

**CITY OF WILMINGTON
WILMINGTON, ILLINOIS
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
APRIL 30, 2012**

Prepared by:

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CITY OF WILMINGTON, ILLINOIS

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INDEPENDENT AUDITORS' REPORT

Independent Auditors' Report

To the Honorable Mayor and
Board of Commissioners
City of Wilmington, 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 Wilmington, Illinois as of and for the year ended April 30, 2012, which collectively comprise the City's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the City's Board of Commissioners. 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the combined financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis of our opinions.

As discussed in Note 1, the City of Wilmington, Illinois prepares its financial statements on the modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position – modified cash basis, of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wilmington, Illinois as of April 30, 2012, and the respective changes in financial position– modified cash basis, thereof for the year then ended in conformity with the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 2, 2012, on our consideration of City of Wilmington's internal control over financial reporting and our tests of its compliance with provisions of laws, regulations, contracts and other matters. The purpose of that report is to describe the scope of testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting and compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and IMRF schedule of funding progress on pages 3 through 9, 42 through 47 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 made for the purpose of forming opinions on the financial statements that collectively comprise the City of Wilmington's financial statements as a whole. The combining and individual nonmajor fund financial statements and the statistical tables are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual non-major fund financial statements and 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 combining and individual non-major fund financial statements and are 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 it.

Mack & Associates, P.C.
Certified Public Accountants

Morris, Illinois
October 2, 2012

MANAGEMENT'S DISCUSSION & ANALYSIS (UNAUDITED)

CITY OF WILMINGTON, ILLINOIS

Management's Discussion and Analysis - Unaudited For the Year Ended April 30, 2012

As management of the City of Wilmington, we offer readers of the City of Wilmington's financial statements this narrative overview and analysis of the financial activities of the City of Wilmington for the fiscal year ended April 30, 2012. We encourage readers to consider the information presented here in conjunction with the Independent Auditors' Report and the City's audited financial statements.

FINANCIAL HIGHLIGHTS

- City of Wilmington's Governmental Fund's total revenues were less than total expenditures, on the modified cash basis of accounting, by \$376,233.
- The City's General Fund ended the year with a balance of \$206,746, the Mobile Equipment Fund ended the year with a balance of \$115,843, the Capital Projects Fund ended the year with a balance of \$519,119, the Bond & Interest Fund ended the year with a balance of \$111,720, and overall, the City's governmental funds ended the year with a balance of \$1,088,386.
- Budgetary Comparison – During the current year, the City's General Fund's expenditures were less than appropriations by \$1,103,858.
- Net Assets – Governmental Net Assets increased \$128,850 from \$10,202,553 in 2011 to \$10,331,403 in 2012, Business-type Net Assets decreased \$517,997 from \$8,888,846 in 2011 to \$8,370,849 in 2012. Overall, the City's financial position decreased by \$389,147.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management's Discussion and Analysis is intended to serve as an introduction to the City of Wilmington's basic financial statements. The City of Wilmington's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements.

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

The Statement of Net Assets presents the City of Wilmington's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City of Wilmington is improving or deteriorating. The Statement of Activities presents information showing how the government's net assets changed during the most recent fiscal year.

Both of the government-wide financial statements distinguish functions of the City of Wilmington 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 Wilmington include general government, public safety, street and public works, and debt services.

CITY OF WILMINGTON, ILLINOIS

Management's Discussion and Analysis - Unaudited For the Year Ended April 30, 2012

Fund Financial Statements

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

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

The City maintains 6 governmental funds. Information is presented separately in the Governmental Funds Statement of Assets, Liabilities, and Fund Balance and in the Governmental Funds Statement of Revenues Received, Expenditures Disbursed, and Changes in Fund Balance for the General Corporate, Mobile Equipment, Capital Projects, and Bond and Interest Funds which are considered to be major funds. Data for the other 2 special revenue funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major funds is provided in the form of combining statements on pages 48-49 and individual fund statements on pages 50-54 of the Annual Financial Report.

Proprietary Funds

The City uses an enterprise fund to account for its water, sewer & garbage operations. The proprietary fund financial statements provide separate information for the utility funds. The basic proprietary fund statements can be found on pages 14-16 of this report.

Fiduciary Funds

The City uses fiduciary funds to account for its Agency Funds and its Pension Trust Fund. Fiduciary Funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The Statement of Fiduciary Net Assets can be found on page 17, and the Statement of Changes in Fiduciary Net Assets can be found on page 18 of this report.

Notes to 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 19-41 of this report.

CITY OF WILMINGTON, ILLINOIS

Management's Discussion and Analysis - Unaudited For the Year Ended April 30, 2012

Required Supplementary Information

This Management's Discussion and Analysis, the General Fund Budgetary Comparison Schedule, and the IMRF Schedule of Funding Progress represent financial information required by GASB to be presented. Such information provides users of this report with additional data that supplements the government-wide statements, fund financial statements, and notes (referred to as "basic financial statements").

Analysis of the City of Wilmington's Financial Position and Result of Operations:

The City of Wilmington remains in a stable position. Overall, the City had a decrease in net assets of \$389,147 during the current fiscal year.

Governmental activities: Governmental activities had an increase in net assets of \$128,850 for the year ended April 30, 2012. Total governmental activity revenue increased by \$1,663,270. Revenues increased by approximately 34.6% primarily due to the funding for the RidgePort Project Reimbursement. Total governmental expenditures increased by \$1,616,119. Expenditures increased during the fiscal year due to capital projects and improvements to the City's infrastructure. On the Statement of Net Assets, capital purchases were capitalized rather than recorded as an expense on the Statement of Activities.

Business-type Activities: Net Assets from business-type activities decreased by \$517,997. The decrease is related to debt payments made during the current year along with the depreciation of capital assets.

The table on page 7 provides a summary of the City's operations for year ended April 30, 2012 with comparative totals for year ended April 30, 2011.

Final Budget

The City adopts a formal budget after holding a public hearing. The budget and appropriations are legally adopted through the passage of an ordinance. All fund expenditures were in compliance with budgetary compliance during the current fiscal year.

Economic Factors

Property tax revenues are capped under State of Illinois rules for non-home rule communities. No addition to property tax revenues is allowed beyond the increase in the rate of inflation and a percentage factor for new construction. The assessed valuation for the City increased 2% over the prior year. While increasing revenues are an important part of the City's financial matters, stabilizing expenses continues to be equally important. Grant opportunities will also be researched.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. Questions concerning this report or requests for additional financial information should be directed to the Finance Director, City of Wilmington, 1165 S. Water Street, Wilmington, Illinois, 60481.

CITY OF WILMINGTON, ILLINOIS

Management's Discussion and Analysis (Unaudited)
For the Year Ended April 30, 2012

Net Assets--Modified Cash Basis

The City's combined net assets, resulting from modified cash basis transactions, decreased from approximately \$19.1 million to \$18.7 million between fiscal years 2011 and 2012. Looking at the net assets of governmental and business-type activities separately, governmental activities slightly increased while business-type activities experienced a decrease during the current year.

Net Assets of the City's governmental activities increased 1.3 percent to \$10.3 million.

Net assets of the City's business-type activities decreased 5.9 percent to \$8.4 million.

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2012	2011	2012	2011	2012	2011	2012-2011
<u>Assets</u>							
Current and other assets	\$ 1,120,352	1,357,098	1,553,255	2,162,472	2,673,607	3,519,570	-31.6%
Capital Assets	10,671,741	10,405,658	18,905,669	19,192,808	29,577,410	29,598,466	-0.1%
Total assets	<u>11,792,093</u>	<u>11,762,756</u>	<u>20,458,924</u>	<u>21,355,280</u>	<u>32,251,017</u>	<u>33,118,036</u>	<u>-2.7%</u>
<u>Liabilities</u>							
Accounts Payable/ Reserves	31,966	36,203	-	-	31,966	36,203	-13.3%
Long-term debt outstanding							
Due within one year	248,724	239,000	610,500	536,930	859,224	775,930	9.7%
Due in more then one year	1,180,000	1,285,000	11,477,575	11,929,504	12,657,575	13,214,504	-4.4%
Total liabilities	<u>1,460,690</u>	<u>1,560,203</u>	<u>12,088,075</u>	<u>12,466,434</u>	<u>13,548,765</u>	<u>14,026,637</u>	<u>-3.5%</u>
<u>Net assets</u>							
Invested in capital assets, net of related debt	9,243,017	8,881,658	7,004,796	-	16,247,813	8,881,658	45.3%
Restricted net assets	325,400	310,465	1,135,432	1,616,993	1,460,832	1,927,458	-31.9%
Unrestricted net assets	762,986	1,010,430	230,621	7,271,853	993,607	8,282,283	-733.6%
Total net assets	<u>\$ 10,331,403</u>	<u>10,202,553</u>	<u>8,370,849</u>	<u>8,888,846</u>	<u>18,702,252</u>	<u>19,091,399</u>	<u>-2.1%</u>

CITY OF WILMINGTON, ILLINOIS

Management's Discussion and Analysis (Unaudited)
For the Year Ended April 30, 2012

Changes in Net Assets--Modified Cash Basis

For the year ended April 30, 2012, net assets of the City (resulting from modified cash basis transactions) changed as follows:

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2012	2011	2012	2011	2012	2011	2012-2011
Revenues							
Program revenues							
Fees and charges for services	\$ 90,129	105,741	2,332,655	1,854,742	2,422,784	1,960,483	19.1%
Operating grants and contributions	2,103,316	224,099	-	-	2,103,316	224,099	89.3%
General revenues							
Taxes	3,015,927	3,056,644	-	-	3,015,927	3,056,644	-1.4%
Intergovernmental revenue	164,712	132,928	-	-	164,712	132,928	19.3%
Investment income	3,703	10,893	3,010	38,293	6,713	49,186	-632.7%
Licenses and permits	67,285	67,629	-	-	67,285	67,629	-0.5%
Reimbursements	288,984	574,121	-	27,447	288,984	601,568	-108.2%
Annexation Agreement - Ridgeport	500,000	350,000	-	350,000	500,000	700,000	-40.0%
Fines and forfeitures	183,290	192,505	-	-	183,290	192,505	-5.0%
Miscellaneous	48,801	88,317	62,409	26,219	111,210	114,536	-3.0%
Special Item-capital contribution/proceeds	-	-	263,800	582,784	263,800	582,784	-120.9%
Total Revenues	6,466,147	4,802,877	2,661,874	2,879,485	9,128,021	7,682,362	15.8%
Expenditures							
General Government	3,777,128	2,100,198	-	-	3,777,128	2,100,198	44.4%
Public Safety	2,073,487	2,114,575	-	-	2,073,487	2,114,575	-2.0%
Street & Highway	424,994	658,902	-	-	424,994	658,902	-55.0%
Depreciation	-	-	550,939	527,497	550,939	527,497	4.3%
Interest Expense	61,688	77,671	313,451	316,551	375,139	394,222	-5.1%
Water	-	-	1,222,476	1,485,558	1,222,476	1,485,558	-21.5%
Garbage	-	-	389,258	-	389,258	-	100.0%
Sewer	-	-	703,747	1,173,190	703,747	1,173,190	-66.7%
Total Expenditures	6,337,297	4,951,346	3,179,871	3,502,796	9,517,168	8,454,141	11.2%
Excess (deficiency) before transfers	128,850	(148,469)	(517,997)	(623,311)	(389,147)	(771,779)	98.3%
Transfers	-	44,572	-	(44,572)	-	-	-100.0%
Increase (decrease) in net assets	128,850	(103,897)	(517,997)	(667,883)	(389,147)	(771,779)	-98.3%
Net assets at beginning of year	10,202,553	10,306,452	8,888,846	9,556,728	19,091,399	19,863,180	-4.0%
Net assets at end of year	\$ 10,331,403	10,202,553	8,370,849	8,888,846	18,702,252	19,091,399	-2.1%

CITY OF WILMINGTON, ILLINOIS

Management's Discussion and Analysis (Unaudited)
 April 30, 2012

Governmental Activities

To aid in the understanding of the Statement of Activities, some additional explanation is given. The format is significantly different from a typical Statement of Revenues Received, Expenditures Disbursed, and Changes in Fund Balance. Notice the expenses are listed in the first column, with revenues from that particular program reported to the right. The result is a net (expense)/revenue. This type of format highlights the relative financial burden of each of the functions on the City's taxpayers. It also identifies how much each function draws from the general revenues or if it is a self-financing program through fees and grants or contributions. All other governmental revenues are reported as general revenues. It is important to note that all taxes are classified as general revenue, even if restricted for a specific purpose.

For the year ended April 30, 2012, total expenses for governmental activities, resulting modified cash basis transactions, amounted to \$6,337,297. Of these total expenses, taxpayers and other general revenues funded \$4,272,702 while those directly benefiting from the programs funded \$90,129 from fees and charges for services and \$2,103,316 from operating grants and contributions.

Net Cost of Governmental Activities-Modified Cash Basis

	Total Cost of Services		Total Percentage Change
	2012	2011	2012-2011
Expenses			
General Government	\$ 3,777,128	2,100,198	44.4%
Public Safety	2,073,487	2,114,575	-2.0%
Street & Highway	424,994	658,902	-55.0%
Interest Expense	61,688	77,671	-25.9%
Total	\$ 6,337,297	4,951,346	21.9%

CITY OF WILMINGTON, ILLINOIS

Management's Discussion and Analysis (Unaudited)
For the Year Ended April 30, 2012

Capital Assets--Modified Cash Basis

At April 30, 2012, the City of Wilmington had money invested in capital assets, net of depreciation as follows:

Primary Government Capital Assets--Modified Cash Basis

	Governmental Activities		Business-Type Activities		Totals	
	2012	2011	2012	2011	2012	2011
Land	\$ 6,838,650	6,838,650	1,512,200	1,512,200	8,350,850	8,350,850
Vehicles	638,775	637,208	408,428	408,428	1,047,203	1,045,636
Buildings	3,587,560	3,587,560	17,274,738	17,274,738	20,862,298	20,862,298
Equipment	1,108,607	1,024,619	405,450	258,441	1,514,057	1,283,060
Improvements	332,666	522,030	2,115,512	2,014,720	2,448,178	2,536,750
Infrastructure	629,903	-	-	-	629,903	-
Accumulated Depreciation	(2,464,420)	(2,200,677)	(2,810,659)	(2,275,719)	(5,275,079)	(4,476,396)
	<u>\$ 10,671,741</u>	<u>10,409,390</u>	<u>18,905,669</u>	<u>19,192,808</u>	<u>29,577,410</u>	<u>29,602,198</u>

Refer to Note 4 for additional information.

This year's most significant capital asset additions included:

Governmental:

Road/Bridge Work	332,299
Walk-in Van Body Aeromaster	53,160
Drainage Improvements	33,000
2011 Ford Crown Victoria	22,629

Business-type:

Water Treatment Plant Improvements	100,792
Mosaic	74,214

Long-Term Debt--Modified Cash Basis

At April 30, 2012, the City had \$13,516,799 in long-term debt arising from modified cash basis, compared to \$13,990,434 in 2011. While \$1,428,724 of debt is related to governmental activities, \$12,088,075 of debt is related to business type activities. See Note 5 for additional information.

Primary Government Long-Term Debt--Modified Cash Basis

	Governmental Activities		Business-Type Activities	
	2012	2011	2012	2011
Bank Notes Payable	\$ 1,428,724	1,524,000	\$ 12,088,075	12,466,434

FINANCIAL STATEMENTS

CITY OF WILMINGTON, ILLINOIS

Government-wide Financial Statement
Statement of Net Assets - Modified Cash Basis
April 30, 2012

	Primary Government		Total	
	Governmental Activities	Business-Type Activities	2012	2011
<u>Assets</u>				
Cash and Cash Equivalents	\$ 1,120,352	1,310,132	2,430,484	3,360,292
Receivables	-	243,123	243,123	159,278
Capital Assets				
Land	6,838,650	1,512,200	8,350,850	8,350,850
Vehicles	638,775	408,428	1,047,203	1,045,636
Equipment	1,108,607	405,450	1,514,057	1,283,060
Buildings	3,587,560	17,274,738	20,862,298	20,862,298
Improvements	332,666	2,115,512	2,448,178	2,533,018
Infrastructure	629,903	-	629,903	-
Accumulated Depreciation	(2,464,420)	(2,810,659)	(5,275,079)	(4,476,396)
Total assets	\$ 11,792,093	20,458,924	32,251,017	33,118,036
<u>Liabilities and Net Assets</u>				
Liabilities due within one year	\$ 248,724	610,500	859,224	775,930
Liabilities due in more than one year	1,180,000	11,477,575	12,657,575	13,214,504
Accounts Payable/ Reserves	31,966	-	31,966	36,203
Total liabilities	1,460,690	12,088,075	13,548,765	14,026,637
Invested in capital assets, net of related debt	9,243,017	7,004,796	16,247,813	8,881,658
Unrestricted	762,986	230,621	993,607	8,282,283
Restricted	325,400	1,135,432	1,460,832	1,927,458
Total net assets	\$ 10,331,403	8,370,849	18,702,252	19,091,399

The Notes to Financial Statements are an integral part of this statement.

CITY OF WILMINGTON, ILLINOIS

Government-wide Financial Statement
Statement of Activities - Modified Cash Basis
For the Year Ended April 30, 2012

Program Activities	Expenses	Program Revenues		Net (Expenses) Revenue And Changes in Net Assets		Totals	
		Fees and Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	2012	2011
Governmental activities:							
General government	\$ 3,777,128	90,129	2,103,316	(1,583,683)	-	(1,583,683)	(1,298,145)
Public safety	2,073,487	-	-	(2,073,487)	-	(2,073,487)	(2,114,575)
Street & highway	424,994	-	-	(424,994)	-	(424,994)	(1,131,115)
Unallocated Interest Expense	61,688	-	-	(61,688)	-	(61,688)	(77,671)
Total governmental activities	6,337,297	90,129	2,103,316	(4,143,852)	-	(4,143,852)	(4,621,506)
Business-type activities:							
Water	1,222,476	846,768	-	-	(375,708)	(375,708)	(569,240)
Sewer	1,017,198	1,078,944	-	-	61,746	61,746	(551,317)
Garbage	389,258	406,943	-	-	17,685	17,685	-
Unallocated Depreciation	550,939	-	-	-	(550,939)	(550,939)	(527,497)
Total business-type activities	3,179,871	2,332,655	-	-	(847,216)	(847,216)	(1,648,054)
Total primary government	\$ 9,517,168	2,422,784	2,103,316	(4,143,852)	(847,216)	(4,991,068)	(6,269,560)

General revenues

Taxes:							
Property taxes				1,064,241	-	1,064,241	1,038,849
State Sales Tax				884,569	-	884,569	878,776
Road & Bridge Tax				5,080	-	5,080	5,299
Utility Tax				528,029	-	528,029	559,713
Personal Property Replacement Tax				55,289	-	55,289	61,289
State Income Tax				392,759	-	392,759	439,312
Local Use Tax				85,960	-	85,960	73,406
Motor Fuel Tax				164,712	-	164,712	132,928
Interest on investments				3,703	3,010	6,713	49,186
Annexation Agreement - Ridgeport				500,000	-	500,000	700,000
Reimbursements				288,984	-	288,984	601,568
Fines & Forfeitures				183,290	-	183,290	192,505
Licenses and permits				67,285	-	67,285	67,629
Miscellaneous				48,801	62,409	111,210	114,536
Special Item-capital contribution				-	263,800	263,800	582,784
Total general revenues				4,272,702	329,219	4,601,921	5,497,780
Change in net assets				128,850	(517,997)	(389,147)	(771,780)
Net assets at beginning of year				10,202,553	8,888,846	19,091,399	19,863,180
Net assets at end of year				\$ 10,331,403	8,370,849	18,702,252	19,091,399

The Notes to Financial Statements are an integral part of this statement.

CITY OF WILMINGTON, ILLINOIS

Statement of Assets, Liabilities, and Fund Balances - Modified Cash Basis
Governmental Funds
April 30, 2012

	Major Funds				Total Governmental Funds		
	General Fund	Mobile Equipment Fund	Capital Projects Fund	Bond & Interest Fund	Non-Major Funds	2012	2011
<u>Assets</u>							
Cash and Cash Equivalents	\$ 206,746	115,843	519,119	143,686	134,958	1,120,352	1,327,857
Receivables	-	-	-	-	-	-	29,241
Total Assets	\$ 206,746	115,843	519,119	143,686	134,958	1,120,352	1,357,098
<u>Liabilities and Fund Balances</u>							
Liabilities:							
Accounts Payables/Reserves	\$ -	-	-	31,966	-	31,966	36,203
Total liabilities	\$ -	-	-	31,966	-	31,966	36,203
Fund Balances:							
Non-spendable	\$ -	-	-	-	-	-	-
Unassigned	128,024	-	-	-	-	128,024	611,292
Assigned	-	-	-	-	-	-	-
Committed	-	115,843	519,119	-	-	634,962	399,138
Restricted	78,722	-	-	111,720	134,958	325,400	310,465
Total Fund Balances	206,746	115,843	519,119	111,720	134,958	1,088,386	1,320,895
Total Liabilities and Fund Balances	\$ 206,746	115,843	519,119	143,686	134,958	1,120,352	1,357,098

Reconciliation to Statement of Net Assets:

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities of \$13,136,161 (net of accumulated depreciation of \$2,464,420), are not financial resources and, therefore, are not reported in the funds.

Some liabilities, including capital debt obligations payable, are not due and payable in the current period and, therefore, are not reported in the funds.

Net assets of governmental activities

	10,671,741	10,405,658
	(1,428,724)	(1,524,000)
<u>Net assets of governmental activities</u>	\$ 10,331,403	10,202,553

CITY OF WILMINGTON, ILLINOIS

Statement of Revenues Received, Expenditures Disbursed, and Changes in Fund Balances
 Modified Cash Basis
 Governmental Funds
 For the Year Ended April 30, 2012

	Major Funds					Total Governmental Funds	
	General Fund	Mobile Equipment Fund	Capital Projects Fund	Bond & Interest Fund	Non-Major Funds	2012	2011
	Revenues Received						
Property Taxes	\$ 877,603	-	-	137,851	48,787	1,064,241	1,038,849
State Sales Tax	884,569	-	-	-	-	884,569	878,776
Road & Bridge Tax	5,080	-	-	-	-	5,080	5,299
Utility Tax	528,029	-	-	-	-	528,029	559,713
Personal Property Replacement Tax	55,289	-	-	-	-	55,289	61,289
State Income Tax	392,759	-	-	-	-	392,759	439,312
Local Use Tax	85,960	-	-	-	-	85,960	73,406
Motor Fuel Tax	-	-	-	-	164,712	164,712	132,928
Licenses & Permits	67,285	-	-	-	-	67,285	67,629
Miscellaneous	41,236	5,565	-	-	2,000	48,801	88,317
Grants & Contributions	19,840	-	2,076,974	-	6,502	2,103,316	224,099
Annexation Agreement - Ridgeport	-	-	500,000	-	-	500,000	350,000
Reimbursements	213,705	-	33,575	27,686	14,018	288,984	574,121
Tags & Fines	176,255	7,035	-	-	-	183,290	192,505
Fees & Services	86,391	-	3,738	-	-	90,129	105,741
Interest income	1,630	41	1,036	521	475	3,703	10,893
Total Revenues	3,435,631	12,641	2,615,323	166,058	236,494	6,466,147	4,802,877
Expenditures Disbursed							
General government	1,293,020	99,856	-	5,499	-	1,398,375	1,633,794
Public safety	2,054,078	-	-	-	19,409	2,073,487	2,114,575
Street & highway	504,836	-	58,608	-	190,349	753,793	1,131,115
Capital Outlay	388	-	2,295,350	-	20,299	2,316,037	30,253
Debt Service	-	-	-	300,688	-	300,688	316,524
Total Expenditures	3,852,322	99,856	2,353,958	306,187	230,057	6,842,380	5,226,261
Excess (deficiency) of revenues received over (under) expenditures disbursed	(416,691)	(87,215)	261,365	(140,129)	6,437	(376,233)	(423,384)
Other financing sources (uses)							
Operating transfers:							
Transfers In	-	30,000	31,674	-	(30,000)	31,674	119,208
Transfers Out	(20,000)	-	-	(11,674)	-	(31,674)	(74,636)
Bond Proceeds	-	-	-	143,724	-	143,724	139,000
Fund balances - beginning	643,437	173,058	226,080	119,799	158,521	1,320,895	1,560,707
Fund balances - ending	\$ 206,746	115,843	519,119	111,720	134,958	1,088,386	1,320,895
Reconciliation to the Statement of Activities:							
Net Change in Fund Balances - governmental activities						(376,233)	(423,384)
Amounts reported for governmental activities in the Statement of Activities are different because:							
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets:							
Principal on Debt						239,000	233,000
Loan proceeds						(143,724)	(139,000)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expenses. The change in fund balance must be increased by capital purchase and decreased by depreciation expenses.							
Capital asset purchases (disposals)						551,919	301,998
Depreciation						(285,836)	(260,083)
Revenues in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds							
						143,724	183,572
Change in net assets of governmental activities (Statement B)						128,850	(103,897)

Statement of Fund Net Assets
 Proprietary Funds
 April 30, 2012

	Major Funds					Total Proprietary Funds
	Water Operations Fund	Water Capital Project Fund	Sewer Operations Fund	Sewer Capital Projects Fund	Water TP Rehab Fund	
<u>Assets</u>						
Cash and cash equivalents	\$ 3,286	634,121	619,924	52,801	-	1,310,132
Receivables	113,755	16,661	107,567	5,140	-	243,123
Capital assets						
Land	600,500	-	911,700	-	-	1,512,200
Vehicles	204,214	-	204,214	-	-	408,428
Equipment	202,725	-	202,726	-	-	405,451
Buildings	3,173,976	-	14,100,762	-	-	17,274,738
Improvements	1,266,825	-	848,688	-	-	2,115,512
Accumulated depreciation	(1,199,509)	-	(1,611,150)	-	-	(2,810,659)
Total assets	\$ 4,365,771	650,782	15,384,430	57,941	-	20,458,924
<u>Liabilities</u>						
Liabilities due within one year	\$ -	-	578,000	-	32,500	610,500
Liabilities due in more than one year	-	-	11,322,873	-	154,702	11,477,575
Total liabilities	\$ -	-	11,900,873	-	187,202	12,088,075
<u>Net Assets</u>						
Invested in capital assets,	\$ 4,248,730	-	2,756,066	-	-	7,004,796
Net of related debt	117,041	300,782	-	-	(187,202)	230,621
Unrestricted	-	350,000	727,491	57,941	-	1,135,432
Restricted	-	-	-	-	-	-
Total net assets	\$ 4,365,771	650,782	3,483,557	57,941	(187,202)	8,370,849

The Notes to Financial Statements are an integral part of this statement.

CITY OF WILMINGTON, ILLINOIS

**Statement of Revenues, Expenses, and Changes in Fund Net Assets
 Proprietary Funds
 For the Year Ended April 30, 2012**

	Major Funds					Total Proprietary Funds	
	Water Operations Fund	Water Capital Project Fund	Sewer Operations Fund	Sewer Capital Projects Fund	Water TP Rehab Fund	2012	2011
Operating Revenues:							
Water and Sewer charges	\$ 736,490	110,278	1,069,969	8,975	-	1,925,712	1,830,392
Garbage charges	406,943	-	-	-	-	406,943	374,350
Miscellaneous	-	-	-	-	-	-	-
Total Operating Revenues:	1,143,433	110,278	1,069,969	8,975	-	2,332,655	2,204,742
Operating Expenses:							
Personnel services	498,035	1,422	432,953	-	-	932,410	829,732
Contractual services	609,294	118,705	233,032	16,304	-	977,335	798,834
Commodities	131,261	-	-	-	-	131,261	189,785
Depreciation	145,273	-	405,666	-	-	550,939	527,497
Other expenses	1,309	-	-	-	-	1,309	182,568
Total Operating Expenses	1,385,172	120,127	1,071,651	16,304	-	2,593,254	2,528,416
Operating Income (Loss)	(241,739)	(9,849)	(1,682)	(7,329)	-	(260,599)	(323,674)
Non-Operating Revenues (Expenses):							
Interest Income	564	1,053	1,018	372	3	3,010	38,293
Other Income	34,545	7,000	13,864	7,000	-	62,409	26,219
Surcharges for capital reserve	-	-	-	-	-	-	27,447
Capital outlay	-	(117,042)	-	(21,458)	(134,666)	(273,166)	(120,899)
County Grant	-	-	-	-	-	-	-
Debt service	-	-	(313,451)	-	-	(313,451)	(316,551)
Total Non-Operating Revenues (Expenses)	35,109	(108,989)	(298,569)	(14,086)	(134,663)	(521,198)	(345,491)
Income (Loss) before contributions and transfers	(206,630)	(118,838)	(300,251)	(21,415)	(134,663)	(781,797)	(669,165)
Capital Contributions	263,800	-	-	-	-	263,800	45,854
Loan Proceeds	-	-	-	-	-	-	-
Transfer in (out)	100,000	(47,461)	-	-	(52,539)	-	(44,572)
Change in Net Assets	157,170	(166,299)	(300,251)	(21,415)	(187,202)	(517,997)	(667,883)
Total Net Assets - beginning	6,804,772	817,081	1,187,637	79,356	-	8,888,846	9,556,728
Restructuring of Sewer Fund	(2,596,171)	-	2,596,171	-	-	-	-
Total Net Assets - ending	\$ 4,365,771	650,782	3,483,557	57,941	(187,202)	8,370,849	8,888,846

The Notes to Financial Statements are an integral part of this statement.

CITY OF WILMINGTON, ILLINOIS

Statement of Cash Flows
Proprietary Funds
For the Year Ended April 30, 2012

	Major Funds					Total Proprietary Funds	
	Water Operations Fund	Water Capital Project Fund	Sewer Operations Fund	Sewer Capital Projects Fund	Water TP Rehab Fund	2012	2011
Cash Flows From Operating Activities:							
Receipts from customers	\$ 1,093,237	95,328	1,027,169	3,835	-	2,219,569	2,226,779
Payments to employees	(498,035)	(1,422)	(432,953)	-	-	(932,410)	(829,732)
Payments to suppliers	(740,555)	(118,705)	(233,032)	(16,304)	-	(1,108,596)	(1,170,500)
Other receipts (expenses)	33,236	7,000	13,864	7,000	-	61,100	25,532
Net Cash Provided by Operating Activities	(112,117)	(17,799)	375,048	(5,469)	-	239,663	252,079
Cash Flows From Noncapital Financing Activities:							
Transfers (to) from other funds	100,000	(47,461)	-	-	(52,539)	-	(44,572)
Net Cash Provided by Noncapital Financing Activities	100,000	(47,461)	-	-	(52,539)	-	(44,572)
Cash Flows From Capital Financing Activities:							
Acquisition and construction of capital assets	-	(117,042)	-	(21,458)	(134,666)	(273,166)	(120,899)
Loan proceeds	-	-	-	-	187,202	187,202	-
Payment of long term debt	-	-	(565,561)	-	-	(565,561)	(536,930)
Interest expense	-	-	(313,451)	-	-	(313,451)	(316,551)
Surcharges for capital expenditures	-	-	-	-	-	-	27,447
Net Cash Provided by (used in) Capital Financing Activities	-	(117,042)	(879,012)	(21,458)	52,536	(964,976)	(946,933)
Cash Flows From Investing Activities:							
Interest	564	1,053	1,018	372	3	3,010	38,293
Net Cash Provided by Investing Activities	564	1,053	1,018	372	3	3,010	38,293
Net Increase in Cash and Cash Equivalents	(11,553)	(181,249)	(502,946)	(26,555)	-	(722,303)	(701,133)
Cash Balance - beginning of the year	14,839	815,370	1,122,870	79,356	-	2,032,435	2,733,567
Cash Balance - end of the year	\$ 3,286	634,121	619,924	52,801	-	1,310,132	2,032,435
Reconciliation of operating income (loss) to net cash provided by operating activities:							
Operating Income (loss)						(260,599)	(323,674)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:							
Depreciation						550,939	527,497
(Increase) decrease in accounts receivable						(113,086)	22,038
County Grant						-	-
Other Income						62,409	26,219
Net Cash provided by operating activities						239,663	252,079

Statement of Fiduciary Net Assets
 Fiduciary Funds
 April 30, 2012

	Agency Funds	Police Pension Trust	Total	
			2012	2011
<u>Assets</u>				
Cash	\$ 102,364	23,965	126,329	257,835
Accrued Interest	-	9,552	9,552	-
Treasury Notes	-	1,837,081	1,837,081	1,486,103
Mutual Fund	-	1,604,882	1,604,882	1,611,265
Total assets	<u>\$ 102,364</u>	<u>3,475,480</u>	<u>3,577,844</u>	<u>3,355,203</u>
<u>Liabilities and Net Assets</u>				
Payable to others	\$ 102,364	-	102,364	104,288
Total liabilities	<u>\$ 102,364</u>	<u>-</u>	<u>102,364</u>	<u>104,288</u>
Assets held in trust for pension benefits		3,475,480	3,475,480	-
Unrestricted net assets		-	-	3,250,915
Total net assets		<u>3,475,480</u>	<u>3,475,480</u>	<u>3,250,915</u>

The Notes to the Financial Statements are an integral part of this statement.

CITY OF WILMINGTON, ILLINOIS

Statement I

Statement of Changes in Fiduciary Net Assets
 Fiduciary Funds
 For the Year Ended April 30, 2012

	Agency Funds	Police Pension Trust	Year Ended	
			April 30, 2012	April 30, 2011
Additions				
Agency Revenues	\$ 131,135	-	131,135	36,226
Contributions				
Employer	-	265,528	265,528	272,023
Employee	-	84,568	84,568	90,882
Total contributions	131,135	350,096	481,231	399,131
Investment income				
Interest received	-	110,745	110,745	46,457
Annuity income	-	-	-	19,511
Gain (loss) from sale of security	-	-	-	-
Unrealized gain (loss)	-	(93,631)	(93,631)	226,309
Net investment income	-	17,114	17,114	292,277
Total additions	131,135	367,210	498,345	691,408
Deductions				
Accounting & Bookkeeping	-	8,875	8,875	-
Agency Expenditures	133,059	-	133,059	76,270
Audit fee	-	3,400	3,400	3,000
Actuarial Fee	-	-	-	2,800
State Compliance Fee	-	534	534	469
Office expense	-	1,133	1,133	1,084
Legal expense	-	7,784	7,784	6,800
Meeting	-	-	-	52
Disability Benefits	-	31,767	31,767	-
Pension Benefits	-	81,100	81,100	54,346
Postage	-	96	96	-
Telecommunications	-	115	115	-
Travel/Conferences	-	5,095	5,095	4,736
Refund on Contributions	-	1,947	1,947	-
Investment Expense	-	25	25	-
Dues	-	775	775	775
Total deductions	133,059	142,646	275,705	150,332
Net increase	(1,924)	224,565	222,641	541,076
Net assets, beginning of year	104,288	3,250,915	3,355,203	2,814,127
Net assets, end of year	\$ 102,364	3,475,480	3,577,844	3,355,203

The Notes to Financial Statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

CITY OF WILMINGTON, ILLINOIS

Notes to Financial Statements For the Year Ended April 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Wilmington and the component unit have been prepared on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Illinois, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Proprietary funds apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the City's accounting policies are described below.

A. Reporting Entity

The City's combined financial statements include the accounts of all City operations. The criteria for including organizations as component units within the City's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in its own name)
- the City holds the corporate powers of the organization
- the City appoints a voting majority of the organization's board
- the City is able to impose its will on the organization
- the organization has a potential to impose a financial benefit/burden on the City
- there is a fiscal dependency by the organization on the City

Based on the aforementioned criteria, the City of Wilmington does not include any organizations as a component unit.

B. Fund Accounting

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue, and expenditures, or expenses, as appropriate. City resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the financial statements in this report, into six generic fund types and three broad fund categories as follows:

CITY OF WILMINGTON, ILLINOIS

Notes to Financial Statements
For the Year Ended April 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

B. Fund Accounting – (Continued)

Governmental Fund Types - Governmental funds are those through which general governmental functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and related liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The City's governmental fund types include:

General Fund - The General Fund is the main operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund revenues include special revenues for social security, IMRF, police pension, tort, road & bridges, auditing and special street tax levies. The expenditures for these special purposes are included as General Fund expenditures. Expenditures for these special revenues normally exceed the related special revenues received.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes. The Mobile Equipment Fund is considered a major special revenue fund used for the purchase of vehicles and other mobile equipment.

Capital Projects Funds – The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and special assessment funds). The Capital Projects Fund is considered to be a major fund.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of finances for, and payment of, general long-term debt principal, interest and related costs. The Bond & Interest Fund is the City's only Debt Service Fund. The fund balance of the Bond and Interest Fund is restricted to signify the amounts that are restricted exclusively for debt service expenses.

Proprietary Fund Types

Enterprise Funds - Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that costs (expenses including depreciation) of providing goods and services to the general public on a continuing basis be financed and recovered primarily through user charges.

Provision for depreciation, however, is recorded as a cost of the Water Fund. Payments for principal retirement of revenue bonds and capital outlay are recorded as nonoperating expenses.

CITY OF WILMINGTON, ILLINOIS

Notes to Financial Statements
For the Year Ended April 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

B. Fund Accounting - (Continued)

Major Enterprise Funds are:

1. Water Operations Fund - This fund is used to account for operations that are financed and operated in a manner similar to private business enterprises—where the intent of the City is that costs of providing goods and services to the general public on a continuing basis be financed and recovered primarily through user charges. This fund is used to account for water revenues and expenditures relating to water operations.
2. Water Capital Projects Fund - This fund is used to account for water revenues and expenditures relating to the water expansion and new water mains.
3. Sewer Operations Fund - This fund is used to account for sewer revenues and expenditures relating to the sewer operations.
4. Sewer Capital Projects Fund – This fund is used to account for sewer revenues and expenditures relating to sewer expansion and improvements.
5. Water TP Rehab Fund – This fund is used to account for construction on the new water treatment plan.

Fiduciary Funds - used to account for assets held by the City as an agent for individuals, private organizations, other governments and/or other funds.

Expendable trust funds are accounted for in essentially the same manner as governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Fiduciary funds are not included in the government-wide financial statements.

Trust and Agency Funds - Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

The City of Wilmington's Police Pension Fund provides retirement benefits to police officers of the City. The Pension Plan Committee serves as the governing body and is comprised of three active members and two appointed members elected by the active officers. Currently there are two members receiving benefits. An audit of the City of Wilmington's Police Pension Fund can be obtained by contacting the City Clerk of the City of Wilmington.

CITY OF WILMINGTON, ILLINOIS

Notes to Financial Statements
For the Year Ended April 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the cash basis of accounting. Revenues are recognized when cash is received. Expenditures are recognized when checks are written. Proprietary funds are accounted for using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when expenses are incurred.

Cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions.

D. Capital Assets and Long-Term Liabilities

The accounting and reporting treatment applied to the capital assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on the balance sheets.

The reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Depreciation is provided in amounts sufficient to relate costs of the depreciable assets to operations over their estimated service lives on the straight-line basis. A capitalization threshold of \$500 is used to report capital assets. The service lives by type of asset are as follows:

Site Improvements	55 years
Buildings	40 years
Furniture & Equipment	5-7 years
Vehicles	5-7 years

E. Property Taxes

On the cash basis of accounting, property taxes are recognized as revenues when they are received. Property taxes are levied and attach as an enforceable lien on property on January 1 and are payable in two installments due on June 1 and September 1 subsequent to the year of levy.

CITY OF WILMINGTON, ILLINOIS

Notes to Financial Statements For the Year Ended April 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

E. Property Taxes (Continued)

The 2010 property tax levy, in the amount of \$1,073,091, reduced by statutory limitations to \$1,014,291 was received by the City in the current fiscal year. The 2011 property tax levy in the amount of \$1,034,577, reduced by statutory limitations to \$1,034,941 was approved by the board on December 20, 2011 as amended. The 2011 property tax levy will be received in the subsequent fiscal year.

F. Budgets and Budgetary Accounting

These procedures are followed in establishing the budgetary data reflected in the financial statements.

During the first two months of the fiscal year, the City officials prepare the proposed budget and appropriation ordinance. The proposed appropriation ordinance is placed on file and a public hearing is conducted at a public meeting to obtain comments from the community. The appropriation ordinance uses the cash basis of accounting, which is the same basis that is used in financial reporting. This allows for comparability between budgeted and actual amounts.

Prior to July 31, the appropriation ordinance is legally adopted through passage of an ordinance. The 2012 appropriation ordinance was adopted on July 19, 2011 and was not amended. Transfers between line items of the appropriation must be approved by the City officials. All annual appropriations lapse at fiscal year end.

G. Compensated Absences

Accumulated unpaid vacations and other employee benefit amounts are not accrued in governmental funds. Permanent full-time employees are eligible for vacation after one year of service. Permanent full-time employees are granted 12 sick days and 3 personal days (2 for employees not covered by union contract) each year. Upon termination, any earned but unused vacation shall be liquidated in a cash payment to the terminating employee. Employees shall be compensated in cash for any accumulated unused sick leave up to 120 days when they are permanently separated from employment.

H. Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read. Certain amounts from the prior fiscal year may have been reclassified to conform to the current year presentation.

CITY OF WILMINGTON, ILLINOIS

Notes to Financial Statements
For the Year Ended April 30, 2012

NOTE 2: CASH AND INVESTMENTS

Cash and cash equivalents, for reporting purposes, include bank accounts, petty cash and all short-term investments with a remaining maturity of three months or less when purchased, such as certificates of deposit. All amounts are stated at cost which approximates market value.

Permitted Deposits and Investments - Statutes authorize the City to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two rating services, and the Illinois Public Treasurer's Investment Pool.

Separate bank accounts are not maintained for all City funds. Certain funds maintain their uninvested cash balances in a common checking account, with accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund. Occasionally funds participating in the common bank account will incur overdrafts (deficits) in the account. The overdrafts result from expenditures which have been approved by the Board. Such overdrafts constitute unauthorized interfund loans, since they were not authorized by the City Council.

Custodial Credit Risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's deposits and certificates of deposit are entirely covered by federal depository insurance (FDIC) or by securities held by the pledging financial institution. The FDIC currently insures the first \$250,000 of the City's deposits at each financial institution. December 31, 2010 through December 31, 2012, all noninterest-bearing accounts will be fully insured by the FDIC regardless of the balance of the account and the ownership capacity of the funds. Deposit balances over \$250,000 are collateralized with securities held by the pledging financial institution. As of April 30, 2012, the carrying amount of the City's deposits was \$246,494 (including \$788 petty cash) and the bank balance was \$89,602.

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Category #1	-	-
Category #2	-	-
Category #3	<u>246,494</u>	<u>89,602</u>
Total	<u>246,494</u>	<u>89,602</u>

Category #1 - Uncollateralized;

Category #2 - Collateralized with securities held by the pledging financial institution;

Category #3 - Collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor-government's name.

CITY OF WILMINGTON, ILLINOIS

**Notes to Financial Statements
For the Year Ended April 30, 2012**

NOTE 2: CASH AND INVESTMENTS – (Continued)

Investments include United States government obligations valued at cost, adjusted for amortization of premium and discounts, which approximates market. Also, investments include basic fixed coupon repurchase agreements which are stated at cost which approximates market.

State statutes, city bond ordinances and city resolutions authorize the City's investments. The City is authorized to invest in U.S. Government obligations and its agencies or instrumentalities, collateralized mortgage obligations directly issued by a federal agency or instrumentality, obligations of any state or political subdivision of any state rated within the four highest general classifications established by a nationally recognized rating service, money market mutual funds registered under the Investment Company Act of 1940 that invest in allowable securities and fully collateralized repurchase agreements.

Investments- The City invested in The Illinois Funds and Illinois Institutional Investors Trust. The Illinois Funds are duly chartered and administered by the State Treasurer's Office and the portfolio normally consist of U.S. T-Bills, T-Notes, collateralized certificates of deposit, and repurchase agreements and is not subject to being categorized. The IIIT Funds portfolio of securities, which include mutual funds, are managed discretely by PFM Assets Management LLC. The City records all interest revenue earned from investment activities in the respective funds.

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Illinois Funds	1,697,416	1,856,047
IIIT Funds	486,574	486,574
Total	<u>\$ 2,183,990</u>	<u>2,342,621</u>

NOTE 3: PERSONAL PROPERTY REPLACEMENT TAX

The Personal Property Replacement Tax represents an additional State of Illinois income tax on corporations (certain utilities), trusts, partnerships, and Subchapter S corporations and a new tax on the invested capital of public utilities providing gas, communications, electrical and waste services.

CITY OF WILMINGTON, ILLINOIS

Notes to Financial Statements
For the Year Ended April 30, 2012

NOTE 4: CAPITAL ASSETS

A summary of changes in capital assets follows:

	Beginning Balance	Increase	Decrease	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 6,838,650	-	-	6,838,650
Other capital assets:				
Vehicles	637,208	22,629	(21,062)	638,775
Equipment	1,024,618	85,792	(1,803)	1,108,607
Improvements	280,666	52,000	-	332,666
Infrastructure	241,364	388,539	-	629,903
Buildings	3,587,560	-	-	3,587,560
Total other capital assets	5,771,416	548,960	(22,865)	6,297,511
Less accumulated depreciation:				
Vehicles	501,930	62,850	(21,062)	543,718
Equipment	804,690	102,423	(1,030)	906,083
Improvements	53,905	10,568	-	64,473
Infrastructure	6,034	15,748	-	21,782
Buildings	834,118	94,247	-	928,365
Total accumulated depreciation	2,200,677	285,836	(22,092)	2,464,420
Other capital assets, net	3,570,739	263,124	(773)	3,833,091
Total governmental activities, net	\$ 10,409,389	263,124	(773)	10,671,741
Business-Type Activities:				
Capital assets not being depreciated:				
Land	\$ 1,512,200	-	-	1,512,200
Other capital assets:				
Vehicles	408,428	-	-	408,428
Equipment	258,441	163,010	(16,000)	405,451
Buildings	17,274,738	-	-	17,274,738
Improvements	2,014,720	100,792	-	2,115,512
Total other capital assets	19,956,327	263,802	(16,000)	20,204,128
Less accumulated depreciation:				
Vehicles	211,672	35,515	-	247,187
Equipment	210,912	39,918	(16,000)	234,829
Buildings	1,411,161	431,868	-	1,843,030
Improvements	441,974	43,638	-	485,613
Total accumulated depreciation	2,275,719	550,939	(16,000)	2,810,659
Total business-type activities, net	\$ 19,192,808	(287,137)	-	18,905,669

CITY OF WILMINGTON, ILLINOIS

**Notes to Financial Statements
For the Year Ended April 30, 2012**

NOTE 5: CHANGE IN LONG-TERM DEBT OBLIGATIONS

The following is a summary of general long-term debt transactions of the City for the year ended April 30, 2012:

	Payable at May 1, 2011	Bonds Issued	Bonds Retired	Payable at April 30, 2012	Due in One Year
Governmental Funds:					
General Obligation Bonds					
SSA Dear Ridge Park					
Special Tax Bonds:					
Dated May 6, 2008					
Payable 1/15 at 6.5%					
Original Issue \$ 315,000	\$ 275,000	-	15,000	260,000	15,000
General Obligation					
Alternative Revenue Source					
Dated January 15, 2006					
Payable 12/1 at 3.5% to 4.0%	1,110,000	-	85,000	1,025,000	90,000
General Obligation Limited					
Rollover Bond, Series 2010					
Dated November 23, 2010					
Payable 12/15 at 1.5%	139,000	-	139,000	-	-
General Obligation Limited					
Rollover Bond, Series 2010					
Dated December 1, 2011					
Payable 12/15 at 2.5%	-	143,724	-	143,724	143,724
Total Governmental Funds	1,524,000	143,724	239,000	1,428,724	248,724
Business-type Funds:					
IEPA Loan					
Refunding Water Treatment					
Dated May 24, 2007					
Payable 7/1 & 1/1 at 2.5%	12,466,434	-	565,561	11,900,873	578,000
Dated February 2, 2012					
Payable 2/6 & 8/6 at 1.25%	-	187,202	-	187,202	32,500
Total Business-type Funds	12,466,434	187,202	565,561	12,088,075	610,500
Total Long-term obligations	<u>\$ 13,990,434</u>	<u>330,926</u>	<u>804,561</u>	<u>13,516,799</u>	<u>859,224</u>

CITY OF WILMINGTON, ILLINOIS

**Notes to Financial Statements
For the Year Ended April 30, 2012**

NOTE 5: CHANGE IN LONG-TERM DEBT OBLIGATIONS – (Continued)

Special Tax Bonds, SSA Dear Ridge Park
Series 2008B, dated May 6, 2008

Paying agent	First DuPage Bank, Westmont, Illinois
Interest rate	6.5 %
Interest payable	On January 15 of each year
Bond maturity dates	Serially on January 15
Bonds outstanding:	
Original issue	\$ 315,000
Bonds retired to April 30, 2012	<u>55,000</u>
Bonds outstanding April 30, 2012	<u>\$ 260,000</u>

The annual requirements to amortize bonded debt as of April 30, 2012 are as follows:

Bond Debt Service, Series 2008 SSA Pay Options
Schedule of Maturities

<u>Year Ended April 30</u>	<u>Principal</u>	<u>Interest</u>
2013	\$ 15,000	16,900
2014	20,000	15,925
2015	20,000	14,625
2016	20,000	13,325
2017	20,000	12,025
2018	25,000	10,725
2019	25,000	9,100
2020	25,000	7,475
2021	30,000	5,850
2022	30,000	3,900
2023	30,000	1,950
Total	<u>\$ 260,000</u>	<u>111,800</u>

CITY OF WILMINGTON, ILLINOIS

**Notes to Financial Statements
For the Year Ended April 30, 2012**

NOTE 5: CHANGE IN LONG-TERM DEBT OBLIGATIONS – (Continued)

General Obligation Refunding (Alternative Revenue Sources) Bonds,
Series 2006A, dated January 15, 2006

Paying agent	Amalgamated Bank of Chicago, Illinois
Interest rate	3.5 % to 4.0%
Interest payable	December 1 of each year
Bond maturity dates	Serially on December 1
Bonds outstanding:	
Original issue	\$ 1,345,000
Bonds retired to April 30, 2012	<u>320,000</u>
Bonds outstanding April 30, 2012	<u>\$ 1,025,000</u>

The annual requirements to amortize bonded debt as of April 30, 2012 are as follows:

General Obligation Bonds (Alternative Revenue Source)-Series 2006A		
Schedule of Maturities		
<u>Year Ended April 30,</u>	<u>Principal</u>	<u>Interest</u>
2013	\$ 90,000	38,625
2014	90,000	35,475
2015	95,000	32,325
2016	100,000	29,000
2017	100,000	25,500
2018	105,000	22,000
2019	110,000	17,800
2020	115,000	13,400
2021	120,000	8,800
2022	100,000	4,000
Total	<u>\$ 1,025,000</u>	<u>226,925</u>

CITY OF WILMINGTON, ILLINOIS

Notes to Financial Statements For the Year Ended April 30, 2012

NOTE 5: CHANGE IN LONG-TERM DEBT OBLIGATIONS – (Continued)

On November 23, 2010, the City of Wilmington issued \$139,000 of General Obligation Limited Bonds, Series 2010 at an interest rate of 1.5%. Interest is due on December 15, 2011. The entire principal was paid on December 15, 2011.

On December 1, 2011, the City of Wilmington issued \$143,724 of General Obligation Limited Bonds, Series 2010 at an interest rate of 2.5%. Interest is due on December 15, 2012. The entire principal will be paid on December 15, 2012. At April 30, 2012, the outstanding balance was \$143,724.

IEPA Loan

On June 5, 2007, the City of Wilmington signed an agreement with the State of Illinois Environmental Protection Agency for a loan from the State's Water Revolving Fund. The loan, in the amount of \$13,597,663, payable over twenty (20) years at a 2.5% simple annual interest rate, with semi-annual repayments with the first repayment due July 1, 2009 and the final repayment due January 1, 2029, is to be used for construction of a waste water plant under the provision of the State of Illinois Environmental Protection Act. At April 30, 2012, the bond had an outstanding balance of \$11,900,873.

On February 2, 2012, the City of Wilmington signed an agreement with the State of Illinois Environmental Protection Agency for a loan from the State's Water Revolving Fund. The loan, in the amount of \$650,000 (with 25% forgiveness, for a net payback of \$487,500), payable over twenty (20) years at a 1.25% simple annual interest rate, with semi-annual repayments with the first repayment due August 6, 2012 and the final repayment due August 6, 2032, is to be used for construction of a waste water plant under the provision of the State of Illinois Environmental Protection Act. At April 30, 2012, the bond had an outstanding balance of \$187,202. The remaining amount of the loan will be received during the subsequent fiscal year.

NOTE 6: INDIVIDUAL FUND DISCLOSURES

During the course of normal operations, the City has numerous transactions between funds including expenditures and transfers of resource primarily to provide services. The governmental and proprietary type funds financial statements generally reflect such transactions as transfers. The internal service funds record charges for service to City departments as operating revenue.

All City funds record these payments to internal service funds as operating expenses. The proprietary funds record operating subsidies as other income whereas the fund paying the subsidy records it as either an expenditure or transfer.

At April 30, 2012, there were no individual interfund receivable or payable balances.

CITY OF WILMINGTON, ILLINOIS

**Notes to Financial Statements
For the Year Ended April 30, 2012**

NOTE 6: INDIVIDUAL FUND DISCLOSURES - (Continued)

The transfers represent both routine and non-routine items. Transfers from the Water Operating Fund and Water TP Rehab Fund in the amounts of \$100,000 and \$15,000 respectively were made to cover capital needs and build capital reserve balances. A transfer of \$67,539 was made from the Water Capital Projects Fund to the Water TP Rehab Fund for improvements to be made to the Water Treatment Plan. A transfer of \$30,000 was made from the ESDA Fund to the Mobile Equipment Fund for the purchase of a vehicle to be used for ESDA related purposes.

All other transfers were routine transfers made to meet the operating purposes of the corresponding funds.

Fund	Transfer to Other Funds	Transfer From Other Funds
Governmental Funds:		
General Fund	\$ 20,000	-
Mobile Equipment	-	30,000
ESDA	30,000	-
Capital Projects Funds:		
Capital Projects	-	31,674
Debt Service Funds:		
Bond & Interest	11,674	-
Enterprise Funds:		
Water TP Rehab Fund	67,539	15,000
Water Operations Fund	-	100,000
Water Capital Projects	115,000	67,539
Total	\$ 244,213	244,213

NOTE 7: PARTICIPATION IN PUBLIC ENTITY RISK POOL

The City is exposed to various risks related to torts; theft of, damage to and destruction of assets, errors and omissions and natural disasters. The City is a member of the Illinois Public Risk Fund (IPRF) to provide workers' compensation coverage. The IPRF was created to establish an intergovernmental joint insurance pool providing for the defense and payment when due of all compensation and other benefits under the Illinois Workers' Compensation Act and the Illinois Workers' Occupational Diseases Act, on behalf of public agency members, and other units of local government and public entities within the State of Illinois which may become eligible for membership from time to time according to the bylaws. During the year ended April 30, 2012, the City contributed \$58,974 to the fund for this insurance coverage. Arthur J. Gallagher (RMS Inc.) provides insurance brokerage to the City. Argonaut is the General Liability Insurance provider. During the year ended April 30, 2012, the City paid \$47,396 for general liability insurance. There have been no significant reductions in coverage from the prior year. Since there have been no settlements, they have not exceeded coverage in the past three years. The City also made payments totaling \$36,567 to the Illinois Municipal League Risk Management Association, the City's previous insurance provider.

CITY OF WILMINGTON, ILLINOIS

Notes to Financial Statements
For the Year Ended April 30, 2012

NOTE 7: PARTICIPATION IN PUBLIC ENTITY RISK POOL – (Continued)

Flood Insurance, computer coverage, and boiler and machine coverage are under separate policies supplied by Traveler's Insurance and ONB Insurance. The City's flood insurance premiums paid totaled \$1,196 for the year ended April 30, 2012.

There were no significant reductions in insurance coverage from the prior year. Also, there have been no settlement amounts which have exceeded insurance coverage in the past three years.

NOTE 8: CONTINGENCIES - LITIGATION

The City is a party to various legal proceedings which normally occur in governmental operations.

There is a lawsuit against the City by two former employees for severance pay. On July 18, 2012, the court entered a judgment order against the City in the amount of \$67,039. The attorney plans to file a motion for a new trial and reconsideration of the judgment. The attorney believes the City has a strong likelihood of prevailing in an appeal.

The City also filed suit on June 7, 2011 against Commonwealth Edison Company and a citizen for an incident which occurred May 19, 2010. On June 7, 2012, the judge ruled in favor of the City, and the defendant is to pay the City \$2,000.

The City is a party in various other legal proceedings. The attorneys did not report any loss contingencies in the remaining cases as the City is expected to prevail.

NOTE 9: ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF)

Plan Description - The employer's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The employer plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

Funding Policy - As set by statute, your employer Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2011 was 12.14 percent. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

CITY OF WILMINGTON, ILLINOIS

**Notes to Financial Statements
For the Year Ended April 30, 2012**

NOTE 9: ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF) – (Continued)

Annual Pension Cost – The required contribution for calendar year 2011 was \$155,601. (If you made an additional payment toward your unfunded amount, add this payment to your actual contributions and recalculate the percentage of APC contributed.)

Three-Year Trend Information for the Regular Plan

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2011	\$ 155,601	100%	\$0
12/31/2010	159,531	100%	0
12/31/2009	72,461	100%	0

The required contribution for 2011 was determined as part of the December 31, 2009, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2009, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of your employer Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The employer Regular plan's unfunded actuarial accrued liability at December 31, 2009 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded Status and Funding Progress - As of December 31, 2011, the most recent actuarial valuation date, the Regular plan was 59.05 percent funded. The actuarial accrued liability for benefits was \$2,628,076 and the actuarial value of assets was \$1,551,854, resulting in an under funded actuarial accrued liability (UAAL) of \$1,076,222. The covered payroll for calendar year 2011 (annual payroll of active employees covered by the plan) was \$1,281,721 and the ratio of the UAAL to the covered payroll was 84 percent.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

CITY OF WILMINGTON, ILLINOIS

**Notes to Financial Statements
For the Year Ended April 30, 2012**

NOTE 10: POLICE PENSION

The Police Pension Plan that is a defined-benefit, single employer pension plan, covers police-sworn personnel of the City.

Valuation Balance Sheet
Showing Assets and Liabilities of the Fund in
Accordance with Actuarial Reserves Requirements
As of April 30, 2011

Assets:	
Net Present Assets	\$ 3,250,915
Deferred Asset (Unfunded Accrued Liability)	2,471,745
Total Assets	\$ 5,722,660
Liabilities:	
Retirement Annuities- 2 Individual	\$ 947,803
Deferred Annuities- 0 Individual	-
Accrued Liabilities for Active Participants - 15 Individuals	4,774,856
Total Liabilities	\$ 5,722,660

Membership in this plan consisted of the following:

	April 30,	
	2011	2010
Retirees and Beneficiaries Receiving Benefits	2	2
Terminated plan members entitled to but not yet receiving benefits	-	-
Active vested plan members	9	9
Active non-vested plan members	6	6
Total	17	17
Number of participating employers	1	1

CITY OF WILMINGTON, ILLINOIS

**Notes to Financial Statements
For the Year Ended April 30, 2012**

NOTE 10: POLICE PENSION – (Continued)

Actually Determined Tax
Levy

Percent of employer normal costs to total annual salaries of \$927,890 is 11.37%

Percent of total normal costs to total annual salaries of \$927,890 is 21.28%

Amount necessary to amortize the unfunded accrued liability of \$2,471,745 as determined by the State of Illinois, Department of Financial and Professional Regulation over a forty year period which commenced in 1998 as contemplated by section 3-127 of the Illinois Pension Code.

\$ 103,138

Total suggested amount of tax levy to arrive at the annual requirements of the fund as contemplated by Section 3-125 of the Illinois Pension Code.

\$ 229,727 *

* The above figure is the suggested amount which should be obtained by the fund from the municipality exclusive of any other items of income, such as, interest on investments, contributions from participants, etc. These items have already been taken into consideration in arriving at this amount.

Police-sworn personnel of the City of Wilmington are covered by the Police Pension Plan that is a defined-benefit, single employer pension plan.

Employees participating are required to contribute 9.91% of their annual covered salary. The member rate is established by state statute. The City is required to contribute at an actuarially determined amount.

ANNUAL PENSION COST AND NET PENSION OBLIGATION

	<u>April 30, 2011</u>
Annual required contribution	<u>208,978</u>
Annual pension cost	208,978
Contribution made	<u>362,905</u>
Increase (decrease) in net pension obligation	(153,927)
Net pension obligation beginning of year	<u>51,891</u>
Net pension obligation end of year	<u><u>(102,036)</u></u>

CITY OF WILMINGTON, ILLINOIS

Notes to Financial Statements
For the Year Ended April 30, 2012

NOTE 10: POLICE PENSION – (Continued)

TREND INFORMATION

	Fiscal Year <u>Ending</u>	Annual Pension Cost (APC)	Percentage of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
1)	4/30/2011	\$ 208,978	173.7%	(102,036)
	4/30/2010	211,238	81.0%	51,891
1)	4/30/2009	179,917	91.1%	11,736
1)	4/30/2008	179,941	100.1%	(4,295)
	4/30/2007	154,249	116.7%	(4,195)
	4/30/2006	153,777	100.0%	(4,065)
1)	4/30/2005	123,935	103.3%	(4,065)
1)	4/30/2004	99,024	100.0%	-
	4/30/2003	91,951	100.0%	-
	4/30/2002	89,308	100.0%	-

1) Based on actuarial study

All others based on the values determined by the Department of Insurance of the State of Illinois.

ACTUARIAL INFORMATION

Actuarial Valuation Date	May 1, 2011
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % of Pay (Closed)
Amortization Target	100% Funded in year 2040
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Investment Rate of Return	7.00%
Projected Salary Increases	5.50%
Aggregate Payroll Increases	5.50%
Inflation Rate Included	3.00%

CITY OF WILMINGTON, ILLINOIS

Notes to Financial Statements For the Year Ended April 30, 2012

NOTE 10: POLICE PENSION – (Continued)

The attained age at the time of disability or retirement, sex, annual salary or pension, and completed years of service of each individual participant as of the date of the valuation balance sheet is used in calculating the liabilities of the fund. The actuarial assumptions used in determining the above amounts are based on all of the Article 3 Funds in the State of Illinois in Aggregate, not on each fund individually. The fund specific information used in the production of this document was provided to the Illinois Department of Financial and Professional Regulation by your pension fund board of trustees through the fund's annual statement of filing.

NOTE 11: RISK MANAGEMENT – CLAIMS AND JUDGMENTS

The City's risk management activities are recorded in the General Fund. This fund administers property and liability, workers' compensation, and unemployment insurance programs of the City. The General Fund has a restriction designated for insurance related expenditures.

Significant losses are covered by commercial insurance for all major programs. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE 12: MOTOR FUEL TAX ALLOTMENTS

Under current procedures, the allotments to the City are being received from the State of Illinois each month. These allotments, however, may be expended only for specific projects that have been approved by the Department of Transportation, State of Illinois.

NOTE 13: DEFERRED COMPENSATION PLAN

The City offers its fulltime employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administered by the International City Management Association Retirement Corporation (ICMARC). The plan, available to all Council employees, permits them to defer a portion of their salary until future years.

As a result of legislative changes, all amounts of compensation deferred, all property and rights purchased, and all income, property, or rights are (until paid or made available to the employee or other beneficiary) held in trust for the exclusive benefit of the participants and their beneficiaries, whereas prior to these legislative changes, these amounts were solely the property rights of the City general creditors. As a result, the deferred compensation investments are no longer reported in the City's financial statements.

CITY OF WILMINGTON, ILLINOIS

**Notes to Financial Statements
For the Year Ended April 30, 2012**

NOTE 14: GRANTS

The City has been awarded a grant from the Illinois Department of Transportation in the amount of \$119,322 for improvements made to the Kankakee Street Bridge. As of April 30, 2012, the City has received \$16,849 from IDOT and expended the total amount received. The remaining amount will be received by the City in the subsequent fiscal year.

The City has been awarded a grant from the Illinois Department of Commerce and Economic Opportunity in the amount of \$515,500 for drainage improvements. The grant was awarded as part of the Illinois IKE Disaster Recovery Program. At April 30, 2012, the City had only received and spent \$33,000 of the grant award. The remaining amount will be received by the City in the subsequent fiscal year.

NOTE 15: LEASE OBLIGATIONS

<u>Company</u>	<u>Type</u>	<u>Term</u>	<u>Start Date</u>	<u>Amount</u>
Gordon Flesch Co.	2 Copiers	60 months	3/13/2008	\$ 559 per month
Neopost	Postage machine	62 months	3/18/2010	226 per month
Pitney Bowes	Postage machine	48 months	2/21/2012	83 per month
Federal Signal Leasing	2008 Elgin Sweeper	5 years	7/15/2008	39,606 per year
IL Payphone Systems	2 Payphones	36 months	7/15/2011	130 per month
No Box It	Office Rental	Monthly	4/1/2011	350 per month
Main Street Storage	Storage Unit Rental	Monthly	8/1/2009	115 per month

Future minimum lease obligations are shown below:

<u>Year</u>	<u>Payment</u>
2013	50,464
2014	5,268
2015	3,968
2016	747
2017	-

NOTE 16: TOWER AND LAND LEASE REVENUE

The City entered into an agreement with the PrimeCo and American Tower, L.P.. PrimeCo and American Tower, L.P. lease property (a portion of the Tower located at 511 North Ave.) from the City. The lease is for \$10,368 per year for 5 years with an option to extend the lease. The City entered into an agreement with T-Mobile Central LLC. T-Mobile leases property from the City in the amount of \$15,000 per year for 5 years with an option to extend the lease for an additional 5 years. The City entered into a lease agreement with the Wilmington Junior Football and Cheerleading League to use the land located at 845 Widows Road for an annual payment of a \$1.

CITY OF WILMINGTON, ILLINOIS

Notes to Financial Statements
For the Year Ended April 30, 2012

NOTE 17: TORT IMMUNITY

Revenue collected and the related expenses paid out of this restricted tax levy are accounted for in the General Fund. A total of \$141,510 was collected and \$144,250 was spent; resulting in no restricted fund balance at year end.

<u>General Fund Tort Activity</u>	
Revenues:	
Property Taxes	<u>\$141,510</u>
Total Revenue	141,510
Expenditures:	
General Liability Insurance	<u>144,250</u>
Total Expenditures	144,250
Beginning Fund Balance	<u>(38,731)</u>
Ending Fund Balance	<u>\$ (41,471)</u>

NOTE 18: OTHER POSTRETIREMENT BENEFITS OTHER THAN PENSIONS

GASB Statement No. 45 – Accounting and Financial Reporting by Employers for Postretirement Benefits Other Than Pensions. Projections of benefits for financial reporting purposes are based on a given plan and include the 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. As of April 30, 2012, the City has not adopted a plan that would meet these criteria.

NOTE 19: RESTRUCTURING OF SEWER FUND

During the current fiscal year, the City restructured the accounting for water and sewer operations. In the past, water and sewer operations were combined into one fund. During the current fiscal year, the City created separate funds to account for each function separately. As a result, an adjustment was recorded for the “restructuring of sewer fund.” This entry was recorded to properly allocate capital assets and long-term debt obligations between the two funds.

CITY OF WILMINGTON, ILLINOIS

**Notes to Financial Statements
For the Year Ended April 30, 2012**

NOTE 19: FUND BALANCE – GASB 54 PRESENTATION

According to Government Accounting Standards, fund balances are to be classified into five major classifications: Non-spendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. Below are definitions of the differences and a reconciliation of how these balances are reported.

	Non-spendable	Committed	Assigned	Restricted	Unassigned	Total Fund Balance
General Fund:						
Employer IMRF Contributions	-	-	-	52,636	-	52,636
Payroll Taxes	-	-	-	24,453	-	24,453
Audit	-	-	-	1,633	-	1,633
General & Administrative	-	-	-	-	128,024	128,024
Mobile Equipment Fund	-	115,843	-	-	-	115,843
Capital Projects Fund	-	519,119	-	-	-	519,119
Bond & Interest Fund	-	-	-	111,720	-	111,720
ESDA Fund	-	-	-	38,662	-	38,662
Motor Fuel Tax Fund	-	-	-	96,296	-	96,296
Total All Funds	<u>\$ -</u>	<u>634,962</u>	<u>-</u>	<u>325,400</u>	<u>128,024</u>	<u>1,088,386</u>

A. Non-spendable Fund Balance

The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts.

B. Restricted Fund Balance

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Things such as restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Debt Service Funds are by definition restricted for these specified purposes. The City has several different funds that also fall into these categories.

C. Committed Fund Balance

The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision making authority (the City Board). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

CITY OF WILMINGTON, ILLINOIS

Notes to Financial Statements
For the Year Ended April 30, 2012

NOTE 19: FUND BALANCE – GASB 54 PRESENTATION – (Continued)

D. Assigned Fund Balance

The assigned fund balance classification refers to amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by (a) the City Board itself or (b) the finance committee or by the Treasurer/Administrator when the City Board has delegated the authority to assign amounts to be used for specific purposes.

E. Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amounts in the General Funds for amounts that have not been restricted, committed, or assigned to specific purposes within the General Funds.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WILMINGTON, ILLINOIS
GENERAL FUND

Schedule A-1

Statement of Assets, Liabilities and Fund Balance
Arising from Cash Transactions
April 30, 2012

Assets

Cash in bank	\$	206,746
		<hr/>
	\$	206,746
		<hr/> <hr/>

Fund Balance

<u>Fund Balance</u>		
Restricted Fund Balance - IMRF	\$	52,636
Restricted Fund Balance - Social Security		24,453
Restricted Fund Balance - Audit		1,633
Unassigned fund balance		128,024
		<hr/>
Total Fund Balance	\$	206,746
		<hr/> <hr/>

CITY OF WILMINGTON, ILLINOIS
GENERAL FUND

Schedule A-2

Statement of Revenues Received, Expenditures Disbursed and
Changes in Fund Balance - Budget and Actual
For the Year Ended April 30, 2012
(With Comparative Figures for 2011)

	Original and Final Appropriations	Year Ended	
		April 30 2012	April 30, 2011
Revenues Received:			
Property taxes	\$ 894,529	877,603	492,607
State Sales Tax	880,000	884,569	878,776
Township Road & Bridge Taxes	5,693	5,080	5,299
Utility Tax	550,000	528,029	559,713
Personal Property Replacement Tax	60,000	55,289	61,289
State Income Tax	440,000	392,759	439,312
Local Use Tax	73,000	85,960	73,406
Grant income - federal	-	19,840	-
Miscellaneous	63,000	10,583	27,603
Insurance Claims	12,000	20,285	24,477
Rental of Property	10,368	10,368	10,443
Interest Income	4,500	1,630	7,980
Annexation Agreement - Ridgeport	-	-	125,000
Tags & Fines	225,800	176,255	186,535
Reimbursements	256,886	213,705	540,541
Licenses & Permits	99,250	67,285	67,629
Fees & Services	312,200	86,391	76,948
Total Revenues Received	<u>3,887,226</u>	<u>3,435,631</u>	<u>3,577,558</u>
Expenditures Disbursed: (Schedule 1)			
Finance and Administrative Department	789,471	586,815	633,253
Public grounds and buildings	168,625	128,681	80,411
Building Department	141,938	70,940	54,157
Planning and Zoning Department	224,563	112,476	406,925
Police Department	2,073,049	1,788,549	1,834,110
Streets & Alleys Department	680,249	504,836	593,536
FICA & IMRF	251,133	222,200	194,177
Audit	39,125	27,658	26,847
Police pension	325,466	265,529	-
Insurance	262,563	144,250	-
Capital Outlay	-	388	1,476
Total Expenditures Disbursed	<u>4,956,180</u>	<u>3,852,322</u>	<u>3,824,892</u>
Excess (Deficiency) of revenues received over (under) expenditures disbursed	(1,068,954)	(416,691)	(247,334)
Other financing sources (uses):			
Operating transfer (to) from:			
Transfers in	-	-	52,873
Transfers out	(20,000)	(20,000)	(74,636)
Net change in fund balance	<u>\$ (1,088,954)</u>	<u>(436,691)</u>	<u>(269,097)</u>
Fund balance, beginning of year		<u>643,437</u>	<u>912,534</u>
Fund balance, end of year		<u>206,746</u>	<u>643,437</u>

**CITY OF WILMINGTON, ILLINOIS
MOBILE EQUIPMENT FUND**

**Statement of Assets, Liabilities and Fund Balance Arising
from Cash Transactions
April 30, 2012**

<u>Assets</u>	
Cash in bank	\$ 115,843
<u>Fund Balance</u>	
Fund Balance	\$ 115,843

Schedule B-2

**Statement of Revenues Received, Expenditures Disbursed and
Change in Fund Balance - Budget and Actual
For the Year Ended April 30, 2012
(With Comparative Figures for 2011)**

	<u>Original and Final Appropriations</u>	Year Ended	
		<u>April 30, 2012</u>	<u>April 30, 2011</u>
Revenues Received:			
Interest income	\$ -	41	1,985
Vehicle Replacement Funds	30,000	5,565	-
Police fine vehicle revenue	10,000	7,035	-
Total revenues received	40,000	12,641	1,985
Expenditures Disbursed:			
W & S Vehicle Purchases	37,500	-	30,354
ESDA Vehicle Purchases	100,000	71,744	-
MEF mobile equip contribution	-	28,112	30,525
Total expenditures disbursed	137,500	99,856	60,879
Excess (deficiency) of revenues received over (under) expenditures disbursed	\$ (97,500)	(87,215)	(58,894)
Other financing sources:			
Operating Transfers in		30,000	71,416
Fund balance, beginning of year		173,058	160,536
Fund balance, end of year		115,843	173,058

**CITY OF WILMINGTON, ILLINOIS
CAPITAL PROJECTS FUND**

**Statement of Assets, Liabilities and Fund Balance Arising
from Cash Transactions
April 30, 2012**

	<u>Assets</u>	
Cash in bank		\$ 519,119
	<u>Fund Balance</u>	
Committed for Ridgeport W/S Expansion Project		\$ 202,067
Committed for Capital Projects		317,052
Total Fund balance		\$ 519,119

**Statement of Revenues Received, Expenditures Disbursed and
Change in Fund Balance - Budget and Actual
For the Year Ended April 30, 2012
(With Comparative Figures for 2011)**

Schedule B-4

	Original and Final Appropriations	Year Ended	
		April 30, 2012	April 30, 2011
Revenues Received:			
Other Reimbursements	\$ -	33,575	-
Annexation Agreement - Ridgeport	500,000	500,000	225,000
Grants- Federal	515,000	49,849	150,000
Grants- IDOT Forked Creek BR	120,000	-	-
S. Arsenal Road Funding	5,000	3,738	28,793
Ridgeport - Water/Sewer Expansion	2,300,000	2,027,125	59,211
Interest Income	-	1,036	221
Total revenues received	3,440,000	2,615,323	463,225
Expenditures Disbursed:			
SSA Deer Ridge Project	-	-	17,807
Ridgeport W/S Extension	2,875,000	1,825,058	-
South Arsenal Road Project	6,250	3,738	28,793
Landfill Closure	56,623	50,335	49,484
KKKR Drive Reconstruction	-	-	-
KKK St Sidewalk Project	-	-	59,211
KKK St / Forked Creek Bridge Proj.	187,500	39,948	-
Kahler Rd DCEO IKE Project	643,750	36,728	-
Mill Race Bridge Project	-	-	25,082
N. Island Ped. Bridge Project	298,750	177,620	-
S. Island Bridge Replacement	-	3,613	271,733
Misc. One-Time Project & Equip Rqst.	535,353	-	-
Other Projects	-	216,918	20,103
Total expenditures disbursed	4,603,225	2,353,958	472,213
Excess (deficiency) of revenues received over (under) expenditures disbursed	(1,163,225)	261,365	(8,988)
Other financing sources (uses):			
Transfer in	20,000	31,674	-
Net change in fund balance	\$ (1,143,225)	293,039	(8,988)
Fund balance, beginning of year		226,080	235,068
Fund balance, end of year		519,119	226,080

**CITY OF WILMINGTON, ILLINOIS
BOND AND INTEREST FUND**

**Statement of Assets, Liabilities and Fund Balance Arising
from Cash Transactions
April 30, 2012**

<u>Assets</u>		
Cash in bank		\$ 143,686
Total Assets		<u>\$ 143,686</u>
<u>Liabilities & Fund Balance</u>		
Liabilities:		
SSA Debt Service Restricted Fund		\$ 31,966
Municipal equity:		
Restricted fund balance for debt service		<u>111,720</u>
Total		<u>\$ 143,686</u>

Schedule B-6

**Statement of Revenues Received, Expenditures Disbursed and
Change in Fund Balance - Budget and Actual
For the Year Ended April 30, 2012
(With Comparative Figures for 2011)**

	Original and Final Appropriations	Year Ended	
		April 30, 2012	April 30, 2011
Revenues Received:			
Property taxes	\$ 141,246	137,851	140,238
SSA Repayments	32,930	27,686	33,580
Interest income	200	521	184
Total revenues received	<u>174,376</u>	<u>166,058</u>	<u>174,002</u>
Expenditures Disbursed:			
Principal	298,750	239,000	233,000
Interest	77,109	61,688	77,671
Service Fees	9,375	5,499	670
Misc. & Contingency	1,250	-	-
Bond Issuance Costs	-	-	5,853
Total expenditures disbursed	<u>386,484</u>	<u>306,187</u>	<u>317,194</u>
Excess (deficiency) of revenues received over (under) expenditures disbursed	(212,108)	(140,129)	(143,192)
Other financing sources (uses):			
Transfer Out	-	(11,674)	-
Bond Proceeds	139,000	143,724	139,000
Net change in fund balance	<u>\$ (73,108)</u>	<u>(8,079)</u>	<u>(4,192)</u>
Fund balance, beginning of year		<u>119,799</u>	<u>123,991</u>
Fund balance, end of year		<u>111,720</u>	<u>119,799</u>

CITY OF WILMINGTON, ILLINOIS

Schedule of Funding Progress
Illinois Municipal Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/11	\$ 1,551,854	2,628,076	1,076,222	59.05%	1,281,721	83.97%
12/31/10	1,468,349	2,487,387	1,019,038	59.03%	1,242,457	82.02%
12/31/09	1,597,839	2,592,069	994,230	61.64%	1,466,822	67.78%
12/31/08	2,014,593	3,043,814	1,029,221	66.19%	1,284,262	80.14%
12/31/07	2,972,644	2,721,086	(251,558)	109.24%	1,267,707	0.00%
12/31/06	3,254,809	2,928,955	(325,854)	111.13%	1,096,271	0.00%
12/31/05	3,018,725	2,719,772	(298,953)	110.99%	945,029	0.00%
12/31/04	2,998,841	2,764,442	(234,399)	108.48%	913,161	0.00%
12/31/03	2,864,580	2,728,900	(135,680)	104.97%	923,040	0.00%
12/31/02	2,740,877	2,599,021	(141,856)	105.46%	932,394	0.00%

On a market value basis, the actuarial value of assets as of December 31, 2011 is \$1,408,734.

On a market basis, the funded ratio would be 53.60%.

POLICE PENSION FUND
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1) 4/30/11	\$ 3,250,915	5,722,660	2,471,745	56.8%	927,890	266.4%
4/30/10	2,669,795	5,488,164	2,818,369	48.6%	908,288	310.3%
1) 4/30/09	2,346,839	5,163,074	2,816,235	45.5%	866,782	324.9%
1) 4/30/08	2,039,325	4,182,712	2,143,387	48.8%	808,302	265.2%
4/30/07	1,699,845	3,322,098	1,622,253	51.2%	714,154	227.2%
4/30/06	1,451,518	2,863,860	1,412,342	50.7%	684,437	206.4%
1) 4/30/05	1,167,601	2,807,389	1,639,788	41.6%	622,243	263.5%
1) 4/30/04	979,454	2,407,553	1,428,099	40.7%	561,215	254.5%
4/30/03	806,168	1,938,390	1,132,222	41.6%	561,215	201.7%
4/30/02	628,041	1,648,483	1,020,442	38.1%	473,568	215.5%

1) Based on actuarial study

All others based on the values determined by the Department of Insurance of the State of Illinois.

OTHER SUPPLEMENTAL INFORMATION

CITY OF WILMINGTON, ILLINOIS

Combining Statement of Assets, Liabilities, and Fund Balances Arising
from Cash Transactions - Non-Major Special Revenue Funds
April 30, 2012

	<u>ESDA Fund</u>	<u>Motor Fuel Tax Fund</u>	<u>Total April 30, 2012</u>
<u>Assets</u>			
Cash in Bank	\$ 38,662	96,296	134,958
Total assets	<u>\$ 38,662</u>	<u>96,296</u>	<u>134,958</u>
<u>Fund Balance</u>			
Restricted fund balance	\$ 38,662	96,296	134,958
Total fund balance	<u>\$ 38,662</u>	<u>96,296</u>	<u>134,958</u>

CITY OF WILMINGTON, ILLINOIS

**Combining Statement of Revenues Received, Expenditures Disbursed and
Changes in Fund Balances - Non-Major Special Revenue Funds
For the Year Ended April 30, 2012**

	ESDA Fund	Motor Fuel Tax Fund	Total April 30, 2012
Revenues Received:			
Property Tax	\$ 48,787	-	48,787
Miscellaneous	2,000	-	2,000
Grants	6,502	-	6,502
MFT Allotments	-	164,712	164,712
Interest Income	401	74	475
Reimbursements	12,644	-	12,644
Sale of Equipment	1,374	-	1,374
Total revenues received	<u>71,708</u>	<u>164,786</u>	<u>236,494</u>
Expenditures Disbursed:			
General Government	-	-	-
Public Safety	19,409	-	19,409
Street and Highway	-	190,349	190,349
Capital Outlay	20,299	-	20,299
Total expenditures disbursed	<u>39,708</u>	<u>190,349</u>	<u>230,057</u>
Excess (deficiency) of revenues received over (under) expenditures disbursed	32,000	(25,563)	6,437
Other financing sources (uses):			
Operating transfer in (out)	(30,000)	-	(30,000)
Fund balance, beginning of year	<u>36,662</u>	<u>121,859</u>	<u>158,521</u>
Fund balance, end of year	<u>\$ 38,662</u>	<u>96,296</u>	<u>134,958</u>

CITY OF WILMINGTON, ILLINOIS
ESDA FUND

Statement of Assets, Liabilities and Fund Balance Arising
from Cash Transactions
April 30, 2012

<u>Assets</u>	
Cash in bank	\$ 38,662
<u>Fund Balance</u>	
Fund balance	\$ 38,662

Statement of Revenues Received, Expenditures Disbursed and
Change in Fund Balance - Budget and Actual
For the Year Ended April 30, 2012
(With Comparative Figures for 2011)

Schedule D-4

	Original and Final Appropriations	Year Ended	
		April 30, 2012	April 30, 2011
Revenues Received:			
Property Taxes	\$ 50,016	48,787	46,735
Grants	6,662	6,502	12,100
Other Reimbursements	-	382	-
Other income	-	2,000	3,500
Insurance Claim Reimbursement	12,200	12,262	-
Interest Income	200	401	222
Sale of Equip & Vehicles	1,500	1,374	-
Total revenues received	<u>70,578</u>	<u>71,708</u>	<u>62,557</u>
Expenditures Disbursed:			
Salaries	8,438	4,866	7,891
Dues and Subscriptions	450	295	230
Maintenance - Equipment	5,625	5,758	2,907
Maintenance - Radio & Pagers	1,875	430	767
Maintenance - Vehicles	3,750	1,956	2,368
Notices and publications	188	-	-
Telephone Service	1,875	915	846
Training Services	3,750	219	503
Subscription Weather Service	3,125	-	2,316
Gasoline & Oil	4,375	2,109	1,689
Office Supplies & Postage	1,000	828	427
Operating Supplies & Tools	2,500	1,215	2,071
Miscellaneous & Cont.	1,875	818	1,103
Equipment Purchases	25,375	19,137	28,621
Office Furniture & Equipment	3,125	1,162	156
Total Expenditures disbursed	<u>67,325</u>	<u>39,708</u>	<u>51,895</u>
Excess (deficiency) of revenues received over (under) expenditures disbursed	3,253	32,000	10,662
Other financing sources (uses):			
Transfer in:	-	-	2,341
Transfer out:	<u>(37,500)</u>	<u>(30,000)</u>	<u>(30,000)</u>
Net change in fund balance	<u>\$ (34,247)</u>	2,000	(16,997)
Fund balance, beginning of year		<u>36,662</u>	<u>53,659</u>
Fund balance, end of year		<u>38,662</u>	<u>36,662</u>

**CITY OF WILMINGTON, ILLINOIS
MOTOR FUEL TAX FUND**

**Statement of Assets, Liabilities and Fund Balance Arising
from Cash Transactions
April 30, 2012**

<u>Assets</u>	
Cash in bank	\$ <u>96,296</u>
<u>Fund Balance</u>	
Fund balance	\$ <u>96,296</u>

**Statement of Revenues Received, Expenditures Disbursed and
Change in Fund Balance - Budget and Actual
For the Year Ended April 30, 2012
(With Comparative Figures for 2011)**

	Original and Final Appropriations	Year Ended	
		April 30, 2012	April 30, 2011
Revenues Received:			
MFT State Allotments	\$ 148,135	142,417	132,928
Grants- State	-	-	2,788
Interest Income	100	74	106
Capital Bill Program Allotment	22,295	22,295	22,294
Total revenues received	<u>170,530</u>	<u>164,786</u>	<u>158,116</u>
Expenditures Disbursed:			
Engineering Services	31,250	1,050	6,370
Maintenance - Street	187,500	79,812	-
Maintenance - Traffic Signal	6,900	4,048	2,255
Street Projects	80,050	61,930	15,247
Road Repair Material	26,125	19,683	17,573
Salt & Cinders	30,000	23,826	23,921
Total expenditures disbursed	<u>361,825</u>	<u>190,349</u>	<u>65,366</u>
Excess (deficiency) of revenues received over (under) expenditures disbursed	<u>(191,295)</u>	<u>(25,563)</u>	<u>92,750</u>
Fund balance, beginning of year		<u>121,859</u>	<u>29,109</u>
Fund balance, end of year		<u>96,296</u>	<u>121,859</u>

**CITY OF WILMINGTON, ILLINOIS
SOCIAL SECURITY AND IMRF FUND**

**Statement of Assets, Liabilities and Fund Balance Arising
from Cash Transactions
April 30, 2012**

<u>Assets</u>	
Cash in bank	\$ -
<u>Liabilities and Fund Balance</u>	
Payroll payable	\$ -
Fund balance	-
Liabilities and Fund balance	-

Schedule D-8

**Statement of Revenues Received, Expenditures Disbursed and
Change in Fund Balance - Budget and Actual
For the Year Ended April 30, 2012
(With Comparative Figures for 2011)**

	Original and Final Appropriations	Year Ended	
		April 30, 2012	April 30, 2011
Revenues Received:			
Property Tax-Social Security	\$ -	-	-
Property Tax-IMRF	-	-	-
Other	-	-	-
Interest Income	-	-	-
Total revenues received	-	-	-
Expenditures Disbursed:			
FICA Payments	-	-	-
IMRF Payments	-	-	-
SUTA Payments	-	-	-
Total expenditures disbursed	-	-	-
Excess (deficiency) of revenues received over (under) expenditures disbursed	\$ -	-	-
Other financing sources (uses):			
Transfer in:		-	4,190
Transfer out:		-	-
Fund balance, beginning of year		-	(4,190)
Fund balance, end of year		-	-

**CITY OF WILMINGTON, ILLINOIS
LIABILITY INSURANCE FUND**

**Statement of Assets, Liabilities and Fund Balance Arising
from Cash Transactions
April 30, 2012**

<u>Assets</u>	
Cash in bank	\$ -
<u>Fund Balance</u>	
Fund balance	\$ -

Schedule D-10

**Statement of Revenues Received, Expenditures Disbursed and
Change in Fund Balance - Budget and Actual
For the Year Ended April 30, 2012
(With Comparative Figures for 2011)**

	<u>Original and Final Appropriations</u>	Year Ended	
		<u>April 30, 2012</u>	<u>April 30, 2011</u>
Revenues Received:			
Property Tax-Liability	\$ -	-	122,401
Property Tax-Workers Comp	-	-	-
Other Reimbursements	-	-	-
Interest Income	-	-	195
Total revenues received	-	-	122,596
Expenditures Disbursed:			
Insurance Premiums	-	-	137,077
Property & Casualty Insurance	-	-	4,121
Miscellaneous & Contingency	-	-	-
Unemployment Insurance	-	-	39,027
Total expenditures disbursed	-	-	180,225
Excess (deficiency) of revenues received over (under) expenditures disbursed	\$ -	-	(57,629)
Other financing sources (uses):			
Transfer in:		-	60,502
Transfer out:		-	(52,873)
Fund balance, beginning of year		-	50,000
Fund balance, end of year		-	-

**CITY OF WILMINGTON, ILLINOIS
POLICE PENSION FUND**

**Statement of Assets, Liabilities and Fund Balance Arising
from Cash Transactions
April 30, 2012**

<u>Assets</u>	
Cash in bank	\$ -
<u>Fund Balance</u>	
Fund Balance	\$ -

Schedule D-12

**Statement of Revenues Received, Expenditures Disbursed and
Change in Fund Balance - Budget and Actual
For the Year Ended April 30, 2012
(With Comparative Figures for 2011)**

	Original and Final Appropriations	Year Ended	
		April 30, 2012	April 30, 2011
Revenues Received:			
Property taxes	\$ -	-	236,868
Interest income	-	-	-
Total revenues received	-	-	236,868
Expenditures Disbursed:			
Police pension	-	-	253,597
Total expenditures disbursed	-	-	253,597
Excess (deficiency) of revenues received over (under) expenditures disbursed	\$ -	-	(16,729)
Other financing sources:			
Operating Transfers in		-	16,729
Fund balance, beginning of year		-	-
Fund balance, end of year		-	-

CITY OF WILMINGTON, ILLINOIS
WATER OPERATIONS FUND

Statement of Fund Net Assets
April 30, 2012

<u>Assets</u>	
Cash in bank	\$ 3,286
Accounts receivable	113,755
Capital assets:	
Land	600,500
Vehicles	204,214
Equipment	202,725
Buildings	3,173,976
Improvements	1,266,825
Accumulated depreciation	<u>(1,199,509)</u>
 Total assets	 <u><u>\$ 4,365,771</u></u>
 <u>Net Assets</u>	
Net assets:	
Unrestricted net assets	<u>4,365,771</u>
 Total net assets	 <u><u>\$ 4,365,771</u></u>

CITY OF WILMINGTON, ILLINOIS
WATER OPERATIONS FUND

Statement of Revenues, Expenses, and
Changes in Fund Net Assets - Budget and Actual
For the Year Ended April 30, 2012
(With Comparative Figures for 2011)

	Original and Final Appropriations	Year Ended	
		April 30, 2012	April 30, 2011
Revenues:			
Water:			
Water Service	\$ 775,000	732,652	530,390
Water Meters	16,000	3,838	7,867
Other Reimbursement	16,250	27,290	386
Interest Income	-	564	1,270
Other Income	7,500	7,255	6,790
Total Water Revenues	814,750	771,599	546,703
Sewer:			
Sewer Services	-	-	697,622
Other Reimbursements	-	-	1,370
Interest Income	-	-	1,270
Total Sewer Revenues	-	-	700,262
Garbage:			
Garbage Services	404,063	406,943	374,350
Total Water Operating & Maintenance Fund Revenue	1,218,813	1,178,542	1,621,315
Expenses:			
Water:			
Salaries	438,705	374,913	342,449
FICA	35,474	32,084	29,692
IMRF	58,056	54,951	45,975
SUTA	8,195	6,936	-
Department Overtime Pay	25,000	29,151	37,735
Computer Programming Fees	8,750	6,849	6,372
Dues & Subscriptions	625	244	482
Employee Hospital Insurance	98,399	69,332	72,184
Engineering Services	-	-	4,276
Legal Fees	1,643	1,591	1,314
Maintenance - Equipment	19,779	10,134	16,317
Maintenance - Fire Hydrants	2,500	2,735	3,963
Maintenance - Grounds & Buildings	5,000	2,410	9,719
Maintenance - Pumping Systems	5,000	10,995	4,681
Maintenance - Water Mains	11,250	9,397	23,720
Maintenance - Water Meters	6,875	5,208	3,338
Maintenance - Water Service Lines	5,000	3,586	5,395
Maintenance - Vehicles	3,125	824	1,734

**CITY OF WILMINGTON, ILLINOIS
WATER OPERATIONS FUND**

**Statement of Revenues, Expenses, and
Changes in Fund Net Assets - Budget and Actual
For the Year Ended April 30, 2012
(With Comparative Figures for 2011)**

	Original and Final Appropriations	Year Ended	
		April 30, 2012	April 30, 2011
Expenses: (continued)			
Water: (continued)			
Notices & Legal Publications	1,250	663	1,067
Other Professional Services	625	-	-
General Liability & Workers Comp	30,704	24,563	-
Rental of Equipment	3,125	-	23,225
Sludge Disposal	15,000	18,170	1,880
Telephone	7,500	6,349	5,861
Training	2,500	877	599
Utilities	62,500	46,109	45,877
Gasoline & Oil	10,000	7,778	6,738
Office Supplies & Postage	8,750	9,581	7,569
Operating Supplies & Tools	9,375	12,834	2,871
Purchase Backflow Preventers	625	-	-
Service Fees	1,250	2,264	1,242
Uniforms	3,750	3,097	2,177
Water Treatment Chemicals	91,250	81,424	71,284
Miscellaneous & Contingency	2,500	1,309	1,376
Equipment Purchases	5,000	2,497	5,442
Fire Hydrants	11,250	2,255	9,531
New Meters	17,500	9,531	3,052
Total Water Expenses	1,017,829	850,641	799,137
Sewer:			
Salaries	-	-	284,061
FICA	-	-	22,948
IMRF	-	-	36,044
Department Overtime Pay	-	-	30,828
Computer Programming Fees	-	-	6,346
Employee's Hospital Insurance	-	-	55,866
Engineering Fees	-	-	1,604
Legal Fees	-	-	37
Maintenance- Equipment	-	-	9,745
Maintenance- Grounds & Buildings	-	-	2,167
Maintenance- Sewers	-	-	3,791
Maintenance- Water Meters	-	-	3,196
Maintenance- Vehicles	-	-	901
Notice & Publications	-	-	164
Other Professional Services	-	-	270
Telephone	-	-	4,221
Training Expenses	-	-	1,504
Utilities	-	-	80,629

CITY OF WILMINGTON, ILLINOIS
WATER OPERATIONS FUND

Statement of Revenues, Expenses, and
Changes in Fund Net Assets - Budget and Actual
For the Year Ended April 30, 2012
(With Comparative Figures for 2011)

	Original and Final Appropriations	Year Ended	
		April 30, 2012	April 30, 2011
Expenses: (continued)			
Sewer: (continued)			
Gasoline & Oil	-	-	9,364
Office Supplies & Postage	-	-	7,785
Operating Supplies & tools	-	-	24,967
Permit Fees	-	-	15,000
Service Fees	-	-	1,242
Sewer Chemicals	-	-	18,445
Uniforms	-	-	1,603
Miscellaneous & Contingency	-	-	897
Equipment Purchases	-	-	1,473
Total Sewer Expenses	-	-	625,098
Garbage:			
Garbage Collection & Disposal	505,079	389,258	371,921
Depreciation Expense	-	145,273	527,497
Total Water & Sewer Operating & Maintenance Fund Expenses	1,522,908	1,385,172	2,323,653
Excess (deficiency) of revenues over (under) expenses	(203,079)	(206,630)	(702,338)
Other financing sources (uses):			
Contributed capital	-	263,800	582,784
Transfer in	-	100,000	215,924
Transfer out	-	-	(235,106)
Net Income (Loss)	\$ (203,079)	157,170	(138,736)
Net Assets, beginning of year		6,804,772	6,943,508
Restructuring of Sewer Fund		(2,596,171)	-
Net Assets, end of year		4,365,771	6,804,772

**CITY OF WILMINGTON, ILLINOIS
WATER CAPITAL PROJECTS FUND**

**Statement of Fund Net Assets
April 30, 2012**

<u>Assets</u>		
Cash in bank		\$ 634,121
Accounts receivable		16,661
Total assets		\$ 650,782
<u>Net Assets</u>		
Restricted Net Assets (Ridgeport)		\$ 350,000
Unrestricted Net Assets		300,782
Total Net Assets		\$ 650,782

Schedule E-4

**Statement of Revenues, Expenses, and
Changes in Fund Net Assets - Budget and Actual
For the Year Ended April 30, 2012
(With Comparative Figures for 2011)**

	Original and Final Appropriations	Year Ended	
		April 30, 2012	April 30, 2011
Revenues:			
City Engineer Services	\$ 120,000	18,680	-
Water Capacity User Fee	4,500	1,800	-
Sewer Collection Sys Maint. Fee	-	-	2,280
Water Dist. Sys Maint. Fee	5,500	2,200	1,100
Annexation Agreement - Ridgeport	-	-	350,000
Meter repl. program fees	28,104	47,688	1,711
Debt service fees	-	39,910	-
Rental of property	-	7,000	12,000
Other Income- Misc.	-	-	5,410
Interest Income	-	1,053	5,200
Total revenues	158,104	118,331	377,701
Expenses:			
Maintenance - equipment	465,668	94,766	-
Meter replacement salary	-	1,422	-
Engineering Services	54,688	23,939	117,270
Capital Equipment Purchases	113,500	117,042	7,547
Water Capital Projects	75,000	-	52,529
Misc. & Contingency	-	-	2,949
Total expenses	708,856	237,169	180,295
Excess (deficiency) of revenues over (under) expenses	(550,752)	(118,838)	197,406
Other financing sources (uses):			
Transfer in:	-	67,539	416,855
Transfer out:	(18,750)	(115,000)	(200,000)
Net Income (Loss)	\$ (569,502)	(166,299)	414,261
Net Assets, beginning of year		817,081	402,820
Net Assets, end of year		650,782	817,081

**CITY OF WILMINGTON, ILLINOIS
SEWER OPERATIONS FUND**

**Statement of Fund Net Assets
April 30, 2012**

<u>Assets</u>	
Cash in bank	\$ 619,924
Accounts receivable	107,567
Capital assets:	
Land	911,700
Vehicles	204,214
Equipment	202,726
Buildings	14,100,762
Improvements	848,688
Accumulated depreciation	<u>(1,611,150)</u>
Total assets	<u>\$ 15,384,430</u>
<u>Liabilities & Net Assets</u>	
Liabilities:	
Due within one year	\$ 578,000
Due beyond one year	<u>11,322,873</u>
Total liabilities	<u>\$ 11,900,873</u>
Net assets:	
Unrestricted net assets	<u>\$ 3,483,557</u>
Total liabilities and net assets	<u>\$ 15,384,430</u>

CITY OF WILMINGTON, ILLINOIS
SEWER OPERATIONS FUND

Statement of Revenues, Expenses, and
Changes in Fund Net Assets - Budget and Actual
For the Year Ended April 30, 2012
(With Comparative Figures for 2011)

	Original and Final Appropriations	Year Ended	
		April 30, 2012	April 30, 2011
Revenues:			
Capacity user's fee	\$ 23,000	13,218	12,456
New sewer plant monies	226,396	280,566	226,066
Sewer service fees	700,582	776,185	-
Miscellaneous	9,810	13,864	263
Interest Income	5,000	1,018	26,964
Total revenues	964,788	1,084,851	265,749
Expenses:			
Current:			
Regular wages	363,178	298,158	-
Payroll taxes	29,695	23,512	-
IMRF	48,600	41,490	-
State unemployment taxes	6,123	5,116	-
Overtime wages	25,000	11,295	-
Computer maintenance fees	13,750	9,355	-
Health & life insurance	76,455	53,382	-
Engineering services	-	-	7,964
Legal Fees	1,250	684	670
Recapture agreement	-	-	-
Property/equipment insurance	2,394	1,720	-
General liability/workers comp. insurance	50,895	40,716	-
Equipment rental	1,250	-	-
Sewer sludge disposal	25,000	-	-
Telephone/cell phone service	6,250	4,233	-
Maintenance - equipment	13,750	10,538	-
Maintenance - buildings & grounds	12,500	7,897	-
Maintenance - sewers	16,250	13,005	-
Maintenance - vehicles	2,500	666	-
Notices/publications	312	78	-
Training expense	2,500	994	-
Utilities - electric/gas	100,000	80,508	-
Gasoline/oil	6,250	4,957	-
Office supplies/postage	8,750	9,272	-
Small tools and supplies	35,000	25,222	-
Chemicals	34,125	17,471	-
Uniforms	4,326	1,952	-
Misc. & Contingency	1,250	950	-
Sewer plant construction	-	-	-
Other professional services	3,125	2,264	2,528
Capital Outlay:	3,750	550	-
Depreciation expense	-	405,666	-
Debt Service:			
IEPA Loan Principal Payment	706,951	-	-
IEPA Loan Interest Payment	391,814	313,451	316,551
Total expenses	1,992,993	1,385,102	327,713
Excess (deficiency) of revenues over (under) expenses	\$ (1,028,205)	(300,251)	(61,964)
Other financing sources (uses):			
Transfer in		-	165,604
Contributed capital		-	(536,930)
Net Assets, beginning of year		1,187,637	1,620,927
Restructuring of Sewer Fund		2,596,171	-
Net Assets, end of year		3,483,557	1,187,637

**CITY OF WILMINGTON, ILLINOIS
SEWER CAPITAL PROJECTS FUND**

**Statement of Fund Net Assets
April 30, 2012**

<u>Assets</u>	
Cash in bank	\$ 52,801
Receivables	5,140
Total Assets	<u>\$ 57,941</u>
<u>Net Assets</u>	
Net Assets	<u>\$ 57,941</u>
Total Net Assets	<u>\$ 57,941</u>

**Statement of Revenues, Expenses, and
Changes in Fund Net Assets - Budget and Actual
For the Year Ended April 30, 2012
(With Comparative Figures for 2011)**

	Original and Final Appropriations	Year Ended	
		April 30, 2012	April 30, 2011
Revenues:			
City Engineer Services	\$ 120,000	6,695	-
Water Tap on Fee	11,400	-	900
Sewer Collection System Fee	-	2,280	-
Will County Grants - CDBG	75,000	-	-
Property Rental	-	7,000	-
Interest Income	100	372	1,279
Total revenues	<u>206,500</u>	<u>16,347</u>	<u>2,179</u>
Expenses:			
Engineering Services	134,375	16,304	10,290
Legal Services	1,250	-	2,329
Misc. & contingency	8,125	-	687
Sewer expansion/upgrade	93,750	21,458	-
Total expenses	<u>237,500</u>	<u>37,762</u>	<u>13,306</u>
Excess (deficiency) of revenues over (under) expenses	<u>\$ (31,000)</u>	<u>(21,415)</u>	<u>(11,127)</u>
Other financing sources (uses):			
Transfer out		-	(377,624)
Transfer in		-	6
Net Assets, beginning of year		<u>79,356</u>	<u>468,101</u>
Net Assets, end of year		<u>57,941</u>	<u>79,356</u>

**CITY OF WILMINGTON, ILLINOIS
WATER TP REHAB FUND**

**Statement of Fund Net Assets
April 30, 2012**

<u>Assets</u>	
Cash in bank	\$ -
Total assets	<u>\$ -</u>
<u>Liabilities & Net Assets</u>	
Liabilities:	
IEPA Loan - Due in One Year	\$ 32,500
IEPA Loan - Due in More than One Year	154,702
Total liabilities	187,202
Unrestricted Net Assets	<u>(187,202)</u>
Total Liabilities & Net Assets	<u>\$ -</u>

Schedule E-10

**Statement of Revenues, Expenses, and
Changes in Fund Net Assets - Budget and Actual
For the Year Ended April 30, 2012
(With Comparative Figures for 2011)**

	Original and Final Appropriations	Year Ended	
		April 30, 2012	April 30, 2011
Revenues:			
IEPA Loan	\$ 650,000	-	-
Interest Income	-	3	-
Total revenues	<u>650,000</u>	<u>3</u>	<u>-</u>
Expenses:			
Water Treatment Plant Construction	831,250	134,666	-
Misc. & Contingency	-	-	-
Total expenses	<u>831,250</u>	<u>134,666</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenses	(181,250)	(134,663)	-
Other financing sources (uses):			
Transfer in:	15,000	15,000	-
Transfer out:	-	(67,539)	-
Net Income (Loss)	<u>\$ (166,250)</u>	<u>(187,202)</u>	<u>-</u>
Net Assets, beginning of year		<u>-</u>	<u>-</u>
Net Assets, end of year		<u>(187,202)</u>	<u>-</u>

**CITY OF WILMINGTON, ILLINOIS
METER REPLACEMENT ACCOUNT**

**Statement of Fund Net Assets
April 30, 2012**

<u>Assets</u>	
Cash in bank	\$ -
Accounts receivable	-
Total assets	\$ -
<u>Net Assets</u>	
Net Assets	\$ -

Schedule E-12

**Statement of Revenues, Expenses, and
Changes in Fund Net Assets - Budget and Actual
For the Year Ended April 30, 2012
(With Comparative Figures for 2011)**

	Original and Final Appropriations	Year Ended	
		April 30, 2012	April 30, 2011
Revenues:			
Meter surcharge	\$ -	-	27,447
Interest	-	-	2,310
Total revenues	-	-	29,757
Expenses:			
Capital equipment purchases	-	-	120,899
Total expenses	-	-	120,899
Excess (deficiency) of revenues over (under) expenses	\$ -	-	(91,142)
Other financing sources (uses):			
Transfer out		-	(30,231)
Net Assets, beginning of year		-	121,373
Net Assets, end of year		-	-

CITY OF WILMINGTON, ILLINOIS
AGENCY FUNDS

Statement of Fiduciary Net Assets
April 30, 2012
(With Comparative Figures for 2011)

	Agency Funds						Totals		
	Police DUI Account	Canine School/ Liaison Account	School Police Seizure Account	Police Drug Account	Police Benefit Account	Building Deposit Holding Account	DFC Grant Account (Federal Grant)	Year Ended April 30, 2012	Year Ended April 30, 2011
Cash in bank	\$ 2,184	3,037	7,739	421	3,686	85,297	-	102,364	104,288
Payable to others	\$ 2,184	3,037	7,739	421	3,686	85,297	-	102,364	104,288

Assets

Liabilities

Statement of Changes in Fiduciary Net Assets
For the Year Ended April 30, 2012
(With Comparative Figures for 2011)

	Agency Funds						Totals		
	Police DUI Account	Canine School/ Liaison Account	School Police Seizure Account	Police Drug Account	Police Benefit Account	Building Deposit Holding Account	DFC Grant Account (Federal Grant)	Year Ended April 30, 2012	Year Ended April 30, 2011
Additions - Revenues	\$ -	1,100	1,455	8,680	959	5,800	113,141	131,135	36,226
Deductions - Expenditures	-	493	1,000	16,447	1,695	283	113,141	133,059	76,270
Excess of revenues over (under) expenditures	-	607	455	(7,767)	(736)	5,517	-	(1,924)	(40,044)
Other financing sources (uses):	-	-	-	-	-	-	-	-	-
Transfer in	-	-	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-	-	-	-
Cash balance, beginning of year	2,184	2,430	7,284	8,188	4,422	79,780	-	104,288	144,332
Cash balance, end of year	\$ 2,184	3,037	7,739	421	3,686	85,297	-	102,364	104,288

**CITY OF WILMINGTON, ILLINOIS
GENERAL FUND**

Schedule 1

**Comparison of Expenditures with Appropriations
For the Year Ended April 30, 2012
(With Comparative Figures for 2011)**

	Original and Final Appropriations	Year Ended	
		April 30, 2012	April 30, 2011
<u>Finance and Administrative Department:</u>			
Salaries	\$ 255,646	205,602	219,049
Salary - Aldermen	47,750	35,606	34,330
Computer programming fees	25,000	12,586	41,860
Dues and subscriptions	9,375	6,524	6,630
Employee health insurance	68,750	52,242	60,274
Employee health prevention	625	-	-
Retired employees health insurance	115,000	115,420	83,426
Engineering services	37,500	31,296	58,257
Legal services	50,000	53,551	39,693
Maintenance - equipment	2,500	413	448
Notices and legal publications	3,750	2,887	2,711
Other professional services	3,125	3,343	14,167
PACE bus service	7,500	6,570	3,681
Telephone services	15,000	12,661	11,656
Training expenses	12,500	4,252	8,466
Gasoline and oil	12,500	3,055	7,512
Office supplies and postage	10,000	7,081	4,319
Administration contingency	2,500	1,490	655
Economic Development	6,700	400	5,300
Service fees	1,250	113	609
Mayor's contingency	1,875	554	1,305
Community festivals	15,000	15,578	15,870
Miscellaneous and contingency	62,500	1,783	6,946
Police commission expenses	16,875	11,098	1,050
Office furniture and equipment	6,250	2,710	5,039
	<hr/>	<hr/>	<hr/>
Total finance and administrative department	789,471	586,815	633,253
<u>Public grounds and buildings</u>			
Maintenance - equipment	12,500	4,527	949
Maintenance - grounds and buildings	77,500	75,564	47,940
Maintenance - cleaning service	18,750	17,093	16,635
Other professional services	23,750	23,961	-
Pest control	1,875	758	1,183
Rental of Building/Storage Space	7,000	5,810	-
Telephone service	1,250	763	653
Utilities	17,500	76	12,925
Operating supplies and tools	625	121	77
Miscellaneous and contingency	375	8	49
Capital outlay - equipment purchase	7,500	388	1,476
	<hr/>	<hr/>	<hr/>
Total Public grounds and buildings:	168,625	129,069	81,887

CITY OF WILMINGTON, ILLINOIS
GENERAL FUND

Comparison of Expenditures with Appropriations
For the Year Ended April 30, 2012
(With Comparative Figures for 2011)

	Original and Final Appropriations	Year Ended	
		April 30, 2012	April 30, 2011
Building Department			
Salaries	\$ 38,750	21,544	51,413
City Engineer Services	54,688	26,166	-
Computer programming fees	1,875	1,210	695
Consulting fee	2,500	2,000	-
Due & subscriptions	625	62	354
Employees' health/life insurance	8,375	6,710	120
Legal fees	1,250	167	740
Maintenance - vehicle	1,250	643	-
Telephone services	375	230	134
Training expenses	625	-	-
Gasoline and oil	2,500	2,000	-
Office supplies and postage	1,250	618	559
Operating supplies and tools	125	77	92
Uniforms	250	-	-
Miscellaneous and contingency	25,375	9,081	50
Capital outlay - equipment	2,125	432	-
Total building department	141,938	70,940	54,157
Planning & Zoning Department:			
Salaries	6,750	3,285	2,835
City engineering services	-	24,969	-
Consulting fees - Developers	31,250	4,311	9,300
Consulting fees	18,750	10,583	8,525
Engineering services	54,688	-	36,415
Engineering Fees - Developers	62,500	42,006	339,006
Legal services	6,250	14,753	1,068
Legal services - Developers	31,250	4,281	5,032
Will County Sheriff Services	9,375	7,500	3,750
Notice and legal publication	1,875	233	705
Office supplies and postage	1,250	500	289
Miscellaneous and contingency	625	55	-
Total planning department	224,563	112,476	406,925
Police Department			
Salaries:			
Salaries	1,080,111	932,152	972,639
Overtime	115,563	107,303	113,408
Part-Time Officer	37,500	48,190	59,834
Part-Time Officer OT Wages	1,250	717	4,662
Crossing Guard	6,750	4,530	5,280
Animal Welfare	5,000	4,410	4,680
Community Service & Affairs	625	492	391
Wescom Dispatching Services	226,250	180,876	189,253
Dues and Subscriptions	2,500	1,475	1,770
Employee Health Insurance	296,125	238,640	264,291
Legal Fees	43,750	111,250	30,741
Computer Maintenance & Program Fees	18,750	15,066	6,084
Maintenance:			
Equipment	17,500	11,164	9,339
Radio & Pagers	3,750	122	856
Vehicles	31,250	21,429	38,555
Notices Legal Publications	1,250	126	199
Telephone Service	12,500	8,296	9,811
Training	25,000	10,573	21,048
Special Training & Equipment	9,375	6,482	6,501
Equipment Rental	625	-	-
Animal Tags	125	44	-
Gasoline & Oil	81,250	52,704	53,465
Operating Supplies & Tools	9,375	5,219	7,619
Uniforms	17,500	8,965	10,935

CITY OF WILMINGTON, ILLINOIS
GENERAL FUND

Comparison of Expenditures with Appropriations
For the Year Ended April 30, 2012
(With Comparative Figures for 2011)

	Original and Final Appropriations	Year Ended	
		April 30, 2012	April 30, 2011
<u>Police Department(continued)</u>			
Office Supplies - Postage	\$ 7,500	4,470	4,784
Audio/Visual Aids	625	-	-
Miscellaneous & Contingency	2,500	1,938	863
Equipment Purchase	16,250	10,234	16,309
Office Furniture & Equipment	2,500	1,682	793
Total police department	2,073,049	1,788,549	1,834,110
<u>Public Works - Streets and Alleys</u>			
Salaries	208,249	194,399	179,610
Overtime wages	25,000	10,389	16,930
Computer Maintenance & Program Fees	625	73	-
Employee Health Insurance	70,625	63,865	58,164
Engineering Fees	2,500	641	1,844
Dues, subscriptions & memberships	250	-	306
JULIE Fees	3,750	1,340	1,624
Legal Fees	1,250	-	145
Maintenance:			
Bridges	3,750	-	-
Curb & Gutter	1,250	320	660
Equipment	15,000	10,485	11,525
Parking Lots	5,000	500	8,015
Sidewalks	8,750	5,886	7,503
Storm Sewers	25,000	3,911	11,621
Streets	103,750	64,637	144,246
Vehicles	12,500	4,970	7,572
Notice & Publications	375	207	313
Rental & Equipment	5,000	2,000	-
Street Light Electric	100,000	76,566	83,722
Telephone Service	5,000	4,403	3,772
Training	2,500	170	1,123
Tree & Weed removal	5,000	2,367	3,270
Gasoline & Oil	35,000	31,368	23,195
Office Supplies & Postage	1,250	629	470
Operating Supplies & Tools	17,500	12,192	13,342
Sign Replacement	8,750	6,035	7,178
Uniforms	8,750	4,239	5,937
Vehicle Tags	1,375	3,083	1,092
Miscellaneous & Cont.	1,250	161	357
Equipment Purchases	1,250	-	-
Total streets and alleys	680,249	504,836	593,536
<u>IMRF and Social Security</u>			
FICA Payments	141,566	120,019	123,250
SUTA Payments	35,493	32,202	-
IMRF Payments	74,074	69,979	70,927
Total IMRF and Social Security	251,133	222,200	194,177
<u>Audit</u>			
Audit Fee	19,125	15,300	14,600
Payroll Processing Service	18,750	12,358	12,147
Miscellaneous Accounting fees	1,250	-	100
Total Audit	39,125	27,658	26,847
<u>Police Pension Contribution:</u>			
	325,466	265,529	-
<u>General Liability Insurance &U Workers' Comp.</u>			
General liability insurance	106,250	76,243	-
Miscellaneous & contingency	156,313	68,007	-
Total General Liability Insurance & Workers' Comp.	262,563	144,250	-
Total General Corporate Fund	\$ 4,956,180	3,852,322	3,824,892

CITY OF WILMINGTON, ILLINOIS

Assessed Valuations, Tax Rates, Tax Extensions
and Tax Collections

	2008	2009	2010	2011
Assessed valuations	\$ 134,016,651	136,742,474	139,709,492	134,442,820
Tax Rates:				
Corporate	0.1139	0.0743	0.0472	0.1223
Bond and Interest	0.1048	0.1031	0.1011	0.1097
Police Pension	0.1188	0.1741	0.1864	0.1709
Municipal Retirement	0.0380	0.0705	0.0578	0.0551
Social Security	0.1142	0.0958	0.1008	0.0959
ESDA/Civil Defense	0.0308	0.0344	0.0358	0.0372
Police Protection	0.0492	0.0516	0.0716	0.0744
Workmen's Compensation Insurance	0.0553	-	-	0.0261
Liability Insurance	0.0676	0.0900	0.1038	0.0558
Municipal Audit	0.0152	0.0175	0.0215	0.0224
Totals	0.7078	0.7113	0.7260	0.7698
Tax Extensions:				
Corporate	\$ 152,645	101,600	65,943	164,424
Bond and Interest	140,181	140,981	141,246	147,484
Police Pension	159,212	238,069	260,418	229,763
Municipal Retirement	50,926	96,403	80,752	74,078
Social Security	153,047	130,999	140,827	128,931
ESDA/Civil Defense	41,277	47,039	50,016	50,013
Police Protection	65,936	70,559	100,032	100,025
Workmen's Compensation Insurance	74,111	-	-	35,090
Liability Insurance	90,595	123,068	145,018	75,019
Municipal Audit	20,371	23,930	30,038	30,115
Totals	\$ 948,302	972,648	1,014,290	1,034,941
Township Road and Bridge	\$ 69,631	71,408	74,734	
Totals	\$ 1,017,933	1,044,056	1,089,024	
Tax Collections	\$ 1,011,260	1,038,849	1,064,241	

CITY OF WILMINGTON, ILLINOIS

Schedule 3

Legal Debt Margin
April 30, 2012

Assessed valuation - 2011 tax year	\$ 134,442,820
Statutory debt limitation (8.625% of assessed valuation)	11,595,693
Total debt:	
GO Bonds - SSA Deer Ridge Park STB	260,000
GO Bonds - Alternate Revenue Source Bonds	1,025,000
GO Limited Bond Series 2011	143,724
Total applicable debt	1,428,724
Legal debt margin	\$ 10,166,969

**Report on Internal Control over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance With Government Auditing Standards**

To the Honorable Mayor and
Board of Commissioners
City of Wilmington, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Wilmington, Illinois as of and for the year ended April 30, 2012, which collectively comprise the City of Wilmington, Illinois' basic financial statements and have issued our report thereon dated October 2, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the City of Wilmington's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Wilmington's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of City of Wilmington's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Wilmington's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the City of Wilmington, Illinois, in a separate letter dated October 2, 2012.

This report is intended solely for the information and use of management, the Board of Trustees, and others within the entity and is not intended to be and should not be used by anyone other than these specified parties.

Mack & Associates, P.C.
Certified Public Accountants

Morris, Illinois
October 2, 2012