

**Comprehensive Annual
Financial Report**

**City of
Warrenville**

Illinois

Warrenville -
FOR A VISIT, OR A LIFETIME

**Year Ended
April 30, 2014**

CITY OF WARRENVILLE, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
April 30, 2014

Prepared by Department of Finance

Kevin Dahlstrand
Director of Finance

CITY OF WARRENVILLE, ILLINOIS
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INTRODUCTORY SECTION

CITY OF WARRENVILLE, ILLINOIS

OFFICERS AND OFFICIALS

APRIL 30, 2014

LEGISLATIVE

City Council

**David Brummel, Mayor
Emily Larson, City Clerk
Robert E. Johnson, Treasurer**

Stuart Aschauer	Ward 1	Dan Leonard	Ward 3
Fred Bevier	Ward 1	Kathryn Davolos	Ward 3
Bill Weidner	Ward 2	Leah Goodman	Ward 4
Robert Wilson	Ward 2	Clare Barry	Ward 4

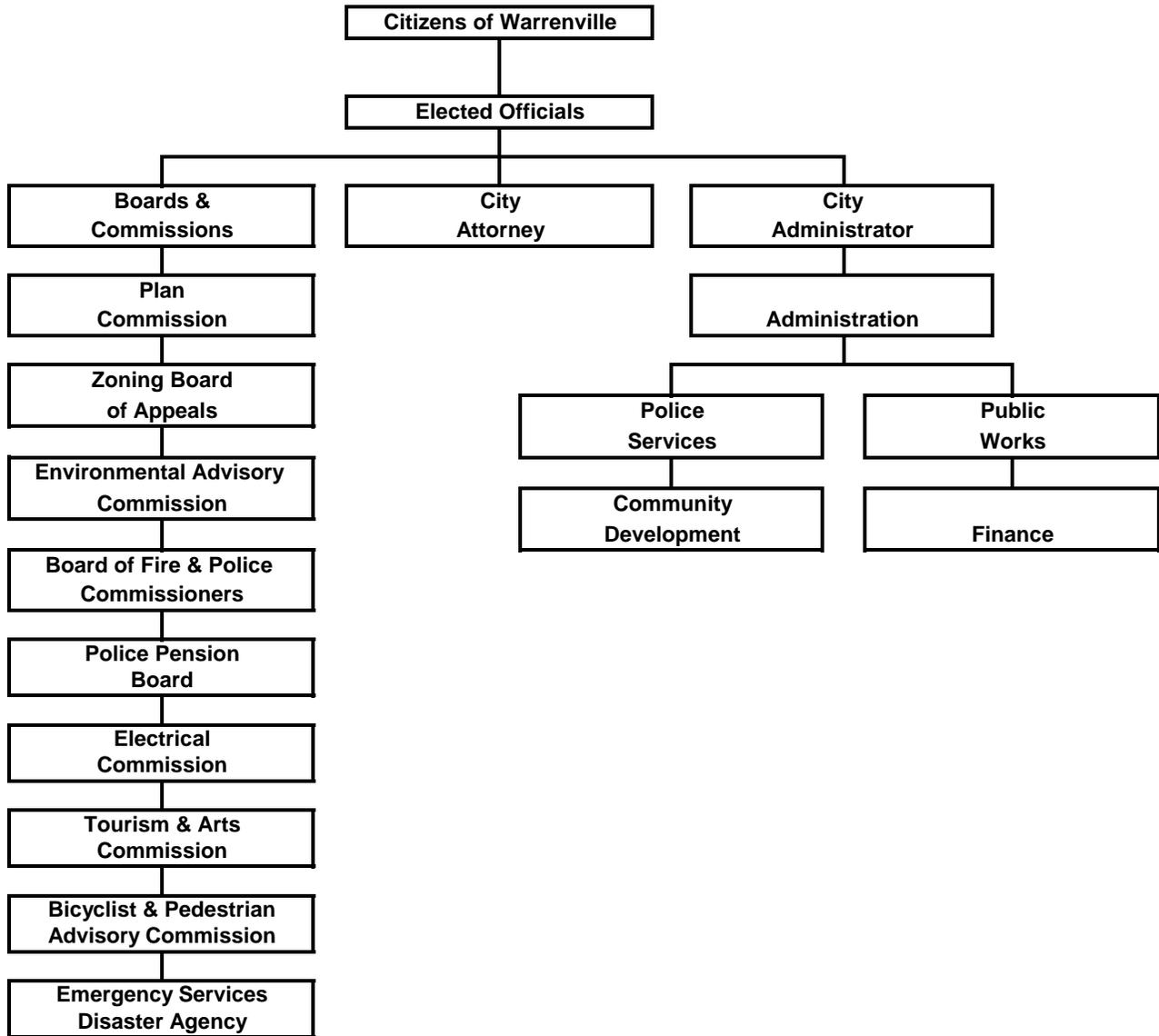
EXECUTIVE

John M. Coakley, City Administrator

FINANCE DEPARTMENT

**Kevin Dahlstrand, Director of Finance
Leonardo Beltran, Senior Accountant
Tina Gasparas, Accounting Clerk II
Kathy Weiersheuser, Accounting Clerk II
Diana Herrera, Accounting Clerk I**

CITY OF WARRENVILLE Organizational Chart





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Warrenville
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2013

Executive Director/CEO

City of Warrenville

3S258 Manning Avenue • Warrenville, IL 60555
630/393-9427 • FAX 630/393-5053

September 2, 2014

The Honorable Mayor Brummel
Members of the City Council
Citizens of the City of Warrenville

The Comprehensive Annual Financial Report (CAFR) of the City of Warrenville (City), for the year ended April 30, 2014, is hereby submitted in accordance with both local ordinances and state statutes. These ordinances and statutes require that the City annually issue a report on its financial position and activity presented in conformance with generally accepted accounting principles (GAAP) in the United States of America, and audited in accordance with generally accepted auditing standards (GAAS) by an independent firm of certified public accountants.

This report consists of management's representations concerning the finances of the City of Warrenville. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these assertions, management has established a comprehensive internal control framework that is designed both to protect the City assets from loss, theft or misuse, and to compile sufficient reliable information for the preparation of the City of Warrenville's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. Beginning with Fiscal Year 2004, the City implemented GASB Statement No. 34, (*Basic Financial Statements - and Management Discussion and Analysis - for State and Local Governments*), including infrastructure reporting. Management hereby asserts that, to the best of its knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by the licensed certified public accountants of Sikich LLP. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Warrenville for the Fiscal Year ended April 30, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended April 30, 2014, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed as a complement to the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Profile of the City of Warrenville

The City of Warrenville, a home rule community, by referendum in 2004, as defined by the Illinois Constitution, was incorporated in 1967 and is located in DuPage County, approximately 28 miles west of the City of Chicago. The City currently has a land area of 5.5 square miles and a population of 13,140 (2010 Census). The City also has the power, by state statute, to extend its corporate limits by annexation, which may be done when deemed appropriate by the City Council. The City levies a property tax annually, which primarily goes to pay General corporate expenses such as social security, pensions, and police protection. Portions of the annual property tax collection also go toward road and bridge maintenance.

The City operates under a Mayor/City Council form of government with an appointed City Administrator. Policymaking and legislative authority are vested in the Mayor and City Council. The Mayor is elected at-large to a four-year term. The City Council is comprised of eight Aldermen, two elected from each of the City's four wards, to four-year staggered terms, with four Council members, one from each ward, elected every two years. The City Clerk and City Treasurer are elected officers of the City, but are not policy makers, nor part of the City Council. The Mayor and Aldermen are responsible, among other things, for passing ordinances and resolutions, adopting the annual budget, appointing City board and commission members and hiring the City Administrator, Police Chief and City Attorney.

The City Administrator is responsible, by City Ordinance, for proper administration of all affairs of the City, for carrying out the policies and ordinances of the City Council, and for overseeing the day-to-day operations of the City. Except as otherwise provided by law, the City Administrator is responsible for the direction and coordination of the activities of all departments, offices, and agencies of the City, employment, discipline and termination of any and all City employees, providing for the enforcement of all laws and ordinances within the City; and to ensure that all franchisees granted by, and all contracts, with the City are faithfully kept and performed.

The City provides a full range of services, including police protection, the construction and maintenance of streets and other infrastructure, the operation and administration of water and wastewater facilities, building inspection services, and zoning and planning services.

The City operates under the State Budget Officer Act (65 ILCS 5/10), with the City Administrator having been appointed by the City Council, as the City Budget Officer. The annual budget serves as the foundation for the City's financial planning and control. By administrative policy, all departments of the City are required to annually submit their budget requests to the City Administrator on or before December 31 of each year. The City Administrator and Finance Director use these requests as the starting point for developing a budget proposal for the coming fiscal year. The City Administrator, in his role as Budget Officer, then presents the proposed budget to the City Council by early March of each year. By State Statute, the City Council is required to hold a public hearing on the proposed budget and to adopt

a final budget no later than April 30 of each year; the close of the City's previous fiscal year. The adopted budget is prepared and presented by fund and at the department (e.g. administration, finance, etc) level. The Budget Officer may authorize transfers of budgeted amounts within a fund. Budget amendments to increase, or decrease, a fund's total budgeted allocation require a formal City Council approved amendment to the approved budget.

Budget-to-actual comparisons are provided for each individual governmental fund, for which an annual budget has been adopted. For the General Fund, this comparison is presented beginning on page 52, as required supplementary information. For governmental funds, other than the General Fund and Motor Fuel Tax Fund (page 47), this comparison is presented in the non-major governmental fund subsection of this report, which starts on page 59.

Major Initiatives and Developments

As directed by the City Council, the City staff accomplished a number of major initiatives during FY 2014. Many of these initiatives span multiple years of planning, negotiations, and allocation of financial resources to accomplish. These initiatives are part of the City's ongoing efforts to enhance and improve the quality of life for its residents. Some of the more significant projects and developments are listed below but is not meant to be an all inclusive listing:

The following is a listing of select departmental initiatives and accomplishments undertaken during FY 2014; this list is not meant to be all inclusive, but to provide highlights:

Public Safety:

- National Night Out Against Crime received a national award for communities with a population of 15,000 and under
- Traffic Safety Enforcement Unit (TSEU) was implemented and fully staffed
- All Officers trained in the use of and equipped with a heroin antidote drug Narcan
- The temporary twenty-fifth Patrol Officer position was eliminated due to attrition

Public Works:

- Completed the 13th year of a 15-year road maintenance and reconstruction program
- Completed installation of 100 feet of water main on River Road
- Removed more than 200 Ash Trees infected by the Emerald Ash Borer. Many were replaced with trees of different species.
- Completed acquisition of land for Right-of-Way for the William Road Bridge replacement project.
- Installed new curb and repaved Batavia Road from Manning Avenue to Warrenville Road
- Repaved the streets in the middle section of the Summerlakes subdivision
- Repaved Galusha Road, from Winfield Road to Herrick Road

Administration:

- Completed the City's second Community Survey, which indicated that residents are primarily happy with the City's services.
- Initiated Strategic/Economic Development Planning Process by selecting a consultant and performing document review.
- Worked with Community Development, as the TIF District Administrator, to establish Old Town/Civic Center Tax Increment Financing District #3 (TIF #3).

- Completed and closed out the Sound Mitigation program which allowed residents to upgrade their homes to mitigate sound from increased train traffic along the Canadian National's rail line on the western border of the City.
- Participated in business retention outreach effort to businesses in Cantera
- Managed several litigation cases.

Finance Department:

- Completed changes to the presentation of the annual budget document for the FY 2015 Budget to enhance ease of use, including the ability of the user to search the document and added additional verbiage to provide a better understanding of the City government structure and operations.
- Successfully completed a financial accounting software upgrade, which provided additional user functionality, including the upgrade of the Relativity report writing program.
- Completed the filling of vacant departmental positions, and the re-classification of the Finance and Accounting Manager position to a Senior Accountant to streamline operational lines of responsibility and supervision.

Community Development:

- Coordinated the preparation of the City's first GIS Development and Maintenance Plan.
- Coordinated the newly established temporary use (TUP) process for 10 special events.
- Oversaw preparation of UIC graduate students Capstone Project report on demographic and economic development data for the City of Warrenville.
- Obtained a \$201,625, no-interest Municipal Brownfield Redevelopment Loan from the Illinois Environmental Protection Agency.
- Continued economic development efforts through 12 business outreach meetings and meetings with the Economic Development Representatives.
- Coordinated the construction of the Rockwell Street re-alignment north of Route 56 .
- Coordinated the establishment of a new third TIF district (TIF #3) in early FY 2014.
- Coordinated the on-site soil remediation project on Civic Center Redevelopment Site #1.
- Coordinated the off-site soil remediation project on two residential properties adjacent to Civic Center Redevelopment Site #1 (CCRS #1).
- Obtained a \$30,000 grant for the maintenance of abandoned/vacant property from the Illinois Housing Development Authority.
- Coordinated preparation of Old Town Roundabout preliminary engineering design plans/report, CMAQ grant application, and ITEP grant application.
- Secured IDOT approval to use \$900,000 in ITEP grant funding for the City's Phase III Route 56 Streetscape Enhancement Project.
- Coordinated final design and implementation of River Road Flood Protection Berm and Flood Conveyance Improvement Project (including multi-use trail and Towne Tap/Al's Pizza flood protection improvements) with DuPage County, DuPage Forest Preserve District, and private property owners.
- Assisted with the City website redevelopment project including extensive content information gathering and upload.
- Permitted and inspected \$14,300,000 worth of construction activity in the City.

Factors Affecting Financial Condition

The information presented in the financial statements is likely best understood when considered from the broader perspective of the specific environment within which the City operates.

Local economy

The City has long maintained a revenue stream that is well diversified, meaning that no one revenue source, either in decline or on the rise, exacts a dramatic budgetary impact or causes the need for budgetary or operational modifications. Local sales tax revenue continues to play a significant role in support of the General Fund, with the sales tax revenue supported by a number of restaurants, a large chain retailer, a movie theater, as well as smaller local merchants and retailers, which continue to support the aforementioned well diversified and generally stable sales tax base. In early fall of 2014, a major family entertainment venue is planned to open in Cantera, in a previously under-utilized section of the movie theater building.

As FY 2014 ended, Warrenville continues to be in a strong financial position, again adding to General Fund reserves through conservative planning, management and operations. The majority of the City's major tax revenue sources did fair very well for FY 2014. Sales Tax, Use Tax, Income Tax, Auto Rental Tax, Cable Franchise Fees, Hotel Motel Tax Motor Fuel Tax all showed positive revenue improvement over FY 2013. Food and Beverage Tax and Home Rules Sales tax revenue showed no real growth, but remained stable from FY 2013 to FY 2014.

However, as in recent years, an area of on-going revenue concern remains the revenue derived from the City's five-percent Amusement Tax. At its apex in FY 2003, this revenue source provided almost \$600,000 in funding to the General and Capital Maintenance and Replacement funds. By the end of FY 2014, that figure has steadily declined 55%, or \$333,600 from that 2003 peak, and continues to average declines of 6.7% per fiscal year. The major contributor to this revenue stream is a multi-screen movie theater complex, the owners of which have experienced operational challenges since taking over the complex in late June of 2010. A large portion of the facility had been shuttered, but in late summer or early fall 2014 that shuttered section of the building is to open as a re-purposed restaurant and state-of-the-art family entertainment venue. The new venue is projected to add significantly to the revenue the City receives from Amusement Tax, and it should also have a significant impact on Food and Beverage Tax and Sales Tax revenue.

Long-term financial planning

In 2011, the City established a multi-year capital improvement plan, the Capital Maintenance and Replacement Plan (CMRP), which includes all capital repair and replacement of *existing* City assets, such as: roadways, curbs, gutters and sidewalks, storm sewers, vehicles, and equipment located in and around public facilities. As a part of the adoption of the CMRP, the City Council authorized a multi-faceted funding approach which called for, among other things, the implementation of new user taxes. The first phase of the new CMRP funding mechanisms began during FY 2013 when as of July 1, 2012, the City's Simplified Telecommunications Tax rate increased from 4% to 6%. The implementation of additional new user taxes, which included a local motor fuel tax, electric utility tax, and natural gas utility and use taxes, took effect May 1, 2013, the beginning of FY 2014. Of these new taxes, some individual taxes performed better than expected, while others not quite as well as expected, but on the whole, this group of new taxes met financial expectations. At this time no adjustments to these taxes are anticipated in the coming years, and the long-term plan is functioning as planned.

During FY 2014, the City did establish a new third tax increment financing district, the Civic Center/Old Town TIF District (TIF #3). The new TIF district encompasses the former Musselman Lumber site, referred to locally as Civic Center Redevelopment Site #1 (CCRS #1), as well as properties along Route 56 and properties along the west branch of the DuPage River. Levy year 2013 will mark the initial year of TIF#3 incremental property tax revenue, with that initial year of incremental revenue to be collected during FY 2015. Additionally, the City Council, through the work of an appointed economic development workgroup, has issued an RFP/Q seeking proposals from developers for potential residential redevelopment of the aforementioned CCRS#1 site.

During FY 2014, the City conducted a comprehensive Community Survey, which focused not only on existing and potential services provided to the community by the City, but also focused on the community opinions regarding City economic development, and the direction future economic development activities should take. As with previous survey results, these survey results will be an important mechanism, which will be utilized to focus the City Council and City staff on those issues and areas the community views as important going forward, and will allow for the City Council and City staff to plan future activities careful to meet those areas of community concern.

Awards and acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended April 30, 2013. This was the 21th consecutive year the City received this prestigious award for financial reporting excellence. In order to be awarded a Certificate of Achievement, the City publishes an easily readable and efficiently organized CAFR, which satisfies both GAAP and applicable legal requirements.

A Certificate of Achievement is only valid for a period of one year. City staff believes the 2014 CAFR will also meet the Certificate of Achievement Program's requirements and as such, it will be submitted to the GFOA to determine its eligibility for to the award under the GFOA certificate program.

The preparation of this report could not have been accomplished without the dedicated service of the Finance Department staff. Appreciation is extended to all members of the department who assisted and contributed to the preparation of this report. As in previous years, considerable credit and appreciation are extended to the Mayor and City Council for their support and commitment to maintaining and supporting the highest standards of professionalism in the financial management of the City of Warrenville.

Respectfully submitted,



John M. Coakley
City Administrator



Kevin Dahlstrand
Finance Director

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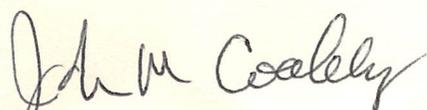
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Respectfully submitted,



John M. Coakley
City Administrator



Kevin Dahlstrand
Finance Director

FINANCIAL STATEMENTS



1415 W. Diehl Road, Suite 400
Naperville, Illinois 60563

630.566.8400 // www.sikich.com

Certified Public Accountants & Advisors
Members of American Institute of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
Members of the City Council
City of Warrenville, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Warrenville, Illinois (the City), as of and for the year ended April 30, 2014, which collectively comprise the City's basic financial statements as listed in the table of contents, and the related notes to financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Warrenville, Illinois, as of April 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, actuarial information and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, combining and individual fund financial statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements and 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, 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 financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Naperville, Illinois
August 21, 2014



**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

Management's Discussion and Analysis

As management of the City of Warrenville, Illinois, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended April 30, 2014. Readers are encouraged to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can also be found in this report.

Financial Highlights

- The government's total assets were \$113,156,842 on April 30, 2014.
- The assets of the City of Warrenville exceeded its liabilities at the end of the fiscal year by \$107,145,525 (*net position*). Of this amount, \$24,516,973 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- \$81,878,995 of restricted net position is invested in capital assets.
- As of the end of fiscal year 2014, the City of Warrenville's governmental funds reported combined ending fund balances of \$15,950,000. Approximately 33.6% of this total amount, \$5,361,681 is *available for spending* at the City's discretion (*unassigned fund balance*). This represents a 4.3% increase in unassigned fund balances over the previous fiscal year.
- Another 20.5%, or \$3,280,536 is in the form of "non-spendable" fund balances, consisting of pre-paid items, advances to other funds, and \$2,200,000 in land held for re-sale by the General Fund.
- Additionally, 4.7% or \$749,557 is *restricted* for specific purposes including: public safety, and maintenance of roadways.
- Another \$322,603 or approximately 2% is "*committed*" to funding tourism related activities.
- Finally, a total of \$6,235,623, or approximately 39% is fund balance designated as "*assigned*" for special projects, which are larger one-time capital expenditures or one-time non-budgeted expenditures for outside professional services for larger projects.
- During the fiscal year, the City's governmental activity expenses were \$295,855 *less* than the \$13,231,151 generated in program revenues, taxes and other revenues for governmental activities.
- The City of Warrenville's total long-term obligations totaling \$662,659, which shows a slight decrease of \$9,394, or approximately 1% during the fiscal year. The City's long-term obligations are mainly in the form of compensated absences, other postemployment obligations, and a contingent liability of \$200,000, for the environmental clean-up of Civic Center Redevelopment Site #1 (the former Musselman Lumber site) which will be concluded during fiscal year 2015.
- The City has no general obligation debt.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Warrenville's basic financial statements. The City of Warrenville's basic financial statements comprise three components:

- 1) government-wide financial statements
- 2) fund financial statements, and
- 3) notes to the financial statements.

This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Warrenville's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets, liabilities, and deferred inflows of resources with the difference between the three reported as *net position*. Increases or decreases in net position may serve as a useful longer-term indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but utilized vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Warrenville that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Warrenville include general government, public safety, and public works. The business-type activities of the City of Warrenville include Water and Sewer operations.

The government-wide financial statements include only the City of Warrenville itself (known as the *primary government*). The City of Warrenville is not financially accountable for any other local government operations. The Water and Sewer operations, although legally separate, functions for all practical purposes as a department of the City of Warrenville, and therefore has been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 3-5 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Warrenville, like other state and local governments, utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Warrenville can be divided into three major categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term*

inflows and outflows of spendable resources, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Warrentville maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Motor Fuel Tax Fund, Tax Allocation Fund, Special Projects Fund, and Capital Maintenance and Replacement Fund, all five of which are considered to be major funds. Data from the other four non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of Warrentville adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund on page 46 to demonstrate compliance with this budget.

The basic financial statements for the governmental funds can be found on pages 6-10 of this report.

Proprietary funds. The City of Warrentville maintains one proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Warrentville uses an enterprise fund to account for its Water and Sewer operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 11-14 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 15-16 of this report.

Infrastructure Assets. Historically, a government's largest group of assets (infrastructure assets - i.e. roads, bridges, storm sewers, etc.) has not been reported nor depreciated in general governmental financial statements, whereas they were in business-type activities. This statement requires that these assets be valued and reported within the Governmental column of the Government-wide Statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach), which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu

of depreciation. The City has chosen to depreciate assets over their useful life. If a road project is considered maintenance – a recurring cost that does not extend the road’s original useful life or expand its capacity – the cost of the project will be expensed. An “overlay” of a road will be considered maintenance whereas a “rebuild” of a road will be capitalized.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 17-45 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City of Warrenville’s progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 46-51 of this report.

The combining statements referred to earlier in connection with non-major governmental funds, are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 59-63 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the City of Warrenville, assets exceeded liabilities by \$107,145,525 at April 30, 2014.

By far the largest portion of the City of Warrenville’s net position, approximately 77%, is invested in capital assets (e.g., land, buildings, machinery, and equipment) less any related outstanding debt used to acquire those assets. The City of Warrenville uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Warrenville’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	Governmental		Business-type		Total		Percentage Change 2014-2013
	Activities		Activities				
	2014	2013	2014	2013	2014	2013	
Current and other assets	21,355,760	20,514,724	9,778,334	7,659,678	31,134,094	28,174,402	10.50%
Capital Assets	68,918,115	69,200,158	13,104,633	15,464,609	82,022,748	84,664,767	-3.12%
Total assets	90,273,875	89,714,882	22,882,967	23,124,287	113,156,842	112,839,169	0.28%
Long-term liabilities outstanding	615,940	608,760	46,719	44,505	662,659	653,265	1.44%
Other Liabilities	1,556,037	1,376,419	363,907	382,060	1,919,944	1,758,479	9.18%
Total liabilities	2,171,977	1,985,179	410,626	426,565	2,582,603	2,411,744	7.08%
Deferred Inflows of Resources							
Unearned property taxes	3,428,714	3,352,374	-	-	3,428,714	3,352,374	
Total deferred inflows of resources	3,428,714	3,352,374	-	-	3,428,714	3,352,374	
Total liabilities and deferred inflows of revenue	5,600,691	5,337,553	410,626	426,565	6,011,317	5,764,118	
Net Position:							
Invested in capital assets, net of related debt	68,918,115	69,200,158	12,960,880	13,264,609	81,878,995	82,464,767	-0.71%
Restricted	749,557	705,834	-	-	749,557	705,834	6.19%
Unrestricted	15,005,512	14,471,337	9,511,461	9,433,113	24,516,973	23,904,450	2.56%
Total Net Position	84,673,184	84,377,329	22,472,341	22,697,722	107,145,525	107,075,051	0.07%

The *unrestricted net position* of April 30, 2014, totaling \$24,516,973 may be used to meet the government's ongoing obligations to citizens and creditors. This represents a 2.56% increase in unrestricted net position over FY 2014.

At the end of the current fiscal year, the City of Warrenton is able to report positive balances in all three categories of net position, for the government as a whole.

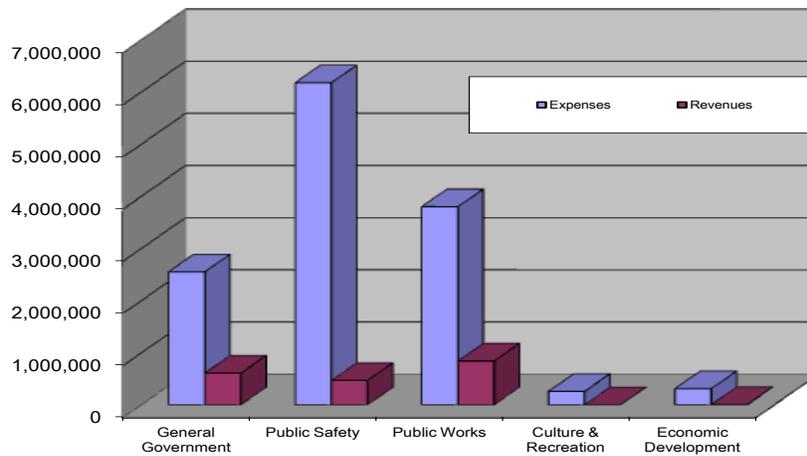
**CITY OF WARRENVILLE
CHANGES IN NET POSITION**

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program revenues:						
Charges for Services	\$ 1,204,619	\$ 1,492,720	\$ 3,049,195	\$ 2,979,040	\$ 4,253,814	\$ 4,471,760
Operating Grants and Contributions	405,250	374,459	10,875	7,500	416,125	381,959
Capital Grants and Contributions	310,962	375,090			310,962	375,090
General revenues:						
Property and Replacement Taxes	3,286,186	3,875,670			3,286,186	3,875,670
Other Taxes	7,980,151	7,073,472			7,980,151	7,073,472
Miscellaneous	43,983	59,916	19,954	71,758	63,937	131,674
Total Revenue	<u>13,231,151</u>	<u>13,251,327</u>	<u>3,080,024</u>	<u>3,058,298</u>	<u>16,311,175</u>	<u>16,309,625</u>
Expenses:						
General Government	2,548,129	2,378,435			2,548,129	2,378,435
Public Safety	6,022,559	5,676,132			6,022,559	5,676,132
Public Works	3,798,534	4,136,952			3,798,534	4,136,952
Culture & Recreation	257,149	273,552			257,149	273,552
Economic Development	308,925	1,150,690			308,925	1,150,690
Interest Expense					-	-
Water			1,393,550	1,332,950	1,393,550	1,332,950
Sewer			1,911,856	1,944,777	1,911,856	1,944,777
Total Expenses	<u>12,935,296</u>	<u>13,615,761</u>	<u>3,305,405</u>	<u>3,277,727</u>	<u>16,240,701</u>	<u>16,893,488</u>
Change in Net Position	295,855	(364,434)	(225,381)	(219,429)	70,474	(583,863)
Net Position - May 1	<u>84,377,329</u>	<u>84,741,763</u>	<u>22,697,722</u>	<u>22,917,151</u>	<u>107,075,051</u>	<u>107,658,914</u>
Net Position - April 30	<u>84,673,184</u>	<u>84,377,329</u>	<u>22,472,341</u>	<u>22,697,722</u>	<u>107,145,525</u>	<u>107,075,051</u>

Governmental activities – The net position of governmental activities were virtually unchanged from FY 2013 to FY 2014, with only a slight increase of \$295,855, or less than one-percent with a total net position of \$84,673,194, while business-type activities experienced a decrease in net position of \$225,381, which was also less than a one-percent change, for a net overall increase in the City’s net position of \$21,788.

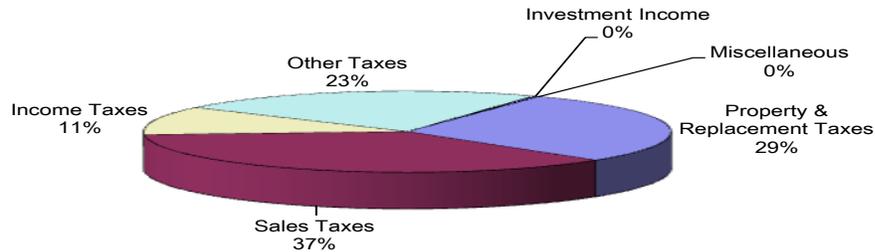
Expenses and Program Revenues

Expenses and Program Revenues - Governmental Activities



As the above graph indicates, all Governmental Activities require tax subsidization. There are neither sufficient sources, nor the ability, to price these activities in such a manner as to recoup the cost of the services on a program fee basis.

Revenues By Source - Governmental Activities



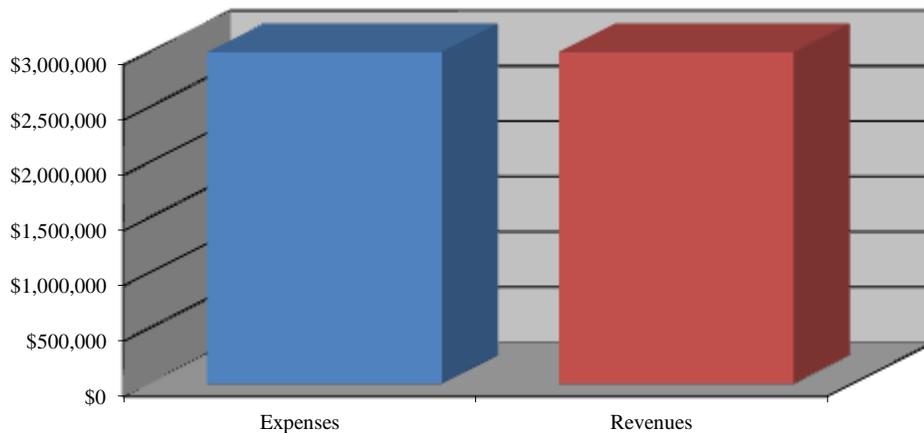
Other Governmental Activities Highlights:

- For FY 2014 total governmental activities expenses of \$12,935,296 represents a decrease of 5% when compared to FY 2013, where total expenditures were \$13,615,761.
- Operational revenues for FY 2014 were statistically flat with an overall decrease of just slightly more than \$20,000, with total revenue of \$13,231,151, compared with FY 2013 where total revenue was \$13,251,327.

Business-type activities - Business-type activities decreased the City of Warrentville's net position by \$225,381. Key elements of this change from FY 2013 to FY 2014 are as follows.

- Charges for services for business-type activities showed an increase of 2.35%, or just over \$70,000. The Water and Sewer rates were increased for FY 2013 and FY2014 to cover increasing costs. Sewer will again increase for FY 2015, while water rates will not increase. A review of the rates structure is being undertaken during FY 2015.
- Non-operating revenue decreased by 27.8%, lead by a 41% decrease in tap-on connection fees, a 4% decrease in cell tower rental income due to the decommission on one tower by the provider, and an investment income declined of by 72%, due to increased expenditure for capital projects leaving less in investible assets coupled with all time low interest rates making investment income hard to come by.
- Water and Sewer expenses, not including depreciation expenses, increased by \$33,401 or about 1%, with total FY 2014 expenditures of \$2,967,564 versus the FY 2013 total of \$2,934,163.

Expenses and Program Revenues for Waterworks and Sewerage



Financial Analysis of the Government's Funds

As noted earlier, the City of Warrentville uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City of Warrentville's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City of Warrentville's financing requirements. In particular, *unrestricted fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the balance sheets for the City of Warrentville's governmental funds reported combined ending fund balances of \$15,950,000 an increase of \$432,553, or 2.8%, over the prior fiscal year. Approximately 33% of fund balance or \$5,361,681 is classified as *unassigned* fund balance, which is available for spending at the City's discretion. This represents an increase in unassigned fund balance of 4.28% over FY 2013. A total of \$749,557 of fund balance is *restricted*, meaning that those balances are not available for new spending, but are to be spent as follows: 1)

maintenance of roadways (\$629,192), and 2) public safety (\$120,365). An additional \$322,603 of total fund balance is *committed* to tourism related activities, while \$6,235,623 is *assigned* for special projects, and will be discussed later in this document. Finally, a total of \$3,280,536 is categorized as *non-spendable*, meaning that portion of fund balance is in a form that cannot be spent. For example \$2,200,000 of this total is in the form of land held for re-sale. An additional \$1,049,088 is in the form of advances to other City funds, including the newly formed Tax Increment Finance District #3, and lastly \$31,488 for prepaid items.

The General Fund is the general day-to-day operating fund of the City of Warrentville. As of the end of fiscal 2014, the *unassigned* fund balance of the General Fund rose from \$5,873,707, to \$6,401,476, representing an increase of \$527,769 or approximately 9%. Overall, total fund balance was \$8,632,924, increasing by \$550,279 or 6.8% over FY 2013. The General Fund's liquidity can be measured by comparing *unassigned fund balance* to total General Fund expenditures. Ending *Unassigned* fund balance equals approximately 64.5% of total General Fund expenditures incurred during FY 2014.

Key factors in this change were as follows:

- Total General Fund revenue showed a negative variance of \$297,959, on actual revenue of \$10,195,991 compared with budgeted revenue of \$10,471,942. Contributing factors included:
 - Anticipatory budgeting of Amusement Tax and Food and Beverage tax revenue for a large, high volume, entertainment complex that due to unforeseen circumstances did not come to fruition, with a combined budgetary shortfall of \$142,325
 - A \$204,108 shortfall in budgeted Circuit Court Fines, which occurred due to the delayed implementation of a traffic safety enforcement unit due, caused by personnel issues with staffing the new unit
 - State shared sales tax revenue did exceed budget by \$54,298 while Home Rule sales tax revenue fell short of budget by \$24,071
- Total operating expenditures showed a positive budget variance of \$508,404, with \$9,866,035 in total expenditures compared with budget expenditures of \$10,034,439. This represents an increase in expenditures of approximately 3.6% over FY 2013.
- Actual fiscal year revenue exceeded actual fiscal year expenditures by \$550,279, with operating revenue exceeding operating expenses by \$329,956.
- Finally, transfers in and proceeds from sales of capital assets contributed a total of \$220,323 to the overall increase in fund balance.

The Tax Allocation Fund has a negative (deficit) final fund balance of \$639,558, which will ultimately be closed out with a transfer-in from the Special Projects Fund. Likewise, the TIF#2 Fund with a negative (deficit) final fund balance of \$2,986, will also be closed out with a transfer-in from the Special Projects Fund.

During FY 2014, the City established Tax Increment Financing District #3. At the end of FY 2014 the fund for this TIF district has a negative fund balance of \$397,251, as expenses are incurred in the formation of the district, and preparation of Civic Center Redevelopment Site #1 (CCRS #1) located at 28W715 Mount Street, which is a City owned vacant land site that will ultimately be redeveloped and which is a main component of the new TIF district planning.

The Special Projects Fund has a total fund balance of \$5,188,904, the majority of which is designated as “assigned” for special projects. The special projects have been identified by City staff, but the City Council has yet to issue the final authorization for those expenditures. This fund is limited in practice to special projects that are outside of day-to-day operations, and which are more of a “capital expenditure” or “one-time” nature. Revenue within this fund is limited to one-time sources of revenue, such as: sales of City held land including rights-of-way and the sale of traffic impact fee credits.

Proprietary funds. The City of Warrenville’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water and Sewer Fund at the end of the fiscal year totaled \$9,511,461. The total unrestricted net position increased by \$78,384 over FY2013. Other factors concerning the finances of this fund have already been addressed in the discussion of the City of Warrenville’s business-type activities.

General Fund Budgetary Highlights

The City initially budgeted for the addition of \$407,366 in fund balance for the fiscal year. However, as indicated previously realized revenues fell short of budget by \$297,959, or about 2.8%, and expenditures fell short of budgetary estimates by \$508,404, or 4.92%, thereby adding \$550,279 to the unrestricted fund balance. The following are some of the budgetary highlights for the fiscal year:

- Of the fifteen City budgetary departments or cost centers, twelve operated under budget for fiscal year 2014. Three over-budget departments were over budget by a combined \$44,562, while the thirteen under-budget departments or cost centers were under budget by a combined total of \$552,966.
- As previous indicated State Shared Sales Tax receipts totaled \$1,740,906, exceeded budget by \$54,298, representing an increase of \$46,823 or 2.8% over the FY 2013 total.
- Home Rule Sales Tax receipts totaled \$1,571,543, and fell short of budget by \$24,071 or 1.5%. This represents a decline of less than 1% from the FY 2013 total of \$1,583,589.
- State Shared Income Tax revenue totaled \$1,280,422, yielding an increase of \$96,220 or 8.1% over the total received for FY 2013. This revenue source exceeded budget by \$50,538. The total revenue received represents a per-capita figure of \$97.44, up from the per capita figure of \$90.12 for FY 2013, based upon the City’s population of 13,140.
- The Restaurant Food and Beverage Tax collected during the fiscal year totaled \$575,504, thereby falling short of the budgeted figure of \$673,665 by \$98,161, or about 14.5%, but was virtually flat when compared to FY 2013. This budgetary shortage, as mentioned previously, was the result of the budget figure including estimated revenue for an anticipated large scale entertainment venue which was slated to open during the fiscal year, but which did not come to fruition. It is anticipated that a similar, unrelated entertainment venue will open during FY 2015.
- Property Tax revenue collected fell \$62,685 short of budget.
- Fines and Forfeit revenue sources finished the year \$225,258, or 38% short of budget. Circuit Court Fines fell short of budget by \$204,108, or approximately 43%, Parking Fines fell short of

budget by \$21,403, or 57%, and Administrative Towing fee revenue fell just \$970 short of budget.

- License and Permit revenue sources exceeded budget by \$27,473. Building Permit revenue exceeded budget by \$12,981, Electric Permits exceeded budget by \$14,556, Building Plan Review fees fell short of budget by \$14,747, while Vacant Building Registration fee and code enforcement adjudication yielded combined revenue of \$32,524, exceeding budget buy a combined total of \$21,524.
- Amusement Tax revenue, which is allocated to the General and Capital Maintenance and Replacement Funds, saw an overall decrease of approximately \$9,615, or 3.5%, on total revenue of \$265,925 from the FY 2013 figure of \$275,540.

This revenue source fell a combine \$110,411, or 29.3% short of the FY 2014 budget figure of \$367,336. The General Fund revenue fell short of budget by \$44,164, while the Capital Maintenance and Replacement Fund fell \$66,247 short of budget. As mentioned in the section on Food and Beverage tax, this variance from budget is also largely due to the budgeting of anticipated revenue from a large scale entertainment venue which was slated to open during the fiscal year, but which did not come to fruition.

- Telecommunications Tax dollars actually received decreased by \$69,690, or 8.8%, with receipts totaling \$707,047, down from \$775,737 in FY 2013. The final remittance of the fiscal year was reduced, by the Illinois Department of Revenue, by \$37,445 as a result of a federal class action lawsuit settlement. If this one-time reduction had not occurred, the decrease in this revenue source would have been 4%, or \$31,245. This revenue does appear to be slowly trending downward and it will be something that will be closely watched.

On the expenditure side:

- As previously mentioned, twelve of fifteen departments were under budget by a combined total of \$552,966.
- Police Department overtime for the fiscal year totaled \$214,456, finishing the fiscal year \$64,546 over budget, and sworn officers salaries finished the year \$52,320 over budget as well, all of which was largely due to the costs associated with the retirements of two long-serving officers, and delays in hiring officers to staff the traffic enforcement safety unit.
- Legal expenditures for the fiscal year were \$32,687 over budget with total expenditures of \$200,687, entirely due to costs associated with defending the City in on-going litigation with a local school district, regarding the former tax increment financing district #1.
- Administration Department expenditures finished the fiscal year with a positive variance of \$129,936, of which approximately \$45,000 was attributable to the refinancing of the interest terms of an interfund loan due to the Water and Sewer Fund for a \$2,200,000 loan dating back a number of years for the purchase of the Musselman Lumber site, which is now coined as CCRS#1, which is now within the newly designated TIF #3 district. Additionally, savings were realized in the area of personnel costs associated with personnel changes, and in the area of equipment purchases where final costs came in significantly less than budget for an electronic keyless entry system.

- The Community Development Department finished the fiscal year with a positive variance of \$133,077, with a large share of that coming in the area supplies and services expenses, where anticipated expenditures related to the start up of a crime free housing program were not undertaken due to a delay in the start up of that program. Additional positive variance was achieved in the area of personnel costs.
- Public Works, Building and Grounds Division expenditures finished the fiscal year \$55,346 under budget due to the delay in projects for security enhancements and front counter reception area improvements that were slated for the second floor of City Hall in the Administration area.
- Finally, positive budget variances were achieved due to employee health insurance renewal costs coming in under budget, and those costs are allocated across all departments with personnel related expenditures.

Capital Asset and Debt Administration

Capital assets. The City of Warrenville's investment in capital assets for its governmental and business type activities as of April 30, 2014, totals \$82,002,748 (net of accumulated depreciation). This investment in capital assets includes buildings and system improvements, vehicles, machinery and equipment, water and sewerage infrastructure, and holdings (including Right of Way), roads, highways, and bridges. The City's total investment in capital assets decreased by just .54%, or \$442,019, from FY2013 to FY2014.

	City's Capital Assets						Total Percentage Change 2014-2013
	Governmental Activities		Business-type Activities		Total		
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	
Land	\$ 42,933,101	\$ 42,923,201			\$ 42,933,101	\$ 42,923,201	0.02%
Buildings and improvements	11,284,914	11,284,914			11,284,914	11,284,914	0.00%
Streets/Bridges/ Sidewalks	21,489,521	21,152,102			21,489,521	21,152,102	1.60%
Vehicles & Equipment	3,200,676	3,238,829	1,269,376	1,235,265	4,470,052	4,474,094	-0.09%
Stormsewers	5,372,072	5,168,616			5,372,072	5,168,616	3.94%
Waterworks & Sewerage System			18,906,908	18,763,155	18,906,908	18,763,155	0.77%
Totals at historical cost	<u>84,280,284</u>	<u>83,767,662</u>	<u>20,176,284</u>	<u>19,998,420</u>	<u>104,456,568</u>	<u>103,766,082</u>	0.67%
Total accumulated depreciation	<u>15,362,169</u>	<u>14,567,504</u>	<u>7,071,651</u>	<u>6,733,811</u>	<u>22,433,820</u>	<u>21,301,315</u>	5.32%
Net capital assets	<u><u>68,918,115</u></u>	<u><u>69,200,158</u></u>	<u><u>13,104,633</u></u>	<u><u>13,264,609</u></u>	<u><u>82,022,748</u></u>	<u><u>82,464,767</u></u>	-0.54%

Additional information on the City of Warrentville's capital assets can be found in Note 5 on pages 31-33 of this report.

Capital Improvement Planning

Funding for the City's long-term maintenance of existing capital assets, including: roadways, curbs, gutters and sidewalks, as well as storm sewers, and vehicles, had long been a significant long-term financial concern for the City Council and City staff. However, during fiscal 2012, the City Council and staff completed and implemented the City's first multi-year, long-range comprehensive capital improvement plan, the Capital Maintenance and Replacement Plan (CMRP). This plan addressed a significant structural deficit in the funding of costs needed for maintenance of *existing* City assets.

Analysis of the funding mechanisms source for the CMRP indicated the fund had a structural deficit of approximately \$1,000,000 annually. The City Council adopted the CMRP in September 2011. As previously indicated, among the revised funding sources for the for the CMRP, was an increase in the Simplified Telecommunications Tax rate from 4% to 6%, which went into effect as of July 1, 2012, with the full resulting funding increase going entirely to fund the CMRP. Additional new taxes went into effect May 1, 2013, with the implementation of a local motor fuel tax, natural gas utility and use taxes, and an electric utility tax. This group of new taxes was put in place as a funding mechanism for the aforementioned CMRP, with the revenue from each of these going solely into the CMRP, with no allocations going to any other funds. While overall, as a group these taxes performed almost right on budget expectations. While individual taxes performed quite a bit differently than anticipated. The local motor fuel tax significantly outperformed expectations with actual revenue of \$514,466 versus the budgeted expectation of \$409,116, as did the natural gas utility and use taxes with actual revenue of \$175,597 versus the budgeted expectation of \$138,675. The electric utility tax fell short of the budgeted expectation of \$104,600 with actual revenue of \$101,807. Finally the two long existing funding sources for the CMRP, the Amusement and Telecommunications taxes, underperformed by a combine total of \$150,680, as discussed previously in the General Fund highlights section of this analysis.

During FY 2015, the City staff and elected officials will be undertaking a process to create a plan for the Water and Sewer (business-type) fund, similar to the above mentioned CMRP. The plan will be entitled the Enterprise Maintenance and Replacement Plan (EMRP), and will encompass all of the enterprise fund capital assets, and how the replacement and maintenance of those assets will be funded

Long-term debt. At the end of the current fiscal year, the City of Warrentville continues to have no outstanding bonded or general obligation debt. The City's long-term debt has increased by 1.44%. This very slight increase is due, in part, to an increase in the compensated absences within the business-type activities group.

Finally, as pursuant to GASB Statement 49, a \$200,000 obligation continues to be carried, regarding the mitigation of environmental hazards located on the former Musselman Lumber site, referred to locally as Civic Center Redevelopment Site #1 (CCRS #1). CCRS #1 is located at 28W715 Mount Street. This multi-year site clean-up will be completed during FY 2015, after which this contingent liability will be eliminated.

City's Long Term Debt
(In millions of dollars)

	Governmental		Business-type		Total	Total	Percentage
	Activities		Activities				
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>			
Compensated Absences	379,754	379,798	43,418	41,863	423,172	421,661	0.36%
Net Other Postemployment Benefit Obligation	36,186	28,962	3,301	2,642	39,487	31,604	24.94%
Contingent Liability	<u>200,000</u>	<u>200,000</u>			<u>200,000</u>	<u>200,000</u>	0.00%
Total Long Term Debt	<u>615,940</u>	<u>608,760</u>	<u>46,719</u>	<u>44,505</u>	<u>662,659</u>	<u>653,265</u>	1.44%

State Statutes limit the amount of general obligation debt a non-home rule governmental entity may issue to 8.625 percent of its total assessed valuation. Given that the City became home-rule in Fiscal Year 2004, this statute no longer applies. As previously indicated, the City has no outstanding general obligation debt as has been the case for more than ten years.

Additional information on the City of Warrenville's long-term debt can be found in Note 6 on page 33.

Economic Factors and Next Year's Budget

The City's diversified revenue stream remains stable and strong, while the national economy shows some signs of slow improvement. A large scale family entertainment venue is projected to open in late summer or early fall of 2014, if successful as anticipated, could it significantly add to the revenue received from Food and Beverage taxes which would directly benefit the General Fund, and Amusement Tax revenue which would benefit both the General Fund and the CMRP, with the CMRP receiving the larger allocation of this revenue stream. Additionally, a national restaurant chain is interested in opening a location in Warrenville which would fill an existing empty restaurant site, and add to the Food and Beverage and sales tax revenue streams.

Preparations for FY 2015 took into consideration the first full year of the City's new third tax increment financing district which was first established with the 2013 property tax levy year.

Requests for Information

This financial report is designed to provide a general overview of the City of Warrenville's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this comprehensive annual financial report or requests for additional financial information should be addressed to the Finance Director, 3S258 Manning Avenue, City of Warrenville, IL, 60555.

CITY OF WARRENVILLE, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2014

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 4,700,126	\$ 7,149	\$ 4,707,275
Investments	11,065,284	7,007,522	18,072,806
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	3,428,714	-	3,428,714
Intergovernmental taxes	1,401,118	-	1,401,118
Other taxes	202,294	-	202,294
Accounts	30,751	521,572	552,323
Interest	67,036	39,017	106,053
Prepaid items	31,448	11,054	42,502
Due from water and sewer fund	7,980	(7,980)	-
Land held for resale	2,200,000	-	2,200,000
Advances to/from other funds	(2,200,000)	2,200,000	-
Net pension asset	421,009	-	421,009
Capital assets not being depreciated	42,933,101	143,753	43,076,854
Capital assets being depreciated	25,985,014	12,960,880	38,945,894
Total assets	90,273,875	22,882,967	113,156,842
LIABILITIES			
Accounts payable	466,509	275,617	742,126
Accrued payroll	289,305	40,664	329,969
Due to fiduciary fund	37,097	-	37,097
Unearned revenue	-	2,969	2,969
Deposits payable	763,126	44,657	807,783
Noncurrent liabilities			
Due within one year	94,939	10,854	105,793
Due in more than one year	521,001	35,865	556,866
Total liabilities	2,171,977	410,626	2,582,603
DEFERRED INFLOWS OF RESOURCES			
Unearned property taxes	3,428,714	-	3,428,714
Total deferred inflows of resources	3,428,714	-	3,428,714
Total liabilities and deferred inflows of resources	5,600,691	410,626	6,011,317
NET POSITION			
Invested in capital assets	68,918,115	12,960,880	81,878,995
Restricted for			
Maintenance of roadways	629,192	-	629,192
Public safety	120,365	-	120,365
Unrestricted	15,005,512	9,511,461	24,516,973
TOTAL NET POSITION	\$ 84,673,184	\$ 22,472,341	\$ 107,145,525

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2014

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants	Capital Grants
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 2,548,129	\$ 589,012	\$ -	\$ 20,000
Public safety	6,022,559	411,377	55,753	-
Public works	3,798,534	199,865	349,497	290,962
Culture and recreation	257,149	-	-	-
Economic development	308,925	4,365	-	-
Total governmental activities	12,935,296	1,204,619	405,250	310,962
Business-Type Activities				
Waterworks and sewerage	3,305,405	3,049,195	10,875	-
Total business-type activities	3,305,405	3,049,195	10,875	-
TOTAL PRIMARY GOVERNMENT	\$ 16,240,701	\$ 4,253,814	\$ 416,125	\$ 310,962

Net (Expense) Revenue and Change in Net Position			
Primary Government			
	Governmental	Business-Type	
	Activities	Activities	Total
	\$ (1,939,117)	\$ -	\$ (1,939,117)
	(5,555,429)	-	(5,555,429)
	(2,958,210)	-	(2,958,210)
	(257,149)	-	(257,149)
	(304,560)	-	(304,560)
	(11,014,465)	-	(11,014,465)
	-	(245,335)	(245,335)
	-	(245,335)	(245,335)
	(11,014,465)	(245,335)	(11,259,800)
General Revenues			
Taxes			
Property and replacement	3,286,186	-	3,286,186
Sales	1,740,906	-	1,740,906
Home rule sales	1,571,543	-	1,571,543
Use	230,536	-	230,536
Telecommunications	707,047	-	707,047
Hotel/motel	811,059	-	811,059
Amusement	265,925	-	265,925
Food and beverage	575,504	-	575,504
Electric utility	101,807	-	101,807
Natural gas	175,597	-	175,597
Local motor fuel	514,466	-	514,466
Other taxes	5,319	-	5,319
Intergovernmental income tax	1,280,442	-	1,280,442
Investment income	22,275	19,954	42,229
Miscellaneous	21,708	-	21,708
Total	11,310,320	19,954	11,330,274
CHANGE IN NET POSITION	295,855	(225,381)	70,474
NET POSITION, MAY 1	84,377,329	22,697,722	107,075,051
NET POSITION, APRIL 30	\$ 84,673,184	\$ 22,472,341	\$ 107,145,525

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2014

	General	Motor Fuel Tax	Tax Allocation	Special Projects	Capital Maintenance and Replacement	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 2,432,996	\$ 1,043,478	\$ -	\$ -	\$ 1,092,651	\$ 131,001	\$ 4,700,126
Investments	5,714,346	-	-	4,096,139	861,231	393,568	11,065,284
Receivables (net, where applicable, of allowances for uncollectibles)							
Property taxes	3,428,714	-	-	-	-	-	3,428,714
Intergovernmental taxes	1,081,024	24,224	-	91,408	204,462	-	1,401,118
Other taxes	113,452	-	-	-	15,804	73,038	202,294
Accounts	30,751	-	-	-	-	-	30,751
Interest	31,816	-	-	27,357	4,795	3,068	67,036
Due from other funds	449,206	-	-	-	-	-	449,206
Prepaid items	31,448	-	-	-	-	-	31,448
Advances to other funds	-	-	-	1,049,088	-	-	1,049,088
Land held for resale	2,200,000	-	-	-	-	-	2,200,000
TOTAL ASSETS	\$ 15,513,753	\$ 1,067,702	\$ -	\$ 5,263,992	\$ 2,178,943	\$ 600,675	\$ 24,625,065

	General	Motor Fuel Tax	Tax Allocation	Special Projects	Capital Maintenance and Replacement	Nonmajor Governmental Funds	Total Governmental Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$ 162,587	\$ 7,920	\$ -	\$ 75,087	\$ 83,137	\$ 137,778	\$ 466,509
Accrued payroll	289,305		-	-	-	-	289,305
Due to other funds	-	430,590	-	-	-	10,636	441,226
Due to fiduciary fund	37,097	-	-	-	-	-	37,097
Deposits payable	763,126	-	-	-	-	-	763,126
Advances from other funds	2,200,000	-	639,558	-	-	409,530	3,249,088
Total liabilities	3,452,115	438,510	639,558	75,087	83,137	557,944	5,246,351
DEFERRED INFLOWS OF RESOURCES							
Unavailable property taxes	3,428,714		-	-	-	-	3,428,714
Total deferred inflows of resources	3,428,714	-	-	-	-	-	3,428,714
Total liabilities and deferred inflows of resources	6,880,829	438,510	639,558	75,087	83,137	557,944	8,675,065
FUND BALANCES							
Nonspendable - prepaid items	31,448	-	-	-	-	-	31,448
Nonspendable - advance to other fund	-	-	-	1,049,088	-	-	1,049,088
Nonspendable - land held for resale	2,200,000	-	-	-	-	-	2,200,000
Restricted for maintenance of roadways	-	629,192	-	-	-	-	629,192
Restricted for public safety	-	-	-	-	-	120,365	120,365
Unrestricted							
Committed for tourism	-	-	-	-	-	322,603	322,603
Assigned for special projects	-	-	-	4,139,817	2,095,806	-	6,235,623
Unassigned							
Deficit - Capital Projects Fund	-	-	(639,558)	-	-	-	(639,558)
Deficit - Nonmajor Fund	-	-	-	-	-	(400,237)	(400,237)
General Fund	6,401,476	-	-	-	-	-	6,401,476
Total fund balances (deficit)	8,632,924	629,192	(639,558)	5,188,905	2,095,806	42,731	15,950,000
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 15,513,753	\$ 1,067,702	\$ -	\$ 5,263,992	\$ 2,178,943	\$ 600,675	\$ 24,625,065

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

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

April 30, 2014

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 15,950,000
Amounts reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	68,918,115
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Compensated absences	(379,754)
Net other postemployment benefit obligation	(36,186)
Net pension asset	421,009
Contingent liability	<u>(200,000)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 84,673,184</u></u>

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

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

For the Year Ended April 30, 2014

	General	Motor Fuel Tax	Tax Allocation	Special Projects	Capital Maintenance and Replacement	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES							
Taxes	\$ 7,821,553	\$ -	\$ -	\$ -	\$ 1,540,607	\$ 811,059	\$ 10,173,219
Licenses and permits	424,873	-	-	-	-	-	424,873
Intergovernmental	1,361,294	382,429	-	232,931	-	-	1,976,654
Fines and forfeits	367,555	-	-	4,365	-	-	371,920
Investment income	15,108	153	-	5,027	(249)	2,236	22,275
Miscellaneous	205,608	-	-	20,000	-	36,602	262,210
Total revenues	10,195,991	382,582	-	262,323	1,540,358	849,897	13,231,151
EXPENDITURES							
Current							
General government	2,324,352	-	-	-	-	-	2,324,352
Public safety	5,973,003	-	-	-	-	27,538	6,000,541
Public works	1,524,395	276,239	-	-	-	-	1,800,634
Culture and recreation	44,285	-	-	-	-	212,864	257,149
Economic development	-	-	-	-	-	308,925	308,925
Capital outlay	-	51,225	-	582,579	1,498,432	-	2,132,236
Total expenditures	9,866,035	327,464	-	582,579	1,498,432	549,327	12,823,837
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	329,956	55,118	-	(320,256)	41,926	300,570	407,314
OTHER FINANCING SOURCES (USES)							
Transfers in	220,519	-	-	17,914	300,000	-	538,433
Transfers (out)	(17,914)	-	-	-	-	(520,519)	(538,433)
Proceeds from sale of capital assets	17,718	-	-	-	7,521	-	25,239
Total other financing sources (uses)	220,323	-	-	17,914	307,521	(520,519)	25,239
NET CHANGE IN FUND BALANCES	550,279	55,118	-	(302,342)	349,447	(219,949)	432,553
FUND BALANCES (DEFICIT), MAY 1	8,082,645	574,074	(639,558)	5,491,247	1,746,359	262,680	15,517,447
FUND BALANCES (DEFICIT), APRIL 30	\$ 8,632,924	\$ 629,192	\$ (639,558)	\$ 5,188,905	\$ 2,095,806	\$ 42,731	\$ 15,950,000

See accompanying notes to financial statements.

CITY OF WARRENVILLE, 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, 2014

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 432,553
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	
Assets capitalized	671,603
Depreciation expense	(944,774)
Disposal of capital assets do not provide current financial resources and, therefore, are not reported in governmental funds but are reported as a gain (loss) from the sale on the statement of activities	(8,872)
The change in certain liabilities are reported as expenses on the statement of activities	
Compensated absences	44
Net other postemployment benefit asset	(7,224)
Net pension asset	152,525
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 295,855</u>

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS

April 30, 2014

	Business-Type Activities Water and Sewer
CURRENT ASSETS	
Cash	\$ 7,149
Investments	7,007,522
Receivables (net where applicable, of allowances for uncollectibles)	
Accounts	521,572
Accrued interest	39,017
Prepaid items	<u>11,054</u>
Total current assets	<u>7,586,314</u>
NONCURRENT ASSETS	
Capital assets	
Not being depreciated	
Construction in progress	143,753
Being depreciated	
Vehicles and equipment	1,269,376
Underground waterworks and sewerage system	18,763,155
Accumulated depreciation	<u>(7,071,651)</u>
Net capital assets being depreciated	<u>12,960,880</u>
Advances to other funds	<u>2,200,000</u>
Total noncurrent assets	<u>15,304,633</u>
Total assets	<u>22,890,947</u>
CURRENT LIABILITIES	
Accounts payable	275,617
Accrued payroll	40,664
Unearned revenue	2,969
Due to other funds	7,980
Deposits payable	44,657
Compensated absences payable	<u>10,854</u>
Total current liabilities	<u>382,741</u>
LONG-TERM LIABILITIES	
Compensated absences payable	32,564
Net other postemployment benefit obligation payable	<u>3,301</u>
Total long-term liabilities	<u>35,865</u>
Total liabilities	<u>418,606</u>
NET POSITION	
Investment in capital assets	12,960,880
Unrestricted	<u>9,511,461</u>
TOTAL NET POSITION	<u><u>\$ 22,472,341</u></u>

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS**

For the Year Ended April 30, 2014

	Business-Type Activities
	Water and Sewer
OPERATING REVENUES	
Charges for services	\$ 2,812,929
Total operating revenues	<u>2,812,929</u>
OPERATING EXPENSES EXCLUDING DEPRECIATION	
Costs of sales and services	<u>2,967,564</u>
Total operating expenses excluding depreciation	<u>2,967,564</u>
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(154,635)
DEPRECIATION	<u>337,841</u>
OPERATING INCOME (LOSS)	<u>(492,476)</u>
NON-OPERATING REVENUES (EXPENSES)	
Tap-on connection fees	67,120
Investment income	19,954
Grants	10,875
Rental income	<u>169,146</u>
Total non-operating revenues (expenses)	<u>267,095</u>
CHANGE IN NET POSITION	(225,381)
NET POSITION, MAY 1	<u>22,697,722</u>
NET POSITION, APRIL 30	<u><u>\$ 22,472,341</u></u>

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

For the Year Ended April 30, 2014

	Business-Type Activities
	Water and Sewer
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 3,027,340
Payments to suppliers	(1,821,032)
Payments to employees	<u>(1,182,030)</u>
Net cash from operating activities	<u>24,278</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Grants received	10,875
Payments on interfund loans	<u>7,979</u>
Net cash from noncapital financing activities	<u>18,854</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital assets	<u>(177,864)</u>
Net cash from capital and related financing activities	<u>(177,864)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sale of investments	-
Purchase of investments	(15,917)
Interest received	<u>21,076</u>
Net cash from investing activities	<u>5,159</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(129,573)
CASH AND CASH EQUIVALENTS, MAY 1	<u>136,722</u>
CASH AND CASH EQUIVALENTS, APRIL 30	<u><u>\$ 7,149</u></u>

(This statement is continued on the following page.)

CITY OF WARRENVILLE, ILLINOIS

**STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS**

For the Year Ended April 30, 2014

	Business-Type Activities
	Water and Sewer
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income (loss)	\$ (492,476)
Adjustments to reconcile operating income (loss) to net cash from operating activities	
Depreciation	337,841
Connection fees	67,120
Rental income	169,146
(Increase) decrease in	
Accounts receivable	(30,360)
Prepaid items	(11,054)
Increase (decrease) in	
Accounts payable	(43,144)
Accrued payroll	16,486
Deposits payable	6,950
Unearned revenue	1,555
Compensated absences payable	1,555
Net other postemployment benefit payable	659
NET CASH FROM OPERATING ACTIVITIES	\$ 24,278
NONCASH TRANSACTIONS	
Unrealized gain (loss) on investments	\$ (135,641)

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

**STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUND**

April 30, 2014

	Police Pension Fund
ASSETS	
Cash and cash equivalents	\$ 603,421
Investments, at fair value	
U.S. Treasury securities	102,974
U.S. agency securities	2,958,862
Municipal bonds	654,836
Corporate bonds	2,851,790
Equities	1,715,955
Closed End Equity ETFs	203,830
Mutual funds	5,727,612
Receivables	
Accrued interest	79,528
Due from City	37,097
	<hr/>
Total assets	14,935,905
	<hr/>
LIABILITIES	
Accounts payable	999
	<hr/>
Total liabilities	999
	<hr/>
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	\$ 14,934,906
	<hr/> <hr/>

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUND**

For the Year Ended April 30, 2014

	Police Pension Fund
ADDITIONS	
Contributions	
Employer	\$ 818,005
Employee	343,132
	<u>1,161,137</u>
Total contributions	
	<u>1,161,137</u>
Investment income	
Net appreciation in fair value of investments	846,613
Interest	386,545
	<u>1,233,158</u>
Total investment income	
	1,233,158
Less investment expense	<u>(26,747)</u>
Net investment income	<u>1,206,411</u>
Total additions	<u>2,367,548</u>
DEDUCTIONS	
Administration	5,572
Benefits and refunds	
Retirement benefits	581,350
	<u>586,922</u>
Total deductions	
	<u>586,922</u>
NET INCREASE	1,780,626
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	
May 1	<u>13,154,280</u>
April 30	<u>\$ 14,934,906</u>

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Warrenville, Illinois (the City) 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 City's accounting policies are described below.

a. Reporting Entity

The City was incorporated 1967. The City is a home rule municipality under the 1970 Illinois Constitution. The City is comprised of the mayor and eight aldermen. An appointed City Administrator acts as the administrative head. The City provides services, which include police protection, street maintenance and construction, building and zoning enforcement, water pumping, storage and distribution, sanitary sewer service and general administrative services.

As required by GAAP, these financial statements present the City (the primary government) and its component units. The component units are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

- 1) Appointment of a voting majority of the component unit's board and either (a) the ability to impose will by the primary government or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- 2) Fiscal dependency on the primary government.

Based upon the application criteria, no component units have been included within the reporting entity.

b. Fund Accounting

The City uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

A fund is a separate accounting entity with a self-balancing set of accounts. The minimum number of funds maintained is consistent with legal and managerial requirements.

Funds are classified into the following categories: governmental, proprietary and fiduciary.

Governmental funds are used to account for all or most of the City's general activities. Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Capital projects funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Debt service funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest. The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds). However, the City has no internal service funds.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments or on behalf of other funds within the government. The City utilizes a pension trust fund which is generally used to account for assets that the City holds in a fiduciary capacity.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and shared revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items are not properly included among program revenues but are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the City, except those accounted for in another fund. The services which are administered by the City and accounted for in the General Fund include general government, public safety and public works.

The Motor Fuel Tax Fund accounts for the restricted revenue received from the State of Illinois for the local share of motor fuel tax collection.

The Tax Allocation Fund accounts for the proceeds of the \$500,000 Series 1991A and the \$8,615,000 Series 2000 Tax Increment Financing Bonds and the incremental property tax revenues, previously received from the City's designated TIF District that are to be used for the development of the 650 acre site adjacent to the Illinois 88 tollway for multi-purpose use. The City has elected to report this fund as major.

The Special Projects Fund accounts for the proceeds of significant one-time revenues to be used for future major capital improvements and other projects.

The Capital Maintenance and Replacement Fund accounts for the accumulated funds assigned for the maintenance and replacement of major capital equipment.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

The City reports the following major proprietary funds:

The Water and Sewer Fund accounts for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including but not limited to administration, operations, maintenance, financing and related debt service billing and collection.

The City reports a pension trust fund as a fiduciary fund to account for the Police Pension Fund.

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions 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. Operating revenues/expenses include all revenues/expenses directly related to providing enterprise fund services. Incidental revenues/expenses are reported as non-operating.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. 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. The City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period except for sales taxes and telecommunications taxes which use a 90-day period and income taxes which use a 120-day period. The City recognizes property taxes when they become both measurable and available and for the period intended to finance. Taxpayer assessed tax revenues are recognized as revenue when owed to the intermediary collecting agent for sales taxes and telecommunications taxes and when owed to the City for utility taxes. Expenditures generally are recorded when a fund liability is incurred.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation
(Continued)

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

The City reports unavailable/unearned revenue on its financial statements. Unavailable/unearned revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unavailable/unearned revenues also arise when resources are received by the government before it has a legal claim to them or prior to the provision of services, 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 City has a legal claim to the resources, the liability for unavailable/unearned revenue is removed from the financial statements and revenue is recognized.

e. Cash and Investments

Cash and Cash Equivalents

Cash and cash equivalents are defined as cash on hand, in demand deposits and highly liquid investments with a maturity of three months or less when purchased.

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. Investments in the pension trust funds are stated at fair value. Fair value is based on quoted market prices at April 30 for debt securities, equity securities and mutual funds and contract values for insurance contracts.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Prepaid Items/Expenses

Certain payments to vendors reflect costs applicable to future accounting periods based on the consumption method and are recorded as prepaid expenses/items. Such amounts are offset by nonspendable fund balance for prepaid items in the fund financial statements.

g. Capital Assets

Capital assets, which include property, plant, equipment, intangible assets and infrastructure assets (e.g., roads, bridges, storm sewers and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost in excess of \$20,000 and an estimated useful life in excess of one year; with the exception of vehicles which are considered capital assets regardless of initial cost.

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the City chose to include all such items regardless of their acquisition date or amount. The City was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price level index to deflate the cost to the acquisition year or estimated acquisition year). As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations, the City values these capital assets at the estimated fair value of the item at the date of its donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, if any, is included as part of the capitalized value of the assets constructed. Property, plant and equipment are depreciated/amortized using the straight-line method over the following estimated useful lives:

CITY OF WARRENVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Capital Assets (Continued)

Assets	Years
Buildings	40
Bridges	40
Streets	60
Sidewalks	3-23
Storm sewers	75
Water and sewer mains	75
Vehicles, equipment and software	5-10

h. Land Held for Resale

The City purchased property that is not used in the operations of providing city services and is reported as a fund asset held at its historical cost until sold.

i. Compensated Absences

Vested or accumulated sick leave and compensatory time off that is owed to retirees or terminated employees is reported as an expenditure and a fund liability of the governmental fund that will pay it in the fund financial statements. Vested or accumulated sick leave and compensatory time off of proprietary funds at both levels and governmental activities at the government-wide level is recorded as an expense and liability as the benefits accrue to employees.

j. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements.

k. Interfund Transactions

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

m. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not spendable in form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the City. Committed fund balance is constrained by formal actions of the City Council, which is considered the City’s highest level of decision making authority. Formal actions include resolutions and ordinances approved by the City Council. The City has committed fund balance through an ordinance establishing the use of the funds. Assigned fund balance represents amounts constrained by the City’s intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the City Finance Director by the City Council. Any residual fund balance in the General Fund is reported as unassigned.

The City’s flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending, the City considers committed funds to be expended first followed by assigned and then unassigned funds.

The City has established fund balance reserve policies for its general fund. The General Fund targets six months of operating expenditures as unassigned fund balance. The Special Revenue, Capital Projects and Debt Service funds do not have established fund balance limits due to the nature of the transactions accounted for in these funds.

In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. Net positions have not been restricted by enabling legislation adopted by the City. Net investment in capital assets represents the book value of capital assets less any long-term debt principal outstanding issued to construct capital assets.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Use of Estimates

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

o. Deferred Inflows/Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City does not have an item that qualifies for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

CITY OF WARRENVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. RECEIVABLES

The following receivables are included in intergovernmental taxes receivable on the statement of net position at April 30, 2014:

GOVERNMENTAL ACTIVITIES	
Sales tax	\$ 428,069
Home rule sales tax	372,334
Income tax	201,147
Motor fuel tax	24,224
Local motor fuel tax	58,341
Grants	91,408
Utility use taxes	32,026
Simplified telecommunications tax	137,506
Local use tax	54,493
Auto rental tax	1,570
	<hr/>
TOTAL GOVERNMENTAL ACTIVITIES	\$ 1,401,118

The following receivables are included in other taxes receivable on the statement of net position at April 30, 2014:

GOVERNMENTAL ACTIVITIES	
Food and beverage tax	\$ 55,386
Hotel/motel tax	73,038
Cable franchise fees	47,530
Amusement tax	26,340
	<hr/>
TOTAL GOVERNMENTAL ACTIVITIES	\$ 202,294

3. DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds, except the pension trust fund. Each fund's portion of this pool is displayed on the financial statements as cash and cash equivalents or investments. If a fund overdraws its equity in the pool, an interfund payable is recorded with a corresponding interfund receivable reported in a fund designated by the City.

a. City Deposits and Investments

The City's investment policy authorizes the City to invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with

CITY OF WARRENVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. DEPOSITS AND INVESTMENTS (Continued)

a. City Deposits and Investments (Continued)

portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value) and the Illinois Metropolitan Investment Fund (IMET), a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold. The City's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

It is the policy of the City to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity and yield.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the City's deposits may not be returned to it. The City's investment policy requires pledging of collateral, at 110% of the deposits secured, for all bank balances in excess of federal depository insurance, with the collateral held by an independent third party.

Investments

The following table presents the investments and maturities of the City's debt securities as of April 30, 2014:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury notes	\$ 14,343,056	\$ 1,191,274	\$ 13,151,782	\$ -	\$ -
FHLMC	2,075,370	1,105,613	969,757	-	-
FNMA	2,307,253	851,853	1,455,400	-	-
TOTAL	\$ 18,725,679	\$ 3,148,740	\$ 15,576,939	\$ -	\$ -

3. DEPOSITS AND INVESTMENTS (Continued)

a. City Deposits and Investments (Continued)

Investments (Continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the City limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market. Any investment with a maturity of greater than five years requires prior approval and a specific purpose for investment.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The City limits its exposure to credit risk by limiting its investments to those allowed within the policy, pre-qualifying all brokers and dealers and primarily investing in external investment pools and investments either explicitly or implicitly guaranteed by the full faith and credit of the United States Government. The FHLMC, FNMA, Illinois Funds and money market mutual funds are rated AA+.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the City will not be able to recover the value of its investments that are in possession of an outside party. The City's investment policy does not address this risk. To limit its exposure, the City requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by an independent third-party custodian and evidenced by safekeeping receipts and a written custodial agreement.

Concentration of credit risk is the risk that the City has a high percentage of its investments invested in one type of investment. The City's investment policy requires diversification of investments to minimize potential losses. The City's investment policy requires that no financial institution shall hold more than 20% of the City's investment portfolio, exclusive of U.S. Treasury securities and collateralized investments held in safekeeping. Additionally, investments in corporate paper shall not exceed 10% and Illinois Funds shall not exceed 25% of the total portfolio. The City does have greater than 5% of their investments in one FHLMC security maturing October 14, 2016 as of April 30, 2014. This is in compliance with the City's investment policy.

3. DEPOSITS AND INVESTMENTS (Continued)

b. Police Pension Deposits and Investments

The Police Pension Fund's investment policy authorizes the Police Pension Fund to invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, interest-bearing obligations of the U.S. Treasury and U.S. agencies, interest-bearing bonds of the State of Illinois or any county, township or municipal corporation of the State of Illinois, direct obligations of the State of Israel, money market mutual funds whose investments consist of obligations of the U.S. Treasury or U.S. agencies, separate accounts managed by life insurance companies, mutual funds, common and preferred stock, Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value) and IMET, a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold.

It is the policy of the Police Pension Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the cash flow demands of the Police Pension Fund, assuring that funds are available to meet future liabilities and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, legality, safety of principal, liquidity and rate of return.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Police Pension Fund's deposits may not be returned to it. The Police Pension Fund's investment policy requires pledging of collateral, at 110% of the deposits secured, for all bank balances in excess of federal depository insurance, with the collateral held by an independent third party.

CITY OF WARRENVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. DEPOSITS AND INVESTMENTS (Continued)

b. Police Pension Deposits and Investments (Continued)

Investments

The following table presents the investments and maturities of the Police Pension Fund's debt securities as of April 30, 2014:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury notes	\$ 102,974	\$ -	\$ 102,974	\$ -	\$ -
FFCB	822,522	50,244	256,213	516,065	-
FHLB	1,764,697	328,919	334,724	1,101,054	-
FNMA	352,864	108,623	244,241	-	-
GNMA	18,779	-	18,779	-	-
Municipal bonds	654,836	80,821	247,869	326,146	-
Corporate bonds	2,851,790	384,703	1,794,142	672,945	-
TOTAL	\$ 6,568,462	\$ 953,310	\$ 2,998,942	\$ 2,616,210	\$ -

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Police Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for anticipated operating requirements while providing a long-term rate of return based on the current market.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Police Pension Fund limits its exposure to credit risk by limiting its investments to those allowed within the policy and primarily investing in external investment pools and investments either explicitly or implicitly guaranteed by the full faith and credit of the United States Government. The FFCB, FHLB, FNMA and money market mutual funds are rated AA+. The ratings on the Municipal Bonds range from A to AA+. The Corporate bonds are rated ranging between BBB+ to AAA.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Police Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. The Police Pension Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by an independent third party custodian and evidenced by safekeeping receipts and a written custodial agreement.

CITY OF WARRENVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. DEPOSITS AND INVESTMENTS (Continued)

b. Police Pension Deposits and Investments (Continued)

Investments (Continued)

Concentration of credit risk is the risk that the Police Pension Fund has a high percentage of its investments invested in one type of investment. The Police Pension Fund's investment policy requires diversification of investments to minimize risk. The Police Pension Fund does not have greater than 5% of their investments in one security as of April 30, 2014. This is in compliance with the Police Pension Fund's investment policy.

4. PROPERTY TAXES

Property taxes for 2013 attach as an enforceable lien on January 1, 2013 on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about May 1, 2014 and are payable in two installments, on or about June 1, 2014 and September 1, 2014. The County collects such taxes and remits them periodically. Those 2013 taxes are intended to finance the 2015 fiscal year and are not considered available for current operations and are, therefore, shown as unearned/unavailable revenue. The 2014 tax levy has not been recorded as a receivable at April 30, 2014. The tax is attached as a lien on property as of January 1, 2014; however, the tax will not be levied until December 2014 and, accordingly, is not measurable at April 30, 2014.

5. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2014 was as follows:

	Beginning Balance May 1	Additions	Retirements	Ending Balance April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 9,412,036	\$ -	\$ -	\$ 9,412,036
Land - right of way	33,511,165	-	-	33,511,165
Construction in Progress	-	9,900	-	9,900
Total capital assets not being depreciated	42,923,201	9,900	-	42,933,101
Capital assets being depreciated				
Buildings	11,284,914	-	-	11,284,914
Streets, bridges and sidewalks	21,152,102	337,419	-	21,489,521
Storm sewers	5,168,616	203,456	-	5,372,072
Vehicles and equipment	3,238,829	120,828	158,981	3,200,676
Total capital assets being depreciated	40,844,461	661,703	158,981	41,347,183

CITY OF WARRENVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. CAPITAL ASSETS (Continued)

	Beginning Balance May 1	Additions	Retirements	Ending Balance April 30
GOVERNMENTAL ACTIVITIES				
(Continued)				
Less accumulated depreciation for				
Buildings	\$ 3,598,587	\$ 272,123	\$ -	\$ 3,870,710
Streets, bridges and sidewalks	7,444,683	379,741	-	7,824,424
Storm sewers	1,440,724	68,809	-	1,509,533
Vehicles and equipment	2,083,510	224,101	150,109	2,157,502
Total accumulated depreciation	<u>14,567,504</u>	<u>944,774</u>	<u>150,109</u>	<u>15,362,169</u>
 Total capital assets being depreciated, net	 <u>26,276,957</u>	 <u>(283,071)</u>	 <u>8,872</u>	 <u>25,985,014</u>
 GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 69,200,158</u>	<u>\$ (273,171)</u>	<u>\$ 8,872</u>	<u>\$ 68,918,115</u>
 BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Construction in progress	\$ -	\$ 143,753	\$ -	\$ 143,753
Total capital assets not being depreciated	<u>-</u>	<u>143,753</u>	<u>-</u>	<u>143,753</u>
 Capital assets being depreciated				
Vehicle and equipment	1,235,265	34,111	-	1,269,376
Underground waterworks and sewerage system	18,763,155	-	-	18,763,155
Total capital assets being depreciated	<u>19,998,420</u>	<u>34,111</u>	<u>-</u>	<u>20,032,531</u>
 Less accumulated depreciation for				
Vehicle and equipment	828,426	80,551	-	908,977
Underground waterworks and sewerage system	5,905,385	257,289	-	6,162,674
Total accumulated depreciation	<u>6,733,811</u>	<u>337,840</u>	<u>-</u>	<u>7,071,651</u>
 Total capital assets being depreciated, net	 <u>13,264,609</u>	 <u>(303,729)</u>	 <u>-</u>	 <u>12,960,880</u>
 BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 13,264,609</u>	<u>\$ (159,976)</u>	<u>\$ -</u>	<u>\$ 13,104,633</u>

CITY OF WARRENVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. CAPITAL ASSETS (Continued)

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

GOVERNMENTAL ACTIVITIES	
General government	\$ 108,038
Public safety	160,037
Public works	<u>676,699</u>
TOTAL	<u>\$ 944,774</u>

6. LONG-TERM DEBT

a. Governmental Activities

The following is a summary of long-term obligation activity for the City associated with governmental activities for the year ended April 30, 2014.

Issue	Balances May 1	Issuances	Retirements	Balances April 30	Due Within One Year
Compensated absences	\$ 379,798	\$ 94,906	\$ 94,950	\$ 379,754	\$ 94,939
Net other postemployment benefit obligation	28,962	7,224	-	36,186	-
Contingent liability	200,000	-	-	200,000	-
TOTAL	<u>\$ 608,760</u>	<u>\$ 102,130</u>	<u>\$ 94,950</u>	<u>\$ 615,940</u>	<u>\$ 94,939</u>

Compensated absences, net other postemployment benefit obligation, net pension obligation liabilities and the contingent liability are primarily retired by the General Fund.

b. Business-Type Activities

The following is a summary of long-term obligation activities for the City associated with business-type activities for the year.

Issue	Balances May 1	Issuances	Retirements	Balances April 30	Due Within One Year
Compensated absences	\$ 41,863	\$ 12,021	\$ 10,466	\$ 43,418	\$ 10,854
Net other postemployment benefit obligation	2,642	659	-	3,301	-
TOTAL	<u>\$ 44,505</u>	<u>\$ 12,680</u>	<u>\$ 10,466</u>	<u>\$ 46,719</u>	<u>\$ 10,854</u>

CITY OF WARRENVILLE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

7. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets, errors and omissions; natural disasters; and injuries to the City's employees. The City reports its risk management activities in the General Fund.

The City purchases third party indemnity medical and dental insurance from a private insurance company. Additionally the City purchases third party coverage for general liability coverage from a private insurance company. Premiums have been displayed as expenditures/expenses in appropriate funds.

The City participates in a risk management pool, the Illinois Public Risk Fund (IPRF), for workers' compensation insurance. IPRF is a self-insured pool for workers' compensation coverage. IPRF currently serves public entities and governmental agencies throughout Illinois. These participating public entities have pooled their workers' compensation. A Board of Trustees elected by IPRF participants oversees the operation of the IPRF and governs it in accordance with State of Illinois rules and guidelines.

There has been no significant reduction in coverage in any program from coverage in the prior year. For all programs, settlement amounts have not exceeded insurance coverage for the current or three prior years.

8. INTERFUND ASSETS/LIABILITIES

Due From/To Other Funds

Individual fund interfund receivables/payables are as follows:

Receivable Fund	Payable Fund	Amount
General	Motor Fuel Tax	\$ 430,590
General	Nonmajor Governmental	10,636
General	Water and Sewer	<u>7,980</u>
TOTAL		<u>\$ 449,206</u>

The purpose of the significant due from/to other funds is as follows:

- \$430,590 is due to the General Fund from Motor Fuel Tax Fund for accounts payable and payroll amounts paid from the General Fund to be reimbursed from other funds. The amount will be repaid within one year.

CITY OF WARRENVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. INTERFUND ASSETS/LIABILITIES (Continued)

Advances To/From Other Funds

Individual fund interfund advances are as follows:

Receivable Fund	Payable Fund	Amount
Special Projects	Tax Allocation	\$ 639,558
Special Projects	Nonmajor Governmental	406,544
Special Projects	Nonmajor Governmental	2,986
Water and Sewer	General	<u>2,200,000</u>
TOTAL		<u>\$ 3,249,088</u>

The purpose of the significant advances to/from other funds is as follows:

- \$2,200,000 is due to the Water and Sewer Fund from the General Fund related to funds loaned to the General Fund to purchase land, which is held for resale by the City.
- \$639,558 is due to the Special Projects Fund from the Tax Allocation Fund related to cash shortfall due to the closing of the Tax allocation District.
- \$406,544 is due to the Special Projects Fund from the TIF District #3 Fund related to the cash shortfall due to the implementation of the new TIF District, while awaiting the flow of incremental tax revenue.

Interfund Transfers

Interfund transfers between funds for the year ended April 30, 2014 were as follows:

	Transfers In	Transfers Out
General	\$ 220,519	\$ 17,914
Special Projects	17,914	-
Capital Maintenance and Replacement	300,000	-
Nonmajor Governmental	-	<u>520,519</u>
TOTAL	<u>\$ 538,433</u>	<u>\$ 538,433</u>

8. INTERFUND ASSETS/LIABILITIES (Continued)

Interfund Transfers (Continued)

The purposes of the significant interfund transfers are as follows:

- \$200,000 was transferred to the General Fund from the Hotel/Motel Tax Fund for a capital subsidy to fund general improvements. This transfer will not be repaid.
- \$300,000 was transferred to the Capital Maintenance and Replacement Fund from the Hotel/Motel Tax Fund for a capital subsidy to fund capital maintenance and replacement costs. This transfer will not be repaid.
- \$20,519 was transferred to the General Fund from the Seized Assets Fund to reimburse for eligible expenditures.

Fund Balance Deficits

The Tax Allocation, TIF District #2 and TIF District #3 funds had deficit fund balances of \$(639,558) and \$(2,986) and \$(397,251), respectively, at April 30, 2014.

9. CONTINGENT LIABILITIES

a. Litigation

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

b. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

9. CONTINGENT LIABILITIES (Continued)

c. Environmental Remediation

The City owns a parcel of property that has been estimated to have contamination in the soil, left by a previous owner of the property that will require environmental remediation in order to sell. The City intends to sell the property and is solely responsible for the cleanup costs. The City has conducted an engineering estimate, based on soil tests of the property, resulting in a remediation liability of \$200,000 based on expected future cash flows. No contamination has been detected on adjacent properties. This liability has been accrued as a liability as part of the governmental activities on the statement of net position.

10. EMPLOYEE RETIREMENT SYSTEMS

a. Plan Descriptions and Provisions

Illinois Municipal Retirement Fund

The City 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 local governments and school districts in Illinois.

All employees (other than those covered by the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. 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 ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten 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.

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions and Provisions (Continued)

Illinois Municipal Retirement Fund (Continued)

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The City is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for calendar year 2013 was 11.51% of covered payroll.

IMRF issues a separate financial report that provides information on the plan as a whole, which may be obtained on line at www.imrf.org.

Police Pension Plan

Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois Compiled Statutes (Chapter 40 - Article 5/3) and may be amended only by the Illinois legislature. The City accounts for the Police Pension Plan as a pension trust fund. The Police Pension Plan does not issue separate financial statements. At April 30, 2014, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	8
Terminated employees entitled to benefits but not yet receiving them	1
Current employees	
Vested	20
Nonvested	10
	<hr/>
TOTAL	<u>39</u>

The following is a summary of the Police Pension Plan as provided for in ILCS.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions and Provisions (Continued)

Police Pension Plan (Continued)

day, whichever is greater. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. For the year ended April 30, 2014, the City's contribution was 35.98% of covered payroll.

CITY OF WARRENVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

b. Summary of Significant Accounting Policies and Plan Asset Matters

Significant Investments

There were no investments (other than United States Government and United States Government - guaranteed obligations) in any one organization that represents 5% or more of net positions available for benefits.

c. Annual Pension Cost

	Illinois Municipal Retirement	Police Pension
Actuarial valuation date	December 31, 2010	May 1, 2012
Actuarial cost method	Entry-age Normal	Entry-age Normal
Asset valuation method	5 Year Smoothed Market	Market
Amortization method	Level Percentage of Payroll	Level Percentage of Payroll
Amortization period	30 Years, Open	21 Years, Closed
Significant actuarial assumptions		
a) Rate of return on present and future assets	7.50% Compounded Annually	7.00% Compounded Annually
b) Projected salary increase - attributable to inflation	4.00% Compounded Annually	5.00% Compounded Annually
c) Additional projected - salary increases - seniority/merit	.40% to 10.00%	Not Available
d) Postretirement benefit increases	3.00%	3.00%

CITY OF WARRENVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Annual Pension Cost (Continued)

	Fiscal Year	Illinois Municipal Retirement	Police Pension
Annual pension cost (APC)	2012	\$ 316,271	\$ 728,132
	2013	340,149	666,561
	2014	356,513	665,480
Actual contribution	2012	\$ 316,271	\$ 877,705
	2013	340,149	812,420
	2014	356,513	818,005
Percentage of APC contributed	2012	100.00%	120.54%
	2013	100.00%	121.88%
	2014	100.00%	122.92%
Net pension obligation (asset)	2012	\$ -	\$ (122,625)
	2013	-	(268,484)
	2014	-	(421,009)

The funded status and funding progress of the plans as of December 31, 2013 and May 1, 2013, (the most recent actuarial information available), were as follows:

	Illinois Municipal Retirement	Police Pension
Actuarial accrued liability (AAL)	\$ 7,388,825	\$ 19,403,100
Actuarial value of plan assets	5,977,975	13,154,279
Unfunded actuarial accrued liability (UAAL)	1,410,850	6,248,821
Funded ratio (actuarial value of plan assets/AAL)	80.91%	67.79%
Covered payroll (active plan members)	\$ 2,978,200	\$ 2,544,859
UAAL as a percentage of covered payroll	47.37%	245.55%

See the schedules of funding progress in the required supplementary information immediately following the notes to financial statements for additional information related to the funded status of the plans.

CITY OF WARRENVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Annual Pension Cost (Continued)

The net pension obligation (asset) as of April 30, 2014 has been calculated as follows:

	<u>Police Pension</u>
Annual required contribution	\$ 668,005
Interest on net pension obligation	(18,794)
Adjustment to annual required contribution	<u>16,269</u>
Annual pension cost	665,480
Contributions made	<u>818,005</u>
Increase (decrease) in net pension obligation	(152,525)
Net pension obligation (asset), beginning of year	<u>(268,484)</u>
 NET PENSION OBLIGATION (ASSET), END OF YEAR	 <u><u>\$ (421,009)</u></u>

11. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the City provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the Plan. The Plan does not issue a separate report. The activity of the Plan is reported in the City's governmental and business-type activities.

b. Benefits Provided

The City provides pre and post-Medicare postretirement health insurance to retirees, their spouses and dependents (enrolled at time of employee's retirement). To be eligible for benefits, the employee must qualify for retirement under one of the City's two retirement plans. The retirees pay the blended premium. Upon a retiree becoming eligible for Medicare, the amount payable under the City's health plan will be reduced by the amount payable under Medicare for those expenses that are covered under both.

CITY OF WARRENVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Membership

At April 30, 2014, membership consisted of:

Retirees and beneficiaries currently receiving benefits	4
Terminated employees entitled to benefits but not yet receiving them	-
Active employees - vested	43
Active employees - nonvested	<u>29</u>
 TOTAL	 <u><u>76</u></u>
 Participating employers	 <u><u>1</u></u>

d. Funding Policy

The City is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the Plan until retirement.

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan and the net OPEB obligation for 2014 and two previous years was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
April 30, 2012	\$ 22,979	\$ 16,977	73.88%	\$ 23,851
April 30, 2013	29,341	21,587	73.57%	31,604
April 30, 2014	29,470	21,587	73.25%	39,487

CITY OF WARRENVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

The net OPEB obligation as of April 30, 2014, was calculated as follows:

Annual required contribution	\$ 28,943
Interest on net OPEB obligation	1,580
Adjustment to annual required contribution	<u>(1,053)</u>
Annual OPEB cost	29,470
Contributions made	<u>21,587</u>
Increase in net OPEB obligation	7,883
Net OPEB obligation, beginning of year	<u>31,604</u>
NET OPEB OBLIGATION, END OF YEAR	<u>\$ 39,487</u>

Funded Status and Funding Progress: The funded status of the Plan as of April 30, 2012 was as follows (most recent information available):

Actuarial accrued liability (AAL)	\$ 473,459
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	473,459
Funded ratio (actuarial value of plan assets/AAL)	-%
Covered payroll (active plan members)	\$ 5,607,940
UAAL as a percentage of covered payroll	8.44%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

Actuarial methods and assumptions - projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the April 30, 2012 actuarial valuation, the entry-age normal actuarial cost method was used. The actuarial assumptions included an investment rate of return of 5%, projected salary increases of 5% and an initial healthcare cost trend rate of 8% with an ultimate healthcare inflation rate of 6%. Both rates include a 3% inflation assumption. The actuarial value of assets was not determined as the City has not advance funded its obligation. The Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2012 was 30 years.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WARRENVILLE, ILLINOIS

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

For the Year Ended April 30, 2014

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	\$ 7,981,122	\$ 7,981,122	\$ 7,821,553	\$ (159,569)
Licenses and permits	397,400	397,400	424,873	27,473
Intergovernmental	1,284,820	1,284,820	1,361,294	76,474
Fines and forfeits	592,813	592,813	367,555	(225,258)
Investment income	15,000	15,000	15,108	108
Miscellaneous	200,787	222,795	205,608	(17,187)
Total revenues	10,471,942	10,493,950	10,195,991	(297,959)
EXPENDITURES				
General government	2,656,233	2,656,233	2,324,352	(331,881)
Public safety	6,097,178	6,097,178	5,973,003	(124,175)
Public works	1,568,658	1,568,658	1,524,395	(44,263)
Culture and recreation	52,370	52,370	44,285	(8,085)
Total expenditures	10,374,439	10,374,439	9,866,035	(508,404)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	97,503	119,511	329,956	210,445
OTHER FINANCING SOURCES (USES)				
Transfers in	220,990	220,990	220,519	(471)
Transfers (out)	-	-	(17,914)	(17,914)
Proceeds from sale of capital assets	21,865	21,865	17,718	(4,147)
Total other financing sources (uses)	242,855	242,855	220,323	(22,532)
NET CHANGE IN FUND BALANCE	\$ 340,358	\$ 362,366	550,279	\$ 187,913
FUND BALANCE, MAY 1			8,082,645	
FUND BALANCE, APRIL 30			\$ 8,632,924	

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND**

For the Year Ended April 30, 2014

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental			
Motor fuel tax	\$ 366,821	\$ 366,821	\$ 382,429
Investment income	500	500	153
Miscellaneous income	2,000	2,000	-
	<hr/>		
Total revenues	369,321	369,321	382,582
	<hr/>		
EXPENDITURES			
Public works			
Supplies and services	80,000	80,000	67,482
Maintenance	159,500	231,985	208,757
Capital outlay	300,000	300,000	51,225
	<hr/>		
Total expenditures	539,500	611,985	327,464
	<hr/>		
NET CHANGE IN FUND BALANCE	<u>\$ (170,179)</u>	<u>\$ (242,664)</u>	55,118
FUND BALANCE, MAY 1			<hr/> 574,074
FUND BALANCE, APRIL 30			<hr/> \$ 629,192 <hr/>

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2014

Schedule of Funding Progress

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2008	\$ 3,576,897	\$ 4,924,632	72.63%	\$ 1,347,735	\$ 2,587,259	52.09%
2009	4,010,939	5,402,044	74.25%	1,391,105	2,651,241	52.47%
2010	4,659,958	6,141,283	75.88%	1,481,325	2,824,727	52.44%
2011	5,179,035	6,748,524	76.74%	1,569,489	2,817,888	55.70%
2012	5,404,569	7,406,966	72.97%	2,002,397	3,012,457	66.47%
2013	5,977,975	7,388,825	80.91%	1,410,850	2,978,200	47.37%

Schedule of Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contributions (ARC)	Percentage Contributed
2009	\$ 250,051	\$ 250,051	100.00%
2010	271,652	271,652	100.00%
2011	318,028	318,028	100.00%
2012	316,271	316,271	100.00%
2013	340,149	340,149	100.00%
2014	356,513	356,513	100.00%

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

**REQUIRED SUPPLEMENTARY INFORMATION
POLICE PENSION FUND**

April 30, 2014

Schedule of Funding Progress

Actuarial Valuation Date May 1,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2008	\$ 7,221,375	\$ 12,463,356	57.94%	\$ 5,241,981	\$ 2,242,451	233.76%
2009	6,906,516	13,852,598	49.86%	6,946,082	2,309,615	300.75%
2010	8,675,472	14,629,224	59.30%	5,953,752	2,369,392	251.28%
2011	10,229,466	16,096,691	63.55%	5,867,225	2,329,319	251.89%
2012	11,460,281	17,984,231	63.72%	6,523,950	2,439,172	267.47%
2013	13,154,279	19,403,100	67.79%	6,248,821	2,544,859	245.55%

Schedule of Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contributions (ARC)	Percentage Contributed
2009	\$ 613,057	\$ 613,057	100.00%
2010	504,408	504,402	100.00%
2011	613,086	613,086	100.00%
2012	877,705	727,704	120.61%
2013	812,420	668,005	121.62%
2014	818,005	668,005	122.45%

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2014

Schedule of Funding Progress

Actuarial Valuation Date May 1,	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Percentage Funded (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Annual Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2008	\$ -	\$ 415,451	0.00%	\$ 415,441	\$ 5,194,119	8.00%
2009	N/A	N/A	N/A	N/A	N/A	N/A
2010	N/A	N/A	N/A	N/A	N/A	N/A
2011	-	473,459	0.00%	473,459	5,607,940	8.44%
2012	N/A	N/A	N/A	N/A	N/A	N/A
2013	N/A	N/A	N/A	N/A	N/A	N/A

Schedule of Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2009	\$ 16,977	\$ 23,115	73.45%
2010	16,977	22,682	74.85%
2011	16,977	22,682	74.85%
2012	16,977	22,682	74.85%
2013	21,587	28,943	74.58%
2014	21,587	28,943	74.58%

N/A - Information is not available as an actuarial valuation was not performed as of the date.

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2014

1. BUDGETARY INFORMATION

The City's budgetary operations are governed by the Budget Ordinance and are administered by the Budget Officer. All departments of the City submit requests for proposed expenditures to the Budget Officer so that a budget may be prepared. The budget is prepared by fund and object and includes information on the past two years and current year estimates of revenues and expenditures for the next fiscal year. The City adopted annual budgets for all governmental (excluding the TIF District #3 Fund), proprietary and fiduciary funds.

The proposed budget is presented to the City Council for review. The City Council holds public meetings and may modify the estimates if necessary. All budgeted appropriations lapse at year end.

Budgeted revenue and expenditures for fiscal year 2014 were determined on a basis consistent with accounting principles generally accepted in the United States of America. Budgeted revenue is based upon amounts expected to be received during the fiscal year. Budgeted expenditures are based upon anticipated cash needs for specifically identified projects. Such amounts are substantially the same as modified accrual basis revenues and expenditures. The legal level of budgetary control is the fund. Management may reallocate noncapital expenditure amounts within a fund's budget from one line item to another if a special need arises, without City Council approval. Any request for additional capital expenditures or changes that will increase the fund's total budget must be approved by the City Council. During fiscal year 2014, there were several supplemental budget amendments that are reflected in the financial statements.

2. EXPENDITURES IN EXCESS OF BUDGET

Expenditures exceeded budget in the following funds in the current fiscal year.

Fund	Budget	Expenditures	Excess
TIF#3	\$ 212,500	\$ 308,925	\$ 96,425
Police Pension	477,332	586,922	109,590

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

General Fund - to account for resources traditionally associated with governments which are not accounted for in another fund.

CAPITAL PROJECTS FUND

Tax Allocation Fund - to account for proceeds of the \$500,000 Series 1991A and the \$8,615,000 Series 2000 Tax Increment Financing Bonds and the incremental property tax revenues, previously received from the City's designated TIF district that are to be used for the development of the 650 acre site adjacent to the Illinois 88 tollway for multi-purpose use.

Special Projects Fund - accounts for the proceeds of significant one-time revenues to be used for future major capital improvements and other projects.

The Capital Maintenance and Replacement Fund - accounts for the accumulated funds assigned for the maintenance and replacement of major capital equipment.

CITY OF WARRENVILLE, ILLINOIS

**SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended April 30, 2014

	Original Budget	Final Budget	Actual	Variance Over (Under)
TAXES				
Property tax				
General corporate	\$ 1,284,388	\$ 1,284,388	\$ 1,267,494	\$ (16,894)
Police protection	348,551	348,551	344,044	(4,507)
FICA	263,041	263,041	259,593	(3,448)
Police pension	820,376	820,376	789,771	(30,605)
IMRF	171,888	171,888	169,623	(2,265)
Audit	14,758	14,758	14,635	(123)
Noncurrent	-	-	90	90
Tort and liability	92,021	92,021	90,929	(1,092)
Workers' compensation	58,598	58,598	57,821	(777)
Crossing guards	44,708	44,708	44,145	(563)
Road and bridge	152,790	152,790	150,912	(1,878)
Township road and bridge	52,016	52,016	51,393	(623)
State sales tax	1,686,608	1,686,608	1,740,906	54,298
Home rule sales tax	1,595,614	1,595,614	1,571,543	(24,071)
Local use tax	212,868	212,868	230,536	17,668
Personal property replacement tax	36,650	36,650	45,736	9,086
Telecommunications tax	135,169	135,169	117,865	(17,304)
Amusement tax	150,534	150,534	106,370	(44,164)
Food and beverage tax	673,665	673,665	575,504	(98,161)
Auto rental tax	4,624	4,624	5,319	695
Franchise fees	182,255	182,255	187,324	5,069
Total taxes	7,981,122	7,981,122	7,821,553	(159,569)
LICENSES AND PERMITS				
Liquor licenses	39,200	39,200	37,350	(1,850)
Business licenses	4,400	4,400	5,550	1,150
Refuse collection license	4,700	4,700	6,000	1,300
Dog license	1,500	1,500	1,264	(236)
Other business licenses	15,400	15,400	13,920	(1,480)
Building permits	78,646	78,646	91,627	12,981
Electric permits	10,860	10,860	25,416	14,556
Plumbing permits	5,488	5,488	8,270	2,782
Building plan review fees	49,345	49,345	34,598	(14,747)
Other permits	6,300	6,300	8,580	2,280
Printing charges	2,500	2,500	3,559	1,059
Re-inspection fees	100	100	-	(100)
Annexation fees	1,000	1,000	-	(1,000)
Senior taxi coupons	250	250	325	75
Site plan review fees	10,144	10,144	13,340	3,196

(This schedule is continued on the following page.)

CITY OF WARRENVILLE, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2014

	Original Budget	Final Budget	Actual	Variance Over (Under)
LICENSES AND PERMITS (Continued)				
Public hearing fees	\$ 5,920	\$ 5,920	\$ 7,680	\$ 1,760
Recording fees	-	-	(49)	(49)
Engineer review and inspection fees	26,980	26,980	9,879	(17,101)
Stormwater management fees	26,575	26,575	25,219	(1,356)
Preliminary consultative fees	2,000	2,000	5,500	3,500
New elevator and inspection fees	14,000	14,000	16,571	2,571
Vacant building registration	10,000	10,000	16,025	6,025
Code enforcement adjudication	1,000	1,000	16,499	15,499
False alarm calls	5,500	5,500	2,100	(3,400)
Fingerprinting	5,500	5,500	5,120	(380)
Refuse stickers	70,092	70,092	70,530	438
Total licenses and permits	397,400	397,400	424,873	27,473
INTERGOVERNMENTAL				
Income tax	1,229,904	1,229,904	1,280,442	50,538
Reimbursements - Federal	50,196	50,196	77,803	27,607
Grants	4,720	4,720	3,049	(1,671)
Total intergovernmental	1,284,820	1,284,820	1,361,294	76,474
FINES AND FORFEITS				
Circuit court fines	474,628	474,628	270,520	(204,108)
Parking fines	37,385	37,385	15,982	(21,403)
Other fines and forfeitures	2,500	2,500	350	(2,150)
Administrative towing fee	70,000	70,000	69,030	(970)
Booking fees	7,500	7,500	10,101	2,601
Penalty income	800	800	1,572	772
Total fines and forfeits	592,813	592,813	367,555	(225,258)
INVESTMENT INCOME				
	15,000	15,000	15,108	108
MISCELLANEOUS				
Rental income	162,301	184,309	180,150	(4,159)
Other	38,486	38,486	25,458	(13,028)
Total miscellaneous	200,787	222,795	205,608	(17,187)
TOTAL REVENUES	\$ 10,471,942	\$ 10,493,950	\$ 10,195,991	\$ (297,959)

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended April 30, 2014

	Original Budget	Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT				
Mayor and council				
Personnel	\$ 69,758	\$ 69,758	\$ 70,150	\$ 392
Supplies and services	18,030	18,030	18,071	41
Total mayor and council	<u>87,788</u>	<u>87,788</u>	<u>88,221</u>	<u>433</u>
City clerk				
Personnel	10,766	10,766	10,765	(1)
Supplies and services	23,344	23,344	22,672	(672)
Maintenance	5,900	5,900	4,913	(987)
Total city clerk	<u>40,010</u>	<u>40,010</u>	<u>38,350</u>	<u>(1,660)</u>
Legal				
Supplies and services	168,000	168,000	200,687	32,687
Total legal	<u>168,000</u>	<u>168,000</u>	<u>200,687</u>	<u>32,687</u>
Finance and information services				
Personnel	272,821	272,821	247,739	(25,082)
Supplies and services	57,265	57,265	45,424	(11,841)
Capital	76,010	76,010	62,179	(13,831)
Total finance and information services	<u>406,096</u>	<u>406,096</u>	<u>355,342</u>	<u>(50,754)</u>
Administration				
Personnel	402,565	402,565	362,053	(40,512)
Supplies and services	115,250	115,250	88,472	(26,778)
Capital	74,800	74,800	12,154	(62,646)
Total administration	<u>592,615</u>	<u>592,615</u>	<u>462,679</u>	<u>(129,936)</u>
Central services				
Personnel	190,956	190,956	180,675	(10,281)
Supplies and services	153,170	153,170	138,740	(14,430)
Maintenance	134,449	134,449	118,942	(15,507)
Total central services	<u>478,575</u>	<u>478,575</u>	<u>438,357</u>	<u>(40,218)</u>
Community development				
Personnel	719,091	719,091	665,996	(53,095)
Supplies and services	134,240	134,240	60,163	(74,077)
Maintenance	2,700	2,700	2,325	(375)
Capital	14,620	14,620	9,090	(5,530)
Total community development	<u>870,651</u>	<u>870,651</u>	<u>737,574</u>	<u>(133,077)</u>
Municipal van				
Personnel	38,936	38,936	32,984	(5,952)
Supplies and services	13,402	13,402	10,291	(3,111)
Maintenance	300	300	7	(293)
Total municipal van	<u>52,638</u>	<u>52,638</u>	<u>43,282</u>	<u>(9,356)</u>

(This schedule is continued on the following pages.)

CITY OF WARRENVILLE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2014

	Original Budget	Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT (Continued)				
Less administrative costs charged to other departments and funds	\$ (40,140)	\$ (40,140)	\$ (40,140)	\$ -
Total general government	<u>2,656,233</u>	<u>2,656,233</u>	<u>2,324,352</u>	<u>(331,881)</u>
PUBLIC SAFETY				
Police protection				
Personnel	5,121,929	5,121,929	5,185,811	63,882
Supplies and services	811,503	811,503	683,187	(128,316)
Maintenance	70,903	70,903	60,610	(10,293)
Capital	18,406	18,406	13,345	(5,061)
Total police protection	<u>6,022,741</u>	<u>6,022,741</u>	<u>5,942,953</u>	<u>(79,788)</u>
ESDA				
Personnel	6,459	6,459	6,459	-
Supplies and services	14,550	14,550	7,724	(6,826)
Maintenance	6,500	6,500	3,665	(2,835)
Capital	31,000	31,000	204	(30,796)
Total ESDA	<u>58,509</u>	<u>58,509</u>	<u>18,052</u>	<u>(40,457)</u>
Police commission				
Supplies and services	15,928	15,928	11,998	(3,930)
Total police commission	<u>15,928</u>	<u>15,928</u>	<u>11,998</u>	<u>(3,930)</u>
Total public safety	<u>6,097,178</u>	<u>6,097,178</u>	<u>5,973,003</u>	<u>(124,175)</u>
PUBLIC WORKS				
Streets				
Personnel	845,896	845,896	905,070	59,174
Supplies and services	152,338	152,338	144,119	(8,219)
Maintenance	208,800	208,800	169,347	(39,453)
Capital	1,000	1,000	940	(60)
Total streets	<u>1,208,034</u>	<u>1,208,034</u>	<u>1,219,476</u>	<u>11,442</u>
Road and bridge				
Personnel	73,219	73,219	72,860	(359)
Capital	37,000	37,000	37,000	-
Total road and bridge	<u>110,219</u>	<u>110,219</u>	<u>109,860</u>	<u>(359)</u>
Buildings and grounds				
Personnel	90,885	90,885	87,895	(2,990)
Supplies and services	5,970	5,970	5,841	(129)
Maintenance	153,550	153,550	101,323	(52,227)
Total buildings and grounds	<u>250,405</u>	<u>250,405</u>	<u>195,059</u>	<u>(55,346)</u>
Total public works	<u>1,568,658</u>	<u>1,568,658</u>	<u>1,524,395</u>	<u>(44,263)</u>

(This schedule is continued on the following page.)

CITY OF WARRENVILLE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2014

	Original Budget	Final Budget	Actual	Variance Over (Under)
CULTURE AND RECREATION				
Parks and recreation				
Supplies and services	\$ 24,770	\$ 24,770	\$ 21,952	\$ (2,818)
Maintenance	27,600	27,600	22,333	(5,267)
Total culture and recreation	52,370	52,370	44,285	(8,085)
TOTAL EXPENDITURES	\$ 10,374,439	\$ 10,374,439	\$ 9,866,035	\$ (508,404)

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

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

For the Year Ended April 30, 2014

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental	\$ -	\$ -	\$ 232,931
Traffic impact fees	-	-	4,365
Investment income	40,000	40,000	5,027
Miscellaneous	20,000	20,000	20,000
Total revenues	60,000	60,000	262,323
EXPENDITURES			
Capital outlay	1,395,000	1,481,500	582,579
Total expenditures	1,395,000	1,481,500	582,579
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,335,000)	(1,421,500)	(320,256)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	17,914
NET CHANGE IN FUND BALANCE	<u>\$ (1,335,000)</u>	<u>\$ (1,421,500)</u>	(302,342)
FUND BALANCE, MAY 1			<u>5,491,247</u>
FUND BALANCE, APRIL 30			<u><u>\$ 5,188,905</u></u>

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL MAINTENANCE AND REPLACEMENT FUND**

For the Year Ended April 30, 2014

	Original and Final Budget	Actual
REVENUES		
Taxes		
Telecommunications	\$ 673,615	\$ 589,182
Amusement	225,802	159,555
Utility	243,275	277,404
Motor fuel	409,116	514,466
Investment income	4,000	(249)
	<hr/>	<hr/>
Total revenues	1,555,808	1,540,358
	<hr/>	<hr/>
EXPENDITURES		
Capital outlay		
Supplies and services	153,000	140,303
Maintenance	25,000	18,566
Capital	1,665,628	1,339,563
	<hr/>	<hr/>
Total expenditures	1,843,628	1,498,432
	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(287,820)	41,926
OTHER FINANCING SOURCES (USES)		
Transfers in	300,000	300,000
Proceeds from sale of capital assets	2,500	7,521
	<hr/>	<hr/>
Total other financing sources (uses)	302,500	307,521
	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ 14,680</u>	349,447
FUND BALANCE, MAY 1		<u>1,746,359</u>
FUND BALANCE, APRIL 30		<u>\$ 2,095,806</u>

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Seized Assets Fund - to account for money and physical assets seized during drug-related arrests restricted for public safety expenditures.

Hotel/Motel Tax Fund - to account for the accumulation of resources from payment of hotel/motel taxes. The City has established a 5% hotel tax pursuant to state law. Funds are committed to promoting tourism and conventions within the municipality.

CAPITAL PROJECTS FUND

TIF District #2 Fund - to account for the incremental property tax revenues received from the City's designated Old Town TIF district that are restricted to be used for the development of the designated site.

TIF District #3 Fund - to account for the incremental property tax revenues received from the City's designated Old Town Civic Center TIF district that are restricted to be used for the development of the designated site.

CITY OF WARRENVILLE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2014

	Special Revenue		Capital Projects		Total Nonmajor Governmental Funds
	Seized Assets	Hotel/Motel Tax	TIF District #2	TIF District #3	
ASSETS					
Cash and cash equivalents	\$ 131,001	\$ -	\$ -	\$ -	\$ 131,001
Investments	-	251,068	-	142,500	393,568
Receivables (net, where applicable, of allowances for uncollectibles)					
Other taxes	-	73,038	-	-	73,038
Interest	-	2,275	-	793	3,068
TOTAL ASSETS	\$ 131,001	\$ 326,381	\$ -	\$ 143,293	\$ 600,675
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ -	\$ 3,778	\$ -	\$ 134,000	\$ 137,778
Due to other funds	10,636	-	-	-	10,636
Advances from other funds	-	-	2,986	406,544	409,530
Total liabilities	10,636	3,778	2,986	540,544	557,944
FUND BALANCES					
Restricted for public safety	120,365	-	-	-	120,365
Committed for tourism and conventions	-	322,603	-	-	322,603
Unassigned (deficit)	-	-	(2,986)	(397,251)	(400,237)
Total fund balances (deficit)	120,365	322,603	(2,986)	(397,251)	42,731
TOTAL LIABILITIES AND FUND BALANCES	\$ 131,001	\$ 326,381	\$ -	\$ 143,293	\$ 600,675

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

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

For the Year Ended April 30, 2014

	Special Revenue		Capital Projects		Total Nonmajor Governmental Funds
	Seized Assets	Hotel/Motel Tax	TIF District #2	TIF District #3	
REVENUES					
Taxes	\$ -	\$ 811,059	\$ -	\$ -	\$ 811,059
Investment income	60	863	-	1,313	2,236
Miscellaneous	36,602	-	-	-	36,602
Total revenues	36,662	811,922	-	1,313	849,897
EXPENDITURES					
Current					
Public safety	27,538	-	-	-	27,538
Culture and recreation	-	212,864	-	-	212,864
Economic development	-	-	-	308,925	308,925
Total expenditures	27,538	212,864	-	308,925	549,327
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	9,124	599,058	-	(307,612)	300,570
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers (out)	(20,519)	(500,000)	-	-	(520,519)
Total other financing sources (uses)	(20,519)	(500,000)	-	-	(520,519)
NET CHANGE IN FUND BALANCES	(11,395)	99,058	-	(307,612)	(219,949)
FUND BALANCES (DEFICIT), MAY 1	131,760	223,545	(2,986)	(89,639)	262,680
FUND BALANCES (DEFICIT), APRIL 30	\$ 120,365	\$ 322,603	\$ (2,986)	\$ (397,251)	\$ 42,731

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SEIZED ASSETS FUND**

For the Year Ended April 30, 2014

	Original and Final Budget	Actual
REVENUES		
Investment income	\$ 200	\$ 60
Miscellaneous income	29,325	36,602
	<hr/>	<hr/>
Total revenues	29,525	36,662
	<hr/>	<hr/>
EXPENDITURES		
Public safety		
Supplies and services	7,000	150
Capital	27,980	27,388
	<hr/>	<hr/>
Total expenditures	34,980	27,538
	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,455)	9,124
	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)		
Transfers (out)	(20,990)	(20,519)
	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (26,445)</u>	(11,395)
FUND BALANCE, MAY 1		<hr/> 131,760
FUND BALANCE, APRIL 30		<hr/> <u>\$ 120,365</u>

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HOTEL/MOTEL TAX FUND**

For the Year Ended April 30, 2014

	Original and Final Budget	Actual
REVENUES		
Taxes		
Hotel/motel tax	\$ 803,731	\$ 811,059
Investment income	2,000	863
	<hr/>	<hr/>
Total revenues	805,731	811,922
	<hr/>	<hr/>
EXPENDITURES		
Culture and recreation		
Supplies and services	236,276	212,864
	<hr/>	<hr/>
Total expenditures	236,276	212,864
	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	569,455	599,058
OTHER FINANCING SOURCES (USES)		
Transfers (out)	(500,000)	(500,000)
	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ 69,455</u>	99,058
FUND BALANCE, MAY 1		<hr/> 223,545
FUND BALANCE, APRIL 30		<hr/> <u>\$ 322,603</u>

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TIF DISTRICT #3 FUND**

For the Year Ended April 30, 2014

	Original Budget	Final Budget	Actual
REVENUES			
Investment income	\$ -	\$ -	\$ 1,313
Total revenues	-	-	1,313
EXPENDITURES			
Economic development Supplies and services	-	212,500	308,925
Total expenditures	-	212,500	308,925
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ (212,500)</u>	(307,612)
FUND BALANCE (DEFICIT), MAY 1			<u>(89,639)</u>
FUND BALANCE (DEFICIT), APRIL 30			<u>\$ (397,251)</u>

(See independent auditor's report.)

ENTERPRISE FUND

Water and Sewer Fund - to account for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

CITY OF WARRENVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATER AND SEWER FUND**

For the Year Ended April 30, 2014

	Original and Final Budget	Actual
OPERATING REVENUES		
Charges for services		
Water sales	\$ 941,600	\$ 957,056
Sewer sales	1,792,000	1,792,103
Meter sales	11,225	7,027
Penalties	31,372	31,239
Miscellaneous	33,368	25,504
	<hr/>	<hr/>
Total operating revenues	2,809,565	2,812,929
	<hr/>	<hr/>
OPERATING EXPENSES EXCLUDING DEPRECIATION		
Operating expenses		
Waterworks	2,262,365	1,224,629
Sewerage	2,789,315	1,742,935
	<hr/>	<hr/>
Total operating expenses excluding depreciation	5,051,680	2,967,564
	<hr/>	<hr/>
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(2,242,115)	(154,635)
DEPRECIATION	343,564	337,841
	<hr/>	<hr/>
OPERATING INCOME (LOSS)	(2,585,679)	(492,476)
	<hr/>	<hr/>
NON-OPERATING REVENUES (EXPENSES)		
Tap-on connection fees	77,105	67,120
Investment income	72,500	19,954
Grants	-	10,875
Rental income	173,305	169,146
	<hr/>	<hr/>
Total non-operating revenues (expenses)	322,910	267,095
	<hr/>	<hr/>
CHANGE IN NET POSITION	<u>\$ (2,262,769)</u>	(225,381)
NET POSITION, MAY 1		<hr/>
		22,697,722
NET POSITION, APRIL 30		<u><u>\$ 22,472,341</u></u>

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

**SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
WATER AND SEWER FUND**

For the Year Ended April 30, 2014

	Original and Final Budget	Actual
OPERATING EXPENSES		
Waterworks		
Personnel		
Salaries	\$ 489,323	\$ 500,847
FICA/Medicare/IMRF	93,492	95,067
Employee insurance	112,604	99,190
Total personnel	<u>695,419</u>	<u>695,104</u>
Supplies and services		
General insurance	9,292	8,445
Telephone	14,823	11,895
Utilities	65,000	65,551
Rental	6,216	6,294
Travel	700	257
Postage	6,600	6,710
Printing/publishing	7,150	6,418
Liens	100	51
Legal and accounting	1,000	-
Annual audit	3,802	3,802
Engineering	94,300	39,739
Other professional services	44,600	19,579
J.U.L.I.E.	750	770
Education reimbursement	750	113
Dues and subscriptions	500	-
Supplies	2,200	1,501
Small tools	1,080	666
Uniforms	3,600	3,248
Gas/oil	15,000	14,915
Chlorination	40,330	20,632
Administrative	20,070	20,070
Meters	40,000	37,583
Miscellaneous	1,000	-
Total supplies and services	<u>378,863</u>	<u>268,239</u>
Maintenance		
Building	7,600	8,582
Equipment	7,200	6,599
Water tower	1,500	-
Ground	2,000	-
Utility system	121,000	102,237
Software	4,500	4,655
Communication	3,500	4,163
Total maintenance	<u>147,300</u>	<u>126,236</u>

(This schedule is continued on the following pages.)

CITY OF WARRENVILLE, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL (Continued)
WATER AND SEWER FUND

For the Year Ended April 30, 2014

	Original and Final Budget	Actual
OPERATING EXPENSES (Continued)		
Waterworks (Continued)		
Capital		
City network	\$ 500	\$ -
Computer software	1,000	-
Building improvements	1,000	-
Equipment purchase	43,325	3,602
Water main improvements	994,658	131,448
Other improvements	300	-
	<hr/>	<hr/>
Total capital	1,040,783	135,050
	<hr/>	<hr/>
Total waterworks	2,262,365	1,224,629
	<hr/>	<hr/>
Sewerage		
Personnel		
Salaries	364,845	365,595
FICA/Medicare/IMRF	70,501	69,482
Employee insurance	86,523	70,549
	<hr/>	<hr/>
Total personnel	521,869	505,626
	<hr/>	<hr/>
Supplies and services		
General insurance	5,124	4,640
Telephone	8,200	7,930
Utilities	17,200	16,184
Rental	6,080	6,030
Travel	600	36
Postage	6,000	6,710
Printing/publishing	7,150	6,197
Liens	200	51
Legal and accounting	1,000	-
Annual audit	3,802	3,802
Engineering	92,500	38,263
Other professional services	-	4,835
J.U.L.I.E.	450	513
Dues and subscriptions	200	-
Overhead sewage grant	2,000	-
Infiltration analysis	2,000	2,584
Naperville sewage treatment	1,100,000	1,018,812
Office supplies	1,400	977
Small tools	720	444
Uniforms	2,500	2,166

(This schedule is continued on the following page.)

CITY OF WARRENVILLE, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL (Continued)
WATER AND SEWER FUND

For the Year Ended April 30, 2014

	Original and Final Budget	Actual
OPERATING EXPENSES (Continued)		
Sewerage (Continued)		
Supplies and services (Continued)		
Gas/oil	\$ 10,000	\$ 9,493
Administrative	20,070	20,070
Miscellaneous	1,000	24
Meters	30,000	33,591
	<hr/>	<hr/>
Total supplies and services	1,318,196	1,183,352
	<hr/>	<hr/>
Maintenance		
Building	5,400	6,164
Equipment	7,500	4,400
Ground	300	-
Utility system	25,000	13,756
Software	3,000	3,104
Communication	800	753
	<hr/>	<hr/>
Total maintenance	42,000	28,177
	<hr/>	<hr/>
Capital		
Computer software	500	-
Equipment purchase	26,000	25,709
Sewer main improvements	880,750	71
	<hr/>	<hr/>
Total capital	907,250	25,780
	<hr/>	<hr/>
Total sewerage	2,789,315	1,742,935
	<hr/>	<hr/>
Depreciation	343,564	337,841
	<hr/>	<hr/>
TOTAL OPERATING EXPENSES	\$ 5,395,244	\$ 3,305,405
	<hr/> <hr/>	<hr/> <hr/>

(See independent auditor's report.)

FIDUCIARY FUND

Police Pension Fund - to account for the accumulation of resources to be used for disability or retirement annuity payments to sworn police department personnel in the future. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an independent actuary from a specific property tax levy.

CITY OF WARRENVILLE, ILLINOIS

**SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION -
BUDGET AND ACTUAL
POLICE PENSION FUND**

For the Year Ended April 30, 2014

	Original and Final Budget	Actual
ADDITIONS		
Contributions		
Employer	\$ 818,005	\$ 818,005
Employee	272,947	343,132
	<hr/>	<hr/>
Total contributions	1,090,952	1,161,137
	<hr/>	<hr/>
Investment income		
Net appreciation in fair value of investments	-	846,613
Interest	518,965	386,545
	<hr/>	<hr/>
Total investment income	518,965	1,233,158
Less investment expense	(25,000)	(26,747)
	<hr/>	<hr/>
Net investment income	493,965	1,206,411
	<hr/>	<hr/>
Total additions	1,584,917	2,367,548
	<hr/>	<hr/>
DEDUCTIONS		
Administration	8,275	5,572
Benefits and refunds		
Retirement benefits	469,057	581,350
	<hr/>	<hr/>
Total deductions	477,332	586,922
	<hr/>	<hr/>
NET INCREASE	\$ 1,107,585	1,780,626
	<hr/> <hr/>	<hr/> <hr/>
NET POSITION HELD IN TRUST FOR PENSION BENEFITS		
May 1		<hr/> 13,154,280
April 30		<hr/> <hr/> \$ 14,934,906

(See independent auditor's report.)

STATISTICAL SECTION

This part of the City of Warrenville, Illinois' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information displays about the City's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have been changed over time.	69-78
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	79-84
Debt Capacity The schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	85-89
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	90-91
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	92-94

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF WARRENVILLE, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2005	2006	2007	2008
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 61,782,699	\$ 62,012,798	\$ 62,431,353	\$ 64,760,369
Restricted	8,780,022	9,160,697	11,159,947	11,805,957
Unrestricted	(5,179,931)	(2,380,655)	2,893,035	5,993,439
TOTAL GOVERNMENTAL ACTIVITIES	\$ 65,382,790	\$ 68,792,840	\$ 76,484,335	\$ 82,559,765
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 10,798,552	\$ 10,773,078	\$ 10,553,454	\$ 11,041,507
Restricted	-	-	-	-
Unrestricted	7,558,973	8,055,730	11,893,286	12,210,442
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 18,357,525	\$ 18,828,808	\$ 22,446,740	\$ 23,251,949
PRIMARY GOVERNMENT				
Invested in capital assets net of related debt	\$ 72,581,251	\$ 72,785,876	\$ 72,984,807	\$ 75,801,876
Restricted	8,780,022	9,160,697	11,159,947	11,805,957
Unrestricted	2,379,042	5,675,075	14,786,321	18,203,881
TOTAL PRIMARY GOVERNMENT	\$ 83,740,315	\$ 87,621,648	\$ 98,931,075	\$ 105,811,714

Data Source

Audited Financial Statements

2009	2010	2011	2012	2013	2014
\$ 68,817,707	\$ 71,267,517	\$ 70,610,196	\$ 70,035,401	\$ 69,200,158	\$ 68,918,115
8,700,509	7,286,830	1,476,156	812,193	705,834	749,557
8,433,433	5,274,837	12,224,134	13,894,169	14,471,337	15,005,512
\$ 85,951,649	\$ 83,829,184	\$ 84,310,486	\$ 84,741,763	\$ 84,377,329	\$ 84,673,184
\$ 11,975,287	\$ 13,845,927	\$ 13,649,811	\$ 13,608,173	\$ 13,264,609	\$ 12,960,880
-	-	-	-	-	-
11,655,158	9,817,965	9,590,271	9,308,978	9,433,113	9,511,461
\$ 23,630,445	\$ 23,663,892	\$ 23,240,082	\$ 22,917,151	\$ 22,697,722	\$ 22,472,341
\$ 80,792,994	\$ 85,113,444	\$ 84,260,007	\$ 83,643,574	\$ 82,464,767	\$ 81,878,995
8,700,509	7,286,830	1,476,156	812,193	705,834	749,557
20,088,591	15,092,802	21,814,405	23,203,147	23,904,450	24,516,973
\$ 109,582,094	\$ 107,493,076	\$ 107,550,568	\$ 107,658,914	\$ 107,075,051	\$ 107,145,525

CITY OF WARRENVILLE, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2005	2006	2007	2008
EXPENSES				
Governmental activities				
General government	\$ 1,300,245	\$ 1,869,534	\$ 1,837,542	\$ 1,998,199
Public safety	3,806,441	4,161,238	4,328,404	4,859,157
Public works	2,028,824	2,883,948	2,896,189	2,422,501
Culture and recreation	176,061	182,914	176,346	238,320
Economic development	5,351,397	5,243,554	6,490,980	6,874,700
Interest	767,034	569,441	478,614	334,821
Total governmental activities expenses	13,430,002	14,910,629	16,208,075	16,727,698
Business-type activities				
Water and sewerage	1,908,684	1,973,653	2,359,740	2,370,839
Total business-type activities expenses	1,908,684	1,973,653	2,359,740	2,370,839
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 15,338,686	\$ 16,884,282	\$ 18,567,815	\$ 19,098,537
PROGRAM REVENUES				
Governmental activities				
Charges for services				
General government	\$ 620,208	\$ 525,811	\$ 625,800	\$ 675,593
Public safety	218,059	248,207	271,354	304,632
Public works	85,506	178,078	206,471	173,553
Economic development	-	-	158,372	34,975
Operating grants and contributions	400,312	394,420	397,276	421,182
Capital grants and contributions	45,145	137	-	-
Total governmental activities program revenues	1,369,230	1,346,653	1,659,273	1,609,935
Business-type activities				
Charges for services				
Water and sewerage	2,128,009	2,279,524	2,540,251	2,515,129
Operating grants	-	-	-	-
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	2,128,009	2,279,524	2,540,251	2,515,129
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 3,497,239	\$ 3,626,177	\$ 4,199,524	\$ 4,125,064
NET (EXPENSE) REVENUE				
Governmental activities	\$ (12,060,772)	\$ (13,563,976)	\$ (14,548,802)	\$ (15,117,763)
Business-type activities	219,325	305,871	180,511	144,290
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	\$ (11,841,447)	\$ (13,258,105)	\$ (14,368,291)	\$ (14,973,473)

	2009	2010	2011	2012	2013	2014
\$	2,295,589	\$ 1,929,578	\$ 2,399,491	\$ 2,368,352	\$ 2,378,435	\$ 2,548,129
	5,494,858	5,521,381	5,555,442	6,398,592	5,676,132	6,022,559
	1,096,938	3,204,759	2,628,782	2,544,966	4,136,952	3,798,534
	305,409	264,480	297,975	257,500	273,552	257,149
	11,306,234	13,426,691	10,031,742	737,277	1,150,690	308,925
	169,740	3,230	-	-	-	-
	20,668,768	24,350,119	20,913,432	12,306,687	13,615,761	12,935,296
	2,523,413	2,987,371	2,939,494	3,056,153	3,277,727	3,305,405
	2,523,413	2,987,371	2,939,494	3,056,153	3,277,727	3,305,405
\$	23,192,181	\$ 27,337,490	\$ 23,852,926	\$ 15,362,840	\$ 16,893,488	\$ 16,240,701
\$	595,145	\$ 721,489	\$ 484,478	\$ 489,298	\$ 703,633	\$ 589,012
	653,468	799,615	626,234	480,071	402,864	411,377
	204,757	208,939	162,151	238,082	194,890	199,865
	-	-	-	9,851	191,333	4,365
	455,057	401,498	444,151	384,594	374,459	405,250
	-	142,498	78,031	129,147	375,090	310,962
	1,908,427	2,274,039	1,795,045	1,731,043	2,242,269	1,920,831
	2,428,057	2,472,371	2,354,203	2,612,325	2,979,040	3,049,195
	-	-	-	3,600	7,500	10,875
	-	317,619	-	-	-	-
	2,428,057	2,789,990	2,354,203	2,615,925	2,986,540	3,060,070
\$	4,336,484	\$ 5,064,029	\$ 4,149,248	\$ 4,346,968	\$ 5,228,809	\$ 4,980,901
\$	(18,760,341)	\$ (22,076,080)	\$ (19,118,387)	\$ (10,575,644)	\$ (11,373,492)	\$ (11,014,465)
	(95,356)	(197,381)	(585,291)	(440,228)	(291,187)	(245,335)
\$	(18,855,697)	\$ (22,273,461)	\$ (19,703,678)	\$ (11,015,872)	\$ (11,664,679)	\$ (11,259,800)

CITY OF WARRENVILLE, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2005	2006	2007	2008
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities				
Taxes				
Property and replacement	\$ 9,954,887	\$ 11,119,235	\$ 10,727,100	\$ 11,731,097
Sales	2,288,149	1,971,959	2,051,725	2,901,674
Home rule sales	170,393	1,014,329	1,521,865	1,641,473
Use	142,944	161,018	171,943	188,997
Telecommunications	651,059	585,167	564,871	583,625
Income	904,670	1,021,095	1,126,280	1,230,376
Hotel/motel	307,539	374,303	417,337	387,393
Amusement	566,720	542,719	495,096	468,806
Food and beverage	-	-	527,302	611,378
Electric utility	-	-	-	-
Natural gas	-	-	-	-
Local motor fuel	-	-	-	-
Other taxes	-	-	-	2,801
Investment earnings	304,184	438,610	1,064,359	1,297,753
Developer donations	-	-	4,000,000	-
Miscellaneous	210,414	174,959	124,689	147,820
Special item	(4,450,000)	-	-	-
Transfers	(288,271)	-	-	-
Total governmental activities	10,762,688	17,403,394	22,792,567	21,193,193
Business-type activities				
Investment earnings	123,153	165,412	445,151	660,919
Miscellaneous	-	-	2,440,000	-
Transfers	288,271	-	-	-
Total business-type activities	411,424	165,412	2,885,151	660,919
TOTAL PRIMARY GOVERNMENT	\$ 11,174,112	\$ 17,568,806	\$ 25,677,718	\$ 21,854,112
CHANGE IN NET POSITION				
Governmental activities	\$ (1,298,084)	\$ 3,839,418	\$ 8,243,765	\$ 6,075,430
Business-type activities	630,749	471,283	3,065,662	805,209
TOTAL PRIMARY GOVERNMENT	\$ (667,335)	\$ 4,310,701	\$ 11,309,427	\$ 6,880,639

Note: The closure of TIF #1 Cantera Development in 2011 is the primary cause for the reduction of governmental activity expenses and revenues.

Data Source

Audited Financial Statements

	2009	2010	2011	2012	2013	2014
\$	12,153,448	\$ 12,562,359	\$ 12,556,309	\$ 4,032,040	\$ 3,875,670	\$ 3,286,186
	2,707,159	2,320,109	1,963,550	1,621,115	1,694,083	1,740,906
	1,546,972	1,494,688	1,478,701	1,533,654	1,583,589	1,571,543
	188,571	158,915	192,531	191,701	210,871	230,536
	579,961	597,460	580,875	697,612	775,737	707,047
	1,217,567	1,061,272	1,041,899	1,072,510	1,184,222	1,280,442
	416,913	440,088	621,221	748,883	768,472	811,059
	469,662	498,108	351,884	304,213	275,540	265,925
	643,102	572,904	559,231	564,488	576,014	575,504
	-	-	-	-	-	101,807
	-	-	-	-	-	175,597
	-	-	-	-	-	514,466
	6,294	5,542	6,473	6,018	4,944	5,319
	786,135	193,355	197,502	89,790	18,806	22,275
	-	-	-	-	-	-
	45,698	48,815	49,513	144,897	41,110	21,708
	-	-	-	-	-	-
	-	-	-	-	-	-
	20,761,482	19,953,615	19,599,689	11,006,921	11,009,058	11,310,320
	473,852	230,828	161,481	117,297	71,758	19,954
	-	-	-	-	-	-
	-	-	-	-	-	-
	473,852	230,828	161,481	117,297	71,758	19,954
\$	21,235,334	\$ 20,184,443	\$ 19,761,170	\$ 11,124,218	\$ 11,080,816	\$ 11,330,274
\$	2,001,141	\$ (2,122,465)	\$ 481,302	\$ 431,277	\$ (364,434)	\$ 295,855
	378,496	33,447	(423,810)	(322,931)	(219,429)	(225,381)
\$	2,379,637	\$ (2,089,018)	\$ 57,492	\$ 108,346	\$ (583,863)	\$ 70,474

CITY OF WARRENVILLE, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2005	2006	2007	2008
GENERAL FUND				
Reserved	\$ 108,012	\$ 107,364	\$ 116,027	\$ 71,592
Unreserved	4,656,070	4,370,519	6,338,743	7,568,274
Nonspendable	-	-	-	-
Unassigned	-	-	-	-
TOTAL GENERAL FUND	\$ 4,764,082	\$ 4,477,883	\$ 6,454,770	\$ 7,639,866
ALL OTHER GOVERNMENTAL FUNDS				
Unreserved/unassigned				
Special Revenue Funds	\$ -	\$ -	\$ -	\$ -
Capital Project Funds	-	-	-	-
Debt Service Funds	-	-	-	-
Reserved/restricted, reported in				
Special Revenue Funds	585,379	1,081,023	976,923	1,267,597
Debt Service Funds	174,782	175,947	118,395	114,970
Capital Project Funds	7,559,275	7,443,141	9,598,538	9,957,299
Permanent Funds	405,902	405,902	411,407	411,407
Committed	-	-	-	-
Assigned	-	-	-	-
Nonspendable	-	-	-	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 8,725,338	\$ 9,106,013	\$ 11,105,263	\$ 11,751,273

* The City implemented GASB Statement No. 54 for the year ended April 30, 2011.

Data Source

Audited Financial Statements

2009	2010	2011*	2012	2013	2014
\$ 138,037	\$ 62,769	\$ -	\$ -	\$ -	\$ -
7,532,538	7,558,056	-	-	-	-
-	-	2,279,945	2,209,995	2,208,938	2,231,448
-	-	4,412,572	5,168,013	5,873,707	6,401,476
\$ 7,670,575	\$ 7,620,825	\$ 6,692,517	\$ 7,378,008	\$ 8,082,645	\$ 8,632,924
\$ -	\$ -	\$ (662,451)	\$ (639,558)	\$ (639,558)	\$ (639,558)
-	-	-	-	(92,625)	(400,237)
-	-	-	-	-	-
939,956	939,956	356,720	508,867	705,834	749,557
-	-	-	-	-	-
7,709,070	7,709,070	246,449	303,326	-	-
411,407	411,407	411,407	-	-	-
-	-	461,580	593,760	223,545	322,603
-	-	6,123,086	6,493,380	6,505,423	6,235,623
-	-	662,451	639,558	732,183	1,049,088
\$ 9,060,433	\$ 9,060,433	\$ 7,599,242	\$ 7,899,333	\$ 7,434,802	\$ 7,317,076

CITY OF WARRENVILLE, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2005	2006	2007	2008
REVENUES				
Property taxes	\$ 10,417,577	\$ 11,078,509	\$ 10,685,132	\$ 11,679,789
Other taxes	4,568,784	5,711,314	6,918,391	8,067,831
Intergovernmental	463,550	394,557	397,276	421,182
Licenses, permits, fees	495,672	472,361	575,677	597,142
Fines and forfeitures	181,351	224,917	392,364	260,832
Franchise fees	121,397	129,075	139,209	149,617
Investment income	304,184	438,610	1,064,359	1,297,753
Miscellaneous	317,674	300,704	4,279,432	294,007
Total revenues	16,870,189	18,750,047	24,451,840	22,768,153
EXPENDITURES				
General government	1,444,240	1,738,701	1,718,228	1,856,094
Public safety	3,629,801	3,933,874	4,228,037	4,741,482
Thoroughfares	-	-	-	-
Physical environment	-	-	-	-
Public works	971,132	1,133,327	1,350,697	1,352,330
Culture and recreation	176,061	182,914	176,346	238,320
Economic development	5,351,397	5,243,554	6,490,980	8,088,574
Capital outlay	580,139	1,596,084	1,211,733	831,786
Debt service				
Principal	2,285,139	4,246,092	4,283,756	3,530,500
Interest	734,661	581,025	495,497	353,851
Other charges	-	-	-	-
Total expenditures	15,172,570	18,655,571	19,955,274	20,992,937
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,697,619	94,476	4,496,566	1,775,216
OTHER FINANCING SOURCES (USES)				
Transfers in	688,500	836,665	473,851	100,000
Transfers (out)	(976,771)	(836,665)	(473,851)	(100,000)
Sale of capital assets	879,632	-	31,841	20,915
Total other financing sources (uses)	591,361	-	31,841	20,915
NET CHANGE IN FUND BALANCES	\$ 2,288,980	\$ 94,476	\$ 4,528,407	\$ 1,796,131
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES				
	20.69%	28.30%	25.50%	20.08%

Note: The closure of TIF #1 Cantera Development in 2011 is the primary cause for the reduction of governmental fund expenses and revenues.

Data Source

Audited Financial Statements

	2009	2010	2011	2012	2013	2014
\$	12,096,083	\$ 12,372,224	\$ 12,556,309	\$ 4,032,040	\$ 3,875,670	\$ 3,286,186
	7,837,759	7,339,223	6,796,365	5,669,526	5,904,972	6,725,745
	455,056	439,496	502,182	1,566,251	1,913,771	1,976,654
	540,525	650,793	346,021	401,404	539,733	424,873
	598,056	750,831	588,523	452,982	549,597	371,920
	149,617	150,039	160,772	161,288	161,288	161,288
	786,135	193,355	197,502	89,790	18,806	22,275
	206,678	331,693	247,060	364,683	287,490	262,210
	22,669,909	22,227,654	21,394,734	12,737,964	13,251,327	13,231,151
	2,070,469	1,969,043	2,256,200	2,249,067	2,376,899	2,324,352
	5,368,060	5,419,963	5,585,213	5,772,515	5,775,860	6,000,541
	-	-	-	-	-	-
	-	-	-	-	-	-
	1,543,883	1,819,645	1,635,169	1,616,731	1,537,076	1,800,634
	305,409	264,480	297,975	257,500	273,552	257,149
	11,306,234	13,551,291	10,031,742	737,277	1,150,690	308,925
	1,073,197	1,934,028	705,922	1,141,344	1,923,672	2,132,236
	3,775,000	760,000	-	-	-	-
	192,426	12,920	-	-	-	-
	-	-	-	-	-	-
	25,634,678	25,731,370	20,512,221	11,774,434	13,037,749	12,823,837
	(2,964,769)	(3,503,716)	882,513	963,530	213,578	407,314
	535,532	310,271	451,880	815,493	921,688	538,433
	(535,532)	(310,271)	(451,880)	(815,493)	(921,688)	(538,433)
	304,638	58,042	123,912	22,052	26,528	25,239
	304,638	58,042	123,912	22,052	26,528	25,239
\$	(2,660,131)	\$ (3,445,674)	\$ 1,006,425	\$ 985,582	\$ 240,106	\$ 432,553
	17.13%	3.00%	0.00%	0.00%	0.00%	0.00%

CITY OF WARRENVILLE, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	District	Residential Property	Farm Property	Commercial Property	Industrial Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2004	General	\$ 251,386,641	\$ 51,510	\$ 34,714,885	\$ 6,959,175	\$ 293,112,211	0.6011	\$ 879,336,633	33.333%
	TIF #1	721,791	-	1,982,915	162,825	2,867,531		8,602,593	33.333%
	TIF #2	7,875,010	-	1,494,540	811,680	10,181,230		30,543,690	33.333%
2005	General	270,545,791	46,534	38,952,709	7,285,035	316,830,069	0.5888	950,490,207	33.333%
	TIF #1	687,347	-	2,017,869	162,825	2,868,041		8,604,123	33.333%
	TIF #2	7,875,740	-	1,494,540	812,740	10,183,020		30,549,060	33.333%
2006	General	289,300,561	49,137	42,982,771	7,674,825	340,007,294	0.5804	1,020,021,882	33.333%
	TIF #1	611,296	-	4,877,131	162,825	5,651,252		16,953,756	33.333%
	TIF #2	7,869,554	-	1,482,410	811,680	10,163,644		30,490,932	33.333%
2007	General	307,714,004	45,353	45,491,996	7,430,985	360,682,338	0.5685	1,082,047,014	33.333%
	TIF #1	334,461	-	5,180,916	162,825	5,678,202		17,034,606	33.333%
	TIF #2	7,865,870	-	1,479,080	502,960	9,847,910		29,543,730	33.333%
2008	General	327,084,027	46,550	46,875,924	7,870,925	381,877,426	0.5627	1,145,632,278	33.333%
	TIF #1	235,383	-	5,238,194	162,825	5,636,402		16,909,206	33.333%
	TIF #2	7,829,160	-	1,478,880	484,820	9,792,860		29,378,580	33.333%
2009	General	325,801,565	47,416	43,994,598	7,973,915	377,817,494	0.5817	1,133,452,482	33.333%
	TIF #1	235,383	-	5,290,398	162,825	5,688,606		17,065,818	33.333%
	TIF #2	7,831,160	-	1,478,880	484,820	9,794,860		29,384,580	33.333%
2010	General	324,664,129	17,154	166,268,173	14,112,640	505,062,096	0.6170	1,515,186,288	33.333%
	TIF #2	7,829,420	-	1,478,880	484,820	9,793,120		29,379,360	33.333%
2011	General	300,370,647	19,381	156,319,940	13,325,490	470,035,458	0.6515	1,410,106,374	33.333%
	TIF #2	7,831,180	-	1,578,910	484,820	9,894,910		29,684,730	33.333%
2012	General	276,576,265	21,477	144,737,529	12,726,100	434,061,371	0.7356	1,302,184,113	33.333%
2013	General	249,584,910	26,145	139,314,296	12,051,260	400,976,611	0.8131	1,202,929,833	33.333%
	TIF #2	2,881,150	-	4,468,587	884,070	8,233,804		24,701,421	33.333%

Note: Property in the City is reassessed each year. Property is assessed at 33.333% of actual value.

Data Source

Office of the County Clerk
Based upon Property Being Located in Winfield Township

CITY OF WARRENVILLE, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Tax Levy Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
CITY DIRECT RATES										
Corporate	0.2354	0.2378	0.2377	0.2262	0.2306	0.2205	0.2372	0.2575	0.2959	0.3288
Bond and interest	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
IMRF	0.0439	0.0372	0.0342	0.0329	0.0308	0.0295	0.0318	0.0346	0.0396	0.0452
Police protection	0.0694	0.0671	0.0671	0.0638	0.0670	0.0642	0.0647	0.0703	0.0803	0.0887
Police pension	0.0834	0.1186	0.1165	0.1240	0.1243	0.1511	0.1739	0.1746	0.1890	0.2061
Audit	0.0059	0.0050	0.0050	0.0047	0.0031	0.0030	0.0031	0.0030	0.0034	0.0038
Tort judgments/liability	0.0271	0.0229	0.0229	0.0218	0.0203	0.0194	0.0215	0.0185	0.0212	0.0235
Social security	0.0673	0.0569	0.0539	0.0520	0.0473	0.0453	0.0488	0.0530	0.0606	0.0682
School crossing guards	0.0158	0.0134	0.0117	0.0113	0.0101	0.0097	0.0085	0.0093	0.0103	0.0094
Workers' compensation	0.0164	0.0139	0.0127	0.0123	0.0114	0.0110	0.0105	0.0118	0.0135	0.0150
Road and bridge	0.0365	0.0160	0.0187	0.0195	0.0178	0.0174	0.0170	0.0189	0.0218	0.0244
Total direct rate	0.6011	0.5888	0.5804	0.5685	0.5627	0.5711	0.6170	0.6515	0.7356	0.8131
OVERLAPPING RATES										
College of DuPage (#528)	0.1972	0.1874	0.1929	0.1888	0.1858	0.2127	0.2349	0.2495	0.2681	0.2956
DuPage Airport Authority	0.0213	0.0198	0.0183	0.0170	0.0160	0.0148	0.0158	0.0169	0.0168	0.0178
DuPage County	0.1850	0.1797	0.1713	0.1651	0.1157	0.1554	0.1659	0.1773	0.1929	0.2040
DuPage County Forest Preserve District	0.1358	0.1271	0.1303	0.1187	0.1206	0.1217	0.1321	0.1414	0.1533	0.1657
Unit School District #200	4.1367	4.0035	3.8783	3.7274	3.7218	3.7697	4.0437	4.3812	4.8474	5.2036
Warrenville Fire Protection District	0.4069	0.3991	0.3937	0.3863	0.3834	0.3892	0.4199	0.4621	0.5237	0.5745
Warrenville Library	0.2899	0.2816	0.2750	0.2691	0.2659	0.2701	0.2922	0.3224	0.3675	0.4070
Warrenville Park District	0.3317	0.3250	0.3312	0.3489	0.3425	0.3460	0.3984	0.4341	0.4902	0.5393
Winfield Township	0.0924	0.0901	0.0869	0.0855	0.0845	0.0854	0.0924	0.1021	0.1174	0.1318
Winfield Township R&B	0.1203	0.1178	0.1143	0.1125	0.1112	0.1123	0.1215	0.1342	0.1543	0.173
Total overlapping rates	5.9172	5.7311	5.5922	5.4193	5.3874	5.4773	5.9168	6.4212	7.1316	7.7123
TOTAL DIRECT AND OVERLAPPING RATES	6.5183	6.3199	6.1726	5.9878	5.9501	6.0484	6.5338	7.0727	7.8672	8.5254

Data Source

Based upon Property Being Located in Winfield Township
Office of the County Clerk

CITY OF WARRENVILLE, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	Levy Year 2013			Levy Year 2004		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation
Northwestern Mutual Life	\$ 10,367,810	1	2.53%	\$ 13,503,820	2	3.11%
Village Green at Cantera	7,126,990	2	1.74%	8,815,000	5	2.03%
MJH Warrenville, LLC	6,612,970	3	1.62%	11,441,130	3	2.63%
CDH Delnor Health System	5,430,000	4	1.33%			
Globe Corporation	4,700,980	5	1.15%	2,854,410	10	0.66%
CPX Warrenville OPAG LLC	4,530,950	6	1.11%			
R.R. Donnelley & Sons	4,434,270	7	1.08%			
Cantera 30 Theatre LP	4,279,750	8	1.05%			
LFT USA Real Estate LLC	3,515,240	9	0.86%	3773230	9	0.87%
Burnham Cantera LLC	3,437,910	10	0.84%	5,309,790	7	1.22%
Amoco Properties, Inc.				24,233,820	1	5.58%
EPT Downreit, Inc.				6,332,700	4	1.46%
Four Woodfield Lake, LLC				5,561,960	6	1.28%
Warrenville Development Corp				3,762,470	8	0.87%
	<u>\$ 54,436,870</u>		<u>13.31%</u>	<u>\$ 85,588,330</u>		<u>19.71%</u>

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

Data Source

Office of the County Clerk

CITY OF WARRENVILLE, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Levy	Tax Levied	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2004	General	\$ 1,763,674	\$ 1,761,823	99.90%	\$ -	\$ 1,761,823	99.90%
	TIF #1	8,646,926	8,642,605	99.95%	-	8,642,605	99.95%
	TIF #2	561,292	561,058	99.96%	-	561,058	99.96%
2005	General	1,922,208	1,861,554	96.84%	-	1,861,554	96.84%
	TIF #1	8,982,292	8,047,863	89.60%	-	8,047,863	89.60%
	TIF #2	624,905	623,881	99.84%	-	623,881	99.84%
2006	General	2,015,563	1,966,067	97.54%	-	1,966,067	97.54%
	TIF #1	9,011,355	9,004,458	99.92%	-	9,004,458	99.92%
	TIF #2	648,978	644,413	99.30%	-	644,413	99.30%
2007	General	2,088,711	2,087,693	99.95%	-	2,087,693	99.95%
	TIF #1	9,329,518	9,318,098	99.88%	-	9,318,098	99.88%
	TIF #2	691,896	690,292	99.77%	-	690,292	99.77%
2008	General	2,183,575	2,179,483	99.81%	-	2,179,483	99.81%
	TIF #1	9,574,426	9,551,628	99.76%	-	9,551,628	99.76%
	TIF #2	791,632	791,131	99.94%	-	791,131	99.94%
2009	General	2,197,764	2,185,282	99.43%	-	2,185,282	99.43%
	TIF #1	9,523,555	9,522,480	99.99%	-	9,522,480	99.99%
	TIF #2	803,505	803,140	99.95%	-	803,140	99.95%
2010	General	3,173,306	3,170,140	99.90%	-	3,170,140	99.90%
	TIF #2	795,780	794,122	99.79%	-	794,122	99.79%
2011	General	3,118,215	3,080,966	98.81%	-	3,080,966	98.81%
	TIF #2	754,935	754,739	99.97%	-	754,739	99.97%
2012	General	3,251,120	3,240,450	99.67%	-	3,240,450	99.67%
2013	General	3,318,834	-	0.00%	-	-	0.00% (1)
	TIF #3	3,794	-	0.00%	-	-	0.00%

(1) - The 2013 levy amounts will be collectible during City Fiscal Year 2015, as such none of this levy is collected during fiscal year 2014.

(2) - The 2013 levy is the first year of the new TIF district, and the amount will be collectible during City Fiscal Year 2015, as such none of this levy is collected during fiscal year 2014.

Data Source

Office of the County Clerk

CITY OF WARRENVILLE, ILLINOIS

SALES TAX REVENUE BY CATEGORY

Last Ten Calendar Years

Calendar Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General merchandise	\$ 1,085,363	\$ 2,256,635	\$ 2,644,172	\$ 2,950,986	\$ 3,034,049	\$ 3,110,309	\$ 3,211,974	\$ 3,219,110	\$ 3,331,080	\$ 3,399,980
Food	453,859	471,478	490,343	502,493	508,509	212,310	480,153	433,767	423,111	417,704
Drinking and eating places	1,687,385	2,426,495	2,730,753	2,804,804	2,831,363	2,758,943	2,781,235	2,759,916	2,815,753	2,853,404
Apparel	-	-	62,581.00	62,336	72,507	72,601	81,438	-	-	99,495
Furniture and H.H. and radio	156,451	142,588	39,180	33,380	50,893	-	-	33,211.00	33,141.00	-
Lumber, building hardware	470,950	492,921	597,492	439,378	304,491	151,857	141,291	135,209	132,506	167,632
Automobile and filling stations	1,176,065	1,241,131	1,313,023	1,344,656	1,428,105	1,913,456	2,113,858	2,450,161	2,489,266	2,963,861
Drugs and miscellaneous retail	583,268	616,599	625,925	737,292	853,477	679,659	1,205,797	1,378,819	1,600,895	1,534,410
Agriculture and all others	2,252,658	2,494,109	2,166,542	1,942,559	1,728,744	1,496,259	642,785	735,339	937,574	507,432
Manufacturers	508,670	658,944	648,898	718,354	742,446	548,669	601,490	235,659	260,013	298,802
TOTAL	\$ 8,374,669	\$ 10,800,900	\$ 11,318,909	\$ 11,536,238	\$ 11,554,584	\$ 10,944,063	\$ 11,260,021	\$ 11,381,191	\$ 12,023,339	\$ 12,242,720
City direct sales tax rate	1.75%	1.75%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%

The City enacted a Home Rule Sales Tax of .75% in CY 2004 and increased that tax to 1.25% in July 2006.

Data Source

City Records, Illinois Department of Revenue

CITY OF WARRENVILLE, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Fiscal Years

Fiscal Year	City Direct Rate	State Rate	DuPage County Rate	RTA Rate	County Water Commission Rate
2005	1.75%	5.00%	0.25%	0.25%	0.25%
2006	2.25%	5.00%	0.25%	0.25%	0.25%
2007	2.25%	5.00%	0.25%	0.25%	0.25%
2008	2.25%	5.00%	0.25%	0.75%	0.25%
2009	2.25%	5.00%	0.25%	0.75%	0.25%
2010	2.25%	5.00%	0.25%	0.75%	0.25%
2011	2.25%	5.00%	0.25%	0.75%	0.25%
2012	2.25%	5.00%	0.25%	0.75%	0.25%
2013	2.25%	5.00%	0.25%	0.75%	0.25%
2014	2.25%	5.00%	0.25%	0.75%	0.25%

Data Source

City and County Records

CITY OF WARRENVILLE, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities			Business-Type Activities		Total Primary Government	Percentage of Personal Income*	Per Capita*
	General Obligation Bonds	Installment Contracts Payable	Tax Increment Revenue Bonds	Water Revenue Bonds				
2005	\$ -	\$10,134,254	\$ 6,795,000	\$ -	\$ 16,929,254	4.38%	\$ 1,267	
2006	-	7,199,256	6,085,000	-	13,284,256	3.44%	994.11	
2007	-	4,485,500	5,150,000	-	9,635,500	2.49%	721.06	
2008	-	2,670,000	3,580,000	-	6,250,000	1.62%	467.71	
2009	-	760,000	1,765,000	-	2,525,000	0.65%	188.95	
2010	-	-	-	-	-	0.00%	-	
2011	-	-	-	-	-	0.00%	-	
2012	-	-	-	-	-	0.00%	-	
2013	-	-	-	-	-	0.00%	-	
2014	-	-	-	-	-	0.00%	-	

* See the schedule of Demographic and Economic Information on page 90 for personal income and population data.

Note: Details of the City's outstanding debt can be found in the notes to financial statements.

Personal income is the largest sole source income type, usually either property or sales tax. In the case of special districts, it may be fees.

CITY OF WARRENVILLE, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available In Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
2005	\$ -	\$ -	\$ -	0.00%	\$ -
2006	-	-	-	0.00%	-
2007	-	-	-	0.00%	-
2008	-	-	-	0.00%	-
2009	-	-	-	0.00%	-
2010	-	-	-	0.00%	-
2011	-	-	-	0.00%	-
2012	-	-	-	0.00%	-
2013	-	-	-	0.00%	-
2014	-	-	-	0.00%	-

* See the schedule of Assessed Value and Actual Value of Taxable Property on page 79 for property value data.

Note: Details of the City's outstanding debt can be found in the notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

April 30, 2014

Governmental unit	Gross Debt	Percentage Debt Applicable to the City of Warrenville (1)	City of Warrenville Share of Debt
City of Warrenville	\$ -	100.00%	\$ -
DuPage County	267,277,785	1.22%	3,260,789
DuPage County Forest Preserve District	175,908,155	1.22%	2,146,079
Warrenville Park District	569,883	100.00%	569,883
Warrenville Library District	-	0.00%	-
Schools			
Elementary			
District No. 33	37,990,000	62.02%	23,561,398
High School			
District No. 94	10,030,000	41.04%	4,116,312
Community Unit School Districts			
District No. 200	182,985,000	14.89%	27,246,467
District No. 203	35,380,000	1.27%	449,326
College			
College of DuPage No. 502	289,300,000	10.63%	30,752,590
	<u>999,440,823</u>		<u>92,102,844</u>
	<u>\$ 999,440,823</u>		<u>\$ 92,102,844</u>

(1) Determined by ratio of assessed valuation of property subject to taxation in the City to valuation of property subject to taxation in overlapping unit.

CITY OF WARRENVILLE, ILLINOIS

SCHEDULE OF LEGAL DEBT MARGIN

April 30, 2014

Under the 1970 Illinois Constitution, there is no legal limit for home rule municipalities except as set by the General Assembly.

CITY OF WARRENVILLE, ILLINOIS

PLEDGED-REVENUE COVERAGE

Last Ten Fiscal Years

Fiscal Year	Water Revenue Bonds						Tax Increment Revenue Bonds				
	Water Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage	Tax Increment Revenue	Debt Service		Coverage	
				Principal	Interest			Principal	Interest		
2005	N/A	N/A	N/A	\$ -	\$ -	\$ -	\$ 8,910,197	\$ 6,795,000	\$ 965,950	\$ 1.15	
2006	N/A	N/A	N/A	-	-	-	9,928,795	6,085,000	636,425	1.48	
2007	N/A	N/A	N/A	-	-	-	9,666,771	5,150,000	407,925	1.74	
2008	N/A	N/A	N/A	-	-	-	11,901,885	3,530,500	346,421	3.07	
2009	N/A	N/A	N/A	-	-	-	12,150,207	3,675,000	186,440	3.15	
2010	N/A	N/A	N/A	-	-	-	12,012,403	760,000	12,920	15.54	
2011	N/A	N/A	N/A	-	-	-	10,784,361	-	-	-	
2012	N/A	N/A	N/A	-	-	-	-	-	-	-	
2013	N/A	N/A	N/A	-	-	-	-	-	-	-	
2014	N/A	N/A	N/A	-	-	-	-	-	-	-	

N/A - Information is not applicable as there was no outstanding debt, and therefore, no pledged revenue for these years.

Note: Details of the City's outstanding debt can be found in the notes to financial statements.

Water Charges and Other includes investment earnings but not tap on fees.

Operating expenses do not include interest or depreciation.

CITY OF WARRENVILLE, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2005	13,363	\$ 386,484,686	\$ 28,922	2.90
2006	13,363	386,484,686	28,922	2.80
2007	13,363	386,484,686	28,922	2.00
2008	13,363	386,484,686	28,922	3.60
2009	13,363	386,484,686	28,922	7.40
2010	13,363	414,854,335	31,045	8.70
2011	13,140	425,670,300	32,395	6.90
2012	13,140	409,416,120	31,158	6.90
2013	13,140	409,968,000	31,200	7.70
2014	13,140	414,345,414	31,533	6.30

Data Source

U.S. Census

CITY OF WARRENVILLE, ILLINOIS

PRINCIPAL EMPLOYERS

Current and Seven Years Previous

Employer	2014			2007		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Phonak	510	1	2.89%	500	3	4.29%
RR Donnelley	350	2	1.98%			
Target	291	3	1.65%	254	6	2.18%
Lifetime Fitness	240	4	1.36%			
Patterson Medical Supply	170	5	0.96%			
First American Title Insurance	150	6	0.85%			
Edward Hospital	142	7	0.81%			
National Express Corp.	140	8	0.79%			
Emerson Network Power	100	9	0.57%			
KSM Electronics	78	10	0.44%			
Navistar				1,450	1	12.44%
BP/Amoco (1)				1,270	2	10.89%
Exelon (1)				375	4	3.22%
AT & T Data Center				280	5	2.40%
Family Foods				71	7	0.61%
Paragon Global				60	8	0.51%
Ed Hoy's International				50	9	0.43%
Plymouth Tube, Inc				37	10	0.32%
TOTAL	<u>2,171</u>		<u>12.30%</u>	<u>4,347</u>		<u>37.29%</u>

Note: 2007 was the first year that this was collected and is not believed to be a true representation of actual employment, but time was the most accurate data available.

(1) Figures were not provided by the employers and could not be verified. The figures used were estimated based upon figures from prior year City records and City estimates.

Data Source:

City records

CITY OF WARRENVILLE, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
GENERAL GOVERNMENT										
Administration	3.5	3.5	3.5	4.5	4.5	4.5	4.5	4	4	4
Finance	7	7	7	6	6	6	6	5	5	5
Community development	7	7	8	8	9	10	10	10	10	10
PUBLIC SAFETY										
Police										
Officers	27	30	31	35	32	32	34	34	34	35.5
Civilians	17.5	17.5	17.5	17.5	13.5	15.0	16.0	16.0	16.0	16.0
PUBLIC WORKS										
Administration	3.5	3.5	3	3	4	4	4	4	4	4
Street maintenance	5	7	7	7	7	7	7	7	7	7
Utility maintenance	4	4	6	6	6	6	6	6	6	6

Data Source

City Finance Department, budget documents and authorized strength ordinance

CITY OF WARRENVILLE, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
PUBLIC SAFETY										
Police										
Physical arrests	3,745	4,022	1,711	1,288	1,879	2,312	1,755	1,144	2,262	739
Parking violations	1,688	1,332	998	1,461	1,132	871	750	723	352	997
Traffic violations	3,458	3,727	1,562	5,818	8,102	9,314	5,532	5,260	2,688	5,889
PUBLIC WORKS										
Street resurfacing (miles)	1.26	2.07	3.01	1.45	1.30	3.05	1.20	5.10	3.90	3.87
Pothole repairs	35	57	58	25	48	52	60	48	52	35
WATER										
New connections	4,423	(13)	4	24	28	18	12	9	15	22
Water main breaks	18	21	15	16	14	22	17	22	28	27
Number of meters in operation	4,423	4,410	4,414	4,414	4,414	4,498	4,484	4,493	4,508	4,492
Number of properties										
connected to sewer system	4,228	4,405	4,399	4,614	4,614	4,662	4,642	4,642	4,657	4,674
Average daily pumpage (MGD)	1.30	1.51	1.46	1.53	1.41	1.39	1.32	1.26	1.33	1.32
Maximum daily pumpage (MGD)	2.25	1.90	1.95	2.10	1.95	1.37	2.06	1.97	2.10	1.98
Number of gallons pumped (000)	482,000	550,000	532,900	563,962	514,285	499,220	481,890	461,000	486,276	476,525

Data Source

Various City departments

CITY OF WARRENVILLE, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	19	15	17	17	17	17	17	17	17	17
PUBLIC WORKS										
Streets (miles)	48	48	51	51	51	54	54	54	54	54
Streetlights	703	703	706	726	735	741	741	741	741	741
Traffic signals	4	4	4	4	4	4	4	4	4	4
WATER										
Water mains (miles)	61	63	64	64	64	64	64	64	64	64
Fire hydrants	700	700	702	702	702	702	702	702	702	702
Storage capacity (M Gals)	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
WASTEWATER										
Sanitary sewers (miles)	49	51	58	58	59	59	59	59	59	59
Storm sewers (miles)	20	21	29.7	30.0	30.2	30.4	30.4	30.4	30.4	30.4

Data Source

Various City departments