

WESTMONT PUBLIC LIBRARY

(A Component Unit of the
Village of Westmont, Illinois)

FINANCIAL STATEMENTS

Including Independent Auditors' Report
As of and for the Year Ended April 30, 2012

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WESTMONT PUBLIC LIBRARY
WESTMONT, ILLINOIS
AS OF AND FOR THE YEAR ENDED APRIL 30, 2012
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INDEPENDENT AUDITORS' REPORT

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Baker Tilly Vitchow Krause, LLP
1301 W 22nd St, Ste 400
Oak Brook, IL 60523-3389
tel 630 990 3131
fax 630 990 0039
bakertilly.com

INDEPENDENT AUDITORS' REPORT

Members of the Public Library Board
Westmont Public Library
Westmont, Illinois

We have audited the accompanying financial statements of the governmental activities and each major fund of the Westmont Public Library (the "Library"), a component unit of Village of Westmont, Illinois, as of and for the year ended April 30, 2012, which collectively comprise the Library's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Westmont Public Library's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Westmont Public Library, as of April 30, 2012, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.


As described in Note 1, the Library adopted the provision of GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, effective, May 1, 2011.

The Westmont Public Library has not presented the management's discussion and analysis that governmental accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the financial statements in an appropriate operational, economical, or historical context. Our opinion on the financial statements is not affected by this missing information.

Members of the Public Library Board
Westmont Public Library
Village of Westmont

Accounting principles generally accepted in the United States of America require that the general fund budgetary schedule as listed in the table of contents 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, economical, 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 purpose of forming opinions on the financial statements that collectively comprise Westmont Public Library's basic financial statements. The special reserve fund budgetary schedule as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other 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 basic financial statements as a whole.


Oak Brook, Illinois
April 25, 2013

BASIC FINANCIAL STATEMENTS

WESTMONT PUBLIC LIBRARY
WESTMONT, ILLINOIS
STATEMENT OF NET ASSETS
AS OF APRIL 30, 2012

	GOVERNMENTAL ACTIVITIES
Assets	
Cash and cash equivalents	\$ 11,967
Investments	1,125,362
Receivables (net of allowance for uncollectibles):	
Property taxes	1,696,837
Intergovernmental	1,442
Other	174
Capital assets	
Capital assets not being depreciated	450,000
Capital assets being depreciated, net of depreciation	<u>2,818,385</u>
 Total assets	 <u>6,104,167</u>
Liabilities	
Accounts payable	31,952
Accrued payroll	22,447
Accrued interest	8,059
Unearned revenue	1,696,837
Noncurrent liabilities	
Due within one year	189,043
Due in more than one year	<u>272,787</u>
 Total liabilities	 <u>2,221,125</u>
Net assets	
Invested in capital assets, net of related debt	2,815,183
Restricted for capital improvements	510,570
Unrestricted	<u>557,289</u>
 Total net assets	 <u>\$ 3,883,042</u>

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

WESTMONT PUBLIC LIBRARY
WESTMONT, ILLINOIS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2012

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
				GOVERNMENTAL ACTIVITIES
Primary Government				
Governmental activities				
Culture and recreation	\$ 1,681,031	\$ 41,748	\$ 5,285	\$ (1,633,998)
Interest	<u>25,218</u>	<u>-</u>	<u>-</u>	<u>(25,218)</u>
Total governmental activities	<u>\$ 1,706,249</u>	<u>\$ 41,748</u>	<u>\$ 5,285</u>	<u>(1,659,216)</u>

General revenues:	
Property taxes	1,709,835
Replacement taxes	11,577
Investment income	1,043
Miscellaneous	<u>3,608</u>
Total general revenues	<u>1,726,063</u>
Change in net assets	66,847
Net assets, beginning of year	<u>3,816,195</u>
Net assets, end of year	<u>\$ 3,883,042</u>

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

WESTMONT PUBLIC LIBRARY
WESTMONT, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF APRIL 30, 2012

	GENERAL FUND	SPECIAL RESERVE FUND	TOTAL
Assets			
Cash and cash equivalents	\$ 11,967	\$ -	\$ 11,967
Investments	616,338	509,024	1,125,362
Receivables (net of allowance for doubtful accounts):			
Property taxes	1,696,837	-	1,696,837
Intergovernmental	-	1,442	1,442
Other	<u>70</u>	<u>104</u>	<u>174</u>
 Total assets	 <u>\$ 2,325,212</u>	 <u>\$ 510,570</u>	 <u>\$ 2,835,782</u>
Liabilities and fund balance			
Liabilities			
Accounts payable	\$ 31,952	\$ -	\$ 31,952
Accrued payroll	22,447	-	22,447
Deferred revenue	<u>1,696,837</u>	<u>-</u>	<u>1,696,837</u>
 Total liabilities	 <u>1,751,236</u>	 <u>-</u>	 <u>1,751,236</u>
Fund balance			
Restricted for capital improvements	-	510,570	510,570
Unassigned	<u>573,976</u>	<u>-</u>	<u>573,976</u>
 Total fund balance	 <u>573,976</u>	 <u>510,570</u>	 <u>1,084,546</u>
 Total liabilities and fund balance	 <u>\$ 2,325,212</u>	 <u>\$ 510,570</u>	 <u>\$ 2,835,782</u>

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

WESTMONT PUBLIC LIBRARY
WESTMONT, ILLINOIS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
AS OF APRIL 30, 2012

Total fund balances - governmental funds	\$	1,084,546
Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds		3,268,385
Some liabilities, including long-term debt, are not due and payable in the current period and therefore, are not reported in the funds.		
Debt certificates	(453,202)	
Compensated absences	(8,628)	
Interest payable	(8,059)	
		(469,889)
Net assets of governmental activities	\$	3,883,042

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

WESTMONT PUBLIC LIBRARY
WESTMONT, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED APRIL 30, 2012

	GENERAL FUND	SPECIAL RESERVE FUND	TOTAL
Revenues			
Taxes	\$ 1,709,835	\$ -	\$ 1,709,835
Intergovernmental	-	11,577	11,577
Fines and forfeitures	22,401	-	22,401
Charges for services	19,347	-	19,347
Investment income	819	224	1,043
Miscellaneous	8,893	-	8,893
	<u>1,761,295</u>	<u>11,801</u>	<u>1,773,096</u>
Total revenues			
Expenditures			
Current:			
Culture and recreation	1,595,926	-	1,595,926
Capital outlay	-	145,294	145,294
Debt service:			
Principal	-	87,857	87,857
Interest and fiscal charges	1,179	24,039	25,218
	<u>1,597,105</u>	<u>257,190</u>	<u>1,854,295</u>
Total expenditures			
Other Financing Sources (Uses)			
Transfers in	-	164,190	164,190
Transfers (out)	(164,190)	-	(164,190)
	<u>(164,190)</u>	<u>164,190</u>	<u>-</u>
Total Other Financing Sources (Uses)			
Change in fund balance	-	(81,199)	(81,199)
Fund balance, beginning of year	573,976	591,769	1,165,745
Fund balance, end of year	<u>\$ 573,976</u>	<u>\$ 510,570</u>	<u>\$ 1,084,546</u>

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

WESTMONT PUBLIC LIBRARY
WESTMONT, ILLINOIS
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2012

Net change in fund balances - total governmental funds	\$	(81,199)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of net assets the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities. This is the amount by which capital outlay exceeds depreciation in the current period.		173,774
The net effect of various miscellaneous transactions involving capital assets (sale, disposal, transfer, etc.) is to decrease net assets.		(113,656)
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets		
Principal repayments		87,857
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Compensated absences		<u>71</u>
Change in Net Assets - governmental activities	\$	<u>66,847</u>

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

VILLAGE OF WESTMONT
WESTMONT PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED APRIL 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Westmont Public Library, Westmont, Illinois (the Library), 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 general 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 Library's accounting policies are described below.

Reporting Entity

The Library is a municipal corporation governed by an elected seven-member board of trustees. As required by GAAP, these financial statements present the Library and any existing component units. Currently, the Library does not have any component units and has been determined to be a component unit of the Village of Westmont, Illinois (the Village).

Basis of Presentation

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Library. Governmental activities normally are supported by taxes.

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 and (2) grants and shared revenues that are restricted to meeting the operational or capital requirements of a particular function. 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 Library reports the following major governmental funds:

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.

Special Reserve Fund, a capital projects fund, is used to account for the financial resources that are restricted for use on the acquisition or construction of major capital facilities.

Measurement Focus, Basis of Accounting, and Financial Statement Preparation

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 the 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.

Governmental fund financial statements are reported using a current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they become measurable, available, and earned. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

VILLAGE OF WESTMONT
WESTMONT PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED APRIL 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

The Library recognizes property taxes when they become both measurable and available in the year intended to finance. The Library considers other revenue sources as available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred.

Those revenues susceptible to accrual are property taxes and investment income. Fine revenue is not susceptible to accrual because generally it is not measurable until received in cash.

Assets, Liabilities and Net Assets or Equity

Deposits and Investments

Cash and cash equivalents include amounts in demand deposits and investments with a maturity date of three months or less from the date acquired by the Library.

Investments with a maturity of one year or less when purchased and non-negotiable certificates of deposit are stated at amortized cost. Investments with a maturity greater than one year when purchased are reported at fair value.

Property Tax Revenues

Property taxes for 2011 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 fiscal year (by passage of a Tax Levy Ordinance). Tax bills that are prepared by DuPage County are issued on May 1 and are payable in two installments on June 1st and September 1st.

The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy or \$17,140 to reflect actual collection experience. The 2011 property tax levy is recognized as a receivable in fiscal 2012, net the allowance for uncollectible and amounts already received. The 2012 tax levy has not been recorded as a receivable as of April 30, 2012 as the tax has not yet been levied by the Village.

Capital Assets

Capital assets, which include land, buildings and improvements, and furniture and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Library as assets with an initial individual cost of more than the threshold described below and an estimated useful life in excess of one year. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

**VILLAGE OF WESTMONT
WESTMONT PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED APRIL 30, 2012**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

Depreciation of capital assets is provided using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Threshold</u>	<u>Years</u>
Buildings	\$50,000	40
Building improvements	8,000	20-40
Furniture and equipment	1,500	5-12

Deferred Revenues

The Library reports unearned/deferred revenue on its financial statements. Unearned/deferred revenues arise when potential revenue does not meet both the “measurable,” “available,” and “earned” criteria for recognition in the current period. Unearned/deferred revenues also arise when resources are received by the Library 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 Library has a legal claim to the resources, the liability for unearned/deferred revenue is removed and revenue is recognized.

	<u>Unearned</u>
Property taxes receivable for subsequent year	\$ <u>1,696,837</u>
Total	\$ <u>1,696,837</u>

Compensated Absences

Vested or accumulated vacation leave, including related social security and medicare, that is owed retirees or terminated employees is reported as expenditure and a fund liability of the governmental fund that will pay it once retirement or separation has occurred. Vested or accumulated vacation leave of governmental activities at the government-wide level is recorded as expense and liability as the benefits accrue to employees.

Fund Balance

For the year ended April 30, 2012, the Library has implemented GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

Equity is classified as fund balance in the financial statements and displayed in five components:

Nonspendable - includes amounts not in spendable form, such as inventory, or amounts required to be maintained intact legally or contractually (principal endowment) (e.g. inventory or pre-paid items).

Restricted - includes amounts constrained for a specific purpose by external parties (e.g. Debt Service, State and Federal Grant Funds).

VILLAGE OF WESTMONT
WESTMONT PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED APRIL 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

Committed - includes amounts constrained for a specific purpose by a government using its highest level of decision making authority, the Library Board. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Library Board that originally created the commitment.

Assigned - includes amounts constrained for a specific purpose by the Library Board or by an official that has been delegated authority to assign amounts. The Library Board may also take official action to assign amounts. Additionally, all remaining positive spendable amounts in governmental funds that are neither restricted nor committed are considered assigned. Assignments may take place after the end of the reporting period.

Unassigned - includes negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Data

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. Budget amounts were not amended during the year by the Board of Trustees. All annual appropriations lapse at fiscal year end.

The Library submits to the Board of Trustees a proposed budget for the fiscal year. The operating budget includes proposed expenditures and means of financing them. Budget hearings are conducted. The budget is legally enacted through the passage of an ordinance by the Board of Trustees after approval through a motion. The budget may be amended by the Board of Trustees. Expenditures may not legally exceed budgeted appropriations at the fund level. The General Fund and Special Reserve Fund have legally adopted budgets.

NOTE 3 – DEPOSITS AND INVESTMENTS

The Library has adopted an investment policy. That policy follows the state statute for allowable investments. Illinois Statutes authorize the village's to make 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 agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Investment Pool.

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

VILLAGE OF WESTMONT
WESTMONT PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED APRIL 30, 2012

NOTE 3 – DEPOSITS AND INVESTMENTS - CONT'D

For disclosure purposes, for the Westmont Public Library, these amounts are segregated into three components: 1) cash on hand 2) deposits with financial institutions, which include amounts held in demand accounts, savings accounts and non-negotiable certificates of deposit; and 3) investments, which consist of investments in the Illinois Funds, as follows:

		<i>Library</i>
Cash on hand	\$	455
Deposits with financial institutions		11,512
Illinois Funds		<u>1,125,362</u>
 Total	 \$	 <u>1,137,329</u>
 Reconciliation to financial statements		
Cash and cash equivalents	\$	11,967
Investments		<u>1,125,362</u>
 Total	 \$	 <u>1,137,329</u>

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Library limits its exposure to credit risk by only allowing investments in securities guaranteed by the U.S. government or by participating in the State of Illinois Public Treasurer's Investment Pool (Illinois Funds). Illinois Funds is rated AAAM.

Custodial Credit Risk - Deposits

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Library's deposits may not be returned to it. As of April 30, 2012, all the Library deposits were covered under FDIC insurance. The Library's investment policy requires the Library to invest in FDIC or FSLIC insured institutions.

**VILLAGE OF WESTMONT
WESTMONT PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED APRIL 30, 2012**

NOTE 4 – CAPITAL ASSETS

The Library's capital asset activity for the year ended April 30, 2012, was as follows:

	<i>Beginning Balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Ending Balance</i>
Capital assets not being depreciated:				
Land	\$ 450,000	\$ -	\$ -	\$ 450,000
Construction in Progress	102,761		102,761	-
Total capital assets not being depreciated	<u>552,761</u>		<u>102,761</u>	<u>450,000</u>
Capital assets being depreciated:				
Buildings and improvements	4,734,233	381,916	61,000	5,055,149
Furniture and equipment	334,074	3,208	7,997	329,285
Total capital assets being depreciated	<u>6,774,061</u>	<u>385,124</u>	<u>68,997</u>	<u>5,384,434</u>
Less accumulated depreciation for:				
Buildings and improvements	2,163,600	195,582	50,325	2,308,857
Furniture and equipment	249,201	15,768	7,777	257,192
Total accumulated depreciation	<u>2,412,801</u>	<u>211,350</u>	<u>58,102</u>	<u>2,566,049</u>
Net capital assets being depreciated	<u>2,655,506</u>	<u>173,774</u>	<u>10,895</u>	<u>2,818,385</u>
Library activities capital assets, net	<u>\$ 3,208,267</u>	<u>\$ 173,774</u>	<u>\$ 113,656</u>	<u>\$ 3,268,385</u>

The entire depreciation expense was charged to the culture and recreation function.

NOTE 5 – INTERFUND TRANSFERS

During the year ended April 30, 2012, the Library transferred \$164,190 from the General Fund to the Special Reserve Fund to fund current year capital projects.

NOTE 6 – LONG-TERM LIABILITIES

During the year ended April 30, 2012, the following is the long-term liability activity for the Library:

	<i>Beginning Balance</i>	<i>Additions</i>	<i>Reductions</i>	<i>Ending Balance</i>	<i>Due Within One Year</i>
Library activities:					
2009 General Obligation Debt Certificates	\$ 541,059	\$ -	\$ 87,857	\$ 453,202	\$ 187,317
Compensated absences	8,699	-	71	8,628	1,726
	<u>\$ 549,758</u>	<u>\$ -</u>	<u>\$ 87,928</u>	<u>\$ 461,830</u>	<u>\$ 189,043</u>

The compensated absences will be paid out of the general fund.

VILLAGE OF WESTMONT
WESTMONT PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED APRIL 30, 2012

NOTE 6 – LONG-TERM LIABILITIES - CONT'D

2009 General Obligation Debt Certificates

The 2009 general obligation debt certificates is a direct obligation and pledges the full faith and credit of the Library. The debt certificates were issued to finance construction of a new roof of the Library's existing building. Library debt certificates currently outstanding are as follows:

<i>Purpose</i>	<i>Interest Rates</i>	<i>Original Indebtedness</i>	<i>Carrying Amount</i>
Series 2009 General Obligation Debt Certificates dated August 10, 2009 are due in annual installments through January 10, 2016	4.875%	\$ 825,000	\$ 453,202
Total		\$ 825,000	\$ 453,202

Annual debt service requirements to maturity for Library General Obligation Debt Certificates are as follows for governmental type activities:

	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2013	\$ 187,317	\$ 18,684	\$ 206,001
2014	100,336	11,664	112,000
2015	105,196	6,804	112,000
2016	60,353	1,613	61,966
Total	\$ 453,202	\$ 38,765	\$ 491,967

NOTE 7 – 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; injuries to employees; illnesses of employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settles claims from these risks have not exceeded commercial insurance coverage for the past three years.

NOTE 8 – RETIREMENT SYSTEMS

Illinois Municipal Retirement Fund

The Library, under the sponsorship of the Village, contributes to the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system. The benefits, benefits levels, employee contributions and employer contributions for the plan is governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Although IMRF is an agent multiple-employer pension plan, the Library's participation through the Village is considered to be that of a cost sharing, multiple-employer pension plan.

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Public Act 96-0889 created a second tier for IMRF's Regular Plan. Effective January 1, 2011, IMRF assigns a benefit tier to a member when he or she is enrolled in IMRF. The tier is determined by the member's first IMRF participation date. If the member first participated in IMRF before January 1, 2011, they participate in Regular Tier 1. If the member first participated in IMRF on or after January 1, 2011, they participate in Regular Tier 2.

VILLAGE OF WESTMONT
WESTMONT PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED APRIL 30, 2012

NOTE 8 – RETIREMENT SYSTEMS - CONT'D

For Regular Tier 1, pension benefits vest after eight years of service. Participating members 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% 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% for each year thereafter. For Regular Tier 2, pension benefits vest after ten years of service. Participating members who retire at or after age 67 with 10 years of service, or age 62 with 35 years of service are entitled to an annual retirement benefit as described above. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by Illinois Compiled Statutes. Participating members are required to contribute 4.5% of their annual salary to IMRF. For the calendar year ended December 31, 2011, the employer rate used was 13.94% of covered payroll. Total payroll for the year was \$787,058. A separate actuarial valuation for Library employees is not performed. Actuarial information regarding IMRF is presented in the Village's Comprehensive Annual Financial Report.

The amount shown below as the actuarial accrued liability is a standardized disclosure measure of the present value of pension benefits, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the funding status of IMRF on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is the actuarial entry-age normal method prorated on service and is the same as the funding method used to determine contributions to IMRF.

The actuarial accrued liability for the Village as a whole as of December 31, 2011, 2010, and 2009 was \$16,781,462, \$16,516,416, and \$17,008,988, respectively. The actuarial value of assets as these dates was \$11,708,356, \$10,230,978, and \$10,822,525, resulting in an underfunded actuarial accrued liability as of December 31, 2011, 2010, and 2009 of \$5,073,106, \$6,285,428, and \$6,186,463, respectively. The Library's contribution for the year ended April 30, 2012, 2011, and 2010 represented 12.00%, 10.42%, and 9.60%, respectively, of the total amount contributed by the Village.

NOTE 9 – EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has approved GASB Statement No. 61, The Financial Reporting Entity: Omnibus; Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position; Statement No. 64, Derivative Instruments: Application of Hedge Accounting Termination Provisions - an amendment of GASB Statement No. 53; Statement No. 67, Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25; and Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment to GASB Statement No. 27. Application of these standards may restate portions of these financial statements.

VILLAGE OF WESTMONT
WESTMONT PUBLIC LIBRARY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED APRIL 30, 2012

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE OVER (UNDER)
Revenues			
Public library			
Taxes			
Property	\$ 1,707,500	\$ 1,709,835	\$ 2,335
Fines and forfeitures	24,088	22,401	(1,687)
Charges for services	19,413	19,347	(66)
Investment income	1,486	819	(667)
Miscellaneous	<u>11,142</u>	<u>8,893</u>	<u>(2,249)</u>
Total Revenues	<u>1,763,629</u>	<u>1,761,295</u>	<u>(2,334)</u>
Expenditures			
Public library			
Culture and recreation			
Wages	822,000	787,058	(34,942)
Health insurance	68,000	67,268	(732)
FICA expenditures	65,000	59,036	(5,964)
IMRF expenditures	80,400	88,880	8,480
Unemployment insurance	1,500	1,920	420
Workers' compensation insurance	6,500	2,463	(4,037)
Conferences and training	16,600	11,043	(5,557)
Professional memberships	1,800	1,656	(144)
Travel	1,000	1,573	573
Staff appreciation	2,000	2,229	229
Board expenses	2,500	2,317	(183)
Books	140,000	113,131	(26,869)
Reference	4,000	4,570	570
AV materials	97,000	65,414	(31,586)
Electronic resources	40,000	32,788	(7,212)
Periodicals	19,000	20,549	1,549
Kits	1,000	3,586	2,586
Delivery and bindery	700	20	(680)
RBP IL replacement	3,000	1,746	(1,254)
Automation services	70,000	64,143	(5,857)
Supplies	24,700	22,739	(1,961)
Postage	7,000	5,198	(1,802)
Custodial supplies	6,000	3,758	(2,242)
Programs	25,000	22,273	(2,727)
Public communications	25,125	25,868	743
Maintenance services - building	100,000	78,187	(21,813)
Maintenance services - equipment	42,000	38,349	(3,651)

VILLAGE OF WESTMONT
WESTMONT PUBLIC LIBRARY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED APRIL 30, 2012

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE OVER (UNDER)
Utilities	\$ 18,550	\$ 10,523	\$ (8,027)
Copier and printer	21,200	20,010	(1,190)
Furniture and equipment	5,000	6,736	1,736
Professional services	29,475	18,902	(10,573)
Insurance	14,550	11,922	(2,628)
Miscellaneous	<u>1,832</u>	<u>71</u>	<u>(1,761)</u>
Total Culture and recreation	<u>1,762,432</u>	<u>1,595,926</u>	<u>(166,506)</u>
Debt Service			
Interest and fiscal charges	<u>1,179</u>	<u>1,179</u>	<u>-</u>
Total Debt service	<u>1,179</u>	<u>1,179</u>	<u>-</u>
Total expenditures	<u>1,763,611</u>	<u>1,597,105</u>	<u>(166,506)</u>
Excess (Deficiency) of revenues over expenditures	<u>18</u>	<u>164,190</u>	<u>164,172</u>
Other financing sources (uses)			
Transfers out	<u>-</u>	<u>(164,190)</u>	<u>(164,190)</u>
Total Other financing sources (uses)	<u>-</u>	<u>(164,190)</u>	<u>(164,190)</u>
Net change in fund balance	<u>\$ 18</u>	<u>\$ -</u>	<u>\$ (18)</u>
Fund balance, beginning of year		<u>573,976</u>	
Fund balance, end of year		<u>\$ 573,976</u>	

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VILLAGE OF WESTMONT
WESTMONT PUBLIC LIBRARY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
AS OF AND FOR THE YEAR ENDED APRIL 30, 2012

Budgetary Information

Budgetary information is derived from the annual operating budget and is presented using generally accepted accounting principles and the modified accrual basis of accounting.

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SUPPLEMENTARY INFORMATION

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WESTMONT PUBLIC LIBRARY
WESTMONT, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - SPECIAL RESERVE FUND
FOR THE YEAR ENDED APRIL 30, 2012

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE OVER (UNDER)
Revenues			
Intergovernmental			
Replacement tax	\$ 1,262	\$ 11,577	\$ 10,315
Investment income	<u>801</u>	<u>224</u>	<u>(577)</u>
Total revenues	<u>2,063</u>	<u>11,801</u>	<u>9,738</u>
Expenditures			
Capital Outlay	900,500	145,294	(755,206)
Debt Service			
Principal	112,000	87,857	(24,143)
Interest and fiscal charges	<u>24,238</u>	<u>24,039</u>	<u>(199)</u>
Total Debt service	<u>136,238</u>	<u>111,896</u>	<u>(24,342)</u>
Total expenditures	<u>1,036,738</u>	<u>257,190</u>	<u>(779,548)</u>
Excess (Deficiency) of revenues over expenditures	<u>(1,034,675)</u>	<u>(245,389)</u>	<u>789,286</u>
Other financing sources (uses)			
Transfers in	<u>-</u>	<u>164,190</u>	<u>164,190</u>
Total Other financing sources (uses)	<u>-</u>	<u>164,190</u>	<u>164,190</u>
Net change in fund balance	<u>\$ (1,034,675)</u>	<u>\$ (81,199)</u>	<u>\$ 953,476</u>
Fund balance, beginning of year		<u>591,769</u>	
Fund balance, end of year		<u>\$ 510,570</u>	

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