

WESTMONT PUBLIC LIBRARY
(A Component Unit of the
Village of Westmont, Illinois)

ANNUAL FINANCIAL REPORT

For the Year Ended
April 30, 2011



Certified Public Accountants & Advisors

WESTMONT PUBLIC LIBRARY
 WESTMONT, ILLINOIS
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INDEPENDENT AUDITOR'S REPORT



998 Corporate Boulevard • Aurora, IL 60502

INDEPENDENT AUDITOR'S 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, (a component unit of the Village of Westmont, Illinois) as of and for the year ended April 30, 2011, which collectively comprise the Westmont Public Library's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the Westmont Public Library's management. Our responsibility is to express opinions on these basic 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 basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The basic financial statements present only the Westmont Public Library and are not intended to present fairly the financial position and changes in its financial position of the Village of Westmont, Illinois in conformity with accounting principles generally accepted in the United States of America.

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

In our opinion, the financial statements referred to above 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, 2011, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Westmont Public Library's basic financial statements. The accompanying supplemental data is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Westmont Public Library. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink, appearing to read "S. K. P.", is positioned to the right of the main text block.

Aurora, Illinois
September 15, 2011

BASIC FINANCIAL STATEMENTS

WESTMONT PUBLIC LIBRARY
WESTMONT, ILLINOIS

STATEMENT OF NET ASSETS

April 30, 2011

	<u>Governmental Activities</u>
ASSETS	
Cash and Cash Equivalents	\$ 19,517
Investments	1,183,320
Receivables, (Net of Allowance Where Applicable)	
Property Taxes	1,697,273
Other	70
Due From Village	10,105
Capital Assets not Being Depreciated	552,761
Capital Assets Being Depreciated	<u>2,655,506</u>
 Total Assets	 <u>6,118,552</u>
LIABILITIES	
Accounts Payable	30,038
Accrued Payroll	17,140
Due to Village	89
Accrued Interest	8,059
Unearned Property Taxes	1,697,273
Noncurrent Liabilities	
Due in One Year	72,740
Due in More Than One Year	<u>477,018</u>
 Total Liabilities	 <u>2,302,357</u>
NET ASSETS	
Invested in Capital Assets	2,668,358
Restricted	
Special Purposes	591,769
Debt Service	1,150
Unrestricted	<u>554,918</u>
 TOTAL NET ASSETS	 <u><u>\$ 3,816,195</u></u>

See accompanying notes to financial statements.

WESTMONT PUBLIC LIBRARY
WESTMONT, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2011

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense) Revenue and Change in Net Assets
PRIMARY GOVERNMENT	Expenses	Charges for Services	Operating Grants	Capital Grants	Governmental Activities
Governmental Activities					
Culture and Recreation	\$ 1,709,568	\$ 42,790	\$ 5,109	\$ -	\$ (1,661,669)
Interest	31,424	-	-	-	(31,424)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 1,740,992	\$ 42,790	\$ 5,109	\$ -	(1,693,093)
		General Revenues			
		Taxes			
		Property and Replacement			1,777,638
		Investment Income			2,561
		Miscellaneous			2,223
		Total			1,782,422
		CHANGE IN NET ASSETS			89,329
		NET ASSETS, MAY 1			3,726,866
		NET ASSETS, APRIL 30			\$ 3,816,195

See accompanying notes to financial statements.

WESTMONT PUBLIC LIBRARY
WESTMONT, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2011

	General	Special Reserve	Total
ASSETS			
Cash and Cash Equivalents	\$ 19,517	\$ -	\$ 19,517
Investments	546,566	636,754	1,183,320
Receivables, (Net of Allowance Where Applicable)			
Property Taxes	1,697,273	-	1,697,273
Other	70	-	70
Due From Other Funds	53,055	-	53,055
Due From Village	-	10,105	10,105
TOTAL ASSETS	\$ 2,316,481	\$ 646,859	\$ 2,963,340
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 28,003	\$ 2,035	\$ 30,038
Accrued Payroll	17,140	-	17,140
Due to Other Funds	-	53,055	53,055
Due to Village	89	-	89
Deferred Revenue	1,697,273	-	1,697,273
Total Liabilities	1,742,505	55,090	1,797,595
FUND BALANCES			
Reserved for Special Projects	-	591,769	591,769
Reserved for Debt Service	1,150	-	1,150
Unreserved			
Undesignated	572,826	-	572,826
Total Fund Balances	573,976	591,769	1,165,745
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,316,481	\$ 646,859	\$ 2,963,340

See accompanying notes to financial statements.

WESTMONT PUBLIC LIBRARY
WESTMONT, ILLINOIS

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

April 30, 2011

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 1,165,745
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	3,208,267
Interest payable is not due and payable in the current period and, therefore, not reported in the governmental funds	(8,059)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds: Debt certificates	(541,059)
Compensated absences payable is not due and payable in the current period and, therefore, is not reported in governmental funds	<u>(8,699)</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 3,816,195</u></u>

See accompanying notes to financial statements.

WESTMONT PUBLIC LIBRARY
WESTMONT, ILLINOIS

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

For the Year Ended April 30, 2011

	General	Special Reserve	Total
REVENUES			
Taxes	\$ 1,766,270	\$ 11,367	\$ 1,777,637
Fines and Forfeitures	23,352	-	23,352
Charges for Services	19,438	-	19,438
Investment Income	1,668	893	2,561
Miscellaneous	7,333	-	7,333
Total Revenues	1,818,061	12,260	1,830,321
EXPENDITURES			
Current			
Culture and Recreation	1,502,921	-	1,502,921
Capital Outlay	-	173,562	173,562
Debt Service			
Principal Retirement	188,699	-	188,699
Interest Charges and Fees	34,235	-	34,235
Total Expenditures	1,725,855	173,562	1,899,417
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	92,206	(161,302)	(69,096)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	92,206	92,206
Transfers (Out)	(92,206)	-	(92,206)
Total Other Financing Sources (Uses)	(92,206)	92,206	-
NET CHANGE IN FUND BALANCES	-	(69,096)	(69,096)
FUND BALANCES, MAY 1	573,976	660,865	1,234,841
FUND BALANCES, APRIL 30	\$ 573,976	\$ 591,769	\$ 1,165,745

See accompanying notes to financial statements.

WESTMONT PUBLIC LIBRARY
WESTMONT, ILLINOIS

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

For the Year Ended April 30, 2011

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (69,096)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	127,268
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	188,699
Some expenses in the statement of activities do not require the the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation	(157,796)
Loss on disposal of capital assets	(458)
Increase in accrued interest payable	2,811
Increase in compensated absences	(2,099)
	<hr/>
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 89,329</u>

See accompanying notes to financial statements.

WESTMONT PUBLIC LIBRARY
WESTMONT, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2011

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 government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Library's accounting policies are described below.

a. 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).

b. Fund Accounting

The accounts of the Library are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The financial position and changes in financial position of the Library's funds are reported in the basic financial statements of the Village as a component unit.

Funds are classified as governmental funds.

The General Fund, a governmental fund, is used to account for all of the Library's general activities.

The Capital Project Fund, a governmental fund, is used to account for all of the Library's capital expenditures.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements

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

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 to be used for the acquisition or construction of major capital facilities.

d. Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Basis of Accounting (Continued)

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.

The Library reports unearned/deferred revenue on its financial statements. Unearned/deferred revenues arise when a 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.

e. Cash and Cash Equivalents

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.

f. Investments

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.

g. Capital Assets

Capital assets, which include land, buildings, 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 \$25,000 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 market value at the date of donation.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Capital Assets (Continued)

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

Assets	Years
Buildings and Improvements	20 - 40
Furniture and Equipment	5 - 20

h. 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 an expense and liability as the benefits accrue to employees.

i. Interfund Transactions

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

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

j. Fund Balances/Net Assets

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

2. DEPOSITS AND INVESTMENTS

The Library does not have a separate investment policy, but instead follows the guidelines established by Illinois Compiled Statutes (ILCS). State statutes authorize the Library to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, short-term commercial paper rated within the highest classifications by at least two standard rating services, Illinois Funds, and Illinois Metropolitan Investment Fund.

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, which is the price for which the investment could be sold.

Library Deposits with Financial Institutions

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, 2011, all the Library deposits were covered under FDIC insurance. The Library does not have an explicit policy for collateralization of deposits.

Library Investments

The following table presents the investments and maturities of the Library's debt securities as of April 30, 2011:

Investment Type	Investment Maturities in Years				
	Fair Value	Less than 1	1-5	6-10	Greater than 10
Illinois Funds	\$ 1,183,320	\$ 1,183,320	\$ -	\$ -	\$ -
TOTAL	\$ 1,183,320	\$ 1,183,320	\$ -	\$ -	\$ -

The Library limits its exposure to interest rate risk by only investing in Illinois Funds, which are highly liquid investments.

The Library limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by investing exclusively in Illinois Funds. Illinois Funds is rated AAA.

2. DEPOSITS AND INVESTMENTS (Continued)

Library Investments (Continued)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Library will not be able to recover the value of its investments that are in possession of an outside party. Illinois Funds are not subject to custodial credit risk.

Concentration of credit risk - The Library invests exclusively in Illinois Funds which are considered internally diversified and not subject to concentration of credit risk.

3. RECEIVABLES - TAXES

The following information gives significant dates on the property tax calendar of the Library.

- The 2010 property tax lien date is January 1, 2010;
- The annual tax levy ordinance for the 2010 levy was passed on December 15, 2010;
- Property taxes for the 2010 levy are due to the County Collector in two installments, June 1, 2011 and September 1, 2011; and
- Significant amounts of property taxes for the 2010 levy will be distributed to the Village during June, July, August, and September of 2011. The remaining distributions are expected to be received in October and November 2011.

The 2011 tax levy, which attached as an enforceable lien on property as of January 1, 2011, has not been recorded as a receivable as of April 30, 2011 as the tax has not yet been levied by the Village, and will not be levied until December 2011 and, therefore, the levy is not measurable at April 30, 2011.

WESTMONT PUBLIC LIBRARY
WESTMONT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS

The following is a summary of changes in capital assets during the fiscal year:

	Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital Assets not Being Depreciated				
Land	\$ 450,000	\$ -	\$ -	\$ 450,000
Construction in Progress	-	102,761	-	102,761
Total Capital Assets not Being Depreciated	450,000	102,761	-	552,761
Capital Assets Being Depreciated				
Buildings	4,712,483	21,750	-	4,734,233
Furniture and Equipment	335,898	2,757	4,581	334,074
Total Capital Assets Being Depreciated	5,048,381	24,507	4,581	5,068,307
Less Accumulated Depreciation for				
Buildings	2,026,322	137,278	-	2,163,600
Furniture and Equipment	232,806	20,518	4,123	249,201
Total Accumulated Depreciation	2,259,128	157,796	4,123	2,412,801
Total Capital Assets Being Depreciated, Net	2,789,253	(133,289)	458	2,655,506
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET				
	\$ 3,239,253	\$ (30,528)	\$ 458	\$ 3,208,267

Depreciation expense was charged to functions/programs of the governmental activities as follows:

GOVERNMENTAL ACTIVITIES	
Culture and Recreation	<u>\$ 157,796</u>

5. LONG-TERM DEBT

a. Debt Certificates Payable

As of April 30, 2011, the Library had the following debt certificates outstanding:

	Total	Current
\$825,000 General Obligation Debt Certificates, Series 2009, dated August 10, 2009, for a roofing project; maturing July 10, 2019; interest rate 4.875%; principal payable semiannually on January 10 and July 10.	\$ 541,059	\$ 71,000

WESTMONT PUBLIC LIBRARY
WESTMONT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

b. Changes in Long-Term Debt

A summary of changes in the Library's long-term debt is as follows:

	Balances May 1	Issuances	Retired	Balances April 30	Current Portion
Debt Certificates	\$ 729,758	\$ -	\$ 188,699	\$ 541,059	\$ 71,000
Compensated Absences	6,600	3,419	1,320	8,699	1,740
TOTAL	\$ 736,358	\$ 3,419	\$ 190,019	\$ 549,758	\$ 72,740

The Debt Certificates and compensated absences liability have been liquidated in prior years by the General Fund.

c. Debt Service Requirements to Maturity

Fiscal Year Ending April 30,	2009 Debt Certificates*		
	Principal	Interest	Total
2012	\$ 71,000	\$ 25,524	\$ 96,524
2013	74,000	22,014	96,014
2014	77,000	18,382	95,382
2015	81,000	14,579	95,579
2016	85,000	10,582	95,582
2017	89,000	6,389	95,389
2018	64,059	1,977	66,036
TOTAL	\$ 541,059	\$ 99,447	\$ 640,506

*The 2009 Debt Certificates were issued with an original final maturity date of July 10, 2019. The Library has paid and intends to continue paying amounts greater than the minimum debt service requirements. The Debt Service Requirements to Maturity table reflects the revised payment schedule as of April 30, 2011.

6. 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. Settled claims from these risks have not exceeded commercial insurance coverage for the past three fiscal years.

7. INDIVIDUAL FUND DISCLOSURES

Interfund Transfers

Interfund transfers between funds for the year ended April 30, 2011 were as follows:

Transfers In	Transfers Out	Amount
General	Capital Projects	\$ 92,206
TOTAL		\$ 92,206

The purpose of the significant interfund transfer is as follows:

- \$92,206 was transferred between the General Fund and the Capital Projects Fund to fund current year capital projects.

8. PENSION COMMITMENTS

The Library, under the sponsorship of the Village, contributes to the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system that acts as a common investment administrative agent for 2,594 local governments and school districts in Illinois.

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.

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

8. PENSION COMMITMENTS (Continued)

These benefit provisions and all other requirements are established by ILCS. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Library, under the sponsorship of the Village, is required to contribute the remaining amounts necessary to fund the system, using the actuarial basis specified by statute. For the calendar year ended December 31, 2010, the employer rate used was 13.33% of covered payroll. Total payroll for the year was \$742,864. 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, 2010, 2009, and 2008 was \$16,516,416, \$17,008,988, and \$17,627,839, respectively. The actuarial value of assets at these dates was \$10,230,978, \$10,822,525, and \$11,524,525, resulting in an underfunded actuarial accrued liability as of December 31, 2010, 2009, and 2008 of \$6,285,438, \$6,186,463, and \$6,103,314, respectively. The Library's contribution for the year ended April 30, 2011, 2010, and 2009 represented 10.42%, 9.60%, and 12.63%, respectively, of the total amount contributed by the Village.

REQUIRED SUPPLEMENTARY INFORMATION

WESTMONT PUBLIC LIBRARY
WESTMONT, ILLINOIS

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

For the Year Ended April 30, 2011

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Taxes			
Property	\$ 1,756,381	\$ 1,766,270	\$ 9,889
Fines and Forfeitures	19,000	23,352	4,352
Charges for Services	14,150	19,438	5,288
Investment Income	5,450	1,668	(3,782)
Miscellaneous	4,500	7,333	2,833
	<hr/>	<hr/>	<hr/>
Total Revenues	1,799,481	1,818,061	18,580
EXPENDITURES			
Culture and Recreation			
Wages	800,000	742,864	(57,136)
Health Insurance	63,000	53,291	(9,709)
FICA Expenditures	72,000	55,833	(16,167)
IMRF Expenditures	78,000	77,167	(833)
Unemployment Insurance	1,225	1,292	67
Workers' Compensation Insurance	5,000	4,103	(897)
Conferences and Training	10,000	5,874	(4,126)
Professional Memberships	2,100	1,380	(720)
Travel	1,500	417	(1,083)
Staff Appreciation	1,800	1,523	(277)
Board Expenses	3,500	1,414	(2,086)
Books	136,500	128,624	(7,876)
Reference	4,000	4,337	337
AV Materials	100,000	68,381	(31,619)
Electronic Resources	35,000	36,178	1,178
Periodicals	16,500	15,220	(1,280)
Kits	1,000	37	(963)
Delivery and Bindery	3,000	(9)	(3,009)
RBP IL Replacement	4,000	2,967	(1,033)
Automation Services	75,000	55,268	(19,732)
Supplies	19,000	23,476	4,476
Postage	6,800	5,199	(1,601)
Custodial Supplies	4,200	4,780	580
Programs	18,400	19,992	1,592
Public Communications	25,000	19,870	(5,130)

(This schedule is continued on the following page.)

WESTMONT PUBLIC LIBRARY
WESTMONT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2011

	Original and Final Budget	Actual	Variance Over (Under)
EXPENDITURES (Continued)			
Culture and Recreation (Continued)			
Maintenance Services - Building	\$ 100,000	\$ 79,939	\$ (20,061)
Maintenance Services - Equipment	60,000	28,275	(31,725)
Utilities	25,000	13,384	(11,616)
Copier and Printer	22,000	19,916	(2,084)
Furniture and Equipment	5,000	3,436	(1,564)
Professional Services	41,100	17,349	(23,751)
Insurance	14,600	11,114	(3,486)
Contingency	901	-	(901)
Miscellaneous	-	30	30
Total Culture and Recreation	<u>1,755,126</u>	<u>1,502,921</u>	<u>(252,205)</u>
Debt Service			
Principal Retirement	95,242	188,699	93,457
Interest Charges and Fees	27,758	34,235	6,477
Total Debt Service	<u>123,000</u>	<u>222,934</u>	<u>99,934</u>
Total Expenditures	<u>1,878,126</u>	<u>1,725,855</u>	<u>(152,271)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(78,645)	92,206	170,851
OTHER FINANCING SOURCES (USES)			
Transfers (Out)	-	(92,206)	(92,206)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(92,206)</u>	<u>(92,206)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (78,645)</u>	-	<u>\$ 78,645</u>
FUND BALANCE, MAY 1		<u>573,976</u>	
FUND BALANCE, APRIL 30		<u>\$ 573,976</u>	

(See independent auditor's report.)

WESTMONT PUBLIC LIBRARY
WESTMONT, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2011

LEGAL COMPLIANCE AND ACCOUNTABILITY

Budgets

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

- a. The Library submits to the Board of Trustees a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- b. Budget hearings are conducted.
- c. The budget is legally enacted through the passage of an ordinance by the Board of Trustees after approval through a motion.
- d. The budget may be amended by the Board of Trustees. There were no amendments during the year.
- e. Budgets are adopted on a basis consistent with GAAP.

The level of control (level at which expenditures may not exceed budget/appropriations) is the fund. Budget/appropriations lapse at year end.

The following funds have legally adopted budgets:

- General Fund
- Capital Projects Fund

SUPPLEMENTAL DATA

WESTMONT PUBLIC LIBRARY
WESTMONT, ILLINOIS

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

For the Year Ended April 30, 2011

	Final Budget	Actual
REVENUES		
Taxes	\$ -	\$ 11,367
Investment Income	-	893
Total Revenues	-	12,260
EXPENDITURES		
Capital Outlay	488,000	173,562
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		
	(488,000)	(161,302)
OTHER FINANCING SOURCES (USES)		
Transfers In	-	92,206
Total Other Financing Sources (Uses)	-	92,206
NET CHANGE IN FUND BALANCE	\$ (488,000)	(69,096)
FUND BALANCE, MAY 1		660,865
FUND BALANCE, APRIL 30		\$ 591,769

(See independent auditor's report.)