

**Comprehensive Annual  
Financial Report**

**City of  
Warrenville**

**Illinois**

**Year Ended  
April 30, 2011**

CITY OF WARRENVILLE, ILLINOIS

COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

For the Year Ended  
April 30, 2011

Prepared by Department of Finance

Kevin Dahlstrand  
Director of Finance

Debbie Norman  
Finance and Accounting Manager

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## **INTRODUCTORY SECTION**

**CITY OF WARRENVILLE, ILLINOIS**

**OFFICERS AND OFFICIALS**

**APRIL 30, 2011**

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**LEGISLATIVE**

**City Council**

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

<b>Stuart Aschauer</b>	<b>Ward 1</b>	<b>Dan Leonard</b>	<b>Ward 3</b>
<b>Fred Bevier</b>	<b>Ward 1</b>	<b>Matthew Wiesbrock</b>	<b>Ward 3</b>
<b>Bill Weidner</b>	<b>Ward 2</b>	<b>David Kratz</b>	<b>Ward 4</b>
<b>Robert Wilson</b>	<b>Ward 2</b>	<b>Clare Barry</b>	<b>Ward 4</b>

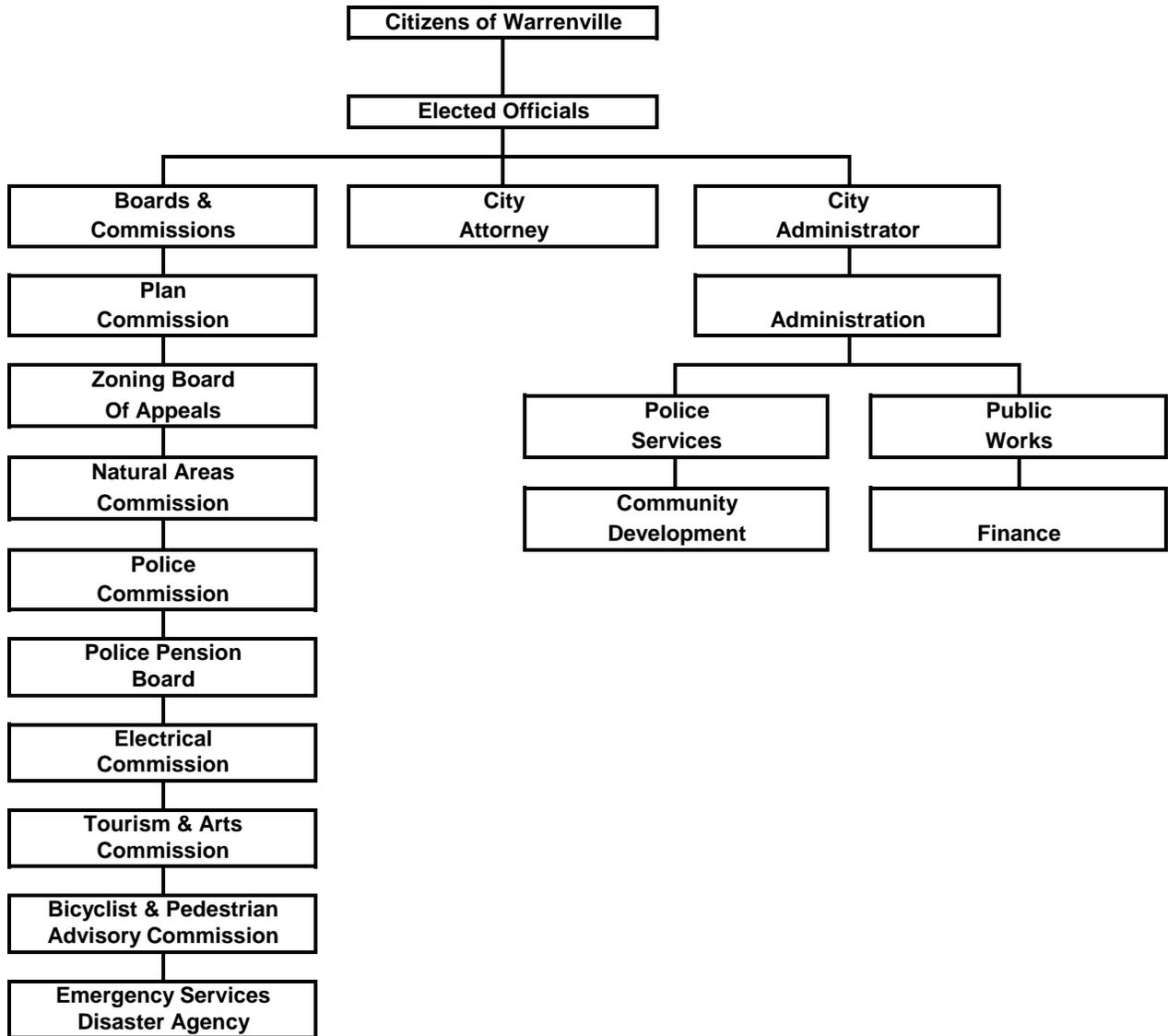
**EXECUTIVE**

**John M. Coakley, City Administrator**

**FINANCE DEPARTMENT**

**Kevin Dahlstrand, Director of Finance  
Debbie Norman, Finance & Accounting Manager  
Tina Drazenovic, Accounting Clerk I  
Mary Llanos, Accounting Clerk II  
Kathy Weiersheuser, Accounting Clerk II  
Lisa Campbell, Receptionist/Cashier**

# CITY OF WARRENVILLE Organizational Chart



# 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, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized, handwritten signature in black ink, likely belonging to the President mentioned in the text below.

President

A handwritten signature in black ink that reads "Jeffrey R. Emer".

Executive Director

# City of Warrenville

3S258 Manning Avenue • Warrenville, IL 60555  
630/393-9050 • FAX 630/393-5758

September 1, 2011

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, 2011, 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 representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's 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 at the firm 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, 2011, 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, 2011, 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 to complement 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, since 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 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 Clerk and Treasurer also are elected offices 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 Attorney. The City Administrator is responsible, by City Ordinance, for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City, and for appointing the heads of the City's departments. 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 Mayor is elected at-large to a four-year term.

The City provides a full range of services, including police protection, the construction and maintenance of streets and other infrastructure, and the operating 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 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 submit their budget requests to the City Administrator on or before December 31 of each year. The City Administrator uses these requests as the starting point for developing a proposed budget. The City Administrator then presents this proposed budget to the City Council on or before March 10 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. police) level. The City Administrator may authorize transfers of budgeted amounts within a fund. Budget amendments to increase, or decrease, a fund's total budgeted allocation requires 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 53, as required supplementary information. For governmental funds, other than the General Fund, this comparison is presented in the non-major governmental fund subsection of this report, which starts on page 62.

### **Major Initiatives and Developments**

As directed by the City Council, the City staff accomplished a number of major initiatives during Fiscal 2011. 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:

#### Chaddick Institute Municipal Development Award

The City's Cantera Development received the 2010 Chaddick Institute Municipal Development Award for the Cantera Development. This annual award recognizes a suburban unit of government for innovative management of the development process to promote favorable outcomes over a period of four years or more. The Chaddick Institute is located at DePaul University, advances the principals of effective land use, transportation, and community planning by offering planners, attorneys, developers, and entrepreneurs a forum to share expertise on difficult land-use issues.

#### Stormwater Management/Flooding Issues

The City's Community Development Department, actively coordinated with and supported DuPage County's preparation of a Watershed Plan Addendum for the West Branch of the DuPage River. The plan recommends approximately \$16 million dollars worth of flood mitigation improvements which are to be implemented to reduce future flooding impacts along the Warrenville segment of the West Branch of the DuPage River. As a direct result of this effort, the DuPage County Board approved a bond initiative which included approximately \$5.5 million worth of funding specifically earmarked to fund the implementation of the first phase of the flood mitigation improvements identified in that watershed plan addendum. The City continues to actively investigate and communicate with DuPage County officials regarding potential negative impacts the existence and operation of Fawell Dam may be having on flooding in Warrenville.

#### Route 56 Reconstruction and Expansion

In the spring of 2011 the Illinois Department of Transportation (IDOT) began the work for the long anticipated reconstruction and expansion of Route 56 (Butterfield Rd), a significant portion of which runs through Warrenville. The City's Community Development Department conducted numerous Streetscape Workgroup meetings to identify landscape design and other streetscape enhancements which were successfully negotiated with IDOT to adjust the final design of this road project so as to be more sensitive to the character of the City of Warrenville and incorporate numerous non-standard accommodations for pedestrians and bicyclists.

The City applied for and obtained an approximately \$1 million Illinois Transportation Enhancement Program (ITEP) Grant to help fund the City's implementation of the identified streetscape enhancements (aesthetic upgrades, street lighting at the Batavia Road intersection, a new multi-use trail along the north side of Rt. 56, new municipal identification signs, etc) in conjunction with this road project.

### ProCure proton therapy and Central DuPage Health cancer treatment centers

On July 22, 2010, the Community Development Department issued the final certificate of occupancy permits for the 59,827 square foot ProCure proton therapy cancer treatment facility located in Cantera, as well as an adjacent 48,361 square foot traditional cancer treatment center operated by Central DuPage Hospital. The value of the ProCure building improvements was established at just over \$35 million, while the CDH traditional cancer treatment center was valued at just over \$16.3 million.

The following are specific departmental accomplishments:

#### Public Safety initiatives:

- Implemented an Employee Recognition/Awards program to provide tangible recognition for exemplary service by members of the Police Department.
- Instituted an employee administrative cross-training program for all non-sworn members of the Police Department
- Developed a case management database to assist with the assignment and tracking of cases.
- Investigations Division was assigned 335 cases, of which 222 or 66% were cleared
- Re-structures and formalized the College Student Internship Program
- Members of the Problem Oriented Policing (POP) Unit became members of a multi-jurisdictional gang suppression task force, ATAC
- Instituted scheduling changes for Records Assistant to allow for an estimated \$14,000 annual savings in overtime wages

#### Public Works/Capital projects Initiatives

- Completed the tenth year of a fifteen-year road maintenance and reconstruction program.
- Completed sanitary sewer extension on Woodland Rd
- Completed resurfacing of Batavia Rd from Rt. 56 to Rt. 59, with the use of ARRA funding
- Completed reconstruction of Fourth St. and Jackson St., including curbs, storm sewers, and sidewalk
- Completed the upgrading of Bob Walters Commons, with concrete, electrical, sidewalks, and seating
- Upgraded the supervisory control and data acquisition computer systems for water and sanitary sewer pumping facilities
- Continued with a multi-year water meter exchange program

#### Administration Initiatives

- Completed conversion of the Batavia Road railroad crossing from a private to a public crossing in order to begin the Quiet Zone establishment process
- Successfully administered the first year of the two plus year CN (Canadian National) Sound Mitigation Program, for Warrenville
- Oversaw the successful public awareness campaign for the 2010 decennial Census, leading to a local participation rate of 84%, well in excess of the national average of 72%, Illinois rate of 76%, and DuPage County rate of 82%
- Issued RFP for general liability/bonding/workers comp coverage, resulting in a change in providers leading to an estimated annual savings of \$50,000
- Conducted a security review of all City owned facilities

- Continued to provide public information dissemination and oversight coordination regarding the ongoing Thorium cleanup efforts in the West branch of the DuPage River, including the effects of the bankruptcy filing by Tronox

### Community Development and Planning Initiatives

- Conducted 22 on-site business visits as a part of the City initiated Business Retention Outreach Program
- Worked with the City's Tourism and Arts Commission and the Bicyclist and Pedestrian Advisory Commission to develop, publish, and distribute a brochure and map entitled "Things to do/Places to go"
- Permitted and inspected \$11,000,000 worth of construction activity in the City
- Issued 589 building permits during calendar year 2010, an increase of approximately 40%
- Issued Final Certificate of Occupancy permits for new Hyatt Place and Hyatt Summerfield Suites Hotels, the 5<sup>th</sup> and 6<sup>th</sup> hotels in the City
- Issued Final Certificate of Occupancy permits for the Central DuPage Hospital Cancer Treatment Center and the ProCure Proton Therapy Cancer Treatment Center
- Conducted additional on and off site testing for soil and ground water contamination as well as preparing an submitting a comprehensive underground contamination clean-up plan to the Illinois Environmental Protection Agency (IEPA) for Civic Center Redevelopment site #1, the former Musselman property
- Secured commitment from the IEPA for a \$150,000 no-interest Brownfield Clean-up Loan for the same property

### Finance Department Initiatives

- Achieved the eighteenth consecutive Certificate of Achievement for Excellence in Financial Reporting
- Finance Director worked closely with the City Council appointed Capital Improvement Plan Committee to formulate the City's first comprehensive, multi-year, Capital Improvement Plan, an objective of the 2007 Strategic Plan. While the plan has been formalized, its implementation remains under discussion as the City Council investigates alternative avenues for funding the plan
- Assisted with the financial aspect of the administration of the first full calendar year, of the two-year long first phase of the CN Sound Mitigation reimbursement program,

### **Local economy**

The region has a varied retail, light manufacturing, services and industrial base, which add to the relative stability of the employment rate in relation to the state and national unemployment rate. Major industries with corporate headquarters or divisions located within the City's boundaries include corporate offices for a major truck and engine manufacturer, a major utility holding company, and corporate training and executive offices for the world's largest integrated oil concern. Other sectors such as financial (mortgage and banking), retail, and service (fitness, insurance) businesses also contribute to a diverse business climate.

The City's revenue stream remains diversified; therefore, a decrease in any single revenue source does not necessarily correspond to dramatic overall budgetary impacts. Local sales taxes continue to play a significant role in support of the General Fund. Larger chain restaurants, a large chain retailer, and a larger entertainment venue within the Cantera development have added

significantly to the sales tax base. Those, combined with smaller local merchants and retailers catering to non-luxury items, provide a larger, more stable sales tax base.

However, as FY 2011 ended, Warrentville continued to somewhat avoid the severe effects of the national economic woes. While many of the City's revenue sources have experienced some degree of reduction, those reductions have not been deep in all areas, and therefore, have not lead to the major staff or service reductions experienced by surrounding communities, but those revenue reductions do remain a concern going forward. One of the areas of largest concerns is the revenue derived from the City's five-percent amusement tax. The major contributor to this revenue stream is a multi-screen movie theater complex, the owners of which have experienced significant challenges since taking over the complex from the prior owner in late June of 2010. This revenue source has dropped by 29.35% from FY 2010, but the owners remain committed to operating the complex and increasing their market share.

### **Long-term financial planning**

The City's 2007 Strategic Plan identified "long-term financial stability" as a major component of the plan. To that end, in October 2010, the City Council established the Capital Improvement Plan Committee (CIPC) charged with establishing a multi-year capital improvement plan. The drafted Capital Improvement Plan (CIP) 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. The results of that committee's work, was the verification of a previously identified structural deficit in the long-term funding for the CIP. The CIPC proposed a multi-faceted revenue stream of new user taxes, and the re-allocation of internal fund balances and transfers, as well a significant reduction in the City's Hotel Motel Tax grant program funding. The plan has been presented to the City Council and to the residents of Warrentville during multiple public input meetings. As of the writing of this document, the plan has not been finalized and adopted, but through the one-time use of existing fund balance transfers funding for year one of the plan has been identified, and a May 1, 2013, City fiscal year 2014, looks to be the likely implementation date for the new funding plan.

The City continues to plan for the possibility of the creation and development of a third tax increment financing (TIF) district. However, due to the continued economic recession, and its effect on development, that TIF district planning remains on hold and is not actively being pursued. Currently, the existing Old Town Civic Center TIF District (TIF #2) is anticipated to be continued to its statutory end during the City's 2019 fiscal year, but that plan continues to be evaluated and could be adjusted at any point before that statutory end date.

**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, 2010. This was the eighteenth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. City staff believes that the 2011 CAFR will also meet the Certificate of Achievement Program's requirements and it will be submitted to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. Appreciation is extended to all members of the department who assisted and contributed to the preparation of this report. Special recognition is due to the city's Finance and Accounting Manager, Debbie Norman, for her continued organization, dedication, and attention to detail, which allow for an efficient, timely, and well organized and conducted audit process.

Credit continues to be given to the Mayor and City Council for their continuing expectation of, and support for, maintaining 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

**INDEPENDENT AUDITOR'S REPORT**



998 Corporate Boulevard • Aurora, IL 60502

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, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the City of Warrenville, Illinois' management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the 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, 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The City adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* during the year ended April 30, 2011. The statement changed the classifications of governmental fund balances and clarified the definitions of existing fund types. The adoption of this statement had no effect on the any of the City's governmental funds' assets or liabilities nor was there any effect to the total amount of any of the City's governmental fund balances as of and for the year ended April 30, 2011.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules listed in the accompanying table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the City of Warrenville, Illinois. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory and statistical section listed in the table of contents were not audited by us and, accordingly, we do not express an opinion thereon.

A handwritten signature in cursive script that reads "Sikich LLP". The signature is written in black ink and is positioned to the right of the date and location text.

Aurora, Illinois  
August 5, 2011

GENERAL PURPOSE  
EXTERNAL FINANCIAL STATEMENTS

## Management's Discussion and Analysis

As management of the City of Warrenville, Illinois, we offer readers of the City of Warrenville's financial statements this narrative overview and analysis of the financial activities of the City of Warrenville for the fiscal year ended April 30, 2011. We encourage readers 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 \$113,983,744 on April 30, 2011.
- The assets of the City of Warrenville exceeded its liabilities at the close of the fiscal year by \$107,550,568 (*net assets*). Of this amount, \$21,814,405 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- \$84,260,007 of net assets is invested in capital assets, net of related debt.
- As of the close of the current fiscal year, the City of Warrenville's governmental funds reported combined ending fund balances of \$14,291,759. Approximately twenty-six percent of this total amount, \$3,750,121 is *available for spending* at the government's discretion (*unassigned fund balance*).
- Another twenty-one percent, or \$2,942,396, 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, seven percent, or \$1,014,576 is restricted for specific purposes including: public safety, economic development, and maintenance of roadways.
- Another \$461,580, or approximately three percent is "*committed*" to funding tourism related activities
- And finally, a total of \$6,123,086, or approximately forty-three percent is "*assigned*" for special projects
- During the year, the City's governmental activity expenses were \$481,302 *less* than the \$19,599,689 generated in program revenues, taxes and other revenues for governmental activities.
- The City of Warrenville's total long-term obligations decreased by \$128,050 (approximately fifteen percent) during the current fiscal year. The City has no general obligation debt. The City's remaining obligations are mainly in the form of compensated absences, pension obligations, and a contingent liability for the environmental clean-up necessary at the former Musselman Lumber site, referred to locally as Civic Center Redevelopment Site #1.

### **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 assets* presents information on all of the City of Warrenville's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City of Warrenville is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change 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 unused 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, uses 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 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, Tax Allocation Fund, and Special Projects Fund (formerly entitled the Reserve Fund), all three of which are considered to be major funds. Data from the other six 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 45 to demonstrate compliance with this budget.

The basic financial statements for the governmental funds can be found on pages 6-9 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 10-13 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 of Warrentville's own 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 14-15 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 16-44 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 Warrentville's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 45-52 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 60-67 of this report.

### Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Warrentville, assets exceeded liabilities by \$107,550,568 at the close of the fiscal year.

By far the largest portion of the City of Warrentville's net assets, approximately 70%, 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 Warrentville uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Warrentville'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
	Activities		Activities				Change
	2011	2010	2011	2010	2011	2010	2011-2010
Current and other assets	19,869,556	28,681,733	9,854,181	7,491,483	29,723,737	36,173,216	-17.83%
Capital Assets	70,610,196	71,267,517	13,649,811	13,845,927	84,260,007	85,113,444	-1.00%
Total assets	<u>90,479,752</u>	<u>99,949,250</u>	<u>23,503,992</u>	<u>21,337,410</u>	<u>113,983,744</u>	<u>121,286,660</u>	-6.02%
Long-term liabilities outstanding	591,469	723,667	85,875	81,727	677,344	805,394	-15.90%
Other Liabilities	5,577,797	15,396,399	178,035	344,061	5,755,832	15,740,460	-63.43%
Total liabilities	<u>6,169,266</u>	<u>16,120,066</u>	<u>263,910</u>	<u>425,788</u>	<u>6,433,176</u>	<u>16,545,854</u>	-61.12%
Net Assets:							
Invested in capital assets,							
net of related debt	70,610,196	71,267,517	13,649,811	13,845,927	84,260,007	85,113,444	-1.00%
Restricted	1,476,156	7,286,830	-	-	1,476,156	7,286,830	-79.74%
Unrestricted	<u>12,224,134</u>	<u>5,274,837</u>	<u>9,590,271</u>	<u>9,817,965</u>	<u>21,814,405</u>	<u>15,092,802</u>	44.54%
Total Net Assets	<u>84,310,486</u>	<u>83,829,184</u>	<u>23,240,082</u>	<u>23,663,892</u>	<u>107,550,568</u>	<u>107,493,076</u>	0.05%

The *unrestricted net assets* of April 30, 2011, totaling \$21,814,405 may be used to meet the government's ongoing obligations to citizens and creditors.

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

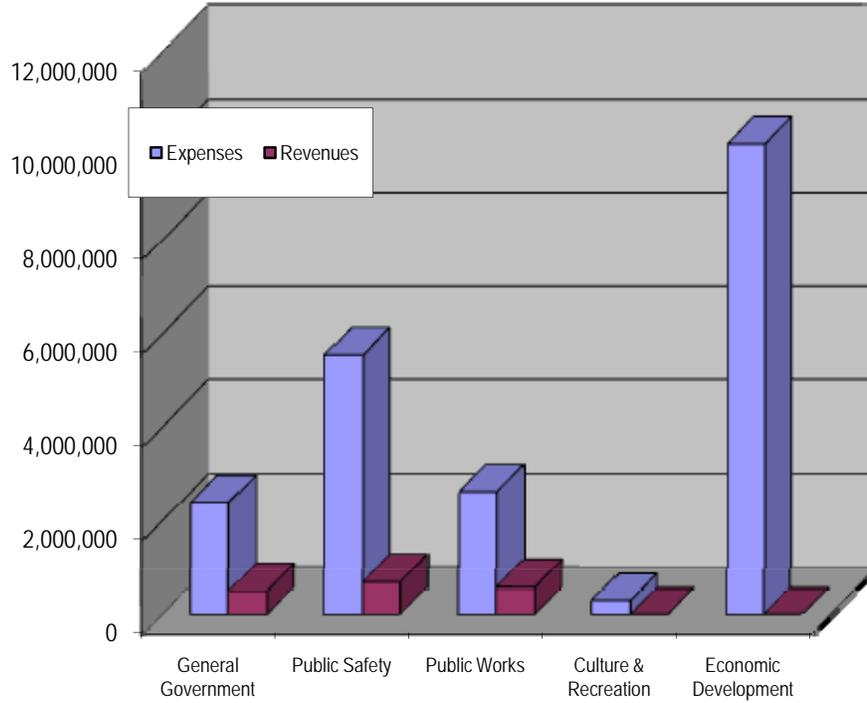
**CITY OF WARRENVILLE  
CHANGES IN NET ASSETS**

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
<b>Revenues:</b>						
Program revenues:						
Charges for Services	\$ 1,272,863	\$ 1,730,043	\$ 2,354,203	\$ 2,472,371	\$ 3,627,066	\$ 4,202,414
Operating Grants and Contributions	444,151	401,498			444,151	401,498
Capital Grants and Contributions	78,031	142,498	-	317,619	78,031	460,117
General revenues:						
Property and Replacement Taxes	12,556,309	12,562,359			12,556,309	12,562,359
Other Taxes	6,796,365	7,149,086			6,796,365	7,149,086
Miscellaneous	247,015	242,170	161,481	230,828	408,496	472,998
Total Revenue	<u>21,394,734</u>	<u>22,227,654</u>	<u>2,515,684</u>	<u>3,020,818</u>	<u>23,910,418</u>	<u>25,248,472</u>
<b>Expenses:</b>						
General Government	2,399,491	1,929,578			2,399,491	1,929,578
Public Safety	5,555,442	5,521,381			5,555,442	5,521,381
Public Works	2,628,782	3,204,759			2,628,782	3,204,759
Culture & Recreation	297,975	264,480			297,975	264,480
Economic Development	10,031,742	13,426,691			10,031,742	13,426,691
Interest Expense		3,230			-	3,230
Water			1,138,098	1,229,173	1,138,098	1,229,173
Sewer			1,801,397	1,758,198	1,801,397	1,758,198
Total Expenses	<u>20,913,432</u>	<u>24,350,119</u>	<u>2,939,494</u>	<u>2,987,371</u>	<u>23,852,926</u>	<u>27,337,490</u>
Change in Net Assets	481,302	(2,122,465)	(423,810)	33,447	57,492	(2,089,018)
Net Assets - May 1	<u>83,829,184</u>	<u>85,951,649</u>	<u>23,663,892</u>	<u>23,630,445</u>	<u>107,493,076</u>	<u>109,582,094</u>
Net Assets - April 30	<u>84,310,486</u>	<u>83,829,184</u>	<u>23,240,082</u>	<u>23,663,892</u>	<u>107,550,568</u>	<u>107,493,076</u>

**Governmental activities** - Governmental activities increased the City of Warrenville's net assets by \$481,302, while business-type activities decreased net assets by \$423,810, for net overall increase in net assets of \$57,492.

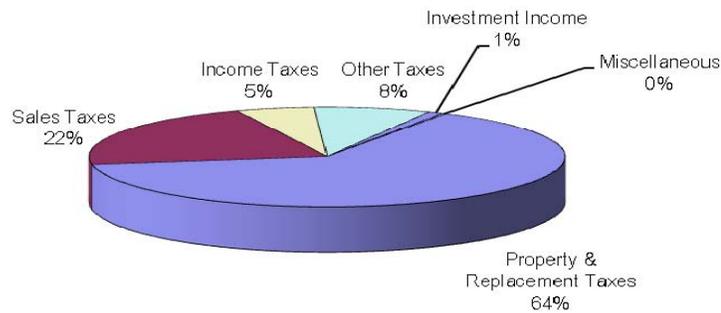
## Expenses and Program Revenues

Expenses and Program Revenues - Governmental Activities



As the above graph shows, all Governmental Activities are tax subsidized. There are not sufficient sources, nor ability, to price these activities in such a manner as to recoup their cost on a program fee basis.

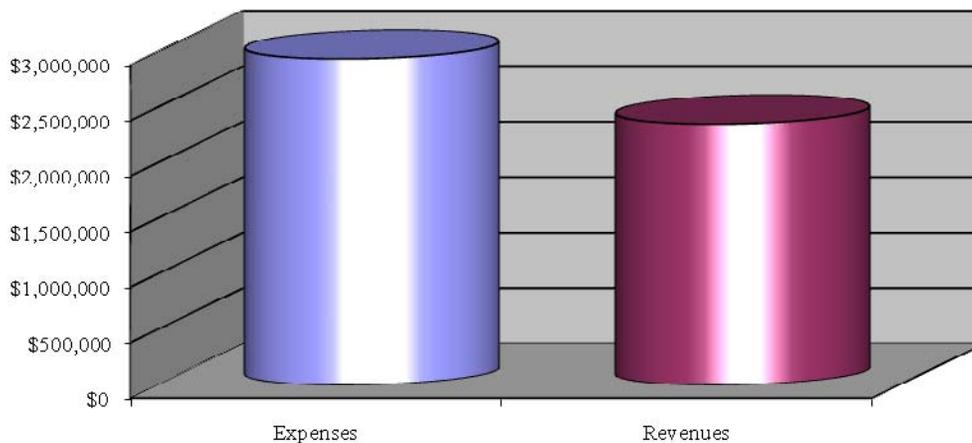
Revenues By Source - Governmental Activities



Other Governmental Funds Highlights:

- A decrease of 20% in total expenditures when compared to FY 2010. \$25,731,370 for FY 2010 vs. \$20,512,221 for FY 2011.
- Operational revenues were down 3.74% overall, \$22,227,654 for FY 2010 vs. \$21,394,734 for FY 2011.
- **Business-type activities** - Business-type activities decreased the City of Warrenville’s net assets by \$423,810. Key elements of this increase for FY 2011 compared to FY 2010 are as follows.
- Charges for services for business-type activities showed a decrease of 4.8%. The Water and Sewer rates are comprised of two facets – consumption charges and base charges.
- Water and Sewer expenses decreased by \$47,877 or 1.6%.

Expenses and Program Revenues for Waterworks and Sewerage



**Financial Analysis of the Government’s Funds**

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

**Governmental funds.** The focus of the City of Warrenville’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 Warrenville’s financing requirements. In particular, *unassigned 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 City of Warrenville’s governmental funds reported combined ending fund balances of \$14,291,759 an increase of \$1,006,425, or about 7.6%, from the prior fiscal year. Approximately 26% of fund balance or \$3,750,121 is classified as *unassigned* fund balance, which is available for spending at the government’s discretion. Also, \$1,014,576 of fund balance is *restricted* to indicate that it is not available for new spending because it is to be spent as follows: 1) for working cash

(\$411,407), 2) for economic development (\$246,449), 3) maintenance of roadways (\$263,068), and 5) public safety (\$93,652). \$461,580 of total fund balances is *committed* to tourism related activities. An additional \$6,123,086 is *assigned* for special projects, and will be discussed later in this document. Finally, a total of \$2,942,396 is categorized as *non-spendable*, meaning just what it indicates, that this portion of fund balance is in a form that cannot be readily spent. For example \$2,200,000 of this total is in the form of land held for re-sale.

The General Fund is the chief operating fund of the City of Warrenville. At the end of the current fiscal year, the *unassigned* fund balance of the General Fund was \$4,412,572, while total fund balance was \$6,692,517. As a measure of the general fund's liquidity, it may be useful to compare *unassigned fund balance* to total fund expenditures. *Unassigned* fund balance represents 48% of total General Fund expenditures. This percentage is a significant drop in "spendable" fund balance, at least on paper, due to the implementation of GASB statement number 54.

Overall, the fund balance of the General Fund decreased by \$928,308, or 12.2% during the fiscal year. Key factors in this change were as follows:

- Total General Fund revenue showed a negative variance of \$245,866 on actual revenue of \$7,807,118 compared with budgeted revenue of \$8,052,984.
- Total operating expenditures showed a positive budget variance of \$764,328, with \$9,231,718 in total expenditures compared with budget expenditures of \$9,996,046.
- Overall, expenditures exceeded revenue and other financing sources by \$928,308.
- Transfers in and proceeds from sales of capital assets contributed \$496,292 to the change in the fund balance

The Tax Allocation Fund has a negative (deficit) final total fund balance of \$662,451, which will ultimately be closed out with a transfer-in from the Special Projects Fund.

The Special Projects Fund has a total fund balance of \$5,684,652, most of which is designated as "*assigned* for special projects". While special projects have been identified by City staff, the City Council has yet to authorize the projects for final expenditure. This fund is limited in practice to "special projects" that are outside of operations, and are more of a "capital" 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. This fund was renamed in FY 2011, as the "Special Projects Fund", so as to remove any confusion with unassigned fund balances, often referred to as "reserves".

***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 assets of the Water and Sewer Fund at the end of the year totaled \$9,590,271. The total unrestricted net assets decreased by \$227,694 from the prior fiscal year. 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 the use of \$1,403,295 in fund balance for the fiscal year, but later amended that projection to show the use of \$1,521,829 in fund balance. Revenues fell short of budgetary estimates by \$245,866, or 3%, and expenditures also fell short of budgetary estimates by \$764,328, or 7.74%,

significantly minimizing the need to draw upon existing fund balance to fund operations. The following are some of the budgetary highlights for the fiscal year:

- With the exception of three City departments, all departments operated below budget in fiscal year 2011. The three over-budget departments were over budget by a combined \$45,844, while eleven under-budget departments were under budget by a combined \$810,357.
- Sales Tax receipts (State Shared, Home Rule and Use) totaling \$2,385,125 exceeded budget by a combined \$118,745 or approximately 5%.
- State Shared Income Tax revenue was virtually flat, showing only a \$12,948 increase over budget. The revenue received represents a per-capita figure of \$77.96 based upon the City's population of 13,363, the figure in place for the vast majority of the year, prior to being adjusted to 13,140 based upon the results of the 2010 census.
- The Restaurant Food & Beverage Tax fell short of budget by 7%, but actually only fell by 2.35% on a recurring basis when compared with FY 2010.
- Property Tax revenue came in \$46,373 short of budget.
- Investment Income continues to be a difficult proposition and fell by 80.6% from FY 2010 to FY 2011, or a total of \$112,111.
- Fines and Forfeit revenue sources finished the year \$176,165 under budget. Circuit Court Fines fell short of budget by \$100,605, or approximately 26%, and photo enforcement fine revenue fell \$34,498 or about 38% short of budget.
- License and Permit revenue sources exceeded budget by a very slight \$6,436.
- Amusement Tax saw an overall decrease of approximately 29.35%, or \$146,182 of which \$58,473 is allocated to the General Fund
- Telecommunications Tax fell by a total of 2.78% or \$31,066, of which \$7,766 is applicable to the General Fund

On the expenditure side:

- Police Department overtime finished the fiscal year \$33,000 under budget, an improvement from FY 2010 of \$42,476
- Expenditures in the Community Development department for Supplies and Services were significantly short of budget, by a total of \$255,581, largely due to budgeted projects not being undertaken, and the continued delay of a potential inter fund loan needed to support the evaluation of a potential third TIF district

## 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, 2011, totals \$84,260,007 (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 one percent for the current fiscal year.

	City's Capital Assets						Total Percentage Change 2011-2010
	Governmental Activities		Business-type Activities		Total		
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	
Land	\$ 42,825,793	\$ 42,896,293			\$ 42,825,793	\$ 42,896,293	-0.16%
Buildings and improvements	11,284,914	11,284,914			11,284,914	11,284,914	0.00%
Streets/Bridges/ Sidewalks	21,167,327	20,947,725			21,167,327	20,947,725	1.05%
Vehicles & Equipment	2,974,247	2,971,029	1,112,265	1,112,265	4,086,512	4,083,294	0.08%
Stormsewers	5,163,766	5,147,424			5,163,766	5,147,424	0.32%
Waterworks & Sewerage System			18,567,030	18,436,903	18,567,030	18,436,903	0.71%
Totals at historical cost	<u>83,416,047</u>	<u>83,247,385</u>	<u>19,679,295</u>	<u>19,549,168</u>	<u>103,095,342</u>	<u>102,796,553</u>	0.29%
Total accumulated depreciation	<u>12,805,851</u>	<u>11,979,868</u>	<u>6,029,484</u>	<u>5,703,241</u>	<u>18,835,335</u>	<u>17,683,109</u>	6.52%
Net capital assets	<u>70,610,196</u>	<u>71,267,517</u>	<u>13,649,811</u>	<u>13,845,927</u>	<u>84,260,007</u>	<u>85,113,444</u>	-1.00%

Additional information on the City of Warrenville's capital assets can be found in Note 5 on pages 30 - 31 of this report.

### Capital Improvement Planning

Funding for the long-term maintenance of existing City capital assets, including: roadways, curb, gutter and sidewalk, as well as storm sewers, and vehicles, remains a significant long-term financial concern for the City Council and City staff. The City Council and staff have been involved in the formulation of a multi-year, long-term capital improvement plan (CIP) to resolve a structural deficit in the funding of the maintenance costs needed for existing City assets. Analysis of the Capital Maintenance and Replacement Fund, the main funding source for the CIP, shows the fund with a short-fall (structural deficit) of

approximately \$1,000,000 annually. The summer of 2011 has seen the formulation of a financial plan to address the short-fall, including: proposals to institute new utility taxes, and significantly reduce funding for the Hotel/Motel Tax Fund grant program. Implementation of any such plan is likely to occur during FY 2012, or more likely beginning in FY 2013, two fiscal years from now.

**Long-term debt.** At the end of the current fiscal year, the City of Warrenville had no bonded or general obligation debt outstanding. The City’s long-term debt has decreased by approximately 16%. This decrease is largely due to a significant decrease in net pension obligations, and compensated absences.

Additionally, pursuant to GASB Statement 49, an obligation was carried forward, regarding the mitigation of the remaining 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, and was purchased by the City February 9, 2007.

The original building located on the site has since been raised, and there is some additional site preparation to be performed at the site before it is ready for re-sale, at some future date. However, based upon an Engineers Estimate, there is approximately \$100,000 worth of “environmental remediation” work to be done on the site to clean-up underground contamination left by a previous owner.

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

	Governmental		Business-type		Total	Total	Percentage Change 2011-2010
	Activities		Activities				
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>			
Compensated Absences	448,164	477,511	84,383	80,728	532,547	558,239	-4.60%
Net Other Postemployment Benefit Obligation	16,357	10,946	1,492	999	17,849	11,945	49.43%
Net Pension Obligation	26,948	135,210	-	-	26,948	135,210	-80.07%
Contingent Liability	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>	0.00%
Total Long Term Debt	<u>591,469</u>	<u>723,667</u>	<u>85,875</u>	<u>81,727</u>	<u>677,344</u>	<u>805,394</u>	-15.90%

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. The City became home-rule in Fiscal Year 2004, therefore, this statute no longer applies. The City has no outstanding general obligation debt.

Additional information on the City of Warrenville’s long-term debt can be found in Note 6 on page 32 this report.

## **Economic Factors and Next Year's Budget**

Overall, the fiscal performance of the City for FY 2011 was relatively positive. The City financial performance remains relatively strong, despite the on-going global fiscal recession that has been underway for the better part of the past three years. The total fund balance decreased by about 12%, which is significantly less than the originally projected decrease in fund balance of approximately 20%, an improvement of \$593,500, and \$928,308 in total. The City has not experienced the need to "layoff" any employees for economic reasons, but has opted to not fill some positions through attrition.

The FY 2012 budget took into consideration that this will be the first fiscal year following the final close-out of the City's Cantera Tax Increment Financing (TIF) district, TIF #1, which officially came to its statutory end in December 2009, with all final obligations being resolved during FY 2011.

The City's General Fund budget for FY 2012 relies on a significantly decreased use of fund balance, of approximately 5% (revised to account for FY 2011 year-end results). This decreased reliance upon fund balance is a direct result of the receipt of sales tax and property revenue which previously went to the former TIF #1 fund in whole or in part, prior to its aforementioned statutory closure during FY 2010 and payment of final obligations during FY 2011.

The City's diverse revenue stream has provided stable and reliable funding for City operations. City staff continues to keep a close eye on the effects the economy, and more significantly the local economy, has on the City's revenue stream and will work with the City Council to implement whatever budgetary and operational adjustments that may become necessary, if revenues fall significantly or the economy deteriorates any further.

## **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 report or requests for additional financial information should be addressed to the Finance Director, 3 S 258 Manning Avenue, City of Warrenville, IL, 60555.

CITY OF WARRENVILLE, ILLINOIS

STATEMENT OF NET ASSETS

April 30, 2011

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 3,060,095	\$ 402,375	\$ 3,462,470
Investments	11,113,353	6,779,944	17,893,297
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	4,060,173	-	4,060,173
Intergovernmental taxes	1,206,550	-	1,206,550
Other taxes	137,041	-	137,041
Accounts	98,366	408,310	506,676
Interest	112,416	64,723	177,139
Due from/to other funds	1,617	(1,617)	-
Prepaid expenses	79,945	446	80,391
Land held for resale	2,200,000	-	2,200,000
Advances to/from other funds	(2,200,000)	2,200,000	-
Capital assets not being depreciated	42,825,793	-	42,825,793
Capital assets being depreciated	27,784,403	13,649,811	41,434,214
<b>Total assets</b>	<b>90,479,752</b>	<b>23,503,992</b>	<b>113,983,744</b>
<b>LIABILITIES</b>			
Accounts payable	216,367	126,077	342,444
Accrued payroll	142,204	16,101	158,305
Unearned property tax revenue	4,060,173	-	4,060,173
Unearned revenue	363,173	3,112	366,285
Deposits payable	795,880	32,745	828,625
Noncurrent liabilities			
Due within one year	112,041	21,096	133,137
Due in more than one year	479,428	64,779	544,207
<b>Total liabilities</b>	<b>6,169,266</b>	<b>263,910</b>	<b>6,433,176</b>
<b>NET ASSETS</b>			
Invested in capital assets	70,610,196	13,649,811	84,260,007
Restricted for			
Maintenance of roadways	263,068	-	263,068
Public safety	93,652	-	93,652
Tourism and conventions	461,580	-	461,580
Economic development	246,449	-	246,449
Working cash	411,407	-	411,407
Unrestricted	12,224,134	9,590,271	21,814,405
<b>TOTAL NET ASSETS</b>	<b>\$ 84,310,486</b>	<b>\$ 23,240,082</b>	<b>\$ 107,550,568</b>

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2011

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants	Capital Grants
<b>PRIMARY GOVERNMENT</b>				
Governmental Activities				
General government	\$ 2,399,491	\$ 484,478	\$ -	\$ 20,000
Public safety	5,555,442	626,234	72,691	-
Public works	2,628,782	162,151	371,460	58,031
Culture and recreation	297,975	-	-	-
Economic development	10,031,742	-	-	-
Total governmental activities	20,913,432	1,272,863	444,151	78,031
Business-Type Activities				
Waterworks and sewerage	2,939,494	2,354,203	-	-
Total business-type activities	2,939,494	2,354,203	-	-
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 23,852,926</b>	<b>\$ 3,627,066</b>	<b>\$ 444,151</b>	<b>\$ 78,031</b>

	Net (Expense) Revenue and Change in Net Assets		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (1,895,013)	\$ -	\$ (1,895,013)
	(4,856,517)	-	(4,856,517)
	(2,037,140)	-	(2,037,140)
	(297,975)	-	(297,975)
	(10,031,742)	-	(10,031,742)
	(19,118,387)	-	(19,118,387)
	-	(585,291)	(585,291)
	-	(585,291)	(585,291)
	(19,118,387)	(585,291)	(19,703,678)
General Revenues			
Taxes			
Property and replacement	12,556,309	-	12,556,309
Sales	1,963,550	-	1,963,550
Home rule sales	1,478,701	-	1,478,701
Use	192,531	-	192,531
Telecommunications	580,875	-	580,875
Income	1,041,899	-	1,041,899
Hotel/motel	621,221	-	621,221
Amusement	351,884	-	351,884
Food and beverage	559,231	-	559,231
Other taxes	6,473	-	6,473
Investment income	197,502	161,481	358,983
Miscellaneous	49,513	-	49,513
Total	19,599,689	161,481	19,761,170
CHANGE IN NET ASSETS	481,302	(423,810)	57,492
NET ASSETS, MAY 1	83,829,184	23,663,892	107,493,076
NET ASSETS, APRIL 30	\$ 84,310,486	\$ 23,240,082	\$ 107,550,568

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

BALANCE SHEET  
GOVERNMENTAL FUNDS

April 30, 2011

	General	Tax Allocation	Special Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 1,816,444	\$ -	\$ -	\$ 1,243,651	\$ 3,060,095
Investments	4,898,589	-	4,968,845	1,245,919	11,113,353
Receivables (net, where applicable, of allowances for uncollectibles)					
Property taxes	3,264,393	-	-	795,780	4,060,173
Intergovernmental taxes	1,077,427	-	-	129,123	1,206,550
Other taxes	63,100	-	-	73,941	137,041
Accounts	89,366	-	-	9,000	98,366
Interest	46,244	-	54,226	11,946	112,416
Due from other funds	77,689	-	-	5,931	83,620
Prepaid items	79,945	-	-	-	79,945
Advances to other funds	-	-	662,451	-	662,451
Land held for resale	2,200,000	-	-	-	2,200,000
<b>TOTAL ASSETS</b>	<b>\$ 13,613,197</b>	<b>\$ -</b>	<b>\$ 5,685,522</b>	<b>\$ 3,515,291</b>	<b>\$ 22,814,010</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 151,374	\$ -	\$ 870	\$ 64,123	\$ 216,367
Accrued payroll	139,929	-	-	2,275	142,204
Deferred property tax revenue	3,264,393	-	-	795,780	4,060,173
Other deferred revenue	363,173	-	-	-	363,173
Due to other funds	5,931	-	-	76,072	82,003
Deposits payable	795,880	-	-	-	795,880
Advances from other funds	2,200,000	662,451	-	-	2,862,451
<b>Total liabilities</b>	<b>6,920,680</b>	<b>662,451</b>	<b>870</b>	<b>938,250</b>	<b>8,522,251</b>
<b>FUND BALANCES</b>					
Nonspendable - prepaid items	79,945	-	-	-	79,945
Nonspendable - advance to other fund	-	-	662,451	-	662,451
Nonspendable - land held for resale	2,200,000	-	-	-	2,200,000
Restricted for maintenance of roadways	-	-	-	263,068	263,068
Restricted for public safety	-	-	-	93,652	93,652
Restricted for economic development	-	-	-	246,449	246,449
Restricted for working cash	-	-	-	411,407	411,407
Committed for tourism and conventions	-	-	-	461,580	461,580
Assigned for special projects	-	-	5,022,201	1,100,885	6,123,086
Unassigned					
Deficit - Capital Projects Fund	-	(662,451)	-	-	(662,451)
General Fund	4,412,572	-	-	-	4,412,572
<b>Total fund balances (deficit)</b>	<b>6,692,517</b>	<b>(662,451)</b>	<b>5,684,652</b>	<b>2,577,041</b>	<b>14,291,759</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 13,613,197</b>	<b>\$ -</b>	<b>\$ 5,685,522</b>	<b>\$ 3,515,291</b>	<b>\$ 22,814,010</b>

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 ASSETS

April 30, 2011

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FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 14,291,759
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	70,610,196
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Compensated absences	(448,164)
Net other postemployment benefit obligation	(16,357)
Net pension obligation	(26,948)
Contingent liability	<u>(100,000)</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 84,310,486</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, 2011

	General	Tax Allocation	Special Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Taxes	\$ 6,669,777	\$ 10,772,489	\$ -	\$ 2,071,180	\$ 19,513,446
Licenses and permits	346,021	-	-	-	346,021
Intergovernmental	98,133	-	-	404,049	502,182
Fines and forfeits	475,683	-	-	112,840	588,523
Investment income	26,867	11,872	140,086	18,677	197,502
Miscellaneous	190,637	-	20,000	36,423	247,060
Total revenues	7,807,118	10,784,361	160,086	2,643,169	21,394,734
<b>EXPENDITURES</b>					
Current					
General government	2,256,200	-	-	-	2,256,200
Public safety	5,579,338	-	-	5,875	5,585,213
Public works	1,352,957	-	-	282,212	1,635,169
Culture and recreation	43,223	-	-	254,752	297,975
Economic development	-	9,467,768	-	563,974	10,031,742
Capital outlay	-	-	100,621	605,301	705,922
Total expenditures	9,231,718	9,467,768	100,621	1,712,114	20,512,221
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(1,424,600)</b>	<b>1,316,593</b>	<b>59,465</b>	<b>931,055</b>	<b>882,513</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	451,880	-	-	-	451,880
Transfers (out)	-	-	-	(451,880)	(451,880)
Proceeds from sale of capital assets	44,412	-	70,500	9,000	123,912
Total other financing sources (uses)	496,292	-	70,500	(442,880)	123,912
<b>NET CHANGE IN FUND BALANCES</b>	<b>(928,308)</b>	<b>1,316,593</b>	<b>129,965</b>	<b>488,175</b>	<b>1,006,425</b>
<b>FUND BALANCES (DEFICIT), MAY 1</b>	<b>7,620,825</b>	<b>(1,979,044)</b>	<b>5,554,687</b>	<b>2,088,866</b>	<b>13,285,334</b>
<b>FUND BALANCES (DEFICIT), APRIL 30</b>	<b>\$ 6,692,517</b>	<b>\$ (662,451)</b>	<b>\$ 5,684,652</b>	<b>\$ 2,577,041</b>	<b>\$ 14,291,759</b>

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, 2011

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NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 1,006,425
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	361,174
Depreciation expense	(922,048)
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	
	(96,447)
The change in certain liabilities are reported as expenses on the statement of activities	
Compensated absences	29,347
Net other postemployment benefit obligation	(5,411)
Net pension obligation	108,262
CHANGES IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 481,302</u>

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

STATEMENT OF NET ASSETS  
 PROPRIETARY FUNDS

April 30, 2011

	Business-Type Activities <u>Water and Sewer</u>
<b>CURRENT ASSETS</b>	
Cash	\$ 402,375
Investments	6,779,944
Receivables (net where applicable, of allowances for uncollectibles)	
Accounts	408,310
Accrued interest	64,723
Prepaid expense	<u>446</u>
Total current assets	<u>7,655,798</u>
<b>NONCURRENT ASSETS</b>	
Capital assets	
Being depreciated	
Vehicles and equipment	1,112,265
Underground waterworks and sewerage system	18,567,030
Accumulated depreciation	<u>(6,029,484)</u>
Net capital assets being depreciated	<u>13,649,811</u>
Advances to other funds	<u>2,200,000</u>
Total noncurrent assets	<u>15,849,811</u>
Total assets	<u>23,505,609</u>
<b>CURRENT LIABILITIES</b>	
Accounts payable	126,077
Accrued payroll	16,101
Unearned revenue	3,112
Due to other funds	1,617
Deposits payable	32,745
Compensated absences payable	<u>21,096</u>
Total current liabilities	<u>200,748</u>
<b>LONG-TERM LIABILITIES</b>	
Compensated absences payable	63,287
Net other postemployment benefit obligation payable	<u>1,492</u>
Total long-term liabilities	<u>64,779</u>
Total liabilities	<u>265,527</u>
<b>NET ASSETS</b>	
Invested in capital assets	13,649,811
Unrestricted	<u>9,590,271</u>
TOTAL NET ASSETS	<u>\$ 23,240,082</u>

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS  
STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS

For the Year Ended April 30, 2011

	Business-Type Activities
	Water and Sewer
<b>OPERATING REVENUES</b>	
Charges for services	\$ 2,139,626
Total operating revenues	2,139,626
<b>OPERATING EXPENSES EXCLUDING DEPRECIATION</b>	
Costs of sales and services	2,613,251
Total operating expenses excluding depreciation	2,613,251
<b>OPERATING INCOME (LOSS) BEFORE DEPRECIATION</b>	(473,625)
<b>DEPRECIATION</b>	326,243
<b>OPERATING INCOME (LOSS)</b>	(799,868)
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Tap-on connection fees	72,925
Investment income	161,481
Rental income	141,652
Total nonoperating revenues (expenses)	376,058
<b>CHANGE IN NET ASSETS</b>	(423,810)
<b>NET ASSETS, MAY 1</b>	23,663,892
<b>NET ASSETS, APRIL 30</b>	\$ 23,240,082

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS

For the Year Ended April 30, 2011

	Business-Type Activities <u>Water and Sewer</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers and users	\$ 2,343,356
Payments to suppliers	(1,710,679)
Payments to employees	<u>(1,056,875)</u>
Net cash from operating activities	<u>(424,198)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Interfund payments received	<u>552,270</u>
Net cash from noncapital financing activities	<u>552,270</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Capital assets purchased	<u>(130,127)</u>
Net cash from capital and related financing activities	<u>(130,127)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Proceeds from sale of investments	101,693
Purchase of investments	(46,576)
Interest received	<u>349,313</u>
Net cash from investing activities	<u>404,430</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	402,375
<b>CASH AND CASH EQUIVALENTS, MAY 1</b>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS, APRIL 30</b>	<u><u>\$ 402,375</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, 2011

	Business-Type Activities
	<u>Water and Sewer</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Operating income (loss)	\$ (799,868)
Adjustments to reconcile operating income (loss) to net cash from operating activities	
Depreciation	326,243
Connection fees	72,925
Rental income	141,652
(Increase) decrease in	
Prepaid expenses	(446)
Increase (decrease) in	
Accounts payable	(159,760)
Accrued expenses	4,581
Due to other funds	(826)
Deposits payable	(9,746)
Unearned revenue	(1,101)
Compensated absences payable	1,655
Net other postemployment benefit payable	493
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<u><u>\$ (424,198)</u></u>
<b>NONCASH TRANSACTIONS</b>	
Unrealized gain (loss) on investments	<u><u>\$ (153,719)</u></u>

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS  
STATEMENT OF FIDUCIARY NET ASSETS  
PENSION TRUST FUND

April 30, 2011

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	<u>Police Pension Fund</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 299,034
Investments, at fair value	
U.S. Treasury securities	386,521
U.S. agency securities	3,665,560
Municipal bonds	982,226
Negotiable certificates of deposit	76,695
Equity mutual funds	4,755,639
Receivables	
Contributions	630
Accrued interest	<u>63,160</u>
 Total assets	 <u>10,229,465</u>
<b>LIABILITIES</b>	
None	<u>-</u>
 Total liabilities	 <u>-</u>
 <b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>	 <u><u>\$ 10,229,465</u></u>

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
PENSION TRUST FUND

For the Year Ended April 30, 2011

	<u>Police Pension Fund</u>
<b>ADDITIONS</b>	
Contributions	
Employer	\$ 613,086
Employee	<u>242,226</u>
Total contributions	<u>855,312</u>
Investment income	
Net appreciation in fair value of investments	779,905
Interest	<u>264,258</u>
Total investment income	1,044,163
Less investment expense	<u>(19,505)</u>
Net investment income	<u>1,024,658</u>
Total additions	<u>1,879,970</u>
<b>DEDUCTIONS</b>	
Administration	6,353
Benefits and refunds	
Retirement benefits	319,064
Refunds	<u>560</u>
Total deductions	<u>325,977</u>
<b>NET INCREASE</b>	1,553,993
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>	
May 1	<u>8,675,472</u>
April 30	<u><u>\$ 10,229,465</u></u>

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS

April 30, 2011

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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 results of its operations. 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 a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of capital assets (capital projects funds), the servicing of general long-term debt (debt service funds) and the resources legally restricted to the extent that only earnings, and not principal, may be spent (permanent funds). 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. Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Government Entities That Use Proprietary Fund Accounting*, the City has chosen to apply all GASB pronouncements as well as those FASB pronouncements issued on or before November 30, 1989 to account for its enterprise 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 assets 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 required to be 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 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 Special Projects Fund accounts for the proceeds of significant one-time revenues to be used for future major capital improvements and other projects.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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 nonoperating.

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 deferred/unearned revenue on its financial statements. Deferred/unearned revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Deferred/unearned revenues also arise when resources are received by the City 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 deferred/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 nonnegotiable 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

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses.

g. Capital Assets

Capital assets, which include property, plant, equipment 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:

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. 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.

i. 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.

j. 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)

k. 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.”

l. Net Assets/Fund Balances

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

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

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Accounting 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.

2. RECEIVABLES

The following receivables are included in intergovernmental taxes receivable on the statement of net assets at April 30, 2011:

GOVERNMENTAL ACTIVITIES	
Sales tax	\$ 380,369
Home rule sales tax	354,318
Income tax	267,225
Motor fuel tax	27,580
Simplified telecommunications tax	135,391
Local use tax	48,394
Auto rental tax	<u>1,754</u>
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 1,215,031</u></b>

The following receivables are included in other taxes receivable on the statement of net assets at April 30, 2011:

GOVERNMENTAL ACTIVITIES	
Food and beverage tax	\$ 50,561
Hotel/motel tax	55,789
Cable franchise fees	438
Amusement tax	<u>30,253</u>
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 137,041</u></b>

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. 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 portfolios of securities issued or guaranteed by the United States 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.

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

3. DEPOSITS AND INVESTMENTS (Continued)

a. City Deposits and Investments (Continued)

Investments

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

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury notes	\$ 10,240,152	\$ 531,374	\$ 9,708,778	\$ -	\$ -
FHLMC	1,742,813	1,038,770	704,043	-	-
FHLB	1,383,899	1,383,899	-	-	-
FNMA	2,707,339	-	2,707,339	-	-
FFCB	2,284,341	-	2,284,341	-	-
Illinois Funds	2,258,724	2,258,724	-	-	-
Money market mutual funds	197,203	197,203	-	-	-
<b>TOTAL</b>	<b>\$ 20,814,471</b>	<b>\$ 5,409,970</b>	<b>\$ 15,404,501</b>	<b>\$ -</b>	<b>\$ -</b>

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 U.S. Government. The FHLMC, FHLB, FNMA, FFCB, Illinois Funds and money market mutual funds are rated AAA.

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.

3. DEPOSITS AND INVESTMENTS (Continued)

a. City Deposits and Investments (Continued)

Investments (Continued)

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 FHLB and one FFCB securities, maturing November 18, 2011 and February 21, 2013, respectively, as of April 30, 2011. This is in compliance with the City's investment policy.

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 Illinois Compiled Statutes. 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.

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

3. DEPOSITS AND INVESTMENTS (Continued)

b. Police Pension Deposits and Investments (Continued)

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.

Investments

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

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury notes	\$ 386,521	\$ 34,086	\$ 195,785	\$ 156,650	\$ -
FHLMC	297,014	-	297,014	-	-
FFCB	661,706	-	273,600	388,106	-
FHLB	2,098,374	164,329	491,007	811,753	631,285
FNMA	567,793	-	107,726	460,067	-
GNMA	40,673	-	-	40,673	-
Municipal bonds	982,226	50,629	397,090	406,479	128,028
Negotiable CDs	76,695	76,695	-	-	-
Money market mutual funds	299,034	299,034	-	-	-
<b>TOTAL</b>	<b>\$ 5,410,036</b>	<b>\$ 624,773</b>	<b>\$ 1,762,222</b>	<b>\$ 2,263,728</b>	<b>\$ 759,313</b>

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 U.S. Government. The FHLMC, FFCB, FHLB, FNMA and money market mutual funds are rated AAA. The municipal bonds have market values of \$50,259 rated AAA, \$342,003 rated AA+, \$344,409 rated AA, \$175,804 rated AA-, \$23,383 rated A and \$46,369 rated BBB.

3. DEPOSITS AND INVESTMENTS (Continued)

b. Police Pension Deposits and Investments (Continued)

Investments (Continued)

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.

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, 2011. This is in compliance with the Police Pension Fund's investment policy.

4. PROPERTY TAXES

Property taxes for 2010 attach as an enforceable lien on January 1, 2010 on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about May 1, 2011 and are payable in two installments, on or about June 1, 2011 and September 1, 2011. The County collects such taxes and remits them periodically. Those 2010 taxes are intended to finance the 2011 fiscal year and are not considered available for current operations and are, therefore, shown as unearned/deferred revenue. The 2011 tax levy has not been recorded as a receivable at April 30, 2011. The tax is attached as a lien on property as of January 1, 2011; however, the tax will not be levied until December 2011 and, accordingly, is not measurable at April 30, 2011.

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

5. CAPITAL ASSETS

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

	Beginning Balance May 1	Additions	Retirements	Ending Balance April 30
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital assets not being depreciated				
Land	\$ 9,333,093	\$ -	\$ 70,500	\$ 9,262,593
Land - right of way	33,563,200	-	-	33,563,200
Total capital assets not being depreciated	42,896,293	-	70,500	42,825,793
Capital assets being depreciated				
Buildings	11,284,914	-	-	11,284,914
Streets, bridges and sidewalks	20,947,725	245,272	25,670	21,167,327
Storm sewers	5,147,424	16,342	-	5,163,766
Vehicles and equipment	2,971,029	99,560	96,342	2,974,247
Total capital assets being depreciated	40,351,092	361,174	122,012	40,590,254
Less accumulated depreciation for				
Buildings	2,782,218	272,123	-	3,054,341
Streets, bridges and sidewalks	6,446,120	332,394	13,263	6,765,251
Storm sewers	1,234,513	68,592	-	1,303,105
Vehicles and equipment	1,517,017	248,939	82,802	1,683,154
Total accumulated depreciation	11,979,868	922,048	96,065	12,805,851
Total capital assets being depreciated, net	28,371,224	(560,874)	25,947	27,784,403
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<b>\$ 71,267,517</b>	<b>\$ (560,874)</b>	<b>\$ 96,447</b>	<b>\$ 70,610,196</b>

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

5. CAPITAL ASSETS (Continued)

	Beginning Balance May 1	Additions	Retirements	Ending Balance April 30
<b>BUSINESS-TYPE ACTIVITIES</b>				
Capital assets not being depreciated				
Construction in progress	\$ 553,889	\$ -	\$ 553,889	\$ -
Total capital assets not being depreciated	553,889	-	553,889	-
Capital assets being depreciated				
Vehicle and equipment	1,112,265	-	-	1,112,265
Underground waterworks and sewerage system	17,883,014	684,016	-	18,567,030
Total capital assets being depreciated	18,995,279	684,016	-	19,679,295
Less accumulated depreciation for				
Vehicle and equipment	510,603	78,074	-	588,677
Underground waterworks and sewerage system	5,192,638	248,169	-	5,440,807
Total accumulated depreciation	5,703,241	326,243	-	6,029,484
Total capital assets being depreciated, net	13,292,038	357,773	-	13,649,811
<b>BUSINESS-TYPE ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<u>\$ 13,845,927</u>	<u>\$ 357,773</u>	<u>\$ 553,889</u>	<u>\$ 13,649,811</u>

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

<b>GOVERNMENTAL ACTIVITIES</b>	
General government	\$ 108,036
Public safety	78,476
Public works	<u>735,536</u>
<b>TOTAL</b>	<u>\$ 922,048</u>

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

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, 2011.

Issue	Balances May 1	Issuances	Retirements	Balances April 30	Due Within One Year
Compensated absences	\$ 477,511	\$ 203,137	\$ 232,484	\$ 448,164	\$ 112,041
Net other postemployment benefit obligation	10,946	5,411	-	16,357	-
Net pension obligation	135,210	-	108,262	26,948	-
Contingent liability	100,000	-	-	100,000	-
<b>TOTAL</b>	<b>\$ 723,667</b>	<b>\$ 208,548</b>	<b>\$ 340,746</b>	<b>\$ 591,469</b>	<b>\$ 112,041</b>

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	\$ 80,728	\$ 29,774	\$ 26,119	\$ 84,383	\$ 21,096
Net other postemployment benefit obligation	999	493	-	1,492	-
<b>TOTAL</b>	<b>\$ 81,727</b>	<b>\$ 30,267</b>	<b>\$ 26,119</b>	<b>\$ 85,875</b>	<b>\$ 21,096</b>

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.

Illinois Municipal League Risk Management Association (the Association)

The Association is an unincorporated and not-for-profit association of participating Illinois municipalities formed to operate as a cooperative program of risk management, loss coverage and claims administration for municipal operations. The program provides for the creation of a self-insurance pool and the purchase of excess insurance with loss coverage for workers' compensation, automobile and general liability, automobile physical damage and property damage. Management consists of a Board of Directors comprised of one representative from each member municipality. The City does not exercise any control over the activities of the Association beyond its representation on the Board of Directors.

The Association, through its risk-sharing provisions with a number of other municipalities, provides the City with insurance coverage. As a self-insurance administrator, the Association enables risk sharing with other municipalities, which in turn share their risks with the City. The City pays an annual premium to the Association for its coverage. The City is not aware of any additional premiums owed to the Association as of April 30, 2011.

Intergovernmental Benefit Cooperative (IBC)

IBC was established on December 1, 1984 to operate and maintain a cooperative program of self-insurance, risk management and claims management for participating governmental entities. IBC manages and funds employee medical claims, accidental death and disability insurance and life insurance for its members' employees.

Each member assumes the first \$50,000 of each occurrence. Excess coverage is provided by IBC.

Contributions are actuarially determined in advance of each membership year based on past member experience and the funding need for the membership year. The Board of Directors may require that supplemental contributions be made by members to ensure adequate funds are available to meet the obligations applicable to the membership year.

Members have a contractual obligation to fund any deficit of IBC attributable to a membership year during which they were a member. Management consists of a Board of Directors comprised of one appointed representative from each member. The City does not exercise any control over the activities of IBC beyond its representation on the Board of Directors.

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

7. RISK MANAGEMENT (Continued)

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	Nonmajor Governmental Water and Sewer	\$ 76,072 1,617
Nonmajor Governmental	General	<u>5,931</u>
TOTAL		<u><u>\$ 83,620</u></u>

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

- \$76,072 is due to the General Fund from Nonmajor Funds and \$1,617 due to the General Fund from the Water and Sewer Fund are 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.

Advances To/From Other Funds

Individual fund interfund advances are as follows:

Receivable Fund	Payable Fund	Amount
Special Projects	Tax Allocation	\$ 662,451
Water and Sewer	General	<u>2,200,000</u>
TOTAL		<u><u>\$ 2,862,451</u></u>

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

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8. INTERFUND ASSETS/LIABILITIES (Continued)

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.
- \$662,451 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.

Interfund Transfers

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

	Transfers In	Transfers Out
General	\$ 451,880	\$ -
Nonmajor Governmental		451,880
	\$ 451,880	\$ 451,880
TOTAL	\$ 451,880	\$ 451,880

The purposes of the significant interfund transfers are as follows:

- \$400,000 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.

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 \$100,000 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 assets.

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

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 2011 was 11.19% 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](http://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, 2010, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	6
Terminated employees entitled to benefits but not yet receiving them	-
Current employees	
Vested	17
Nonvested	14
	<hr/>
TOTAL	<u>37</u>

The following is a summary of the Police Pension Plan as provided for in Illinois Compiled Statutes.

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions and Provisions (Continued)

Police Pension Plan (Continued)

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 day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% 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 3.00% of the original pension and 3.00% 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 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% 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 1<sup>st</sup> 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 3.00% or ½ of the change in the Consumer Price Index for the preceding 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, 2011, the City's contribution was 25.88% of covered payroll.

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

b. Summary of Significant Accounting Policies and Plan Asset Matters

Significant Investments

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

c. Annual Pension Cost

	Illinois Municipal Retirement	Police Pension
Actuarial valuation date	December 31, 2008	May 1, 2010
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	23 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)	2009	\$ 250,051	\$ 506,960
	2010	271,652	613,547
	2011	318,028	613,508
Actual contribution	2009	\$ 250,051	\$ 613,057
	2010	271,652	504,408
	2011	318,028	613,086
Percentage of APC contributed	2009	100.00%	120.93%
	2010	100.00%	99.91%
	2011	100.00%	99.93%
Net pension obligation (asset)	2009	\$ -	\$ 26,071
	2010	-	26,526
	2011	-	26,948

The funded status and funding progress of the plans as of December 31, 2010 and May 1, 2010, the most recent actuarial information available, were as follows:

	Illinois Municipal Retirement	Police Pension
Actuarial accrued liability (AAL)	\$ 6,141,283	\$ 14,629,224
Actuarial value of plan assets	4,659,958	8,675,472
Unfunded actuarial accrued liability (UAAL)	1,481,325	5,953,752
Funded ratio (actuarial value of plan assets/AAL)	75.88%	59.30%
Covered payroll (active plan members)	\$ 2,824,727	\$ 2,369,392
UAAL as a percentage of covered payroll	52.44%	251.28%

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.

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Annual Pension Cost (Continued)

The net pension obligation (asset) as of April 30, 2011 has been calculated as follows:

	<u>Police Pension</u>
Annual required contribution	\$ 613,086
Interest on net pension obligation	1,857
Adjustment to annual required contribution	<u>(1,435)</u>
Annual pension cost	613,508
Contributions made	<u>613,086</u>
Increase in net pension obligation	422
Net pension obligation (asset), beginning of year	<u>26,526</u>
 NET PENSION OBLIGATION (ASSET), END OF YEAR	 <u>\$ 26,948</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, 2011, membership consisted of:

Retirees and beneficiaries currently receiving benefits	4
Terminated employees entitled to benefits but not yet receiving them	-
Active employees - vested	38
Active employees - nonvested	<u>34</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.

e. Annual OPEB Costs and Net OPEB Obligation

The City first had an actuarial valuation performed for the Plan as of May 1, 2009 to determine the funded status of the Plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended April 30, 2010. The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan and the net OPEB obligation for 2011 was as follows.

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
April 30, 2009	\$ 23,115	\$ 16,977	73.45%	\$ 6,138
April 30, 2010	22,784	16,977	74.51%	11,945
April 30, 2011	22,881	16,977	74.20%	17,849

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, 2011, was calculated as follows:

Annual required contribution	\$ 22,682
Interest on net OPEB obligation	597
Adjustment to annual required contribution	<u>(398)</u>
Annual OPEB cost	22,881
Contributions made	<u>16,977</u>
Increase in net OPEB obligation	5,904
Net OPEB obligation, beginning of year	<u>11,945</u>
 NET OPEB OBLIGATION, END OF YEAR	 <u><u>\$ 17,849</u></u>

Funded Status and Funding Progress: The funded status of the Plan as of April 30, 2009 was as follows (most recent information available):

Actuarial accrued liability (AAL)	\$ 415,451
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	415,451
Funded ratio (actuarial value of plan assets/AAL)	-%
Covered payroll (active plan members)	\$ 4,960,856
UAAL as a percentage of covered payroll	8.37%

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 May 1, 2008 actuarial valuation, the entry-age normal actuarial cost method was used. The actuarial assumptions included an investment rate of return of 5.0%, projected salary increases of 5.0% and an initial healthcare cost trend rate of 8.0% with an ultimate healthcare inflation rate of 6.0%. Both rates include a 3.0% 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 May 1, 2008 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, 2011

	Original Budget	Final Budget	Actual	Variance Over (Under)
<b>REVENUES</b>				
Taxes	\$ 6,674,331	\$ 6,674,331	\$ 6,669,777	\$ (4,554)
Licenses and permits	339,585	339,585	346,021	6,436
Intergovernmental	54,244	54,244	98,133	43,889
Fines and forfeits	651,848	651,848	475,683	(176,165)
Investment income	142,000	142,000	26,867	(115,133)
Miscellaneous	190,976	190,976	190,637	(339)
<b>Total revenues</b>	<b>8,052,984</b>	<b>8,052,984</b>	<b>7,807,118</b>	<b>(245,866)</b>
<b>EXPENDITURES</b>				
General government	2,469,901	2,588,435	2,256,200	(332,235)
Public safety	5,831,766	5,831,766	5,579,338	(252,428)
Public works	1,527,757	1,527,757	1,352,957	(174,800)
Culture and recreation	48,088	48,088	43,223	(4,865)
<b>Total expenditures</b>	<b>9,877,512</b>	<b>9,996,046</b>	<b>9,231,718</b>	<b>(764,328)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(1,824,528)</b>	<b>(1,943,062)</b>	<b>(1,424,600)</b>	<b>518,462</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	400,000	400,000	451,880	51,880
Proceeds from sale of capital assets	20,454	20,454	44,412	23,958
<b>Total other financing sources (uses)</b>	<b>420,454</b>	<b>420,454</b>	<b>496,292</b>	<b>75,838</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (1,404,074)</b>	<b>\$ (1,522,608)</b>	<b>(928,308)</b>	<b>\$ 594,300</b>
<b>FUND BALANCE, MAY 1</b>			<b>7,620,825</b>	
<b>FUND BALANCE, APRIL 30</b>			<b>\$ 6,692,517</b>	

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS  
 SCHEDULE OF FUNDING PROGRESS  
 ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2011

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) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2005	\$ 3,273,897	\$ 3,713,752	88.16%	\$ 439,855	\$ 2,002,990	21.96%
2006	3,585,419	4,044,776	88.64%	459,357	2,080,084	22.08%
2007	4,163,027	4,627,358	89.97%	464,331	2,261,626	20.53%
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%

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

SCHEDULE OF FUNDING PROGRESS  
POLICE PENSION FUND

April 30, 2011

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)
2005	\$ 4,644,452	\$ 8,802,057	52.77%	\$ 4,157,605	\$ 1,751,337	237.40%
2006	5,584,012	9,847,493	56.70%	4,263,481	1,998,808	213.30%
2007	6,585,251	10,754,231	61.23%	4,168,980	1,971,780	211.43%
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%

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

SCHEDULE OF FUNDING PROGRESS  
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2011

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 Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Underfunded Actuarial Accrued Liability as a Percentage of Covered Payroll (4) / (5)
2008	\$ -	\$ 415,451	0.00%	\$ 415,441	\$ 4,960,856	8.37%
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

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

Information for prior years is not available as the City's first actuarial valuation was performed May 1, 2008.

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2011

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<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contributions (ARC)</u>	<u>Percentage Contributed</u>
2006	\$ 208,840	\$ 208,840	100.00%
2007	218,699	218,699	100.00%
2008	229,910	247,859	100.00%
2009	250,051	250,051	100.00%
2010	271,652	271,652	100.00%
2011	318,028	318,028	100.00%

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE PENSION FUND

April 30, 2011

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<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contributions (ARC)</u>	<u>Percentage Contributed</u>
2006	\$ 330,000	\$ 330,000	100.00%
2007	402,936	402,936	100.00%
2008	437,680	437,680	100.00%
2009	613,057	613,057	100.00%
2010	504,408	504,402	100.00%
2011	613,086	613,086	100.00%

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2011

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<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2009	\$ 16,977	\$ 23,115	73.45%
2010	16,977	22,682	74.85%
2011	16,977	22,682	74.85%

Information for prior years is not available as the City's first actuarial valuation was performed May 1, 2008.

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2011

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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, proprietary and fiduciary funds, except for the TIF District #2 Fund and the Seized Assets Fund, a special revenue fund.

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 2011 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 2011, there were several supplemental budget amendments that are reflected in the financial statements.

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 required to be 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.

## CITY OF WARRENVILLE, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended April 30, 2011

	Original Budget	Final Budget	Actual	Variance Over (Under)
<b>TAXES</b>				
Property tax				
General corporate	\$ 833,088	\$ 833,088	\$ 818,569	\$ (14,519)
Police protection	242,559	242,559	238,330	(4,229)
FICA	171,151	171,151	168,158	(2,993)
Police pension	570,882	570,882	547,873	(23,009)
IMRF	111,456	111,456	109,494	(1,962)
Audit	11,335	11,335	11,189	(146)
Noncurrent	-	-	257	257
Tort and liability	73,297	73,297	72,090	(1,207)
Workers' compensation	41,560	41,560	40,761	(799)
Crossing guards	36,648	36,648	35,965	(683)
Road and bridge	105,789	105,789	103,905	(1,884)
Township road and bridge	34,228	34,228	39,029	4,801
State sales tax	673,573	673,573	713,893	40,320
Home rule sales tax	1,445,814	1,445,814	1,478,701	32,887
Local use tax	146,993	146,993	192,531	45,538
Personal property replacement tax	40,056	40,056	44,684	4,628
Income tax	1,028,951	1,028,951	1,041,899	12,948
Telecommunications tax	152,985	152,985	145,219	(7,766)
Amusement tax	200,163	200,163	140,754	(59,409)
Food and beverage tax	601,416	601,416	559,231	(42,185)
Auto rental tax	6,207	6,207	6,473	266
Franchise fees	146,180	146,180	160,772	14,592
<b>Total taxes</b>	<b>6,674,331</b>	<b>6,674,331</b>	<b>6,669,777</b>	<b>(4,554)</b>
<b>LICENSES AND PERMITS</b>				
Liquor licenses	43,450	43,450	44,650	1,200
Business licenses	4,745	4,745	5,965	1,220
Refuse collection license	6,000	6,000	7,500	1,500
Dog license	1,101	1,101	1,456	355
Other business licenses	12,000	12,000	18,174	6,174
Building permits	57,767	57,767	73,636	15,869
Electric permits	7,561	7,561	21,712	14,151
Plumbing permits	3,477	3,477	3,216	(261)
Building plan review fees	35,411	35,411	38,077	2,666
Other permits	4,157	4,157	6,210	2,053
Printing charges	2,200	2,200	2,083	(117)
Re-inspection fees	-	-	1,260	1,260
Annexation fees	1,000	1,000	-	(1,000)
Senior taxi coupons	1,100	1,100	1,468	368
Site plan review fees	9,264	9,264	3,750	(5,514)

(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, 2011

	Original Budget	Final Budget	Actual	Variance Over (Under)
<b>LICENSES AND PERMITS (Continued)</b>				
Public hearing fees	\$ 4,920	\$ 4,920	\$ 2,900	\$ (2,020)
Stormwater management fees	11,950	11,950	13,909	1,959
Preliminary consultative fees	500	500	11,757	11,257
New elevator and inspection fees	450	450	8,995	8,545
Rental registration and inspection	55,000	55,000	-	(55,000)
False alarm calls	4,700	4,700	6,850	2,150
Fingerprinting	5,135	5,135	5,880	745
Recycle bins	2,372	2,372	1,872	(500)
Refuse stickers	65,325	65,325	64,701	(624)
<b>Total licenses and permits</b>	<b>339,585</b>	<b>339,585</b>	<b>346,021</b>	<b>6,436</b>
<b>INTERGOVERNMENTAL</b>				
Reimbursements - Federal	52,704	52,704	52,974	270
Reimbursements - Fema	-	-	25,442	25,442
Grants	1,540	1,540	19,717	18,177
<b>Total intergovernmental</b>	<b>54,244</b>	<b>54,244</b>	<b>98,133</b>	<b>43,889</b>
<b>FINES AND FORFEITS</b>				
Circuit court fines	387,881	387,881	287,276	(100,605)
Parking fines	30,830	30,830	39,298	8,468
Photo enforcement fines	90,076	90,076	55,578	(34,498)
Other fines and forfeitures	300	300	5,371	5,071
Administrative towing fee	136,080	136,080	80,100	(55,980)
Booking fees	6,631	6,631	7,470	839
Penalty income	50	50	590	540
<b>Total fines and forfeits</b>	<b>651,848</b>	<b>651,848</b>	<b>475,683</b>	<b>(176,165)</b>
<b>INVESTMENT INCOME</b>	<b>142,000</b>	<b>142,000</b>	<b>26,867</b>	<b>(115,133)</b>
<b>MISCELLANEOUS</b>				
Rental income	154,133	154,133	152,656	(1,477)
Administrative charges	200	200	30	(170)
Other	36,643	36,643	37,951	1,308
<b>Total miscellaneous</b>	<b>190,976</b>	<b>190,976</b>	<b>190,637</b>	<b>(339)</b>
<b>TOTAL REVENUES</b>	<b>\$ 8,052,984</b>	<b>\$ 8,052,984</b>	<b>\$ 7,807,118</b>	<b>\$ (245,866)</b>

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended April 30, 2011

	Original Budget	Final Budget	Actual	Variance Over (Under)
<b>GENERAL GOVERNMENT</b>				
Mayor and council				
Personnel	\$ 69,758	\$ 69,758	\$ 69,299	\$ (459)
Supplies and services	17,887	17,887	37,231	19,344
Total mayor and council	87,645	87,645	106,530	18,885
City clerk				
Personnel	10,765	10,765	10,765	-
Supplies and services	24,772	24,772	25,458	686
Maintenance	4,000	4,000	4,913	913
Total city clerk	39,537	39,537	41,136	1,599
Legal				
Supplies and services	160,500	160,500	185,860	25,360
Total legal	160,500	160,500	185,860	25,360
Finance and information services				
Personnel	265,153	265,153	261,449	(3,704)
Supplies and services	35,353	35,353	21,084	(14,269)
Capital	65,325	65,325	64,625	(700)
Total finance and information services	365,831	365,831	347,158	(18,673)
Administration				
Personnel	348,013	348,013	336,325	(11,688)
Supplies and services	132,498	132,498	77,442	(55,056)
Capital	50,000	50,000	50,000	-
Total administration	530,511	530,511	463,767	(66,744)
Central services				
Personnel	176,559	176,559	176,698	139
Supplies and services	71,553	190,087	162,881	(27,206)
Maintenance	114,229	114,229	87,246	(26,983)
Total central services	362,341	480,875	426,825	(54,050)
Community development				
Personnel	595,794	595,794	620,319	24,525
Supplies and services	320,300	320,300	64,719	(255,581)
Maintenance	1,450	1,450	433	(1,017)
Capital	4,500	4,500	2,881	(1,619)
Total community development	922,044	922,044	688,352	(233,692)
Municipal van				
Personnel	30,132	30,132	28,995	(1,137)
Supplies and services	6,500	6,500	7,658	1,158
Maintenance	5,000	5,000	59	(4,941)
Total municipal van	41,632	41,632	36,712	(4,920)

(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, 2011

	Original Budget	Final Budget	Actual	Variance Over (Under)
<b>GENERAL GOVERNMENT (Continued)</b>				
Less administrative costs charged to other departments and funds	\$ (40,140)	\$ (40,140)	\$ (40,140)	\$ -
Total general government	2,469,901	2,588,435	2,256,200	(332,235)
<b>PUBLIC SAFETY</b>				
Police protection				
Personnel	4,808,374	4,808,374	4,713,281	(95,093)
Supplies and services	900,453	900,453	785,574	(114,879)
Maintenance	65,548	65,548	56,004	(9,544)
Capital	23,532	23,532	10,388	(13,144)
Total police protection	5,797,907	5,797,907	5,565,247	(232,660)
ESDA				
Personnel	6,459	6,459	6,459	-
Supplies and services	5,350	5,350	2,673	(2,677)
Maintenance	4,500	4,500	1,530	(2,970)
Capital	3,500	3,500	845	(2,655)
Total ESDA	19,809	19,809	11,507	(8,302)
Police commission				
Supplies and services	14,050	14,050	2,584	(11,466)
Total police commission	14,050	14,050	2,584	(11,466)
Total public safety	5,831,766	5,831,766	5,579,338	(252,428)
<b>PUBLIC WORKS</b>				
Streets				
Personnel	807,004	807,004	752,812	(54,192)
Supplies and services	154,443	154,443	130,353	(24,090)
Maintenance	223,900	223,900	148,842	(75,058)
Capital	9,500	9,500	4,633	(4,867)
Total streets	1,194,847	1,194,847	1,036,640	(158,207)
Road and bridge				
Personnel	66,238	66,238	66,423	185
Capital	37,000	37,000	37,000	-
Total road and bridge	103,238	103,238	103,423	185
Buildings and grounds				
Personnel	81,610	81,610	76,652	(4,958)
Supplies and services	4,050	4,050	5,079	1,029
Maintenance	144,012	144,012	131,163	(12,849)
Total buildings and grounds	229,672	229,672	212,894	(16,778)
Total public works	1,527,757	1,527,757	1,352,957	(174,800)

(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, 2011

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	Original Budget	Final Budget	Actual	Variance Over (Under)
<b>CULTURE AND RECREATION</b>				
Parks and recreation				
Supplies and services	\$ 23,588	\$ 23,588	\$ 21,525	\$ (2,063)
Maintenance	24,500	24,500	21,698	(2,802)
	<hr/>			
Total culture and recreation	48,088	48,088	43,223	(4,865)
	<hr/>			
<b>TOTAL EXPENDITURES</b>	<b>\$ 9,877,512</b>	<b>\$ 9,996,046</b>	<b>\$ 9,231,718</b>	<b>\$ (764,328)</b>

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(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

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

For the Year Ended April 30, 2011

	Final Budget	Actual
<b>REVENUES</b>		
Taxes		
Property	\$ 9,709,229	\$ 9,522,832
Sales	1,534,639	1,249,657
Investment income	125,000	11,872
	<u>11,368,868</u>	<u>10,784,361</u>
<b>EXPENDITURES</b>		
Current		
Economic development TIF #1		
Administrative	9,724,182	9,467,768
	<u>9,724,182</u>	<u>9,467,768</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>		
	<u>1,644,686</u>	<u>1,316,593</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers in	278,929	-
Transfers (out)	(2,006,150)	-
	<u>(1,727,221)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (82,535)</u>	1,316,593
<b>FUND BALANCE (DEFICIT), MAY 1</b>		<u>(1,979,044)</u>
<b>FUND BALANCE (DEFICIT), APRIL 30</b>		<u>\$ (662,451)</u>

(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, 2011

	Final Budget	Actual
<b>REVENUES</b>		
Investment income	\$ 100,000	\$ 140,086
Miscellaneous	20,000	20,000
Total revenues	<u>120,000</u>	<u>160,086</u>
<b>EXPENDITURES</b>		
Capital outlay	<u>1,115,000</u>	<u>100,621</u>
Total expenditures	<u>1,115,000</u>	<u>100,621</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(995,000)</u>	<u>59,465</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers in	2,006,150	-
Transfers (out)	(278,929)	-
Proceeds from sale of capital assets	-	70,500
Total other financing sources (uses)	<u>1,727,221</u>	<u>70,500</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u><u>\$ 732,221</u></u>	129,965
<b>FUND BALANCE, MAY 1</b>		<u>5,554,687</u>
<b>FUND BALANCE, APRIL 30</b>		<u><u>\$ 5,684,652</u></u>

(See independent auditor's report.)

## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

Motor Fuel Tax Fund - to account for the revenue received from the State of Illinois for the local share of the Motor Fuel Tax collections.

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

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 to be used to promote tourism and conventions within the municipality.

### CAPITAL PROJECTS FUND

Capital Maintenance and Replacement Fund - to accumulate funds for the maintenance and replacement of major capital equipment.

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

### PERMANENT FUND

Working Cash Fund - to account for revenues from an annual levy to provide sufficient funds to enable the City to meet demands for ordinary and necessary corporate liabilities in the event revenues are inadequate. Monies expended from this fund must be reimbursed first from any general corporate levy tax proceeds received in the future.

CITY OF WARRENVILLE, ILLINOIS

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2011

	Special Revenue			Capital Projects		Permanent	Total Nonmajor Governmental Funds
	Motor Fuel Tax	Seized Assets	Hotel/Motel Tax	Capital Maintenance and Replacement	TIF District #2	Working Cash	
<b>ASSETS</b>							
Cash and cash equivalents	\$ 318,527	\$ 93,596	\$ 15,212	\$ 530,413	\$ 285,903	\$ -	\$ 1,243,651
Investments	-	-	400,855	437,600	-	407,464	1,245,919
Receivables (net, where applicable, of allowances for uncollectibles)							
Property taxes	-	-	-	-	795,780	-	795,780
Intergovernmental taxes	27,580	-	-	101,543	-	-	129,123
Other taxes	-	-	55,789	18,152	-	-	73,941
Accounts	-	-	-	9,000	-	-	9,000
Interest	-	-	3,826	4,177	-	3,943	11,946
Due from other funds	-	5,931	-	-	-	-	5,931
<b>TOTAL ASSETS</b>	<b>\$ 346,107</b>	<b>\$ 99,527</b>	<b>\$ 475,682</b>	<b>\$ 1,100,885</b>	<b>\$ 1,081,683</b>	<b>\$ 411,407</b>	<b>\$ 3,515,291</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ 7,385	\$ 5,875	\$ 14,102	\$ -	\$ 36,761	\$ -	\$ 64,123
Accrued payroll	-	-	-	-	2,275	-	2,275
Deferred property taxes	-	-	-	-	795,780	-	795,780
Due to other funds	75,654	-	-	-	418	-	76,072
<b>Total liabilities</b>	<b>83,039</b>	<b>5,875</b>	<b>14,102</b>	<b>-</b>	<b>835,234</b>	<b>-</b>	<b>938,250</b>
<b>FUND BALANCES</b>							
Nonspendable working cash	-	-	-	-	-	411,407	411,407
Restricted for maintenance of roadways	263,068	-	-	-	-	-	263,068
Restricted for public safety	-	93,652	-	-	-	-	93,652
Restricted for economic development	-	-	-	-	246,449	-	246,449
Committed for tourism and conventions	-	-	461,580	-	-	-	461,580
Assigned for special projects	-	-	-	1,100,885	-	-	1,100,885
<b>Total fund balances</b>	<b>263,068</b>	<b>93,652</b>	<b>461,580</b>	<b>1,100,885</b>	<b>246,449</b>	<b>411,407</b>	<b>2,577,041</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 346,107</b>	<b>\$ 99,527</b>	<b>\$ 475,682</b>	<b>\$ 1,100,885</b>	<b>\$ 1,081,683</b>	<b>\$ 411,407</b>	<b>\$ 3,515,291</b>

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, 2011

	Special Revenue		Capital Projects			Permanent	Total
	Motor Fuel Tax	Seized Assets	Hotel/Motel Tax	Capital Maintenance and Replacement	TIF District #2	Working Cash	Nonmajor Governmental Funds
REVENUES							
Taxes	\$ -	\$ -	\$ 621,221	\$ 646,786	\$ 803,173	\$ -	\$ 2,071,180
Intergovernmental	404,049	-	-	-	-	-	404,049
Fines and forfeits	-	-	-	112,840	-	-	112,840
Investment income	399	313	4,681	7,742	-	5,542	18,677
Miscellaneous	11,425	24,982	16	-	-	-	36,423
Total revenues	415,873	25,295	625,918	767,368	803,173	5,542	2,643,169
EXPENDITURES							
Current							
Public safety	-	5,875	-	-	-	-	5,875
Public works	282,212	-	-	-	-	-	282,212
Culture and recreation	-	-	254,752	-	-	-	254,752
Economic development	-	-	-	-	563,974	-	563,974
Capital outlay	-	-	-	605,301	-	-	605,301
Total expenditures	282,212	5,875	254,752	605,301	563,974	-	1,712,114
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	133,661	19,420	371,166	162,067	239,199	5,542	931,055
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	-
Transfers (out)	-	(46,338)	(400,000)	-	-	(5,542)	(451,880)
Proceeds from the sale of capital assets	-	-	-	9,000	-	-	9,000
Total other financing sources (uses)	-	(46,338)	(400,000)	9,000	-	(5,542)	(442,880)
NET CHANGE IN FUND BALANCES	133,661	(26,918)	(28,834)	171,067	239,199	-	488,175
FUND BALANCES, MAY 1	129,407	120,570	490,414	929,818	7,250	411,407	2,088,866
FUND BALANCES, APRIL 30	\$ 263,068	\$ 93,652	\$ 461,580	\$ 1,100,885	\$ 246,449	\$ 411,407	\$ 2,577,041

See accompanying notes to financial statements.

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, 2011

	Original and Final Budget	Actual
<b>REVENUES</b>		
Intergovernmental		
Motor fuel tax	\$ 349,815	\$ 404,049
Investment income	1,000	399
Miscellaneous income	-	11,425
	<u>350,815</u>	<u>415,873</u>
<b>EXPENDITURES</b>		
Public works		
Supplies and services	101,000	89,417
Maintenance	219,700	192,795
Capital	-	-
	<u>320,700</u>	<u>282,212</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 30,115</u>	133,661
<b>FUND BALANCE, MAY 1</b>		<u>129,407</u>
<b>FUND BALANCE, APRIL 30</b>		<u>\$ 263,068</u>

(See independent auditor's report.)

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, 2011

	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Investment income	\$ 350	\$ 350	\$ 313
Miscellaneous income	20,350	20,350	24,982
<b>Total revenues</b>	<b>20,700</b>	<b>20,700</b>	<b>25,295</b>
<b>EXPENDITURES</b>			
Public safety			
Capital	-	5,875	5,875
<b>Total expenditures</b>	<b>-</b>	<b>5,875</b>	<b>5,875</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>20,700</b>	<b>14,825</b>	<b>19,420</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	(46,338)
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 20,700</b>	<b>\$ 14,825</b>	<b>(26,918)</b>
<b>FUND BALANCE, MAY 1</b>			<b>120,570</b>
<b>FUND BALANCE, APRIL 30</b>			<b>\$ 93,652</b>

(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, 2011

	Original and Final Budget	Actual
<b>REVENUES</b>		
Taxes		
Hotel/motel tax	\$ 517,856	\$ 621,221
Investment income	1,000	4,681
Miscellaneous income	-	16
	<u>518,856</u>	<u>625,918</u>
<b>EXPENDITURES</b>		
Culture and recreation		
Supplies and services	257,450	254,752
	<u>257,450</u>	<u>254,752</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	261,406	371,166
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers (out)	(400,000)	(400,000)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (138,594)</u>	(28,834)
<b>FUND BALANCE, MAY 1</b>		<u>490,414</u>
<b>FUND BALANCE, APRIL 30</b>		<u>\$ 461,580</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, 2011

	Original and Final Budget	Actual
<b>REVENUES</b>		
Taxes		
Telecommunications	\$ 458,956	\$ 435,656
Amusement	303,820	211,130
Fines and forfeits	194,549	112,840
Investment income	5,000	7,742
	<u>962,325</u>	<u>767,368</u>
<b>EXPENDITURES</b>		
Capital outlay		
Supplies and services	245,500	138,524
Maintenance	124,007	45,530
Capital	661,000	421,247
	<u>1,030,507</u>	<u>605,301</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(68,182)	162,067
<b>OTHER FINANCING SOURCES (USES)</b>		
Proceeds from sale of capital assets	-	9,000
	<u>          </u>	<u>9,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (68,182)</u>	171,067
<b>FUND BALANCE, MAY 1</b>		<u>929,818</u>
<b>FUND BALANCE, APRIL 30</b>		<u>\$ 1,100,885</u>

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
TIF DISTRICT #2 FUND

For the Year Ended April 30, 2011

	Original and Final Budget	Actual
<b>REVENUES</b>		
Property taxes	\$ 791,131	\$ 803,173
Total revenues	<u>791,131</u>	<u>803,173</u>
<b>EXPENDITURES</b>		
Economic development		
Personnel	-	153,364
Supplies and services	334,796	140,586
Capital	319,700	270,024
Total expenditures	<u>654,496</u>	<u>563,974</u>
NET CHANGE IN FUND BALANCE	<u>\$ 136,635</u>	239,199
FUND BALANCE, MAY 1		<u>7,250</u>
FUND BALANCE, APRIL 30		<u>\$ 246,449</u>

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

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

For the Year Ended April 30, 2011

	Original and Final Budget	Actual
<b>REVENUES</b>		
Investment income	\$ 6,711	\$ 5,542
Total revenues	6,711	5,542
<b>EXPENDITURES</b>		
None	-	-
Total expenditures	-	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	6,711	5,542
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers (out)	(6,711)	(5,542)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	-
FUND BALANCE, MAY 1		<u>411,407</u>
FUND BALANCE, APRIL 30		<u>\$ 411,407</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 ASSETS - BUDGET AND ACTUAL  
WATER AND SEWER FUND

For the Year Ended April 30, 2011

	Original and Final Budget	Actual
<b>OPERATING REVENUES</b>		
Charges for services		
Water sales	\$ 840,000	\$ 791,809
Sewer sales	1,220,000	1,289,791
Meter sales	8,000	3,391
Penalties	25,700	38,811
Miscellaneous	28,850	15,824
	<u>2,122,550</u>	<u>2,139,626</u>
<b>OPERATING EXPENSES EXCLUDING DEPRECIATION</b>		
Operating expenses		
Waterworks	1,653,624	974,976
Sewerage	2,128,767	1,638,275
	<u>3,782,391</u>	<u>2,613,251</u>
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(1,659,841)	(473,625)
DEPRECIATION	<u>256,562</u>	<u>326,243</u>
OPERATING INCOME (LOSS)	<u>(1,916,403)</u>	<u>(799,868)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Tap-on connection fees	68,600	72,925
Investment income	212,000	161,481
Rental income	143,129	141,652
	<u>423,729</u>	<u>376,058</u>
CHANGE IN NET ASSETS	<u>\$ (1,492,674)</u>	(423,810)
NET ASSETS, MAY 1		<u>23,663,892</u>
NET ASSETS, APRIL 30		<u>\$ 23,240,082</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, 2011

	Original and Final Budget	Actual
<b>OPERATING EXPENSES</b>		
Waterworks		
Personnel		
Salaries	\$ 448,211	\$ 454,369
FICA/Medicare/IMRF	87,586	83,472
Employee insurance	94,750	80,142
Total personnel	630,547	617,983
Supplies and services		
General insurance	14,200	7,242
Telephone	15,500	14,128
Utilities	93,000	74,392
Rental	5,987	6,098
Travel	200	102
Postage	7,000	6,523
Printing/publishing	12,000	7,458
Liens	400	5
Legal and accounting	1,000	-
Annual audit	3,467	3,467
Engineering	55,500	11,913
Other professional services	29,000	5,537
J.U.L.I.E.	1,000	807
Training	1,000	470
Education reimbursement	500	-
Dues and subscriptions	200	123
Supplies	2,250	1,951
Small tools	1,080	916
Uniforms	5,000	2,355
Gas/oil	10,000	11,388
Chlorination	64,000	23,982
Contingency	18,250	-
Administrative	20,070	20,070
Collection agency fees	-	80
Meters	35,000	33,144
Miscellaneous	2,450	-
Total supplies and services	398,054	232,151
Maintenance		
Building	5,100	3,330
Equipment	7,000	7,537
Water tower	7,000	4,949
Ground	4,000	-
Utility system	84,000	83,628
Software	3,500	4,066
Communication	6,500	3,428
Total maintenance	117,100	106,938

(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, 2011

	Original and Final Budget	Actual
OPERATING EXPENSES (Continued)		
Waterworks (Continued)		
Capital		
City network	\$ 500	\$ -
Computer software	1,200	-
Building improvements	1,000	895
Equipment purchase	37,150	23,754
Water main improvements	515,000	40,482
Other improvements	300	-
Total capital	<u>555,150</u>	<u>65,131</u>
Subtotal	1,700,851	1,022,203
Less capital assets capitalized	<u>(47,227)</u>	<u>(47,227)</u>
Total waterworks	<u>1,653,624</u>	<u>974,976</u>
Sewerage		
Personnel		
Salaries	328,769	328,527
FICA/Medicare/IMRF	64,396	60,863
Employee insurance	<u>66,275</u>	<u>56,231</u>
Total personnel	<u>459,440</u>	<u>445,621</u>
Supplies and services		
General insurance	7,800	3,979
Telephone	9,700	9,439
Utilities	15,000	17,177
Rental	5,800	5,899
Travel	100	68
Postage	6,000	6,260
Printing/publishing	7,000	6,261
Liens	100	5
Legal and accounting	1,000	-
Annual audit	3,467	3,467
Engineering	196,500	76,355
Other professional services	15,000	52
J.U.L.I.E.	820	538
Training	200	16
Dues and subscriptions	300	76
Overhead sewage grant	5,000	-
Infiltration analysis	7,000	3,585
Naperville sewage treatment	775,000	972,755
Office supplies	1,600	1,301
Small tools	720	521
Uniforms	2,800	2,966

(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, 2011

	Original and Final Budget	Actual
OPERATING EXPENSES (Continued)		
Sewerage (Continued)		
Supplies and services (Continued)		
Gas/oil	\$ 6,700	\$ 7,589
Contingency	28,200	-
Administrative	20,070	20,070
Miscellaneous	100	-
Meters	35,000	34,004
Total supplies and services	1,150,977	1,172,383
Maintenance		
Building	2,800	2,207
Equipment	5,000	4,995
Ground	300	-
Utility system	25,000	34,787
Software	2,400	2,711
Communication	1,050	743
Total maintenance	36,550	45,443
Capital		
City network	500	-
Computer software	300	-
Equipment purchase	750	401
Sewer main improvements	563,000	56,432
Building improvements	-	895
Other improvements	150	-
Total capital	564,700	57,728
Subtotal	2,211,667	1,721,175
Less capital assets capitalized	(82,900)	(82,900)
Total sewerage	2,128,767	1,638,275
Depreciation	256,562	326,243
TOTAL OPERATING EXPENSES	\$ 4,038,953	\$ 2,939,494

(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 ASSETS -  
BUDGET AND ACTUAL  
POLICE PENSION FUND

For the Year Ended April 30, 2011

	Original and Final Budget	Actual
<b>ADDITIONS</b>		
Contributions		
Employer	\$ 613,086	\$ 613,086
Employee	245,586	242,226
Total contributions	<u>858,672</u>	<u>855,312</u>
Investment income		
Net appreciation in fair value of investments	-	779,905
Interest	175,000	264,258
Total investment income	175,000	1,044,163
Less investment expense	(15,000)	(19,505)
Net investment income	<u>160,000</u>	<u>1,024,658</u>
Total additions	<u>1,018,672</u>	<u>1,879,970</u>
<b>DEDUCTIONS</b>		
Administration	6,000	6,353
Benefits and refunds		
Retirement benefits	315,351	319,064
Refunds	63,618	560
Total deductions	<u>384,969</u>	<u>325,977</u>
NET INCREASE	<u>\$ 633,703</u>	1,553,993
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>		
May 1		<u>8,675,472</u>
April 30		<u>\$ 10,229,465</u>

(See independent auditor's report.)

## STATISTICAL SECTION

This part of the City's 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>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have been changed over time.	73-81
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	82-87
<b>Debt Capacity</b> 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.	88-92
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	93-94
<b>Operating Information</b> 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.	95-97

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement No. 34 in 2004; schedules presenting government-wide information include information beginning in that year.

CITY OF WARRENVILLE, ILLINOIS

NET ASSETS BY COMPONENT

Last Eight Fiscal Years

Fiscal Year	2004	2005	2006
<b>GOVERNMENTAL ACTIVITIES</b>			
Invested in capital assets net of related debt	\$ 69,533,148	\$ 61,782,699	\$ 62,012,798
Restricted	-	8,780,022	9,160,697
Unrestricted	(3,031,059)	(5,179,931)	(2,380,655)
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 66,502,089</b>	<b>\$ 65,382,790</b>	<b>\$ 68,792,840</b>
<b>BUSINESS-TYPE ACTIVITIES</b>			
Invested in capital assets net of related debt	\$ 10,749,432	\$ 10,798,552	\$ 10,773,078
Restricted	-	-	-
Unrestricted	6,977,344	7,558,973	8,055,730
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>\$ 17,726,776</b>	<b>\$ 18,357,525</b>	<b>\$ 18,828,808</b>
<b>PRIMARY GOVERNMENT</b>			
Invested in capital assets net of related debt	\$ 80,282,580	\$ 72,581,251	\$ 72,785,876
Restricted	-	8,780,022	9,160,697
Unrestricted	3,946,285	2,379,042	5,675,075
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 84,228,865</b>	<b>\$ 83,740,315</b>	<b>\$ 87,621,648</b>

Data Source

Audited Financial Statements

2007	2008	2009	2010	2011
\$ 62,431,353	\$ 64,760,369	\$ 68,817,707	\$ 71,267,517	\$ 70,610,196
11,159,947	11,805,957	8,700,509	7,286,830	1,476,156
2,893,035	5,993,439	8,433,433	5,274,837	12,224,134
<u>\$ 76,484,335</u>	<u>\$ 82,559,765</u>	<u>\$ 85,951,649</u>	<u>\$ 83,829,184</u>	<u>\$ 84,310,486</u>
\$ 10,553,454	\$ 11,041,507	\$ 11,975,287	\$ 13,845,927	\$ 13,649,811
-	-	-	-	-
11,893,286	12,210,442	11,655,158	9,817,965	9,590,271
<u>\$ 22,446,740</u>	<u>\$ 23,251,949</u>	<u>\$ 23,630,445</u>	<u>\$ 23,663,892</u>	<u>\$ 23,240,082</u>
\$ 72,984,807	\$ 75,801,876	\$ 80,792,994	\$ 85,113,444	\$ 84,260,007
11,159,947	11,805,957	8,700,509	7,286,830	1,476,156
14,786,321	18,203,881	20,088,591	15,092,802	21,814,405
<u>\$ 98,931,075</u>	<u>\$ 105,811,714</u>	<u>\$ 109,582,094</u>	<u>\$ 107,493,076</u>	<u>\$ 107,550,568</u>

CITY OF WARRENVILLE, ILLINOIS

CHANGE IN NET ASSETS

Last Eight Fiscal Years

Fiscal Year	2004	2005	2006
<b>EXPENSES</b>			
Governmental activities			
General government	\$ 3,861,855	\$ 1,300,245	\$ 1,869,534
Public safety	2,690,976	3,806,441	4,161,238
Public works	2,090,097	2,028,824	2,883,948
Culture and recreation	43,268	176,061	182,914
Economic development	4,441,457	5,351,397	5,243,554
Interest	383,062	767,034	569,441
Total governmental activities expenses	13,510,715	13,430,002	14,910,629
Business-type activities			
Water and sewerage	1,795,993	1,908,684	1,973,653
Total business-type activities expenses	1,795,993	1,908,684	1,973,653
<b>TOTAL PRIMARY GOVERNMENT EXPENSES</b>	<b>\$ 15,306,708</b>	<b>\$ 15,338,686</b>	<b>\$ 16,884,282</b>
<b>PROGRAM REVENUES</b>			
Governmental activities			
Charges for services			
General government	\$ 910,130	\$ 620,208	\$ 525,811
Public safety	170,526	218,059	248,207
Public works	-	85,506	178,078
Economic development	-	-	-
Operating grants and contributions	11,399	400,312	394,420
Capital grants and contributions	-	45,145	137
Total governmental activities program revenues	1,092,055	1,369,230	1,346,653
Business-type activities			
Charges for services			
Water and sewerage	2,072,213	2,128,009	2,279,524
Capital grants and contributions	-	-	-
Total business-type activities program revenues	2,072,213	2,128,009	2,279,524
<b>TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES</b>	<b>\$ 3,164,268</b>	<b>\$ 3,497,239</b>	<b>\$ 3,626,177</b>
<b>NET (EXPENSE) REVENUE</b>			
Governmental activities	\$ (12,418,660)	\$ (12,060,772)	\$ (13,563,976)
Business-type activities	276,220	219,325	305,871
<b>TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE</b>	<b>\$ (12,142,440)</b>	<b>\$ (11,841,447)</b>	<b>\$ (13,258,105)</b>

	2007	2008	2009	2010	2011
\$	1,837,542	\$ 1,998,199	\$ 2,295,589	\$ 1,929,578	\$ 2,399,491
	4,328,404	4,859,157	5,494,858	5,521,381	5,555,442
	2,896,189	2,422,501	1,096,938	3,204,759	2,628,782
	176,346	238,320	305,409	264,480	297,975
	6,490,980	6,874,700	11,306,234	13,426,691	10,031,742
	478,614	334,821	169,740	3,230	-
	16,208,075	16,727,698	20,668,768	24,350,119	20,913,432
	2,359,740	2,370,839	2,523,413	2,987,371	2,939,494
	2,359,740	2,370,839	2,523,413	2,987,371	2,939,494
\$	18,567,815	\$ 19,098,537	\$ 23,192,181	\$ 27,337,490	\$ 23,852,926
\$	625,800	\$ 675,593	\$ 595,145	\$ 721,489	\$ 484,478
	271,354	304,632	653,468	799,615	626,234
	206,471	173,553	204,757	208,939	162,151
	158,372	34,975	-	-	-
	397,276	421,182	455,057	401,498	444,151
	-	-	-	142,498	78,031
	1,659,273	1,609,935	1,908,427	2,274,039	1,795,045
	2,540,251	2,515,129	2,428,057	2,472,371	2,354,203
	-	-	-	317,619	-
	2,540,251	2,515,129	2,428,057	2,789,990	2,354,203
\$	4,199,524	\$ 4,125,064	\$ 4,336,484	\$ 5,064,029	\$ 4,149,248
\$	(14,548,802)	\$ (15,117,763)	\$ (18,760,341)	\$ (22,076,080)	\$ (19,118,387)
	180,511	144,290	(95,356)	(197,381)	(585,291)
\$	(14,368,291)	\$ (14,973,473)	\$ (18,855,697)	\$ (22,273,461)	\$ (19,703,678)

CITY OF WARRENVILLE, ILLINOIS

CHANGE IN NET ASSETS (Continued)

Last Eight Fiscal Years

Fiscal Year	2004	2005	2006
<b>GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS</b>			
Governmental activities			
Taxes			
Property and replacement	\$ 9,511,627	\$ 9,954,887	\$ 11,119,235
Sales	1,052,852	2,288,149	1,971,959
Home rule sales	188,782	170,393	1,014,329
Use	129,973	142,944	161,018
Telecommunications	664,834	651,059	585,167
Income	866,241	904,670	1,021,095
Hotel/motel	219,088	307,539	374,303
Amusement	580,782	566,720	542,719
Food and beverage	-	-	-
Other taxes	-	-	-
Investment earnings	115,302	304,184	438,610
Developer donations	-	-	-
Miscellaneous	637,775	210,414	174,959
Special item	-	(4,450,000)	-
Transfers	(311,786)	(288,271)	-
Total governmental activities	13,655,470	10,762,688	17,403,394
Business-type activities			
Investment earnings	46,334	123,153	165,412
Miscellaneous	-	-	-
Transfers	311,786	288,271	-
Total business-type activities	358,120	411,424	165,412
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 14,013,590</b>	<b>\$ 11,174,112</b>	<b>\$ 17,568,806</b>
<b>CHANGE IN NET ASSETS</b>			
Governmental activities	\$ 1,236,810	\$ (1,298,084)	\$ 3,839,418
Business-type activities	634,340	630,749	471,283
<b>TOTAL PRIMARY GOVERNMENT CHANGE IN NET ASSETS</b>	<b>\$ 1,871,150</b>	<b>\$ (667,335)</b>	<b>\$ 4,310,701</b>

Data Source

Audited Financial Statements

	2007	2008	2009	2010	2011
\$	10,727,100	\$ 11,731,097	\$ 12,153,448	\$ 12,562,359	\$ 12,556,309
	2,051,725	2,901,674	2,707,159	2,320,109	1,963,550
	1,521,865	1,641,473	1,546,972	1,494,688	1,478,701
	171,943	188,997	188,571	158,915	192,531
	564,871	583,625	579,961	597,460	580,875
	1,126,280	1,230,376	1,217,567	1,061,272	1,041,899
	417,337	387,393	416,913	440,088	621,221
	495,096	468,806	469,662	498,108	351,884
	527,302	611,378	643,102	572,904	559,231
	-	2,801	6,294	5,542	6,473
	1,064,359	1,297,753	786,135	193,355	197,502
	4,000,000	-	-	-	-
	124,689	147,820	45,698	48,815	49,513
	-	-	-	-	-
	-	-	-	-	-
	<u>22,792,567</u>	<u>21,193,193</u>	<u>20,761,482</u>	<u>19,953,615</u>	<u>19,599,689</u>
	445,151	660,919	473,852	230,828	161,481
	2,440,000	-	-	-	-
	-	-	-	-	-
	<u>2,885,151</u>	<u>660,919</u>	<u>473,852</u>	<u>230,828</u>	<u>161,481</u>
\$	<u>25,677,718</u>	<u>\$ 21,854,112</u>	<u>\$ 21,235,334</u>	<u>\$ 20,184,443</u>	<u>\$ 19,761,170</u>
\$	8,243,765	\$ 6,075,430	\$ 2,001,141	\$ (2,122,465)	\$ 481,302
	3,065,662	805,209	378,496	33,447	(423,810)
\$	<u>11,309,427</u>	<u>\$ 6,880,639</u>	<u>\$ 2,379,637</u>	<u>\$ (2,089,018)</u>	<u>\$ 57,492</u>

CITY OF WARRENVILLE, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011*
<b>GENERAL FUND</b>										
Reserved	\$ 253,750	\$ 408,006	\$ 360,577	\$ 108,012	\$ 107,364	\$ 116,027	\$ 71,592	\$ 138,037	\$ 62,769	\$ -
Unreserved	2,130,088	2,468,361	2,661,673	4,656,070	4,370,519	6,338,743	7,568,274	7,532,538	7,558,056	-
Nonspendable	-	-	-	-	-	-	-	-	-	2,279,945
Unassigned	-	-	-	-	-	-	-	-	-	4,412,572
<b>TOTAL GENERAL FUND</b>	<b>\$ 2,383,838</b>	<b>\$ 2,876,367</b>	<b>\$ 3,022,250</b>	<b>\$ 4,764,082</b>	<b>\$ 4,477,883</b>	<b>\$ 6,454,770</b>	<b>\$ 7,639,866</b>	<b>\$ 7,670,575</b>	<b>\$ 7,620,825</b>	<b>\$ 6,692,517</b>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>										
Unreserved/unassigned										
Special Revenue Funds	\$ 355,977	\$ 150,544	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (662,451)
Capital Project Funds	4,517,388	5,886,857	-	-	-	-	-	-	-	-
Debt Service Funds	-	-	-	-	-	-	-	-	-	-
Reserved/restricted, reported in										
Special Revenue Funds	-	-	307,570	585,379	1,081,023	976,923	1,267,597	939,956	939,956	356,720
Debt Service Funds	179,769	177,890	175,874	174,782	175,947	118,395	114,970	-	-	-
Capital Project Funds	861,500	961,500	7,184,209	7,559,275	7,443,141	9,598,538	9,957,299	7,709,070	7,709,070	246,449
Permanent Funds	-	-	438,002	405,902	405,902	411,407	411,407	411,407	411,407	411,407
Committed	-	-	-	-	-	-	-	-	-	461,580
Assigned	-	-	-	-	-	-	-	-	-	6,123,086
Nonspendable	-	-	-	-	-	-	-	-	-	662,451
<b>TOTAL ALL OTHER GOVERNMENTAL FUNDS</b>	<b>\$ 5,914,634</b>	<b>\$ 7,176,791</b>	<b>\$ 8,105,655</b>	<b>\$ 8,725,338</b>	<b>\$ 9,106,013</b>	<b>\$ 11,105,263</b>	<b>\$ 11,751,273</b>	<b>\$ 9,060,433</b>	<b>\$ 9,060,433</b>	<b>\$ 7,599,242</b>

Data Source

Audited Financial Statements

\* The City implemented GASB Statement 54 for the year ended April 30, 2011.

CITY OF WARRENVILLE, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2002	2003	2004
<b>REVENUES</b>			
Property taxes	\$ 7,130,777	\$ 8,685,922	\$ 9,484,125
Other taxes	3,846,955	3,885,853	3,884,022
Intergovernmental	134,287	-	-
Licenses, permits, fees	509,602	605,455	512,711
Fines and forfeitures	176,841	159,172	402,651
Franchise fees	123,914	220,451	236,654
Investment income	399,795	561,000	115,302
Miscellaneous	575,441	411,741	423,846
<b>Total revenues</b>	<b>12,897,612</b>	<b>14,529,594</b>	<b>15,059,311</b>
<b>EXPENDITURES</b>			
General government	836,282	1,582,991	2,197,219
Public safety	2,810,637	2,563,673	2,614,401
Thoroughfares	1,006,165	1,231,928	641,035
Physical environment	456,921	449,673	476,087
Public works	-	-	-
Culture and recreation	302,460	242,753	43,268
Economic development	-	-	-
Capital outlay	8,427,034	5,571,246	6,616,417
Debt service			
Principal	1,186,283	1,205,500	1,435,597
Interest	263,707	547,748	383,062
Other charges	-	-	-
<b>Total expenditures</b>	<b>15,289,489</b>	<b>13,395,512</b>	<b>14,407,086</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(2,391,877)</b>	<b>1,134,082</b>	<b>652,225</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	250,552	942,475	864,661
Transfers (out)	(461,121)	(1,182,599)	(1,176,447)
Proceeds of installment contracts	-	854,754	300,000
Bonds issued	-	-	-
Sale of capital assets	-	-	-
<b>Total other financing sources (uses)</b>	<b>(210,569)</b>	<b>614,630</b>	<b>(11,786)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (2,602,446)</b>	<b>\$ 1,748,712</b>	<b>\$ 640,439</b>
<b>DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES</b>	<b>21.13%</b>	<b>22.41%</b>	<b>23.34%</b>

Data Source

Audited Financial Statements

	2005	2006	2007	2008	2009	2010	2011
\$	10,417,577	\$ 11,078,509	\$ 10,685,132	\$ 11,679,789	\$ 12,096,083	\$ 12,372,224	\$ 12,556,309
	4,568,784	5,711,314	6,918,391	8,067,831	7,837,759	7,339,223	6,796,365
	463,550	394,557	397,276	421,182	455,056	439,496	502,182
	495,672	472,361	575,677	597,142	540,525	650,793	346,021
	181,351	224,917	392,364	260,832	598,056	750,831	588,523
	121,397	129,075	139,209	149,617	149,617	150,039	160,772
	304,184	438,610	1,064,359	1,297,753	786,135	193,355	197,502
	317,674	300,704	4,279,432	294,007	206,678	331,693	247,060
	16,870,189	18,750,047	24,451,840	22,768,153	22,669,909	22,227,654	21,394,734
	1,444,240	1,738,701	1,718,228	1,856,094	2,070,469	1,969,043	2,256,200
	3,629,801	3,933,874	4,228,037	4,741,482	5,368,060	5,419,963	5,585,213
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	971,132	1,133,327	1,350,697	1,352,330	1,543,883	1,819,645	1,635,169
	176,061	182,914	176,346	238,320	305,409	264,480	297,975
	5,351,397	5,243,554	6,490,980	8,088,574	11,306,234	13,551,291	10,031,742
	580,139	1,596,084	1,211,733	831,786	1,073,197	1,934,028	705,922
	2,285,139	4,246,092	4,283,756	3,530,500	3,775,000	760,000	-
	734,661	581,025	495,497	353,851	192,426	12,920	-
	-	-	-	-	-	-	-
	15,172,570	18,655,571	19,955,274	20,992,937	25,634,678	25,731,370	20,512,221
	1,697,619	94,476	4,496,566	1,775,216	(2,964,769)	(3,503,716)	882,513
	688,500	836,665	473,851	100,000	535,532	310,271	451,880
	(976,771)	(836,665)	(473,851)	(100,000)	(535,532)	(310,271)	(451,880)
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	879,632	-	31,841	20,915	304,638	58,042	123,912
	591,361	-	31,841	20,915	304,638	58,042	123,912
\$	2,288,980	\$ 94,476	\$ 4,528,407	\$ 1,796,131	\$ (2,660,131)	\$ (3,445,674)	\$ 1,006,425
	20.69%	28.30%	25.50%	20.08%	17.13%	3.05%	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
2001	General	\$ 201,535,491	\$ 35,168	\$ 28,857,811	\$ 6,718,515	\$ 237,146,985	0.6833	\$ 711,440,955	33.333%
	TIF #1	835,398	10,363	1,821,256	175,365	2,842,382		8,527,146	33.333%
	TIF #2	7,925,796	-	1,547,525	820,910	10,294,231		30,882,693	33.333%
2002	General	218,672,577	23,213	30,506,803	6,875,705	256,078,298	0.6503	768,234,894	33.333%
	TIF #1	1,092,397	-	1,595,653	175,365	2,863,415		8,590,245	33.333%
	TIF #2	7,946,926	-	1,501,050	820,910	10,268,886		30,806,658	33.333%
2003	General	237,731,737	20,362	32,632,356	6,666,745	277,051,200	0.6195	831,153,600	33.333%
	TIF #1	748,870	-	1,940,346	175,365	2,864,581		8,593,743	33.333%
	TIF #2	7,871,980	-	1,494,540	819,940	10,186,460		30,559,380	33.333%
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	1,515,186,291	33.333%
	TIF #2	7,829,420	-	1,478,880	484,820	9,793,120		29,379,360	33.333%

Note: Property in the City is reassessed each year. Property is assessed at 33% of actual value.

Data Source

Office of the County Clerk

CITY OF WARRENVILLE, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Tax Levy Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>CITY DIRECT RATES</b>										
Corporate	0.2660	0.2596	0.2660	0.2354	0.2378	0.2377	0.2262	0.2306	0.2205	0.2372
Bond and interest	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
IMRF	0.0425	0.0390	0.0235	0.0439	0.0372	0.0342	0.0329	0.0308	0.0295	0.0318
Police protection	0.0750	0.0549	0.0750	0.0694	0.0671	0.0671	0.0638	0.0670	0.0642	0.0647
Police pension	0.0904	0.0897	0.0919	0.0834	0.1186	0.1165	0.1240	0.1243	0.1511	0.1739
Audit	0.0079	0.0075	0.0077	0.0059	0.0050	0.0050	0.0047	0.0031	0.0030	0.0031
Tort judgments/liability	0.0241	0.0337	0.0237	0.0271	0.0229	0.0229	0.0218	0.0203	0.0194	0.0215
Social security	0.0645	0.0702	0.0573	0.0673	0.0569	0.0539	0.0520	0.0473	0.0453	0.0488
School crossing guards	0.0122	0.0109	0.0117	0.0158	0.0134	0.0117	0.0113	0.0101	0.0097	0.0085
Workers' compensation	0.0188	0.0209	0.0204	0.0164	0.0139	0.0127	0.0123	0.0114	0.0110	0.0105
Road and bridge	0.0819	0.0639	0.0423	0.0365	0.0160	0.0187	0.0195	0.0178	0.0174	0.0170
Rec for handicapped	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Total direct rate	0.6833	0.6503	0.6195	0.6011	0.5888	0.5804	0.5685	0.5627	0.5711	0.6170
<b>OVERLAPPING RATES</b>										
College of DuPage (#528)	0.1930	0.2179	0.2097	0.1972	0.1874	0.1929	0.1888	0.1858	0.2127	0.2349
DuPage Airport Authority	0.0271	0.0248	0.0230	0.0213	0.0198	0.0183	0.0170	0.0160	0.0148	0.0158
DuPage County	0.2353	0.2154	0.1999	0.1850	0.1797	0.1713	0.1651	0.1157	0.1554	0.1659
DuPage County Forest Preserve	0.1654	0.1534	0.1419	0.1358	0.1271	0.1303	0.1187	0.1206	0.1217	0.1321
Unit School District #200	4.6144	4.3589	4.3124	4.1367	4.0035	3.8783	3.7274	3.7218	3.7697	4.0437
Warrenville Fire Protection District	0.3388	0.4176	0.4085	0.4069	0.3991	0.3937	0.3863	0.3834	0.3892	0.4199
Warrenville Library	0.3237	0.3083	0.2962	0.2899	0.2816	0.2750	0.2691	0.2659	0.2701	0.2922
Warrenville Park District	0.1544	0.1463	0.3103	0.3317	0.3250	0.3312	0.3489	0.3425	0.3460	0.3984
Winfield Township	0.1036	0.0983	0.0945	0.0924	0.0901	0.0869	0.0855	0.0845	0.0854	0.0924
Winfield Township R&B	0.1349	0.1280	0.1230	0.1203	0.1178	0.1143	0.1125	0.1112	0.1123	0.1215
Total overlapping rates	6.2906	6.0689	6.1194	5.9172	5.7311	5.5922	5.4193	5.3874	5.4773	5.9168
<b>TOTAL DIRECT AND OVERLAPPING RATES</b>	6.9739	6.7192	6.7389	6.5183	6.3199	6.1726	5.9878	5.9501	6.0484	6.5338

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 2010			Levy Year 2001		
	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	\$ 11,471,960	1	2.18%	\$ 12,130,040	2	4.85%
Village Green at Cantera	8,999,680	2	1.71%	8,397,380	5	3.36%
MJH Warrenville, LLC	8,034,990	3	1.52%	10,665,610	3	4.26%
CMJ Cantera LLC	6,369,660	4	1.69%			
Globe Corporation	5,851,980	5	1.11%			
R.R. Donnelley & Sons	5,395,320	6	1.43%			
Cantera 30 Theatre LP	4,735,530	7	0.90%			
Amoco Properties, Inc.	4,570,000	8	0.87%	18,242,930	1	7.29%
Burnham Cantera LLC	4,375,680	9	0.83%	4,565,740	7	1.82%
Target Corp	4,342,110	10	0.82%			
LFT USA Real Estate LLC				3,706,020	9	1.48%
EPT Downreit, Inc.				9,753,410	4	3.90%
Warrenville Development Corp				4,158,600	8	1.66%
McShane Corporation				2,999,050	10	1.20%
Four Woodfield Lake, LLC				5,289,340	6	2.11%
	<u>\$ 64,146,910</u>		<u>13.06%</u>	<u>\$ 79,908,120</u>		<u>31.93%</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
2001	General	\$ 1,601,574	\$ 1,586,495	99.06%	-	\$ 1,586,495	99.06%
	TIF #1	6,693,946	6,696,646	100.04%		6,696,646	100.04%
	TIF #2	342,781	341,731	99.69%		341,731	99.69%
2002	General	1,648,277	1,647,630	99.96%	-	1,647,630	99.96%
	TIF #1	7,575,846	7,371,712	97.31%		7,371,712	97.31%
	TIF #2	420,978	461,771	109.69%		461,771	109.69%
2003	General	1,717,163	1,766,177	102.85%	-	1,766,177	102.85%
	TIF #1	7,874,335	7,645,259	97.06%		7,645,259	97.09%
	TIF #2	514,584	512,923	99.68%		512,923	99.68%
2004	General	1,763,674	1,763,236	99.98%	-	1,763,236	99.98%
	TIF #1	8,646,926	8,649,469	100.03%		8,649,469	100.03%
	TIF #2	561,292	561,486	100.03%		561,486	100.03%
2005	General	1,922,208	1,920,210	99.90%	-	1,920,210	99.90%
	TIF #1	8,984,292	8,047,863	89.43%		8,034,958	89.43%
	TIF #2	624,905	624,932	100.00%		624,932	100.00%
2006	General	2,015,563	2,011,278	99.79%	-	2,011,278	99.79%
	TIF #1	9,011,355	9,019,349	100.09%		9,019,349	100.09%
	TIF #2	648,978	645,509	99.47%		645,509	99.47%
2007	General	2,088,711	2,050,060	98.15%	-	2,050,060	98.15%
	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% (1)
	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	-	0.00%	-	-	0.00% (1)
	TIF #2	795,780	-	0.00%	-	-	0.00%

Note: Property in the City is reassessed each year. Property is assessed at 33% of actual value.

2008 tax levies are collected beginning May 2009 and are not recorded as revenue as they are intended to finance Fiscal 2010.

(1) - The 2009 levy amounts will be collectible by the City during the Fiscal Year 2011, as such none of this levy is collected during Fiscal 2010.

Data Source

Office of the County Clerk

CITY OF WARRENVILLE, ILLINOIS  
SALES TAX REVENUE BY CATEGORY

Last Ten Calendar Years

Calendar Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General merchandise	\$ 35,262	\$ 1,327	\$ 1,403	\$ 1,085,363	\$ 2,256,635	\$ 2,644,172	\$ 2,950,986	\$ 3,034,049	\$ 3,110,309	\$ 3,211,974
Food	299,918	305,379	485,009	453,859	471,478	490,343	502,493	508,509	212,310	480,153
Drinking and eating places	1,101,131	1,197,421	1,185,313	1,687,385	2,426,495	2,730,753	2,804,804	2,831,363	2,758,943	2,781,235
Apparel	-	-	-	-	-	62,581.00	62,336	72,507	72,601	81,438
Furniture and H.H. and radio	274,510	161,712	149,090	156,451	142,588	39,180	33,380	50,893	-	-
Lumber, building hardware	410,669	540,155	538,406	470,950	492,921	597,492	439,378	304,491	151,857	141,291
Automobile and filling stations	1,055,017	1,043,999	943,373	1,176,065	1,241,131	1,313,023	1,344,656	1,428,105	1,913,456	2,113,858
Drugs and miscellaneous retail	417,533	620,169	533,404	583,268	616,599	625,925	737,292	853,477	679,659	1,205,797
Agriculture and all others	2,511,467	2,656,896	2,383,296	2,252,658	2,494,109	2,166,542	1,942,559	1,728,744	1,496,259	642,785
Manufacturers	187,401	185,690	155,797	508,670	658,944	648,898	718,354	742,446	548,669	601,490
<b>TOTAL</b>	<b>\$ 6,292,908</b>	<b>\$ 6,712,748</b>	<b>\$ 6,375,091</b>	<b>\$ 8,374,669</b>	<b>\$ 10,800,900</b>	<b>\$ 11,318,909</b>	<b>\$ 11,536,238</b>	<b>\$ 11,554,584</b>	<b>\$ 10,944,063</b>	<b>\$ 11,260,021</b>
City direct sales tax rate	1.00%	1.00%	1.00%	1.75%	1.75%	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

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
2002	1.00%	5.00%	0.25%	0.25%	0.25%
2003	1.00%	5.00%	0.25%	0.25%	0.25%
2004	1.75%	5.00%	0.25%	0.25%	0.25%
2005	1.75%	5.00%	0.25%	0.25%	0.25%
2006	1.75%	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%

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				
2002	\$ -	\$ 2,806,429	\$ 10,146,550	\$ 105,000	\$ -	\$ 13,057,979	3.38%	977.17
2003	-	8,747,787	9,165,500	-	-	17,913,287	4.63%	1,340.51
2004	-	7,159,393	6,795,000	-	-	13,954,393	3.61%	1,044.26
2005	-	10,134,254	6,795,000	-	-	16,929,254	4.38%	1,266.88
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%	-

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

\* See the schedule of Demographic and Economic Information on page 91 for personal income and population data.

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
2002	\$ -	\$ -	\$ -	0.00%	\$ -
2003	-	-	-	0.00%	-
2004	-	-	-	0.00%	-
2005	-	-	-	0.00%	-
2006	-	-	-	0.00%	-
2007	-	-	-	0.00%	-
2008	-	-	-	0.00%	-
2009	-	-	-	0.00%	-
2010	-	-	-	0.00%	-
2011	-	-	-	0.00%	-

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

\* See the schedule of Assessed Value and Actual Value of Taxable Property on page 80 for property value data.

CITY OF WARRENVILLE, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

April 30, 2011

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	227,150,000	1.25%	2,839,375
DuPage County Forest Preserve District	214,208,724	1.25%	2,677,609
DuPage Water Commission	-	0.00%	-
Warrenville Park District	305,815	103.92%	317,803
Warrenville Library District	-	0.00%	-
Schools			
Elementary			
District No. 33	35,570,000	60.08%	21,370,456
High School			
District No. 94	16,805,000	40.16%	6,748,888
Community Unit School Districts			
District No. 200	200,235,000	15.84%	31,717,224
District No. 203	41,260,000	1.30%	536,380
College			
College of DuPage No. 502	203,615,000	1.30%	2,646,995
	939,149,539		68,854,730
	\$ 939,149,539		\$ 68,854,730

(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, 2011

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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		
2002	\$ 1,926,135	\$ 1,704,523	\$ 221,612	\$ 105,000	\$ 8,190	1.96	\$ 5,978,014	\$ 7,995,000	\$ 2,151,550	0.59	
2003	n/a	n/a	n/a	-	-	-	7,659,620	7,430,000	1,735,500	0.84	
2004	n/a	n/a	n/a	-	-	-	8,311,682	6,795,000	1,369,001	1.02	
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	-	-	-	

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

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Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2002	13,363	\$ 386,484,686	\$ 28,922	2.30
2003	13,363	386,484,686	28,922	3.20
2004	13,363	386,484,686	28,922	2.70
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

CITY OF WARRENVILLE, ILLINOIS

PRINCIPAL EMPLOYERS

Current and Four Years Previous

Employer	2011			2007		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
BP/Amoco (1)	2,189	1	19.14%	1,270	2	10.89%
Navistar	1,399	2	12.24%	1,450	1	12.44%
Phonak	510	3	4.46%	500	3	4.29%
Exelon (1)	445	4	3.89%	375	4	3.22%
Target	287	5	2.51%	254	6	2.18%
Lifetime Fitness	261	6	2.28%			
Edward Hospital	155	7	1.36%			
First American Title Insurance	150	8	1.31%			
National Express	117	9	1.02%			
Emerson Network Power	90	10	0.79%			
AT & T Data Center				280	5	2.40%
Family Foods				71	7	0.61%
Ed Hoy's International				50	9	0.43%
Paragon Global				60	8	0.51%
Plymouth Tube, Inc				37	10	0.32%
<b>TOTAL</b>	<b>5,603</b>		<b>49.00%</b>	<b>4,347</b>		<b>37.29%</b>

Data Source:

City records

Note: Due to new mechanisms put in place to collect this data from the various employers for the 2007 data, the first year this data was collected, is not believed to be a true representation of actual employment, but at the time was the most accurate information provided by employers.

(1) Figures were not provided by the employers and could not be verified. The figures used here are estimated based upon figures from prior years. The City is aware of workforce reduction/reallocation plans by these companies.

CITY OF WARRENVILLE, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

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Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>GENERAL GOVERNMENT</b>										
Administration	3	3	3.5	3.5	3.5	3.5	4.5	4.5	4.5	4.5
Finance	7	7	7	7	7	7	6	6	6	6
Community development	6	7	7	7	7	8	8	9	10	10
<b>PUBLIC SAFETY</b>										
Police										
Officers	29	27	29	27	30	31	35	32	32	34
Civilians	17.5	17.5	17.5	17.5	17.5	17.5	17.5	13.5	15.0	16.0
<b>PUBLIC WORKS</b>										
Administration	3	3.5	3.5	3.5	3.5	3	3	4	4	4
Street maintenance	6	6	6	5	7	7	7	7	7	7
Utility maintenance	5	4	4	4	4	6	6	6	6	6

Data Source

City Finance Department and budget documents

CITY OF WARRENVILLE, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>PUBLIC SAFETY</b>										
Police										
Physical arrests	2,321	2,325	3,143	3,745	4,022	1,711	1,288	1,879	2,312	1,755
Parking violations	1,944	1,699	1,692	1,688	1,332	998	1,461	1,132	871	750
Traffic violations	1,992	2,058	2,880	3,458	3,727	1,562	5,818	8,102	9,314	5,532
<b>PUBLIC WORKS</b>										
Streeting resurfacing (miles)	2.03	2.58	4.05	1.26	2.07	3.01	1.45	1.30	3.05	1.20
Pothole repairs	51	56	56	35	57	58	25	48	52	60
<b>WATER</b>										
New connections	-	54	27	89	(13)	4	24	28	18	12
Water main breaks	24	19	22	18	21	15	16	14	22	17
Number of meters in operation	4,253	4,307	4,334	4,423	4,410	4,414	4,414	4,414	4,498	4,484
Number of properties										
connected to sewer system	4,297	4,321	4,349	4,228	4,405	4,399	4,614	4,614	4,662	4,642
Average daily pumpage (MGD)	1.31	1.35	1.00	1.30	1.51	1.46	1.53	1.41	1.39	1.32
Maximum daily pumpage (MGD)	2.20	2.10	2.10	2.25	1.90	1.95	2.10	1.95	1.37	2.063
Number of gallons pumped (000)	474,500	492,000	491,093	482,000	550,000	532,900	563,962	514,285	499,220	481,890

Data Source

Various City departments

CITY OF WARRENVILLE, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

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Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>PUBLIC SAFETY</b>										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	13	12	15	19	15	17	17	17	17	17
<b>PUBLIC WORKS</b>										
Streets (miles)	48	48	48	48	48	51	51	51	54	54
Streetlights	703	703	703	703	703	706	726	735	741	741
Traffic signals	4	4	4	4	4	4	4	4	4	4
<b>WATER</b>										
Water mains (miles)	58	60	61	61	63	64	64	64	64	64
Fire hydrants	475	700	700	700	700	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
<b>WASTERWATER</b>										
Sanitary sewers (miles)	49	49	49	49	51	58	58	59	59	59
Storm sewers (miles)	20	20	20	20	21	29.7	30.0	30.2	30.4	30.4

Data Source

Various City departments