

**Comprehensive Annual
Financial Report**

**City of
Warrenville**

Illinois

**Year Ended
April 30, 2013**

CITY OF WARRENVILLE, ILLINOIS

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

For the Year Ended
April 30, 2013

Prepared by Department of Finance

Kevin Dahlstrand
Director of Finance

CITY OF WARRENVILLE, ILLINOIS
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INTRODUCTORY SECTION

CITY OF WARRENVILLE, ILLINOIS

OFFICERS AND OFFICIALS

APRIL 30, 2013

LEGISLATIVE

City Council

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

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

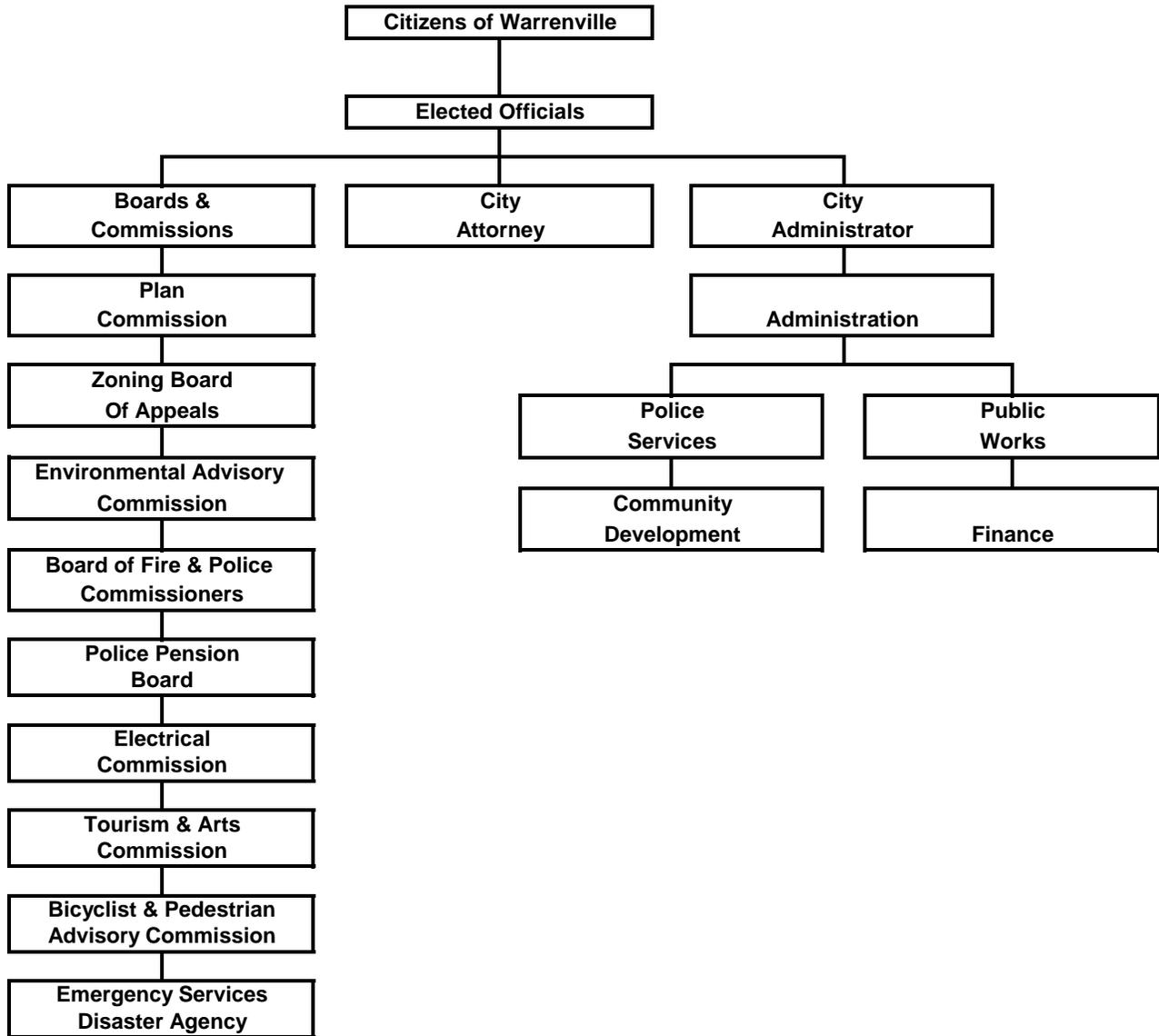
EXECUTIVE

John M. Coakley, City Administrator

FINANCE DEPARTMENT

**Kevin Dahlstrand, Director of Finance
Alma Morgan, Accounting Clerk I
Tina Gasparas, Accounting Clerk II
Kathy Weiersheuser, Accounting Clerk II**

CITY OF WARRENVILLE Organizational Chart





Government Finance Officers Association

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

Presented to

**City of Warrenville
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2012

Executive Director/CEO

City of Warrenville

35258 Manning Avenue • Warrenville, IL 60555
630/393-9427 • FAX 630/393-5053

September 1, 2013

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, 2013, is hereby submitted in accordance with both local ordinances and state statutes. These ordinances and statutes require that the City annually issue a report on its financial position and activity presented in conformance with generally accepted accounting principles (GAAP) in the United States of America, and audited in accordance with generally accepted auditing standards (GAAS) by an independent firm of certified public accountants.

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

The City's financial statements have been audited by the licensed certified public accountants of Sikich LLP. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Warrenville for the Fiscal Year ended April 30, 2013, 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, 2013, 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 the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Profile of the City of Warrenville

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

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

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

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

The City operates under the State Budget Officer Act (65 ILCS 5/10), with the City Administrator having been appointed by the City Council, as the City Budget Officer. The annual budget serves as the foundation for the City's financial planning and control. By administrative policy, all departments of the City are required to annually submit their budget requests to the City Administrator on or before December 31 of each year. The City Administrator uses these requests as the starting point for developing a budget proposal for the coming fiscal year. The City Administrator then presents this proposed budget to the City Council in early March of each year. By State Statute, the City Council is required to hold a public hearing on the proposed budget and to adopt a final budget no later than April 30 of each

year; the close of the City's previous fiscal year. The adopted budget is prepared and presented by fund and at the department (e.g. police) level. The Budget Officer may authorize transfers of budgeted amounts within a fund. Budget amendments to increase, or decrease, a fund's total budgeted allocation 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 51, 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 61.

Major Initiatives and Developments

As directed by the City Council, the City staff accomplished a number of major initiatives during FY 2013. 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:

Route 56 Reconstruction and Expansion Concluding

The Illinois Department of Transportation (IDOT) has been working on reconstruction and expansion of Route 56 (Butterfield Rd) since the spring of 2011. A significant portion of this reconstruction project runs through Warrenville, and has been a major disruption to traffic patterns in the City. Due to the potential negative impact of the roadway expansion on the character and small town feeling of Warrenville, the Community Development Department has been instrumental in negotiating and working with the Illinois Department of Transportation (IDOT) to incorporate City funded enhancements to the project, to provide for "non-standard accommodations" for pedestrian and bicyclists. The project is slated for completion during late Summer 2013. Once completed, it is anticipated that the Route 56 corridor will be a catalyst for local economic development, due to increased daily traffic volume and improved access to the commercial properties.

Capital Maintenance and Replacement Plan (CMRP)

FY 2013 was the first year of implementation of multi-year comprehensive capital improvement plan, the "Capital Maintenance and Replacement Plan" (CMRP). The plan quantified the financial commitment needed to maintain existing City capital assets on an annualized basis, as well as verified and quantified a structural deficit in the funding mechanisms for the CMRP. As a result of that process the City Council and staff engaged the citizens of Warrenville in an extensive community involvement effort, to collect their input into how best to address the identified structural deficit.

As a result of those meetings, the City Council recommended the phased implementation of a series of new utility taxes, a local motor fuel tax, and an increase in the existing telecommunication tax to close that structural deficit. To lessen the immediate impact of these new taxes for Warrenville residents, the City Council delayed the implementation of most of these new taxes until May 1, 2013, with the exception of the increase in the telecommunications tax rate, which went into effect July 1, 2012. Finally, to financially allow for the delay in implementation of the new taxes, the City Council authorized the increased use of excess existing Hotel Motel Tax fund balances and the closing of the Working Cash Fund, with all of

the funds directed to fund the CMRP. The CMRP is reviewed and updated annually, and will be a “fluid document” that will be used for years to come to guide the maintenance and replacement of City capital assets, including infrastructure.

The following is a listing of select departmental initiatives and accomplishments undertaken during FY 2013; this list is not meant to be all inclusive, but to provide highlights:

Public Safety initiatives:

- Patrol Division vehicles were all equipped with E-Ticket writing software and hardware, and all officers were trained on the use of the system
- Records Division trained on the use of the DuPage County State’s Attorney’s Office electronic reporting system, CaseTracker, allowing for web based submission of police reports
- Expansion of the annual National Night Out Against Crime event
- Members of the Police Department selected to serve in larger, area-wide, multi-jurisdictional agencies
- FY 2014 will see the implementation of a full-time Traffic Safety Enforcement Unit

Public Works/Capital projects Initiatives

- Completed the 12th year of a 15-year road maintenance and reconstruction program
- Completed Curtis Avenue and Manning Avenue reconstructions
- Removed more than 100 Ash Tree infected by the Emerald Ash Borer, and applied for a \$10,000 grant for replacement planting assistance.
- Completed re-surfacing projects in North Summerlakes subdivision, as well as the east side streets north of Galusha Avenue
- Engineering design of utility extensions for: River Road water main, as well as water and sanitary sewer for Curtis Avenue, Riverside Parkway and Forestview Drive, Iroquois Court, and Williams Road, Calumet, and Glen Drive
- Phase I and phase II engineering for the Williams Road bridge replacement project

Administration Initiatives

- Established the long awaited “Quite Zone” along the Canadian National railway
- Replaced and upgraded, Channel 10 local government cable access channel productions equipment and camera system from analog to digital, as utilized to broadcast City meetings
- Led City staff through an extensive evaluation and design process for an upgrade and replacement of the City website, which was launched in May 2013
- implemented a city-wide, residential municipal electric aggregation process, which resulted in substantially lower of electric rates for residents of Warrenville

Community Development and Planning Initiatives

- Completed and implemented a Vacant Building Registration Program
- Implemented an Administrative Adjudication Program for local ordinance violations
- Received the Illinois Association of Code Enforcement (IACE), Code Enforcement Agency of the Year Award
- Obtained a \$150,000 Department of Commerce and Economic Opportunity grant for the Main Street Storm Sewer Backflow prevention valve.
- Continued economic development efforts through on-going business outreach meetings.

- Participated in the Warrenville Hospitality Group, representing the City and working on conjunction with the local hotels on business retention and attraction efforts.
- Completed engineering for Rockwell Street, south of Route 56, re-alignment, and Rockwell Street, north of Route. 56 construction
- Permitted and inspected \$30,000,000 worth of construction activity in the City
- Coordinated final stages of the processes needed for the early closure of TIF#2, and the establishment and implementation and establishment of a new third TIF district in early FY 2014.

Factors Affecting Financial Condition

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

Local economy

The City's revenue stream continues to be well diversified. As a result, a decrease in any single revenue source does not necessarily correspond to dramatic overall budgetary impacts and adjustments. Local sales taxes play a significant role in support of the General Fund. The sales tax revenue stream is supported by a number of restaurants, a large chain retailer, large entertainment venue, and a new luxury car dealer. Those larger contributors, combined with smaller local merchants and retailers continues to provide the aforementioned well diversified and generally stable sales tax base.

As FY 2013 ended, Warrenville remains in a healthy and relatively strong financial position, again adding to General Fund reserves through conservative planning and operations. While in previous years, many of the City's revenue sources experienced some degree of reduction, those reductions have begun to reverse themselves, with many areas showing slow improvement. However, one of the areas of on-going significant concern is the revenue derived from the City's five-percent Amusement Tax. This revenue source dropped by 29.35% from FY 2010 to FY 2011, 13.55% from FY 2011 to FY 2012, and an additional 13.4% from FY 2012 to FY 2013. The major contributor to this revenue stream is a multi-screen movie theater complex, the owners of which have experienced many challenges since taking over the complex in late June of 2010. A large portion of the facility was shuttered, and is slated to be re-purposed into a restaurant and state-of-the-art entertainment venue. However, the opening of the new facility originally planned for late fall of 2012, has been rolled back a number of times, and is projected to open in late 2013. This new entertainment venue is projected to add to the City's Amusement Tax revenue, sales tax revenue, and the City's locally administered 1.5% Food and Beverage Tax.

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 charged with establishing a multi-year capital improvement plan. The plan was presented to the City Council and to the residents of Warrenville during multiple public input meetings. The Capital Maintenance and Replacement Plan (CMRP) included 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 result of that committee's work was the verification of a previously identified structural deficit in the long-term funding for the CMRP. City Council approval of the CMRP authorized multi-faceted

funding mechanisms including a combination of new user taxes, and the re-allocation of internal fund balances and transfers, as well as significant funding reduction for the Hotel Motel Tax grant program. The first phase of the new CMRP funding mechanisms began during FY 2013 on July 1, 2012, with an increase in the City's Simplified Telecommunications Tax rate from 4% to 6%. The implementation of the remaining new user taxes took effect May 1, 2013, and will first be reflected in the FY 2014 financial activity of the City.

City efforts to establish a new tax increment financing (TIF) district early FY 2014, continued during FY 2013. In early FY 2014, the City did establish a new third tax increment financing district, the Civic Center/Old Town TIF District (TIF #3). As a part of the creation of the new TIF district, the former Old Town Civic Center TIF District (TIF #2) was closed early at the end of December 2012, approximately six fiscal years prior to its statutory end, which would have been during the City's FY 2019.

During FY 2014, the City will engage residents in a new comprehensive Community Survey, which will focus not only on the services provided to the community, but also community opinions on the direction of City economic development related activities. The survey results will be utilized to focus the City Council and City staff on those areas the community views as important issues going forward, and will allow for the careful and deliberate planning of the efforts needed to meet those areas of community concern.

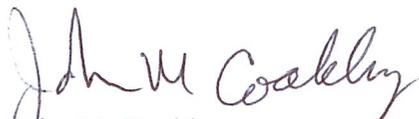
Awards and acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended April 30, 2012. This was the 20th consecutive year the City received this prestigious award for financial reporting excellence. In order to be awarded a Certificate of Achievement, the City publishes an easily readable and efficiently organized CAFR, which satisfies both GAAP and applicable legal requirements.

A Certificate of Achievement is only valid for a period of one year. City staff believes the 2013 CAFR will also meet the Certificate of Achievement Program's requirements and as such, it will be submitted to the GFOA to determine its eligibility for to the award under the GFOA certificate program.

The preparation of this report could not have been accomplished without the dedicated service of the entire staff of the Finance Department. Sincere appreciation is extended to all members of the department who assisted and contributed to the preparation of this report. Credit and appreciation are extended to the Mayor and City Council for their support and commitment to 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

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, 2013, which collectively comprise the City's basic financial statements as listed in the table of contents, and the related notes to financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Warrenville, Illinois, as of April 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The City adopted GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, during the year ended December 31, 2012. Statement No. 63 added new classifications on the statements of position and changed net assets to net position. Statement No. 65 changed the classifications of certain items on the statement of position to the new classifications contained in GASB Statement No 63. The adoption of GASB Statement No. 65 resulted in a restatement of net assets of the City's governmental activities. Our opinions are not modified with respect to this matter.

Other-Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, actuarial information and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Warrenville, Illinois' financial statements as a whole. The introductory section, combining and individual fund financial statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing

standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

A handwritten signature in cursive script, appearing to read "Sibich LLP".

Naperville, Illinois
August 15, 2013

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, 2013. Readers are encouraged to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can also be found in this report.

Financial Highlights

- The government's total assets were \$112,839,169 on April 30, 2013.
- The assets of the City of Warrenville exceeded its liabilities at the close of the fiscal year by \$107,075,051 (*net position*). Of this amount, \$23,904,450 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- \$82,464,767 of net position is invested in capital assets.
- As of the close of the current fiscal year, the City of Warrenville's governmental funds reported combined ending fund balances of \$15,517,447. Approximately 33.1% of this total amount, \$5,141,524 is *available for spending* at the government's discretion (*unassigned fund balance*). This represents a 13.54% increase in unassigned fund balances over the previous fiscal year.
- Another 18.4%, or \$2,848,496, is in the form of "non-spendable" fund balances, consisting of pre-paid items, advances to other funds, and \$2,200,000 in land held for re-sale by the General Fund.
- Additionally, 4.5% or \$705,834 is restricted for specific purposes including: public safety, and maintenance of roadways.
- Another \$223,545 or approximately 1.4% is "*committed*" to funding tourism related activities.
- Finally, a total of \$6,598,048, or 42.5% is fund balance designated as "*assigned*" for special projects, which are generally identified as larger one-time capital expenditures or large one-time non-budgeted expenditures for outside professional services for larger projects.
- During the year, the City's governmental activity expenses were \$364,434 *greater* than the \$13,251,327 generated in program revenues, taxes and other revenues for governmental activities.
- The City of Warrenville's total long-term obligations totaling \$653,265, which decreased by \$112,678 approximately 15% during the fiscal year. The City has no general obligation debt. The City's remaining obligations are mainly in the form of compensated absences, other postemployment obligations, and a contingent liability of \$200,000, for the environmental clean-up necessary Civic Center Redevelopment Site #1 (the former Musselman Lumber site).

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Warrenville's basic financial statements. The City of Warrenville's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

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

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position 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 utilized vacation leave).

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

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

The government-wide financial statements can be found on pages 4-6 of this report.

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

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

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

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

The basic financial statements for the governmental funds can be found on pages 7-11 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 12-15 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 16-17 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 18-45 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City of Warrentville's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 46-50 of this report.

The combining statements referred to earlier in connection with non-major governmental funds, are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 59-64 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Warrentville, assets exceeded liabilities by \$107,075,051 at April 30, 2013.

By far the largest portion of the City of Warrentville's net position, approximately 77%, is invested in capital assets (e.g., land, buildings, machinery, and equipment) less any related outstanding debt used to acquire those assets. The City of 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
	2013	2012	2013	2012	2013	2012	2013-2012
Current and other assets	20,514,724	20,939,666	9,859,678	7,376,684	30,374,402	28,316,350	7.27%
Capital Assets	69,200,158	70,035,401	13,264,609	15,808,172	82,464,767	85,843,573	-3.94%
Total assets	89,714,882	90,975,067	23,124,287	23,184,856	112,839,169	114,159,923	-1.16%
Long-term liabilities outstanding	608,760	693,604	44,505	72,339	653,265	765,943	-14.71%
Other Liabilities	1,376,419	1,572,439	382,060	195,366	1,758,479	1,767,805	-0.53%
Total liabilities	1,985,179	2,266,043	426,565	267,705	2,411,744	2,533,748	-4.82%
Deferred Inflows of Resources							
Unearned property taxes	3,352,374	3,967,261	-	-	3,352,374	3,967,261	
Total deferred inflows of resources	3,352,374	3,967,261	-	-	3,352,374	3,967,261	
Total liabilities and deferred inflows of revenue	5,337,553	6,233,304	426,565	267,705	5,764,118	6,501,009	
Net Position:							
Invested in capital assets, net of related debt	69,200,158	70,035,401	13,264,609	13,608,173	82,464,767	83,643,574	-1.41%
Restricted	705,834	812,193	-	-	705,834	812,193	-13.10%
Unrestricted	14,471,337	13,894,169	9,433,113	9,308,978	23,904,450	23,203,147	3.02%
Total Net Position	84,377,329	84,741,763	22,697,722	22,917,151	107,075,051	107,658,914	-0.54%

	Governmental		Business-type		Total		Percentage Change 2013-2012
	Activities		Activities				
	2013	2012	2013	2012	2013	2012	
Current and other assets	20,514,724	20,939,666	9,859,678	7,376,684	30,374,402	28,316,350	7.27%
Capital Assets	69,200,158	70,035,401	13,264,609	15,808,172	82,464,767	85,843,573	-3.94%
Total assets	<u>89,714,882</u>	<u>90,975,067</u>	<u>23,124,287</u>	<u>23,184,856</u>	<u>112,839,169</u>	<u>114,159,923</u>	-1.16%
Long-term liabilities outstanding	608,760	693,604	44,505	72,339	653,265	765,943	-14.71%
Other Liabilities	1,376,419	1,572,439	382,060	195,366	1,758,479	1,767,805	-0.53%
Total liabilities	<u>1,985,179</u>	<u>2,266,043</u>	<u>426,565</u>	<u>267,705</u>	<u>2,411,744</u>	<u>2,533,748</u>	-4.82%
Deferred Inflows of Resources							
Unearned property taxes	3,352,374	3,967,261	-	-	3,352,374	3,967,261	
Total deferred inflows of resources	<u>3,352,374</u>	<u>3,967,261</u>	<u>-</u>	<u>-</u>	<u>3,352,374</u>	<u>3,967,261</u>	
Total liabilities and deferred inflows of revenue	<u>5,337,553</u>	<u>6,233,304</u>	<u>426,565</u>	<u>267,705</u>	<u>5,764,118</u>	<u>6,501,009</u>	
Net Position:							
Invested in capital assets,							
net of related debt	69,200,158	70,035,401	13,264,609	13,608,173	82,464,767	83,643,574	-1.41%
Restricted	705,834	812,193	-	-	705,834	812,193	-13.10%
Unrestricted	<u>14,471,337</u>	<u>13,894,169</u>	<u>9,433,113</u>	<u>9,308,978</u>	<u>23,904,450</u>	<u>23,203,147</u>	3.02%
Total Net Position	<u>84,377,329</u>	<u>84,741,763</u>	<u>22,697,722</u>	<u>22,917,151</u>	<u>107,075,051</u>	<u>107,658,914</u>	-0.54%

The *unrestricted net position* of April 30, 2013, totaling \$23,904,450 may be used to meet the government's ongoing obligations to citizens and creditors. This represents a 3.02% increase in unrestricted net position over FY 2013.

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

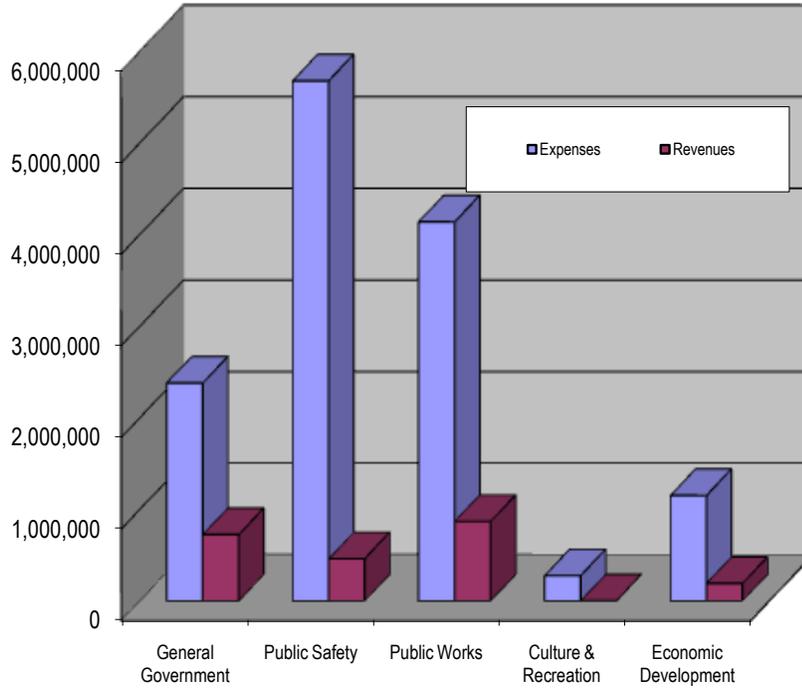
**CITY OF WARRENVILLE
CHANGES IN NET POSITION**

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for Services	\$ 1,492,720	\$ 1,217,302	\$ 2,979,040	\$ 2,612,325	\$ 4,471,760	\$ 3,829,627
Operating Grants and Contributions	374,459	384,594	7,500	3,600	381,959	388,194
Capital Grants and Contributions	375,090	129,147			375,090	129,147
General revenues:						
Property and Replacement Taxes	3,875,670	4,032,040			3,875,670	4,032,040
Other Taxes	7,073,472	6,740,194			7,073,472	6,740,194
Miscellaneous	59,916	234,687	71,758	117,297	131,674	351,984
Total Revenue	<u>13,251,327</u>	<u>12,737,964</u>	<u>3,058,298</u>	<u>2,733,222</u>	<u>16,309,625</u>	<u>15,471,186</u>
Expenses:						
General Government	2,378,435	2,368,352			2,378,435	2,368,352
Public Safety	5,676,132	6,398,592			5,676,132	6,398,592
Public Works	4,136,952	2,544,966			4,136,952	2,544,966
Culture & Recreation	273,552	257,500			273,552	257,500
Economic Development	1,150,690	737,277			1,150,690	737,277
Interest Expense					-	-
Water			1,332,950	1,232,882	1,332,950	1,232,882
Sewer			1,944,777	1,823,272	1,944,777	1,823,272
Total Expenses	<u>13,615,761</u>	<u>12,306,687</u>	<u>3,277,727</u>	<u>3,056,153</u>	<u>16,893,488</u>	<u>15,362,840</u>
Change in Net Position	(364,434)	431,277	(219,429)	(322,931)	(583,863)	108,346
Net Position - May 1	<u>84,741,763</u>	<u>84,310,486</u>	<u>22,917,151</u>	<u>23,240,082</u>	<u>107,658,914</u>	<u>107,550,568</u>
Net Position - April 30	<u>84,377,329</u>	<u>84,741,763</u>	<u>22,697,722</u>	<u>22,917,151</u>	<u>107,075,051</u>	<u>107,658,914</u>

Governmental activities - Governmental Activities decreased the City of Warrenville's net position by \$364,434, and business-type activities also decreased net position by \$219,429, for a net overall decrease on the City's net position of \$583,863.

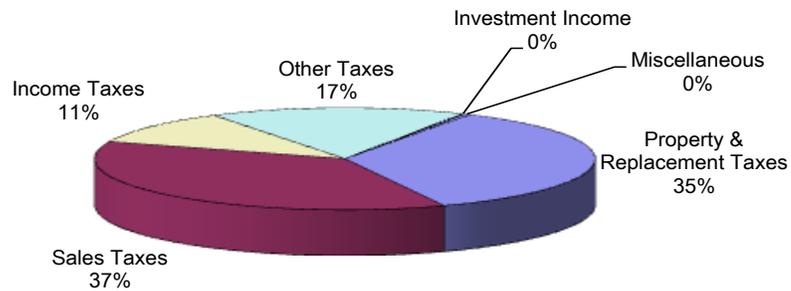
Expenses and Program Revenues

Expenses and Program Revenues - Governmental Activities



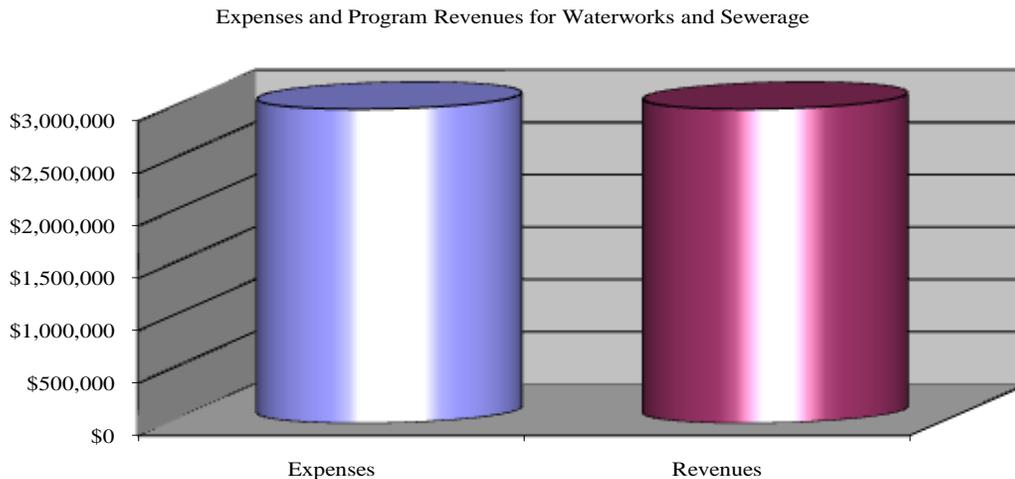
As the above graph shows, all Governmental Activities are tax subsidized. There are not sufficient sources, nor ability, to price these activities in such a manner as to recoup their cost on a program fee basis.

Revenues By Source - Governmental Activities



Other Governmental Funds Highlights:

- For FY 2013 total governmental fund expenditures of \$13,615,761 represent an increase of 10.6% when compared to FY 2012, where total expenditures were \$12,306,687.
- Operational revenues for FY 2013 increased by approximately 4% or \$513,363, with total revenue of \$13,251,327, compared with FY 2012 where total revenue was \$12,737,964.
- **Business-type activities** - Business-type activities decreased the City of Warrenville’s net position by \$219,429. Key elements of this change from FY 2012 to FY 2013 are as follows.
- Charges for services for business-type activities showed an increase of 12.8%. The Water and Sewer rates were increased for FY 2013 to cover increasing costs. Moving forward water and sewer rates will also increase for FY 2014, the second year of an approved two-year rate increase plan. Rates will as again be re-examined during the FY 2015 budget process.
- Non-operating revenue increased by 5.2%, lead by a 60% increase in tap-on connection fees, and a 10% increase in cell tower rental income, while investment income declined by 38.8%.
- Water and Sewer expenses, not including depreciation expenses, increased by \$221,573 or about 8%, with total FY 2013 expenditures of \$2,934,163 versus the FY 2012 total of \$2,712,590.



Financial Analysis of the Government’s Funds

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, *unrestricted fund balance* may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the balance sheets for the City of Warrenville's governmental funds reported combined ending fund balances of \$15,517,447 an increase of \$240,100, or 1.6%, over the prior fiscal year. Approximately 33% of fund balance or \$5,141,524 is classified as *unassigned* fund balance, which is available for spending at the government's discretion. This represents an increase in unassigned fund balance of 13.5% over FY 2012. A total of \$705,834 of fund balance is *restricted*, meaning that those balances are not available for new spending, but are to be spent as follows: 1) maintenance of roadways (\$574,074), and 2) public safety (\$131,760). An additional \$223,545 of total fund balances is *committed* to tourism related activities, while \$6,598,048 is *assigned* for special projects, and will be discussed later in this document. Finally, a total of \$2,848,496 is categorized as *non-spendable*, meaning that portion of fund balance is in a form that cannot be spent. For example \$2,200,000 of this total is in the form of land held for re-sale, and an additional \$639,558 is in the form of an advance to another City fund.

The General Fund is the general day-to-day operating fund of the City of Warrenville. As of the end of fiscal 2013, the *unassigned* fund balance of the General Fund was \$5,873,707, representing an increase of \$705,694 or approximately 13.6%. Overall, total fund balance was \$8,082,645, increasing by \$704,637 or 9.5% over FY 2012. The General Fund's liquidity can be measured by comparing *unassigned fund balance* to total fund expenditures. Ending *Unassigned* fund balance equals approximately 62% of total General Fund expenditures incurred during FY 2013.

Key factors in this change were as follows:

- Total General Fund revenue showed a positive variance of \$249,812 on actual revenue of \$9,981,967 compared with budgeted revenue of \$9,732,155.
- Total operating expenditures showed a positive budget variance of \$415,721, with \$9,521,831 in total expenditures compared with budget expenditures of \$9,937,552. This represents an increase in expenditures of approximately 1.2% when compared with FY 2012.
- Actual fiscal year revenue exceeded actual fiscal year expenditures by \$460,136.
- Transfers in and proceeds from sales of capital assets contributed a total of \$244,502 to the change in the fund balance

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

The Special Projects Fund has a total fund balance of \$5,491,247, the majority of which is designated as "*assigned* for special projects". The "special projects" have been identified by City staff, but the City Council has yet to issue the final authorization for those expenditures. This fund is limited in practice to "special projects" that are outside of operations, and are more of a "capital" or "one-time" nature. Revenue within this fund is limited to one-time sources of revenue, such as: sales of City held land including rights-of-way, and the sale of traffic impact fee credits.

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

Unrestricted net position of the Water and Sewer Fund at the end of the year totaled \$9,433,113. The total unrestricted net position increased by \$124,135 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 for the addition of \$37,993 in fund balance for the fiscal year. However, realized revenues exceeded budget by \$249,811, or about 2.5%, and expenditures fell well short of budgetary estimates by \$415,721, or 4.2%, thereby eliminating the need draw upon existing fund balance to fund operations, but instead adding to unrestricted fund balances. The following are some of the budgetary highlights for the fiscal year:

- With the exception of a single City budgetary department or cost center, all departments or cost centers operated below budget for fiscal year 2013. The single over-budget department was over budget by \$3,979, while the fourteen under-budget departments or cost centers were under budget by a combined \$419,700.
- State Shared Sales Tax receipts totaled \$1,694,083, exceeded budget by \$31,517, and increased by 4.5% or \$72,968 over FY 2012. The total indicated represents the single highest year receipts the City has ever received from this State shared source of revenue.
- Home Rule Sales Tax receipts totaled \$1,583,589, exceeded budget by \$19,605, and increased by \$49,935 or about 3.3% over FY 2012. This also represents the City's second highest collection year of this revenue source, since the inception of this tax.
- State Shared Income Tax revenue totaled \$1,184,222, increasing over the total received for FY 2012 increased by 10.4% or approximately \$111,412. This revenue source exceeded budget by \$143,534. The total revenue received represents a per-capita figure of \$90.12, based upon the City's population of 13,140.
- The Restaurant Food and Beverage Tax collected during the fiscal year totaled \$576,014, thereby exceeding budget by 13,712, or about 2.4%, and showed improvement over FY 2012 of \$11,526 or 2%.
- Property Tax revenue fell \$56,016 short of budget.
- Fines and Forfeit revenue sources finished the year \$87,204 under budget. Circuit Court Fines fell short of budget by \$33,519, or approximately 12%, Parking Fines fell short of budget by \$9,377, or 31%, and Administrative Towing fee revenue fell short of budget by \$10,125 or 12.2%. Also of note, Photo Enforcement fine revenue of \$38,143 was budgeted in anticipation of a new enforcement site installation which never received authorization for the intersection of Batavia Road and Route 59.
- License and Permit revenue sources exceeded budget by \$185,215. Building Permits exceeded budget by \$81,131, Electric Permits exceeded budget by \$54,209, Building Plan Review fees exceeded budget by \$53,736, while unbudgeted Vacant Building Registrations yielded revenue of \$17,500. On the other hand, Engineering Review and Inspection fees fell short of budget by \$20,322, and Stormwater management fees fell short of budget by \$17,348.

- Amusement Tax saw an overall decrease of approximately 13.4%, or \$40,722 from the FY 2012 figure of \$304,213. This revenue source fell \$21,961 short of the FY 2013 budget figure of \$297,501, with total revenue of \$275,540. The General Fund exceeded the budget figure by \$172, while the Capital Maintenance and Replacement Fund was \$22,133 short of budget.
- Telecommunications Tax dollars increased by \$78,125, or just over 11.2%, with receipts totaling \$775,737 for FY 2013 compared to \$697,612 for FY 2012. However, if a large one-time receipt of approximately \$140,000 received from the State of Illinois during March 2012 (FY 2012) is removed from the comparison, the recurring revenue received from this source increased for FY 2013 by \$218,125, or 39.12%. However, this increase is largely attributable to the July 1, 2012, increase in the tax rate from 4% to 6%, as a funding mechanism for the City's Capital Maintenance and Replacement Plan (CMRP).

On the expenditure side:

- As previously mentioned, fourteen of fifteen departments were under budget by a combined total of \$419,700.
- Police Department overtime for the fiscal year totaled \$233,409, finishing the fiscal year \$146,591 under budget. While overall police salaries finished the fiscal year \$44,880 over budget, mostly due to one-time payouts of unused accrued benefit time for retiring officers.
- Legal expenditures for the fiscal year were \$16,610 under budget with total expenditures of \$162,390, despite the costs associated with defending the City in on-going litigation with CUSD 203, regarding the former tax increment financing district #1. Savings of a combined \$14,754 were also realized in the area of labor relations expenditures and expenditures for Canadian National Railroad related issues.
- Public Works, Streets Division expenditures finished the fiscal year \$124,563 under budget. Departmental overtime was approximately \$33,000 under budget for the second year running, mostly due to another mild winter resulting in minimal snow removal over-time expenditures. Additionally, areas of budgetary expenditure savings largely came in the overall maintenance related expenditures for grounds (\$15,000), trees (\$16,000), and street light (\$31,800).
- Across a number of departments, salary related expenditures exceeded budget, as employees exercised the option of "selling back" unused accrued sick benefit. This offering was part of a strategy to significantly decrease the City's long-term liability in the area of personnel related benefit costs. This will be addressed again later in this document.

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, 2013, totals \$82,464,767 (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 a total of 1.41%, or \$1,178,807 from FY 2012 to FY 2013.

City's Capital Assets

	Governmental		Business-type		Total		Total Percentage Change 2013-2012
	Activities		Activities		Total		
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	
Land	\$ 42,923,201	\$ 43,140,424			\$ 42,923,201	\$ 43,140,424	-0.50%
Buildings and improvements	11,284,914	11,284,914			11,284,914	11,284,914	0.00%
Streets/Bridges/ Sidewalks	21,152,102	21,120,962			21,152,102	21,120,962	0.15%
Vehicles & Equipment	3,238,829	3,007,806	1,235,265	1,235,265	4,474,094	4,243,071	5.44%
Stormsewers	5,168,616	5,163,766			5,168,616	5,163,766	0.09%
Waterworks & Sewerage System			18,763,155	18,763,155	18,763,155	18,763,155	0.00%
Totals at historical cost	<u>83,767,662</u>	<u>83,717,872</u>	<u>19,998,420</u>	<u>19,998,420</u>	<u>103,766,082</u>	<u>103,716,292</u>	0.05%
Total accumulated depreciation	<u>14,567,504</u>	<u>13,682,471</u>	<u>6,733,811</u>	<u>6,390,247</u>	<u>21,301,315</u>	<u>20,072,718</u>	6.12%
Net capital assets	<u><u>69,200,158</u></u>	<u><u>70,035,401</u></u>	<u><u>13,264,609</u></u>	<u><u>13,608,173</u></u>	<u><u>82,464,767</u></u>	<u><u>83,643,574</u></u>	-1.41%

Additional information on the City of Warrenville's capital assets can be found in Note 5 on pages 32-33 of this report.

Capital Improvement Planning

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

Analysis of the funding mechanisms source for the CMRP indicated the fund had a structural deficit of approximately \$1,000,000 annually. The City Council adopted the CMRP in September 2011. As previously indicated, among the revised funding sources for the for the CMRP, was an increase in the Simplified Telecommunications Tax rate from 4% to 6%, which went into effect as of July 1, 2012, with the full resulting funding increase going entirely to fund the CMRP. Also, as an intermediate step in funding the CMRP, before additional new taxes become effective May 1, 2013, the City Council authorized and directed the use of an additional \$500,000 transfer from Hotel Motel fund balances to the CMRP during FY 2013.

Long-term debt. At the end of the current fiscal year, the City of Warrenville continues to have no bonded or general obligation debt outstanding. The City’s long-term debt has decreased by approximately 40%. This decrease is due, in part, to a significant increase in net pension assets (decrease in net pension obligations) due to additional contributions made to the Police Pension Fund beyond what was required, in an effort to lessen the long-term funding liability. In addition, as previously mentioned, an effort was made to decrease the City liability for long-term compensated absences, in this case sick time, through a reduction in employee sick-time “banks” by offering employees the option to “sell-back” excess unused accrued sick time and cutting the maximum accruable sick time by 50%.

Additionally, pursuant to GASB Statement 49, an estimated \$200,000 obligation continues to be carried, regarding the mitigation of environmental hazards located on the former Musselman Lumber site, referred to locally as Civic Center Redevelopment Site #1 (CCRS #1). CCRS #1 is located at 28W715 Mount Street.

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

	Governmental		Business-type		Total	Total	Percentage
	Activities	Activities	Activities	Activities			
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013-2012</u>
Compensated Absences	379,798	471,747	41,863	70,345	421,661	542,092	-22.22%
Net Other Postemployment Benefit Obligation	28,962	21,857	2,642	1,994	31,604	23,851	32.51%
Contingent Liability	<u>200,000</u>	<u>200,000</u>	<u> </u>	<u> </u>	<u>200,000</u>	<u>200,000</u>	0.00%
Total Long Term Debt	<u>608,760</u>	<u>693,604</u>	<u>44,505</u>	<u>72,339</u>	<u>653,265</u>	<u>765,943</u>	-14.71%

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

Additional information on the City of Warrenville’s long-term debt can be found in Note 6 on page 34 of this report.

Economic Factors and Next Year’s Budget

Due at least in part to the City’s diversified revenue stream, the City financial performance remains quite stable and strong, and as the national economy shows signs of improvement, Warrenville continues to perform quite well.

Preparations for FY 2014 took into consideration the implementation of a new third tax increment financing district during early FY 2014. The pending implementation of the new TIF district, lead to the early closure of the former TIF District #2 in late FY 2013.

As previously indicated, the FY 2014 Budget for the Capital Maintenance and Replacement Fund, the fund for the CMRP, included the estimated revenue from the new taxes effective May 1, 2013, needed to provide the funding necessary to address the structural deficit of the CMRP. The new taxes are a local

motor fuel tax, electric utility tax and natural gas utility and use taxes.

Requests for Information

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

CITY OF WARRENVILLE, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2013

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 3,975,041	\$ 136,722	\$ 4,111,763
Investments	11,370,276	6,991,605	18,361,881
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	3,352,374	-	3,352,374
Intergovernmental taxes	1,228,279	-	1,228,279
Other taxes	188,220	-	188,220
Accounts	52,081	491,212	543,293
Interest	71,031	40,139	111,170
Prepaid items	8,938	-	8,938
Land held for resale	2,200,000	-	2,200,000
Advances to/from other funds	(2,200,000)	2,200,000	-
Net pension asset	268,484	-	268,484
Capital assets not being depreciated	42,923,201	-	42,923,201
Capital assets being depreciated	26,276,957	13,264,609	39,541,566
Total assets	89,714,882	23,124,287	112,839,169
LIABILITIES			
Accounts payable	332,002	318,761	650,763
Retainage payable	7,631	-	7,631
Accrued payroll	259,122	24,178	283,300
Due to fiduciary fund	30,110	-	30,110
Unearned revenue	70,044	1,414	71,458
Deposits payable	677,510	37,707	715,217
Noncurrent liabilities			
Due within one year	94,950	10,466	105,416
Due in more than one year	513,810	34,039	547,849
Total liabilities	1,985,179	426,565	2,411,744
DEFERRED INFLOWS OF RESOURCES			
Unearned property taxes	3,352,374	-	3,352,374
Total deferred inflows of resources	3,352,374	-	3,352,374
Total liabilities and deferred inflows of resources	5,337,553	426,565	5,764,118
NET POSITION			
Invested in capital assets	69,200,158	13,264,609	82,464,767
Restricted for			
Maintenance of roadways	574,074	-	574,074
Public safety	131,760	-	131,760
Unrestricted	14,471,337	9,433,113	23,904,450
TOTAL NET POSITION	\$ 84,377,329	\$ 22,697,722	\$ 107,075,051

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2013

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants	Capital Grants
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 2,378,435	\$ 703,633	\$ -	\$ 20,000
Public safety	5,676,132	402,864	57,389	-
Public works	4,136,952	194,890	317,070	355,090
Culture and recreation	273,552	-	-	-
Economic development	1,150,690	191,333	-	-
Total governmental activities	13,615,761	1,492,720	374,459	375,090
Business-Type Activities				
Waterworks and sewerage	3,277,727	2,979,040	7,500	-
Total business-type activities	3,277,727	2,979,040	7,500	-
TOTAL PRIMARY GOVERNMENT	\$ 16,893,488	\$ 4,471,760	\$ 381,959	\$ 375,090

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (1,654,802)	\$ -	\$ (1,654,802)
	(5,215,879)	-	(5,215,879)
	(3,269,902)	-	(3,269,902)
	(273,552)	-	(273,552)
	(959,357)	-	(959,357)
	(11,373,492)	-	(11,373,492)
	-	(291,187)	(291,187)
	-	(291,187)	(291,187)
	(11,373,492)	(291,187)	(11,664,679)
General Revenues			
Taxes			
Property and replacement	3,875,670	-	3,875,670
Sales	1,694,083	-	1,694,083
Home rule sales	1,583,589	-	1,583,589
Use	210,871	-	210,871
Telecommunications	775,737	-	775,737
Hotel/motel	768,472	-	768,472
Amusement	275,540	-	275,540
Food and beverage	576,014	-	576,014
Other taxes	4,944	-	4,944
Intergovernmental income tax	1,184,222	-	1,184,222
Investment income	18,806	71,758	90,564
Miscellaneous	41,110	-	41,110
Total	11,009,058	71,758	11,080,816
CHANGE IN NET POSITION	(364,434)	(219,429)	(583,863)
NET POSITION, MAY 1	84,741,763	22,917,151	107,658,914
NET POSITION, APRIL 30	\$ 84,377,329	\$ 22,697,722	\$ 107,075,051

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2013

	General	Tax Allocation	Special Projects	Capital Maintenance and Replacement	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 2,654,729	\$ -	\$ -	\$ 754,182	\$ 566,130	\$ 3,975,041
Investments	5,298,886	-	4,804,558	859,275	407,557	11,370,276
Receivables (net, where applicable, of allowances for uncollectibles)						
Property taxes	3,352,374	-	-	-	-	3,352,374
Intergovernmental taxes	1,033,222	-	-	172,460	22,597	1,228,279
Other taxes	109,928	-	-	14,177	64,115	188,220
Accounts	52,081	-	-	-	-	52,081
Interest	30,259	-	31,433	6,999	2,340	71,031
Due from other funds	101,535	-	-	-	820	102,355
Prepaid items	8,938	-	-	-	-	8,938
Advances to other funds	-	-	732,183	-	-	732,183
Land held for resale	2,200,000	-	-	-	-	2,200,000
TOTAL ASSETS	\$ 14,841,952	\$ -	\$ 5,568,174	\$ 1,807,093	\$ 1,063,559	\$ 23,280,778

	General	Tax Allocation	Special Projects	Capital Maintenance and Replacement	Nonmajor Governmental Funds	Total Governmental Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 169,327	\$ -	\$ 69,296	\$ 60,734	\$ 32,645	\$ 332,002
Retainage payable	-	-	7,631	-	-	7,631
Accrued payroll	259,122	-	-	-	-	259,122
Other unearned revenue	70,044	-	-	-	-	70,044
Due to other funds	820	-	-	-	101,535	102,355
Due to fiduciary fund	30,110	-	-	-	-	30,110
Deposits payable	677,510	-	-	-	-	677,510
Advances from other funds	2,200,000	639,558	-	-	92,625	2,932,183
Total liabilities	3,406,933	639,558	76,927	60,734	226,805	4,410,957
DEFERRED INFLOWS OF RESOURCES						
Unavailable property taxes	3,352,374	-	-	-	-	3,352,374
Total deferred inflows of resources	3,352,374	-	-	-	-	3,352,374
Total liabilities and deferred inflows of resources	6,759,307	639,558	76,927	60,734	226,805	7,763,331
FUND BALANCES						
Nonspendable - prepaid items	8,938	-	-	-	-	8,938
Nonspendable - advance to other fund	-	-	732,183	-	-	732,183
Nonspendable - land held for resale	2,200,000	-	-	-	-	2,200,000
Restricted for maintenance of roadways	-	-	-	-	574,074	574,074
Restricted for public safety	-	-	-	-	131,760	131,760
Unrestricted						
Committed for tourism and conventions	-	-	-	-	223,545	223,545
Assigned for special projects	-	-	4,759,064	1,746,359	-	6,505,423
Unassigned						
Deficit - Capital Projects Fund	-	(639,558)	-	-	-	(639,558)
Deficit - Nonmajor Fund	-	-	-	-	(92,625)	(92,625)
General Fund	5,873,707	-	-	-	-	5,873,707
Total fund balances (deficit)	8,082,645	(639,558)	5,491,247	1,746,359	836,754	15,517,447
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 14,841,952	\$ -	\$ 5,568,174	\$ 1,807,093	\$ 1,063,559	\$ 23,280,778

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

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

April 30, 2013

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 15,517,447
Amounts reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	69,200,158
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Compensated absences	(379,798)
Net other postemployment benefit obligation	(28,962)
Net pension asset	268,484
Contingent liability	<u>(200,000)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 84,377,329</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, 2013

	General	Tax Allocation	Special Projects	Capital Maintenance and Replacement	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	\$ 7,623,116	\$ -	\$ -	\$ 795,603	\$ 1,523,211	\$ 9,941,930
Licenses and permits	539,733	-	-	-	-	539,733
Intergovernmental	1,241,611	-	297,059	-	375,101	1,913,771
Fines and forfeits	358,264	-	191,333	-	-	549,597
Investment income	(3,636)	-	15,957	4,674	1,811	18,806
Miscellaneous	222,878	-	20,000	-	44,612	287,490
Total revenues	9,981,966	-	524,349	800,277	1,944,735	13,251,327
EXPENDITURES						
Current						
General government	2,376,899	-	-	-	-	2,376,899
Public safety	5,774,291	-	-	-	1,569	5,775,860
Public works	1,337,025	-	-	-	200,051	1,537,076
Culture and recreation	33,616	-	-	-	239,936	273,552
Economic development	-	-	-	-	1,150,690	1,150,690
Capital outlay	-	-	607,161	1,316,511	-	1,923,672
Total expenditures	9,521,831	-	607,161	1,316,511	1,592,246	13,037,749
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	460,135	-	(82,812)	(516,234)	352,489	213,578
OTHER FINANCING SOURCES (USES)						
Transfers in	221,688	-	-	700,000	-	921,688
Transfers (out)	-	-	-	-	(921,688)	(921,688)
Proceeds from sale of capital assets	22,814	-	-	3,714	-	26,528
Total other financing sources (uses)	244,502	-	-	703,714	(921,688)	26,528
NET CHANGE IN FUND BALANCES	704,637	-	(82,812)	187,480	(569,199)	240,106
FUND BALANCES (DEFICIT), MAY 1	7,378,008	(639,558)	5,574,059	1,558,879	1,405,953	15,277,341
FUND BALANCES (DEFICIT), APRIL 30	\$ 8,082,645	\$ (639,558)	\$ 5,491,247	\$ 1,746,359	\$ 836,754	\$ 15,517,447

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, 2013

NET CHANGE IN FUND BALANCES -	
TOTAL GOVERNMENTAL FUNDS	\$ 240,106
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	441,925
Depreciation expense	(910,502)
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	
	(366,666)
The change in certain liabilities are reported as expenses on the statement of activities	
Compensated absences	91,949
Net other postemployment benefit asset	(7,105)
Net pension obligation	145,859
	<u>145,859</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ (364,434)</u>

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS

April 30, 2013

	Business-Type Activities <u>Water and Sewer</u>
CURRENT ASSETS	
Cash	\$ 136,722
Investments	6,991,605
Receivables (net where applicable, of allowances for uncollectibles)	
Accounts	491,212
Accrued interest	<u>40,139</u>
Total current assets	<u>7,659,678</u>
NONCURRENT ASSETS	
Capital assets	
Being depreciated	
Vehicles and equipment	1,235,265
Underground waterworks and sewerage system	18,763,155
Accumulated depreciation	<u>(6,733,811)</u>
Net capital assets being depreciated	<u>13,264,609</u>
Advances to other funds	<u>2,200,000</u>
Total noncurrent assets	<u>15,464,609</u>
Total assets	<u>23,124,287</u>
CURRENT LIABILITIES	
Accounts payable	318,761
Accrued payroll	24,178
Unearned revenue	1,414
Deposits payable	37,707
Compensated absences payable	<u>10,466</u>
Total current liabilities	<u>392,526</u>
LONG-TERM LIABILITIES	
Compensated absences payable	31,397
Net other postemployment benefit obligation payable	<u>2,642</u>
Total long-term liabilities	<u>34,039</u>
Total liabilities	<u>426,565</u>
NET POSITION	
Investment in capital assets	13,264,609
Unrestricted	<u>9,433,113</u>
TOTAL NET POSITION	<u>\$ 22,697,722</u>

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

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

For the Year Ended April 30, 2013

	<u>Business-Type Activities</u> <u>Water and Sewer</u>
OPERATING REVENUES	
Charges for services	\$ 2,687,988
Total operating revenues	<u>2,687,988</u>
OPERATING EXPENSES EXCLUDING DEPRECIATION	
Costs of sales and services	<u>2,934,163</u>
Total operating expenses excluding depreciation	<u>2,934,163</u>
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(246,175)
DEPRECIATION	<u>343,564</u>
OPERATING INCOME (LOSS)	<u>(589,739)</u>
NONOPERATING REVENUES (EXPENSES)	
Tap-on connection fees	114,289
Investment income	71,758
Grants	7,500
Rental income	<u>176,763</u>
Total nonoperating revenues (expenses)	<u>370,310</u>
CHANGE IN NET POSITION	(219,429)
NET POSITION, MAY 1	<u>22,917,151</u>
NET POSITION, APRIL 30	<u>\$ 22,697,722</u>

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS

For the Year Ended April 30, 2013

	Business-Type Activities
	<u>Water and Sewer</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 2,919,453
Payments to suppliers	(1,542,901)
Payments to employees	<u>(1,228,779)</u>
Net cash from operating activities	<u>147,773</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Grants received	7,500
Payments on interfund loans	<u>(6,563)</u>
Net cash from noncapital financing activities	<u>937</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
None	<u>-</u>
Net cash from capital and related financing activities	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sale of investments	179,420
Purchase of investments	(276,973)
Interest received	<u>65,622</u>
Net cash from investing activities	<u>(31,931)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	116,779
CASH AND CASH EQUIVALENTS, MAY 1	<u>19,943</u>
CASH AND CASH EQUIVALENTS, APRIL 30	<u><u>\$ 136,722</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, 2013

	Business-Type Activities
	<u>Water and Sewer</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income (loss)	\$ (589,739)
Adjustments to reconcile operating income (loss) to net cash from operating activities	
Depreciation	343,564
Connection fees	114,289
Rental income	176,763
(Increase) decrease in	
Accounts receivable	(55,964)
Increase (decrease) in	
Accounts payable	208,208
Accrued payroll	(17,891)
Deposits payable	(454)
Unearned revenue	(3,169)
Compensated absences payable	(28,482)
Net other postemployment benefit payable	<u>648</u>
NET CASH FROM OPERATING ACTIVITIES	<u><u>\$ 147,773</u></u>
NONCASH TRANSACTIONS	
Unrealized gain (loss) on investments	<u><u>\$ (134,078)</u></u>

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUND

April 30, 2013

	<u>Police Pension Fund</u>
ASSETS	
Cash and cash equivalents	\$ 215,985
Investments, at fair value	
U.S. Treasury securities	252,388
U.S. agency securities	3,433,348
Municipal bonds	681,957
Corporate bonds	1,857,148
Equities	1,479,216
Mutual funds	5,125,603
Receivables	
Contributions	8,108
Accrued interest	70,417
Due from City	<u>30,110</u>
Total assets	<u>13,154,280</u>
LIABILITIES	
None	<u>-</u>
Total liabilities	<u>-</u>
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	<u><u>\$ 13,154,280</u></u>

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUND

For the Year Ended April 30, 2013

	<u>Police Pension Fund</u>
ADDITIONS	
Contributions	
Employer	\$ 812,420
Employee	<u>248,130</u>
Total contributions	<u>1,060,550</u>
Investment income	
Net appreciation in fair value of investments	765,250
Interest	<u>382,250</u>
Total investment income	1,147,500
Less investment expense	<u>(26,085)</u>
Net investment income	<u>1,121,415</u>
Total additions	<u>2,181,965</u>
DEDUCTIONS	
Administration	6,112
Benefits and refunds	
Retirement benefits	439,529
Refunds	<u>42,325</u>
Total deductions	<u>487,966</u>
NET INCREASE	1,693,999
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	
May 1	<u>11,460,281</u>
April 30	<u><u>\$ 13,154,280</u></u>

See accompanying notes to financial statements.

CITY OF WARRENVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

April 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Warrenville, Illinois (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

a. Reporting Entity

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

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

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

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

b. Fund Accounting

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

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

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

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

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

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

c. Government-Wide and Fund Financial Statements

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

The City reports the following major governmental funds:

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The City reports the following major proprietary funds:

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

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing enterprise fund services. Incidental revenues/expenses are reported as 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 unavailable/unearned revenue on its financial statements. Unavailable/unearned revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unavailable/unearned revenues also arise when resources are received by the government before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for unavailable/unearned revenue is removed from the financial statements and revenue is recognized.

e. Cash and Investments

Cash and Cash Equivalents

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

Investments

Investments with a maturity of one year or less when purchased and 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

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

g. Capital Assets

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

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Capital Assets (Continued)

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

h. Land Held for Resale

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

i. Compensated Absences

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

j. Long-Term Obligations

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

k. Interfund Transactions

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Interfund Receivables/Payables

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

m. Net Position/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 in the General Fund is reported as unassigned.

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. 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.

o. Deferred inflows/outflows

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

2. RECEIVABLES

The following receivables are included in intergovernmental taxes receivable on the statement of net position at April 30, 2013:

GOVERNMENTAL ACTIVITIES	
Sales tax	\$ 402,471
Home rule sales tax	355,583
Income tax	191,278
Motor fuel tax	22,597
Simplified telecommunications tax	206,977
Local use tax	48,269
Auto rental tax	<u>1,104</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 1,228,279</u>

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

2. RECEIVABLES (Continued)

The following receivables are included in other taxes receivable on the statement of net position at April 30, 2013:

GOVERNMENTAL ACTIVITIES	
Food and beverage tax	\$ 55,047
Hotel/motel tax	64,115
Cable franchise fees	45,429
Amusement tax	<u>23,629</u>
 TOTAL GOVERNMENTAL ACTIVITIES	 <u>\$ 188,220</u>

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.

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

3. DEPOSITS AND INVESTMENTS (Continued)

a. City Deposits and Investments (Continued)

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

Deposits with Financial Institutions

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

Investments

The following table presents the investments and maturities of the City’s debt securities as of April 30, 2013:

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury notes	\$ 13,886,315	\$ 2,970,868	\$ 10,915,447	\$ -	\$ -
FHLMC	1,130,140	-	1,130,140	-	-
FNMA	3,696,544	762,849	2,933,695	-	-
TOTAL	\$ 18,712,999	\$ 3,733,717	\$ 14,979,282	\$ -	\$ -

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 AA+.

3. DEPOSITS AND INVESTMENTS (Continued)

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

Concentration of credit risk is the risk that the City has a high percentage of its investments invested in one type of investment. The City's investment policy requires diversification of investments to minimize potential losses. The City's investment policy requires that no financial institution shall hold more than 20% of the City's investment portfolio, exclusive of U.S. Treasury securities and collateralized investments held in safekeeping. Additionally, investments in corporate paper shall not exceed 10% and Illinois Funds shall not exceed 25% of the total portfolio. The City does have greater than 5% of their investments in one FNMA security maturing June 27, 2014 as of April 30, 2013. 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.

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

3. DEPOSITS AND INVESTMENTS (Continued)

b. Police Pension Deposits and Investments (Continued)

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

Deposits with Financial Institutions

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

Investments

The following table presents the investments and maturities of the Police Pension Fund’s debt securities as of April 30, 2013:

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury notes	\$ 252,388	\$ -	\$ 231,609	\$ 20,779	\$ -
FHLMC	738,916	128,235	211,013	399,668	-
FFCB	855,822	-	229,869	243,097	382,856
FHLB	1,261,671	-	899,216	299,719	62,736
FNMA	550,857	100,891	-	449,966	-
GNMA	26,082	-	-	26,082	-
Municipal bonds	681,957	-	137,941	544,016	-
Corporate Bonds	1,857,148	236,633	379,076	1,241,439	-
TOTAL	\$ 6,224,841	\$ 465,759	\$ 2,088,724	\$ 3,224,766	\$ 445,592

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.

3. DEPOSITS AND INVESTMENTS (Continued)

b. Police Pension Deposits and Investments (Continued)

Investments (Continued)

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 AA+. The ratings on the Municipal Bonds range from A to AA+. The Corporate bonds are rated ranging between BBB+ to AAA.

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

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, 2013. This is in compliance with the Police Pension Fund's investment policy.

4. PROPERTY TAXES

Property taxes for 2012 attach as an enforceable lien on January 1, 2012 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, 2013 and are payable in two installments, on or about June 1, 2013 and September 1, 2013. The County collects such taxes and remits them periodically. Those 2012 taxes are intended to finance the 2013 fiscal year and are not considered available for current operations and are, therefore, shown as unearned/unavailable revenue. The 2013 tax levy has not been recorded as a receivable at April 30, 2013. The tax is attached as a lien on property as of January 1, 2013; however, the tax will not be levied until December 2013 and, accordingly, is not measurable at April 30, 2013.

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

5. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2013 was as follows:

	Beginning Balance May 1	Additions	Retirements	Ending Balance April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 9,262,593	\$ 149,443	\$ -	\$ 9,412,036
Land - right of way	33,563,200	-	52,035	33,511,165
Construction in Progress	314,631	-	314,631	-
Total capital assets not being depreciated	43,140,424	149,443	366,666	42,923,201
Capital assets being depreciated				
Buildings	11,284,914	-	-	11,284,914
Streets, bridges and sidewalks	21,120,962	31,140	-	21,152,102
Storm sewers	5,163,766	4,850	-	5,168,616
Vehicles and equipment	3,007,806	256,492	25,469	3,238,829
Total capital assets being depreciated	40,577,448	292,482	25,469	40,844,461
Less accumulated depreciation for				
Buildings	3,326,464	272,123	-	3,598,587
Streets, bridges and sidewalks	7,092,405	352,278	-	7,444,683
Storm sewers	1,371,697	69,027	-	1,440,724
Vehicles and equipment	1,891,905	217,074	25,469	2,083,510
Total accumulated depreciation	13,682,471	910,502	25,469	14,567,504
Total capital assets being depreciated, net	26,894,977	(618,020)	-	26,276,957
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 70,035,401	\$ (468,577)	\$ 366,666	\$ 69,200,158

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

5. CAPITAL ASSETS (Continued)

	Beginning Balance May 1	Additions	Retirements	Ending Balance April 30
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Construction in progress	\$ -	\$ -	\$ -	\$ -
Total capital assets not being depreciated	-	-	-	-
Capital assets being depreciated				
Vehicle and equipment	1,235,265	-	-	1,235,265
Underground waterworks and sewerage system	18,763,155	-	-	18,763,155
Total capital assets being depreciated	19,998,420	-	-	19,998,420
Less accumulated depreciation for				
Vehicle and equipment	742,151	86,275	-	828,426
Underground waterworks and sewerage system	5,648,096	257,289	-	5,905,385
Total accumulated depreciation	6,390,247	343,564	-	6,733,811
Total capital assets being depreciated, net	13,608,173	(343,564)	-	13,264,609
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	\$ 13,608,173	\$ (343,564)	\$ -	\$ 13,264,609

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

GOVERNMENTAL ACTIVITIES	
General government	\$ 108,038
Public safety	78,883
Public works	723,581
TOTAL	\$ 910,502

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, 2013.

Issue	Balances May 1	Issuances	Retirements	Balances April 30	Due Within One Year
Compensated absences	\$ 471,747	\$ 25,988	\$ 117,937	\$ 379,798	\$ 94,950
Net other postemployment benefit obligation	21,857	7,105	-	28,962	-
Contingent liability	200,000	-	-	200,000	-
TOTAL	\$ 693,604	\$ 33,093	\$ 117,937	\$ 608,760	\$ 94,950

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	\$ 70,345	\$ 6,691	\$ 35,173	\$ 41,863	\$ 10,466
Net other postemployment benefit obligation	1,994	648	-	2,642	-
TOTAL	\$ 72,339	\$ 7,339	\$ 35,173	\$ 44,505	\$ 10,466

7. RISK MANAGEMENT

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

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

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

7. RISK MANAGEMENT (Continued)

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

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

8. INTERFUND ASSETS/LIABILITIES

Due From/To Other Funds

Individual fund interfund receivables/payables are as follows:

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	\$ 101,535
Nonmajor Governmental	General	<u>820</u>
TOTAL		<u>\$ 102,355</u>

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

- \$101,535 is due to the General Fund from Nonmajor Funds 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	\$ 639,558
Special Projects	Nonmajor Governmental	92,625
Water and Sewer	General	<u>2,200,000</u>
TOTAL		<u>\$ 2,932,183</u>

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

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.
- \$639,558 is due to the Special Projects Fund from the Tax Allocation Fund related to cash shortfall due to the closing of the Tax allocation District.
- \$89,639 is due to the Special Projects Fund from the TIF District #3 Fund for advance funding costs.

Interfund Transfers

Interfund transfers between funds for the year ended April 30, 2013 were as follows:

	Transfers In	Transfers Out
General	\$ 221,688	\$ -
Capital Maintenance and Replacement	700,000	-
Nonmajor Governmental	-	921,688
TOTAL	<u>\$ 921,688</u>	<u>\$ 921,688</u>

The purposes of the significant interfund transfers are as follows:

- \$200,000 was transferred to the General Fund from the Hotel/Motel Tax Fund for a capital subsidy to fund general improvements. This transfer will not be repaid.
- \$700,000 was transferred to the Capital Maintenance and Replacement Fund from the Hotel/Motel Tax Fund for a capital subsidy to fund capital maintenance and replacement costs. This transfer will not be repaid.
- \$21,688 was transferred to the General Fund from the Seized Assets Fund to reimburse for eligible capital purchases.

Fund Balance Deficits

The Tax Allocation, TIF District #2, and TIF District #3 Funds had deficit fund balances of (\$639,558), (\$2,986) and (\$89,639), respectively, at April 30, 2013.

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.

c. Environmental Remediation

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

10. EMPLOYEE RETIREMENT SYSTEMS

a. Plan Descriptions and Provisions

Illinois Municipal Retirement Fund

The City contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois.

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions and Provisions (Continued)

Illinois Municipal Retirement Fund (Continued)

All employees (other than those covered by the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

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

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The City is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for calendar year 2012 was 11.08% of covered payroll.

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

Police Pension Plan

Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois Compiled Statutes (Chapter 40 - Article 5/3) and may be amended only by the Illinois legislature. The City accounts for the Police Pension Plan as a pension trust fund. The Police Pension Plan does not issue separate financial statements. At April 30, 2013, the Police Pension Plan membership consisted of:

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions and Provisions (Continued)

Police Pension Plan (Continued)

Retirees and beneficiaries currently receiving benefits	8
Terminated employees entitled to benefits but not yet receiving them	-
Current employees	
Vested	18
Nonvested	13
	<hr/>
TOTAL	<u>39</u>

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

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 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions and Provisions (Continued)

Police Pension Plan (Continued)

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, 2013, the City's contribution was 35.98% of covered payroll.

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 positions available for benefits.

c. Annual Pension Cost

	Illinois Municipal Retirement	Police Pension
	December 31, 2010	May 1, 2012
Actuarial valuation date	December 31, 2010	May 1, 2012
Actuarial cost method	Entry-age Normal	Entry-age Normal
Asset valuation method	5 Year Smoothed Market	Market
Amortization method	Level Percentage of Payroll	Level Percentage of Payroll
Amortization period	30 Years, Open	21 Years, Closed

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

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Annual Pension Cost (Continued)

		Illinois Municipal Retirement	Police Pension
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%
	Fiscal Year	Illinois Municipal Retirement	Police Pension
Annual pension cost (APC)	2011	\$ 318,028	\$ 613,508
	2012	316,271	728,132
	2013	340,149	666,561
Actual contribution	2011	\$ 318,028	\$ 613,086
	2012	316,271	877,705
	2013	340,149	812,420
Percentage of APC contributed	2011	100.00%	99.93%
	2012	100.00%	120.54%
	2013	100.00%	121.88%
Net pension obligation (asset)	2011	\$ -	\$ 26,948
	2012	-	(122,625)
	2013	-	(268,484)

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

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Annual Pension Cost (Continued)

The funded status and funding progress of the plans as of December 31, 2012 and May 1, 2012, the most recent actuarial information available, were as follows:

	Illinois Municipal Retirement	Police Pension
Actuarial accrued liability (AAL)	\$ 7,406,966	\$ 17,984,231
Actuarial value of plan assets	5,404,569	11,460,281
Unfunded actuarial accrued liability (UAAL)	2,002,397	6,523,950
Funded ratio (actuarial value of plan assets/AAL)	72.97%	63.72%
Covered payroll (active plan members)	\$ 3,012,457	\$ 2,439,172
UAAL as a percentage of covered payroll	66.47%	267.47%

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.

The net pension obligation (asset) as of April 30, 2013 has been calculated as follows:

	Police Pension
Annual required contribution	\$ 668,005
Interest on net pension obligation	(8,584)
Adjustment to annual required contribution	7,140
Annual pension cost	666,561
Contributions made	812,420
Increase (decrease) in net pension obligation	(145,859)
Net pension obligation (asset), beginning of year	(122,625)
NET PENSION OBLIGATION (ASSET), END OF YEAR	\$ (268,484)

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.

c. Membership

At April 30, 2012, membership consisted of:

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

d. Funding Policy

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

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

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan and the net OPEB obligation for 2013 and two previous years was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
April 30, 2011	\$ 22,881	\$ 16,977	74.20%	\$ 17,849
April 30, 2012	22,979	16,977	73.88%	23,851
April 30, 2013	29,341	21,587	73.57%	31,604

The net OPEB obligation as of April 30, 2013, was calculated as follows:

Annual required contribution	\$ 28,943
Interest on net OPEB obligation	1,193
Adjustment to annual required contribution	<u>(795)</u>
Annual OPEB cost	29,341
Contributions made	<u>21,587</u>
Increase in net OPEB obligation	7,753
Net OPEB obligation, beginning of year	<u>23,851</u>
NET OPEB OBLIGATION, END OF YEAR	<u>\$ 31,604</u>

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

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

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

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.

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

In the April 30, 2012 actuarial valuation, the entry-age normal actuarial cost method was used. The actuarial assumptions included an investment rate of return of 5.0%, 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 April 30, 2012 was 30 years.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WARRENVILLE, ILLINOIS

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

For the Year Ended April 30, 2013

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	\$ 7,608,672	\$ 7,608,672	\$ 7,623,116	\$ 14,444
Licenses and permits	354,518	354,518	539,733	185,215
Intergovernmental	1,095,824	1,095,824	1,241,611	145,787
Fines and forfeits	445,468	445,468	358,264	(87,204)
Investment income	25,000	25,000	(3,636)	(28,636)
Miscellaneous	202,673	202,673	222,878	20,205
Total revenues	9,732,155	9,732,155	9,981,966	249,811
EXPENDITURES				
General government	2,534,318	2,537,423	2,376,899	(160,524)
Public safety	5,870,560	5,870,560	5,774,291	(96,269)
Public works	1,488,969	1,488,969	1,337,025	(151,944)
Culture and recreation	40,600	40,600	33,616	(6,984)
Total expenditures	9,934,447	9,937,552	9,521,831	(415,721)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(202,292)	(205,397)	460,135	665,532
OTHER FINANCING SOURCES (USES)				
Transfers in	220,285	220,285	221,688	1,403
Proceeds from sale of capital assets	20,000	20,000	22,814	2,814
Total other financing sources (uses)	240,285	240,285	244,502	4,217
NET CHANGE IN FUND BALANCE	\$ 37,993	\$ 34,888	704,637	\$ 669,749
FUND BALANCE, MAY 1			<u>7,378,008</u>	
FUND BALANCE, APRIL 30			<u>\$ 8,082,645</u>	

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2013

Schedule of Funding Progress

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
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%
2011	5,179,035	6,748,524	76.74%	1,569,489	2,817,888	55.70%
2012	5,404,569	7,406,966	72.97%	2,002,397	3,012,457	66.47%

Schedule of Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contributions (ARC)	Percentage Contributed
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%
2012	316,271	316,271	100.00%
2013	340,149	340,149	100.00%

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 POLICE PENSION FUND

April 30, 2013

Schedule of Funding Progress

Actuarial Valuation Date May 1,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
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%
2011	10,229,466	16,096,691	63.55%	5,867,225	2,329,319	251.89%
2012	11,460,281	17,984,231	63.72%	6,523,950	2,439,172	267.47%

Schedule of Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contributions (ARC)	Percentage Contributed
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%
2012	877,705	727,704	120.61%
2013	812,420	668,005	121.62%

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2013

Schedule of Funding Progress

Actuarial Valuation Date May 1,	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Percentage Funded (1) / (2)	(4) Unfunded 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
2011	-	473,459	0.00%	473,459	5,607,940	8.44%
2012	N/A	N/A	N/A	N/A	N/A	N/A

Schedule of Employer Contributions

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

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

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2013

BUDGETARY INFORMATION

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

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

Budgeted revenue and expenditures for fiscal year 2013 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 2013, 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 accounted for in another fund.

CAPITAL PROJECTS FUND

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

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

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

CITY OF WARRENVILLE, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2013

	Original Budget	Final Budget	Actual	Variance Over (Under)
TAXES				
Property tax				
General corporate	\$ 1,198,007	\$ 1,198,007	\$ 1,184,473	\$ (13,534)
Police protection	326,775	326,775	323,202	(3,573)
FICA	246,470	246,470	243,637	(2,833)
Police pension	812,196	812,196	782,310	(29,886)
IMRF	160,610	160,610	159,128	(1,482)
Audit	15,657	15,657	13,710	(1,947)
Noncurrent	-	-	565	565
Tort and liability	86,066	86,066	84,958	(1,108)
Workers' compensation	53,032	53,032	54,167	1,135
Crossing guards	42,930	42,930	42,704	(226)
Road and bridge	142,932	142,932	141,612	(1,320)
Township road and bridge	52,307	52,307	50,500	(1,807)
State sales tax	1,662,566	1,662,566	1,694,083	31,517
Home rule sales tax	1,563,984	1,563,984	1,583,589	19,605
Local use tax	214,182	214,182	210,871	(3,311)
Personal property replacement tax	38,385	38,385	39,964	1,579
Telecommunications tax	137,928	137,928	136,502	(1,426)
Amusement tax	119,000	119,000	119,172	172
Food and beverage tax	562,302	562,302	576,014	13,712
Auto rental tax	7,343	7,343	4,944	(2,399)
Franchise fees	166,000	166,000	177,011	11,011
Total taxes	7,608,672	7,608,672	7,623,116	14,444
LICENSES AND PERMITS				
Liquor licenses	43,300	43,300	47,300	4,000
Business licenses	4,430	4,430	6,156	1,726
Refuse collection license	6,750	6,750	3,750	(3,000)
Dog license	1,500	1,500	1,531	31
Other business licenses	15,626	15,626	18,980	3,354
Building permits	59,425	59,425	140,556	81,131
Electric permits	9,429	9,429	63,638	54,209
Plumbing permits	5,006	5,006	13,908	8,902
Building plan review fees	35,561	35,561	89,297	53,736
Other permits	4,157	4,157	7,400	3,243
Printing charges	2,800	2,800	2,410	(390)
Re-inspection fees	250	250	-	(250)
Annexation fees	1,000	1,000	-	(1,000)
Senior taxi coupons	1,000	1,000	165	(835)
Site plan review fees	7,264	7,264	1,300	(5,964)

(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, 2013

	Original Budget	Final Budget	Actual	Variance Over (Under)
LICENSES AND PERMITS (Continued)				
Public hearing fees	\$ 5,440	\$ 5,440	\$ 6,720	\$ 1,280
Recording fees	-	-	263	263
Engineer review and inspection fees	30,130	30,130	9,808	(20,322)
Stormwater management fees	29,475	29,475	12,127	(17,348)
Preliminary consultative fees	1,000	1,000	6,000	5,000
New elevator and inspection fees	14,000	14,000	16,620	2,620
Vacant building registration	-	-	17,500	17,500
Code enforcement adjudication	-	-	4,500	4,500
False alarm calls	6,000	6,000	2,800	(3,200)
Fingerprinting	5,500	5,500	4,720	(780)
Refuse stickers	65,475	65,475	62,284	(3,191)
Total licenses and permits	354,518	354,518	539,733	185,215
INTERGOVERNMENTAL				
Income tax	1,040,688	1,040,688	1,184,222	143,534
Reimbursements - Federal	50,196	50,196	53,605	3,409
Grants	4,940	4,940	3,784	(1,156)
Total intergovernmental	1,095,824	1,095,824	1,241,611	145,787
FINES AND FORFEITS				
Circuit court fines	284,800	284,800	251,281	(33,519)
Parking fines	30,000	30,000	20,623	(9,377)
Photo enforcement fines	38,143	38,143	-	(38,143)
Other fines and forfeitures	2,200	2,200	1,485	(715)
Administrative towing fee	83,250	83,250	73,125	(10,125)
Booking fees	7,000	7,000	8,820	1,820
Penalty income	75	75	2,930	2,855
Total fines and forfeits	445,468	445,468	358,264	(87,204)
INVESTMENT INCOME	25,000	25,000	(3,636)	(28,636)
MISCELLANEOUS				
Rental income	177,643	177,643	187,767	10,124
Administrative charges	30	30	120	90
Other	25,000	25,000	34,991	9,991
Total miscellaneous	202,673	202,673	222,878	20,205
TOTAL REVENUES	\$ 9,732,155	\$ 9,732,155	\$ 9,981,966	\$ 249,811

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2013

	Original Budget	Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT				
Mayor and council				
Personnel	\$ 69,758	\$ 69,758	\$ 69,722	\$ (36)
Supplies and services	20,660	20,660	12,614	(8,046)
Total mayor and council	90,418	90,418	82,336	(8,082)
City clerk				
Personnel	10,765	10,765	10,765	-
Supplies and services	23,386	23,386	20,726	(2,660)
Maintenance	5,000	5,000	4,913	(87)
Total city clerk	39,151	39,151	36,404	(2,747)
Legal				
Supplies and services	179,000	179,000	162,390	(16,610)
Total legal	179,000	179,000	162,390	(16,610)
Finance and information services				
Personnel	247,350	247,350	251,051	3,701
Supplies and services	53,271	53,271	27,872	(25,399)
Capital	65,475	65,475	71,280	5,805
Total finance and information services	366,096	366,096	350,203	(15,893)
Administration				
Personnel	356,883	356,883	390,989	34,106
Supplies and services	121,165	121,165	80,425	(40,740)
Capital	153,500	153,500	158,474	4,974
Total administration	631,548	631,548	629,888	(1,660)
Central services				
Personnel	166,738	166,738	175,796	9,058
Supplies and services	148,192	148,192	141,398	(6,794)
Maintenance	145,230	145,230	125,903	(19,327)
Total central services	460,160	460,160	443,097	(17,063)
Community development				
Personnel	655,360	655,360	620,091	(35,269)
Supplies and services	100,750	100,750	48,521	(52,229)
Maintenance	1,250	1,250	1,519	269
Capital	-	-	260	260
Total community development	757,360	757,360	670,391	(86,969)
Municipal van				
Personnel	39,425	39,425	30,853	(8,572)
Supplies and services	10,300	13,405	9,468	(3,937)
Maintenance	1,000	1,000	2,009	1,009
Total municipal van	50,725	53,830	42,330	(11,500)

(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, 2013

	Original Budget	Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT (Continued)				
Less administrative costs charged to other departments and funds	\$ (40,140)	\$ (40,140)	\$ (40,140)	\$ -
Total general government	2,534,318	2,537,423	2,376,899	(160,524)
PUBLIC SAFETY				
Police protection				
Personnel	4,985,761	4,985,761	4,979,225	(6,536)
Supplies and services	759,932	759,932	706,025	(53,907)
Maintenance	66,503	66,503	63,250	(3,253)
Capital	5,385	5,385	2,384	(3,001)
Total police protection	5,817,581	5,817,581	5,750,884	(66,697)
ESDA				
Personnel	6,459	6,459	6,459	-
Supplies and services	13,100	13,100	2,618	(10,482)
Maintenance	6,500	6,500	3,607	(2,893)
Capital	1,600	1,600	404	(1,196)
Total ESDA	27,659	27,659	13,088	(14,571)
Police commission				
Supplies and services	25,320	25,320	10,319	(15,001)
Total police commission	25,320	25,320	10,319	(15,001)
Total public safety	5,870,560	5,870,560	5,774,291	(96,269)
PUBLIC WORKS				
Streets				
Personnel	812,189	812,189	786,062	(26,127)
Supplies and services	149,948	149,948	114,452	(35,496)
Maintenance	189,800	189,800	123,161	(66,639)
Capital	1,550	1,550	5,249	3,699
Total streets	1,153,487	1,153,487	1,028,924	(124,563)
Road and bridge				
Personnel	70,954	70,954	74,933	3,979
Capital	37,000	37,000	37,000	-
Total road and bridge	107,954	107,954	111,933	3,979
Buildings and grounds				
Personnel	88,803	88,803	84,506	(4,297)
Supplies and services	5,425	5,425	6,303	878
Maintenance	133,300	133,300	105,359	(27,941)
Total buildings and grounds	227,528	227,528	196,168	(31,360)
Total public works	1,488,969	1,488,969	1,337,025	(151,944)

(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, 2013

	Original Budget	Final Budget	Actual	Variance Over (Under)
CULTURE AND RECREATION				
Parks and recreation				
Supplies and services	\$ 16,600	\$ 16,600	\$ 15,651	\$ (949)
Maintenance	24,000	24,000	17,965	(6,035)
	<hr/>			
Total culture and recreation	40,600	40,600	33,616	(6,984)
	<hr/>			
TOTAL EXPENDITURES	\$ 9,934,447	\$ 9,937,552	\$ 9,521,831	\$ (415,721)

(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, 2013

	Original and Final Budget	Actual
REVENUES		
None	\$ -	\$ -
Total revenues	-	-
EXPENDITURES		
Current		
None	-	-
Total expenditures	-	-
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	-
FUND BALANCE (DEFICIT), MAY 1		<u>(639,558)</u>
FUND BALANCE (DEFICIT), APRIL 30		<u>\$ (639,558)</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, 2013

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental	\$ -	\$ -	\$ 297,059
Traffic impact fees	-	-	191,333
Investment income	85,000	85,000	15,957
Miscellaneous	20,000	20,000	20,000
	<hr/>		
Total revenues	105,000	105,000	524,349
<hr/>			
EXPENDITURES			
Capital outlay	1,057,436	1,102,436	607,161
	<hr/>		
Total expenditures	1,057,436	1,102,436	607,161
<hr/>			
NET CHANGE IN FUND BALANCE	\$ (952,436)	\$ (997,436)	(82,812)
<hr/>			
FUND BALANCE, MAY 1			5,574,059
			<hr/>
FUND BALANCE, APRIL 30			\$ 5,491,247
			<hr/> <hr/>

(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, 2013

	Original and Final Budget	Actual
REVENUES		
Taxes		
Telecommunications	\$ 687,362	\$ 639,235
Amusement	178,501	156,368
Investment income	2,000	4,674
	<u>867,863</u>	<u>800,277</u>
Total revenues		
EXPENDITURES		
Capital outlay		
Supplies and services	88,000	84,516
Maintenance	55,000	33,894
Capital	1,465,411	1,198,101
	<u>1,608,411</u>	<u>1,316,511</u>
Total expenditures		
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(740,548)	(516,234)
OTHER FINANCING SOURCES (USES)		
Transfers in	700,000	700,000
Proceeds from sale of capital assets	2,000	3,714
	<u>702,000</u>	<u>703,714</u>
Total other financing sources (uses)		
NET CHANGE IN FUND BALANCE	<u>\$ (38,548)</u>	187,480
FUND BALANCE, MAY 1		<u>1,558,879</u>
FUND BALANCE, APRIL 30		<u>\$ 1,746,359</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 restricted 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 restricted for public safety expenditures.

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

CAPITAL PROJECTS FUND

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

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

CITY OF WARRENVILLE, ILLINOIS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS

April 30, 2013

	Special Revenue			Capital Projects		Total Nonmajor Governmental Funds
	Motor Fuel Tax	Seized Assets	Hotel/Motel Tax	TIF District #2	TIF District #3	
ASSETS						
Cash and cash equivalents	\$ 662,523	\$ 130,940	\$ (227,333)	\$ -	\$ -	\$ 566,130
Investments	-	-	407,557	-	-	407,557
Receivables (net, where applicable, of allowances for uncollectibles)						
Intergovernmental taxes	22,597	-	-	-	-	22,597
Other taxes	-	-	64,115	-	-	64,115
Interest	-	-	2,340	-	-	2,340
Due from other funds	-	820	-	-	-	820
TOTAL ASSETS	\$ 685,120	\$ 131,760	\$ 246,679	\$ -	\$ -	\$ 1,063,559
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 9,511	\$ -	\$ 23,134	\$ -	\$ -	\$ 32,645
Due to other funds	101,535	-	-	-	-	101,535
Advances from other funds	-	-	-	2,986	89,639	92,625
Total liabilities	111,046	-	23,134	2,986	89,639	226,805
FUND BALANCES						
Restricted for maintenance of roadways	574,074	-	-	-	-	574,074
Restricted for public safety	-	131,760	-	-	-	131,760
Committed for tourism and conventions	-	-	223,545	-	-	223,545
Unassigned (deficit)	-	-	-	(2,986)	(89,639)	(92,625)
Total fund balances (deficit)	574,074	131,760	223,545	(2,986)	(89,639)	836,754
TOTAL LIABILITIES AND FUND BALANCES	\$ 685,120	\$ 131,760	\$ 246,679	\$ -	\$ -	\$ 1,063,559

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, 2013

	Special Revenue			Capital Projects		Total Nonmajor Governmental Funds
	Motor Fuel Tax	Seized Assets	Hotel/Motel Tax	TIF District #2	TIF District #3	
REVENUES						
Taxes	\$ -	\$ -	\$ 768,472	\$ 754,739	\$ -	\$ 1,523,211
Intergovernmental	375,101	-	-	-	-	375,101
Investment income	519	43	1,249	-	-	1,811
Miscellaneous	7,531	37,081	-	-	-	44,612
Total revenues	383,151	37,124	769,721	754,739	-	1,944,735
EXPENDITURES						
Current						
Public safety	-	1,569	-	-	-	1,569
Public works	200,051	-	-	-	-	200,051
Culture and recreation	-	-	239,936	-	-	239,936
Economic development	-	-	-	1,061,051	89,639	1,150,690
Total expenditures	200,051	1,569	239,936	1,061,051	89,639	1,592,246
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	183,100	35,555	529,785	(306,312)	(89,639)	352,489
OTHER FINANCING SOURCES (USES)						
Transfers (out)	-	(21,688)	(900,000)	-	-	(921,688)
Total other financing sources (uses)	-	(21,688)	(900,000)	-	-	(921,688)
NET CHANGE IN FUND BALANCES	183,100	13,867	(370,215)	(306,312)	(89,639)	(569,199)
FUND BALANCES, MAY 1	390,974	117,893	593,760	303,326	-	1,405,953
FUND BALANCES (DEFICIT), APRIL 30	\$ 574,074	\$ 131,760	\$ 223,545	\$ (2,986)	\$ (89,639)	\$ 836,754

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, 2013

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental			
Motor fuel tax	\$ 389,390	\$ 389,390	\$ 375,101
Investment income	200	200	519
Miscellaneous income	-	-	7,531
	<hr/>		
Total revenues	389,590	389,590	383,151
	<hr/>		
EXPENDITURES			
Public works			
Supplies and services	97,000	97,000	66,121
Maintenance	218,700	218,700	133,930
Capital outlay	-	300,000	-
	<hr/>		
Total expenditures	315,700	615,700	200,051
	<hr/>		
NET CHANGE IN FUND BALANCE	<u>\$ 73,890</u>	<u>\$ (226,110)</u>	183,100
FUND BALANCE, MAY 1			<u>390,974</u>
FUND BALANCE, APRIL 30			<u>\$ 574,074</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, 2013

	Original and Final Budget	Actual
REVENUES		
Investment income	\$ 120	\$ 43
Miscellaneous income	18,550	37,081
Total revenues	<u>18,670</u>	<u>37,124</u>
EXPENDITURES		
Public safety		
Supplies and services	4,000	1,569
Capital	837	-
Total expenditures	<u>4,837</u>	<u>1,569</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>13,833</u>	<u>35,555</u>
OTHER FINANCING SOURCES (USES)		
Transfers (out)	<u>(20,285)</u>	<u>(21,688)</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (6,452)</u></u>	13,867
FUND BALANCE, MAY 1		<u>117,893</u>
FUND BALANCE, APRIL 30		<u><u>\$ 131,760</u></u>

(See independent auditor's report.)

CITY OF WARRENVILLE, ILLINOIS

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

For the Year Ended April 30, 2013

	Original and Final Budget	Actual
REVENUES		
Taxes		
Hotel/motel tax	\$ 773,052	\$ 768,472
Investment income	600	1,249
Total revenues	<u>773,652</u>	<u>769,721</u>
EXPENDITURES		
Culture and recreation		
Supplies and services	<u>283,000</u>	<u>239,936</u>
Total expenditures	<u>283,000</u>	<u>239,936</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	490,652	529,785
OTHER FINANCING SOURCES (USES)		
Transfers (out)	<u>(900,000)</u>	<u>(900,000)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (409,348)</u>	(370,215)
FUND BALANCE, MAY 1		<u>593,760</u>
FUND BALANCE, APRIL 30		<u>\$ 223,545</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, 2013

	Original and Final Budget	Actual
REVENUES		
Property taxes	\$ 795,780	\$ 754,739
Total revenues	<u>795,780</u>	<u>754,739</u>
EXPENDITURES		
Economic development		
Personnel	103,447	111,651
Supplies and services	79,071	168,764
Capital	839,964	780,636
Total expenditures	<u>1,022,482</u>	<u>1,061,051</u>
NET CHANGE IN FUND BALANCE	<u>\$ (226,702)</u>	(306,312)
FUND BALANCE, MAY 1		<u>303,326</u>
FUND BALANCE (DEFICIT), APRIL 30		<u>\$ (2,986)</u>

(See independent auditor's report.)

ENTERPRISE FUND

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

CITY OF WARRENVILLE, ILLINOIS

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

For the Year Ended April 30, 2013

	Original and Final Budget	Actual
OPERATING REVENUES		
Charges for services		
Water sales	\$ 867,770	\$ 935,375
Sewer sales	1,608,249	1,690,948
Meter sales	5,593	13,190
Penalties	31,220	39,602
Miscellaneous	32,607	8,873
	<u>2,545,439</u>	<u>2,687,988</u>
OPERATING EXPENSES EXCLUDING DEPRECIATION		
Operating expenses		
Waterworks	2,076,150	1,161,168
Sewerage	3,215,705	1,772,995
	<u>5,291,855</u>	<u>2,934,163</u>
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(2,746,416)	(246,175)
DEPRECIATION	<u>326,244</u>	<u>343,564</u>
OPERATING INCOME (LOSS)	<u>(3,072,660)</u>	<u>(589,739)</u>
NONOPERATING REVENUES (EXPENSES)		
Tap-on connection fees	58,851	114,289
Investment income	86,920	71,758
Grants	-	7,500
Rental income	166,639	176,763
	<u>312,410</u>	<u>370,310</u>
CHANGE IN NET POSITION	<u>\$ (2,760,250)</u>	(219,429)
NET POSITION, MAY 1		<u>22,917,151</u>
NET POSITION, APRIL 30		<u>\$ 22,697,722</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, 2013

	Original and Final Budget	Actual
OPERATING EXPENSES		
Waterworks		
Personnel		
Salaries	\$ 487,835	\$ 476,169
FICA/Medicare/IMRF	92,152	93,079
Employee insurance	110,030	99,705
Total personnel	690,017	668,953
Supplies and services		
General insurance	8,445	8,445
Telephone	14,500	9,621
Utilities	75,000	59,652
Rental	6,100	6,235
Travel	700	5
Postage	6,600	5,237
Printing/publishing	8,000	6,845
Liens	400	22
Legal and accounting	1,000	-
Annual audit	3,467	3,467
Engineering	195,387	66,218
Other professional services	43,534	29,543
J.U.L.I.E.	950	774
Education reimbursement	1,000	-
Dues and subscriptions	250	138
Supplies	2,200	1,786
Small tools	1,080	244
Uniforms	3,600	3,769
Gas/oil	13,000	14,783
Chlorination	30,000	39,760
Administrative	20,070	20,070
Meters	30,000	43,143
Miscellaneous	1,000	-
Total supplies and services	466,283	319,757
Maintenance		
Building	7,600	2,825
Equipment	7,200	6,426
Water tower	6,500	6,000
Ground	2,000	-
Utility system	104,000	132,910
Software	4,500	4,380
Communication	4,000	3,863
Total maintenance	135,800	156,404

(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, 2013

	Original and Final Budget	Actual
OPERATING EXPENSES (Continued)		
Waterworks (Continued)		
Capital		
City network	\$ 500	\$ -
Computer software	1,000	-
Building improvements	1,000	-
Equipment purchase	6,250	8,034
Water main improvements	775,000	8,020
Other improvements	300	-
	<hr/>	<hr/>
Total capital	784,050	16,054
	<hr/>	<hr/>
Total waterworks	2,076,150	1,161,168
	<hr/>	<hr/>
Sewerage		
Personnel		
Salaries	367,547	375,143
FICA/Medicare/IMRF	70,093	69,058
Employee insurance	78,524	69,900
	<hr/>	<hr/>
Total personnel	516,164	514,101
	<hr/>	<hr/>
Supplies and services		
General insurance	4,640	4,640
Telephone	10,400	6,414
Utilities	16,000	15,960
Rental	6,080	5,991
Travel	700	3
Postage	7,000	5,235
Printing/publishing	8,000	6,845
Liens	400	22
Legal and accounting	1,000	-
Annual audit	3,467	3,467
Engineering	274,801	76,022
Other professional services	4,023	15,043
J.U.L.I.E.	900	516
Dues and subscriptions	200	138
Overhead sewage grant	1,000	-
Infiltration analysis	16,000	15,400
Naperville sewage treatment	1,100,000	982,060
Office supplies	1,550	1,185
Small tools	720	163
Uniforms	2,400	2,513

(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, 2013

	Original and Final Budget	Actual
OPERATING EXPENSES (Continued)		
Sewerage (Continued)		
Supplies and services (Continued)		
Gas/oil	\$ 8,300	\$ 9,856
Administrative	20,070	20,070
Miscellaneous	2,000	-
Meters	30,000	27,401
Total supplies and services	1,519,651	1,198,944
Maintenance		
Building	5,400	1,906
Equipment	10,654	9,294
Ground	300	-
Utility system	25,000	35,014
Software	2,786	2,920
Communication	900	688
Total maintenance	45,040	49,822
Capital		
Computer software	500	-
Equipment purchase	34,350	7,859
Sewer main improvements	1,100,000	2,269
Total capital	1,134,850	10,128
Total sewerage	3,215,705	1,772,995
Depreciation	326,244	343,564
TOTAL OPERATING EXPENSES	\$ 5,618,099	\$ 3,277,727

(See independent auditor's report.)

FIDUCIARY FUND

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

CITY OF WARRENVILLE, ILLINOIS

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

For the Year Ended April 30, 2013

	Original and Final Budget	Actual
ADDITIONS		
Contributions		
Employer	\$ 812,196	\$ 812,420
Employee	248,185	248,130
Total contributions	<u>1,060,381</u>	<u>1,060,550</u>
Investment income		
Net appreciation in fair value of investments	-	765,250
Interest	746,083	382,250
Total investment income	746,083	1,147,500
Less investment expense	<u>(25,000)</u>	<u>(26,085)</u>
Net investment income	<u>721,083</u>	<u>1,121,415</u>
Total additions	<u>1,781,464</u>	<u>2,181,965</u>
DEDUCTIONS		
Administration	7,995	6,112
Benefits and refunds		
Retirement benefits	412,098	439,529
Refunds	-	42,325
Total deductions	<u>420,093</u>	<u>487,966</u>
NET INCREASE	<u><u>\$ 1,361,371</u></u>	1,693,999
NET POSITION HELD IN TRUST FOR PENSION BENEFITS		
May 1		<u>11,460,281</u>
April 30		<u><u>\$ 13,154,280</u></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>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have been changed over time.	70-78
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	79-84
Debt Capacity The schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	85-89
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	90-91
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	92-94

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

CITY OF WARRENVILLE, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2004	2005	2006
GOVERNMENTAL ACTIVITIES			
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)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 66,502,089	\$ 65,382,790	\$ 68,792,840
BUSINESS-TYPE ACTIVITIES			
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
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 17,726,776	\$ 18,357,525	\$ 18,828,808
PRIMARY GOVERNMENT			
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
TOTAL PRIMARY GOVERNMENT	\$ 84,228,865	\$ 83,740,315	\$ 87,621,648

Data Source

Audited Financial Statements

	2007	2008	2009	2010	2011	2012	2013
\$	62,431,353	\$ 64,760,369	\$ 68,817,707	\$ 71,267,517	\$ 70,610,196	\$ 70,035,401	\$ 69,200,158
	11,159,947	11,805,957	8,700,509	7,286,830	1,476,156	812,193	705,834
	2,893,035	5,993,439	8,433,433	5,274,837	12,224,134	13,894,169	14,471,337
\$	76,484,335	\$ 82,559,765	\$ 85,951,649	\$ 83,829,184	\$ 84,310,486	\$ 84,741,763	\$ 84,377,329
\$	10,553,454	\$ 11,041,507	\$ 11,975,287	\$ 13,845,927	\$ 13,649,811	\$ 13,608,173	\$ 13,264,609
	-	-	-	-	-	-	-
	11,893,286	12,210,442	11,655,158	9,817,965	9,590,271	9,308,978	9,433,113
\$	22,446,740	\$ 23,251,949	\$ 23,630,445	\$ 23,663,892	\$ 23,240,082	\$ 22,917,151	\$ 22,697,722
\$	72,984,807	\$ 75,801,876	\$ 80,792,994	\$ 85,113,444	\$ 84,260,007	\$ 83,643,574	\$ 82,464,767
	11,159,947	11,805,957	8,700,509	7,286,830	1,476,156	812,193	705,834
	14,786,321	18,203,881	20,088,591	15,092,802	21,814,405	23,203,147	23,904,450
\$	98,931,075	\$ 105,811,714	\$ 109,582,094	\$ 107,493,076	\$ 107,550,568	\$ 107,658,914	\$ 107,075,051

CITY OF WARRENVILLE, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2004	2005	2006
EXPENSES			
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
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 15,306,708	\$ 15,338,686	\$ 16,884,282
PROGRAM REVENUES			
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
Operating grants	-	-	-
Capital grants and contributions	-	-	-
Total business-type activities program revenues	2,072,213	2,128,009	2,279,524
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 3,164,268	\$ 3,497,239	\$ 3,626,177
NET (EXPENSE) REVENUE			
Governmental activities	\$ (12,418,660)	\$ (12,060,772)	\$ (13,563,976)
Business-type activities	276,220	219,325	305,871
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	\$ (12,142,440)	\$ (11,841,447)	\$ (13,258,105)

	2007	2008	2009	2010	2011	2012	2013
\$	1,837,542	\$ 1,998,199	\$ 2,295,589	\$ 1,929,578	\$ 2,399,491	\$ 2,368,352	\$ 2,378,435
	4,328,404	4,859,157	5,494,858	5,521,381	5,555,442	6,398,592	5,676,132
	2,896,189	2,422,501	1,096,938	3,204,759	2,628,782	2,544,966	4,136,952
	176,346	238,320	305,409	264,480	297,975	257,500	273,552
	6,490,980	6,874,700	11,306,234	13,426,691	10,031,742	737,277	1,150,690
	478,614	334,821	169,740	3,230	-	-	-
	16,208,075	16,727,698	20,668,768	24,350,119	20,913,432	12,306,687	13,615,761
	2,359,740	2,370,839	2,523,413	2,987,371	2,939,494	3,056,153	3,277,727
	2,359,740	2,370,839	2,523,413	2,987,371	2,939,494	3,056,153	3,277,727
\$	18,567,815	\$ 19,098,537	\$ 23,192,181	\$ 27,337,490	\$ 23,852,926	\$ 15,362,840	\$ 16,893,488
\$	625,800	\$ 675,593	\$ 595,145	\$ 721,489	\$ 484,478	\$ 489,298	\$ 703,633
	271,354	304,632	653,468	799,615	626,234	480,071	402,864
	206,471	173,553	204,757	208,939	162,151	238,082	194,890
	158,372	34,975	-	-	-	9,851	191,333
	397,276	421,182	455,057	401,498	444,151	384,594	374,459
	-	-	-	142,498	78,031	129,147	375,090
	1,659,273	1,609,935	1,908,427	2,274,039	1,795,045	1,731,043	2,242,269
	2,540,251	2,515,129	2,428,057	2,472,371	2,354,203	2,612,325	2,979,040
	-	-	-	-	-	3,600	7,500
	-	-	-	317,619	-	-	-
	2,540,251	2,515,129	2,428,057	2,789,990	2,354,203	2,615,925	2,986,540
\$	4,199,524	\$ 4,125,064	\$ 4,336,484	\$ 5,064,029	\$ 4,149,248	\$ 4,346,968	\$ 5,228,809
\$	(14,548,802)	\$ (15,117,763)	\$ (18,760,341)	\$ (22,076,080)	\$ (19,118,387)	\$ (10,575,644)	\$ (11,373,492)
	180,511	144,290	(95,356)	(197,381)	(585,291)	(440,228)	(291,187)
\$	(14,368,291)	\$ (14,973,473)	\$ (18,855,697)	\$ (22,273,461)	\$ (19,703,678)	\$ (11,015,872)	\$ (11,664,679)

CITY OF WARRENVILLE, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2004	2005	2006
GENERAL REVENUES AND OTHER			
CHANGES IN NET POSITION			
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
TOTAL PRIMARY GOVERNMENT	\$ 14,013,590	\$ 11,174,112	\$ 17,568,806
CHANGE IN NET POSITION			
Governmental activities	\$ 1,236,810	\$ (1,298,084)	\$ 3,839,418
Business-type activities	634,340	630,749	471,283
TOTAL PRIMARY GOVERNMENT	\$ 1,871,150	\$ (667,335)	\$ 4,310,701
CHANGE IN NET POSITION			

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

Data Source

Audited Financial Statements

	2007	2008	2009	2010	2011	2012	2013
\$	10,727,100	\$ 11,731,097	\$ 12,153,448	\$ 12,562,359	\$ 12,556,309	\$ 4,032,040	\$ 3,875,670
	2,051,725	2,901,674	2,707,159	2,320,109	1,963,550	1,621,115	1,694,083
	1,521,865	1,641,473	1,546,972	1,494,688	1,478,701	1,533,654	1,583,589
	171,943	188,997	188,571	158,915	192,531	191,701	210,871
	564,871	583,625	579,961	597,460	580,875	697,612	775,737
	1,126,280	1,230,376	1,217,567	1,061,272	1,041,899	1,072,510	1,184,222
	417,337	387,393	416,913	440,088	621,221	748,883	768,472
	495,096	468,806	469,662	498,108	351,884	304,213	275,540
	527,302	611,378	643,102	572,904	559,231	564,488	576,014
	-	2,801	6,294	5,542	6,473	6,018	4,944
	1,064,359	1,297,753	786,135	193,355	197,502	89,790	18,806
	4,000,000	-	-	-	-	-	-
	124,689	147,820	45,698	48,815	49,513	144,897	41,110
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	22,792,567	21,193,193	20,761,482	19,953,615	19,599,689	11,006,921	11,009,058
	445,151	660,919	473,852	230,828	161,481	117,297	71,758
	2,440,000	-	-	-	-	-	-
	-	-	-	-	-	-	-
	2,885,151	660,919	473,852	230,828	161,481	117,297	71,758
\$	25,677,718	\$ 21,854,112	\$ 21,235,334	\$ 20,184,443	\$ 19,761,170	\$ 11,124,218	\$ 11,080,816
\$	8,243,765	\$ 6,075,430	\$ 2,001,141	\$ (2,122,465)	\$ 481,302	\$ 431,277	\$ (364,434)
	3,065,662	805,209	378,496	33,447	(423,810)	(322,931)	(219,429)
\$	11,309,427	\$ 6,880,639	\$ 2,379,637	\$ (2,089,018)	\$ 57,492	\$ 108,346	\$ (583,863)

CITY OF WARRENVILLE, ILLINOIS
FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2004	2005	2006	2007	2008	2009	2010	2011*	2012	2013
GENERAL FUND										
Reserved	\$ 360,577	\$ 108,012	\$ 107,364	\$ 116,027	\$ 71,592	\$ 138,037	\$ 62,769	\$ -	\$ -	\$ -
Unreserved	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	2,209,995	2,208,938
Unassigned	-	-	-	-	-	-	-	4,412,572	5,168,013	5,873,707
TOTAL GENERAL FUND	\$ 3,022,250	\$ 4,764,082	\$ 4,477,883	\$ 6,454,770	\$ 7,639,866	\$ 7,670,575	\$ 7,620,825	\$ 6,692,517	\$ 7,378,008	\$ 8,082,645
ALL OTHER GOVERNMENTAL FUNDS										
Unreserved/unassigned										
Special Revenue Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (662,451)	\$ (639,558)	\$ (639,558)
Capital Project Funds	-	-	-	-	-	-	-	-	-	(92,625)
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	508,867	705,834
Debt Service Funds	175,874	174,782	175,947	118,395	114,970	-	-	-	-	-
Capital Project Funds	7,184,209	7,559,275	7,443,141	9,598,538	9,957,299	7,709,070	7,709,070	246,449	303,326	-
Permanent Funds	438,002	405,902	405,902	411,407	411,407	411,407	411,407	411,407	-	-
Committed	-	-	-	-	-	-	-	461,580	593,760	223,545
Assigned	-	-	-	-	-	-	-	6,123,086	6,493,380	6,505,423
Nonspendable	-	-	-	-	-	-	-	662,451	639,558	732,183
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 8,105,655	\$ 8,725,338	\$ 9,106,013	\$ 11,105,263	\$ 11,751,273	\$ 9,060,433	\$ 9,060,433	\$ 7,599,242	\$ 7,899,333	\$ 7,434,802

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	2004	2005	2006
REVENUES			
Property taxes	\$ 9,484,125	\$ 10,417,577	\$ 11,078,509
Other taxes	3,884,022	4,568,784	5,711,314
Intergovernmental	-	463,550	394,557
Licenses, permits, fees	512,711	495,672	472,361
Fines and forfeitures	402,651	181,351	224,917
Franchise fees	236,654	121,397	129,075
Investment income	115,302	304,184	438,610
Miscellaneous	423,846	317,674	300,704
Total revenues	15,059,311	16,870,189	18,750,047
EXPENDITURES			
General government	2,197,219	1,444,240	1,738,701
Public safety	2,614,401	3,629,801	3,933,874
Thoroughfares	641,035	-	-
Physical environment	476,087	-	-
Public works	-	971,132	1,133,327
Culture and recreation	43,268	176,061	182,914
Economic development	-	5,351,397	5,243,554
Capital outlay	6,616,417	580,139	1,596,084
Debt service			
Principal	1,435,597	2,285,139	4,246,092
Interest	383,062	734,661	581,025
Other charges	-	-	-
Total expenditures	14,407,086	15,172,570	18,655,571
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	652,225	1,697,619	94,476
OTHER FINANCING SOURCES (USES)			
Transfers in	864,661	688,500	836,665
Transfers (out)	(1,176,447)	(976,771)	(836,665)
Proceeds of installment contracts	300,000	-	-
Bonds issued	-	-	-
Sale of capital assets	-	879,632	-
Total other financing sources (uses)	(11,786)	591,361	-
NET CHANGE IN FUND BALANCES	\$ 640,439	\$ 2,288,980	\$ 94,476
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	23.34%	20.69%	28.30%

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

Data Source

Audited Financial Statements

	2007	2008	2009	2010	2011	2012	2013
\$	10,685,132	\$ 11,679,789	\$ 12,096,083	\$ 12,372,224	\$ 12,556,309	\$ 4,032,040	\$ 3,875,670
	6,918,391	8,067,831	7,837,759	7,339,223	6,796,365	5,669,526	5,904,972
	397,276	421,182	455,056	439,496	502,182	1,566,251	1,913,771
	575,677	597,142	540,525	650,793	346,021	401,404	539,733
	392,364	260,832	598,056	750,831	588,523	452,982	549,597
	139,209	149,617	149,617	150,039	160,772	161,288	161,288
	1,064,359	1,297,753	786,135	193,355	197,502	89,790	18,806
	4,279,432	294,007	206,678	331,693	247,060	364,683	287,490
	24,451,840	22,768,153	22,669,909	22,227,654	21,394,734	12,737,964	13,251,327
	1,718,228	1,856,094	2,070,469	1,969,043	2,256,200	2,249,067	2,376,899
	4,228,037	4,741,482	5,368,060	5,419,963	5,585,213	5,772,515	5,775,860
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	1,350,697	1,352,330	1,543,883	1,819,645	1,635,169	1,616,731	1,537,076
	176,346	238,320	305,409	264,480	297,975	257,500	273,552
	6,490,980	8,088,574	11,306,234	13,551,291	10,031,742	737,277	1,150,690
	1,211,733	831,786	1,073,197	1,934,028	705,922	1,141,344	1,923,672
	4,283,756	3,530,500	3,775,000	760,000	-	-	-
	495,497	353,851	192,426	12,920	-	-	-
	-	-	-	-	-	-	-
	19,955,274	20,992,937	25,634,678	25,731,370	20,512,221	11,774,434	13,037,749
	4,496,566	1,775,216	(2,964,769)	(3,503,716)	882,513	963,530	213,578
	473,851	100,000	535,532	310,271	451,880	815,493	921,688
	(473,851)	(100,000)	(535,532)	(310,271)	(451,880)	(815,493)	(921,688)
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	31,841	20,915	304,638	58,042	123,912	22,052	26,528
	31,841	20,915	304,638	58,042	123,912	22,052	26,528
\$	4,528,407	\$ 1,796,131	\$ (2,660,131)	\$ (3,445,674)	\$ 1,006,425	\$ 985,582	\$ 240,106
	25.50%	20.08%	17.13%	3.06%	0.00%	0.00%	0.00%

CITY OF WARRENVILLE, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	District	Residential Property	Farm Property	Commercial Property	Industrial Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
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	1,515,186,288	33.333%
	TIF #2	7,829,420	-	1,478,880	484,820	9,793,120		29,379,360	33.333%
2011	General	300,370,647	19,381	156,319,940	13,325,490	470,035,458	0.6515	1,410,106,374	33.333%
	TIF #2	7,831,180	-	1,578,910	484,820	9,894,910		29,684,730	33.333%
2012	General	276,576,265	21,477	144,737,529	12,726,100	434,061,371	0.7356	1,302,184,113	33.333%

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

Data Source

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

CITY OF WARRENVILLE, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Tax Levy Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
CITY DIRECT RATES										
Corporate	0.2660	0.2354	0.2378	0.2377	0.2262	0.2306	0.2205	0.2372	0.2575	0.2959
Bond and interest	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
IMRF	0.0235	0.0439	0.0372	0.0342	0.0329	0.0308	0.0295	0.0318	0.0346	0.0396
Police protection	0.0750	0.0694	0.0671	0.0671	0.0638	0.0670	0.0642	0.0647	0.0703	0.0803
Police pension	0.0919	0.0834	0.1186	0.1165	0.1240	0.1243	0.1511	0.1739	0.1746	0.1890
Audit	0.0077	0.0059	0.0050	0.0050	0.0047	0.0031	0.0030	0.0031	0.0030	0.0034
Tort judgments/liability	0.0237	0.0271	0.0229	0.0229	0.0218	0.0203	0.0194	0.0215	0.0185	0.0212
Social security	0.0573	0.0673	0.0569	0.0539	0.0520	0.0473	0.0453	0.0488	0.0530	0.0606
School crossing guards	0.0117	0.0158	0.0134	0.0117	0.0113	0.0101	0.0097	0.0085	0.0093	0.0103
Workers' compensation	0.0204	0.0164	0.0139	0.0127	0.0123	0.0114	0.0110	0.0105	0.0118	0.0135
Road and bridge	0.0423	0.0365	0.0160	0.0187	0.0195	0.0178	0.0174	0.0170	0.0189	0.0218
Rec for handicapped	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000		
Total direct rate	0.6195	0.6011	0.5888	0.5804	0.5685	0.5627	0.5711	0.6170	0.6515	0.7356
OVERLAPPING RATES										
College of DuPage (#528)	0.2097	0.1972	0.1874	0.1929	0.1888	0.1858	0.2127	0.2349	0.2495	0.2681
DuPage Airport Authority	0.0230	0.0213	0.0198	0.0183	0.0170	0.0160	0.0148	0.0158	0.0169	0.0168
DuPage County	0.1999	0.1850	0.1797	0.1713	0.1651	0.1157	0.1554	0.1659	0.1773	0.1929
DuPage County Forest Preserve	0.1419	0.1358	0.1271	0.1303	0.1187	0.1206	0.1217	0.1321	0.1414	0.1533
Unit School District #200	4.3124	4.1367	4.0035	3.8783	3.7274	3.7218	3.7697	4.0437	4.3812	4.8474
Warrenville Fire Protection District	0.4085	0.4069	0.3991	0.3937	0.3863	0.3834	0.3892	0.4199	0.4621	0.5237
Warrenville Library	0.2962	0.2899	0.2816	0.2750	0.2691	0.2659	0.2701	0.2922	0.3224	0.3675
Warrenville Park District	0.3103	0.3317	0.3250	0.3312	0.3489	0.3425	0.3460	0.3984	0.4341	0.4902
Winfield Township	0.0945	0.0924	0.0901	0.0869	0.0855	0.0845	0.0854	0.0924	0.1021	0.1174
Winfield Township R&B	0.1230	0.1203	0.1178	0.1143	0.1125	0.1112	0.1123	0.1215	0.1342	0.1543
Total overlapping rates	6.1194	5.9172	5.7311	5.5922	5.4193	5.3874	5.4773	5.9168	6.4212	7.1316
TOTAL DIRECT AND OVERLAPPING RATES	6.7389	6.5183	6.3199	6.1726	5.9878	5.9501	6.0484	6.5338	7.0727	7.8672

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 2012			Levy Year 2003		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation
Northwestern Mutual Life	\$ 10,582,640	1	2.44%	\$ 12,644,020	2	3.14%
Village Green at Cantera	7,736,630	2	1.78%	3,239,170	5	0.80%
MJH Warrenville, LLC	6,750,000	3	1.56%	10,899,050	4	2.70%
CDH Delnor Health System	5,542,510	4	1.28%			
Globe Corporation	5,046,220	5	1.16%			
CPX Warrenville OPAG LLC	4,624,830	6	1.07%			
R.R. Donnelley & Sons	4,526,150	7	1.04%			
Cantera 30 Theatre LP	4,368,430	8	1.01%			
Liberty/Warrenville LLC	3,700,000	9	0.85%			
LFT USA Real Estate LLC	3,588,080	10	0.83%	1,640,980	9	0.41%
Amoco Properties, Inc.				21,144,180	1	5.25%
EPT Downreit, Inc.				8,817,260	4	2.19%
Four Woodfield Lake, LLC				2,396,030	6	0.59%
Burnham Cantera LLC				2,197,130	7	0.55%
Warrenville Development Corp				1,666,670	8	0.41%
McShane Corporation				1,314,910	10	0.33%
	<u>\$ 56,465,490</u>		<u>13.02%</u>	<u>\$ 65,959,400</u>		<u>16.37%</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
2003	General	\$ 1,717,163	\$ 1,715,061	99.88%	\$ -	\$ 1,715,061	99.88%
	TIF #1	7,874,335	7,639,328	97.02%	-	7,639,328	97.02%
	TIF #2	514,584	513,334	99.76%	-	513,334	99.76%
2004	General	1,763,674	1,761,823	99.90%	-	1,761,823	99.90%
	TIF #1	8,646,926	8,642,605	99.95%	-	8,642,605	99.95%
	TIF #2	561,292	561,058	99.96%	-	561,058	99.96%
2005	General	1,922,208	1,861,554	96.84%	-	1,861,554	96.84%
	TIF #1	8,982,292	8,047,863	89.60%	-	8,047,863	89.60%
	TIF #2	624,905	623,881	99.84%	-	623,881	99.84%
2006	General	2,015,563	1,966,067	97.54%	-	1,966,067	97.54%
	TIF #1	9,011,355	9,004,458	99.92%	-	9,004,458	99.92%
	TIF #2	648,978	644,413	99.30%	-	644,413	99.30%
2007	General	2,088,711	2,087,693	99.95%	-	2,087,693	99.95%
	TIF #1	9,329,518	9,318,098	99.88%	-	9,318,098	99.88%
	TIF #2	691,896	690,292	99.77%	-	690,292	99.77%
2008	General	2,183,575	2,179,483	99.81%	-	2,179,483	99.81%
	TIF #1	9,574,426	9,551,628	99.76%	-	9,551,628	99.76%
	TIF #2	791,632	791,131	99.94%	-	791,131	99.94%
2009	General	2,197,764	2,185,282	99.43%	-	2,185,282	99.43%
	TIF #1	9,523,555	9,522,480	99.99%	-	9,522,480	99.99%
	TIF #2	803,505	803,140	99.95%	-	803,140	99.95%
2010	General	3,173,306	3,170,140	99.90%	-	3,170,140	99.90%
	TIF #2	795,780	794,122	99.79%	-	794,122	99.79%
2011	General	3,118,215	3,080,966	98.81%	-	3,080,966	98.81%
	TIF #2	754,935	754,739	99.97%	-	754,739	99.97%
2012	General	3,521,120	-	0.00%	-	-	0.00% (1)

(1) - The 2012 levy amounts will be collectible during City Fiscal Year 2014, as such none of this levy is collected during Fiscal 2013.

Data Source

Office of the County Clerk

CITY OF WARRENVILLE, ILLINOIS
SALES TAX REVENUE BY CATEGORY

Last Ten Calendar Years

Calendar Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General merchandise	\$ 1,403	\$ 1,085,363	\$ 2,256,635	\$ 2,644,172	\$ 2,950,986	\$ 3,034,049	\$ 3,110,309	\$ 3,211,974	\$ 3,219,110	\$ 3,331,080
Food	485,009	453,859	471,478	490,343	502,493	508,509	212,310	480,153	433,767	423,111
Drinking and eating places	1,185,313	1,687,385	2,426,495	2,730,753	2,804,804	2,831,363	2,758,943	2,781,235	2,759,916	2,815,753
Apparel	-	-	-	62,581.00	62,336	72,507	72,601	81,438	-	-
Furniture and H.H. and radio	149,090	156,451	142,588	39,180	33,380	50,893	-	-	33,211.00	33,141.00
Lumber, building hardware	538,406	470,950	492,921	597,492	439,378	304,491	151,857	141,291	135,209	132,506
Automobile and filling stations	943,373	1,176,065	1,241,131	1,313,023	1,344,656	1,428,105	1,913,456	2,113,858	2,450,161	2,489,266
Drugs and miscellaneous retail	533,404	583,268	616,599	625,925	737,292	853,477	679,659	1,205,797	1,378,819	1,600,895
Agriculture and all others	2,383,296	2,252,658	2,494,109	2,166,542	1,942,559	1,728,744	1,496,259	642,785	735,339	937,574
Manufacturers	155,797	508,670	658,944	648,898	718,354	742,446	548,669	601,490	235,659	260,013
TOTAL	\$ 6,375,091	\$ 8,374,669	\$ 10,800,900	\$ 11,318,909	\$ 11,536,238	\$ 11,554,584	\$ 10,944,063	\$ 11,260,021	\$ 11,381,191	\$ 12,023,339
City direct sales tax rate	1.00%	1.75%	1.75%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%

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

Data Source

City Records, Illinois Department of Revenue

CITY OF WARRENVILLE, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Fiscal Years

Fiscal Year	City Direct Rate	State Rate	DuPage County Rate	RTA Rate	County Water Commission Rate
2004	1.75%	5.00%	0.25%	0.25%	0.25%
2005	1.75%	5.00%	0.25%	0.25%	0.25%
2006	2.25%	5.00%	0.25%	0.25%	0.25%
2007	2.25%	5.00%	0.25%	0.25%	0.25%
2008	2.25%	5.00%	0.25%	0.75%	0.25%
2009	2.25%	5.00%	0.25%	0.75%	0.25%
2010	2.25%	5.00%	0.25%	0.75%	0.25%
2011	2.25%	5.00%	0.25%	0.75%	0.25%
2012	2.25%	5.00%	0.25%	0.75%	0.25%
2013	2.25%	5.00%	0.25%	0.75%	0.25%

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				
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%	-
2012	-	-	-	-	-	-	0.00%	-
2013	-	-	-	-	-	-	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 89 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
2004	\$ -	\$ -	\$ -	0.00%	\$ -
2005	-	-	-	0.00%	-
2006	-	-	-	0.00%	-
2007	-	-	-	0.00%	-
2008	-	-	-	0.00%	-
2009	-	-	-	0.00%	-
2010	-	-	-	0.00%	-
2011	-	-	-	0.00%	-
2012	-	-	-	0.00%	-
2013	-	-	-	0.00%	-

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 78 for property value data.

CITY OF WARRENVILLE, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

April 30, 2013

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	281,345,000	1.25%	3,516,813
DuPage County Forest Preserve District	189,315,000	1.25%	2,366,438
Warrenville Park District	644,720	100.00%	644,720
Warrenville Library District	-	0.00%	-
Schools			
Elementary			
District No. 33	38,835,000	61.72%	23,968,962
High School			
District No. 94	12,295,000	41.00%	5,040,950
Community Unit School Districts			
District No. 200	182,055,000	15.38%	28,000,059
District No. 203	37,710,000	1.30%	490,230
College			
College of DuPage No. 502	340,300,000	11.04%	37,569,120
	1,082,499,720		101,597,292
	\$ 1,082,499,720		\$ 101,597,292

(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, 2013

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		
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	-	-	-	
2012	n/a	n/a	n/a	-	-	-	-	-	-	-	
2013	n/a	n/a	n/a	-	-	-	-	-	-	-	

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

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

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

Operating expenses do not include interest or depreciation.

CITY OF WARRENVILLE, ILLINOIS
 DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
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
2012	13,140	409,416,120	31,158	6.90
2013	13,140	409,968,000	31,200	7.70

Data Source

U.S. Census

CITY OF WARRENVILLE, ILLINOIS

PRINCIPAL EMPLOYERS

Current and Six Years Previous

Employer	2013			2007		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Phonak	510	1	2.89%	500	3	4.29%
RR Donnelley	350	2	1.98%			
Target	287	3	1.63%	254	6	2.18%
Lifetime Fitness	240	4	1.36%			
Patterson Medical Supply	170	5	0.96%			
First American Title Insurance	150	6	0.85%			
Edward Hospital	142	7	0.81%			
National Express	140	8	0.79%			
Emerson Network Power	100	9	0.57%			
KSM Electronics	78	10	0.44%			
Navistar				1,450	1	12.44%
BP/Amoco (1)				1,270	2	10.89%
Exelon (1)				375	4	3.22%
AT & T Data Center				280	5	2.40%
Family Foods				71	7	0.61%
Paragon Global				60	8	0.51%
Ed Hoy's International				50	9	0.43%
Plymouth Tube, Inc				37	10	0.32%
TOTAL	2,167		12.28%	4,347		37.29%

Data Source:

City records

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

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

CITY OF WARRENVILLE, ILLINOIS
 FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
GENERAL GOVERNMENT										
Administration	3.5	3.5	3.5	3.5	4.5	4.5	4.5	4.5	4	4
Finance	7	7	7	7	6	6	6	6	5	5
Community development	7	7	7	8	8	9	10	10	10	10
PUBLIC SAFETY										
Police										
Officers	29	27	30	31	35	32	32	34	34	34
Civilians	17.5	17.5	17.5	17.5	17.5	13.5	15.0	16.0	16.0	16.0
PUBLIC WORKS										
Administration	3.5	3.5	3.5	3	3	4	4	4	4	4
Street maintenance	6	5	7	7	7	7	7	7	7	7
Utility maintenance	4	4	4	6	6	6	6	6	6	6

Data Source

City Finance Department, budget documents and authorized strength ordinance

CITY OF WARRENVILLE, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
PUBLIC SAFETY										
Police										
Physical arrests	3,143	3,745	4,022	1,711	1,288	1,879	2,312	1,755	1,144	2,262
Parking violations	1,692	1,688	1,332	998	1,461	1,132	871	750	723	352
Traffic violations	2,880	3,458	3,727	1,562	5,818	8,102	9,314	5,532	5,260	2,688
PUBLIC WORKS										
Streeting resurfacing (miles)	4.05	1.26	2.07	3.01	1.45	1.30	3.05	1.20	5.10	3.90
Pothole repairs	56	35	57	58	25	48	52	60	48	52
WATER										
New connections	27	89	(13)	4	24	28	18	12	9	15
Water main breaks	22	18	21	15	16	14	22	17	22	28
Number of meters in operation	4,334	4,423	4,410	4,414	4,414	4,414	4,498	4,484	4,493	4,508
Number of properties										
connected to sewer system	4,349	4,228	4,405	4,399	4,614	4,614	4,662	4,642	4,642	4,657
Average daily pumpage (MGD)	1.00	1.30	1.51	1.46	1.53	1.41	1.39	1.32	1.26	1.33
Maximum daily pumpage (MGD)	2.10	2.25	1.90	1.95	2.10	1.95	1.37	2.06	1.97	2.10
Number of gallons pumped (000)	491,093	482,000	550,000	532,900	563,962	514,285	499,220	481,890	461,000	486,276

Data Source

Various City departments

CITY OF WARRENVILLE, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	15	19	15	17	17	17	17	17	17	17
PUBLIC WORKS										
Streets (miles)	48	48	48	51	51	51	54	54	54	54
Streetlights	703	703	703	706	726	735	741	741	741	741
Traffic signals	4	4	4	4	4	4	4	4	4	4
WATER										
Water mains (miles)	61	61	63	64	64	64	64	64	64	64
Fire hydrants	700	700	700	702	702	702	702	702	702	702
Storage capacity (M Gals)	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
WASTERWATER										
Sanitary sewers (miles)	49	49	51	58	58	59	59	59	59	59
Storm sewers (miles)	20	20	21	29.7	30.0	30.2	30.4	30.4	30.4	30.4

Data Source

Various City departments