

**VILLAGE OF WOODRIDGE, ILLINOIS  
WOODRIDGE PUBLIC LIBRARY**

**ANNUAL FINANCIAL REPORT**

**YEAR ENDED APRIL 30, 2011**

**VILLAGE OF WOODRIDGE, ILLINOIS  
WOODRIDGE PUBLIC LIBRARY**

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## **FINANCIAL SECTION**

This section includes:

- Independent Auditors' Report
- Basic Financial Statements

## **INDEPENDENT AUDITORS' REPORT**

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

**INDEPENDENT AUDITORS' REPORT**

August 1, 2011

Members of the Board of Trustees  
Woodridge Public Library  
Village of Woodridge, Illinois

We have audited the accompanying basic financial statements of the governmental activities of the Woodridge Public Library, Illinois, a component unit of the Village of Woodridge, Illinois as of and for the year ended April 30, 2011, which collectively comprise the Library's basic financial statements as listed in the accompanying table of contents. These financial statements are the responsibility of the Woodridge Public Library, Illinois' management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

The Woodridge Public Library, Illinois has not presented a Management's Discussion and Analysis as required supplementary information that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the financial statements.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities of the Woodridge Public Library, Illinois as of April 30, 2011, and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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

Our audit was conducted for the purposes of forming an opinion on the financial statements of the Woodridge Public Library, Illinois' financial statements as a whole. The individual fund schedules are presented for purposes of additional analysis and are not a required part of the financial statements. The individual fund schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



LAUTERBACH & AMEN, LLP

## **BASIC FINANCIAL STATEMENTS**

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

- Government-Wide Financial Statements
- Fund Financial Statements

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

**VILLAGE OF WOODRIDGE, ILLINOIS  
WOODRIDGE PUBLIC LIBRARY**

**Statement of Net Assets  
April 30, 2011**

<b>ASSETS</b>	
Current Assets	
Cash and Investments	\$ 1,970,833
Receivables - Net of Allowances	
Property Taxes	3,709,332
Other	4,434
Accrued Interest	3,412
Total Current Assets	<u>5,688,011</u>
Noncurrent Assets	
Capital Assets	
Land	389,420
Depreciable Capital Assets	14,009,054
Accumulated Depreciation	(7,843,836)
Total Noncurrent Assets	<u>6,554,638</u>
Total Assets	<u>12,242,649</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	68,516
Accrued Payroll	34,381
Compensated Absences Payable	9,461
Unearned/Deferred Revenues	3,746,139
Total Current Liabilities	<u>3,858,497</u>
Long-Term Liabilities	
Compensated Absences Payable	37,845
Total Liabilities	<u>3,896,342</u>
<b>NET ASSETS</b>	
Investment in Capital Assets	6,554,638
Restricted for Special Levies	1,413,509
Unrestricted	<u>378,160</u>
Total Net Assets	<u>8,346,307</u>

The notes to the financial statements are an integral part of this statement.



**VILLAGE OF WOODRIDGE, ILLINOIS**  
**WOODRIDGE PUBLIC LIBRARY**

**Statement of Activities**  
**Year Ended April 30, 2011**

	Program Revenues		Net
	Charges	Operating	(Expense)
	for	Grants	Revenue and
	Services		Changes in
	Expenses		Net Assets
Functions/Programs			
Public Library	\$ 3,844,515	60,262	36,727
General Revenues			
Taxes			
Property Taxes			3,694,890
Replacement Taxes			6,437
Interest			20,178
Miscellaneous			41,353
			3,762,858
Change in Net Assets			15,332
Net Assets - Beginning			8,330,975
Net Assets - Ending			8,346,307

The notes to the financial statements are an integral part of this statement.

**VILLAGE OF WOODRIDGE, ILLINOIS  
WOODRIDGE PUBLIC LIBRARY**

**Balance Sheet  
April 30, 2011**

	General	Debt Service	Capital Projects Building and Site	Total
<b>ASSETS</b>				
Cash and Investments	\$ 1,054,337	5,180	911,316	1,970,833
Receivables - Net of Allowances				
Property Taxes	3,234,330	475,002	-	3,709,332
Other	4,434	-	-	4,434
Accrued Interest	3,412	-	-	3,412
Total Assets	4,296,513	480,182	911,316	5,688,011
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts Payable	56,915	-	6,421	63,336
Accrued Payroll	34,381	-	-	34,381
Due to Other Governments	-	5,180	-	5,180
Unearned/Deferred Revenues	3,271,137	475,002	-	3,746,139
Total Liabilities	3,362,433	480,182	6,421	3,849,036
<b>Fund Balances</b>				
Reserved for IMRF and FICA	215,911	-	-	215,911
Reserved for Working Cash	141,687	-	-	141,687
Reserved for Health Insurance	151,016	-	-	151,016
Reserved for Building and Site	-	-	904,895	904,895
Unreserved	425,466	-	-	425,466
Total Fund Balances	934,080	-	904,895	1,838,975
Total Liabilities and Fund Balances	4,296,513	480,182	911,316	5,688,011

The notes to the financial statements are an integral part of this statement.

**VILLAGE OF WOODRIDGE, ILLINOIS  
WOODRIDGE PUBLIC LIBRARY**

**Reconciliation of Total Fund Balances to the  
Statement of Net Assets**

**April 30, 2011**

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<b>Total Fund Balances</b>	<b>\$ 1,838,975</b>
Amounts reported in the Statement of Net Assets are different because:	
Capital assets are not financial resources and therefore, are not reported in the funds.	6,554,638
Compensated absences are not due and payable in the current period and therefore, are not reported in the funds.	<u>(47,306)</u>
<b>Net Assets</b>	<b><u>8,346,307</u></b>

The notes to the financial statements are an integral part of this statement.

**VILLAGE OF WOODRIDGE, ILLINOIS**  
**WOODRIDGE PUBLIC LIBRARY**

**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Year Ended April 30, 2011**

	General	Debt Service	Capital Projects Building and Site	Total
<b>Revenues</b>				
Taxes	\$ 3,176,429	518,461	-	3,694,890
Intergovernmental	43,164	-	-	43,164
Charges for Services	23,050	-	-	23,050
Fines and Penalties	37,212	-	-	37,212
Interest	8,568	219	11,391	20,178
Miscellaneous	41,353	-	-	41,353
Total Revenues	3,329,776	518,680	11,391	3,859,847
<b>Expenditures</b>				
Public Library				
Personnel Services	1,855,241	-	-	1,855,241
Commodities	473,684	-	-	473,684
Contractual Services	739,917	-	-	739,917
Capital Outlay	10,659	-	84,300	94,959
Total Expenditures	3,079,501	-	84,300	3,163,801
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	250,275	518,680	(72,909)	696,046
<b>Other Financing Sources (Uses)</b>				
Transfers In	-	-	89,866	89,866
Transfer Out	(89,866)	-	-	(89,866)
Transfer Out - Primary Government	-	(518,680)	-	(518,680)
	(89,866)	(518,680)	89,866	(518,680)
<b>Net Change in Fund Balances</b>	160,409	-	16,957	177,366
<b>Fund Balances - Beginning</b>	773,671	-	887,938	1,661,609
<b>Fund Balances - Ending</b>	934,080	-	904,895	1,838,975

The notes to the financial statements are an integral part of this statement.

**VILLAGE OF WOODRIDGE, ILLINOIS**  
**WOODRIDGE PUBLIC LIBRARY**

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

**Year Ended April 30, 2011**

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<b>Net Change in Fund Balances</b>	<b>\$ 177,366</b>
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Amounts reported in the Statement of Activities  
are different because:

Governmental funds report capital outlays as expenditures. However, in the  
Statement of Activities the cost of those assets is allocated over their estimated  
useful lives and reported as depreciation expense.

Capital Outlays	123,910
Depreciation Expense	(279,039)

The increases to long-term liabilities provides current financial resources to  
governmental funds, while the reduction of the balances  
consumes the current financial resources of the governmental funds.

Additions to Compensated Absences Payable	<u>(6,905)</u>
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<b>Changes in Net Assets</b>	<b><u>15,332</u></b>
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The notes to the financial statements are in integral part of this statement.

**VILLAGE OF WOODRIDGE, ILLINOIS  
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements  
April 30, 2011**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Woodridge Public Library operates and maintains the public library within the Village of Woodridge. The government-wide financial statements are prepared in accordance with generally accepted accounting principles in the United States (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP in the United States for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Library's accounting policies established in GAAP in the United States and used by the Library are described below.

**REPORTING ENTITY**

The Library is a legally separate entity whose Board is elected by the voters of the Village. The Library may not issue bonded debt without the Village's approval, and its property tax levy is subject to the Village Board's acceptance. The Library is reported as a discretely presented component unit of the Village of Woodridge, Illinois. This report represents the financial activity of the Library for the year ended April 30, 2011.

**BASIS OF PRESENTATION**

**Government-Wide and Fund Financial Statements**

The Library's basic financial statements include both government-wide (reporting the Library as a whole) and fund financial statements. The Library reports only governmental activities, which include the provision of library services and general administrative services.

The government-wide Statement of Net Assets is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Library's net assets are reported in three parts: invested in capital assets, net of related debt, restricted net assets, and unrestricted net assets. The Library first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of the Library's functions. The Library's activities are supported by taxes and intergovernmental revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which 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. The net costs are then normally covered by general revenues.

**VILLAGE OF WOODRIDGE, ILLINOIS  
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements  
April 30, 2011**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**BASIS OF PRESENTATION – Continued**

**Government–Wide and Fund Financial Statements – Continued**

The government-wide focus is more on the sustainability of the Library as an entity and the change in the Library's net assets resulting from the current year's activities.

The financial transactions of the Library are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures.

The following governmental funds are used by the Library:

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

**Debt Service Fund** is used to record the Library's long-term debt activity. The Debt Service Fund is reported as a major fund.

**Capital Projects Funds** are used to account for financial resources to be used for the acquisition or construction of major capital facilities and assets. The Library maintains one major capital projects fund, the Building and Site Fund, which is used to account for the acquisition of Library assets and construction of Library improvements.

**MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

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

**VILLAGE OF WOODRIDGE, ILLINOIS  
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements  
April 30, 2011**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued**

**Measurement Focus**

On the government-wide Statement of Net Assets and the Statement of Activities, activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

The Library’s funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

**Basis of Accounting**

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

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

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



**VILLAGE OF WOODRIDGE, ILLINOIS  
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements  
April 30, 2011**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY**

**Cash and Investments**

For the purpose of the Statement of Net Assets, the Library's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of purchase.

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

**Capital Assets**

Capital assets purchases or acquired with an original cost of \$10,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Library as a whole. When purchased, such assets are recorded as expenditures in the governmental fund and capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

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

Buildings and Improvements	20 – 50 Years
Furniture and Fixtures	5 – 15 Years
Library Materials	5 – 10 Years

**Interfund Receivables, Payables and Activity**

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

**VILLAGE OF WOODRIDGE, ILLINOIS  
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements  
April 30, 2011**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued**

**Receivables**

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances include property taxes.

**Compensated Absences**

The Library accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement. The liability for these compensated absences is recorded as long-term debt in the government-wide statements. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amount is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**Long-Term Obligations**

In the government-wide financial statements, long-term obligations are reported as liabilities.

**Unearned/Deferred Revenue**

Unearned/deferred revenue is reported in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. The Library also defers revenue recognition in connection with resources that have been received, but not yet earned.

**Fund Equity**

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

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

**VILLAGE OF WOODRIDGE, ILLINOIS  
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements  
April 30, 2011**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued**

**Fund Equity – Continued**

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

Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund financial statements, reservations of fund balance are reported for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

**NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**BUDGETARY INFORMATION**

The budget is prepared by fund, function, and activity, and includes information on the past year, current year estimates, and requested budgets for the next fiscal year. The proposed budget is presented to the Library Board of Trustees for review. The governing body holds public meetings and may add to, subtract from, or change budgeted amounts, but may not change the form of the budget. Any revisions that alter the total expenditures of any fund must be approved by the governing body. Expenditures may not legally exceed budgeted appropriations at the fund level.

**VILLAGE OF WOODRIDGE, ILLINOIS  
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements  
April 30, 2011**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS**

**DEPOSITS AND INVESTMENTS**

The Library maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash and investments". In addition, investments are separately held by several of the Library's funds.

Permitted Deposits and Investments – Statutes authorize the Library to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Public Treasurer's Investment Pool.

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

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is 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 the share price, the price for which the investment could be sold.

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

*Deposits.* At year-end the carrying amount of the Library's deposits totaled \$1,170,295 and the bank balances totaled \$1,241,508. The Library also had funds invested in the Illinois Funds of \$800,505 and \$33 invested in the IMET at year-end.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Library's investment policy states that maturities of investment of the various funds of the Library shall be determined to enable the Library to have available sufficient cash for all operating purposes. The Library shall not generally invest in securities maturing greater than one (1) year. The Library's investment in the Illinois Funds and IMET have an average maturity of less than one year.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in security instruments authorized under State Statute, the Library's investment policy further states that safety of principal is the foremost objective of the Library. As stated above, the Library's investment policy states that generally security maturities shall not be greater than one (1) year. At year-end, the Library's investment in the Illinois Funds and IMET are rated AAAM by Standard & Poor's.

**VILLAGE OF WOODRIDGE, ILLINOIS  
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements  
April 30, 2011**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**DEPOSITS AND INVESTMENTS – Continued**

**Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued**

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the Library's deposits may not be returned to it. The Library's investment policy requires that collateral be provided at a fair market value of not less than 100% of the net amount of public funds secured. The Library will accept the following assets as collateral:

- a. U.S. Government Securities
- b. Obligations of Federal Agencies
- c. Obligations of Federal Instrumentalities
- d. General Obligation Bonds of Illinois issuers rated "A" or better
- e. Any other collateral identified in Illinois Revised Statutes as acceptable for use by the Treasurer of the State of Illinois.

Furthermore, pledged collateral will be held by the Library or in safekeeping and evidenced by a safekeeping agreement. If collateral is held in safekeeping, it may be held by a third party or by an escrow agent of the pledging institution.

At year-end, the entire amount of the bank balance of deposits was covered by federal depository or equivalent insurance. For an investment, this is the risk that in the event of the failure of the counterparty, the Library will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At year-end, the Library's investment in the Illinois Fund and IMET are noncategorizable.

*Concentration Risk.* This is the risk of loss attributed to the magnitude of the Library's investment in a single issuer. The Library's investment policy states that funds shall be reasonably diversified to avoid incurring unreasonable risks from concentrating investments in specific security types and/or particular financial institutions. At year-end, the Library's investment in the Illinois Funds represents more than 5 percent of the total cash and investments portfolio.

**PROPERTY TAXES**

Property taxes for 2010 attach as an enforceable lien on January 1, 2010, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by DuPage County and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically to the Library. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience.

**VILLAGE OF WOODRIDGE, ILLINOIS**  
**WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements**  
**April 30, 2011**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**CAPITAL ASSETS**

Capital asset activity for the year ended April 30, 2011 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 389,420	-	-	389,420
Depreciable Capital Assets				
Buildings and Improvements	6,755,215	79,226	-	6,834,441
Furniture and Fixtures	1,326,672	44,684	-	1,371,356
Library Materials	5,934,437	-	131,180	5,803,257
	14,016,324	123,910	131,180	14,009,054
Less Accumulated Depreciation				
Buildings and Improvements	1,751,351	7,923	-	1,759,274
Furniture and Fixtures	1,612,373	137,134	-	1,749,507
Library Materials	4,332,253	133,982	131,180	4,335,055
	7,695,977	279,039	131,180	7,843,836
Total Net Depreciable Capital Assets	6,320,347	(155,129)	-	6,165,218
Total Net Capital Assets	6,709,767	(155,129)	-	6,554,638

Depreciation expense of \$279,039 was charged to governmental activities.

**INTERFUND TRANSFERS**

Interfund transfers for the year consisted of the following:

Transfers In	Transfers Out	Amount
Building and Site	General	\$ 89,866

Transfers are used to move unrestricted revenues collected in the General Fund to finance various capital improvements and asset acquisitions in the Building and Site Fund in accordance with budgetary authorizations.

**VILLAGE OF WOODRIDGE, ILLINOIS  
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements  
April 30, 2011**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT**

**Long-Term Liability Activity**

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Compensated Absences	\$ 40,401	13,810	6,905	47,306	9,461

Compensated absences are generally liquidated by the General Fund.

The Village is reporting General Obligation Refunding Bonds of 2009 in the amount of \$1,880,000 in its financial statements which were issued to refund the outstanding principal on the General Obligation Refunding Bonds of 2002A. The original bonds were issued to fund Library capital improvements and are reported on the Village's financial statements as a long-term liability.

**VILLAGE OF WOODRIDGE, ILLINOIS  
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements  
April 30, 2011**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**FUND EQUITY**

The following is a schedule of fund balance reservations for special or restricted revenues as of the date of this report:

	Beginning Balance	Increases	Decreases	Ending Balance
General Fund				
IMRF and FICA	\$ 157,134	334,388	275,611	215,911
Working Cash	141,687	-	-	141,687
Health Insurance	296,013	80,773	225,770	151,016
	<u>594,834</u>	<u>415,161</u>	<u>501,381</u>	<u>508,614</u>

**NOTE 4 – OTHER INFORMATION**

**Risk Management**

The Library is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Library's employees. These risks are provided for through insurance from private insurance companies. The Library currently reports all its risk management activities in the General Fund. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

**POST-EMPLOYMENT BENEFITS**

In addition to providing benefits described, the Library allows retirees to continue health insurance. The retirees pay the entire cost of their health insurance premiums.



**VILLAGE OF WOODRIDGE, ILLINOIS  
WOODRIDGE PUBLIC LIBRARY**

**Notes to the Financial Statements  
April 30, 2011**

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**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN**

The Library contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for 2,640 local governments and school districts in Illinois. IMRF does issue 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.

**Plan Descriptions, Provisions and Funding Policies**

**Illinois Municipal Retirement System**

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Participating members hired before January 1, 2011 who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. For participating members hired on or after January 1, 2011 who retire at or after age 67 with 10 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3 percent of their final rate (average of the highest 96 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service, with a maximum salary cap of \$106,800 at January 1, 2011. The maximum salary cap increases each year thereafter. The monthly pension of a member hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 62, by the lesser of 3% or ½ of the consumer price index. Employees with at least 10 years of credited service may retire at or after age 62 and receive a reduced benefit. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Village is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. For the calendar year 2010 the employer contribution rate was 10.95 percent and the annual required contribution rate was 11.84 percent.

The employees of the Library are pooled with the employees of the Village of Woodridge for purposes of actuarial valuation. Therefore, the amount of accumulated retirement liability and normal costs related specifically to Library personnel is not available.

## **REQUIRED SUPPLEMENTARY INFORMATION**

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

- Budgetary Comparison Schedule
  - General Fund
    - Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual

### **Notes to the Required Supplementary Information**

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

**VILLAGE OF WOODRIDGE, ILLINOIS  
WOODRIDGE PUBLIC LIBRARY**

**General Fund**

**Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Year Ended April 30, 2011**

	Budget		
	Original	Final	Actual
<b>Revenues</b>			
Taxes	\$ 3,148,000	3,148,000	3,176,429
Intergovernmental	43,200	43,200	43,164
Charges for Services	19,000	19,000	23,050
Fines and Penalties	30,000	30,000	37,212
Interest	15,000	15,000	8,568
Miscellaneous	43,000	43,000	41,353
Total Revenues	3,298,200	3,298,200	3,329,776
<b>Expenditures</b>			
Public Library			
Personnel Services	1,941,000	1,941,000	1,855,241
Commodities	592,800	592,800	473,684
Contractual Services	998,400	998,400	739,917
Capital Outlay	35,000	35,000	10,659
Total Expenditures	3,567,200	3,567,200	3,079,501
Excess (Deficiency) of Revenues Over (Under) Expenditures	(269,000)	(269,000)	250,275
Other Financing (Uses)			
Transfers Out	-	-	(89,866)
Net Change in Fund Balance	(269,000)	(269,000)	160,409
Fund Balance - Beginning			773,671
Fund Balance - Ending			934,080

## **OTHER SUPPLEMENTARY INFORMATION**

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

- Budgetary Comparison Schedules
  - General Fund
    - Schedule of Revenues – Budget and Actual
    - Schedule of Expenditures – Budget and Actual
  - Building and Site – Capital Projects Fund
    - Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual

**VILLAGE OF WOODRIDGE, ILLINOIS  
WOODRIDGE PUBLIC LIBRARY**

**General Fund**

**Schedule of Revenues - Budget and Actual  
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes	\$ 3,148,000	3,148,000	3,176,429
Intergovernmental			
Illinois State Replacement Tax	6,500	6,500	6,437
Grants	36,700	36,700	36,727
	43,200	43,200	43,164
Charges for Services			
Fees - Non-Resident	7,000	7,000	7,049
Fees - Interlibrary Loan	1,500	1,500	308
Fees - Collection	-	-	531
Fees - Public Computers	7,500	7,500	8,509
Fees - MLS	500	500	261
Photocopier	2,500	2,500	6,392
	19,000	19,000	23,050
Fines and Forfeitures			
Fines and Penalties	30,000	30,000	37,212
Interest			
Investment Income	15,000	15,000	8,568
Miscellaneous			
Contributions	41,000	41,000	33,341
Reimbursements	-	-	6,926
Other	2,000	2,000	1,086
	43,000	43,000	41,353
Total Revenues	3,298,200	3,298,200	3,329,776

**VILLAGE OF WOODRIDGE, ILLINOIS**  
**WOODRIDGE PUBLIC LIBRARY**

**General Fund**

**Schedule of Expenditures - Budget and Actual**  
**Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Public Library			
Personnel Services			
Professional Managerial	\$ 947,000	947,000	943,823
Support Staff	625,000	625,000	569,764
Pages	73,000	73,000	66,131
IMRF	170,000	170,000	157,584
FICA	126,000	126,000	117,939
	<u>1,941,000</u>	<u>1,941,000</u>	<u>1,855,241</u>
Commodities			
Books - AD and YA	144,000	144,000	105,551
Books - Reference	60,000	60,000	34,695
Books - CD	63,000	63,000	54,756
Electronic Reference	118,000	118,000	103,984
Audio Visual - AD and YA	52,000	52,000	43,544
Audio Visual - CD	16,000	16,000	13,506
Periodicals	27,000	27,000	23,411
Special Events	1,500	1,500	1,211
Spanish Materials	2,000	2,000	1,630
Per Capita Materials	36,700	36,700	36,709
Professional Materials	600	600	774
Paperbacks	8,000	8,000	7,256
Supplies - Office and Cataloging	35,000	35,000	25,327
Supplies - Toner and Software	16,000	16,000	11,963
Supplies - Custodial	13,000	13,000	9,367
	<u>592,800</u>	<u>592,800</u>	<u>473,684</u>
Contractual Services			
Programs - AD and YA	13,000	13,000	15,557
Programs - CD	7,000	7,000	7,155
MLS Computer Fund	60,000	60,000	54,235
MLS Fees	6,000	6,000	2,929
Email Service	1,500	1,500	1,231
ICN Line	5,000	5,000	2,971
Bank Charges	250	250	339
Audit Fees	800	800	500
Telephone	11,500	11,500	6,992
Postage	15,000	15,000	8,474

**VILLAGE OF WOODRIDGE, ILLINOIS**  
**WOODRIDGE PUBLIC LIBRARY**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued**  
**Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Public Library - Continued			
Contractual Services - Continued			
Photocopier	\$ 21,000	21,000	17,787
Custodial Services	47,300	47,300	39,661
Data Processing	12,000	12,000	14,101
Water	3,500	3,500	1,298
Sewer	2,100	2,100	819
Printing	18,000	18,000	10,166
Postage Meter	3,500	3,500	1,956
LAN Maintenance	30,000	30,000	28,192
Web Host	4,000	4,000	150
Maintenance/Building	220,000	220,000	199,669
Maintenance and Contracts/Office	45,000	45,000	32,367
Landscaping Services	8,000	8,000	6,875
Health Insurance	240,000	240,000	225,770
Insurance/Building	20,000	20,000	17,447
Workers Compensations	7,000	7,000	6,497
Unemployment Compensation	2,000	2,000	2,357
Surety Bonds	1,700	1,700	1,914
Officer's Liability	3,000	3,000	2,500
Conference and Training	22,000	22,000	14,123
Dues	-	-	6,285
Local Transportation	1,000	1,000	1,097
Board Expenses	4,000	4,000	1,318
Staff Supplies	4,500	4,500	811
Legal Notice	6,000	6,000	687
Recruitment	250	250	-
Public Information	3,000	3,000	2,030
Interlibrary Loan	1,500	1,500	55
Contingency	148,000	148,000	3,602
	998,400	998,400	739,917
Capital Outlay			
Furniture	35,000	35,000	10,659
Total Expenditures	3,567,200	3,567,200	3,079,501

**VILLAGE OF WOODRIDGE, ILLINOIS**  
**WOODRIDGE PUBLIC LIBRARY**

**Building and Site - Capital Projects Fund**

**Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Year Ended April 30, 2011**

	Budget		
	Original	Final	Actual
Revenues			
Interest	\$ -	-	11,391
Expenditures			
Capital Outlay			
Maintenance/Building	80,000	80,000	25,519
Automation	25,000	25,000	23,885
Light Repair	15,000	15,000	12,674
Major Equipment	30,000	30,000	22,222
Contingency	20,000	20,000	-
Total Expenditures	170,000	170,000	84,300
Excess (Deficiency) of Revenues Over (Under) Expenditures	(170,000)	(170,000)	(72,909)
Other Financing Sources			
Transfers In	-	-	89,866
Net Change in Fund Balance	(170,000)	(170,000)	16,957
Fund Balance - Beginning			887,938
Fund Balance - Ending			904,895