

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

ANNUAL FINANCIAL REPORT

YEAR ENDED APRIL 30, 2012

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

TABLE OF CONTENTS

	PAGE
<u>FINANCIAL SECTION</u>	
INDEPENDENT AUDITORS' REPORT	1 - 2
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Assets	3
Statement of Activities	4
Fund Financial Statements	
Balance Sheet.....	5
Reconciliation of Total Fund Balance to the Statement of Net Assets.....	6
Statement of Revenues, Expenditures and Changes in Fund Balance	7
Reconciliation of the Statement of Revenues, Expenditure and Changes in Fund Balance to the Statements of Activities.....	8
Notes to the Financial Statements.....	9 - 21
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary Comparison Schedule	
Schedule of Revenues, Expenditure and Changes in Fund Balance – Budget and Actual – General Fund.....	22
OTHER SUPPLEMENTARY INFORMATION	
Budgetary Comparison Schedules	
Schedule of Revenues – Budget and Actual – General Fund	23
Schedule of Expenditures – Budget and Actual – General Fund	24 - 25
Schedule of Revenues, Expenditure and Changes in Fund Balance – Budget and Actual – Building and Site – Capital Projects Fund.....	26

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

July 23, 2012

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, 2012, 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 financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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, 2012, 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 other required supplementary 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 generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purposes of forming opinions on the financial statements that collectively comprise 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, 2012

ASSETS

Current Assets	
Cash and Investments	\$ 2,052,509
Receivables - Net of Allowances	
Property Taxes	3,830,686
Other	5,810
Accrued Interest	433
Prepays	18,114
Total Current Assets	<u>5,907,552</u>
Noncurrent Assets	
Capital Assets	
Land	389,420
Depreciable Capital Assets	14,247,364
Accumulated Depreciation	(8,151,666)
Total Noncurrent Assets	<u>6,485,118</u>
Total Assets	<u>12,392,670</u>

LIABILITIES

Current Liabilities	
Accounts Payable	159,821
Accrued Payroll	42,362
Unearned/Deferred Revenues	3,830,686
Compensated Absences Payable	8,472
Total Current Liabilities	<u>4,041,341</u>
Long-Term Liabilities	
Compensated Absences Payable	33,890
Total Liabilities	<u>4,075,231</u>

NET ASSETS

Investment in Capital Assets	6,485,118
Restricted for Special Levies	903,913
Unrestricted	<u>928,408</u>
Total Net Assets	<u>8,317,439</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, 2012

	Expenses	Program Revenues Charges for Services	Operating Grants	Net (Expense) Revenue and Changes in Net Assets
Functions/Programs Public Library	\$ 3,955,888	48,565	36,807	(3,870,516)
General Revenues				
Taxes				
Property Taxes				3,779,071
Replacement Taxes				5,810
Interest				18,759
Miscellaneous				38,008
				<u>3,841,648</u>
Change in Net Assets				(28,868)
Net Assets - Beginning				<u>8,346,307</u>
Net Assets - Ending				<u>8,317,439</u>

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

VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY

Balance Sheet
April 30, 2012

	General	Debt Service	Capital Projects Building and Site	Total
ASSETS				
Cash and Investments	\$ 1,428,457	392	623,660	2,052,509
Receivables - Net of Allowances				
Property Taxes	3,351,709	478,977	-	3,830,686
Other	5,810	-	-	5,810
Accrued Interest	433	-	-	433
Prepays	18,114	-	-	18,114
Total Assets	4,804,523	479,369	623,660	5,907,552
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	95,981	-	63,840	159,821
Accrued Payroll	42,362	-	-	42,362
Unearned/Deferred Revenues	3,351,709	478,977	-	3,830,686
Total Liabilities	3,490,052	478,977	63,840	4,032,869
Fund Balances				
Nonspendable	18,114	-	-	18,114
Restricted	343,701	392	559,820	903,913
Unassigned	952,656	-	-	952,656
Total Fund Balances	1,314,471	392	559,820	1,874,683
Total Liabilities and Fund Balances	4,804,523	479,369	623,660	5,907,552

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, 2012

Total Fund Balances	\$ 1,874,683
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.	6,485,118
Compensated absences are not due and payable in the current period and therefore, are not reported in the funds.	<u>(42,362)</u>
Net Assets	<u>8,317,439</u>

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, 2012

	General	Debt Service	Capital Projects Building and Site	Total
Revenues				
Taxes	\$ 3,295,155	483,916	-	3,779,071
Intergovernmental	42,617	-	-	42,617
Charges for Services	18,771	-	-	18,771
Fines and Penalties	29,794	-	-	29,794
Interest	8,929	176	9,654	18,759
Miscellaneous	38,008	-	-	38,008
Total Revenues	3,433,274	484,092	9,654	3,927,020
Expenditures				
Public Library				
Personnel Services	1,917,516	-	-	1,917,516
Commodities	444,973	-	-	444,973
Contractual Services	730,524	-	-	730,524
Capital Outlay	49,968	-	264,631	314,599
Total Expenditures	3,142,981	-	264,631	3,407,612
Excess (Deficiency) of Revenues Over (Under) Expenditures	290,293	484,092	(254,977)	519,408
Other Financing Sources (Uses)				
Transfers In	250,507	-	160,409	410,916
Transfer Out	(160,409)	-	(250,507)	(410,916)
Transfer Out - Primary Government	-	(483,700)	-	(483,700)
	90,098	(483,700)	(90,098)	(483,700)
Net Change in Fund Balances	380,391	392	(345,075)	35,708
Fund Balances - Beginning	934,080	-	904,895	1,838,975
Fund Balances - Ending	1,314,471	392	559,820	1,874,683

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, 2012

Net Change in Fund Balances	\$ 35,708
------------------------------------	------------------

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	245,473
Depreciation Expense	(314,993)

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.

Reduction to Compensated Absences Payable	<u>4,944</u>
---	--------------

Changes in Net Assets	<u>(28,868)</u>
------------------------------	------------------------

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, 2012**

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, 2012.

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, 2012**

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, 2012**

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, 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, 2012**

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, 2012**

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.

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

**Notes to the Financial Statements
April 30, 2012**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

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.

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.”

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.

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.

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

**Notes to the Financial Statements
April 30, 2012**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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 \$948,467 and the bank balances totaled \$977,129. The Library also had funds invested in the Illinois Funds of \$711,318 and \$392,724 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 is rated AAAM by Standard and Poor's and the Library's investment in the IMET Convenience Fund is rated AAAs by Standard and Poor's and the 1-3 Year Fund is rated AAAs by Standard & Poor's.

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

**Notes to the Financial Statements
April 30, 2012**

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 Funds 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 and IMET represents more than 5 percent of the total cash and investments portfolio.

PROPERTY TAXES

Property taxes for 2012 attach as an enforceable lien on January 1, 2011, 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, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2012 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 389,420	-	-	389,420
Depreciable Capital Assets				
Buildings and Improvements	6,834,441	211,745	-	7,046,186
Furniture and Fixtures	1,371,356	33,728	-	1,405,084
Library Materials	5,803,257	-	7,163	5,796,094
	14,009,054	245,473	7,163	14,247,364
Less Accumulated Depreciation				
Buildings and Improvements	1,759,274	29,098	-	1,788,372
Furniture and Fixtures	1,749,507	140,507	-	1,890,014
Library Materials	4,335,055	145,388	7,163	4,473,280
	7,843,836	314,993	7,163	8,151,666
Total Net Depreciable Capital Assets	6,165,218	(69,520)	-	6,095,698
Total Net Capital Assets	6,554,638	(69,520)	-	6,485,118

Depreciation expense of \$314,993 was charged to governmental activities.

VILLAGE OF WOODRIDGE, ILLINOIS
WOODRIDGE PUBLIC LIBRARY

Notes to the Financial Statements
April 30, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfers In	Transfers Out	Amount
General	Building and Site	\$ 250,507
Building and Site	General	<u>160,409</u>
		<u>410,916</u>

The transfer from the Building and Site Fund to the General Fund relates to a redeemed Certificate of Deposit, the proceeds of which were transferred between the two funds during the year. The transfer from the General Fund to the Building and Site Fund relates to the transferring of 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.

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	\$ 47,306	4,944	9,888	42,362	<u>8,472</u>

Compensated absences are generally liquidated by the General Fund.

The Village is reporting General Obligation Refunding Bonds of 2009 in the amount of \$1,445,000 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, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND EQUITY

Fund Balance Classifications

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

	General	Debt Service	Capital Projects Building and Site	Total
Fund Balances				
Nonspendable	\$ 18,114	-	-	18,114
Restricted				
Property Tax Levies				
IMRF and FICA	202,014	-	-	202,014
Working Cash	141,687	-	-	141,687
Debt Service	-	392	-	392
Debt Service	-	-	559,820	559,820
	343,701	392	559,820	903,913
Unassigned	952,656	-	-	952,656
Total Fund Balances	1,314,471	392	559,820	1,874,683

The Library implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* for the fiscal year ended April 30, 2012. In the governmental funds financial statements, the Library first utilizes restricted resources to finance qualifying activities, then committed, assigned and unassigned fund balance.

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

**Notes to the Financial Statements
April 30, 2012**

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

The Library has evaluated its potential other postemployment benefits liability. Former employees who choose to retain their rights to health insurance through the Library are required to pay 100% of the current premium. However, no former employees have chosen to stay in the Library's health insurance plan. Therefore, there has been 0% utilization and, therefore, no implicit subsidy to calculate in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Additionally, the Library had no former employees for which the Library was providing an explicit subsidy and no current employees with agreements for future explicit subsidies upon retirement. Therefore, the Library has not recorded any postemployment benefit liability as of April 30, 2012.

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.

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

**Notes to the Financial Statements
April 30, 2012**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

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 2011 the employer contribution rate was 12.05 percent and the annual required contribution rate was 12.15 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, 2012**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 3,270,000	3,270,000	3,295,155
Intergovernmental	43,307	43,307	42,617
Charges for Services	19,500	19,000	18,771
Fines and Penalties	30,000	30,000	29,794
Interest	15,000	15,000	8,929
Miscellaneous	50,750	43,000	38,008
Total Revenues	<u>3,428,557</u>	<u>3,420,307</u>	<u>3,433,274</u>
Expenditures			
Public Library			
Personnel Services	2,001,000	2,001,000	1,917,516
Commodities	573,542	573,542	444,973
Contractual Services	1,073,215	1,073,215	730,524
Capital Outlay	30,000	30,000	49,968
Total Expenditures	<u>3,677,757</u>	<u>3,677,757</u>	<u>3,142,981</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(249,200)</u>	<u>(257,450)</u>	<u>290,293</u>
Other Financing Sources (Uses)			
Transfers In	-	-	250,507
Transfers Out	-	-	(160,409)
	<u>-</u>	<u>-</u>	<u>90,098</u>
Net Change in Fund Balance	<u>(249,200)</u>	<u>(257,450)</u>	380,391
Fund Balance - Beginning			<u>934,080</u>
Fund Balance - Ending			<u><u>1,314,471</u></u>

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, 2012

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes	\$ 3,270,000	3,270,000	3,295,155
Intergovernmental			
Illinois State Replacement Tax	6,500	6,500	5,810
Grants	36,807	36,807	36,807
	43,307	43,307	42,617
Charges for Services			
Fees - Non-Resident	6,000	7,000	4,113
Fees - Interlibrary Loan	1,500	1,500	779
Fees - Collection	500	-	637
Fees - Public Computers	7,500	7,500	8,444
Fees - MLS	500	500	235
Photocopier	3,500	2,500	4,563
	19,500	19,000	18,771
Fines and Forfeitures			
Fines and Penalties	30,000	30,000	29,794
Interest			
Investment Income	15,000	15,000	8,929
Miscellaneous			
Contributions	48,750	41,000	30,492
Reimbursements	-	-	5,824
Other	2,000	2,000	1,692
	50,750	43,000	38,008
Total Revenues	3,428,557	3,420,307	3,433,274

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

General Fund

**Schedule of Expenditures - Budget and Actual
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
Public Library			
Personnel Services			
Professional Managerial	\$ 968,000	968,000	958,680
Support Staff	640,000	640,000	582,145
Pages	75,000	75,000	64,263
IMRF	187,000	187,000	192,485
FICA	131,000	131,000	119,943
	<u>2,001,000</u>	<u>2,001,000</u>	<u>1,917,516</u>
Commodities			
Books - AD and YA	135,000	135,000	105,784
Books - Reference	50,000	50,000	32,589
Books - CD	62,000	62,000	47,549
Electronic Reference	115,000	115,000	92,252
Audio Visual - AD and YA	52,000	52,000	42,040
Audio Visual - CD	16,000	16,000	16,283
Periodicals	25,000	25,000	23,704
Special Events	1,500	1,500	1,320
Spanish Materials	1,500	1,500	1,223
Per Capita Materials	36,807	36,807	22,103
Professional Materials	335	335	255
Paperbacks	8,000	8,000	6,766
Supplies - Office and Cataloging	38,500	38,500	30,809
Supplies - Toner and Software	17,600	17,600	13,009
Supplies - Custodial	14,300	14,300	9,287
	<u>573,542</u>	<u>573,542</u>	<u>444,973</u>
Contractual Services			
Programs - AD and YA	15,000	15,000	15,252
Programs - CD	7,000	7,000	6,663
MLS Computer Fund	60,000	60,000	55,192
MLS Fees	4,500	4,500	1,068
Email Service	2,500	2,500	2,862
ICN Line	5,000	5,000	3,575
Bank Charges	250	250	403
Audit Fees	800	800	500
Telephone	11,500	11,500	8,941
Postage	15,000	15,000	6,151

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

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
Year Ended April 30, 2012**

	Budget		Actual
	Original	Final	
Public Library - Continued			
Contractual Services - Continued			
Photocopier	\$ 21,000	21,000	15,353
Custodial Services	50,000	50,000	35,997
Data Processing	12,000	12,000	20,800
Water	3,500	3,500	2,383
Sewer	2,100	2,100	860
Printing	18,000	18,000	10,706
Postage Meter	3,500	3,500	4,302
LAN Maintenance	30,000	30,000	18,308
Web Host	4,000	4,000	2,153
Maintenance/Building	215,915	215,915	184,425
Maintenance and Contracts/Office	52,000	52,000	38,205
Landscaping Services	8,000	8,000	13,895
Health Insurance	300,000	300,000	190,028
Insurance/Building	22,000	22,000	17,504
Workers Compensations	8,000	8,000	6,841
Unemployment Compensation	3,000	3,000	2,616
Surety Bonds	2,100	2,100	1,700
Officer's Liability	3,300	3,300	1,000
Conference and Training	20,000	20,000	17,447
Dues	5,000	5,000	5,615
Local Transportation	1,000	1,000	348
Board Expenses	4,000	4,000	3,136
Staff Supplies	4,500	4,500	2,830
Legal Notice	6,000	6,000	8,502
Recruitment	250	250	557
Public Information	3,000	3,000	4,661
Interlibrary Loan	1,500	1,500	442
Contingency	148,000	148,000	19,303
	<u>1,073,215</u>	<u>1,073,215</u>	<u>730,524</u>
Capital Outlay			
Furniture	<u>30,000</u>	<u>30,000</u>	<u>49,968</u>
Total Expenditures	<u>3,677,757</u>	<u>3,677,757</u>	<u>3,142,981</u>

**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, 2012**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ -	-	9,654
Expenditures			
Capital Outlay			
Maintenance and Repair	185,000	185,000	175,426
Maintenance/Building	-	-	-
Automation	25,000	25,000	23,018
Light Repair	15,000	15,000	28,750
Major Equipment	30,000	30,000	16,254
Contingency	20,000	20,000	21,183
Total Expenditures	275,000	275,000	264,631
Excess (Deficiency) of Revenues Over (Under) Expenditures	(275,000)	(275,000)	(254,977)
Other Financing Sources (Uses)			
Transfers In	-	-	160,409
Transfers Out	-	-	(250,507)
	-	-	(90,098)
Net Change in Fund Balance	(275,000)	(275,000)	(345,075)
Fund Balance - Beginning			904,895
Fund Balance - Ending			559,820