREMENT OBLIGATIONS**

See **APPENDIX A** herein.

## **REGISTRATION, TRANSFER AND EXCHANGE**

See also **APPENDIX B** for information on registration, transfer and exchange of book-entry bonds. The Bonds will be initially issued as book-entry bonds.

The Township shall cause books (the "Bond Register") for the registration and for the transfer of the Bonds to be kept at the principal office maintained for the purpose by the Bond Registrar in Chicago, Illinois, or at successor locality. The Township will authorize to be prepared, and the Bond Registrar shall keep custody of, multiple bond blanks executed by the Township for use in the transfer and exchange of Bonds.

Any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in the Bond Resolution. Upon surrender for transfer or exchange of any Bond at the principal office maintained for the purpose by the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by the registered owner or such owner's attorney duly authorized in writing, the Township shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the registered owner, transferee or transferees (as the case may be) a new fully registered Bond or Bonds of the same maturity and interest rate of authorized denominations, for a like aggregate principal amount.

The execution by the Township of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond, provided, however, the principal amount of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less Bonds previously paid.

The Bond Registrar shall not be required to transfer or exchange any Bond following the close of business on the first day of the month in which an interest payment date occurs on such Bond (known as the record date), nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen days next preceding mailing of a notice of redemption of any Bonds.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bonds shall be made only to or upon the order of the registered owner thereof or such owner's legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the Township or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a bond surrendered for redemption.

## **TAX MATTERS – THE 2008A TAXABLE BONDS**

Interest on the 2008A Taxable Bonds is not excludable from gross income for federal income tax purposes. The 2008A Taxable Bondholders should consult their tax advisors with respect to the inclusion of interest on the 2008A Taxable Bonds in gross income for federal income tax purposes.

## **TAX MATTERS – THE 2008B BONDS**

Federal tax law contains a number of requirements and restrictions which apply to the 2008B Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The Township has covenanted to comply with all requirements that must be satisfied in order for the interest on the 2008B Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the 2008B Bonds to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the 2008B Bonds.

Subject to the Township's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the 2008B Bonds is excludable from the gross income of the owners thereof for federal income tax purposes, and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations. Interest on the 2008B Bonds is taken into account, however, in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. The Internal Revenue Code of 1986, as amended (the "Code") includes provisions for an alternative minimum tax ("AMT") for corporations in addition to the corporate regular tax in certain cases. The AMT, if any, depends upon the corporation's alternative minimum taxable income ("AMTI"), which is the corporation's taxable income with certain adjustments. One of the adjustment items used in computing the AMTI of a corporation (with certain exceptions) is an amount equal to 75% of the excess of such corporation's "adjusted current earnings" over an amount equal to its AMTI (before such adjustment item and the alternative tax net operating loss deduction). "Adjusted current earnings" would include all tax-exempt interest, including interest on the 2008B Bonds.

In rendering its opinion, Bond Counsel will rely upon certifications of the Township with respect to certain material facts within the Township's knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

Ownership of the 2008B Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the 2008B Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price (the "Issue Price") for each maturity of the 2008B Bonds is the price at which a substantial amount of such maturity of the 2008B Bonds is first sold to the public. The Issue Price of a maturity of the 2008B Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the cover page hereof.

If the Issue Price of a maturity of the 2008B Bonds is less than the principal amount payable at maturity, the difference between the Issue Price of each such maturity, if any, of the 2008B Bonds (the "OID Bonds") and the principal amount payable at maturity is original issue discount.

For an investor who purchases an OID Bond in the initial public offering at the Issue Price for such maturity and who holds such OID Bond to its stated maturity, subject to the condition that the Township complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Bond constitutes interest which is excludable from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID Bond at its stated maturity; (c) such original issue discount is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Code, but is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations under the Code, as described above; and (d) the accretion of original issue discount in each year may result in an alternative minimum tax liability for corporations or certain other collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Based upon the stated position of the Illinois Department of Revenue under Illinois income tax law, accreted original issue discount on such OID Bonds is subject to taxation as it accretes, even though there may not be a corresponding cash payment until a later year. Owners of OID Bonds should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Bonds.

Owners of 2008B Bonds who dispose of 2008B Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase 2008B Bonds in the initial public offering, but at a price different from the Issue Price or purchase 2008B Bonds subsequent to the initial public offering should consult their own tax advisors.

If a 2008B Bond is purchased at any time for a price that is less than the 2008B Bond's stated redemption price at maturity or, in the case of an OID Bond, its Issue Price plus accreted original issue discount reduced by payments of interest included in the computation of original issue discount and previously paid (the "Revised Issue Price"), the purchaser will be treated as having purchased a 2008B Bond with market discount subject to the market discount rules of the Code (unless a statutory de minimis rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a 2008B Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. Such treatment would apply to any purchaser who purchases an OID Bond for a price that is less than its Revised Issue Price. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such 2008B Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the 2008B Bonds.

An investor may purchase a 2008B Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "bond premium" and must be amortized by an investor on a constant yield basis over the remaining term of the 2008B Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor's basis in the 2008B Bond. Investors who purchase a 2008B Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the 2008B Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the 2008B Bond.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the 2008B Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the 2008B Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Internal Revenue Service (the “Service”) has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the 2008B Bonds. If an audit is commenced, under current procedures the Service may treat the Township as a taxpayer and the 2008B Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the 2008B Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the 2008B Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any 2008B Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any 2008B Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

Interest on the 2008B Bonds is not exempt from present State of Illinois income taxes. Ownership of the 2008B Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the 2008B Bonds. Prospective purchasers of the 2008B Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

## QUALIFIED TAX-EXEMPT OBLIGATIONS – THE 2008B BONDS

Subject to the Township’s compliance with certain covenants, in the opinion of Bond Counsel, the 2008B Bonds are “qualified tax-exempt obligations” under the small issuer exception provided under Section 265(b)(3) of the Code, which affords banks and certain other financial institutions more favorable treatment of their deduction for interest expense than would otherwise be allowed under Section 265(b)(2) of the Code.

## CONTINUING DISCLOSURE

The Township will enter into a continuing disclosure undertaking (the “Undertaking”) for the benefit of the beneficial owners of the Bonds to send certain information annually and to provide notice of certain events to certain information repositories pursuant to the requirements of Section (b)(5) of Rule 15c2-12 (the “Rule”) adopted by the Securities and Exchange Commission (the “Commission”) under the Securities Exchange Act of 1934. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and a summary of other terms of the Undertaking, including termination, amendment and remedies, are set forth below under “**THE UNDERTAKING**”.

The Township represents that it is in compliance with each and every undertaking previously entered into it pursuant to the Rule. A failure by the Township to comply with the Undertaking will not constitute a default under the Bond Resolution and beneficial owners of the Bonds are limited to the remedies described in the Undertaking. See “**THE UNDERTAKING - Consequences of Failure of the Township to Provide Information**”. A failure by the Township to comply with the Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

Bond Counsel expresses no opinion as to whether the Undertaking complies with the requirements of Section (b)(5) of the Rule.

## THE UNDERTAKING

The following is a brief summary of certain provisions of the Undertaking of the Township and does not purport to be complete. The statements made under this caption are subject to the detailed provisions of the Undertaking, a copy of which is available upon request from the Township.

### Annual Financial Information Disclosure

The Township covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements, if any (as described below) to each Nationally Recognized Municipal Securities Information Repository (a "NRMSIR") then recognized by the Securities and Exchange Commission for purposes of the Rule and to the repository, if any, designated by the State of Illinois as the state information depository (the "SID") and recognized as such by the Commission for purposes of the Rule. Annual Financial Information will be provided to each NRMSIR and to the SID, if any, by 210 days after the last day of the Township's fiscal year. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, unaudited financial statements shall be included.

"Annual Financial Information" means:

1. The table under the heading of **Retailers' Occupation, Service Occupation and Use Tax** within this Official Statement;
2. All of the tables under the heading **PROPERTY ASSESSMENT AND TAX INFORMATION** within this Official Statement;
3. All of the tables under the heading **DEBT INFORMATION** within this Official Statement; and
4. All of the tables under the heading **FINANCIAL INFORMATION** within this Official Statement.

"Audited Financial Statements" means the financial statements of the Township as audited annually by independent certified public accountants. Audited Financial Statements will be prepared according to Generally Accepted Accounting Principles as applicable to governmental units (i.e., as subject to the pronouncements of the Governmental Accounting Standards Board and subject to any express requirements of State law).

### Material Events Disclosure

The Township covenants that it will disseminate to each NRMSIR or to the Municipal Securities Rulemaking Board (the "MSRB") and to the SID, if any, in a timely manner the disclosure of the occurrence of an Event (as described below) with respect to the Bonds that is material, as materiality is interpreted under the Securities Exchange Act of 1934, as amended. The "Events" are:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions or events affecting the tax-exempt status of the security;
7. Modifications to the rights of security holders;
8. Bond calls;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the securities; and
11. Rating changes.



### **Contact Person**

Financial Information and notices of material events can be obtained from: Mr. Neal Anderson, Township Supervisor, 4N498 Town Hall Road, Campton Hills, Illinois 60175; telephone (630) 377-5705.

### **Consequences of Failure of the Township to Provide Information**

The Township shall give notice in a timely manner to each NRMSIR or to the MSRB and to the SID, if any, of any failure to provide disclosure of Annual Financial Information and Audited Financial Statements when the same are due under the Undertaking.

In the event of a failure of the Township to comply with any provision of the Undertaking, the beneficial owner of any Bond may seek mandamus or specific performance by court order to cause the Township to comply with its obligations under the Undertaking. A default under the Undertaking shall not be deemed a default under the Bond Resolution, and the sole remedy under the Undertaking in the event of any failure of the Township to comply with the Undertaking shall be an action to compel performance.

### **Amendment; Waiver**

Notwithstanding any other provision of the Undertaking, the Township, by resolution or ordinance authorizing such amendment or waiver, may amend the Undertaking, and any provision of the Undertaking may be waived, if:

- (a) The amendment or the waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Township, or type of business conducted;
- (b) The Undertaking, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and
- (c) The amendment or waiver does not materially impair the interests of the beneficial owners of the Bonds as determined by parties unaffiliated with the Township (such as Bond Counsel), at the time of the amendment.

### **Termination of Undertaking**

The Undertaking shall be terminated if the Township shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Bond Resolution. The Township shall give notice to each NRMSIR or MSRB and the SID, if any, in a timely manner if this paragraph is applicable.

## **Additional Information**

Nothing in the Undertaking shall be deemed to prevent the Township from disseminating any other information, using the means of dissemination set forth in the Undertaking or any other means of communication, or including any other information in any Annual Financial Information or Audited Financial Statements or notice of occurrence of a material Event, in addition to that which is required by the Undertaking. If the Township chooses to include any information from any document or notice of occurrence of a material Event in addition to that which is specifically required by the Undertaking, the Township shall have no obligation under the Undertaking to update such information or include it in any future disclosure or notice of occurrence of a material Event.

## **Dissemination Agent**

The Township may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under the Undertaking, and may discharge any such Agent, with or without appointing a successor Dissemination Agent.

So long as such method continues to be approved by the Commission for purposes of the Rule, the Township may satisfy its obligations for all purposes of the Undertaking to provide information or notice to each NRMSIR and to the SID, if any, by sending such information or notice to Disclosure USA (at, as of the date of this Official Statement [www.DisclosureUSA.org](http://www.DisclosureUSA.org)) for submission to each NRMSIR and to the SID, if any.

## **OPTIONAL REDEMPTION**

The 2008A Taxable Bonds are **not** subject to optional redemption prior to maturity.

The 2008B Bonds due December 15, 2013-2016, inclusive, are non-callable. The 2008B Bonds due December 15, 2017-2020, inclusive, are callable in whole or in part on any date on or after December 15, 2016, at a price of par and accrued interest. If less than all the 2008B Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the Township and within any maturity by lot.

Unless moneys sufficient to pay the redemption price of the 2008B Bonds to be redeemed are received by the Bond Registrar prior to the giving of the notice of redemption as described below, such notice may, at the option of the Township, state that the redemption is conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the Township shall not redeem such 2008B Bonds, and the Bond Registrar shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such Bonds will not be redeemed.

The Bond Registrar will give notice of redemption, identifying the 2008B Bonds (or portions thereof) to be redeemed, by mailing a copy of the redemption notice by first class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each 2008B Bond (or portion thereof) to be redeemed at the address shown on the registration books maintained by the Bond Registrar. Failure to give such notice by mail to any registered owner of the 2008B Bonds (or portion thereof) or any defect therein shall not affect the validity of any proceedings for the redemption of other 2008B Bonds (or portions thereof). All 2008B Bonds (or portions thereof) so called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment at that time.

## **LITIGATION**

There is no litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the Township taken with respect to the issuance or sale thereof.

## **CERTAIN LEGAL MATTERS**

Certain legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois, as Bond Counsel (the "*Bond Counsel*") who has been retained by, and acts as, Bond Counsel to the Township. Bond Counsel has not been retained or consulted on disclosure matters and has not undertaken to review or verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the Bonds and assumes no responsibility for the statements or information contained in or incorporated by reference in this Official Statement, except that in its capacity as Bond Counsel, Chapman and Cutler LLP has, at the request of the Township, reviewed only those sections of this Official Statement involving the description of the Bonds, the security for the Bonds, the description of the federal tax exemption of interest on the 2008B Bonds and the "bank-qualified" status of the 2008B Bonds. This review was undertaken solely at the request and for the benefit of the Township and did not include any obligation to establish or confirm factual matters set forth herein.

## **OFFICIAL STATEMENT AUTHORIZATION**

This Official Statement has been authorized for distribution to prospective purchasers of the Bonds. All statements, information, and statistics herein are believed to be correct but are not guaranteed by the consultants or by the Township, and all expressions of opinion, whether or not so stated, are intended only as such.

## **INVESTMENT RATING**

The Township has supplied certain information and material concerning the Bonds and the Township to the rating service shown on the cover page, including certain information and materials which may not have been included in this Official Statement, as part of its application for an investment rating on the Bonds. A rating reflects only the views of the rating agency assigning such rating and an explanation of the significance of such rating may be obtained from such rating agency. Generally, such rating service bases its rating on such information and material, and also on such investigations, studies and assumptions that it may undertake independently. There is no assurance that such rating will continue for any given period of time or that it may not be lowered or withdrawn entirely by such rating service if, in its judgment, circumstances so warrant. Any such downward change in or withdrawal of such rating may have an adverse effect on the secondary market price of the Bonds. An explanation of the significance of the investment rating may be obtained from the rating agency: Standard & Poor's Corporation, 55 Water Street, New York, New York 10041, telephone 212-438-2000. The Township will provide appropriate periodic credit information to the rating service to maintain a rating on the Bonds.

## UNDERWRITING

The 2008A Taxable Bonds were offered for sale by the Township at a public, competitive sale on September 9, 2008. The best bid submitted at the sale was submitted by \_\_\_\_\_ (the "2008A Underwriter"). The Township awarded the contract for sale of the 2008A Taxable Bonds to the 2008A Underwriter at a price of \$\_\_\_\_\_. The 2008A Underwriter has represented to the Township that the 2008A Taxable Bonds have been subsequently re-offered to the public initially at the yields or prices set forth in the addendum to this Official Statement.

The 2008B Bonds were offered for sale by the Township at a public, competitive sale on September 9, 2008. The best bid submitted at the sale was submitted by \_\_\_\_\_ (the "2008B Underwriter"). The Township awarded the contract for sale of the 2008B Bonds to the 2008B Underwriter at a price of \$\_\_\_\_\_. The 2008B Underwriter has represented to the Township that the 2008B Bonds have been subsequently re-offered to the public initially at the yields or prices set forth in the addendum to this Official Statement.

## FINANCIAL ADVISOR

The Township has engaged Speer Financial, Inc. as financial advisor (the "Financial Advisor") in connection with the issuance and sale of the Bonds. The Financial Advisor will not participate in the underwriting of the Bonds. The financial information included in the Official Statement has been compiled by the Financial Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. The Financial Advisor is not obligated to undertake any independent verification of or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement, nor is the Financial Advisor obligated by the Township's continuing disclosure undertaking.

## CERTIFICATION

We have examined this Official Statement dated August 26, 2008, for the \$280,000 Taxable General Obligation Bonds, Series 2008A and the \$5,310,000\* General Obligation Bonds, Series 2008B, believe it to be true and correct and will provide to the purchasers of the Bonds at the time of delivery a certificate confirming to the purchasers that to the best of our knowledge and belief information in the Official Statement was at the time of acceptance of the bid for the Bonds and, including any addenda thereto, was at the time of delivery of the Bonds true and correct in all material respects and does not include any untrue statement of a material fact, nor does it omit the statement of any material fact required to be stated therein, or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

/s/ **RICHARD JOHANSEN**  
Township Clerk  
CAMPTON TOWNSHIP  
Kane County, Illinois

/s/ **NEAL ANDERSON**  
Supervisor  
CAMPTON TOWNSHIP  
Kane County, Illinois

\*Subject to movement between maturities.

**APPENDIX A**

**CAMPTON TOWNSHIP  
KANE COUNTY, ILLINOIS**

**EXCERPTS OF FISCAL YEAR 2008 AUDITED FINANCIAL STATEMENTS**

CAMPTON TOWNSHIP  
ST. CHARLES, ILLINOIS

STATEMENT OF NET ASSETS

March 31, 2008

	Governmental Activities
<b>ASSETS</b>	
Cash and investments	\$ 7,642,535
Receivables (net, where applicable of allowances for uncollectibles)	
Taxes	4,694,811
Accrued interest	126,702
Intergovernmental	409,473
Other	23,459
Prepaid expenses	17,110
Unamortized bond issuance costs	223,010
Capital assets, not being depreciated	39,808,848
Capital assets, being depreciated (net of accumulated depreciation)	<u>3,913,484</u>
Total assets	<u>56,859,432</u>
<b>LIABILITIES</b>	
Accounts payable	105,044
Accrued payroll	24,950
Accrued interest	544,184
Deferred revenue	4,714,761
Noncurrent liabilities	
Due within one year	1,181,315
Due in more than one year	<u>37,066,299</u>
Total liabilities	<u>43,636,553</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	8,774,480
Restricted for	
Roads and bridges	674,884
Open spaces	3,878,375
Unrestricted	<u>(104,860)</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 13,222,879</u>

See accompanying notes to financial statements.

CAMPTON TOWNSHIP  
ST. CHARLES, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended March 31, 2008

	Program Revenues	Capital	Governmental
	Charges	Grants	Activities
	for Services	Grants	Primary
Expenses	Operating	Grants	Governmental
	Grants	Grants	Activities
\$ 476,253	\$ 600	\$ -	\$ (475,653)
1,513,386	126,920	-	(1,349,016)
144,997	-	-	(134,926)
105,326	-	1,159,473	1,065,351
1,605,461	-	-	(1,605,461)
<u>\$ 3,845,423</u>	<u>\$ 127,520</u>	<u>\$ 1,159,473</u>	<u>(2,499,705)</u>
<b>FUNCTIONS/PROGRAMS</b>			
<b>PRIMARY GOVERNMENT</b>			
<b>Governmental Activities</b>			
General government			\$ (475,653)
Highways and streets			(1,349,016)
Parks and recreation			(134,926)
Open space			1,065,351
Interest			(1,605,461)
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 58,725</b>	<b>\$ 127,520</b>	<b>\$ (2,499,705)</b>
<b>General Revenues</b>			
Taxes			4,032,572
Property taxes			7,613
Replacement taxes			516,668
Investment income			10,649
Miscellaneous			(22,639,798)
Extraordinary item			-
Total			<u>(18,072,296)</u>
<b>CHANGE IN NET ASSETS</b>			<b>(20,572,001)</b>
<b>NET ASSETS, APRIL 1</b>			<b>33,794,880</b>
<b>NET ASSETS, MARCH 31</b>			<u><b>\$ 13,222,879</b></u>

See accompanying notes to financial statements.

CAMPTON TOWNSHIP  
ST. CHARLES, ILLINOIS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
March 31, 2008

CAMPTON TOWNSHIP  
ST. CHARLES, ILLINOIS

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

March 31, 2008

	General (Town)	Road and Bridge	Open Space	Nonmajor	Total
<b>ASSETS</b>					
Cash and investments	\$ 220,058	\$ 694,000	\$ 6,709,774	\$ 18,703	\$ 7,642,535
Receivables (net)					
Taxes	523,144	1,409,778	2,761,889	-	4,694,811
Accrued interest	-	-	126,702	-	126,702
Intergovernmental	-	-	409,473	-	409,473
Other	1,518	21,941	-	-	23,459
Due from other funds	17,000	-	-	-	17,000
Prepaid items	3,182	11,967	1,961	-	17,110
<b>TOTAL ASSETS</b>	<b>\$ 764,902</b>	<b>\$ 2,137,686</b>	<b>\$ 10,009,799</b>	<b>\$ 18,703</b>	<b>\$ 12,931,090</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 678	\$ 29,625	\$ 74,741	\$ -	\$ 105,044
Accrued payroll	8,826	11,432	4,692	-	24,950
Due to other funds	-	-	-	17,000	17,000
Deferred revenues	523,144	1,409,778	2,781,839	-	4,714,761
<b>Total liabilities</b>	<b>532,648</b>	<b>1,450,835</b>	<b>2,861,272</b>	<b>17,000</b>	<b>4,861,755</b>
<b>FUND BALANCES</b>					
Reserved for prepaid items	3,182	11,967	1,961	-	17,110
Reserved for roads and bridges	-	674,884	-	-	674,884
Reserved for open spaces	-	-	7,146,566	-	7,146,566
Undesignated - Special Revenue Funds	-	-	-	1,703	1,703
Undesignated - General Fund	229,072	-	-	-	229,072
<b>Total fund balances</b>	<b>232,254</b>	<b>686,851</b>	<b>7,148,527</b>	<b>1,703</b>	<b>8,069,335</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 764,902</b>	<b>\$ 2,137,686</b>	<b>\$ 10,009,799</b>	<b>\$ 18,703</b>	<b>\$ 12,931,090</b>

<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>	<b>\$ 8,069,335</b>
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	43,722,332
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in governmental funds	(37,965,000)
Bonds	(154,792)
Capital leases	(96,251)
Unamortized premium	(31,571)
Compensated absences payable	
The unamortized issuance costs on bonds is reported as a deferred charge on the statement of net assets	223,010
Accrued interest on long-term liabilities is shown as a liability on the statement of net assets	(544,184)
<b>NET ASSETS OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ 13,222,879</b>

See accompanying notes to financial statements.

See accompanying notes to financial statements.

CAMPTON TOWNSHIP  
ST. CHARLES, ILLINOIS

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

For the Year Ended March 31, 2008

	General (Town)	Road and Bridge	Open Space	Nonmajor	Total
<b>REVENUES</b>					
Taxes	\$ 498,645	\$ 1,276,793	\$ 2,264,747	\$ -	\$ 4,040,185
Charges for services	8,400	37,450	11,204	-	57,054
Intergovernmental	2,271	126,920	1,159,473	-	1,288,664
Investment income	15,286	40,263	460,660	459	516,668
Miscellaneous	80	9,719	-	850	10,649
Total revenues	524,682	1,491,145	3,896,084	1,309	5,913,220
<b>EXPENDITURES</b>					
Current					
General government	471,959	-	-	1,985	473,944
Highways and streets	-	1,160,607	-	-	1,160,607
Parks and recreation	37,102	-	-	-	37,102
Open space	-	-	265,711	-	265,711
Capital outlay	-	195,704	8,559,613	-	8,755,317
Debt service	-	79,449	600,000	-	679,449
Principal	-	-	1,649,862	-	1,649,862
Interest	-	-	-	-	-
Total expenditures	509,061	1,435,760	11,075,186	1,985	13,021,992
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	15,621	55,385	(7,179,102)	(676)	(7,108,772)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	11,000	-	-	-	11,000
Transfers (out)	-	-	(11,000)	-	(11,000)
Bonds issued, at par	-	-	4,295,000	-	4,295,000
Total other financing sources (uses)	11,000	-	4,284,000	-	4,295,000
<b>NET CHANGE IN FUND BALANCES</b>	26,621	55,385	(2,895,102)	(676)	(2,813,772)
<b>FUND BALANCES, APRIL 1</b>	205,633	631,466	10,043,629	2,379	10,883,107
<b>FUND BALANCES, MARCH 31</b>	\$ 232,254	\$ 686,851	\$ 7,148,527	\$ 1,703	\$ 8,069,335

See accompanying notes to financial statements.

CAMPTON TOWNSHIP  
ST. CHARLES, ILLINOIS

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

For the Year Ended March 31, 2008

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (2,813,772)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures, however, they are capitalized in the statement of activities	8,723,722
Depreciation expense does not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	(262,542)
The disposal of a significant portion of the capital assets of the Township due to the creation of a new village is reported as an extraordinary item	(22,639,798)
The issuance of long-term debt is shown as an other financing source in governmental funds, but as a liability on the statement of net assets	(4,295,000)
Repayment of long-term obligations is shown as an expenditure in governmental funds, but as a reduction of liability on the statement of net assets	600,000
Bonds	79,449
Capital leases	
The cost of issuance of long-term debt is reported as an expenditure in governmental funds, but is reported as a deferred charge and amortized over the life of the bonds on the statement of net assets	72,109
The amortization of deferred charges is shown as a decrease in interest expense on the statement of activities	(18,645)
The amortization of premium is shown as an increase in interest expense on the statement of activities	8,750
The increase in accrued interest on long-term debt is shown as an increase of expense on the statement of activities	(17,813)
The increase in the compensated absences liability is shown as an increase of expense on the statement of activities	(8,461)
<b>CHANGES IN NET ASSETS OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ (20,572,001)</b>

See accompanying notes to financial statements.



NOTES TO FINANCIAL STATEMENTS

March 31, 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Campton Township (the Township) was incorporated in 1850. The Township operates under a Board of Trustees form of government and provides the following services: general assistance, road and bridge, assessment of properties, and general administrative services.

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

a. Reporting Entity

The Township is a municipal corporation governed by an elected board. As required by GAAP, these financial statements present the Township (the primary government). There are no component units included in the Township's reporting entity.

b. Basis of Presentation - Fund Accounting

The accounts of the Township 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, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled. Funds are classified into the following category: governmental.

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

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 non-fiduciary activities of the Township. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and 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. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Township reports the following major governmental funds:

The General (Town) Fund accounts for the resources traditionally associated with the Township's operations that are not required legally or by sound financial management to be accounted for in another fund.

The Road and Bridge Fund accounts for the revenues and expenditures needed to finance the maintenance and construction of the Township's roads and bridges.

The Open Space Fund accounts for monies received from the sale of general obligation bonds, the proceeds of which are to be used for the purchase and management of open space within the Township.

d. Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenues 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Basis of Accounting (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 recorded when susceptible to accrual, i.e., 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 Township considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures are recorded when the related fund liability is incurred.

Those revenues susceptible to accrual are property taxes, interest revenue, and charges for services. Donations are not susceptible to accrual because generally they are not measurable until received in cash.

The Township reports deferred revenue on its financial statements. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" or earned criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Township 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 Township has a legal claim to the resources, the liability for deferred revenue is removed from the financial statements and revenue is recognized.

e. Cash and Investments

Cash consists of demand deposits. Investments are stated at fair value, except for non-negotiable certificates of deposit and investments with a maturity of less than one year at date of purchase which are stated at cost.

f. Capital Assets

Capital assets, which include property, plant, and equipment are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the Township as assets with an estimated useful life in excess of one year and an initial individual cost of more than \$5,000, \$10,000, or \$50,000 for equipment, buildings, and infrastructure, respectively. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Capital Assets (Continued)

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Land improvements	20
Buildings and improvements	20-50
Equipment and vehicles	5-10
Infrastructure	50

g. Prepaid Items/Expenses

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

h. Compensated Absences

Vested or accumulated vacation and sick leave are reported as an expenditure and a fund liability of the governmental fund that will pay it once retirement or separation has occurred. Vested or accumulated vacation and sick leave of governmental activities are recorded as an expense and liability as the benefits accrue to employees.

i. Interfund Transactions

Interfund services are accounted for as revenues or expenditures/expenses.

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Long-Term Obligations

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

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

k. 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 Township's net assets have been restricted by enabling legislation adopted by the Township. 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 capital assets.

l. Accounting Estimates

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

2. DEPOSITS AND INVESTMENTS

The Township maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements as "cash and investments."

The Township's investment policy authorizes the Township 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 Township'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 Township 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 Township 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, legality, 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 Township's deposits may not be returned to it. The Township'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 of the funds secured, with the collateral held by the Township, an independent third-party or the Federal Reserve Bank of Chicago.

CAMPTON TOWNSHIP  
ST. CHARLES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

3. RECEIVABLES - TAXES

Property taxes for 2007 attach as an enforceable lien on January 1, 2007, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about May 1, 2008 and are payable in two installments, on or about June 1, 2008 and September 1, 2008. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at .5% of the tax levy to reflect actual collection experience. Property tax receivable balances in the financial statements appear net of this allowance.

The 2008 tax levy, which attached as an enforceable lien on property as of January 1, 2008, has not been recorded as a receivable as of March 31, 2008 as the tax has not yet been levied by the Township and will not be levied until December 2008, and, therefore, the levy is not measurable at March 31, 2008.

4. CAPITAL ASSETS

Capital asset activity for the year ended March 31, 2008 was as follows:

	Balances		Balances	
	April 1	Increases	Decreases	March 31
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital assets not being depreciated	\$ 31,430,795	\$ 7,746,380	\$ -	\$ 39,177,175
Land	11,139,671	-	10,507,998	631,673
Right of way	42,570,466	7,746,380	10,507,998	39,808,848
Total capital assets not being depreciated				
Capital assets being depreciated				
Land improvements	1,267,613	604,990	-	1,872,603
Buildings and improvements	1,185,551	280,388	-	1,465,939
Equipment and vehicles	1,297,356	91,964	16,998	1,372,322
Infrastructure	20,017,325	-	18,272,509	1,744,816
Total capital assets being depreciated	23,767,845	977,342	18,289,507	6,455,680
Less accumulated depreciation for				
Land improvements	252,747	93,631	-	346,378
Buildings and improvements	175,919	29,308	-	205,227
Equipment and vehicles	860,230	107,439	16,998	950,671
Infrastructure	7,148,465	32,164	6,140,709	1,039,920
Total accumulated depreciation	8,437,361	262,542	6,157,707	2,542,196
Total capital assets being depreciated, net	15,330,484	714,800	12,131,800	3,913,484
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<b>\$ 57,900,950</b>	<b>\$ 8,461,180</b>	<b>\$ 22,639,798</b>	<b>\$ 43,722,332</b>

CAMPTON TOWNSHIP  
ST. CHARLES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Investments

The following table presents the investments and maturities of the Township's debt securities as of March 31, 2008:

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1-5	6-10	Greater than 10
U.S. agency securities	\$ 562,974	\$ 562,974	\$ -	\$ -	\$ -
Negotiable CD's	4,214,869	3,740,250	474,619	-	-
Money market mutual funds	646,314	646,314	-	-	-
<b>TOTAL</b>	<b>\$ 5,424,157</b>	<b>\$ 4,949,538</b>	<b>\$ 474,619</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 Township limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Township limits its exposure to credit risk by primarily investing in external investment pools, U.S. agency securities and money market mutual funds rated AAA.

Custodial credit risk for investments is the risk that, in the event of the failure of its counterparty to the investment, the Township will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Township'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.

Concentration of credit risk is the risk that the Township has a high percentage of its investments invested in one type of investment. The Township's investment policy requires diversification of investments to avoid unreasonable risk. No financial institution shall hold more than 20% of the Township's investment portfolio, exclusive of any securities held in safekeeping; Illinois Funds shall not exceed 40% of the investment portfolio; and IMET shall not exceed 10% of the investment portfolio.

CAMPTON TOWNSHIP  
ST. CHARLES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

CAMPTON TOWNSHIP  
ST. CHARLES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT  
a. Changes in Long-Term Liabilities

	Balances April 1	Additions	Reductions	Balances March 31	Current Portion
<b>GOVERNMENTAL ACTIVITIES</b>					
<b>General Obligation Bonds</b>					
\$9,915,000 General Obligation Open Space Bonds, Series 2001, dated September 5, 2001, principal payments are due annually on December 15 (beginning in 2016) of each year through 2020, at amounts ranging from \$1,000,000 to \$2,585,000. Interest is payable on June 15 and December 15 of each year, at rates ranging from 4.7% to 4.9%.	\$ 9,915,000	\$ -	\$ -	\$ 9,915,000	\$ -
\$440,000 General Obligation Open Space Bonds, Series 2002A, dated September 16, 2002, principal payments are due annually on December 30 of each year through 2008, at amounts ranging from \$95,000 to \$180,000. Interest is payable on June 30 and December 30, at rates ranging from 3.7% to 4.4%.	165,000	-	165,000	-	-
\$8,410,000 General Obligation Open Space Bonds, Series 2002B, dated September 9, 2002, principal payments are due annually on December 30 (beginning in 2007) of each year through 2017, at amounts ranging from \$115,000 and \$1,430,000. Interest is payable on June 30 and December 30, at rates ranging from 3.0% to 4.3%.	8,295,000	-	375,000	7,920,000	460,000

4. CAPITAL ASSETS (Continued)

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

GOVERNMENTAL ACTIVITIES	
General government	\$ 1,564
Highways and streets	166,304
Parks and recreation	23,108
Open space	71,566
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 262,542</b>

5. RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employees' health; and natural disasters.

The Township is a member of Town Organization Intergovernmental Risk Management Agency (TOIRMA). TOIRMA is a public entity risk pool operating as a common risk management and insurance program for member townships in Illinois. The Township pays an annual premium to TOIRMA for its general insurance coverage including property and casualty, workers' compensation, and other risks of loss. The agreement for the formation of TOIRMA provides that TOIRMA will be self-sustaining through member premiums and will reimburse through commercial companies for claims in excess of \$1,000 for general liability and \$1,000 for workers' compensation for each insured event. In the event that member premiums in any claim year are not sufficient to cover claims incurred during that period, then each participant in the pool would be assessed an additional premium to cover such losses. The Township purchases commercial insurance to cover its employees' health risk. The Township is not aware of any additional premiums due to TOIRMA for prior claim years at March 31, 2008. In addition, the Township purchases third-party indemnity insurance for employee health insurance coverage.

CAMPTON TOWNSHIP  
ST. CHARLES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

CAMPTON TOWNSHIP  
ST. CHARLES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)  
a. Changes in Long-Term Liabilities (Continued)

	Balances April 1	Additions	Reductions	Balances March 31	Current Portion
<b>GOVERNMENTAL ACTIVITIES (Continued)</b>					
<b>General Obligation Bonds (Continued)</b>					
\$215,000 Taxable General Obligation Bonds, Series 2007A, dated June 12, 2007, principal payment is due on December 15, 2009. Interest payable semiannually on June 15 and December 15, at 5.55%, beginning June 15, 2008.	\$ -	\$ 215,000	\$ -	\$ 215,000	\$ -
\$4,080,000 General Obligation Open Space Bonds, Series 2007B, dated July 12, 2007, principal payments are due annually on December 15 (beginning in 2009), at amounts ranging from \$100,000 to \$950,000. Interest payable semiannually on June 15 and December 15, at rates ranging from 4.0% to 4.125%.	-	4,080,000	-	4,080,000	-
<b>Total general obligation bonds</b>	<b>34,270,000</b>	<b>4,295,000</b>	<b>600,000</b>	<b>37,965,000</b>	<b>1,075,000</b>
<b>Capital Leases</b>					
2004 truck lease	13,454	-	13,454	-	-
2006 truck lease	129,574	-	43,192	86,382	43,191
2007 truck lease	91,213	-	22,803	68,410	22,803
<b>Total capital leases</b>	<b>234,241</b>	<b>-</b>	<b>79,449</b>	<b>154,792</b>	<b>65,994</b>
Unamortized premium on general obligation bonds	105,001	-	8,750	96,251	8,750
Compensated absences	23,110	31,571	23,110	31,571	31,571
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 34,632,352</b>	<b>\$ 4,326,571</b>	<b>\$ 711,309</b>	<b>\$ 38,247,614</b>	<b>\$ 1,181,315</b>

6. LONG-TERM DEBT (Continued)  
a. Changes in Long-Term Liabilities (Continued)

	Balances April 1	Additions	Reductions	Balances March 31	Current Portion
<b>GOVERNMENTAL ACTIVITIES (Continued)</b>					
<b>General Obligation Bonds (Continued)</b>					
\$495,000 General Obligation Open Space Bonds, Series 2005A, dated June 29, 2005, principal payments are due annually on December 15 (beginning in 2007) each year through 2011, at amounts ranging from \$50,000 to \$195,000. Interest is payable on June 15 and December 15, at rates ranging from 4.0% to 4.6%.	\$ 495,000	\$ -	\$ 60,000	\$ 435,000	\$ 195,000
\$9,995,000 General Obligation Open Space Bonds, Series 2003B, dated July 1, 2005, principal payments are due annually on December 15 (beginning in 2012), at amounts ranging from \$60,000 to \$1,940,000. Interest payable on June 15 and December 15, at rates ranging from 3.5% to 4.0%.	9,995,000	-	-	9,995,000	-
\$345,000 General Obligation Bonds, Series 2006A, dated June 15, 2006, principal payment is due on December 15, 2008. Interest payable on June 15 and December 15, at 5.95%.	345,000	-	-	345,000	345,000
\$5,060,000 General Obligation Open Space Bonds, Series 2006B, dated July 1, 2006, principal payments are due annually on December 15 (beginning in 2008), at amounts ranging from \$75,000 to \$770,000. Interest payable on June 15 and December 15, at rates ranging from 4.25% to 5.0%.	5,060,000	-	-	5,060,000	75,000

6. LONG-TERM DEBT (Continued)

b. Debt Service Requirements to Maturity

The annual requirements to amortize to maturity serial debt outstanding as of March 31, 2008 are as follows:

Fiscal Years Ending March 31	General Obligation Bonds	
	Principal	Interest
2009	\$ 1,075,000	\$ 1,704,431
2010	930,000	1,575,844
2011	1,170,000	1,537,290
2012	1,565,000	1,490,513
2013	2,050,000	1,428,751
2014	2,345,000	1,346,021
2015	2,690,000	1,249,273
2016	3,225,000	1,135,574
2017	3,575,000	998,013
2018	4,415,000	847,632
2019	4,475,000	656,590
2020	4,135,000	460,530
2021	4,525,000	275,865
2022	1,790,000	71,600
TOTAL	\$ 37,965,000	\$ 14,777,927

Obligations of governmental activities under capital leases, including future interest payments, at March 31, 2008, were as follows:

Fiscal Years Ending March 31	Capital Leases
2009	\$ 65,994
2010	65,994
2011	22,804
Total minimum lease payments	154,792
Less amount representing interest costs	(13,716)
TOTAL	\$ 141,076

Total book value of capital assets purchased under these leases is \$213,984.

7. INTERFUND ACTIVITY

Due From/To Other Funds

Individual fund interfund receivables/payables are as follows:

	Receivable Fund	Payable Fund	Amount
General		Nonmajor governmental	\$ 17,000
TOTAL			\$ 17,000
Transfers in (out)			
Individual fund transfers are as follows:			
	Transfers In	Transfers Out	
General (Town) Fund	\$ 11,000	\$ -	-
Open Space Fund	-	-	11,000
TOTAL	\$ 11,000	\$ 11,000	\$ 11,000

8. RETIREMENT FUND COMMITMENTS

Illinois Municipal Retirement Fund

The Township's defined benefit pension plan, Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments, and death benefits to plan members and beneficiaries. IMRF is an agent multiple-employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

CAMPTON TOWNSHIP  
ST. CHARLES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFICIT FUND BALANCES

The following funds have a deficit in fund balances as of the date of this report.

Fund	Deficit
Parks and Recreation	\$ 12,664

10. EXTRAORDINARY ITEM

During the year ended March 31, 2008, a large portion of the Township's highways and streets were annexed into a new village that was formed within the Township's boundaries. This resulted in these streets, which were previously capitalized by the Township, being taken over by the village, and therefore, disposed from the Township's capital assets. The result of this was a loss on disposal of \$22,639,798. This is reported as an extraordinary item on the Statement of Activities due to the infrequent and unusual nature of the transaction, and the fact that this process was outside of the Township's control.

CAMPTON TOWNSHIP  
ST. CHARLES, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

8. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

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 credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statutes.

Employees participating in the IMRF are required to contribute 4.5% of their annual covered salary. The member rate is established by state statute. The Township is required to contribute at an actuarially determined rate. The employer rate for calendar year 2007 was 10.89% of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees.

For December 31, 2007, the Township's annual pension cost of \$90,348 was equal to the Township's required and actual contributions. The required contribution was determined as part of the December 31, 2005 actuarial valuation using the entry-age actuarial cost method. The actuarial assumptions included (a) 7.5% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.40% to 10.00% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3.00% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (overfunded liability amortized on an open basis). The remaining amortization period at December 31, 2007 was 25 years.

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

Calendar Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (NPO)
2005	\$ 68,546	100.00%	-
2006	78,364	100.00%	-
2007	90,348	100.00%	-



**APPENDIX B**  
**DESCRIBING BOOK-ENTRY ONLY ISSUANCE**

1. The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Township as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Township or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Township, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Township or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to any Tender/Remarketing Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to any Tender/Remarketing Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to any Tender/Remarketing Agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the Township or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. The Township may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Township believes to be reliable, but the Township takes no responsibility for the accuracy thereof.

**PROPOSED FORM OF OPINION OF BOND COUNSEL**

**[LETTERHEAD OF CHAPMAN AND CUTLER LLP]**

**[TO BE DATED CLOSING DATE]**

We hereby certify that we have examined certified copy of the proceedings (the "*Proceedings*") of the Township Board of Campton Township, Kane County, Illinois (the "*Township*") passed preliminary to the issue by the Township of its fully registered Taxable General Obligation Bonds, Series 2008A (the "*Bonds*"), to the amount of \$280,000, dated September 15, 2008 of the denomination of \$1,000 of authorized integral multiples thereof, and due on December 15 of the year, in the amount, and bearing interest at the rate percent per annum as follows:

YEAR	AMOUNT (\$)	RATE (%)
2009		
2010		
2011		
2012		

Each Bond bears interest from the later of its dated date as stated above or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of each such Bond, respectively, is paid or duly provided for, such interest (computed upon the basis of a 360-day year of twelve 15-day months) being payable on June 15, 2009, and semiannually thereafter on June 15 and December 15 of each year. The Bonds are not subject to optional redemption prior to maturity.

The Bonds have been issued for the purpose of paying a part of the cost of ongoing maintenance of Township properties.

From such examination, we are of the opinion that the Proceedings show lawful authority for the issuance of the Bonds under the laws of the State of Illinois now in force.

We further certify that we have examined the form prescribed for the Bonds and find the same in due form of law, and in our opinion the Bonds, to the amount named, are valid and legally binding upon the Township, and all taxable property in the Township is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

It is our opinion that under present law, interest on the Bonds is not excludable from gross income of the owners thereof for federal income tax purposes. Ownership of the Bonds may result in other federal income tax consequences to certain taxpayers. Bondholders should consult their own tax advisors concerning tax consequences of ownership of the Bonds.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Bonds.

In rendering this opinion, we have relied upon certifications of the Township with respect to certain material facts within the Township's knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

**PROPOSED FORM OF OPINION OF BOND COUNSEL**

**[LETTERHEAD OF CHAPMAN AND CUTLER LLP]**

**[TO BE DATED CLOSING DATE]**

We hereby certify that we have examined a certified copy of the proceedings (the "Proceedings") of the Township Board of Campton Township, Kane County, Illinois (the "Township"), passed preliminary to the issuance by the Township of its fully registered General Obligation Bonds, Series 2008B (the "Bonds") to the amount of \$5,310,000, dated September 15, 2008, of the denomination of \$5,000 or authorized integral multiples thereof, and due serially [and as Term Bonds] on December 15 of the years and in the amounts and bearing interest at the rates percent per annum as follows:

YEAR	AMOUNT (\$)	RATE (%)
2013		
2014		
2015		
2016		
2017		
2018		
2019		
2020		

Each Bond bears interest from the later of the dated date as stated above or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of each Bond, respectively, is paid or duly provided for, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on June 15 and December 15 of each year, commencing on June 15, 2009.

The Bonds have been issued for the purpose of paying a part of the cost of preserving open space in the Township.

[Those of the Bonds due on December 15 of the years as follows: \_\_\_\_, \_\_\_\_, \_\_\_\_ and \_\_\_\_ are Term Bonds and are subject to mandatory redemption by operation of the bond fund at a price of par and accrued interest, without premium, on December 15 of the years and in the amounts as follows:

FOR THE TERM BONDS OF \_\_\_\_

YEAR	AMOUNT (\$)
------	-------------

with \$\_\_\_\_ remaining to be paid at maturity.

FOR THE TERM BONDS OF \_\_\_\_\_

YEAR

AMOUNT (\$)

with \$\_\_\_\_\_ remaining to be paid at maturity.

FOR THE TERM BONDS OF \_\_\_\_\_

YEAR

AMOUNT (\$)

with \$\_\_\_\_\_ remaining to be paid at maturity.

FOR THE TERM BONDS OF \_\_\_\_\_

YEAR

AMOUNT (\$)

with \$\_\_\_\_\_ remaining to be paid at maturity.]

Those of the Bonds due on or after December 15, 2017, are subject to redemption prior to maturity, at the option of the Township, from any available funds, in whole or in part, on any date on or after December 15, 2016, and if in part, in any order of maturity as selected by the Township, and if less than an entire maturity, in integral multiples of \$5,000, selected by lot, at the redemption price of par plus accrued interest to the date fixed for redemption.

From such examination, we are of the opinion that the Proceedings show lawful authority for the issuance of the Bonds under the laws of the State of Illinois now in force.

We further certify that we have examined the form prescribed for the Bonds and find the same in due form of law, and in our opinion the Bonds, to the amount named, are valid and legally binding upon the Township, and all taxable property in the Township is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

It is our opinion that, subject to the Township's compliance with certain covenants, under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Internal Revenue Code of 1986, as amended (the "Code"), but is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. Failure to comply with certain of such Township covenants could cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. Ownership of the Bonds may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Bonds. It is also our opinion that the Bonds are "qualified tax-exempt obligations" under Section 265(b)(3) of the Code.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Bonds.

In rendering this opinion, we have relied upon certifications of the Township with respect to certain material facts within the Township's knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

**THE 2008A TAXABLE BONDS  
(SEALED BIDS)**

Campton Township  
4N498 Town Hall Road  
Campton Hills, Illinois 60175

September 9, 2008  
Speer Financial, Inc.

Members of the Township Board:

For the \$280,000 Taxable General Obligation Bonds, Series 2008A, of Campton Township, Kane County, Illinois, as described in the annexed Official Notice of Sale, which is expressly made a part of this bid, we will pay you \$\_\_\_\_\_ (no less than par) plus accrued interest from September 15, 2008, to the date of delivery for 2008A Taxable Bonds bearing interest as follows (each rate a multiple of 1/8 or 1/100 of 1%).

**TAXABLE MATURITIES - DECEMBER 15**

\$85,000.....2009 _____%	\$103,000.....2011 _____%
67,000.....2010 _____%	25,000.....2012 _____%

The 2008A Taxable Bonds are to be executed and delivered to us in accordance with the terms of this bid accompanied by the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois. The Township will pay for the legal opinion. The underwriter agrees to **apply for CUSIP numbers within 24 hours** and pay the fee charged by the CUSIP Service Bureau and will accept the 2008A Taxable Bonds with the CUSIP numbers as entered on the 2008A Taxable Bonds.

As evidence of our good faith, we enclose herewith a check or Surety Bond payable to the order of the Treasurer of the Township in the amount of **TWO PERCENT OF PAR** (the "Deposit") under the terms provided in your Official Notice of Sale. Attached hereto is a list of members of our account on whose behalf this bid is made.

**Form of Deposit**

Check One:

- Certified/Cashier's Check   
Financial Surety Bond

Amount: \$5,600  
The above Certified/Cashier's  
Check was returned and received

By: \_\_\_\_\_

Check Number: \_\_\_\_\_

**Account Manager Information**

Name \_\_\_\_\_

Address \_\_\_\_\_

By \_\_\_\_\_

City \_\_\_\_\_ State/Zip \_\_\_\_\_

Direct Phone (\_\_\_\_) \_\_\_\_\_

FAX Number (\_\_\_\_) \_\_\_\_\_

E-Mail Address \_\_\_\_\_

**Bidders Option Insurance**

We have purchased  
insurance from:

**Name of Insurer**  
(Please fill in)

Premium: \_\_\_\_\_

Maturities: (Check One)

\_\_\_\_\_ Years

All

The foregoing bid was accepted and the 2008A Taxable Bonds sold by resolution of the Township on September 9, 2008, and receipt is hereby acknowledged of the good faith Deposit which is being held in accordance with the terms of the annexed Official Notice of Sale.

CAMPTON TOWNSHIP, KANE COUNTY, ILLINOIS

\_\_\_\_\_  
Supervisor

----- NOT PART OF THE BID -----

(Calculation of true interest cost)

Gross Interest	\$
Less Premium/Plus Discount	\$
<b>True Interest Cost</b>	\$
<b>True Interest Rate</b>	%
TOTAL BOND YEARS	698.00
AVERAGE LIFE	2.493 Years



**OFFICIAL NOTICE OF SALE**

**\$280,000**

**CAMPTON TOWNSHIP**

**Kane County, Illinois**

**Taxable General Obligation Bonds, Series 2008A**

Campton Township, Kane County, Illinois (the "Township"), will receive sealed bids for its \$280,000 Taxable General Obligation Bonds, Series 2008A (the "2008A Taxable Bonds"), on an all or none basis, in Suite 4100, One North LaSalle Street, Chicago, Illinois, until 10:00 A.M., C.D.T., Tuesday, September 9, 2008, at which time the bids received by sealed envelope and bids transmitted to Speer Financial, Inc., via facsimile, (312) 346-8833, will be publicly opened and read. Award will be made or all bids rejected at a meeting of the Township on that date. All bidders are advised that each bid submitted shall be deemed to constitute a contract between the bidder and the Township to purchase the 2008A Taxable Bonds regardless of the manner of the bid submitted.

The 2008A Taxable Bonds will constitute valid and legally binding obligations of the Township payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, except that the rights of the owners of the 2008A Taxable Bonds and the enforceability of the 2008A Taxable Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

The 2008A Taxable Bonds will be in fully registered form in the denominations of \$1,000 and integral multiples thereof in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, to which principal and interest payments on the 2008A Taxable Bonds will be paid. Individual purchases will be in book-entry only form. Interest on each 2008A Taxable Bond shall be paid by check or draft of the Bond Registrar to the person in whose name such bond is registered at the close of business on the first day of the month in which an interest payment date occurs. The principal of the 2008A Taxable Bonds shall be payable in lawful money of the United States of America at the principal office maintained for the purpose by the Bond Registrar in Chicago, Illinois. Semiannual interest is due June 15 and December 15 of each year commencing June 15, 2009, and is payable by The Bank of New York Mellon, Chicago, Illinois (the "Bond Registrar"). The 2008A Taxable Bonds are dated September 15, 2008.

**MATURITIES - DECEMBER 15**

\$85,000 . . . .	2009	\$103,000 . . . .	2011
67,000 . . . .	2010	25,000 . . . .	2012

The 2008A Taxable Bonds are **not** subject to optional redemption prior to maturity.

The 2008A Taxable Bonds will be awarded to the single and best bidder whose bid will be determined upon the basis of the lowest **true interest cost** at the rate or rates designated in said bid from the dated date to the respective maturity dates after deducting the premium bid or adding the discount bid. **True interest cost shall be computed by determining the annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the 2008A Taxable Bonds from the payment dates thereof to the dated date and to the bid price.** All interest rates must be in multiples of one-eighth or one one-hundredth of one percent (1/8 or 1/100 of 1%), and not more than one rate for a single maturity shall be specified. The differential between the highest rate bid and the lowest rate bid shall not exceed two percent (2%). All bids must be for all of the 2008A Taxable Bonds, must be for not less than par plus accrued interest from the dated date to the date of delivery, must be signed and made upon the Official Bid Form and delivered at the time and place set forth above.

Each bid shall be accompanied by a certified or cashier's check on a solvent bank or trust company or a Financial Surety Bond for **TWO PERCENT OF PAR** payable to the Treasurer of the Township as evidence of good faith of the bidder (the "Deposit"). The Deposit of the successful bidder will be retained by the Township pending delivery of the 2008A Taxable Bonds and all others will be promptly returned. Should the successful bidder fail to take up and pay for the 2008A Taxable Bonds when tendered in accordance with this Notice of Sale and said bid, said Deposit shall be retained as full and liquidated damages to the Township caused by failure of the bidder to carry out the offer of purchase. Such Deposit will otherwise be applied on the purchase price upon delivery of the 2008A Taxable Bonds. If a Financial Surety Bond is used, it must be from an insurance company licensed to issue such a bond in the State of Illinois and such bond must be submitted to Speer Financial, Inc., prior to the opening of the bids. The Financial Surety Bond must identify each bidder whose deposit is guaranteed by such Financial Surety Bond. If the 2008A Taxable Bonds are awarded to a bidder using a Financial Surety Bond, then that purchaser is required to submit its Deposit to the Township in the form of a certified or cashier's check or wire transfer as instructed by Speer Financial, Inc., or the Township not later than 3:00 P.M. on the next business day following the award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn by the Township to satisfy the Deposit requirement. No interest on the Deposit will accrue to the purchaser.

The Township covenants and agrees to enter into a written agreement or contract, constituting an undertaking (the "Undertaking") to provide ongoing disclosure about the Township for the benefit of the beneficial owners of the 2008A Taxable Bonds on or before the date of delivery of the 2008A Taxable Bonds as required under Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Official Statement, with such changes as may be agreed in writing by the Underwriter. The Township represents that it is in compliance with each and every undertaking previously entered into it pursuant to the Rule.

The Underwriter's obligation to purchase the 2008A Taxable Bonds shall be conditioned upon the Township delivering the Undertaking on or before the date of delivery of the 2008A Taxable Bonds.

By submitting a bid, any bidder makes the representation that it understands Bond Counsel represents the Township in the 2008A Taxable Bond transaction and, if such bidder has retained Bond Counsel in an unrelated matter, such bidder represents that the signatory to the bid is duly authorized to, and does consent to and waive for and on behalf of such bidder any conflict of interest of Bond Counsel arising from any adverse position to the Township in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Bond Counsel.

The Township reserves the right to reject any or all bids and to determine the best bid in its sole discretion, and to waive any informality in any bid.

The 2008A Taxable Bonds will be delivered to the successful purchaser against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to be on or about September 29, 2008. Should delivery be delayed beyond sixty (60) days from the date of sale for any reason beyond the control of the Township except failure of performance by the purchaser, the Township may cancel the award or the purchaser may withdraw the good faith deposit and thereafter the purchaser's interest in and liability for the 2008A Taxable Bonds will cease.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the 2008A Taxable Bonds, and any other information required by law or deemed appropriate by the Township, shall constitute a "Final Official Statement" of the Township with respect to the 2008A Taxable Bonds, as that term is defined in the Rule. By awarding the 2008A Taxable Bonds to any underwriter or underwriting syndicate submitting an Official Bid Form therefore, the Township agrees that, no more than seven (7) business days after the date of such award, it shall provide, without cost to the senior managing underwriter of the syndicate to which the 2008A Taxable Bonds are awarded, up to 100 copies of the Final Official Statement to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of such Rule. The Township shall treat the senior managing underwriter of the syndicate to which the 2008A Taxable Bonds are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the 2008A Taxable Bonds agrees thereby that if its bid is accepted by the Township it shall enter into a contractual relationship with all Participating Underwriters of the 2008A Taxable Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

By submission of its bid, the senior managing underwriter of the successful bidder agrees to supply all necessary pricing information and any Participating Underwriter identification necessary to complete the Official Statement within 24 hours after award of the 2008A Taxable Bonds. Additional copies of the Final Official Statement may be obtained by Participating Underwriters from the printer at cost.

The Township will, at its expense, deliver the 2008A Taxable Bonds to the purchaser in New York, New York, through the facilities of DTC and will pay for the bond attorney's opinion. At the time of closing, the Township will also furnish to the purchaser the following documents, each dated as of the date of delivery of the 2008A Taxable Bonds: (1) the unqualified opinion of Chapman and Cutler LLP, Chicago, Illinois, that the 2008A Taxable Bonds are lawful and enforceable obligations of the Township in accordance with their terms and are payable from ad valorem taxes levied against all taxable property of the Township, except that the rights of the owners of the 2008A Taxable Bonds and the enforceability of the 2008A Taxable Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion; and (2) a no litigation certificate by the Township .

The Township **does not intend** to designate the 2008A Taxable Bonds as "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b) (3) of the Internal Revenue Code of 1986, as amended.

The Township has authorized the printing and distribution of an Official Statement containing pertinent information relative to the Township and the 2007A Taxable Bonds. Copies of such Official Statement or additional information may be obtained from Mr. Neal Anderson, Township Supervisor, Campton Township, 4N498 Town Hall Road, Campton Hills, Illinois 60175 or an electronic copy of this Official Statement is available from the [www.speerfinancial.com](http://www.speerfinancial.com) web site under "Debt Auction Center/Competitive Sales Calendar" from the Independent Public Finance Consultants to the Township, Speer Financial, Inc., One North LaSalle Street, Suite 4100, Chicago, Illinois 60602, telephone (312) 346-3700.

/s/ **RICHARD JOHANSEN**  
Township Clerk  
CAMPTON TOWNSHIP  
Kane County, Illinois

/s/ **NEAL ANDERSON**  
Supervisor  
CAMPTON TOWNSHIP  
Kane County, Illinois

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**THE 2008B BONDS  
(OPEN AUCTION INTERNET SALE)**

Campton Township  
4N498 Town Hall Road  
Campton Hills, Illinois 60175

September 9, 2008  
Speer Financial, Inc.

Members of the Township Board:

For the \$5,310,000\* General Obligation Bonds, Series 2008B, of Campton Township, Kane County, Illinois, as described in the annexed Official Notice of Sale, which is expressly made a part of this bid, we will pay you \$\_\_\_\_\_ (no less than \$5,275,000) plus accrued interest from September 15, 2008, to the date of delivery for 2008B Bonds bearing interest as follows (each rate a multiple of 1/8 or 1/100 of 1%).

**MATURITIES\* - DECEMBER 15**

\$ 85,000 .....	2013 _____%	\$580,000 .....	2016 _____%	\$1,020,000 .....	2018 _____%
280,000 .....	2014 _____%	380,000 .....	2017 _____%	1,955,000 .....	2019 _____%
355,000 .....	2015 _____%			655,000 .....	2020 _____%

*Any consecutive maturities may be aggregated into no more than three term bonds at the option of the bidder in which case the mandatory redemption provisions shall be on the same schedule as above.*

Maturities \_\_\_\_\_ Term Maturity \_\_\_\_\_ Maturities \_\_\_\_\_ Term Maturity \_\_\_\_\_ Maturities \_\_\_\_\_ Term Maturity \_\_\_\_\_

The 2008B Bonds are to be executed and delivered to us in accordance with the terms of this bid accompanied by the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois. The Township will pay for the legal opinion. The underwriter agrees to **apply for CUSIP numbers within 24 hours** and pay the fee charged by the CUSIP Service Bureau and will accept the 2008B Bonds with the CUSIP numbers as entered on the 2008B Bonds.

As evidence of our good faith, we enclose herewith a check or Surety Bond payable to the order of the Treasurer of the Township in the amount of **TWO PERCENT OF PAR** (the "Deposit") under the terms provided in your Official Notice of Sale. Attached hereto is a list of members of our account on whose behalf this bid is made.

**Form of Deposit**

Check One:

Certified/Cashier's Check   
Financial Surety Bond

Amount: \$106,200  
The above Certified/Cashier's  
Check was returned and received

By \_\_\_\_\_

Check Number: \_\_\_\_\_

**Account Manager Information**

Name \_\_\_\_\_

Address \_\_\_\_\_

By \_\_\_\_\_

City \_\_\_\_\_ State/Zip \_\_\_\_\_

Direct Phone (\_\_\_\_) \_\_\_\_\_

FAX Number (\_\_\_\_) \_\_\_\_\_

E-Mail Address \_\_\_\_\_

**Bidders Option Insurance**

We have purchased  
insurance from:

**Name of Insurer**  
*(Please fill in)*

Premium: \_\_\_\_\_

Maturities: (Check One)

\_\_\_\_\_ Years

All

The foregoing bid was accepted and the 2008B Bonds sold by resolution of the Township on September 9, 2008, and receipt is hereby acknowledged of the good faith Deposit which is being held in accordance with the terms of the annexed Official Notice of Sale.

CAMPTON TOWNSHIP, KANE COUNTY, ILLINOIS

\_\_\_\_\_  
Supervisor

\*Subject to movement between maturities.

----- **NOT PART OF THE BID** -----  
(Calculation of true interest cost)

	<b>Bid</b>	<b>Post Sale Revision</b>
Gross Interest	\$	
Plus Premium	\$	
True Interest Cost	\$	
True Interest Rate	%	
TOTAL BOND YEARS	53,542.50	
AVERAGE LIFE	10.083 Years	

## OFFICIAL NOTICE OF SALE

**\$5,310,000\***

### **CAMPTON TOWNSHIP**

**Kane County, Illinois**

### **General Obligation Bonds, Series 2008B**

Campton Township, Kane County, Illinois (the "Township"), will receive electronic bids on the SpeerAuction ("*SpeerAuction*") website address "[www.SpeerAuction.com](http://www.SpeerAuction.com)" for its \$5,310,000\* General Obligation Bonds, Series 2008 (the "2008B Bonds"), on an all or none basis between 10:15 A.M. and 10:30 A.M., C.D.T., Tuesday, September 9, 2008. To bid, bidders must have: (1) completed the registration form on the SpeerAuction website, and (2) requested and received admission to the Township's sale (as described below). Award will be made or all bids rejected at a meeting of the Township on that date. The Township reserves the right to change the date or time for receipt of bids. Any such change shall be made not less than twenty-four (24) hours prior to the revised date and time for receipt of the bids for the 2008B Bonds and shall be communicated by publishing the changes in the Amendments Page of the SpeerAuction webpage and through *Thompson Municipal News*.

The 2008B Bonds will constitute valid and legally binding obligations of the Township payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, except that the rights of the owners of the 2008B Bonds and the enforceability of the 2008B Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

#### **Bidding Details**

Bidders should be aware of the following bidding details associated with the sale of the 2008B Bonds.

- (1) All bids must be submitted on the SpeerAuction website at [www.SpeerAuction.com](http://www.SpeerAuction.com). **No telephone, telefax or personal delivery bids will be accepted.** The use of SpeerAuction shall be at the bidder's risk and expense and the Township shall have no liability with respect thereto, including (without limitation) liability with respect to incomplete, late arriving and non-arriving bid. Any questions regarding bidding on the SpeerAuction website should be directed to Grant Street Group at (412) 391-5555 x 370.
- (2) Bidders may change and submit bids as many times as they like during the bidding time period; provided, however, each and any bid submitted subsequent to a bidder's initial bid must result in a lower true interest cost ("TIC") with respect to a bid, when compared to the immediately preceding bid of such bidder. In the event that the revised bid does not produce a lower TIC with respect to a bid the prior bid will remain valid.
- (3) If any bid in the auction becomes a leading bid two (2) minutes prior to the end of the auction, then the auction will be automatically extended by two (2) minutes from the time such bid was received by SpeerAuction. The auction end time will continue to be extended, indefinitely, until a single leading bid remains the leading bid for at least two minutes.
- (4) The last valid bid submitted by a bidder before the end of the bidding time period will be compared to all other final bids submitted by others to determine the winning bidder or bidders.
- (5) During the bidding, no bidder will see any other bidder's bid, but bidders will be able to see the ranking of their bid relative to other bids (i.e., "Leader", "Cover", "3rd" etc.)
- (6) On the Auction Page, bidders will be able to see whether a bid has been submitted.

#### **Rules of SpeerAuction**

Bidders must comply with the Rules of SpeerAuction in addition to the requirements of this Official Notice of Sale. To the extent there is a conflict between the Rules of SpeerAuction and this Official Notice of Sale, this Official Notice of Sale shall control.

#### **Rules**

- (1) A bidder ("Bidder") submitting a winning bid ("Winning Bid") is irrevocably obligated to purchase the 2008B Bonds at the rates and prices of the winning bid, if acceptable to the Township, as set forth in the related Official Notice of Sale. Winning Bids are not officially awarded to Winning Bidders until formally accepted by the Township.
- (2) Neither the Township, Speer Financial, Inc., nor Grant Street Group (the "Auction Administrator") is responsible for technical difficulties that result in loss of Bidder's internet connection with SpeerAuction, slowness in transmission of bids, or other technical problems.
- (3) If for any reason a Bidder is disconnected from the Auction Page during the auction after having submitted a Winning Bid, such bid is valid and binding upon such Bidder, unless the Township exercises its right to reject bids, as set forth herein.
- (4) Bids which generate error messages are not accepted until the error is corrected and bid is received prior to the deadline.
- (5) Bidders accept and agree to abide by all terms and conditions specified in the Official Notice of Sale (including amendments, if any) related to the auction.
- (6) Neither the Township, Speer Financial, Inc., nor the Auction Administrator is responsible to any bidder for any defect or inaccuracy in the Official Notice of Sale, amendments, or Preliminary Official Statement as they appear on SpeerAuction.

*\*Subject to movement between maturities.*

- (7) Only Bidders who request and receive admission to an auction may submit bids. SpeerAuction and the Auction Administrator reserve the right to deny access to SpeerAuction website to any Bidder, whether registered or not, at any time and for any reason whatsoever, in their sole and absolute discretion.
- (8) Neither the Township, Speer Financial, Inc., nor the Auction Administrator is responsible for protecting the confidentiality of a Bidder's SpeerAuction password.
- (9) If two bids submitted in the same auction by the same or two or more different Bidders result in same True Interest Cost, the first confirmed bid received by SpeerAuction prevails. Any change to a submitted bid constitutes a new bid, regardless of whether there is a corresponding change in True Interest Cost.
- (10) Bidders must compare their final bids to those shown on the Observation Page immediately after the bidding time period ends, and if they disagree with the final results shown on the Observation Page they must report them to SpeerAuction within 15 minutes after the bidding time period ends. Regardless of the final results reported by SpeerAuction, 2008B Bonds are definitively awarded to the winning bidder only upon official award by the Township. If, for any reason, the Township fails to: (i) award 2008B Bonds to the winner reported by SpeerAuction, or (ii) deliver 2008B Bonds to winning bidder at settlement, neither the Township, Speer Financial, Inc., nor the Auction Administrator will be liable for damages.

The Township reserves the right to reject all proposals, to reject any bid proposal not conforming to this Official Notice of Sale, and to waive any irregularity or informality with respect to any proposal. Additionally, the Township reserves the right to modify or amend this Official Notice of Sale; however, any such modification or amendment shall not be made less than twenty-four (24) hours prior to the date and time for receipt of bids on the 2008B Bonds and any such modification or amendment will be announced on the Amendments Page of the SpeerAuction webpage and through *Thompson Municipal News*.

The 2008B Bonds will be in fully registered form in the denominations of \$5,000 and integral multiples thereof in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, to which principal and interest payments on the 2008B Bonds will be paid. Individual purchases will be in book-entry only form. Interest on each 2008B Bond shall be paid by check or draft of the Bond Registrar to the person in whose name such bond is registered at the close of business on the first day of the month in which an interest payment date occurs. The principal of the 2008B Bonds shall be payable in lawful money of the United States of America at the principal office maintained for the purpose by the Bond Registrar in Chicago, Illinois. Semiannual interest is due June 15 and December 15 of each year commencing June 15, 2009, and is payable by The Bank of New York Mellon, Chicago, Illinois (the "Bond Registrar"). The 2008B Bonds are dated September 15, 2008.

**MATURITIES\* - DECEMBER 15**

\$ 85,000.....	2013	\$580,000 .....	2016	\$1,020,000 .....	2018
280,000.....	2014	380,000 .....	2017	1,955,000 .....	2019
355,000.....	2015			655,000 .....	2020

*Any consecutive maturities may be aggregated into no more than three term bonds at the option of the bidder in which case the mandatory redemption provisions shall be on the same schedule as above.*

The 2008B Bonds due December 15, 2013-2016, inclusive, are non-callable. The 2008B Bonds due December 15, 2017-2020, inclusive, are callable in whole or in part and on any date on or after December 15, 2016, at a price of par and accrued interest. If less than all the 2008B Bonds are called, they shall be redeemed in any order of maturity as determined by the Township and within any maturity by lot.

All interest rates must be in multiples of one-eighth or one one-hundredth of one percent (1/8 or 1/100 of 1%), and not more than one rate for a single maturity shall be specified. The rates bid shall be in non-descending order. The differential between the highest rate bid and the lowest rate bid shall not exceed two percent (2.0%). All bids must be for all of the 2008B Bonds, must be for not less than \$5,275,000 plus accrued interest from the dated date to the date of delivery.

Award of the 2008B Bonds: The 2008B Bonds will be awarded on the basis of true interest cost, determined in the following manner. **True interest cost shall be computed by determining the annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the 2008B Bonds from the payment dates thereof to the dated date and to the bid price.** For the purpose of calculating true interest cost, the 2008B Bonds shall be deemed to become due in the principal amounts and at the times set forth in the table of maturities set forth above. In the event two or more qualifying bids produce the identical lowest true interest cost, the winning bid shall be the bid that was submitted first in time on the SpeerAuction webpage.

\*Subject to movement between maturities.

The 2008B Bonds will be awarded to the bidder complying with the terms of this Official Notice of Sale whose bid produces the lowest true interest cost rate to the Township as determined by the Township's Financial Advisor, which determination shall be conclusive and binding on all bidders; *provided*, that the Township reserves the right to reject all bids or any non-conforming bid and reserves the right to waive any informality in any bid. Bidders should verify the accuracy of their final bids and compare them to the winning bids reported on the SpeerAuction Observation Page immediately after the bidding.

The true interest cost of each bid will be computed by SpeerAuction and reported on the Observation Page of the SpeerAuction webpage immediately following the date and time for receipt of bids. These true interest costs are subject to verification by the Township's Financial Advisor, will be posted for information purposes only and will not signify an actual award of any bid or an official declaration of the winning bid. The Township or its Financial Advisor will notify the bidder to whom the 2008B Bonds will be awarded, if and when such award is made.

The winning bidder will be required to make the standard filings and maintain the appropriate records routinely required pursuant to MSRB Rules G-8, G-11 and G-36. The winning bidder will be required to pay the standard MSRB charge for 2008B Bonds purchased. In addition, the winning bidder who is a member of the Securities Industry and Financial Markets Association ("SIFMA") will be required to pay SIFMA's standard charge per bond.

Prior to submitting a bid, each bidder shall provide a certified or cashier's check on a solvent bank or trust company or a Financial Surety Bond for **TWO PERCENT OF PAR** payable to the Treasurer of the Township as evidence of good faith of the bidder (the "Deposit"). The Deposit of the successful bidder will be retained by the Township pending delivery of the 2008B Bonds and all others will be promptly returned. Should the successful bidder fail to take up and pay for the 2008B Bonds when tendered in accordance with this Official Notice of Sale and said bid, said Deposit shall be retained as full and liquidated damages to the Township caused by failure of the bidder to carry out the offer of purchase. Such Deposit will otherwise be applied on the purchase price upon delivery of the 2008B Bonds. The Financial Surety Bond must be from an insurance company licensed to issue such a bond in the State of Illinois and such bond must be submitted to Speer Financial, Inc., prior to the opening of the bids. The Financial Surety Bond must identify each bidder whose deposit is guaranteed by such Financial Surety Bond. The winning bidder is required to submit its Deposit to the Township in the form of a certified or cashier's check or wire transfer as instructed by Speer Financial, Inc., or the Township not later than 3:00 P.M. on the next business day following the award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn by the Township to satisfy the Deposit requirement. No interest on the Deposit will accrue to the purchaser.

The Township covenants and agrees to enter into a written agreement or contract, constituting an undertaking (the "Undertaking") to provide ongoing disclosure about the Township for the benefit of the beneficial owners of the 2008B Bonds on or before the date of delivery of the 2008B Bonds as required under Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Official Statement, with such changes as may be agreed in writing by the Underwriter. The Township represents that it is in compliance with each and every undertaking previously entered into it pursuant to the Rule.

The Underwriter's obligation to purchase the 2008B Bonds shall be conditioned upon the Township delivering the Undertaking on or before the date of delivery of the 2008B Bonds.

By submitting a bid, any bidder makes the representation that it understands Bond Counsel represents the Township in the 2008B Bond transaction and, if such bidder has retained Bond Counsel in an unrelated matter, such bidder represents that the signatory to the bid is duly authorized to, and does consent to and waive for and on behalf of such bidder any conflict of interest of Bond Counsel arising from any adverse position to the Township in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Bond Counsel.

The 2008B Bonds will be delivered to the successful purchaser against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to be on or about September 29, 2008. Should delivery be delayed beyond sixty (60) days from the date of sale for any reason beyond the control of the Township except failure of performance by the purchaser, the Township may cancel the award or the purchaser may withdraw the good faith deposit and thereafter the purchaser's interest in and liability for the 2008B Bonds will cease.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the 2008B Bonds, and any other information required by law or deemed appropriate by the Township, shall constitute a "Final Official Statement" of the Township with respect to the 2008B Bonds, as that term is defined in the Rule. By awarding the 2008B Bonds to any underwriter or underwriting syndicate, the Township agrees that, no more than seven (7) business days after the date of such award, it shall provide, without cost to the senior managing underwriter of the syndicate to which the 2008B Bonds are awarded, up to 100 copies of the Final Official Statement to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of such Rule. The Township shall treat the senior managing underwriter of the syndicate to which the 2008B Bonds are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the 2008B Bonds agrees thereby that if its bid is accepted by the Township it shall enter into a contractual relationship with all Participating Underwriters of the 2008B Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

By submission of its bid, the senior managing underwriter of the successful bidder agrees to supply all necessary pricing information and any Participating Underwriter identification necessary to complete the Official Statement within 24 hours after award of the 2008B Bonds. Additional copies of the Final Official Statement may be obtained by Participating Underwriters from the printer at cost.

The Township will, at its expense, deliver the 2008B Bonds to the purchaser in New York, New York, through the facilities of DTC and will pay for the bond attorney's opinion. At the time of closing, the Township will also furnish to the purchaser the following documents, each dated as of the date of delivery of the 2008B Bonds: (1) the unqualified opinion of Chapman and Cutler LLP, Chicago, Illinois, that the 2008B Bonds are lawful and enforceable obligations of the Township in accordance with their terms and are payable from ad valorem taxes levied against all taxable property of the Township, except that the rights of the owners of the 2008B Bonds and the enforceability of the 2008B Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion; (2) the opinion of said attorneys that the interest on the 2008B Bonds is exempt from federal income taxes as and to the extent set forth in the Official Statement for the 2008B Bonds; and (3) a no litigation certificate by the Township.

The Township intends to designate the 2008B Bonds as "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b) (3) of the Internal Revenue Code of 1986, as amended.

The Township has authorized the printing and distribution of an Official Statement containing pertinent information relative to the Township and the 2007B Bonds. Copies of such Official Statement or additional information may be obtained from Mr. Neal Anderson, Township Supervisor, Campton Township, 4N498 Town Hall Road, Campton Hills, Illinois 60175 or an electronic copy of this Official Statement is available from the [www.speerfinancial.com](http://www.speerfinancial.com) web site under "Debt Auction Center/Competitive Sales Calendar" from the Independent Public Finance Consultants to the Township, Speer Financial, Inc., One North LaSalle Street, Suite 4100, Chicago, Illinois 60602, telephone (312) 346-3700.

/s/ **RICHARD JOHANSEN**  
*Township Clerk*  
CAMPTON TOWNSHIP  
Kane County, Illinois

/s/ **NEAL ANDERSON**  
*Supervisor*  
CAMPTON TOWNSHIP  
Kane County, Illinois

\*Subject to movement between maturities.