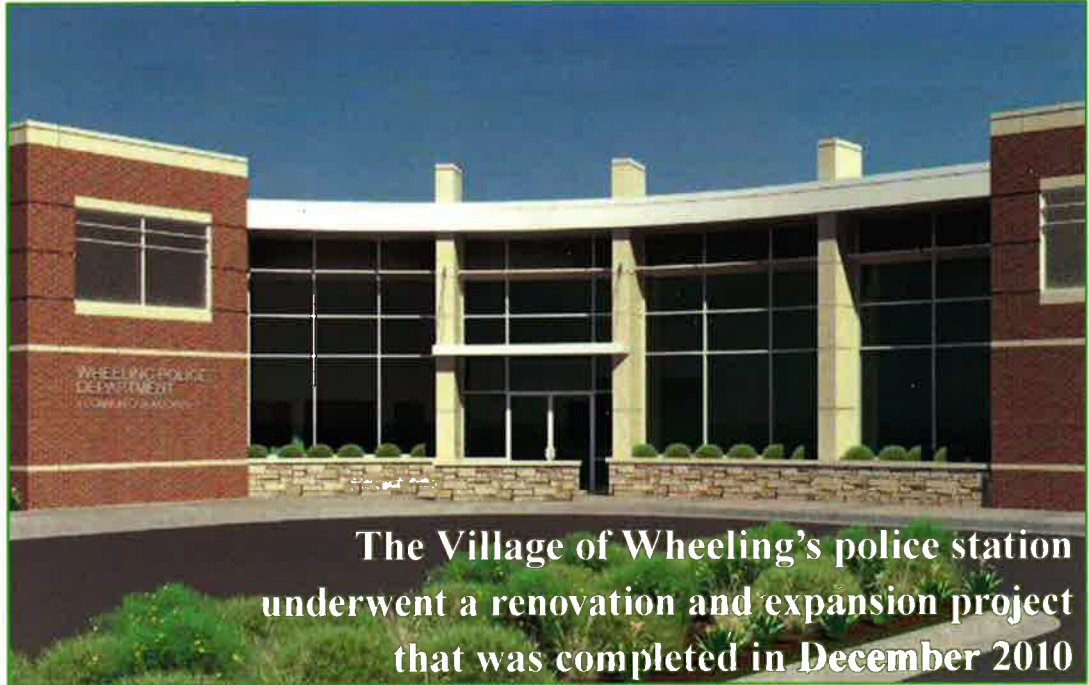


Village of Wheeling, IL



Comprehensive Annual Financial Report

Fiscal Year Ended
December 31, 2011



VILLAGE OF WHEELING, ILLINOIS

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

For the Year Ended
December 31, 2011

Prepared by Finance Department

Michael B. Mondschain
Director of Finance

Albert Walczak
Assistant Director of Finance

VILLAGE OF WHEELING, ILLINOIS
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INTRODUCTORY SECTION

VILLAGE OF WHEELING, ILLINOIS

PRINCIPAL OFFICIALS

DECEMBER 31, 2011

ELECTED OFFICIALS

Judy Abruscato
Village President

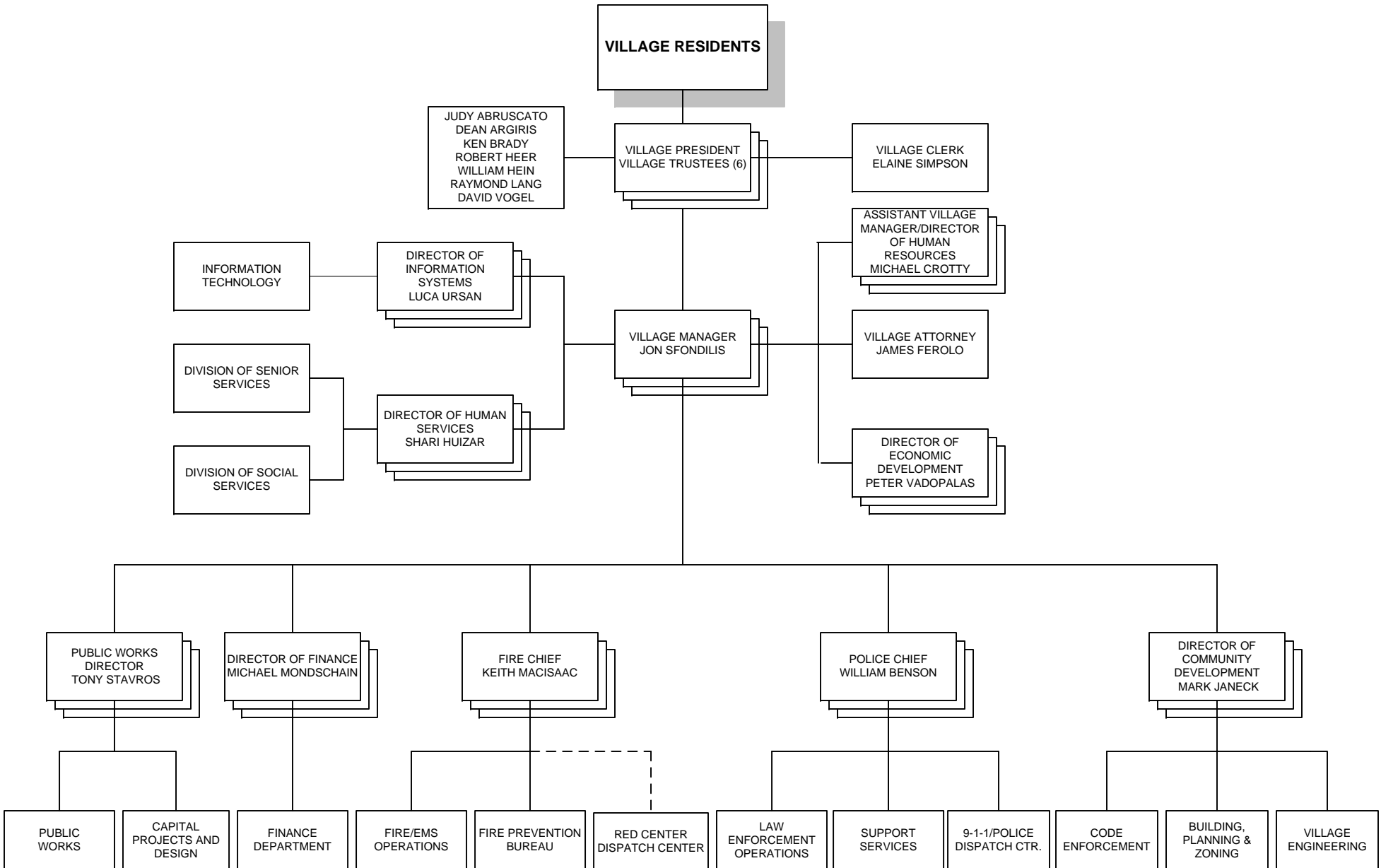
Dean Argiris
Kenneth Brady
Robert Heer
William Hein
Ray Lang
David Vogel
Village Trustees

Elaine Simpson
Village Clerk

ADMINISTRATIVE

Jon Sfondilis – *Village Manager*
Michael Crotty – *Asst. Village Manager/Director of Human Resources*
Michael Mondschain - *Director of Finance*
Mark Janeck - *Director of Community Development*
William Benson - *Police Chief*
Keith Maclsaac - *Fire Chief*
Anthony Stavros - *Director of Public Works*
Shari Matthews Huizar - *Director of Senior Services*
Peter Vadopalas - *Economic Development Director*
Luca Ursan – *Director of Information Technology*

VILLAGE OF WHEELING WHEELING, ILLINOIS



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Wheeling
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2010

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



Linda C. Davison

President

Jeffrey R. Emer

Executive Director



2 Community Blvd. • Wheeling, Illinois 60090
Phone: (847) 459-2600 • Fax: (847) 459-9692

June 30, 2012

To the Honorable Village President, Village Clerk, Trustees, and Residents of the Village of Wheeling:

State law requires that every general-purpose local government publish a complete set of audited financial statements within six months of the close of each fiscal year. This report is published to fulfill that requirement for the fiscal year ended December 31, 2011.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Sikich LLP has issued an unqualified (“clean”) opinion on the Village of Wheeling’s financial statements for the year ended on December 31, 2011. The independent auditor’s report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Village of Wheeling

The Village of Wheeling, incorporated in 1894, is located in the Chicago, Illinois metropolitan area just 27 miles northwest of downtown Chicago. It currently occupies 8.6 square miles and serves a population of 37,648. Wheeling has easy access to both air and ground transportation providing several convenient ways to get anywhere in the Chicago metropolitan area or the world. Ground transportation can be accessed through the Tri-State Tollway (I-294), the METRA north central passenger line, or PACE, the suburban bus division of the Regional

Transportation Authority. Interstate 294 runs along the eastern edge of the Village, connecting Wheeling with Chicago (22 miles) and Milwaukee (70 miles). Just two miles to the west is Route 53, a freeway that leads to I-290 and I-355, offering easy access to the South and West suburbs, Rockford and beyond. Air transportation is available through O'Hare International Airport, located just seven miles from Wheeling, and Chicago Executive Airport, situated partly in the Village of Wheeling and the City of Prospect Heights. Wheeling and Prospect Height's municipal airport is the third busiest in Illinois and is home to many corporate jets and private planes.

In addition to an excellent transportation network, Wheeling is an outstanding community in which to live and work. The Village has an ideal mix of residential and multi-family housing, excellent schools and park district facilities, and some of the Chicago area's best known restaurants. Milwaukee Avenue is the site of Wheeling's famous "Restaurant Row", home to restaurants featuring Italian, Japanese, Chinese, Russian and American cuisine. Six major hospitals are nearby, giving residents several options to meet their medical needs. Wheeling's schools have consistently exceeded the state averages for reading and math skills. In addition to its primary and secondary schools, Village residents can take advantage of graduate level courses in business and education taught at National Louis University's campus in Wheeling. William Rainey Harper College – a leading 2-year community college – also serves Wheeling, offering certificate and associate degree programs as well as college transfer programs.

The Village of Wheeling operates under the council-manager form of government. Policy-making and legislative authority are vested in a governing board (Board) consisting of the President, Village Clerk and six trustees all elected on a non-partisan basis. The Board appoints the Village Manager, who in turn appoints the heads of the various departments. Board members serve four-year terms, with three trustees elected every two years. All members of the Board are elected at large.

The Board is empowered to levy a property tax on both real and personal property located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which it has done from time to time. The Village became a home rule unit by referendum on April 19, 1977, which gives it additional powers to tax and regulate not specifically granted by the Illinois constitution.

The Village provides a full range of services including police protection, firefighting, fire prevention and emergency medical services, design, construction and maintenance of roads, streets and infrastructure, garbage collection, water distribution, storm and sanitary sewer system maintenance and repair, fleet services garage vehicle maintenance, community and economic development and planning, senior citizen services, and general and financial administration and services.

The Village Board is required to adopt a final budget by no later than the close of the fiscal year. This annual budget serves as the foundation for financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). The Village Manager may transfer resources between departments, programs or line items without Board approval. Transfers that increase or decrease the total fund budget require special approval from the Village Board.

Activities of the General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, Enterprise Funds, Internal Service Funds, and Pension Funds are included in the annual operating budget. Project length financial plans are prepared and are published in a separate Capital Improvement Plan (CIP). The Village also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbrances lapse at year end; however, encumbrances are generally re-appropriated as part of the following year's budget.

As demonstrated by the statements and schedules included in the financial section of this report, the Village continues to meet its responsibility for sound financial management.

Local economy

Fiscal Year 2011 represented what appears to be the first year of the recovery from the global economic crisis that began in 2008. Two of the Village's largest sources of revenue – sales and income tax – were relatively stable last year, and General Fund revenue as a whole increased by \$708,929 (2.49%) excluding the use of \$1,500,000 of Capital Projects Fund revenue for debt service purposes. Sales tax receipts increased \$93,064 (1.17%) and income tax revenue, while down \$46,047 (-1.52%), appears to have bottomed out, and is now showing signs of increasing significantly in FY 2012. Despite signs of a turnaround, the Village approached the FY 2011 budget process conservatively, by not adding new positions and by finding ways to reduce expenditures. The result was a substantial General Fund surplus, achieved in large part by expenditures that were less than anticipated.

The Village ended FY 2011 with a \$1,563,672 surplus, achieved in large part by reallocating \$1,500,000 of Capital Projects Fund revenue for debt service purposes. Had those expenses been borne by the General Fund as in the past, the surplus would have been \$63,672; nonetheless, the results are very positive given that the Village budgeted a deficit of \$859,878. Village departments, which have been working hard to conserve limited resources, spent only 96.48% of the funds allocated to them, substantially less than the 98% to 100% of the budget they typically spend. That meant that \$1,027,647 was budgeted in the General Fund but not spent, and that is the primary reason for the surplus this year. As a result, the total fund balance in the General Fund increased by the amount of the

surplus to \$15,754,203. Unassigned fund balance increased to \$13,615,841, representing 46.8% of annual operating expenditures (including interfund transfers).

The results of FYE 2011 are very positive, given the decline in the Village's major sources of revenue over the last few years and the need to reduce the size of the organization. The Village's strong General Fund reserves allowed the organization to weather the economic storm, but not without significant reductions in expenditures. In Fiscal Years 2009 and 2010, the Village reduced personnel by 36 positions (13.7%) and eliminated several non-essential programs and services in order to offset the decline in the Village's major sources of revenue. At the same time, increases to the Village's property tax levy were approved, reducing the Village's reliance on more volatile sources of revenue. Despite those actions, the Village finished those two fiscal years with substantial deficits of \$2.572 million and \$1.268 million respectively.

Despite the budgetary struggles of the last few years, Wheeling's reputation as a dynamic business and industrial center continues to grow. It is home to over 900 businesses, commercial and retail establishments, making it one of the largest business-industrial centers in Chicago's northwest suburbs. It boasts nearly 14.5 million square feet of industrial space and several expansive industrial parks offering room for companies to grow. More than 20,000 jobs are generated by Wheeling-based businesses attesting to its economic strength. Of those jobs, 32 percent are in the manufacturing sector and 18 percent are in the wholesale and retail trades.

Wheeling's unemployment rate has remained relatively stable over the last 10 years, but declined to 8.1% in 2011, down from 8.5% in 2010. Unemployment in Wheeling is still at one of the highest rates in the last 10 years, however, stronger revenue numbers and a decline in the number of unemployed over the last year are positive trends for next year, and hopefully, beyond.

The growth and development that has occurred in Wheeling is another positive indicator of an economic recovery. The following projects were initiated or completed in FY 2011:

- A new Fresh Farms grocery store at the corner of Milwaukee and Dundee opened for business. The new store was nearly twice as large as the old one, and several new stores and a bank opened on the site as well.
- Wal-Mart, located on Lake Cook Road in Wheeling, began construction of an expanded Super Wal-Mart store on its existing site, which will add 40,000 square feet of retail space when completed.

- A new Lettuce Entertain You restaurant called Saranello's, opened in the Westin Hotel, replacing Osteria Di Tramonto that went out of business a few years ago.
- At Chicago Executive Airport, International Aviation completed construction of a new hangar, and Atlantic Aviation began construction of a new hangar at Wolf and Hintz Roads.
- Construction began on a new Dunkin Donuts restaurant near the corner of Dundee and Wolf Roads, and the former Hackney's restaurant at 241 S. Milwaukee Avenue was sold and renovations began for a new Italian restaurant with a projected summer 2012 opening.
- At 755 W. Dundee, the new owner of the former ACE Hardware building is renovating the property for new retail users. Approximately 7,000 square feet is already leased to a national retail business.

These development projects and others in the planning stages are positive signs for the Wheeling economy.

Long-term financial planning and relevant financial policies

The Village's fund balance policy provides that the operating reserve shall equal at least 25% of the annual expenditures for the General Fund. At December 31, 2011, the total fund balance in the General Fund totaled \$15,754,203, representing approximately 54.18% of total general fund expenditures (including interfund transfers), more than the 25 percent policy guideline set by the Board. Of this amount, \$13,615,841 (46.8%) was unassigned and available to fund future programs and services.

In recent years, the Village Board has implemented several new sources of revenue and taken other action to ensure the long-term financial stability of the community. In 2006, the Village increased the home rule sales tax rate from .75% to 1.0% and implemented a 1% food and beverage tax. In addition, the Village has taken a proactive approach to the Village's property tax levy by consistently approving increases intended to meet the demands of rising operating costs. Over the past 10 years (from the 2002 to 2011 levies), the levy has increased an average of 3.65% per year from \$7.4 million to nearly \$10.6 million annually. In FY 2010, the Village also increased its hotel/motel tax from 5% to 6%, generating an additional \$120,000 annually to pay for operating costs.

In addition to its fund balance policy, the Village has several other policies in place intended to meet a number of financial objectives. One example is the fixed asset policy, which requires that the Village maintain fixed asset records to comply with governmental financial reporting standards, to provide a basis for determining appropriate insurable values, and to establish responsibility for

property control. Fixed assets include land, infrastructure, buildings, machinery, equipment, and vehicles with estimated useful life in excess of one year, subject to the capitalization threshold.

A second example is the Village's Capital Equipment Replacement Fund (CERF) policy, which requires departments to set aside funds each year for the eventual replacement of existing equipment and to avoid significant fluctuations in the operating budget from one year to the next. Each department annually contributes to the replacement fund to ensure that sufficient funds exist to replace the item at the end of its useful life.

Finally, the Village has created an investment policy that establishes certain parameters for investing Village funds. The policy outlines the type of investments the Village may purchase and creates various guidelines related to diversification, maturities, collateralization, and internal controls. The policy also specifies that the Village's goals with respect to investments are safety, liquidity and yield, in that order.

Major initiatives

During the fiscal year that ended December 31, 2011, the Village completed a number of significant projects, including the following:

- The Economic Development Division promoted Wheeling through an advertising campaign customized to target industrial, corporate, and retail businesses. The division also promoted leasing and redevelopment opportunities at regional conventions and business networking events.
- The Community Development Department made use of the Village's GIS System and field locating program to update village base maps, locate and map the storm sewer and water distribution systems, and establish a benchmark system to aid surveyors, engineers, planners and floodplain managers in locating elevations throughout the Village.
- The Finance Department implemented an electronic purchase requisition processing program throughout the organization thereby eliminating nearly all forms of paper for payment processing purposes. In addition, the department advance refunded three existing General Obligation bond issues resulting in \$612,000 in present value savings over the life of the new bonds.
- The Fire Department opened a third fire station, further enhancing the emergency services provided to the community and reducing the overall average response time to emergency calls.

- The Human Resources Department analyzed the needs expressed by residents of the Village, and used the data in conjunction with the implementation of a client information management system, which will help guide the department in planning future programs.
- The Police Department's building re-construction and expansion project was completed and the cost was under the amount budgeted for the project.
- The Public Works Department completed the reconstruction of Lexington Drive using Motor Fuel Tax funds. In addition, the 2011 Water Main Replacement Program in the Hollywood Ridge Subdivision was designed, permitted and bid, and a contract was awarded.
- The Information Technology Department expanded the services offered to the public through the Village's website, including the rollout of a new interactive GIS mapping tool called MapOffice.
- The Administrative Services Department began collective bargaining with the International Union of Operating Engineers – Local 150, representing certain positions in the Department of Public Works.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2010. This was the thirty-first (31th) consecutive year the Village received this prestigious award. To be awarded a Certificate of Achievement, the Village published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Village also received the GFOA's Award for Distinguished Budget Presentation for its annual operating budget dated January 1, 2011. This marked the twenty-fifth (25th) consecutive year the Village has received this recognition. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document must be judged to be proficient in several categories including policy documentation, financial planning, communication and organization.

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. Particular recognition should be given to Albert Walczak, Assistant Director of Finance, Nancy Hoppe, Accountant, and Brian Smith, Accountant, for their hard work and dedication in completing this report. In addition, the Village wishes to recognize the staff of the firm of Sikich LLP, the Village auditors, and in particular Brian LeFevre, whose professionalism and cooperation are sincerely appreciated by the Village and in particular by the staff of the Finance Department. The tireless dedication of the staff of Sikich LLP, in cooperation with the Village staff, provided a cooperative working relationship for the Village of Wheeling.

In closing, we would like to thank the members of the Board of Trustees for their interest and support in planning and conducting the financial operations of the Village in a responsible and progressive manner. Without their leadership and ongoing support, preparation of this report would not have been possible.

Respectfully submitted,



Jon Sfondilis
Village Manager



Michael B. Mondschain
Finance Director

FINANCIAL SECTION



1415 W. Diehl Road, Suite 400 • Naperville, IL 60563

INDEPENDENT AUDITOR'S REPORT

Honorable President and
Board of Trustees
Village of Wheeling, 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 Village of Wheeling, Illinois, as of and for the year ended December 31, 2011, which collectively comprise the Village's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the Village's nonmajor governmental, internal service, and fiduciary funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended December 31, 2011. These financial statements are the responsibility of the Village of Wheeling, Illinois' management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Wheeling, Illinois, as of December 31, 2011, and the respective changes in financial position, and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental, internal service, and fiduciary fund of the Village of Wheeling, Illinois, as of December 31, 2011, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 30, 2012, on our consideration of the Village of Wheeling, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our 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 or on compliance. That 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 and other required supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Wheeling, Illinois' basic financial statements and on the combining and individual fund financial statements. The financial information listed as supplemental financial information in the accompanying table of contents are presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplemental financial information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic, combining and individual fund financial statements as a whole.

The prior year comparative information has been derived from the Village of Wheeling, Illinois' 2010 financial statements and, in our report dated May 6, 2011, we expressed unqualified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund and the combining and individual fund information.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



Naperville, Illinois
April 30, 2012

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis December 31, 2011

As management of the Village of Wheeling, Illinois (the "Village"), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the year ended December 31, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal located in the Introductory Section of this report.

Financial Highlights

- Village's assets exceeded liabilities at the close of the December 31, 2011 fiscal year by \$156,679,752 (*net assets*). Of this amount, \$55,504,532 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The Village's total net assets decreased by \$4,092,928. The decrease was due mostly to a prior period adjustment (change in accounting for land) and an increase in operating expenditures.
- As of the close of the year ended December 31, 2011, the Village's governmental funds reported combined ending fund balances of \$28,875,731, a decrease of \$17,042,500 in comparison with the prior year, again mainly due to a prior period adjustment and better than anticipated revenues and lower expenditures. Approximately 42.7% of combined ending fund balances, \$12,328,007 *is available for spending* at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$13,615,841 or 48% of total general fund expenditures.

Overview of the Financial Statements

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

1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The *statement of net assets* presents information on all of the Village'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 Village is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the Village 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 Village include general government, public safety, highways and streets and interest and fees. The business-type activities of the Village include the waterworks and sewerage system and the airport.

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis December 31, 2011

The government-wide financial statements include not only the Village itself (known as the *primary government*), but also operations of the Chicago Executive Airport which is jointly owned with the City of Prospect Heights. Financial information for the Chicago Executive Airport is reported separately from the financial information presented for the primary government itself.

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

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, 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 Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The Village maintains twelve individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and North Milwaukee/Lake Cook Redevelopment Area Fund which are considered to be major funds. Data from the other ten governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The Village adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 6-11 of this report.

Proprietary funds. The Village maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented in *business-type activities* in the government-wide financial statements. The Village uses enterprise funds to account for its waterworks and sewerage operations services. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the Village's various functions. The Village uses an internal service fund to account for accumulation of resources and costs associated with its liability insurance program. Because these services predominantly benefit governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis December 31, 2011

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the waterworks and sewerage activities, which is considered to be a major fund of the Village of Wheeling. Conversely, the liability insurance fund is presented separately in the proprietary fund financial statements. Individual fund data for the internal service fund is provided elsewhere in the report.

The basic proprietary fund financial statements can be found on pages 12-16 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the Village's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Village maintains two fiduciary funds: the police pension fund and the firefighters' pension fund.

The basic fiduciary fund financial statements can be found on pages 17-18 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 19-67, of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* which includes a schedule of revenues, expenditures, and changes in fund balance – budget and actual and the Village's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 68-77 of this report.

The combining statements referred to earlier in connection with major and nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 78-130 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Village of Wheeling, assets exceeded liabilities by \$156,679,752 at the close of the fiscal year ended December 31, 2011.

By far the largest portion of the Village's net assets \$90,812,454 (58%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis
December 31, 2011

VILLAGE OF WHEELING
Net Assets (in thousands)

	Governmental activities		Business-type activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	\$ 53,881	\$ 68,277	\$ 10,085	\$ 9,751	\$ 63,966	\$ 78,028
Capital assets	97,841	87,065	38,162	37,774	136,003	124,839
Investment in joint venture	-	-	53,409	53,895	53,409	53,895
Total assets	151,722	155,342	101,656	101,420	253,378	256,762
Current and other liabilities	25,100	22,580	582	459	25,682	23,039
Long-term liabilities	69,624	71,505	1,392	1,445	71,016	72,950
Total liabilities	94,724	94,085	1,974	1,904	96,698	95,989
Net assets:						
Invested in capital assets, net of related debt	54,123	42,800	36,689	36,274	90,812	79,074
Restricted	10,363	28,590	-	-	10,363	28,590
Unrestricted (deficit)	(7,488)	(10,133)	62,993	63,242	55,505	53,109
Total net assets	\$ 56,998	\$ 61,257	\$ 99,682	\$ 99,516	\$ 156,680	\$ 160,773

An additional portion of the Village's net assets (6.6%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$55,504,532) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Village is able to report positive balances in all three categories of net assets for the government as a whole. The governmental activities reported positive balances in all categories except unrestricted net assets; the unrestricted deficit was decreased by \$2,664,291 from the prior fiscal year. This balance represents a decrease in capital asset investment and community development activity. The business-type activities reported positive balances; there are no restrictions reported on the net assets.

The Village's total net assets decreased \$4,092,928 during the current fiscal year. The decrease is due in large part to two factors: 1) expenses exceeding revenues in governmental activities by \$187,784, and 2) prior period adjustment of \$3,905,144 due to a change in accounting policy for land.

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis December 31, 2011

Governmental activities. Net assets related to governmental activities decreased by \$4,258,574. Key changes in revenue and expenses are as follows:

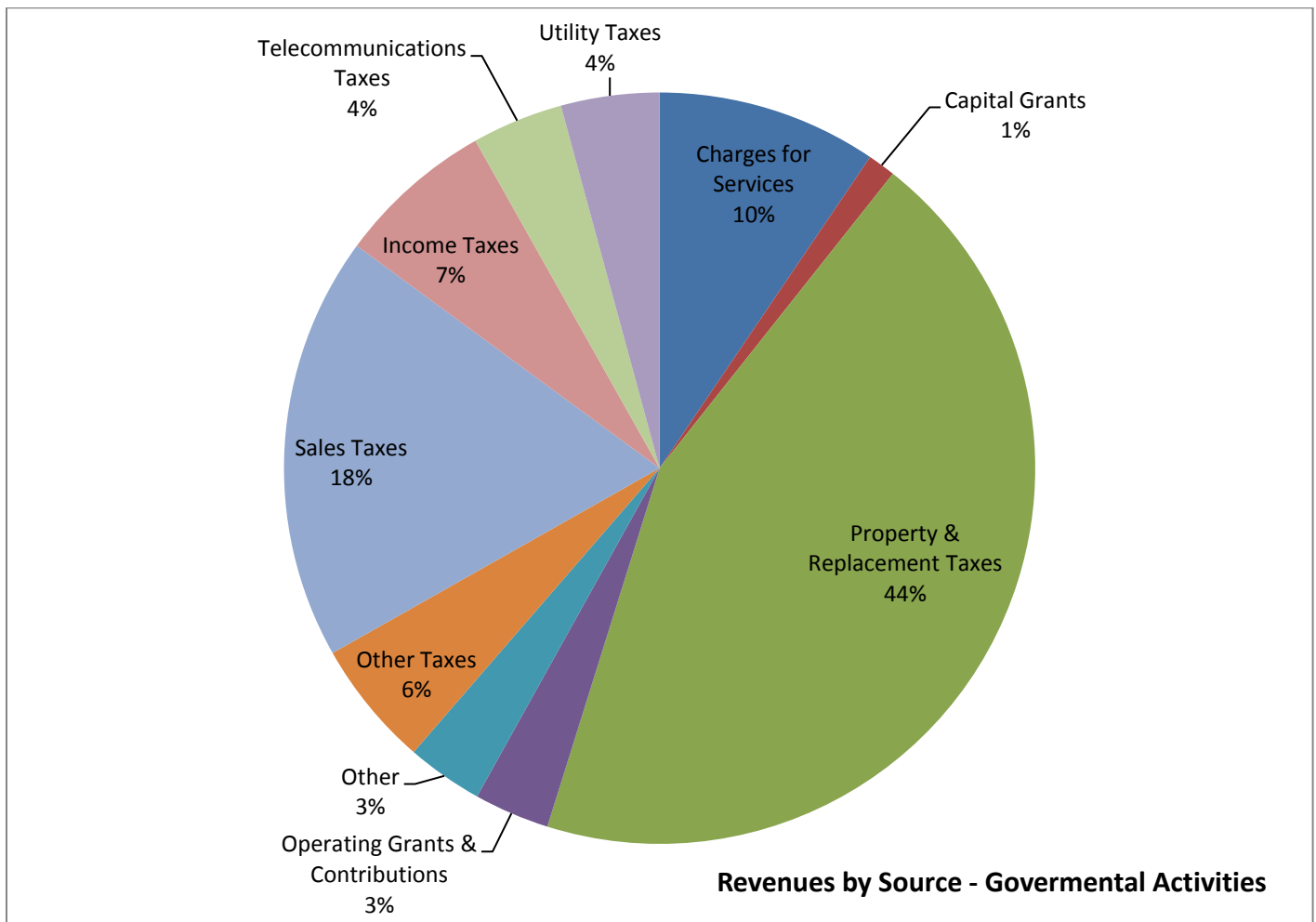
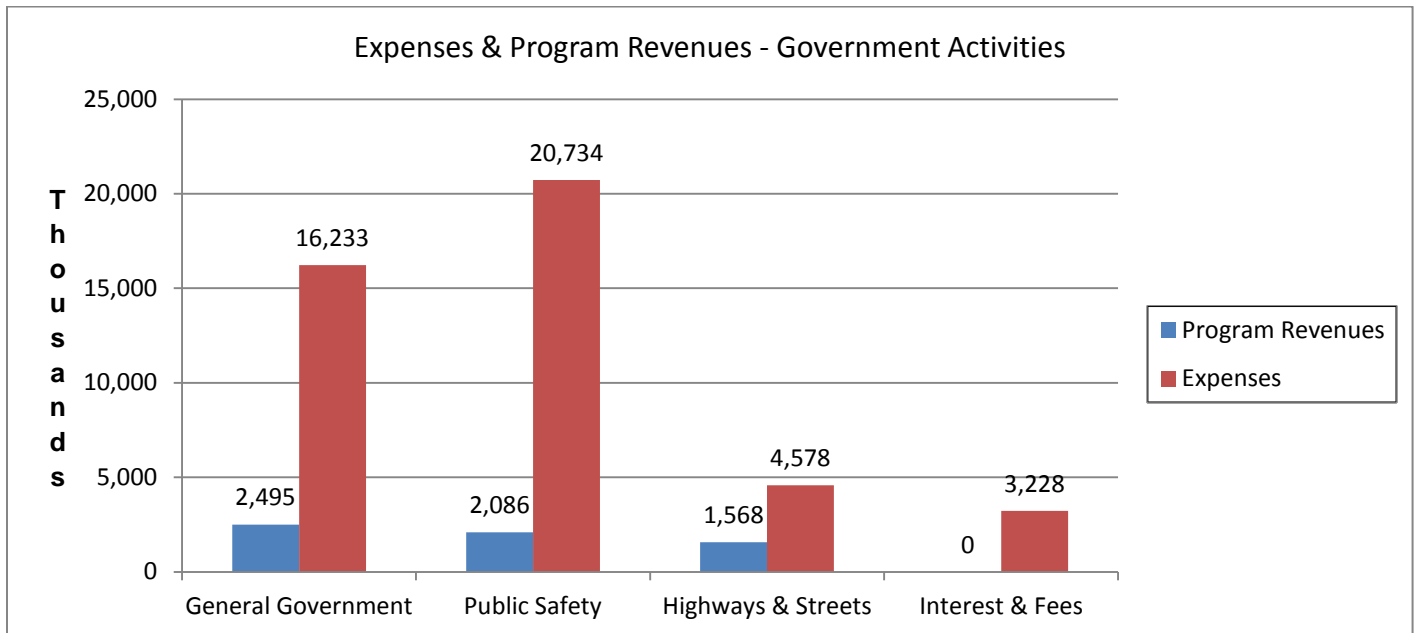
VILLAGE OF WHEELING Changes in Net Assets (in thousands)

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program Revenues:						
Charges for services	\$ 4,185	\$ 3,902	\$ 7,384	\$ 8,491	\$ 11,569	\$ 12,393
Operating grants and contributions	1,434	1,605	-	-	1,434	1,605
Capital grants and contributions	530	479	-	-	530	479
General Revenue:						
Property & replacement taxes	19,520	19,627	-	-	19,520	19,627
Other taxes	17,078	16,943	-	-	17,078	16,943
Other	1,451	1,176	88	114	1,539	1,290
Total Revenues	44,198	43,732	7,472	8,605	51,670	52,337
Expenses:						
General government	16,233	14,219	-	-	16,233	14,219
Public safety	20,734	20,396	-	-	20,734	20,396
Highways and streets	4,578	2,784	-	-	4,578	2,784
Interest and fees	3,228	3,415	-	-	3,228	3,415
Water and sewer	-	-	6,818	6,912	6,818	6,912
Airport	-	-	267	-	267	-
Total Expenses	44,773	40,814	7,085	6,912	51,858	47,726
Increase in net assets before transfers & special item	(575)	2,918	387	1,693	(188)	4,611
Transfers	221	264	(221)	(264)	-	-
Increase in net assets	(354)	3,182	166	1,429	(188)	4,611
Net assets – 1/1/11	61,257	58,075	99,516	98,087	160,773	156,162
Prior Period Adjustment	(3,905)	-	-	-	(3,905)	-
Net assets – 1/1/11, Restated	57,352	58,075	99,516	98,087	156,868	156,162
Net assets – 12/31/11	\$56,998	\$61,257	\$99,682	\$99,516	\$156,680	\$160,773

- Property and replacement taxes decreased by \$106,561 (1%) during the year. The decrease is due to a decrease in the property tax increment received in the TIF funds.
- Other taxes, which include sales tax and state income tax, increased by \$134,841 (.008%), as the economy was slow to recover from the downturn experienced the last three years.
- Charges for services for governmental activities increased by \$283,105 (6.8%) during the year. This revenue includes licenses, permits, and inspection fees, fines & forfeits charged in the Village.

VILLAGE OF WHEELING, ILLINOIS

**Management's Discussion and Analysis
December 31, 2011**



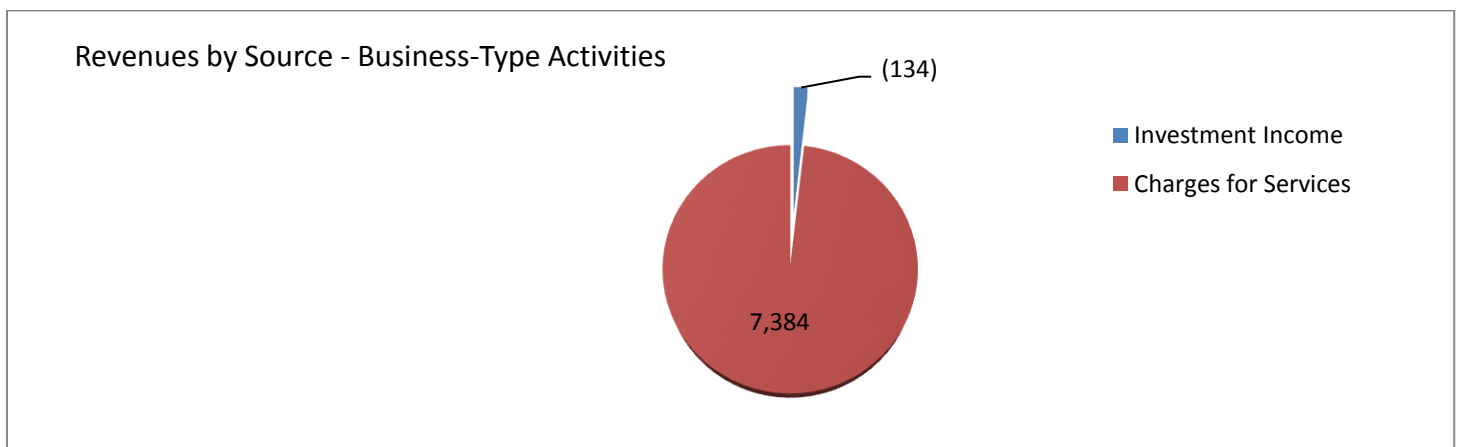
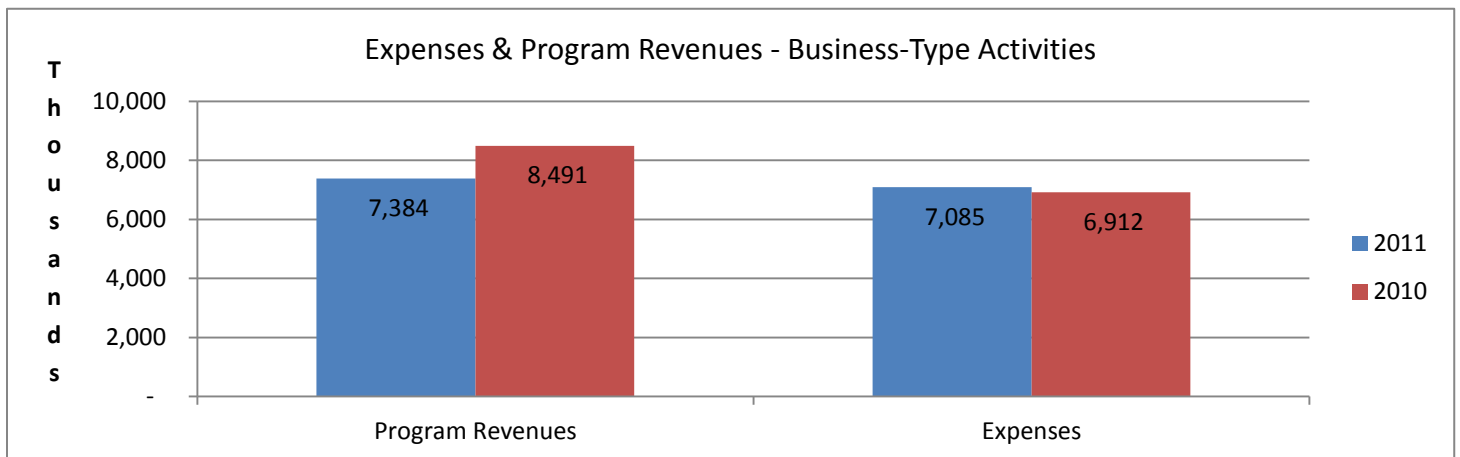
VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis December 31, 2011

Expenses in the general government category increased by \$2,013,759 (12.4%) during the year due mainly to an increase in capital outlay in the TIF districts compared to last year and an increase in normal operating costs such as salaries and benefits. The \$337,930 (1.6%) increase in public safety expenses is due primarily to increases in salaries and benefits. The increase in highways and streets expenses of \$1,794,123 (39.2%) is due to infrastructure improvements, primarily in the Village' Capital Projects.

Business-type activities Net assets related to business-type activities increased by \$165,646 (.167%). Key elements of the increase are as follows:

- Charges for services from water and sewer activities decreased by \$204,321. The water and sewer fees reflected an annual increase of 4.5%, and also reflect a reduction in expenses.
- Net assets of \$99,681,659 from business-type activities include \$46,407,895 in net assets of the Chicago Executive Airport presented as investment in joint ventures on the statement of net assets. The decrease in the net assets of the Airport was \$266,654 or 0.27% compared to 2010.



VILLAGE OF WHEELING, ILLINOIS

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Financial Analysis of the Village's Funds

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

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

As of the end of the current fiscal year, the Village's governmental funds reported a combined ending fund balance of \$28,875,731, a decrease of \$17,042,500 in comparison with the prior year due primarily to a change in accounting of land held for resale which is represented by the prior period adjustment. Approximately \$12,328,007 (42.7%) constitutes *unassigned fund balance*, which is available for spending at the Village's discretion. The remainder of fund balance is *nonspendable, restricted or assigned*, to indicate that it is not available for new spending because it is nonspendable for prepaid items and inventory (\$845,989), restricted for capital projects/highways and streets (\$2,988,549), restricted for economic development (\$7,187,998), or nonspendable, restricted, or assigned for a variety of other purposes.

The general fund is the chief operating fund of the Village. At the end of the current fiscal year unassigned fund balance of the general fund was \$13,615,841; while total fund balance was \$15,754,203. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 48% of total general fund expenditures, while total fund balance represents 56% of that same amount.

The fund balance of the Village's general fund increased by \$1,563,672 during the current fiscal year. Key factors in this increase are as follows:

- An increase in revenues of \$2,208,929 due to increases in sales and property taxes and a decision to use \$1.5M in Capital Projects Funds for debt source purposes.

The debt service funds have a total fund balance of \$67,068, all of which is restricted for the payment of debt. The net increase in fund balance during the current year in the debt service fund was \$14,018. Property tax levies for debt service payments resulted in revenues of \$464,352 in the current fiscal year. Additionally, the Village transferred \$1,500,000 from the Capital Projects Fund to the Debt Service Fund in order to reduce an anticipated budget deficit in the General Fund.

The Village maintains five separate funds created to account for the revenues and expenditures related to the Village's Tax Increment Financing (TIF) redevelopment areas. The North Milwaukee/Lake Cook Redevelopment Area is a major governmental fund this year with a restricted fund balance of \$1,448,964 for economic development, a decrease of \$668,125. The reduction in fund balance was due mainly to TIF incentive payments. The other four funds include the South Milwaukee Redevelopment Area Fund, Crossroads Redevelopment Area Fund, Town Center TIF Fund and the Southeast TIF Fund. The major sources of revenue to each of these funds are property tax increment, bond proceeds and investment income.

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis December 31, 2011

The Capital Projects Fund was created to account for financial resources used for the acquisition or construction of major capital facilities and improvements. The fund balance increased by \$74,607 during the current fiscal year to \$1,624,317 due to better than anticipated tax revenues and savings related to a bond refunding.

Proprietary funds. The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The Village reports the water and sewerage and airport funds as major proprietary funds.

Unrestricted net assets of the Water and Sewer Fund at the end of the year amounted to \$16,585,003. The total growth in unrestricted net assets was \$17,856. This increase was generated by charges for water and sewer services.

The Village of Wheeling is a joint owner of the Chicago Executive Airport, a proprietary joint venture, with the City of Prospect Heights. Both municipalities maintain joint ownership and administration of the airport. Although assets are legally held in the name of both governments, all assets and revenues are restricted to the airport's needs. In 2012 the airport reported total net assets of \$46,407,895, a decrease of \$266,654 from last year.

General Fund Budgetary Highlights

During the year there were no changes in appropriations between the original and final amended budget. The Village has, however, continued to reduce expenditures when possible, as a result of the economy and the slow recovery and minimal increases in revenue.

Capital Asset and Debt Administration

Capital assets. The Village's investment in capital assets for its governmental and business-type activities as of December 31, 2011 amounts to \$97,841,053 and \$38,162,308 (net of accumulated depreciation), respectively. This investment in capital assets includes land, buildings and improvements, vehicles, equipment, furniture and infrastructure. The total increase in the Village's investment in capital assets for the current fiscal year was 8.94%.

Major capital asset events during the current fiscal year included the following:

- Renovation was completed on the police department. Construction in progress decreased by \$5,746,463 at December 31, 2011.
- In governmental activities, a variety of building improvements, vehicles and equipment and infrastructure purchases at a cost of \$7,067,374 were added during the year, while \$734,032 of old equipment was retired, resulting in a net increase of \$6,333,342.
- In business-type activities, vehicle and equipment purchases of \$50,211 were added during the year, while \$26,647 of old equipment was retired.
- In business-type activities, construction in progress for a water & sewer main project resulted in a net increase of \$959,145.

VILLAGE OF WHEELING, ILLINOIS

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December 31, 2011

VILLAGE OF WHEELING'S CAPITAL ASSETS
(net of depreciation, in thousands)

	Governmental		Business-type		Total	
	activities		Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	\$ 27,276	\$ 12,844	\$ 580	\$ 589	\$ 27,856	\$ 13,433
Land right of way	11,624	11,624	-	-	11,624	11,624
Buildings & Improvements	49,474	44,995	-	-	49,474	44,995
Vehicles, equipment, & furniture	2,647	3,208	585	711	3,232	3,919
Infrastructure	6,820	8,648	-	-	6,820	8,648
Water System Improvements	-	-	25,345	25,515	25,345	25,515
Sewer System Improvements	-	-	10,693	10,959	10,693	10,959
Construction in progress	-	5,746	959	-	959	5,746
Total	\$ 97,841	\$ 87,065	\$ 38,162	\$ 37,774	\$ 136,003	\$ 124,839

Additional information on the Village's capital assets can be found in note 4, on pages 34-35 of this report.

Long-term debt. At the end of the current fiscal year, the Village had total bonded debt outstanding of \$71,410,000. Of this amount, \$53,110,000 comprises debt backed by the full faith and credit of the government, while \$18,300,000 is backed by tax increment revenue for which the bonds are secured solely by this revenue source.

The Village's total bond related debt decreased by \$1,625,735 (2.23%) during the current fiscal year. The Village did issue Series 2011 General Obligation Refunding Bonds in fiscal year 2011. This refunding will save the Village approximately \$612,830 over the life of the bonds.

During the current fiscal year, the Village retired \$1,136,792 of general bond principal and \$43,943 of the water and sewer funded debt. The Village also retired \$445,000 of tax increment revenue bond principal.

VILLAGE OF WHEELING'S Outstanding Debt

	Governmental		Business-type		Total	
	Activities		Activities		Total	
	2011	2010	2011	2010	2011	2010
General obligations bonds	\$51,653,943	\$52,790,735	\$1,456,057	\$1,500,000	\$53,110,000	\$54,290,735
TIF revenue bonds	18,300,000	18,745,000	-	-	18,300,000	18,745,000
Total	\$69,953,943	\$71,535,735	\$1,456,057	\$1,500,000	\$71,410,000	\$73,035,735

VILLAGE OF WHEELING, ILLINOIS

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The Village, under its home rule authority, does not have a legal debt limit. In September, 2011, Standard & Poor's affirmed the Village's bond rating as AA. In their report, Standard & Poor's noted that the Village of Wheeling's "access to and participation in the greater Chicago MSA, good to strong income and extremely strong wealth levels and very strong reserve levels despite recent and projected draw downs and moderate debt burden".

Additional information of the Village's long-term debt can be found in the note #5 on pages 35-43 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the Village of Wheeling is currently 8.1%, which is a decrease of 8.5% from a year ago. This compares to the State of Illinois' average unemployment rate of 9.8% and the national average rate of 9.0%.
- The number of occupancy permits issued for new construction during last year decreased from 10 in 2010 to 4 in 2011.
- The current economy has resulted in minimal increases in state sales tax and home rule sales tax revenues.

All of these factors were considered in preparing the Village of Wheeling's budget for the 2012 fiscal year.

During the current fiscal year, unassigned fund balance in the general fund increased to \$13,615,841, and the total fund balance increased \$1,563,672 from the previous year. The current improving economic condition has contributed to the increase in fund balance during 2011, we are hopeful that the trend will continue in 2012.

The Village increased its water and sewer rates for the 2012 budget year by 4.5% for all customers. These rate increases are necessary to provide adequate funding in the years ahead to pay for water and sewer system repair and replacements.

Requests for Information

This financial report is designed to provide a general overview of the Village's finances for those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 2 Community Blvd, Village of Wheeling, Illinois, 60090.

VILLAGE OF WHEELING, ILLINOIS

STATEMENT OF NET ASSETS

December 31, 2011

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 29,275,817	\$ 7,058,300	\$ 36,334,117
Receivables (net where applicable of allowance for uncollectibles)			
Property taxes	10,994,497	-	10,994,497
Sales taxes	2,168,497	-	2,168,497
Income taxes	1,035,178	-	1,035,178
Telecommunications tax	414,076	-	414,076
Accounts	90,176	1,611,983	1,702,159
Accrued interest	52,205	4,916	57,121
IPBC	1,463,995	102,940	1,566,935
Other	858,043	435	858,478
Prepaid expenses	388,493	136,064	524,557
Inventory	457,579	291,143	748,722
Due from other governments	265,557	-	265,557
Advances to other funds	(848,657)	848,657	-
Deferred charges	779,948	30,580	810,528
Deferred outflows - swap agreement	5,922,709	-	5,922,709
Net pension asset	562,697	-	562,697
Capital assets not being depreciated	38,900,113	1,539,353	40,439,466
Capital assets being depreciated, net of accumulated depreciation	58,940,940	36,622,955	95,563,895
Investment in joint venture	-	53,409,282	53,409,282
Total assets	151,721,863	101,656,608	253,378,471
LIABILITIES			
Accounts payable	1,971,973	218,102	2,190,075
Accrued payroll	414,931	78,295	493,226
Deposits payable	103,103	64,180	167,283
Unearned revenue	12,498,670	-	12,498,670
Due to fiduciary funds	84,043	-	84,043
Interest payable	721,412	1,939	723,351
Interest rate swap agreement	5,922,709	-	5,922,709
Long-term liabilities			
Due within one year	3,382,942	220,856	3,603,798
Due in more than one year	69,623,987	1,391,577	71,015,564
Total liabilities	94,723,770	1,974,949	96,698,719
NET ASSETS			
Invested in capital assets, net of related debt	54,123,693	36,688,761	90,812,454
Restricted for			
Highways and streets	1,364,232	-	1,364,232
Public safety	119,151	-	119,151
Economic development	7,187,998	-	7,187,998
Capital projects	1,624,317	-	1,624,317
Debt service	67,068	-	67,068
Unrestricted (deficit)	(7,488,366)	62,992,898	55,504,532
TOTAL NET ASSETS	\$ 56,998,093	\$ 99,681,659	\$ 156,679,752

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2011

	Expenses	Program Revenues		
		Charges for Services	Operating Grants	Capital Grants
FUNCTIONS/PROGRAMS				
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 16,233,324	\$ 2,192,808	\$ 283,386	\$ 18,270
Public safety	20,733,943	1,862,414	4,998	218,699
Highways and streets	4,577,770	129,919	1,145,569	292,604
Interest and fees	3,227,766	-	-	-
Total governmental activities	44,772,803	4,185,141	1,433,953	529,573
Business-Type Activities				
Water and sewer	6,817,876	7,383,748	-	-
Airport	266,654	-	-	-
Total business-type activities	7,084,530	7,383,748	-	-
TOTAL PRIMARY GOVERNMENT	\$ 51,857,333	\$ 11,568,889	\$ 1,433,953	\$ 529,573

	Net (Expense) Revenue and Change in Net Assets		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (13,738,860)	\$ -	\$ (13,738,860)
	(18,647,832)	-	(18,647,832)
	(3,009,678)	-	(3,009,678)
	(3,227,766)	-	(3,227,766)
	<u>(38,624,136)</u>	<u>-</u>	<u>(38,624,136)</u>
	-	565,872	565,872
	-	(266,654)	(266,654)
	<u>-</u>	<u>299,218</u>	<u>299,218</u>
	<u>(38,624,136)</u>	<u>299,218</u>	<u>(38,324,918)</u>
General Revenues			
Taxes			
Property and replacement	19,520,238	-	19,520,238
Sales	8,076,606	-	8,076,606
Utility	1,871,180	-	1,871,180
Telecommunications	1,733,726	-	1,733,726
Food and beverage	757,431	-	757,431
Hotel/motel	817,218	-	817,218
Income	2,988,314	-	2,988,314
Other	833,432	-	833,432
Investment income	307,641	29,945	337,586
Gain on disposal of capital assets	-	57,122	57,122
Miscellaneous	1,144,281	-	1,144,281
Transfers	220,639	(220,639)	-
Total	<u>38,270,706</u>	<u>(133,572)</u>	<u>38,137,134</u>
CHANGE IN NET ASSETS	<u>(353,430)</u>	<u>165,646</u>	<u>(187,784)</u>
NET ASSETS, JANUARY 1	61,256,667	99,516,013	160,772,680
Prior period adjustment	<u>(3,905,144)</u>	<u>-</u>	<u>(3,905,144)</u>
NET ASSETS, JANUARY 1, RESTATED	<u>57,351,523</u>	<u>99,516,013</u>	<u>156,867,536</u>
NET ASSETS, DECEMBER 31	<u>\$ 56,998,093</u>	<u>\$ 99,681,659</u>	<u>\$ 156,679,752</u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

GOVERNMENTAL FUNDS

BALANCE SHEET

December 31, 2011

	General	North Milwaukee/ Lake Cook Redevelopment Area	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 9,117,094	\$ 3,201,505	\$ 14,290,930	\$ 26,609,529
Receivables (net where applicable of allowance for uncollectibles)				
Property taxes	10,372,249	194,192	428,056	10,994,497
Sales taxes	2,168,497	-	-	2,168,497
Income taxes	1,035,178	-	-	1,035,178
Telecommunications tax	414,076	-	-	414,076
Accounts	-	-	90,176	90,176
Accrued interest	22,873	-	26,154	49,027
IPBC	1,463,995	-	-	1,463,995
Other	685,594	-	172,449	858,043
Prepaid items	369,478	-	18,932	388,410
Inventory	304,889	-	152,690	457,579
Due from other funds	1,393,233	-	2,400,000	3,793,233
Due from other governments	116,441	-	149,116	265,557
TOTAL ASSETS	\$ 27,463,597	\$ 3,395,697	\$ 17,728,503	\$ 48,587,797

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

GOVERNMENTAL FUNDS

BALANCE SHEET (Continued)

December 31, 2011

	General	North Milwaukee/ Lake Cook Redevelopment Area	Nonmajor Governmental Funds	Total Governmental Funds
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 797,269	\$ 91,446	\$ 1,080,714	\$ 1,969,429
Accrued payroll	404,288	287	10,356	414,931
Deposits payable	103,103	-	-	103,103
Deferred revenue	10,320,691	-	2,177,979	12,498,670
Due to other funds	-	1,855,000	1,938,233	3,793,233
Due to fiduciary funds	84,043	-	-	84,043
Advance from other funds	-	-	848,657	848,657
Total liabilities	<u>11,709,394</u>	<u>1,946,733</u>	<u>6,055,939</u>	<u>19,712,066</u>
FUND BALANCES				
Nonspendable				
Prepaid items	369,478	-	18,932	388,410
Inventory	304,889	-	152,690	457,579
Restricted				
Economic development	-	1,448,964	5,739,034	7,187,998
Capital projects	-	-	1,624,317	1,624,317
Highways and streets	-	-	1,364,232	1,364,232
Public safety	-	-	119,151	119,151
Debt service	-	-	67,068	67,068
Unrestricted				
Assigned				
Health insurance	1,463,995	-	-	1,463,995
Capital improvements	-	-	3,874,974	3,874,974
Unassigned, reported in				
General Fund	13,615,841	-	-	13,615,841
Special Revenue Funds	-	-	(1,742)	(1,742)
Capital Project Funds	-	-	(1,286,092)	(1,286,092)
Total fund balances (deficit)	<u>15,754,203</u>	<u>1,448,964</u>	<u>11,672,564</u>	<u>28,875,731</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 27,463,597</u>	<u>\$ 3,395,697</u>	<u>\$ 17,728,503</u>	<u>\$ 48,587,797</u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2011

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 28,875,731
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	97,841,053
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:	
General obligation bonds	(51,653,943)
Tax increment revenue bonds	(18,300,000)
Discount on bonds payable	28,000
Premium on bonds payable	(193,198)
Loss on refunding	494,763
Compensated absences payable	(1,903,316)
Other postemployment benefit obligation	(120,688)
Accrued interest on long-term liabilities is reported as a liability on the statement of net assets	(721,412)
The net pension asset of the Police and Firefighters' Pension Funds is reported as an asset on the statement of net assets	562,697
Unamortized bond issuance costs are reported as deferred charges on the statement of net assets	779,948
The net assets of the internal service fund are included in the governmental activities in the statement of net assets	<u>1,308,458</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 56,998,093</u></u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES

For the Year Ended December 31, 2011

	General	North Milwaukee/ Lake Cook Redevelopment Area	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	\$ 21,921,158	\$ 3,777,121	\$ 6,828,419	\$ 32,526,698
Licenses and permits	627,026	-	-	627,026
Intergovernmental	4,085,025	-	1,677,871	5,762,896
Charges for services	2,082,179	-	935,767	3,017,946
Fines and forfeits	732,417	-	-	732,417
Investment income	116,184	7,500	183,957	307,641
Miscellaneous	1,076,792	-	147,318	1,224,110
Total revenues	30,640,781	3,784,621	9,773,332	44,198,734
EXPENDITURES				
Current				
General government	8,706,123	-	-	8,706,123
Public safety	19,396,617	-	706,639	20,103,256
Highways and streets	-	-	1,997,699	1,997,699
Capital outlay	-	82,453	3,500,302	3,582,755
Capital improvements	-	2,531,548	1,295,063	3,826,611
Debt service				
Principal	-	928,125	806,875	1,735,000
Interest and fiscal charges	-	1,403,626	1,863,719	3,267,345
Total expenditures	28,102,740	4,945,752	10,170,297	43,218,789
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,538,041	(1,161,131)	(396,965)	979,945

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (Continued)

For the Year Ended December 31, 2011

	General	North Milwaukee/ Lake Cook Redevelopment Area	Nonmajor Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)				
Issuance of refunding bonds	\$ -	\$ 3,168,267	\$ 3,820,676	\$ 6,988,943
Premium on refunding bonds	-	88,840	104,358	193,198
Payment to escrow agent	-	(3,339,875)	(3,923,274)	(7,263,149)
Proceeds on sale of capital assets	7,800	-	-	7,800
Transfers in	-	575,774	2,412,033	2,987,807
Transfers (out)	(982,169)	-	(1,618,196)	(2,600,365)
Total other financing sources (uses)	(974,369)	493,006	795,597	314,234
NET CHANGE IN FUND BALANCES	1,563,672	(668,125)	398,632	1,294,179
FUND BALANCES, JANUARY 1	14,190,531	2,117,089	29,610,611	45,918,231
Prior period adjustment	-	-	(18,336,679)	(18,336,679)
FUND BALANCES, JANUARY 1, RESTATED	14,190,531	2,117,089	11,273,932	27,581,552
FUND BALANCES, DECEMBER 31	\$ 15,754,203	\$ 1,448,964	\$ 11,672,564	\$ 28,875,731

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

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

For the Year Ended December 31, 2011

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 1,294,179
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized on the statement of net assets and depreciated on the statement of activities	1,320,910
Depreciation expense does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds	(4,915,144)
The loss on disposal of capital assets does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds	(61,465)
The issuance of long-term debt is reported as an other financing source in governmental funds but as an increase in principal outstanding on the statement of net assets	(7,182,141)
The payment to escrow agent for the refunding of long-term debt is reported as an other financing source use in the governmental funds but as	
A decrease of principal outstanding in the statement of net assets	6,885,479
A decrease of issuance costs outstanding in the statement of net assets	(117,093)
Loss on refunding amortized over the life of the bonds	494,763
The repayment of the principal portion of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding on the statement of net assets	1,735,000
Amortization of discount on bonds is reported as interest expense on the statement of activities	(2,000)
Accretion of bonds is reported as interest expense on the statement of activities	(49,744)
The issuance costs on long-term debt are reported as an expenditure in governmental funds in the year of issuance but as a deferred charge on the statement of net assets and amortized over the life of the bonds.	
Current year issuance costs	162,475
Amortization of issuance costs	(41,418)
The increase of accrued interest payable is shown as an increase of expense on the statement of activities	(29,734)
The increase in compensated absences payable is shown as an increase of expense on the statement of activities	(29,296)
The change in the net pension asset	129,349
The change in the other postemployment benefit obligation	134,818
The change in net assets of internal service funds is reported in governmental activities	<u>(82,368)</u>
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ (353,430)</u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET ASSETS

December 31, 2011

	Business-Type Activities			Governmental
	Waterworks and Sewerage	Airport	Total	Internal Service Fund
CURRENT ASSETS				
Cash and investments	\$ 7,058,300	\$ -	\$ 7,058,300	\$ 2,666,288
Receivables (net where applicable of allowance for uncollectibles)				
Accounts	1,611,983	-	1,611,983	-
Accrued interest	4,916	-	4,916	3,178
IPBC	102,940	-	102,940	-
Miscellaneous	435	-	435	-
Prepaid expenses	136,064	-	136,064	83
Inventory	291,143	-	291,143	-
Total current assets	9,205,781	-	9,205,781	2,669,549
NONCURRENT ASSETS				
Capital assets				
Assets not being depreciated	1,539,353	-	1,539,353	-
Assets being depreciated				
Cost	54,992,132	-	54,992,132	-
Accumulated depreciation	(18,369,177)	-	(18,369,177)	-
Net capital assets being depreciated	36,622,955	-	36,622,955	-
Net capital assets	38,162,308	-	38,162,308	-
Deferred charges	30,580	-	30,580	-
Advances to other funds	848,657	-	848,657	-
Investment in joint ventures	7,001,387	46,407,895	53,409,282	-
Total noncurrent assets	46,042,932	46,407,895	92,450,827	-
Total assets	55,248,713	46,407,895	101,656,608	2,669,549

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET ASSETS (Continued)

December 31, 2011

	Business-Type Activities			Governmental
	Waterworks and Sewerage	Airport	Total	Internal Service Fund
CURRENT LIABILITIES				
Accounts payable	\$ 218,102	\$ -	\$ 218,102	\$ 2,544
Accrued payroll	78,295	-	78,295	-
Compensated absences payable	58,032	-	58,032	-
Deposits payable	64,180	-	64,180	-
Interest payable	1,939	-	1,939	-
Bonds payable	162,824	-	162,824	-
Claims payable	-	-	-	679,274
Total current liabilities	583,372	-	583,372	681,818
NONCURRENT LIABILITIES				
Claims payable	-	-	-	679,273
General obligation bonds payable (less current portion)	1,310,723	-	1,310,723	-
Compensated absences payable (less current portion)	70,927	-	70,927	-
Other postemployment benefit obligation	9,927	-	9,927	-
Total noncurrent liabilities	1,391,577	-	1,391,577	679,273
Total liabilities	1,974,949	-	1,974,949	1,361,091
NET ASSETS				
Invested in capital assets, net of related debt	36,688,761	-	36,688,761	-
Unrestricted	16,585,003	46,407,895	62,992,898	1,308,458
TOTAL NET ASSETS	\$ 53,273,764	\$ 46,407,895	\$ 99,681,659	\$ 1,308,458

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS

For the Year Ended December 31, 2011

	Business-Type Activities			Governmental
	Waterworks and Sewerage	Airport	Total	Internal
				Service Fund
OPERATING REVENUES				
Charges for services				
Water sales and sewer charges	\$ 7,360,829	\$ -	\$ 7,360,829	\$ -
Connection fees	123,726	-	123,726	-
Meter sales	15,167	-	15,167	-
Liability insurance charges	-	-	-	1,041,760
Other	102,968	-	102,968	-
Total operating revenues	7,602,690	-	7,602,690	1,041,760
OPERATING EXPENSES EXCLUDING DEPRECIATION				
Waterworks division	4,119,482	-	4,119,482	-
Sewer division	1,395,014	-	1,395,014	-
Water and sewer capital division	254,846	-	254,846	-
Insurance and claims	-	-	-	1,136,317
Total operating expenses excluding depreciation	5,769,342	-	5,769,342	1,136,317
OPERATING INCOME BEFORE DEPRECIATION	1,833,348	-	1,833,348	(94,557)
DEPRECIATION	1,020,799	-	1,020,799	-
OPERATING INCOME	812,549	-	812,549	(94,557)
NONOPERATING REVENUES (EXPENSES)				
Investment income	29,945	-	29,945	12,189
Interest expense and fees	(27,735)	-	(27,735)	-
Gain on disposal of capital assets	57,122	-	57,122	-
Decrease in joint venture	(218,942)	(266,654)	(485,596)	-
Total nonoperating revenues (expenses)	(159,610)	(266,654)	(426,264)	12,189
INCOME BEFORE TRANSFERS AND CONTRIBUTIONS	652,939	(266,654)	386,285	(82,368)
TRANSFERS IN (OUT)				
North Milwaukee/Lake Cook Redevelopment Area Fund	(117,821)	-	(117,821)	-
Debt Service Fund	(281,450)	-	(281,450)	-
Capital Equipment Replacement Fund	11,829	-	11,829	-
Total transfers in (out)	(387,442)	-	(387,442)	-
CONTRIBUTIONS	166,803	-	166,803	-
CHANGE IN NET ASSETS	432,300	(266,654)	165,646	(82,368)
NET ASSETS, JANUARY 1	52,841,464	46,674,549	99,516,013	1,390,826
NET ASSETS, DECEMBER 31	\$ 53,273,764	\$ 46,407,895	\$ 99,681,659	\$ 1,308,458

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2011

	Business-Type Activities			Governmental
	Waterworks and Sewerage	Airport	Total	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 7,674,431	\$ -	\$ 7,674,431	\$ -
Receipts from internal service transactions	-	-	-	1,041,760
Payments to suppliers	(4,101,316)	-	(4,101,316)	(822,890)
Payments to employees	(1,569,450)	-	(1,569,450)	-
Net cash from operating activities	2,003,665	-	2,003,665	218,870
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	11,829	-	11,829	-
Transfers (out)	(399,271)	-	(399,271)	-
Advances to other funds	(144,920)	-	(144,920)	-
Net cash from noncapital financing activities	(532,362)	-	(532,362)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of capital assets	(1,241,987)	-	(1,241,987)	-
Principal paid on general obligation bonds	(150,000)	-	(150,000)	-
Proceeds from issuance of refunding bonds	1,492,419	-	1,492,419	-
Payment to escrow agent on refunding bonds	(1,350,000)	-	(1,350,000)	-
Interest and fees paid on general obligation bonds	(27,500)	-	(27,500)	-
Net cash from capital and related financing activities	(1,277,068)	-	(1,277,068)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investment securities	(1,054,308)	-	(1,054,308)	(150,055)
Interest on investments	29,087	-	29,087	11,205
Net cash from investing activities	(1,025,221)	-	(1,025,221)	(138,850)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(830,986)	-	(830,986)	80,020
CASH AND CASH EQUIVALENTS, JANUARY 1	1,835,443	-	1,835,443	2,128,921
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 1,004,457	\$ -	\$ 1,004,457	\$ 2,208,941
CASH AND INVESTMENTS				
Cash and cash equivalents	\$ 1,004,457	\$ -	\$ 1,004,457	\$ 2,208,941
Investments	6,053,843	-	6,053,843	457,347
TOTAL CASH AND INVESTMENTS	\$ 7,058,300	\$ -	\$ 7,058,300	\$ 2,666,288

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS (Continued)

For the Year Ended December 31, 2011

	Business-Type Activities			Governmental
	Waterworks and Sewerage	Airport	Total	Internal Service Fund
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income	\$ 812,549	\$ -	\$ 812,549	\$ (94,557)
Adjustments to reconcile operating income to net cash from operating activities				
Depreciation and amortization	1,020,799	-	1,020,799	-
Changes in current assets and liabilities				
Accounts receivable	57,679	-	57,679	-
Inventory	25,736	-	25,736	-
Prepaid expenses	(10,788)	-	(10,788)	7,880
Accounts payable	67,614	-	67,614	(5,926)
Claims and judgments payable	-	-	-	311,473
Accrued payroll	32,782	-	32,782	-
Compensated absences payable	(5,919)	-	(5,919)	-
Other postemployment benefit obligation	(10,849)	-	(10,849)	-
Deposits payable	14,062	-	14,062	-
NET CASH FROM OPERATING ACTIVITIES	\$ 2,003,665	\$ -	\$ 2,003,665	\$ 218,870
NONCASH TRANSACTIONS				
Increase (decrease) in joint venture	\$ (218,942)	\$ (266,654)	\$ (485,596)	\$ -
Contributed capital assets	166,803	-	166,803	-
TOTAL NONCASH TRANSACTIONS	\$ (52,139)	\$ (266,654)	\$ (318,793)	\$ -

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PENSION TRUST FUNDS

STATEMENT OF FIDUCIARY NET ASSETS

December 31, 2011

ASSETS	
Cash and short-term investments	<u>\$ 1,597,702</u>
Investments at fair value	
U.S. Government and agency obligations	23,699,001
State and local obligations	3,005,868
Corporate bonds	3,754,288
Mutual funds	22,307,719
Equities	<u>6,962,449</u>
Total investments	<u>59,729,325</u>
Receivables	
Accrued interest	257,225
Due from other funds	<u>84,043</u>
Total receivables	<u>341,268</u>
Total assets	<u>61,668,295</u>
LIABILITIES	
Accounts payable	<u>55,616</u>
Total liabilities	<u>55,616</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	<u><u>\$ 61,612,679</u></u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PENSION TRUST FUNDS

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

For the Year Ended December 31, 2011

ADDITIONS	
Contributions	
Employer	\$ 2,491,154
Employee	<u>929,671</u>
Total contributions	<u>3,420,825</u>
Investment income	
Net appreciation in fair value of investments	(560,572)
Interest	<u>1,986,914</u>
Total investment income	1,426,342
Less investment expenses	<u>179,263</u>
Net investment income	<u>1,247,079</u>
Total additions	<u>4,667,904</u>
DEDUCTIONS	
Benefits and refunds	4,043,369
Administrative expenses	<u>31,289</u>
Total deductions	<u>4,074,658</u>
NET INCREASE	593,246
NET PLAN ASSETS HELD IN TRUST FOR PENSION BENEFITS	
January 1	<u>61,019,433</u>
December 31	<u><u>\$ 61,612,679</u></u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

December 31, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Wheeling, Illinois (the Village) was incorporated in 1894. The Village provides services to the community that include police, fire, water and sewer utility, community development, street maintenance, and general services.

The accounting policies of the Village conform to accounting principles generally accepted in the United States of America, as applicable to governments (hereinafter referred to as generally accepted accounting principles (GAAP)). The Government Accounting Standards Boards (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies:

a. Reporting Entity

The Village is a municipal corporation governed by an elected eight-member board. As defined by GAAP established by the GASB, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

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

Based on the above criteria, the Village does not have any component units.

b. Fund Accounting

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

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

Governmental funds are used to account for all or most of the Village's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted or assigned for the acquisition or construction of capital assets (capital projects funds) and the funds committed, restricted or assigned for the servicing of long-term debt (debt service funds). The general fund is used to account for all activities of the Village not accounted for in some other fund.

Enterprise funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the Village (internal service funds). Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds*, the Village has chosen to apply all GASB pronouncements as well as those FASB pronouncements issued on or before November 30, 1989 to account for its enterprise funds.

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

c. Government-Wide and Fund Financial Statements

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

The Village reports the following major governmental funds:

The General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund.

The North Milwaukee/Lake Cook Redevelopment Area Fund is used to account for the redevelopment activities of the tax increment financing district located near Milwaukee Avenue and Lake Cook Road in the Village of Wheeling. Financing is provided from incremental property tax revenues restricted for development within the District.

The Village reports the following major proprietary funds:

The Waterworks and Sewerage Fund is used to account for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, and improvements.

The Airport Fund is used to account for the Village's share of the Chicago Executive Airport.

Additionally, the Village reports the following Internal Service Fund:

Internal Service Fund (Liability Insurance Fund) is used to account for accumulation of resources and costs associated with liability insurance for the Village. This fund is reported as part of the governmental activities on the government-wide financial statements as they provide services to the Village's governmental funds/activities.

The Village reports pension trust funds as fiduciary funds to account for the Police Pension Fund and Firefighters' Pension Fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, generally 60 days except for sales taxes and telecommunication taxes which use 90 days. The Village recognizes property taxes when they become both measurable and available in the year for which they are levied (i.e., intended to finance). Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Property taxes, sales taxes owed from the state at year end, franchise taxes, licenses, charges for services, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The Village reports deferred/unearned revenue on its financial statements. Deferred/unearned revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Deferred/unearned revenues also arise when resources are received by the government before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability for deferred/unearned revenue is removed from the financial statements and revenue is recognized.

e. Cash and Investments

For purposes of the statement of cash flows, the Village considers cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments with a maturity of one year or less when purchased and all nonnegotiable certificates of deposit are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased, are reported at fair value. All investments of the pension trust funds, regardless of length of maturity, are reported at fair value. Fair value is based on published market quotes as of December 31 or contract values for insurance contracts.

f. Interfund Receivables/Payables

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

Advances are offset by nonspendable fund balance in applicable governmental funds.

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

VILLAGE OF WHEELING, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Property Taxes

Property taxes are levied in December of each year on all taxable real property in the Village and attach as an enforceable lien on the property as of the preceding January 1. Property taxes receivable represent the balance due on the 2011 levy. Tax bills are prepared by the County and issued on or about February 1 (Cook County) and May 1 (Lake County) and are payable in two installments on or about April 1 (Cook County) and June 1 (Lake County) and on or about September 1 (Lake County) and November 1 (Cook County). The County Collector collects such taxes and remits them periodically. A reduction for collection losses, based on historical collection experience, has been provided to reduce the taxes receivable to the estimated amounts to be collected. Since the 2011 levy is intended to finance the 2012 fiscal year, the levy has been recorded as a receivable and deferred revenue.

h. Inventories and Prepaid Items/Expenses

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund inventories are recorded as expenditures when consumed rather than when purchased.

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

i. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost in excess of the following and an estimated useful life in excess of one year.

Asset Class	Capitalization Threshold
Land	\$ 100,000
Building and improvements	50,000
Vehicles, equipment, and furniture	10,000
Infrastructure	100,000

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Capital Assets (Continued)

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

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

Assets	Years
Buildings and improvements	10-45
Water and sewer distributions system	45-65
Vehicles, equipment, and furniture	5-30
Infrastructure	15-40

j. Compensated Absences

Vested or accumulated vacation leave that is owed to retirees or terminated employees, if applicable, is reported as an expenditure and a fund liability of the governmental fund that will pay it in the fund financial statements. Vested or accumulated vacation leave of proprietary funds and governmental activities is recorded as an expense and liability as the benefits accrue to employees.

Sick Leave: A sick leave deferred payment account (SLDPA) is offered to eligible employees upon retirement. A SLDPA is a method of allowing eligible employees to contribute the value of accrued but unused sick time hours to a Post Employment Health Plan (PEHP) or Variable Employee Medical Account (VEMA). To be eligible for SLDPA benefits, the employees must:

- have retired in good standing;
- have at least 20 years of continuous service with the Village immediately prior to retirement or have at least ten years of continuous service with the Village immediately prior to retirement and have attained the age of 60 by the date of retirement;
- have been continuously covered for at least 12 months immediately prior to retirement under the Village's medical insurance plan and in full compliance with all plan provisions; and
- have at least 675 hours of accrued but unused sick time (1,000 hours for fire union employees).

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Compensated Absences (Continued)

The SLDPA is calculated by using the employee's final hourly wage multiplied by the number of accrued but unused sick time hours in excess of 675 (1,000 hours for the fire union). The maximum number of accrued but unused sick time hours that may be used within the SLDPA is 536 hours (1,440 hours for fire union employees). Other accumulated unpaid sick leave is not paid to an employee in the event of termination; thus, no liability is recorded for those nonvested benefits.

Sick Leave Buy Back Program: In addition to the SLDPA program, the Village offers an annual sick leave buy back program to its nonunion and police union employees. As of May 1st of each year, employees with at least 500 hours of accrued sick leave may sell back one sick day; employees with at least 750 hours of accrued sick leave may sell back two sick days; and employees with at least 1,000 hours of accrued sick leave may sell back three sick days. Employees who sell back a portion of their accrued sick leave as indicated above receive 100% of the pay the employee would have received for the sick day during the year it is contributed. The decision whether to sell back sick time each year is optional for nonunion employees and the funds are contributed to their 457 deferred compensation program. Conversely, the decision to sell back sick time each year is mandatory for police union employees and the funds are contributed to the employee's Variable Employee Medical Account (VEMA).

k. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund financial statements. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. Fund Balance/Net Assets

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

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

In the government-wide financial statements, restricted net assets are legally restricted by outside parties for a specific purpose. Invested in capital assets, net of related debt, represents the Village's investment to construct or acquire the capital asset.

2. DEPOSITS AND INVESTMENTS

a. Village Investments

The Village's investment policy authorizes the Village to invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value). The Village's investment policy does limit their deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance. Additionally, the Village will not invest in any institution in which the Village's funds on deposit are in excess of 50% of the institution's capital stock and surplus.

VILLAGE OF WHEELING, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

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

The Village maintains a cash pool that is available for use by all funds, except the pension trust funds. Investments are separately held by several of the Village’s funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village’s deposits may not be returned to it. The Village’s investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds secured, with the collateral held by the Village, an independent third party or the Federal Reserve Bank of Chicago.

Investments

The following table presents the investments and maturities of the Village’s debt securities as of December 31, 2011:

Investment Type	Fair Value	Investment Maturities in Years			
		Less Than 1	1-5	6-10	Greater than 10
Negotiable certificates of deposit	\$ 14,872,591	\$ 1,693,587	\$ 13,179,004	\$ -	\$ -
TOTAL	\$ 14,872,591	\$ 1,693,587	\$ 13,179,004	\$ -	\$ -

In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in external investment pools. Illinois Funds, the money market mutual funds and the Illinois Metropolitan Investment Fund are all rated AAA. The negotiable certificates of deposit are not rated but are covered by FDIC insurance.

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the state to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Funds' share price, the price for which the investment could be sold.

Illinois Metropolitan Investment Fund (IMET) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held in a custodial account with the trust department of an approved financial institution. Illinois Funds and IMET are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Village has a high percentage of their investments invested in one type of investment. At December 31, 2011, the Village had greater than five percent of its overall portfolio invested in negotiable certificates of deposit. The Village's investment policy requires diversification of investment to avoid unreasonable risk but has no set percentage limits. Therefore, the Village is in compliance with its investment policy.

b. Police Pension Investments

The Police Pension Fund's investment policy authorizes the Police Pension Fund to invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, interest-bearing obligations of the U.S. Treasury and U.S. agencies, interest-bearing bonds of the State of Illinois or any county, township, or municipal corporation of the State of Illinois, direct obligations of the State of Israel, money market mutual funds whose investments consist of obligations of the U.S. Treasury or U.S. agencies, separate accounts managed by life insurance companies, mutual funds, common and preferred stock, corporate bonds, and Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value).

VILLAGE OF WHEELING, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

b. Police Pension Investments (Continued)

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

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Police Pension Fund’s deposits may not be returned to it. The Police Pension Fund policy does not require collateralization. However, all deposits at December 31, 2011 are covered by Federal Depository Insurance.

Investments

The following table presents the investments and maturities of the Police Pension Fund’s debt securities as of December 31, 2011:

Investment Type	Fair Value	Investment Maturities in Years			
		Less Than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 847,987	\$ -	\$ 757,200	\$ 90,787	\$ -
Municipal bonds	2,156,713	250,000	1,231,958	674,755	-
Corporate bonds	335,902	-	217,241	118,661	-
U.S. agency obligations	14,464,895	828,981	7,994,344	5,626,905	14,665
TOTAL	\$ 17,805,497	\$ 1,078,981	\$ 10,200,743	\$ 6,511,108	\$ 14,665

In accordance with its investment policy, the Police Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market.

The Police Pension Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Treasury obligations and other obligations which are rated in the top three classes by a national rating agency. The money market mutual funds are not rated. Illinois Funds are rated AAA. The U.S. agency obligations, for those rated, range in rating from AA+ to not rated. The municipal bonds and corporate bonds range in rating from AA+ to not rated.

2. DEPOSITS AND INVESTMENTS (Continued)

b. Police Pension Investments (Continued)

Investments (Continued)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Police Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Police Pension Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be held in a trust department through book entry at the Depository Trust Company with an approved written agreement.

Concentration of credit risk is the risk that the Police Pension Fund has a high percentage of their investments invested in one type of investment. The Police Pension Fund's investment policy requires diversification of investment to avoid unreasonable risk. No more than 50% of the Police Pension Fund's total investment portfolio will be invested in a single security type or with a single financial institution. All investments fall within their acceptable ranges at December 31, 2011. At December 31, 2011, the Police Pension Fund had greater than 5% of its overall portfolio invested in U.S. agency obligations and municipal bonds, which is in accordance with the Police Pension Fund's investment policy.

c. Firefighters' Pension Investments

The Firefighters' Pension Fund's investment policy authorizes the Firefighters' Pension Fund to invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, corporate bonds, and Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value).

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

VILLAGE OF WHEELING, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

c. Firefighters' Pension Investments (Continued)

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Firefighters' Pension Fund's deposits may not be returned to it. The Firefighters' Pension Fund policy does not require collateralization. However, all deposits at December 31, 2011 are covered by Federal Depository Insurance.

Investments

The following table presents the investments and maturities of the Firefighters' Pension Fund's debt securities as of December 31, 2011:

Investment Type	Fair Value	Investment Maturities in Years			
		Less Than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 4,345,426	\$ -	\$ 2,551,334	\$ 1,794,092	\$ -
U.S. agency obligations	4,040,693	340,000	1,735,288	451,180	1,514,225
Corporate bonds	3,418,386	681,180	1,149,227	1,587,979	-
Municipal bonds	849,155	-	658,885	190,270	-
TOTAL	\$ 12,653,660	\$ 1,021,180	\$ 6,094,734	\$ 4,023,521	\$ 1,514,225

In accordance with its investment policy, the Firefighters' Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market.

The Firefighters' Pension Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Treasury obligations. The U.S. agency obligations are rated AA+. The municipal bonds and corporate bonds range in rating from AAA to not rated.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Firefighters' Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Firefighters' Pension Fund's requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis (DVP) with the underlying investments held in a custodial account with the trust department of an approved financial institution.

Concentration of credit risk is the risk that the Firefighters' Pension Fund has a high percentage of their investments invested in one type of investment. No more than 60% of the Firefighters' Pension Fund's total investment portfolio will be invested in a single security type or with a single financial institution. At December 31, 2011, the Firefighters' Pension Fund had greater than five percent of its overall portfolio invested in U.S. agency obligations, corporate bonds, and municipal bonds, which is in accordance with the Firefighters' Pension Fund's investment policy.

VILLAGE OF WHEELING, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

3. RECEIVABLES

The following receivables are included in due from other governments on the statement of net assets at December 31, 2011:

GOVERNMENTAL ACTIVITIES	
Motor fuel tax	\$ 102,777
Grants	<u>162,780</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 265,557</u>

The following receivables are included in other receivables on the statement of net assets:

GOVERNMENTAL ACTIVITIES	
Court fines	\$ 32,218
Franchise fees	68,733
Hotel/motel tax	44,898
Food and beverage tax	75,709
Unbilled SWANCC fees	28,153
TIF Surplus	188,932
SWANCC service charge	24,437
Utility taxes	172,449
Miscellaneous	<u>222,514</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 858,043</u>
BUSINESS-TYPE ACTIVITIES	
Miscellaneous	<u>\$ 435</u>

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2011 was as follows:

	Beginning Balances, restated	Increases	Decreases	Ending Balance
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 27,275,921	\$ -	\$ -	\$ 27,275,921
Land right of way	11,624,192	-	-	11,624,192
Construction in progress	5,746,463	-	5,746,463	-
Total capital assets not being depreciated	<u>44,646,576</u>	<u>-</u>	<u>5,746,463</u>	<u>38,900,113</u>
Capital assets being depreciated				
Buildings and improvements	51,684,181	5,951,573	198,961	57,436,793
Vehicles, equipment, and furniture	9,501,617	209,740	449,554	9,261,803
Infrastructure	23,893,125	906,061	85,517	24,713,669
Total capital assets being depreciated	<u>85,078,923</u>	<u>7,067,374</u>	<u>734,032</u>	<u>91,412,265</u>

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS

	Beginning Balances, restated	Increases	Decreases	Ending Balance
Less accumulated depreciation for				
Buildings and improvements	\$ 6,689,687	\$ 1,410,878	\$ 137,496	\$ 7,963,069
Vehicles, equipment, and furniture	6,293,975	770,001	449,554	6,614,422
Infrastructure	15,245,086	2,734,265	85,517	17,893,834
Total accumulated depreciation	<u>28,228,748</u>	<u>4,915,144</u>	<u>672,567</u>	<u>32,471,325</u>
Total capital assets being depreciated, net	<u>56,850,175</u>	<u>2,152,230</u>	<u>61,465</u>	<u>58,940,940</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 101,496,751</u>	<u>\$ 2,152,230</u>	<u>\$ 5,807,928</u>	<u>\$ 97,841,053</u>

Opening capital assets were increased by \$14,431,535 to reclassify land held for resale from the fund financial statements to governmental capital assets of the Village.

	Beginning Balance	Increases	Decreases	Ending Balance
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 588,581	\$ -	\$ 8,373	\$ 580,208
Construction in progress	-	959,145	-	959,145
Total capital assets not being depreciated	<u>588,581</u>	<u>959,145</u>	<u>8,373</u>	<u>1,539,353</u>
Capital assets being depreciated				
Waterworks	35,734,451	407,807	-	36,142,258
Sewerage	16,373,745	-	-	16,373,745
Equipment and vehicles	2,462,768	50,211	26,647	2,486,332
Total capital assets being depreciated	<u>54,570,964</u>	<u>458,018</u>	<u>26,647</u>	<u>55,002,335</u>
Less accumulated depreciation for				
Waterworks	10,219,134	578,049	-	10,797,183
Sewerage	5,413,851	267,076	-	5,680,927
Equipment and vehicles	1,752,243	175,674	26,647	1,901,270
Total accumulated depreciation	<u>17,385,228</u>	<u>1,020,799</u>	<u>26,647</u>	<u>18,379,380</u>
Total capital assets being depreciated, net	<u>37,185,736</u>	<u>(562,781)</u>	<u>-</u>	<u>36,622,955</u>
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 37,774,317</u>	<u>\$ 396,364</u>	<u>\$ 8,373</u>	<u>\$ 38,162,308</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

GOVERNMENTAL ACTIVITIES	
General government	\$ 1,220,846
Public safety	766,016
Highways and streets	<u>2,928,282</u>
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 4,915,144</u>

VILLAGE OF WHEELING, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

Capital asset additions were charged to functions/programs of the primary government as follows:

GOVERNMENTAL ACTIVITIES		
General government		\$ 209,740
Public safety		205,109
Highways and streets		<u>906,061</u>
TOTAL ADDITIONS - GOVERNMENTAL ACTIVITIES		<u>\$ 1,320,910</u>

5. LONG-TERM DEBT

a. General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village.

b. Changes in General Long-Term Debt

A summary of changes in long-term debt of the Village for the year ended December 31, 2011 is as follows:

Issue	Fund Debt Retired By	Purpose	Balances January 1	Accretion/ Additions	Reductions/ Refunding	Balances December 31	Current
General Obligation Bond, Series 2001 (dated June 15, 2001; maturing December 15, 2011; original issue: \$3,000,000; interest rates 4.25% - 4.45%; principal payable annually on December 15).	Debt Service	Roadway Improvements	\$ 370,000	\$ -	\$ 370,000	\$ -	\$ -
		\$3,050,000 Refund 1995 and 1996 Bonds;					
General Obligation Bond, Series 2003 (dated February 1, 2003; maturing December 15, 2011; original issue \$4,595,000; interest rates 1.50% - 3.00%; principal payable annually on December 15).	Crossroad Redevelopment Area/ Debt Service	\$1,545,000 Crossroads TIF Project (retired at December 31, 2008)	190,000	-	190,000	-	-

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

b. Changes in General Long-Term Debt (Continued)

Issue	Fund Debt Retired By	Purpose	Balances January 1	Accretion/ Additions	Reductions/ Refunding	Balances December 31	Current
General Obligation Bond (Capital Appreciation), Series 2003B (dated July 1, 2003; maturing December 15, 2022; original issue \$1,155,475; interest rates 2.40% - 4.90%; principal payable annually on December 15).	North Milwaukee Redevelopment Areas	TIF Project	\$ 1,210,735	\$ 49,744	\$ 1,260,479	\$ -	\$ -
General Obligation Bond Series 2004A (dated April 15, 2004; maturing December 15, 2023; original issue \$8,000,000; interest rates 2.70% - 4.70%; principal payable annually on December 15).	Capital Projects/ North Milwaukee Redevelopment Area	\$5,000,000 - Building for Public Works Department; \$3,000,000 - TIF Development Incentive	6,530,000	-	6,120,000	410,000	410,000
General Obligation Sales Tax Bond Series 2005 (dated September 1, 2005; maturing December 1, 2024; original issue \$5,140,000; interest rates 4.00% - 4.25%; principal payable annually on December 1).	General Fund Sales Tax	Westin Hotel Development in TIF	4,490,000	-	235,000	4,255,000	250,000
General Obligation Bond Series 2007 (dated November 30, 2007; maturing December 1, 2030; original issue \$10,000,000; interest rates 3.92%; principal payable annually on December 1).	Capital Projects	Village Building Projects	10,000,000	-	-	10,000,000	-
General Obligation Bond Series 2008 (dated January 15, 2008; maturing December 1, 2024; original issue \$20,000,000; variable interest rates; principal payable annually on December 1).	Capital Projects	Village Building Projects	20,000,000	-	-	20,000,000	510,000

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

b. Changes in General Long-Term Debt (Continued)

Issue	Fund Debt Retired By	Purpose	Balances January 1	Accretion/ Additions	Reductions/ Refunding	Balances December 31	Current
General Obligation Bond Series 2009 (dated January 15, 2009; maturing December 1, 2027; original issue \$10,000,000; interest rates 3.92%; principal payable annually on December 1).	Capital Projects	Village Building Projects	\$ 10,000,000	\$ -	\$ -	\$ 10,000,000	\$ -
General Obligation Refunding Bond Series 2011 (dated October 25, 2011; maturing December 15, 2023; original issue \$8,445,000; interest rates 2.00-3.00%; principal payable annually on December 15).	Capital Projects/ North Milwaukee/ Lake Cook Redevelopment Area	Refunding	-	6,988,943	-	6,988,943	77,176
TOTAL			<u>\$ 52,790,735</u>	<u>\$ 7,038,687</u>	<u>\$ 8,175,479</u>	<u>\$ 51,653,943</u>	<u>\$ 1,247,176</u>
Tax Increment Revenue Bond Series 2005 (dated August 25, 2005; maturing January 1, 2025; original issue \$19,000,000; interest rates 6.00%; principal payable annually on January 1).	North Milwaukee/ Lake Cook Redevelopment Area	Westin Hotel Development in TIF	\$ 18,745,000	\$ -	\$ 445,000	\$ 18,300,000	\$ 600,000
General Obligation Bond, Series 2003A (dated July 1, 2003; maturing December 15, 2018; original issue \$2,250,000; interest rates 2.25% - 4.00%; principal payable annually on December 15).	Waterworks and Sewerage	Watermain and Sewer System Improvements	\$ 1,625,000	\$ -	\$ 1,625,000	\$ -	\$ -
General Obligation Refunding Bond Series 2011 (dated October 25, 2011; maturing December 15, 2023; original issue \$8,445,000; interest rates 2.00-3.00%; principal payable annually on December 15).	Waterworks and Sewerage	Refunding	-	1,456,057	-	1,456,057	162,824
TOTAL			<u>\$ 1,625,000</u>	<u>\$ 1,456,057</u>	<u>\$ 1,625,000</u>	<u>\$ 1,456,057</u>	<u>\$ 162,824</u>

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

c. Legal Debt Margin

The Village is a home rule municipality.

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal debt margin.

“The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent:...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts.”

To date, the General Assembly has set no limits for home rule municipalities.

d. Debt Service Requirements to Maturity

Year Ending December 31,	General Obligation Bonds					
	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2012	\$ 1,247,176	\$ 2,046,404	\$ 3,293,580	\$ 162,824	\$ 32,788	\$ 195,612
2013	1,481,377	1,971,458	3,452,835	218,623	25,953	244,576
2014	1,673,179	1,920,706	3,593,885	216,821	21,894	238,715
2015	1,869,937	1,862,013	3,731,950	215,063	17,815	232,878
2016	2,107,812	1,795,376	3,903,188	217,188	13,404	230,592
2017	2,320,726	1,718,934	4,039,660	214,274	9,368	223,642
2018	2,548,736	1,634,082	4,182,818	211,264	4,700	215,964
2019	2,815,000	1,531,452	4,346,452	-	-	-
2020	3,065,000	1,419,513	4,484,513	-	-	-
2021	3,325,000	1,297,064	4,622,064	-	-	-
2022	3,580,000	1,163,226	4,743,226	-	-	-
2023	3,710,000	1,018,577	4,728,577	-	-	-
2024	3,345,000	866,367	4,211,367	-	-	-
2025	3,140,000	727,748	3,867,748	-	-	-
2026	3,340,000	604,660	3,944,660	-	-	-
2027	3,530,000	473,732	4,003,732	-	-	-
2028	3,700,000	335,356	4,035,356	-	-	-
2029	3,850,000	190,316	4,040,316	-	-	-
2030	1,005,000	39,396	1,044,396	-	-	-
TOTAL	\$ 51,653,943	\$ 22,616,380	\$ 74,270,323	\$ 1,456,057	\$ 125,922	\$ 1,581,979

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

d. Debt Service Requirements to Maturity (Continued)

Year Ending December 31,	Tax Increment Revenue Bonds		
	Principal	Interest	Total
2012	\$ 600,000	\$ 1,080,000	\$ 1,680,000
2013	710,000	1,040,700	1,750,700
2014	780,000	996,000	1,776,000
2015	865,000	946,650	1,811,650
2016	970,000	891,600	1,861,600
2017	1,060,000	830,700	1,890,700
2018	1,185,000	763,350	1,948,350
2019	1,295,000	688,950	1,983,950
2020	1,410,000	607,800	2,017,800
2021	1,545,000	519,150	2,064,150
2022	1,690,000	422,100	2,112,100
2023	1,830,000	316,500	2,146,500
2024	2,050,000	200,100	2,250,100
2025	2,310,000	69,300	2,379,300
TOTAL	\$ 18,300,000	\$ 9,372,900	\$ 27,672,900

e. Changes in Long-Term Liabilities

During the fiscal year the following changes occurred in liabilities reported in the governmental activities:

	Balances January 1	Issuances or Accretions	Reductions/ Refunding	Balances December 31	Current Portion
General obligation bonds payable	\$ 52,790,735	\$ 7,038,687	\$ 8,175,479	\$ 51,653,943	\$ 1,247,176
Tax increment revenue bonds payable	18,745,000	-	445,000	18,300,000	600,000
Premium on bonds payable	-	193,198	-	193,198	-
Discount on bonds payable	(105,164)	-	(77,164)	(28,000)	-
Unamortized loss on refunding	-	(494,763)	-	(494,763)	-
Compensated absences payable - governmental funds	1,874,020	147,479	118,183	1,903,316	856,492
Insurance claims payable	1,047,074	703,769	392,296	1,358,547	679,274
Net other postemployment benefit obligation	255,506	-	134,818	120,688	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 74,607,171	\$ 7,588,370	\$ 9,188,612	\$ 73,006,929	\$ 3,382,942

The compensated absences and net other postemployment benefit obligation liabilities have typically been liquidated in prior years by the General Fund.

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

e. Changes in Long-Term Liabilities (Continued)

Business-Type Activities

	Balances January 1	Issuances or Accretions	Reductions/ Refunding	Balances December 31	Current Portion
General obligation bonds payable	\$ 1,500,000	\$ 1,456,057	\$ 1,500,000	\$ 1,456,057	\$ 162,824
Premium on bonds payable	-	36,362	-	36,362	-
Unamortized loss on refunding	-	(18,872)	-	(18,872)	-
Compensated absences	134,878	77	5,996	128,959	58,032
Net other postemployment benefit Obligation	20,776	-	10,849	9,927	-
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 1,655,654	\$ 1,473,624	\$ 1,516,845	\$ 1,612,433	\$ 220,856

f. Refunding Debt

On October 25, 2011, the Village issued \$8,445,000 Series 2011 General Obligation Bonds to advance refund \$1,350,000 of the General Obligation Bonds, Series 2003A; \$1,160,479 of the General Obligation Bonds (Capital Appreciation), Series 2003B; and \$5,725,000 of the General Obligation Bonds, Series 2004A. The proceeds of the bonds were placed in an irrevocable trust to provide all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the financial statements. The defeased bonds were called and retired in part on December 15, 2011, with the remainder to be called on December 15, 2012. As a result of the refunding, the Village achieved cash flow savings of \$612,830 and an economic gain on the refunding of \$864,803.

g. 2008 Interest Rate Swap

The fair value balances and notional amounts of derivative instruments outstanding at December 31, 2011, and the changes in fair value of such derivative instruments for the year then ended in the 2011 financial statements are as follows:

Governmental Activities	Changes in Fair Value*		Fair Value at December 31, 2011		
	Classification	Amount	Classification	Amount	Notional
Cash flow hedges: Pay - fixed interest rate swap	Deferred Outflow (Asset)	\$1,242,547	Fair Value of Swap (Liability)	\$3,383,079	\$20,000,000

5. LONG-TERM DEBT (Continued)

g. 2008 Interest Rate Swap (Continued)

*Pursuant to *GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments*, the Village has recorded the fair value of the interest rate swap agreement as a deferred outflow (asset) on the statement of net assets with a corresponding liability for the fair value of the swap agreement as the Village has determined that the interest rate swap is an effective hedge.

Objective - As a means to create a hedge against the risk of rising interest rates, the Village entered into an interest rate swap agreement with Bank of America on November 7, 2007. The swap agreement is related to \$20,000,000 in variable rate General Obligation Bonds Series 2008 that the Village sold on January 15, 2008. The synthetic fixed rate of the swap is 4.33%.

Terms - The bonds and the related swap agreement mature on December 1, 2024 and the swap's notional amount of \$20,000,000 matches the \$20,000,000 variable rate bonds. The swap was entered into on November 7, 2007. At that time, the Village received a \$50,000 payment which was used to pay for costs related to issuing the swap. The Village then sold \$20,000,000 in variable rate General Obligation Bonds Series 2008 on January 15, 2008.

The notional value of the swap and the principal amount of the associated debt decline beginning in 2012 by equal principal amounts as noted in the debt service requirements to maturity schedule. Under the swap, the Village pays the counterparty a fixed payment of 4.33% and receives a variable payment equal to 64.0% of the one month USD-LIBOR-BBA rate as of the end of each monthly period plus a 1.0% spread which is exactly equal to the bond's variable rate.

Fair value - As of December 31, 2011, the swap had a fair value of \$(3,383,079). The fair value of the swap is affected by changes in the LIBOR relative to November 7, 2007.

Credit risk - The swap's fair value represented the Village's credit exposure to the counterparty as of December 31, 2011. Should the counterparty to this transaction fail to perform according to the terms of the swap contract, the Village faced a maximum possible loss equivalent to the swap's fair value. The swap counterparty was rated A by Fitch Ratings and Standard and Poor's and A2 by Moody's Investors Service as of December 31, 2011.

Termination risk - The counterparty may terminate the swap if the Village fails to perform under the terms of the contract. If the swap is terminated, the variable rate bonds would no longer carry a synthetic interest rate. Also the Village would be liable to the counterparty for a payment equal to the swap's fair value.

VILLAGE OF WHEELING, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

h. 2009 Interest Rate Swap

The fair value balances and notional amounts of derivative instruments outstanding at December 31, 2011, and the changes in fair value of such derivative instruments for the year then ended in the 2011 financial statements are as follows:

Governmental Activities	Changes in Fair Value*		Fair Value at December 31, 2011		
	Classification	Amount	Classification	Amount	Notional
Cash flow hedges: Pay - fixed interest rate swap	Deferred Outflow (Asset)	\$1,215,341	Fair Value of Swap (Liability)	\$2,539,630	\$10,000,000

*Pursuant to *GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments*, the Village has recorded the fair value of the interest rate swap agreement as a deferred outflow (asset) on the Statement of Net Assets with a corresponding liability for the fair value of the swap agreement as the Village has determined that the interest rate swap is an effective hedge.

Objective - As a means to create a hedge against the risk of rising interest rates, the Village entered into an interest rate swap agreement with Bank of America on November 7, 2007. The intention of the swap was to effectively eliminate the risk associated with rising interest rates and allow the Village to sell \$10,000,000 in bank qualified general obligation bonds in 2009. As a result of the swap agreement, the variable rate bonds will have a synthetic fixed rate of 3.92%.

Terms - The swap agreement is effective January 15, 2009 and matures on December 1, 2027 and the swap's notional amount of \$10,000,000 matches up with the terms of the \$10,000,000 variable rate bonds that the counter party is obligated to purchase from the Village on that date. Under the swap, the Village pays the counterparty a fixed payment of 3.92% and receives a variable payment equal to 63.169% of the one month USD-LIBOR-BBA rate as of the end of each monthly period plus a .49300% spread. The variable rate for the \$10,000,000 in bank qualified general obligation bonds is exactly equal to the variable rate of the swap.

Fair value - As of December 31, 2011, the swap had a fair value of \$(2,539,630). The fair value of the swap is affected by changes in the LIBOR relative to November 7, 2007.

Credit risk - The swap's fair value represented the Village's credit exposure to the counterparty as of December 31, 2011. Should the counterparty to this transaction fail to perform according to the terms of the swap contract, the Village faced a maximum possible loss equivalent to the swap's fair value. The swap counterparty was rated A by Fitch Ratings and Standard and Poor's and A2 by Moody's Investors Service as of December 31, 2011.

VILLAGE OF WHEELING, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

h. 2009 Interest Rate Swap (Continued)

Termination risk - The counterparty may terminate the swap if the Village fails to perform under the terms of the contract. If the swap is terminated, the variable rate bonds would no longer carry a synthetic interest rate. Also, the Village would be liable to the counterparty for a payment equal to the swap's fair value.

i. Conduit Debt

Illinois municipalities have the authority to issue a limited amount of industrial development bonds to further economic development. The purpose of issuance is to provide assistance to a developer in the acquisition, purchase, construction, reconstruction, or improvement of certain qualified development projects.

Industrial development bonds are not a debt of the Village. The entity using the bond proceeds to finance the project is liable for the bonds. Since the Village does not act as an agent for the industrial development bonds, the transactions relating to the bonds and project do not appear in the Village's financial statements.

The amount of conduit debt (industrial revenue bonds) outstanding at December 31, 2011 is as follows:

Issue	Issue Date	Amount Outstanding
VS Industries, Inc.	December 1, 2000	\$ 1,160,000

j. Airport Revenue Notes

On December 27, 2006, the Village issued \$4,700,000 in Airport Revenue Notes, Series 2006. These notes are special, limited obligations payable solely from the Chicago Executive Airport revenues and do not constitute an indebtedness of the Village. Accordingly, these notes are not reported as a liability in the Village's financial statements. On November 25, 2008, the Village refunded the remaining \$3,200,000 Series 2006 Notes through the issuance of \$3,200,000 Airport Revenue Notes, Series 2008. These notes are also special, limited obligations payable solely from the Chicago Executive Airport Commission revenues and do not constitute an indebtedness of the Village. Accordingly, these notes are not reported as a liability in the Village's financial statements. As of December 31, 2011, \$1,962,227 of the Airport Revenue Notes, Series 2008 are outstanding.

VILLAGE OF WHEELING, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

6. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters.

Beginning January 1, 2000, the Village became self-insured for general liability, property, and workers' compensation claims and established a risk financing fund (Liability Insurance Fund) (the Fund) for these risks. It is accounted for as an internal service fund where assets are set aside for claim settlements. The Village is responsible for the first \$50,000 of each property claim and \$100,000 for each liability claim. There is no aggregate amount. The Village covers the first \$550,000 of each workers' compensation claim for the police and fire public safety personnel department and \$450,000 for all other employees. There is no aggregate amount. The Village purchases commercial insurance for claims in excess of the coverages provided by the Fund. Settled claims did not exceed the Fund's coverage, and the commercial coverage was not exceeded in the past three fiscal years.

The General Fund and Waterworks and Sewerage Fund participate and make payments to the Fund based upon estimates of the amounts needed to pay prior and current year claims. Liabilities of the Fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and societal factors. Changes in the balances of claims liabilities during the years ended December 31, 2011 and 2010 are as follows:

	2011	2010
UNPAID CLAIMS - BEGINNING OF YEAR	\$ 1,047,074	\$ 1,103,990
Incurred claims (including IBNR)	703,769	720,700
Claims payments	(392,296)	(777,616)
UNPAID CLAIMS - END OF YEAR	\$ 1,358,547	\$ 1,047,074

Intergovernmental Personnel Benefit Cooperative (IPBC)

The Village participates in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC is a public entity risk pool established by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical, dental, and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain other governmental, quasi-governmental, and nonprofit public service entities. Management consists of a Board of Directors comprised of one appointed representative from each member. In addition, there are two officers: a Benefit Administrator and a Treasurer. The Village does not exercise any control over the activities of IPBC beyond its representation on the Board of Directors.

6. RISK MANAGEMENT (Continued)

Intergovernmental Personnel Benefit Cooperative (IPBC) (Continued)

IPBC acts as an administrative agency to receive, process, and pay such claims as may come within the benefit program of each member. Through the IPBC, the Village offers both a PPO plan and an HMO plan. For those employees enrolled in the PPO plan, the Village is responsible for the first \$35,000 in claims for each individual employee participant every claim year. The members of IPBC share claims (for each individual employee) between \$35,000 and \$125,000. IPBC maintains stop-loss insurance to cover claims in excess of \$125,000. Approximately 51% of the Village's employees and retirees are PPO participants.

The HMO plan is also self-insured through a special arrangement. Members of IPBC pay for fixed costs of capitation and administration and then fund for claims not covered under the capitation fee. This plan is fully pooled and the Village is not individually rated based on claims experience. All members of the IPBC pay the same rates based on plan design choices. Approximately 49% of the Village's employees and retirees are HMO participants.

The Village makes payments to IPBC monthly based on its participation in the plan. The rates per individual participant are determined annually based on each member's prior experience within the pool and projected future claims. This rate also includes a provision for the cost of excess insurance purchased by IPBC. The Village also makes monthly payments to IPBC for administration of the plan. The Village had terminal reserve net of deficit of other accounts as of June 30, 2011 (most recent available) of \$1,566,935. This amount was declared as a dividend to the Village and, therefore, has been recorded as a receivable in the General Fund \$1,463,995 and the Waterworks and Sewerage Fund \$102,940 as of December 31, 2011.

7. CONTINGENT LIABILITIES

a. Litigation

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

VILLAGE OF WHEELING, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

7. CONTINGENT LIABILITIES (Continued)

b. Grants

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

c. Northwest Water Commission (NWWC)

The Village's water purchase contract with the Northwest Water Commission (NWWC) provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

d. Solid Waste Agency of Northern Cook County (SWANCC)

The Village's contract with the Solid Waste Agency of Northern Cook County (SWANCC) provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

8. COMMITMENTS

a. Northwest Water Commission (NWWC)

The Village has committed to purchase water from the NWWC. The Village expects to pay the following minimum amounts:

<u>Fiscal Year Ending December 31,</u>	<u>Amount</u>
2012	\$ 1,790,000
2013	1,825,700
2014	1,862,316
2015	1,894,256
2016	1,937,554
2017-2020	8,145,553

These amounts have been calculated using the Village's current allocation percentage of 17.46%. In future years, this allocation percentage will be subject to change.

VILLAGE OF WHEELING, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

8. COMMITMENTS (Continued)

a. Northwest Water Commission (NWWC) (Continued)

NWWC has entered into water supply agreements with four member municipalities. The agreements are irrevocable and may not be terminated or amended except as provided in the general resolution. Each member is obligated, on a “take or pay” basis, to purchase or in any event to pay for a minimum annual quantity of water.

The obligation of the Village to make all payments as required by this agreement is unconditional and irrevocable, without regard to performance or nonperformance by NWWC of its obligations under this agreement.

b. Solid Waste Agency of Northern Cook County (SWANCC)

The Village has committed to pay its share of the annual operating costs and fixed costs of SWANCC. The Village’s share of dual costs is funded through user fees collected by refuse haulers. The Village expects to pay the following amounts:

<u>Fiscal Year Ending December 31,</u>	<u>Amount</u>
2012	\$ 570,000
2013	589,950
2014	610,598
2015	631,969
2016	654,088
2017	676,981

These amounts have been calculated using the Village’s allocation percentage of 3.90%. In future years, the allocation percentage will be subject to change.

9. JOINT VENTURES

a. Solid Waste Agency of Northern Cook County (SWANCC)

The Village is a member of SWANCC which consists of 23 municipalities. SWANCC is a municipal corporation and public body politic and corporate established pursuant to the Intergovernmental Cooperation Act of the State of Illinois. SWANCC is empowered to plan, construct, finance, operate, and maintain a solid waste disposal system to serve its members.

SWANCC is governed by a Board of Directors which consists of the mayor or president from each member municipality. Each director has an equal vote. The officers of SWANCC are appointed by the Board of Directors. The Board of Directors determines the general policy of SWANCC, makes all appropriations, approves contracts, provides for the issuance of debt, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the agency agreement or the by-laws.

9. JOINT VENTURES (Continued)

a. Solid Waste Agency of Northern Cook County (SWANCC) (Continued)

Complete financial statements can be obtained from the Solid Waste Agency of Northern Cook County administrative office at 1616 East Golf Road, Des Plaines, Illinois 60016 or online at www.swancc.org.

SWANCC's outstanding bonds are revenue obligations. They are limited obligations of SWANCC with a claim for payment solely from and secured by a pledge of the revenues of the system and amounts in various funds and accounts established by SWANCC resolutions. The bonds are not the debt of any member. SWANCC has no power to levy taxes.

Revenues of the system consist of (1) all receipts derived from solid waste disposal contracts or any other contracts for the disposal of waste; (2) all income derived from the investment of monies; and (3) all income, fees, service charges, and all grants, rents, and receipts derived by SWANCC from the ownership and operation of the system. SWANCC covenants to establish fees and charges sufficient to provide revenues to meet all its requirements.

SWANCC has entered into solid waste disposal contracts with the member municipalities. The contracts are irrevocable and may not be terminated or amended except as provided for in the contract. Each member is obligated, on a "take or pay" basis, to deliver a minimum amount of solid waste to the system. The obligation of the Village to make all payments as required by this contract is unconditional and irrevocable, without regard to performance or nonperformance by SWANCC of its obligations under the contract. The contract does not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation.

In accordance with the contract, the Village made payments totaling \$533,866 to SWANCC for the year ended December 31, 2011. The payments have been recorded in the General Fund. The Village does not have an equity interest in SWANCC at December 31, 2011.

b. Northwest Water Commission (NWWC)

Description of Joint Venture

The Village is a member of NWWC, which consists of four municipalities. NWWC is a municipal corporation and public body politic and corporate established pursuant to the Intergovernmental Cooperation Act of the State of Illinois. NWWC is empowered to plan, construct, improve, extend, acquire, finance, operate, and maintain a water supply system to serve its members and other potential water purchasers.

9. JOINT VENTURES (Continued)

b. Northwest Water Commission (NWWC) (Continued)

NWWC is governed by a Board of Commissioners which consist of one appointed representative from each member municipality. Each commissioner has an equal vote. The officers of NWWC are appointed by the Board of Commissioners. The Board of Commissioners determines the general policy of NWWC, makes all appropriations, approves contracts for sale or purchase of water, provides for the issuance of debt, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the agency agreement or the by-laws.

Complete financial statements can be obtained from the Northwest Water Commission, 1525 North Wolf Road, Des Plaines, Illinois 60016.

Revenues of the system consist of (1) all receipts derived from the Water Supply Agreements or any other contract for the supply of water; (2) all income derived from the investment of monies; and (3) all income, fees, water service charges, and all grants, rents, and receipts derived by NWWC from the ownership and operation of the system and the sale of water. NWWC covenants to establish fees and charges sufficient to provide revenues to meet all its obligations.

NWWC has entered into water supply agreements with the four member municipalities for a term of 40 years, extending to 2022. The agreements are irrevocable and may not be terminated or amended except as provided for in the General Resolution. Each member is obligated, on a “take or pay” basis, to purchase or in any event to pay for a minimum annual quantity of water.

NWWC has entered into an agreement with the City of Evanston (the City) under which the City has agreed to sell quantities of Lake Michigan water sufficient to meet the projected water needs of the members through the year 2020.

The obligation of the Village to make payments required by this agreement is payable from the Village’s Water and Sewer Fund.

In accordance with the joint venture agreement, the Village remitted \$1,753,976 to NWWC for the year ended December 31, 2011. The Village has an equity interest in NWWC in the amount of \$7,001,387 as of December 31, 2011.

9. JOINT VENTURES (Continued)

c. Chicago Executive Airport (CEA)

Description of Joint Venture

The Village is a joint and equal owner of the Chicago Executive Airport (CEA), a proprietary joint venture, which consists of two municipalities. CEA is a joint airport commission established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). CEA is empowered under the Act to acquire, organize, operate, and maintain an airport to serve its members and other potential airport customers. CEA is an intergovernmental cooperative created under Illinois law to allow the City of Prospect Heights, Illinois and the Village (collectively referred to as member municipalities) joint ownership and administration of the airport.

The member municipalities have entered into agreements with the Federal Aviation Administration of the United States of America and the State of Illinois to sponsor projects for the acquisition and development of the airport. Although assets are legally held in the name of the member municipalities, such assets are recorded in CEA's financial statements to present the overall financial position and operations of the airport. Airport revenues are solely restricted to funding airport development and airport maintenance expenses. The duration of CEA shall be for the term of 20 years or the useful life of the airport, whichever is longer, unless sooner terminated and dissolved by mutual agreement of the member municipalities or by operation of law.

The two owners of CEA and their percentage shares as of the date of this report are:

	<u>Percent Share</u>
City of Prospect Heights	50%
Village of Wheeling	<u>50%</u>
 TOTAL	 <u><u>100%</u></u>

CEA is managed by a Board of Directors, which consists of seven members, three from each member municipality and a chairman of the board selected and appointed by the joint decision of the Village of Wheeling and Mayor of Prospect Heights. Each Director has an equal vote. The officers of the CEA are appointed by the Board of Directors. The member municipalities have specific powers reserved to them including appointment of the Chairman and Members of the Board of Directors; appointment, discharge, and disciplinary action with respect to the Airport Manager; approval of any agreements with lessees, businesses, or other parties operating at the CEA; approval of a debt obligation or revenue obligation; approval of the annual budget of CEA and the Board; and approval of any land acquisition of CEA. All other powers and duties related to CEA are delegated to the Board of Directors as described in an Intergovernmental Agreement between the Village of Wheeling and City of Prospect Heights.

VILLAGE OF WHEELING, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

9. JOINT VENTURES (Continued)

c. Chicago Executive Airport (CEA) (Continued)

Summary of Financial Information of Joint Venture

Summary of financial position as of April 30, 2011, the most recent information available:

ASSETS	
Current assets	\$ 3,577,414
Capital assets	94,519,238
Construction in progress	649,903
Other assets	<u>295,277</u>
Total assets	<u>99,041,832</u>
LIABILITIES	
Current liabilities	1,151,082
Long-term liabilities	<u>5,074,960</u>
Total liabilities	<u>6,226,042</u>
NET ASSETS	<u>\$ 92,815,790</u>

Summary of revenues, expenses, and changes in net assets for the year ended April 30, 2011:

Total revenues	\$ 3,222,300
Total expenses	<u>5,239,524</u>
Net income (loss) before capital contributions	(2,017,224)
Capital contributions	<u>1,483,916</u>
Change in net assets	(533,308)
Net assets	
May 1, 2010	<u>93,349,098</u>
April 30, 2011	<u>\$ 92,815,790</u>

Complete financial statements can be obtained from the Chicago Executive Airport, 1020 South Plant Road, Wheeling, Illinois 60090 or at www.palwaukee.org.

At April 30, 2011, the Village's proportionate share of net assets and change in net assets were \$46,407,895 and \$(266,654), respectively.

The Village made no payments to CEA for the year ended December 31, 2011.

VILLAGE OF WHEELING, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

10. INDIVIDUAL FUND DISCLOSURES

a. Due From/To Other Funds

Individual fund interfund receivables/payables are as follows:

Receivable Fund	Payable Fund	Amount
General	North Milwaukee/Lake Cook Redevelopment Area	\$ 1,055,000
General	Nonmajor Governmental	326,000
General	Nonmajor Governmental	12,233
Nonmajor Governmental	Nonmajor Governmental	1,600,000
Nonmajor Governmental	North Milwaukee/Lake Cook Redevelopment Area	800,000
Fiduciary	General	<u>84,043</u>
TOTAL		<u>\$ 3,877,276</u>

The purposes of the Due To/Due From other funds are as follows:

- \$1,055,000 due from the North Milwaukee/Lake Cook Redevelopment Area Fund to the General Fund to cover incentive payments to developers. Repayment is expected within one year.
- \$326,000 due from Nonmajor Governmental (Town Center TIF) to the General Fund is to eliminate a deficit cash position. Repayment is expected within one year.
- \$12,233 due from Nonmajor Governmental (Grant) to the General Fund is to eliminate a deficit cash position. Repayment is expected within one year.
- \$1,600,000 due from Nonmajor Governmental (Crossroads Redevelopment Area) to the Nonmajor Governmental (South Milwaukee TIF) for surplus distributions. Repayment is expected within one year.
- \$800,000 due from the North Milwaukee/Lake Cook Redevelopment Area Fund to the Nonmajor Governmental (Southeast TIF) is to eliminate a deficit cash position. Repayment is expected within one year.
- \$84,043 due from the General Fund to Fiduciary funds (Police and Firefighters' Pension) for property taxes not yet remitted. Repayment is expected within one year.

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. INDIVIDUAL FUND DISCLOSURES (Continued)

b. Advances From/To Other Funds

Advances From/To Other Funds at December 31, 2011 consisted of the following:

Receivable Fund	Payable Fund	Amount
Waterworks and Sewerage	Nonmajor Governmental	\$ 848,657
TOTAL		<u>\$ 848,657</u>

The purposes of the Advances From/To other funds are as follows:

- \$848,657 advance from the Waterworks & Sewerage Fund to Nonmajor governmental funds. This balance relates to an advance to the Capital Equipment Replacement Fund for future replacement of equipment. Repayment is not expected within one year.

c. Interfund Transfers

Interfund transfers between funds for the year ended December 31, 2011 were as follows:

	Transfers In	Transfers Out
General		
North Milwaukee/Lake Cook Redevelopment Area	\$ -	\$ 417,600
Nonmajor Governmental (Capital Equipment Replacement)	-	508,377
Nonmajor Governmental (Grant)	-	56,192
Total General	<u>-</u>	<u>982,169</u>
North Milwaukee/Lake Cook Redevelopment Area		
General Fund	417,600	-
Nonmajor Governmental (Capital Projects)	40,353	-
Waterworks and sewerage	117,821	-
Total Crossroads Redevelopment Area	<u>575,774</u>	<u>-</u>
Nonmajor Governmental		
General	564,569	-
North Milwaukee/Lake Cook Redevelopment Area	-	40,353
Waterworks and sewerage	281,450	11,829
Nonmajor Governmental	1,566,014	1,566,014
Total Nonmajor Governmental	<u>2,412,033</u>	<u>1,618,196</u>
Waterworks and Sewerage		
North Milwaukee/Lake Cook Redevelopment Area	-	117,821
Nonmajor Governmental (Debt Service)	-	281,450
Nonmajor Governmental (Capital Equipment Replacement)	11,829	-
Total Waterworks and Sewerage	<u>11,829</u>	<u>399,271</u>
TOTAL	<u>\$ 2,999,636</u>	<u>\$ 2,999,636</u>

10. INDIVIDUAL FUND DISCLOSURES (Continued)

c. Interfund Transfers (Continued)

The purpose of significant transfers is as follows:

- \$417,600 transferred to the North Milwaukee/Lake Cook Redevelopment Area Fund from the General Fund for sales taxes within the TIF Area required for payment on applicable bond issues. This transfer will not be repaid.
- \$508,377 transferred to the Nonmajor Governmental (Capital Equipment Replacement Fund) from the General Fund for the purchase of equipment. This transfer will not be repaid.
- \$56,192 transferred to the Nonmajor Governmental (Grant Fund) from the General Fund for the Village's share of multiple grants. This transfer will not be repaid.
- \$40,353 transferred to the North Milwaukee/Lake Cook Redevelopment Area Fund from the Capital Projects Fund for costs related to the 2011 bond issuance. This transfer will not be repaid.
- \$1,500,000 transferred to the Nonmajor Governmental (Debt Service Fund) from the Capital Projects Fund for principal and interest expense on the 2008 GO Bonds. This transfer will not be repaid.
- \$117,821 transferred to the North Milwaukee/Lake Cook Redevelopment Area Fund from the Waterworks and Sewerage Fund for costs related to the 2011 bond issuance. This transfer will not be repaid.
- \$281,450 transferred to the Nonmajor Governmental Funds (Debt Service Fund) from the Waterworks and Sewerage Fund for principal and interest expense on the 2008 GO Bonds. This transfer will not be repaid.
- \$66,014 transferred to the Nonmajor Governmental Funds (Capital Equipment Replacement Fund) from the Nonmajor Governmental Funds (Emergency Telephone System Fund) for the purchase of equipment. This transfer will not be repaid.
- \$166,803 transferred to business-type activities from governmental activities to record costs associated with a water main purchased by governmental funds but recorded as business-type capital asset.

d. Deficit Fund Balances

At December 31, 2011, the Town Center TIF fund had a deficit fund balance of \$374,960 and the Crossroads Redevelopment Area had a deficit fund balance of \$911,132.

11. OTHER POSTEMPLOYMENT BENEFITS

Plan Description

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

Benefits Provided

The Village provides postemployment health care and life insurance benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the Village's retirement plans.

All health care benefits are provided through the Village's health insurance plan with IPBC. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the Village's plan becomes secondary.

Membership

At December 31, 2011, membership consisted of:

Retirees and beneficiaries currently receiving benefits	88
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	<u>222</u>
TOTAL	<u><u>310</u></u>
Participating employers	<u><u>1</u></u>

VILLAGE OF WHEELING, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Funding Policy

The Village negotiates the contribution percentages between the Village and employees through the union contracts and personnel policy. Retirees contribute their share of the actuarially determined premium to the plan and the Village contributes the remainder to cover the cost of providing the benefits to the retirees. For the fiscal year ended December 31, 2011, retirees contributed \$291,363 and the Village contributed \$755,540. The Village is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

Annual OPEB costs and Net OPEB Obligation

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011 and the prior two years was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
December 31, 2009	\$ 947,725	\$ 755,540	79.72%	\$ 420,985
December 31, 2010	610,837	755,540	123.69%	276,282
December 31, 2011	609,873	755,540	123.88%	130,615

The net OPEB obligation (NOPEBO) as December 31, 2011, was calculated as follows:

Annual required contribution	\$ 608,031
Interest on net OPEB obligation	11,051
Adjustment to annual required contribution	(9,209)
	609,873
Annual OPEB cost	609,873
Contributions made	755,540
	(145,667)
Increase (decrease) in net OPEB obligation	(145,667)
Net OPEB obligation, beginning of year	276,282
	130,615
NET OPEB OBLIGATION, END OF YEAR	\$ 130,615

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Annual OPEB costs and Net OPEB Obligation (Continued)

Funded Status and Funding Progress. The funded status of the plan as of December 31, 2011 (most recent available) was as follows:

Actuarial accrued liability (AAL)	\$ 20,496,888
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	20,496,888
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ 18,675,553
UAAL as a percentage of covered payroll	109.75%

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

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

In the December 31, 2011 actuarial valuation, the entry-age actuarial cost method was used. The actuarial assumptions included a 4.0% investment rate of return and an annual healthcare cost trend rate of 9% initially, reduced by decrements to an ultimate rate of 4.5% after 11 years. Both rates include a 3.0% inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a 30 year open basis.

12. TERMINATION BENEFITS

On May 29, 2001, the Village adopted Resolution 01-120, adopting an Early Retirement Incentive Program offered by the Illinois Municipal Retirement Fund (IMRF). Eligible employees were required to enter into an irrevocable pledge to retire by July 1, 2001. For an employee to be eligible to retire under this plan, the employee must have attained age 50 and have at least 20 years of creditable service by his or her retirement date. Seven employees of the Village accepted the early retirement agreement. Under the agreement, the Village and the employee were required to contribute an additional five years of contributions to the plan giving the individuals additional creditable service for these five years. The Village has amortized its additional contributions over a ten-year period with interest charged annually on the remaining balance at 7.5%. These additional contributions are made through regular monthly contributions to IMRF. As of December 31, 2011, the Village's remaining contributions due under the program were \$183,136. In accordance with GASB Statement 47, this amount is not reported as a liability on the Village's financial statements and is recorded through their IMRF plan under the rules prescribed in GASB Statement 27. The change in the actuarially accrued liability due to the early retirement incentive is not available from IMRF.

13. DEFINED BENEFIT PENSION PLANS

a. Plan Descriptions

Illinois Municipal Retirement Fund

The Village contributes to the IMRF, a defined benefit agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or online at www.imrf.org.

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund the IMRF as specified by statute. The employer contribution for the year ended December 31, 2011 was 13.41% of covered payroll.

Police Pension Plan

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Police Pension Plan as a pension trust fund. At December 31, 2011, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	37
Terminated employees entitled to benefits but not yet receiving them	3
Current employees	
Vested	46
Nonvested	15
	<hr/>
TOTAL	<u>101</u>

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary.

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of $\frac{1}{2}$ of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., $\frac{1}{2}$ % for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or $\frac{1}{2}$ of the change in the Consumer Price Index for the proceeding calendar year.

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with fewer than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. Contributions are recognized when due pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Police Pension Plan. The costs of administering the Police Pension Plan are financed through investment earnings. The Village is required to contribute the remaining amounts necessary to finance the Police Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. For the year ended December 31, 2011, the Village's contribution was 24.26% of covered payroll.

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan

Fire sworn personnel are covered by the Firefighters' Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the Firefighters' Pension Plan as a pension trust fund. At December 31, 2011, the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	47
Terminated employees entitled to benefits but not yet receiving them	-
Current employees	
Vested	23
Nonvested	27
	<hr/>
TOTAL	<u>97</u>

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a covered employee who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period.

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of $\frac{1}{2}$ of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., $\frac{1}{2}$ % for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or $\frac{1}{2}$ of the change in the Consumer Price Index for the preceding calendar year.

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with fewer than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. Contributions are recognized when due pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Firefighters' Pension Plan. The costs of administering the Firefighters' Pension Plan are financed through investment earnings. The Village is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Firefighters' Pension Plan. For the year ended December 31, 2011, the Village's contribution was 28.35% of covered payroll.

b. Significant Investments

There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5.00% or more of plan net assets for either the Police or the Firefighters' Pension Plans. Information for the IMRF is not available.

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

c. Annual Pension Costs

Employer contributions for 2011 have been determined as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial valuation date	December 31, 2009	December 31, 2009	December 31, 2009
Actuarial cost method	Entry-age Normal	Entry-age Normal	Entry-age Normal
Asset valuation method	5 Year Smoothed Market	Market	Market
Amortization method	Level Percentage of Payroll	Level Percentage of Payroll	Level Percentage of Payroll
Amortization period	30 Years, Open	30 Years, Closed	30 Years, Closed
Significant actuarial assumptions			
a) Rate of return on present and future assets	7.50% Compounded Annually	7.75% Compounded Annually	8.00% Compounded Annually
b) Projected salary increase - attributable to inflation	4.00% Compounded Annually	5.50% Compounded Annually	5.25% Compounded Annually
c) Additional projected salary increases - seniority/merit	.40% to 10.00%	1.00%	1.00%
d) Postretirement benefit increases	3.00%	3.00%	3.00%

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

13. DEFINED BENEFIT PENSION PLANS (Continued)

c. Annual Pension Costs (Continued)

Employer annual pension cost (APC), actual contributions and the net pension obligation (asset) (NPO) are as follows. The NPO (asset) is the cumulative difference between the annual pension cost and the contributions actually made.

		Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual pension cost (APC)	2009	\$ 930,722	\$ 847,572	\$ 743,428
	2010	1,085,143	1,250,733	1,096,934
	2011	1,057,971	1,228,535	1,133,270
Actual contribution	2009	\$ 930,722	\$ 868,101	\$ 750,324
	2010	1,085,143	1,268,284	1,106,487
	2011	1,057,971	1,296,344	1,194,810
Percentage of APC contributed	2009	100.00%	102.4%	100.9%
	2010	100.00%	101.4%	100.9%
	2011	100.00%	105.6%	105.4%
NPO (asset)	2009	\$ -	\$ (241,184)	\$ (165,060)
	2010	-	(258,735)	(174,613)
	2011	-	(326,544)	(236,153)

The NPO (asset) as of December 31, 2011 has been calculated as follows:

	Police Pension	Firefighters' Pension
Annual required contribution	\$ 1,235,774	\$ 1,138,155
Interest on net pension obligation	(19,405)	(13,096)
Adjustment to annual required contribution	12,166	8,211
Annual pension cost	1,228,535	1,133,270
Contributions made	1,296,344	1,194,810
(Increase) decrease in net pension obligation (asset)	(67,809)	(61,540)
Net pension obligation (asset), beginning of year	(258,735)	(174,613)
NET PENSION OBLIGATION (ASSET), END OF YEAR	\$ (326,544)	\$ (236,153)

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

13. DEFINED BENEFIT PENSION PLANS (Continued)

d. Funded Status and Funding Progress

The funded status and funding progress of the plans as of December 31, 2011 were as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial accrued liability (AAL)	\$ 23,713,448	\$ 49,030,589	\$ 42,887,413
Actuarial value of plan assets	17,072,808	35,716,906	28,390,874
Unfunded actuarial accrued liability (UAAL)	6,640,640	13,313,683	14,496,539
Funded ratio (actuarial value of plan assets/AAL)	72.0%	72.8%	66.2%
Covered payroll (active plan members)	\$ 7,889,418	\$ 5,343,159	\$ 4,213,548
UAAL as a percentage of covered payroll	84.2%	249.2%	344.0%

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

e. Pension Fund Disclosures

Plan Net Assets

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and cash equivalents	\$ 412,574	\$ 1,185,128	\$ 1,597,702
Investments			
U.S. Treasury & agency securities	15,312,882	8,386,119	23,699,001
State & local obligations	2,156,713	849,155	3,005,868
Corporate bonds	335,902	3,418,386	3,754,288
Mutual funds	16,053,629	6,254,090	22,307,719
Equities	-	6,962,449	6,962,449
Accrued interest	145,986	111,239	257,225
Due from General Fund	43,662	40,381	84,043
Total assets	<u>34,461,348</u>	<u>27,206,947</u>	<u>61,668,295</u>
LIABILITIES			
Accounts payable	35,269	20,347	55,616
Total liabilities	<u>35,269</u>	<u>20,347</u>	<u>55,616</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS			
	<u>\$ 34,426,079</u>	<u>\$ 27,186,600</u>	<u>\$ 61,612,679</u>

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

13. DEFINED BENEFIT PENSION PLANS (Continued)

f. Pension Fund Disclosures (Continued)

Changes in Plan Net Assets

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 1,296,344	\$ 1,194,810	\$ 2,491,154
Employee	538,322	391,349	929,671
Total contributions	<u>1,834,666</u>	<u>1,586,159</u>	<u>3,420,825</u>
Investment income			
Net appreciation in fair value of investments	(168,966)	(391,606)	(560,572)
Interest	1,070,676	916,238	1,986,914
Total investment income	901,710	524,632	1,426,342
Less investment expense	<u>(85,639)</u>	<u>(93,624)</u>	<u>(179,263)</u>
Net investment income	<u>816,071</u>	<u>431,008</u>	<u>1,247,079</u>
Total additions	<u>2,650,737</u>	<u>2,017,167</u>	<u>4,667,904</u>
DEDUCTIONS			
Benefits and refunds	1,754,502	2,288,867	4,043,369
Administrative expenses	18,966	12,323	31,289
Total deductions	<u>1,773,468</u>	<u>2,301,190</u>	<u>4,074,658</u>
NET INCREASE	877,269	(248,023)	593,246
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS			
January 1	<u>33,548,810</u>	<u>27,470,623</u>	<u>61,019,433</u>
December 31	<u>\$ 34,426,079</u>	<u>\$ 27,186,600</u>	<u>\$ 61,612,679</u>

14. PRIOR PERIOD ADJUSTMENT

The Village recorded a prior period adjustment to change its accounting policy related to land held for resale and for a inventory of its capital assets. This resulted in a reduction of fund balance of the nonmajor governmental funds of \$18,336,679 and a reduction of net assets of the governmental activities of \$3,905,144.

15. SUBSEQUENT EVENT

On January 25, 2012, the Village issued a \$3,500,000 interest bearing nonrecourse redevelopment note, Tax Increment Financing District Series 2012. This note is payable only from the incremental property taxes and net sales taxes generated from the project as defined in the redevelopment agreement in the Crossroads Redevelopment Area. The note is payable with annual interest of 7% through July 1, 2030.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

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

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
REVENUES				
Taxes	\$ 21,485,478	\$ 21,485,478	\$ 21,921,158	\$ 20,230,707
Licenses and permits	407,033	407,033	627,026	445,774
Intergovernmental	3,882,539	3,882,539	4,085,025	4,164,085
Charges for services	1,823,339	1,821,328	2,082,179	1,833,499
Fines and forfeits	855,846	855,846	732,417	843,584
Investment income	126,343	126,343	116,184	180,049
Miscellaneous	642,901	642,901	1,076,792	736,164
Total revenues	29,223,479	29,221,468	30,640,781	28,433,862
EXPENDITURES				
General government	9,437,095	9,435,084	8,706,123	9,131,799
Public safety	19,695,303	19,695,303	19,396,617	19,666,478
Total expenditures	29,132,398	29,130,387	28,102,740	28,798,277
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	91,081	91,081	2,538,041	(364,415)
OTHER FINANCING SOURCES (USES)				
Proceeds on sale of capital assets	14,718	14,718	7,800	31,335
Transfers (out)				
Capital Equipment Replacement Fund	(508,377)	(508,377)	(508,377)	(426,064)
North Milwaukee/Lake Cook Redevelopment Area Grant Fund	(417,600)	(417,600)	(417,600)	(416,600)
	(39,700)	(39,700)	(56,192)	(92,881)
Total other financing sources (uses)	(950,959)	(950,959)	(974,369)	(904,210)
NET CHANGE IN FUND BALANCE	\$ (859,878)	\$ (859,878)	1,563,672	(1,268,625)
FUND BALANCE, JANUARY 1			14,190,531	15,459,156
FUND BALANCE, DECEMBER 31			\$ 15,754,203	\$ 14,190,531

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS
 ILLINOIS MUNICIPAL RETIREMENT FUND
 SCHEDULE OF FUNDING PROGRESS

December 31, 2011

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) as a Percentage of Covered Payroll (4) / (5)
2006	\$ 20,085,771	\$ 22,262,970	90.2%	\$ 2,177,199	\$ 8,072,875	27.0%
2007	22,456,426	24,055,117	93.4%	1,598,691	8,520,957	18.8%
2008	19,330,410	24,987,261	77.4%	5,656,851	9,043,864	62.5%
2009	20,029,617	26,248,251	76.3%	6,218,634	8,966,495	69.4%
2010	16,240,399	22,895,143	70.9%	6,654,744	8,385,955	79.4%
2011	17,072,808	23,713,448	72.0%	6,640,640	7,889,418	84.2%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

POLICE PENSION FUND

SCHEDULE OF FUNDING PROGRESS

December 31, 2011

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) as a Percentage of Covered Payroll (4) / (5)
2006	\$ 27,814,390	\$ 33,050,685	84.2%	\$ 5,236,295	\$ 4,635,028	113.0%
2007	29,964,808	34,963,115	85.7%	4,998,307	4,878,555	102.5%
2008	26,511,322	37,772,171	70.2%	11,260,849	5,318,433	211.7%
2009	30,012,693	40,645,515	73.8%	10,632,822	5,323,317	199.7%
2010	33,548,810	45,645,311	73.5%	12,096,501	5,301,423	228.2%
2011	35,716,906	49,030,589	72.8%	13,313,683	5,343,159	249.2%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

FIREFIGHTERS' PENSION FUND

SCHEDULE OF FUNDING PROGRESS

December 31, 2011

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) as a Percentage of Covered Payroll (4) / (5)
2006	\$ 25,052,911	\$ 29,041,818	86.3%	\$ 3,988,907	\$ 3,802,925	104.9%
2007	26,533,904	30,983,871	85.6%	4,449,967	4,071,386	109.3%
2008	23,184,237	32,994,712	70.3%	9,810,475	4,327,162	226.7%
2009	25,181,994	35,808,961	70.3%	10,626,967	3,986,938	266.5%
2010	27,470,623	39,057,896	70.3%	11,587,273	3,593,574	322.4%
2011	28,390,874	42,887,413	66.2%	14,496,539	4,213,548	344.0%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS
 OTHER POSTEMPLOYMENT BENEFITS PLAN
 SCHEDULE OF FUNDING PROGRESS

December 31, 2011

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age Normal	(3) Funded Ratio (1) / (2)	(4) Unfunded Actuarial Accrued Liability (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2008	\$ -	\$ 18,058,100	0.00%	\$ 18,058,100	\$ 18,062,500	99.98%
2009	-	15,077,788	0.00%	15,077,788	20,099,180	75.02%
2010	N/A	N/A	N/A	N/A	N/A	N/A
2011	-	20,496,888	0.00%	20,496,888	18,675,553	109.75%

The Village implemented GASB Statement No. 45 for the fiscal year ended December 31, 2008. Information for prior years is not available.

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS

December 31, 2011

<u>Actuarial Valuation Date December 31,</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2006	\$ 962,287	\$ 962,287	100.00%
2007	946,678	946,678	100.00%
2008	976,737	976,737	100.00%
2009	930,722	930,722	100.00%
2010	1,085,143	1,085,143	100.00%
2011	1,057,971	1,057,971	100.00%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

POLICE PENSION FUND

SCHEDULE OF EMPLOYER CONTRIBUTIONS

December 31, 2011

<u>Actuarial Valuation Date December 31,</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2006	\$ 735,844	\$ 750,717	98.02%
2007	802,115	802,115	100.00%
2008	823,000	823,526	99.94%
2009	868,101	853,194	101.75%
2010	1,268,284	1,256,481	100.94%
2011	1,296,344	1,235,774	104.90%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

FIREFIGHTERS' PENSION FUND

SCHEDULE OF EMPLOYER CONTRIBUTIONS

December 31, 2011

<u>Actuarial Valuation Date December 31,</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2006	\$ 333,032	\$ 324,328	102.68%
2007	470,484	470,170	100.07%
2008	695,926	685,160	101.57%
2009	750,324	747,385	100.39%
2010	1,106,487	1,100,795	100.52%
2011	1,194,810	1,138,155	104.98%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS
 OTHER POSTEMPLOYMENT BENEFITS PLAN
 SCHEDULE OF EMPLOYER CONTRIBUTIONS

December 31, 2011

<u>Year Ended December 31,</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2008	\$ 717,400	\$ 946,200	75.82%
2009	755,540	946,200	79.85%
2010	755,540	608,031	124.26%
2011	755,540	608,031	124.26%

The Village implemented GASB Statement No. 45 for the fiscal year ended December 31, 2008. Information for prior years is not available.

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2011

1. BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted (at the fund level) for the General, Special Revenue, Debt Service, Capital Projects, Waterworks and Sewerage (Enterprise), Liability Insurance (Internal Service), and Pension Trust Funds. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year end.

All departments of the Village submit requests for appropriation to the Village Manager so that a budget may be prepared. The budget is prepared by fund and includes information on the past year, current year estimates, and requested appropriations for the next year. The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget. The budget may only be amended by the governing body. Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, supplementary appropriations were necessary.

2. INDIVIDUAL FUND DISCLOSURES

The following funds had expenditures in excess of budget:

Fund	Final Budget	Actual
Grant	\$ 278,400	\$ 295,890
North Milwaukee/Lake Cook Redevelopment Area	4,909,829	4,945,752
Crossroads Redevelopment Area	2,247,740	3,205,667
South Milwaukee Redevelopment Area	21,658	60,226

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund is used to account for resources traditionally associated with government that are not required legally or by sound financial management to be accounted for in another fund. The fund accounts for all revenues and expenditures in the following operating departments:

- Finance and Administrative Services
- Economic Development
- Municipal Building and Maintenance
- Municipal Vehicle Maintenance
- Community Development
- Senior Citizens Services
- Engineering
- Forestry
- Public Works Administration
- Police Department
- Fire Department

CAPITAL PROJECTS FUNDS

North Milwaukee/Lake Cook Redevelopment Area Fund

This fund is used to account for the redevelopment activities of the tax increment financing district located near North Milwaukee Road.

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

BALANCE SHEET

December 31, 2011

(With Comparative Amounts for December 31, 2010)

	<u>2011</u>	<u>2010</u>
ASSETS		
Cash and investments	\$ 9,117,094	\$ 5,565,168
Receivables (net where applicable of allowance for uncollectibles)		
Property taxes	10,372,249	11,182,844
Sales taxes	2,168,497	2,106,135
Income taxes	1,035,178	1,268,105
Telecommunications tax	414,076	408,042
Accrued interest	22,873	20,301
IPBC	1,463,995	1,252,725
Other	685,594	534,694
Prepaid items	369,478	340,730
Inventory	304,889	264,114
Due from other funds	1,393,233	2,965,226
Due from other governments	116,441	69,000
	<u>116,441</u>	<u>69,000</u>
TOTAL ASSETS	<u>\$ 27,463,597</u>	<u>\$ 25,977,084</u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	\$ 797,269	\$ 743,274
Accrued payroll	404,288	419,526
Deposits payable	103,103	78,632
Deferred revenue	10,320,691	10,264,135
Due to fiduciary funds	84,043	280,986
	<u>84,043</u>	<u>280,986</u>
Total liabilities	<u>11,709,394</u>	<u>11,786,553</u>
FUND BALANCE		
Nonspendable		
Prepaid items	369,478	340,730
Inventory	304,889	264,114
Unrestricted		
Assigned		
Health insurance	1,463,995	1,252,725
Unassigned	13,615,841	12,332,962
	<u>13,615,841</u>	<u>12,332,962</u>
Total fund balance	<u>15,754,203</u>	<u>14,190,531</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 27,463,597</u>	<u>\$ 25,977,084</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
TAXES				
Property taxes	\$ 7,779,604	\$ 7,779,604	\$ 7,863,464	\$ 6,268,203
Property taxes - Police Pension Fund	1,235,774	1,235,774	1,296,344	1,268,284
Property taxes - Firefighters' Pension Fund	1,138,155	1,138,155	1,194,810	1,106,487
TIF surplus distribution	194,262	194,262	173,822	301,106
Sales tax	4,597,950	4,597,950	4,737,949	4,622,924
Home rule sales tax	3,192,175	3,192,175	3,338,657	3,360,618
Telecommunications tax	1,840,195	1,840,195	1,733,726	1,769,146
Food and beverage tax	757,190	757,190	757,431	762,197
Hotel/motel tax	737,905	737,905	817,218	756,112
Auto rental tax	12,268	12,268	7,737	15,630
Total taxes	21,485,478	21,485,478	21,921,158	20,230,707
LICENSES AND PERMITS				
Business licenses	69,020	69,020	75,683	69,100
Coin-operated licenses	10,373	10,373	10,578	9,865
Liquor licenses	115,000	115,000	153,134	123,883
Other licenses	56,088	56,088	69,858	56,687
Building permits	121,800	121,800	281,666	155,149
Other permits	34,752	34,752	36,107	31,090
Total licenses and permits	407,033	407,033	627,026	445,774
INTERGOVERNMENTAL				
Township property replacement tax	83,368	83,368	90,824	85,757
Personal property replacement tax	146,160	146,160	166,615	189,075
Federal grants	231,254	231,254	283,386	104,568
Income tax	2,988,013	2,988,013	2,988,314	3,034,361
State use tax	433,744	433,744	552,539	521,520
Fire training	-	-	2,270	294
Pull tabs and jar games tax	-	-	1,077	1,098
Motor fuel tax reimbursement	-	-	-	227,412
Total intergovernmental	3,882,539	3,882,539	4,085,025	4,164,085
CHARGES FOR SERVICES				
Electrical inspections	39,484	39,484	70,560	48,214
Plumbing inspections	18,270	18,270	32,709	20,703
Engineering inspection fees	80,402	80,402	181,692	117,481
Solid waste service charge	567,588	567,588	578,988	607,731
SWANCC fees	237,000	237,000	236,981	237,151
Host community fees	103,530	103,530	187,320	56,340
Ambulance fees	464,870	464,870	459,830	446,321
Impounding fees	352	352	920	375

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
CHARGES FOR SERVICES (Continued)				
Plan review	\$ 22,502	\$ 22,502	\$ 33,813	\$ 21,863
Subdivision prefilng fees	761	761	-	-
Erosion control fees	-	-	-	23
Planning and zoning fees	4,052	4,052	5,172	4,351
Industrial revenue bond and 6(b) fees	1,218	1,218	1,800	-
Duplicating services	6,108	6,108	6,562	5,613
Maps and codes	104	104	40	-
False alarm fees	12,305	12,305	11,049	7,290
Pavilion senior center	19,642	19,642	16,863	21,527
Monthly permit fee	25,900	25,900	27,505	26,778
Daily parking fee	42,600	42,600	55,907	43,436
Rental income	6,293	6,293	6,212	6,206
Rental income - T-Mobile	37,091	37,091	25,509	24,766
Police liaison reimbursement	129,429	129,429	139,763	134,350
Finger printing fee	-	-	2,211	-
CPR training fees	1,827	1,827	773	970
Total charges for services	1,823,339	1,821,328	2,082,179	1,833,499
FINES AND FORFEITS				
Court fines	206,147	206,147	199,765	205,217
Local ordinance fines	649,699	649,699	532,652	638,367
Total fines and forfeits	855,846	855,846	732,417	843,584
INVESTMENT INCOME				
Investment income	126,343	126,343	116,184	180,049
MISCELLANEOUS				
Cable TV franchise fees	302,470	302,470	320,046	306,858
Waste management franchise fees	83,684	83,684	83,478	82,447
AT&T franchise fees	108,605	108,605	135,539	117,983
Other franchise fees	39,484	39,484	38,731	38,924
Foreign fire insurance	49,053	49,053	52,656	52,888
IPBC terminal reserve revenue	-	-	99,450	92,190
Donations	100	100	48,480	541
Other	59,505	59,505	298,412	44,333
Total miscellaneous	642,901	642,901	1,076,792	736,164
TOTAL REVENUES	\$ 29,223,479	\$ 29,221,468	\$ 30,640,781	\$ 28,433,862

(This schedule is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
GENERAL GOVERNMENT				
Village Manager's office and Board of Trustees	\$ 1,303,774	\$ 1,303,774	\$ 1,271,354	\$ 1,171,689
Finance	975,030	973,019	966,556	952,090
Human resources	217,909	217,909	221,850	298,160
Legal	420,100	420,100	355,314	302,881
Special events	59,000	59,000	52,379	10,198
Solid waste system	588,427	588,427	534,347	530,622
Commuter parking system	82,494	82,494	47,335	50,132
Municipal building maintenance	957,172	954,672	921,830	929,759
Municipal vehicle maintenance	622,048	622,048	592,223	575,351
Community development	1,909,474	1,909,474	1,828,338	1,849,184
Senior citizens services	299,165	299,165	287,728	399,067
Social services	288,362	288,362	268,780	-
Pavilion programs	-	-	-	15,349
Village engineering	-	-	-	301,260
CIP engineering	268,185	268,185	240,982	278,645
Street division	683,417	690,917	499,719	842,606
Public works administration	566,861	566,861	513,763	576,794
Forestry	800,019	795,019	783,154	667,444
Information systems	604,713	604,713	529,526	571,755
Subtotal	10,646,150	10,644,139	9,915,178	10,322,986
Less Waterworks and Sewerage Fund reimbursements	1,209,055	1,209,055	1,209,055	1,191,187
Total general government	9,437,095	9,435,084	8,706,123	9,131,799
PUBLIC SAFETY				
Police Department	11,551,673	11,551,673	11,244,035	11,286,090
Fire Department	8,143,630	8,143,630	8,152,582	8,380,388
Total public safety	19,695,303	19,695,303	19,396,617	19,666,478
TOTAL EXPENDITURES	\$ 29,132,398	\$ 29,130,387	\$ 28,102,740	\$ 28,798,277

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
GENERAL GOVERNMENT				
Village Manager's Office and Board of Trustees				
Personnel services				
Salaries	\$ 446,717	\$ 446,717	\$ 451,694	\$ 370,970
Longevity	600	600	600	600
Training	250	250	160	30
Employer contribution	87,499	87,499	87,734	68,837
Sick leave buy back	1,569	1,569	1,569	1,569
Total personnel services	536,635	536,635	541,757	442,006
Contractual services				
Advertising and publishing	5,000	5,000	2,491	2,866
Codification	4,500	4,500	8,870	5,307
Conferences and meetings	15,955	15,955	12,629	10,830
Consulting services	3,300	3,300	-	6,108
Data processing services	170,000	170,000	165,417	169,935
Energy	40,000	40,000	31,918	37,890
Employee group insurance	48,830	48,830	47,941	39,957
General liability insurance	10,158	10,158	10,158	14,134
Maintenance - office equipment	4,200	4,200	884	272
Membership dues	26,755	26,755	24,081	21,941
Newsletter	46,750	46,750	41,667	41,350
Postage	30,000	30,000	24,286	21,272
Printing and binding	1,500	1,500	1,124	1,799
Rental agreements	1,200	1,200	1,165	-
Cellular service	92,400	92,400	83,301	88,604
Telecommunications	175,000	175,000	174,554	175,959
Retiree health insurance	10,623	10,623	18,226	19,669
Duplication services	2,000	2,000	5,310	11,410
Total contractual services	688,171	688,171	654,022	669,303
Commodities				
Books and subscriptions	1,000	1,000	206	596
Information systems miscellaneous equipment and supplies	-	-	11,590	-
Small tools and equipment	500	500	-	1,428
Miscellaneous	2,000	2,000	3,747	2,276
Office supplies	12,300	12,300	4,332	1,529
Water and sewer service charges	500	500	-	-
Awards/decorations	1,000	1,000	237	1,109
Business recruitment	61,668	61,668	55,463	53,442
Total commodities	78,968	78,968	75,575	60,380
Total Village Manager's Office and Board of Trustees	1,303,774	1,303,774	1,271,354	1,171,689
Finance				
Personnel services				
Overtime	-	-	385	1,213
Salaries	579,511	579,511	586,944	577,543
Longevity	3,600	3,600	3,300	3,161
Training	1,000	1,000	580	339

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Finance (Continued)				
Personnel services (Continued)				
Employer contribution	\$ 121,580	\$ 121,580	\$ 116,640	\$ 112,992
VEMA/PEHP contribution	1,400	1,400	-	-
Sick leave buy back	2,871	2,871	2,513	2,056
Total personnel services	711,973	709,962	710,362	699,314
Contractual services				
Audit	43,539	43,539	43,539	41,845
Conferences and meetings	4,700	4,700	3,748	1,802
Consulting services	-	-	-	5,886
Data processing services	-	-	-	2,400
Employee group insurance	137,189	137,189	136,042	130,514
General liability insurance	10,158	10,158	10,158	14,134
Bank charges	23,100	23,100	20,545	20,818
Maintenance - office equipment	1,700	1,700	2,286	1,728
Membership dues	1,460	1,460	1,130	1,239
Actuarial services	6,900	6,900	4,650	6,900
Printing and binding	6,100	6,100	4,470	3,279
Credit card fees	3,000	3,000	7,024	5,672
Cellular services	-	-	-	45
Retiree health insurance	8,847	8,847	9,100	9,017
Miscellaneous contracts	6,734	6,734	5,048	500
Total contractual services	253,427	253,427	247,740	245,779
Commodities				
Books and subscriptions	200	200	250	47
Information systems miscellaneous equipment and supplies	-	-	597	-
Small tools and equipment	1,000	1,000	410	352
Miscellaneous	1,480	1,480	1,559	1,241
Office supplies	6,000	6,000	4,708	4,294
Awards/decorations	950	950	930	1,063
Total commodities	9,630	9,630	8,454	6,997
Capital outlay				
Transfer to CERF	22,279	22,279	22,279	2,339
Less transfer to CERF	(22,279)	(22,279)	(22,279)	(2,339)
Net capital outlay	-	-	-	-
Total finance	975,030	973,019	966,556	952,090
Human resources				
Personnel services				
Salaries	122,762	122,762	123,404	182,499
Longevity	600	600	600	600
Training	500	500	394	359
Employer contribution	25,462	25,462	25,427	36,612
Total personnel services	149,324	149,324	149,825	220,070

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Human resources (Continued)				
Contractual services				
Advertising and publishing	\$ 4,000	\$ 4,000	\$ 1,116	\$ 2,958
Conferences and meetings	3,750	3,750	3,648	1,236
Consulting services	8,300	8,300	6,138	5,221
Data processing services	-	-	1,282	-
Employee group insurance	20,725	20,725	20,749	25,112
General liability insurance	3,555	3,555	3,555	4,947
Membership dues	1,105	1,105	1,135	988
Personnel services	15,000	15,000	23,251	25,642
Printing and binding	100	100	-	-
Medical exams	8,000	8,000	10,128	9,655
Total contractual services	64,535	64,535	71,002	75,759
Commodities				
Information systems miscellaneous equipment and supplies	1,750	1,750	-	-
Miscellaneous	200	200	38	-
Office supplies	600	600	388	264
Awards/decorations	1,500	1,500	597	2,067
Total commodities	4,050	4,050	1,023	2,331
Total human resources	217,909	217,909	221,850	298,160
Legal				
Contractual services				
Recording fees	-	-	162	-
Legal services	419,500	419,500	353,053	302,798
Miscellaneous contractual services	500	500	2,099	-
Total contractual services	420,000	420,000	355,314	302,798
Commodities				
Books and subscriptions	100	100	-	83
Total commodities	100	100	-	83
Total legal	420,100	420,100	355,314	302,881
Special events				
Personnel services				
Overtime	12,000	12,000	3,859	-
Seasonal help	-	-	228	-
Total personnel services	12,000	12,000	4,087	-
Contractual services				
Membership dues	500	500	309	305
Printing and binding	-	-	1,449	-
Miscellaneous contractual services	38,500	38,500	30,200	1,782
Total contractual services	39,000	39,000	31,958	2,087

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Special events (Continued)				
Commodities				
Miscellaneous operating supplies	\$ 8,000	\$ 8,000	\$ 16,334	\$ 8,111
Total commodities	8,000	8,000	16,334	8,111
Total special events	59,000	59,000	52,379	10,198
Solid waste system				
Contractual services				
Postage	498	498	481	482
Printing and binding	329	329	-	373
Regional and special agencies assessments	587,600	587,600	533,866	529,767
Total contractual services	588,427	588,427	534,347	530,622
Total solid waste system	588,427	588,427	534,347	530,622
Commuter parking system				
Contractual services				
Energy	18,000	18,000	15,773	19,122
Janitorial services	5,000	5,000	6,360	6,360
Office equipment maintenance	5,852	5,852	5,713	6,128
Printing and binding	3,000	3,000	2,915	2,412
Rental agreement	10,500	10,500	9,224	9,224
Credit card fees	2,400	2,400	655	464
Telecommunications	1,842	1,842	324	107
Total contractual services	46,594	46,594	40,964	43,817
Commodities				
Janitorial supplies	600	600	1,365	601
Maintenance - building and grounds	5,000	5,000	4,620	5,308
Minor street repairs	30,000	30,000	-	-
Miscellaneous operating supplies	-	-	-	71
Water and sewer services charges	300	300	386	335
Total commodities	35,900	35,900	6,371	6,315
Total commuter parking system	82,494	82,494	47,335	50,132
Municipal building maintenance				
Personnel services				
Overtime	16,000	16,000	10,318	11,747
Seasonal help	27,000	27,000	22,198	17,529
Salaries	409,689	409,689	402,905	405,007
Longevity	2,200	2,200	2,200	1,600
Training	3,975	3,975	2,552	1,097
Uniform allowance	3,050	3,050	1,800	3,286
Employer contribution	86,739	86,739	88,981	84,563
Sick leave buy back	1,041	1,041	-	-
Total personnel services	549,694	549,694	530,954	524,829

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Municipal building maintenance (Continued)				
Contractual services				
Conferences and meetings	\$ -	\$ -	\$ 39	\$ -
Consulting services	-	-	-	17,773
Information systems service and maintenance agreement	5,604	5,604	3,829	8,437
Debris dump charges	1,300	1,300	456	683
Employee group insurance	84,516	84,516	80,155	77,902
General liability insurance	26,410	26,410	26,410	36,749
Janitorial services	118,000	118,000	132,813	126,447
Maintenance - equipment	8,300	8,300	10,089	4,491
Maintenance - radio equipment	450	450	81	-
Rental equipment	6,300	3,800	1,521	599
Retiree health insurance	4,423	4,423	4,543	4,492
Miscellaneous contractual services	28,200	28,200	36,594	3,724
Total contractual services	283,503	281,003	296,530	281,297
Commodities				
Auto petroleum products	9,500	9,500	9,699	10,138
Books and subscriptions	100	100	332	208
Chemicals	6,000	6,000	2,708	5,246
Janitorial supplies	25,000	25,000	20,461	21,590
Vehicle maintenance	10,000	10,000	6,434	14,073
Maintenance - buildings and grounds	40,000	40,000	15,026	36,948
Minor tools and equipment	7,500	7,500	6,997	7,399
Miscellaneous operating supplies	3,500	3,500	3,924	3,499
Office supplies	375	375	357	440
Protective clothing	2,000	2,000	1,500	1,755
Water and sewer services charges	20,000	20,000	26,908	22,337
Total commodities	123,975	123,975	94,346	123,633
Capital outlay				
Transfer to CERF	23,990	23,990	23,990	9,002
Less transfer to CERF	(23,990)	(23,990)	(23,990)	(9,002)
Net capital outlay	-	-	-	-
Total municipal building maintenance	957,172	954,672	921,830	929,759
Municipal vehicle maintenance				
Personnel services				
Overtime	6,000	6,000	5,924	5,362
Salaries	383,913	383,913	364,636	353,393
Longevity	3,000	3,000	3,400	3,000
Training	1,050	1,050	1,122	556
Uniform allowance	8,300	8,300	7,820	8,123
Employer contribution	81,477	81,477	79,205	74,049
VEMA/PEHP contribution	310	310	-	-
Sick leave buy back	1,041	1,041	1,062	1,041
Total personnel services	485,091	485,091	463,169	445,524

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Municipal vehicle maintenance (Continued)				
Contractual services				
Conferences and meetings	\$ 1,325	\$ 1,325	\$ 1,179	\$ 1,110
Consulting services	1,000	1,000	1,185	1,667
Debris dump charges	500	500	(158)	22
Employee group insurance	91,225	91,225	87,079	80,933
General liability insurance	16,252	16,252	16,252	22,614
Maintenance - office equipment and special equipment	4,600	4,600	4,136	2,554
Maintenance - radio equipment	250	250	69	110
Membership dues	680	680	604	631
Printing and binding	500	500	398	259
Rental equipment	100	100	-	-
Total contractual services	116,432	116,432	110,744	109,900
Commodities				
Auto petroleum products	3,500	3,500	3,127	2,667
Books and subscriptions	600	600	191	485
Chemicals	1,500	1,500	1,653	1,411
Vehicle maintenance	3,500	3,500	2,704	2,926
Minor tools and equipment	5,000	5,000	5,208	5,555
Miscellaneous operating supplies	5,250	5,250	4,344	6,039
Office supplies	375	375	275	393
Protective clothing	800	800	808	451
Total commodities	20,525	20,525	18,310	19,927
Total municipal vehicle maintenance	622,048	622,048	592,223	575,351
Community development				
Personnel services				
Overtime	2,500	2,500	139	1,500
Seasonal help	18,000	18,000	9,763	5,434
Salaries	1,170,988	1,170,988	1,144,816	1,167,566
Longevity	1,900	1,900	2,500	6,170
Training	6,526	6,526	3,407	2,843
Uniform allowance	625	625	567	491
Employer contribution	245,617	245,617	231,724	230,192
Unemployment compensation	-	-	2,295	6,885
VEMA/PEHP contributions	6,000	6,000	-	34,118
Sick leave buy back	2,127	2,127	-	-
Total personnel services	1,454,283	1,454,283	1,395,211	1,455,199
Contractual services				
Advertising and publishing	2,500	2,500	2,320	2,674
Conferences and meetings	7,150	7,150	2,688	4,118
Consulting services	38,250	38,250	26,977	4,921
Data processing services	15,040	15,040	12,273	12,260
Exterminating services	10,533	10,533	10,033	10,268
Employee group insurance	194,410	194,410	185,108	185,784
General liability insurance	99,545	99,545	99,545	107,419
Maintenance - office equipment	7,190	7,190	6,471	3,306
Membership dues	4,757	4,757	2,421	2,442

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Community development (Continued)				
Contractual services (Continued)				
Printing and binding	\$ 7,000	\$ 7,000	\$ 8,038	\$ 6,398
Recording fees	1,200	1,200	45	805
Credit card fees	3,000	3,000	4,605	2,713
Retiree health insurance	19,026	19,026	34,907	23,815
Duplication services	6,000	6,000	2,120	1,092
Finger printing fees	3,600	3,600	3,459	2,794
Miscellaneous	1,000	1,000	-	(150)
Total contractual services	420,201	420,201	401,010	370,659
Commodities				
Auto petroleum products	10,000	10,000	10,967	6,045
Books and subscriptions	1,800	1,800	3,357	1,658
Health test supplies	200	200	207	40
Vehicle maintenance	7,000	7,000	5,555	3,557
Information systems miscellaneous equipment and supplies	-	-	597	249
Minor tools and equipment	2,500	2,500	1,176	958
Miscellaneous operating supplies	8,440	8,440	5,710	7,738
Office supplies	3,750	3,750	3,649	2,750
Protective clothing	900	900	899	331
Information systems miscellaneous software	400	400	-	-
Total commodities	34,990	34,990	32,117	23,326
Capital outlay				
Transfer to CERF	11,613	11,613	11,613	2,930
Less transfer to CERF	(11,613)	(11,613)	(11,613)	(2,930)
Net capital outlay	-	-	-	-
Total community development	1,909,474	1,909,474	1,828,338	1,849,184
Senior citizens services				
Personnel services				
Overtime	600	600	3	154
Salaries	170,894	170,894	160,668	259,321
Longevity	600	600	600	600
Employer contribution	36,115	36,115	41,469	52,830
Tuition reimbursement	300	300	-	-
VEMA/PEHP contributions	2,600	2,600	-	-
Sick leave buy back	428	428	437	428
Total personnel services	211,537	211,537	203,177	313,333
Contractual services				
Conferences and meetings	10,200	10,200	10,922	2,422
Energy	3,250	3,250	2,090	2,084
Employee group insurance	33,221	33,221	33,121	50,275
General liability insurance	3,555	3,555	3,555	4,947
Janitorial services	2,425	2,425	-	325
Landscape maintenance	1,870	1,870	1,694	1,788
Maintenance - equipment	5,072	5,072	2,596	1,398
Membership dues	580	580	495	620

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Senior citizens services (Continued)				
Contractual services (Continued)				
Postage	\$ 2,200	\$ 2,200	\$ 1,815	\$ 371
Printing and binding	2,400	2,400	1,326	2,093
Regional and special agency assessments	675	675	218	574
Rental agreements	-	-	-	700
Credit card fees	30	30	323	79
Total contractual services	65,478	65,478	58,155	67,676
Commodities				
Books and subscriptions	200	200	100	205
Janitorial supplies	2,200	2,200	4,430	3,045
Maintenance - buildings and grounds	15,000	15,000	13,627	10,238
Information systems miscellaneous equipment and supplies	-	-	649	-
Minor tools and equipment	400	400	248	319
Miscellaneous operating supplies	1,750	1,750	1,582	1,559
Office supplies	2,600	2,600	2,060	2,692
Total commodities	22,150	22,150	22,696	18,058
Capital improvements				
Office supplies	-	-	3,700	-
Total capital improvements	-	-	3,700	-
Total senior citizen services	299,165	299,165	287,728	399,067
Social services				
Personnel services				
Longevity	600	600	600	-
Overtime	5,000	5,000	-	-
Salaries	193,377	193,377	199,411	-
Employer contributions	40,850	40,850	31,832	-
Tuition reimbursement	1,000	1,000	-	-
Total personnel services	240,827	240,827	231,843	-
Contractual services				
Conferences and meetings	1,800	1,800	2,633	-
Employee health insurance	40,935	40,935	30,317	-
Membership dues	2,000	2,000	2,199	-
Printing and binding	700	700	338	-
Total contractual services	45,435	45,435	35,487	-
Commodities				
Books and subscriptions	100	100	24	-
Miscellaneous operating supplies	-	-	(64)	-
Office supplies	2,000	2,000	1,490	-
Total commodities	2,100	2,100	1,450	-
Total social services	288,362	288,362	268,780	-

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Pavilion programs				
Contractual services				
Conferences and meetings	\$ -	\$ -	\$ -	\$ 12,375
Recording fees	-	-	-	44
Total contractual services	-	-	-	12,419
Commodities				
Miscellaneous operating supplies	-	-	-	2,930
Total commodities	-	-	-	2,930
Total pavilion programs	-	-	-	15,349
Village Engineering				
Personnel services				
Overtime	-	-	-	248
Seasonal help	-	-	-	6,383
Salaries	-	-	-	152,102
Longevity	-	-	-	1,509
Training	-	-	-	182
Employer contribution	-	-	-	32,323
Unemployment compensation	-	-	-	23,962
Tuition reimbursement	-	-	-	379
VEMA/PEHP contributions	-	-	-	20,651
Total personnel services	-	-	-	237,739
Contractual services				
Conferences and meetings	-	-	-	675
Consulting services	-	-	-	20
Employee group insurance	-	-	-	12,785
General liability insurance	-	-	-	31,095
Maintenance - office equipment	-	-	-	1,676
Membership dues	-	-	-	547
Printing and binding	-	-	-	529
Recording fees	-	-	-	152
Retiree health insurance	-	-	-	8,649
Duplication services	-	-	-	2,423
Total contractual services	-	-	-	58,551
Commodities				
Auto petroleum products	-	-	-	2,496
Books and subscriptions	-	-	-	173
Vehicle maintenance	-	-	-	975
Miscellaneous operating supplies	-	-	-	878
Office supplies	-	-	-	448
Total commodities	-	-	-	4,970

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Village Engineering (Continued)				
Capital outlay				
Transfer to CERF	\$ -	\$ -	\$ -	\$ 1,479
Less transfer to CERF	-	-	-	(1,479)
Total capital outlay	-	-	-	-
Total village engineering	-	-	-	301,260
CIP Engineering				
Personnel services				
Overtime	2,000	2,000	4,637	3,128
Seasonal help	25,000	25,000	13,830	18,457
Salaries	1,440	1,440	4,939	6,795
Longevity	1,300	1,300	1,300	1,000
Training	2,600	2,600	367	2,682
Employer contribution	72,307	72,307	74,498	73,085
Unemployment compensation	-	-	3,465	4,235
Sick leave buy back	747	747	354	347
Total personnel services	105,394	105,394	103,390	109,729
Contractual services				
Conferences and meetings	950	950	64	368
Consulting services	15,000	15,000	1,786	7,995
Data processing	5,000	5,000	3,250	2,857
Employee group insurance	48,143	48,143	45,821	42,184
General liability insurance	70,088	70,088	70,088	97,525
Maintenance - office equipment	1,600	1,600	140	880
Maintenance - radio equipment	120	120	-	-
Membership dues	840	840	756	453
Printing and binding	2,500	2,500	160	1,280
Recording fees	1,000	1,000	6	65
Rental agreements	50	50	1,500	200
Total contractual services	145,291	145,291	123,571	153,807
Commodities				
Auto petroleum products	5,000	5,000	4,813	3,393
Books and subscriptions	500	500	337	720
Vehicle maintenance	3,000	3,000	1,733	1,286
Information systems software	1,000	1,000	273	260
Minor tools and equipment	1,500	1,500	1,689	1,141
Miscellaneous operating supplies	4,000	4,000	2,996	6,021
Office supplies	1,000	1,000	1,044	1,121
Protective clothing	1,500	1,500	1,136	1,167
Total commodities	17,500	17,500	14,021	15,109
Capital outlay				
Transfer to CERF	6,484	6,484	6,484	5,102
Less transfer to CERF	(6,484)	(6,484)	(6,484)	(5,102)
Total capital outlay	-	-	-	-
Total CIP engineering	268,185	268,185	240,982	278,645

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Streets division				
Personnel services				
Overtime	\$ 85,000	\$ 85,000	\$ 3,838	\$ 7,548
Seasonal help	50,000	50,000	25,323	26,817
Salaries	203,176	203,176	190,862	379,550
Longevity	1,950	1,950	1,735	3,667
Training	1,525	1,525	1,527	877
Uniform allowance	3,000	3,000	2,301	3,724
Employer contributions	29,497	29,497	28,162	41,675
Unemployment compensation	-	-	5,310	18,689
VEMA/PEHP contributions	-	-	-	24,802
Total personnel services	374,148	374,148	259,058	507,349
Contractual services				
Conferences and conventions	750	750	35	223
Information system service and maintenance agreement	360	360	176	-
Debris dumping charges	6,000	6,000	3,321	1,772
Energy	-	-	2,606	1,177
Employee health insurance	53,903	53,903	40,260	120,018
General liability insurance	46,217	46,217	46,217	64,310
Office equipment maintenance	600	600	30	-
Radio equipment maintenance	550	550	35	16
Membership dues	130	130	-	100
Rental equipment	2,184	9,684	9,816	2,842
Retiree health insurance	15,625	15,625	17,082	15,476
Street light maintenance	20,000	20,000	29,498	22,355
Total contractual services	146,319	153,819	149,076	228,289
Commodities				
Auto petroleum products	40,000	40,000	26,206	31,148
Books and subscriptions	1,000	1,000	900	900
Chemicals	-	-	-	470
Janitorial supplies	300	300	323	329
Vehicle maintenance	40,000	40,000	25,049	34,000
Maintenance - building and grounds	3,000	3,000	(6,265)	(31,017)
Minor tools and equipment	40,000	40,000	24,940	19,477
Small tools and equipment	5,000	5,000	8,317	5,382
Miscellaneous operating supplies	3,000	3,000	3,034	3,266
Office supplies	300	300	236	239
Protective clothing	3,550	3,550	3,926	1,687
Streets signs	6,000	6,000	3,643	26,517
Water and sewer service charges	800	800	1,599	1,575
Total commodities	142,950	142,950	91,908	93,973
Capital outlay				
Streetscape improvements	20,000	20,000	(323)	12,995
Transfer to CERF	66,525	66,525	66,525	42,045
Less transfer to CERF	(66,525)	(66,525)	(66,525)	(42,045)
Net capital outlay	20,000	20,000	(323)	12,995
Total streets division	683,417	690,917	499,719	842,606

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Public works administration				
Personnel services				
Salaries	\$ 326,819	\$ 326,819	\$ 330,681	\$ 360,605
Training	1,950	1,950	842	1,928
Longevity	2,300	2,300	2,300	2,996
Overtime	-	-	-	762
VEMA/PEHP contributions	5,700	5,700	-	-
Employer contributions	67,992	67,992	67,376	70,269
Sick leave buy back	1,615	1,615	1,647	1,615
Total personnel services	406,376	406,376	402,846	438,175
Contractual services				
Conferences and meetings	2,600	2,600	680	2,543
Energy	40,000	40,000	9,915	23,357
Employee group insurance	56,412	56,412	50,375	52,542
General liability insurance	17,268	17,268	17,268	24,028
Maintenance - office equipment	9,750	9,750	9,165	8,531
Maintenance - radio equipment	350	350	196	107
Membership dues	4,070	4,070	3,446	4,354
Printing and binding	-	-	-	174
Regional and special agency assessments	6,000	6,000	-	-
Medical examinations	5,000	5,000	3,166	4,009
Retiree health insurance	9,385	9,385	8,449	10,823
Total contractual services	150,835	150,835	102,660	130,468
Commodities				
Auto petroleum products	750	750	470	361
Books and subscriptions	1,000	1,000	1,041	1,224
Vehicle maintenance	1,000	1,000	419	260
Information systems miscellaneous equipment and supplies	-	-	597	-
Miscellaneous operating supplies	2,500	2,500	1,740	1,369
Office supplies	4,000	4,000	3,488	4,342
Protective clothing	400	400	337	280
Awards and decorations	-	-	165	315
Total commodities	9,650	9,650	8,257	8,151
Total public works administration	566,861	566,861	513,763	576,794
Forestry				
Personnel services				
Longevity	1,950	1,950	1,735	-
Overtime	10,000	10,000	436	1,475
Seasonal help	50,000	50,000	32,609	27,888
Salaries	203,177	203,177	287,435	208,279
Training	1,525	1,525	1,007	1,227
Uniform allowance	3,000	3,000	1,334	2,908
Employer contributions	29,497	29,497	63,831	40,720
Unemployment compensation	-	-	6,225	15,020
Total personnel services	299,149	299,149	394,612	297,517

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Forestry (Continued)				
Contractual services				
Conferences and meetings	\$ 750	\$ 750	\$ 52	\$ 210
Information systems service and maintenance agreement	360	360	330	-
Debris dump charges	10,000	10,000	1,967	3,170
Energy	19,000	19,000	19,760	30,848
Employee health insurance	53,903	53,903	66,065	37,984
General liability insurance	19,807	19,807	19,807	27,561
Landscape maintenance	124,000	124,000	86,945	88,235
Maintenance - office equipment	250	250	30	-
Maintenance - radio equipment	250	250	55	16
Membership dues	1,150	1,150	594	881
Rental equipment	5,000	-	-	5,000
Energy	40,000	40,000	36,045	26,893
Total contractual services	274,470	269,470	231,650	220,798
Commodities				
Auto petroleum products	7,500	7,500	13,785	9,646
Books and subscriptions	100	100	-	-
Chemicals	2,000	2,000	931	2,132
Vehicle maintenance	8,000	8,000	6,102	8,280
Maintenance - building and grounds	30,000	30,000	15,014	11,444
Small tools and equipment	10,000	10,000	6,762	10,061
Miscellaneous operating supplies	2,000	2,000	1,281	1,285
Office supplies	250	250	201	203
Protective clothing	3,550	3,550	1,815	2,560
Water charge	8,000	8,000	8,438	6,574
Total commodities	71,400	71,400	54,329	52,185
Capital outlay				
Streetscape improvements	155,000	155,000	102,563	96,944
Transfer to CERF	26,634	26,634	26,634	37,001
Less transfer to CERF	(26,634)	(26,634)	(26,634)	(37,001)
Total capital outlay	155,000	155,000	102,563	96,944
Total forestry	800,019	795,019	783,154	667,444
Information systems				
Personnel services				
Salaries	314,091	314,091	275,272	314,882
Training	2,500	2,500	2,495	-
Longevity	1,200	1,200	1,200	600
Employer contribution	66,398	66,398	55,972	63,295
Sick leave buy back	1,080	1,080	1,101	1,080
Total personnel services	385,269	385,269	336,040	379,857

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Information systems (Continued)				
Contractual services				
Conferences and meetings	\$ -	\$ -	\$ 159	\$ 79
Information system service and maintenance agreement	128,500	128,500	109,522	118,025
Employee health insurance	64,994	64,994	57,344	50,828
Maintenance - office equipment	1,000	1,000	1,516	717
Membership dues	150	150	100	100
Total contractual services	194,644	194,644	168,641	169,749
Commodities				
Information systems miscellaneous equipment and supplies	2,500	2,500	2,594	2,431
Miscellaneous operating supplies	2,050	2,050	2,525	1,747
Office supplies	250	250	131	-
Miscellaneous software	20,000	20,000	19,595	17,971
Total commodities	24,800	24,800	24,845	22,149
Capital outlay				
Transfer to CERF	61,425	61,425	61,425	50,118
Less transfer to CERF	(61,425)	(61,425)	(61,425)	(50,118)
Net capital outlay	-	-	-	-
Total information systems	604,713	604,713	529,526	571,755
Total	10,646,150	10,644,139	9,915,178	10,322,986
Less Waterworks and Sewerage Fund reimbursements	1,209,055	1,209,055	1,209,055	1,191,187
Total general government	9,437,095	9,435,084	8,706,123	9,131,799
PUBLIC SAFETY				
Police Department				
Personnel services				
Longevity	42,000	42,000	41,924	33,342
Overtime	645,614	645,614	454,225	471,054
Salaries	6,833,979	6,833,979	6,790,544	6,843,017
Training	38,405	38,405	32,125	30,552
Uniform allowance	70,060	70,060	52,706	49,840
Employer contribution	414,633	414,633	375,573	381,922
Employer contribution	1,235,774	1,235,774	1,296,344	1,268,284
College incentive	4,000	4,000	3,600	3,600
Unemployment compensation	-	-	2,834	4,554
Tuition reimbursement	3,600	3,600	-	-
VEMA/PEHP contribution	15,500	15,500	15,947	33,895
Sick leave buy back	39,984	39,984	35,447	35,306
Total personnel services	9,343,549	9,343,549	9,101,269	9,155,366

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
PUBLIC SAFETY (Continued)				
Police Department (Continued)				
Contractual services				
Animal impounding	\$ 5,000	\$ 5,000	\$ 4,691	\$ 8,828
Conferences and meetings	13,290	13,290	7,816	3,367
Energy	10,000	10,000	12,734	13,298
Fire extinguisher maintenance	-	-	-	698
Employee group insurance	1,294,843	1,294,843	1,273,713	1,241,644
General liability insurance	206,202	206,202	206,202	286,921
Information systems software	3,000	3,000	2,151	-
Maintenance - office and special equipment	44,745	44,745	25,253	29,909
Maintenance - radio equipment	-	-	143	96
Membership dues	4,389	4,389	2,255	2,804
Printing and binding	22,200	22,200	19,213	14,559
Prisoner welfare	5,500	5,500	3,926	762
Regional and special agency assessments	71,732	71,732	63,891	60,110
Rental equipment	250	250	-	135
Credit card services	-	-	475	375
Duplication services	2,050	2,050	1,938	2,351
Medical examinations	10,000	10,000	6,982	4,581
Retiree health insurance	200,148	200,148	190,783	206,729
Total contractual services	1,893,349	1,893,349	1,822,166	1,877,167
Commodities				
Auto petroleum products	135,000	135,000	154,736	130,823
Books and subscriptions	4,000	4,000	1,549	1,688
Vehicle maintenance	60,000	60,000	52,247	40,637
Maintenance - building and grounds	-	-	220	1,061
Computer supplies	13,700	13,700	16,518	10,491
Small tools and equipment	7,700	7,700	5,717	47
Range supplies	45,425	45,425	44,847	27,974
Miscellaneous operating supplies	31,650	31,650	31,233	31,012
Office supplies	14,300	14,300	12,498	9,068
Police DUI fund	-	-	-	99
Investigative funds	3,000	3,000	1,035	657
Total commodities	314,775	314,775	320,600	253,557
Capital outlay				
Transfer to CERF	130,531	130,531	130,531	167,460
Less transfer to CERF	(130,531)	(130,531)	(130,531)	(167,460)
Net capital outlay	-	-	-	-
Total Police Department	11,551,673	11,551,673	11,244,035	11,286,090
Fire Department				
Personnel services				
Longevity	14,700	14,700	14,727	20,109
Overtime	296,781	296,781	402,571	669,015
Salaries	4,433,705	4,433,705	4,386,565	4,279,871
Training	35,105	35,105	26,610	13,835
Uniform allowance	43,800	43,800	28,620	40,703
Employer contribution	109,856	109,856	117,640	117,656
Employer contribution	1,138,155	1,138,155	1,194,810	1,106,487

(This schedule is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
PUBLIC SAFETY (Continued)				
Fire Department (Continued)				
Personnel services (Continued)				
College incentive	\$ 650	\$ 650	\$ 300	\$ 571
Unemployment compensation	-	-	-	10,150
Tuition reimbursement	1,500	1,500	3,112	1,890
VEMA/PEHP contributions	24,200	24,200	42,709	197,330
Sick leave buy back	3,943	3,943	3,908	3,481
Total personnel services	6,102,395	6,102,395	6,221,572	6,461,098
Contractual services				
Conferences and meetings	12,850	12,850	4,495	3,636
Fire extinguisher maintenance	1,000	1,000	2,268	1,674
Energy	21,195	21,195	6,232	14,102
Employee group insurance	864,591	864,591	803,423	746,905
General liability insurance	369,743	369,743	369,743	514,479
Laundry service	-	-	-	252
Maintenance - office equipment	74,205	74,205	55,689	37,274
Maintenance - radio equipment	11,550	11,550	11,708	4,006
Membership dues	1,275	1,275	1,375	1,014
Printing and binding	3,500	3,500	2,163	2,534
Regional and special agency assessments	25,450	25,450	16,975	15,680
Telecommunications	7,200	7,200	-	-
Medical examinations	20,590	20,590	12,745	14,594
Finger printing fees	35	35	-	206
Retiree health insurance	340,922	340,922	371,478	348,506
Total contractual services	1,754,106	1,754,106	1,658,294	1,704,862
Commodities				
Auto petroleum products	52,000	52,000	65,491	51,784
Books and subscriptions	4,198	4,198	3,962	3,569
Firefighting supplies	51,364	51,364	46,426	23,322
Vehicle maintenance	66,750	66,750	55,920	43,491
Maintenance - building and grounds	11,800	11,800	11,838	11,386
Medical supplies	20,867	20,867	19,397	16,392
Computer supplies	33,965	33,965	25,598	20,193
Small tools and equipment	-	-	-	93
Miscellaneous operating supplies	9,665	9,665	9,360	4,631
Office supplies	5,500	5,500	5,179	7,675
Protective clothing	31,020	31,020	29,545	31,892
Total commodities	287,129	287,129	272,716	214,428
Capital outlay				
Transfer to CERF	158,896	158,896	158,896	108,588
Less transfer to CERF	(158,896)	(158,896)	(158,896)	(108,588)
Net capital outlay	-	-	-	-
Total Fire Department	8,143,630	8,143,630	8,152,582	8,380,388
Total public safety	19,695,303	19,695,303	19,396,617	19,666,478
TOTAL EXPENDITURES	\$ 29,132,398	\$ 29,130,387	\$ 28,102,740	\$ 28,798,277

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

NORTH MILWAUKEE/LAKE COOK REDEVELOPMENT AREA FUND

BALANCE SHEET

December 31, 2011

(With Comparative Amounts for December 31, 2010)

	<u>2011</u>	<u>2010</u>
ASSETS		
Cash and investments	\$ 3,201,505	\$ 5,614,610
Receivables (net where applicable of allowance for uncollectibles)		
Property taxes	<u>194,192</u>	<u>495,192</u>
TOTAL ASSETS	<u><u>\$ 3,395,697</u></u>	<u><u>\$ 6,109,802</u></u>
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$ 91,446	\$ 4,081
Accrued payroll	287	265
Due to other funds	<u>1,855,000</u>	<u>3,988,367</u>
Total liabilities	<u>1,946,733</u>	<u>3,992,713</u>
FUND BALANCES		
Restricted		
Economic development	<u>1,448,964</u>	<u>2,117,089</u>
Total fund balances	<u>1,448,964</u>	<u>2,117,089</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 3,395,697</u></u>	<u><u>\$ 6,109,802</u></u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

NORTH MILWAUKEE/LAKE COOK REDEVELOPMENT AREA FUND

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

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 3,515,941	\$ 3,515,941	\$ 3,777,121	\$ 3,282,734
Investment income	39,480	39,480	7,500	46,360
Miscellaneous	-	-	-	2,500
Total revenues	3,555,421	3,555,421	3,784,621	3,331,594
EXPENDITURES				
Capital outlay				
Salaries	12,046	12,046	12,169	11,465
Employer contributions	2,537	2,537	2,508	2,292
Consulting services	67,075	67,075	67,776	62,653
Capital improvements				
Water and sewer improvements	-	-	-	44,230
Streetscape improvements	150,000	150,000	8,080	12,666
Sidewalk improvements	319,680	319,680	-	-
TIF incentive	2,025,000	2,025,000	2,523,468	-
Debt service				
Principal	928,125	928,125	928,125	730,000
Interest	1,399,886	1,399,886	1,352,502	1,434,266
Bond issuance costs	-	-	45,944	-
Fiscal agent fees	5,480	5,480	5,180	5,118
Total expenditures	4,909,829	4,909,829	4,945,752	2,302,690
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,354,408)	(1,354,408)	(1,161,131)	1,028,904
OTHER FINANCING SOURCES (USES)				
Issuance of refunding bonds	-	-	3,168,267	-
Premium on refunding bonds	-	-	88,840	-
Payment to escrow agent	-	-	(3,339,875)	-
Transfers in				
General Fund	417,600	417,600	417,600	416,600
Capital Projects Fund	-	-	40,353	-
Waterworks and Sewerage Fund	-	-	117,821	-
Transfers (out)				
Crossroads Development Area	-	-	-	(6,330,000)
Total other financing sources (uses)	417,600	417,600	493,006	(5,913,400)
NET CHANGE IN FUND BALANCE	\$ (936,808)	\$ (936,808)	(668,125)	(4,884,496)
FUND BALANCE, JANUARY 1			2,117,089	7,001,585
FUND BALANCE, DECEMBER 31			\$ 1,448,964	\$ 2,117,089

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Motor Fuel Tax Fund

Financing is provided by tax revenues received by the state from the sale of motor fuel. Funds are restricted for street maintenance and replacement.

Emergency Telephone System Fund

Financing is provided by an E911 telephone surcharge. Funds are restricted for products and services necessary for the implementation, upgrade, maintenance, and operation of the emergency telephone system.

Grant Fund

This fund accounts for the proceeds from various state and federal grants awarded to the Village. The grant proceeds are restricted to fund programs authorized by the issuing agency. Since most grants are on a different fiscal year than the Village, each grant is assigned a unique project number which allows the Village to account for all revenue and expenditures for a particular grant on a multi-year basis.

CAPITAL PROJECTS FUNDS

Town Center TIF Fund

This fund is used to account for the funds restricted for the redevelopment activities of the tax increment financing district for the area surrounding Wheeling Metra Station, including portions of Dundee Road and areas north of Dundee Road.

Crossroads Redevelopment Area Fund

This fund is used to account for the funds restricted for the redevelopment activities of the tax increment financing district located near Milwaukee Avenue and Dundee Road.

South Milwaukee Redevelopment Area Fund

This fund is used to account for the funds restricted for the redevelopment activities of the tax increment financing district located near South Milwaukee Road.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

CAPITAL PROJECTS FUNDS (Continued)

Southeast TIF Fund

This fund is used to account for the funds restricted for redevelopment activities of the tax increment financing district located near and around the Chicago Executive Airport.

Capital Equipment Replacement Fund

This fund accounts for transfers and advances from other funds assigned for the eventual replacement of vehicles and equipment utilized by those funds.

Capital Projects Fund

This fund accounts for the municipal gas and electric tax proceeds. The proceeds are restricted to fund infrastructure and noninfrastructure needs including public streets, sidewalks, building improvements, etc.

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources restricted for the payment of general obligation bond principal and interest.

VILLAGE OF WHEELING, ILLINOIS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

December 31, 2011

	Special Revenue		
	Motor Fuel Tax	Emergency Telephone System	Grant
ASSETS			
Cash and investments	\$ 1,394,543	\$ 35,165	\$ -
Receivables			
Property taxes	-	-	-
Accounts	-	90,176	-
Accrued interest	3,402	410	-
Other	-	-	-
Prepaid items	-	17,190	1,742
Inventory	152,690	-	-
Due from other funds	-	-	-
Due from other governments	102,777	-	46,339
TOTAL ASSETS	\$ 1,653,412	\$ 142,941	\$ 48,081
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 136,490	\$ 6,600	\$ 23,428
Accrued payroll	-	-	9,208
Deferred revenue	-	-	3,212
Due to other funds	-	-	12,233
Advances from other funds	-	-	-
Total liabilities	136,490	6,600	48,081
FUND BALANCES			
Nonspendable			
Prepaid items	-	17,190	1,742
Inventory	152,690	-	-
Restricted			
Capital projects	-	-	-
Highways and streets	1,364,232	-	-
Public safety	-	119,151	-
Economic development	-	-	-
Debt service	-	-	-
Unrestricted			
Assigned			
Capital improvements	-	-	-
Unassigned	-	-	(1,742)
Total fund balances	1,516,922	136,341	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,653,412	\$ 142,941	\$ 48,081

Capital Projects								
Town Center TIF	Crossroads Redevelopment Area	South Milwaukee Redevelopment Area	Southeast TIF	Capital Equipment Replacement	Capital Projects	Debt Service	Total	
\$ 14,083	\$ 1,029,151	\$ 2,889,265	\$ 749,163	\$ 4,712,748	\$ 3,405,023	\$ 61,789	\$ 14,290,930	
-	-	9,602	-	-	-	418,454	428,056	
-	-	-	-	-	-	-	90,176	
-	1,377	1,743	1,269	10,883	7,070	-	26,154	
-	-	-	-	-	172,449	-	172,449	
-	-	-	-	-	-	-	18,932	
-	-	-	-	-	-	-	152,690	
-	-	1,600,000	800,000	-	-	-	2,400,000	
-	-	-	-	-	-	-	149,116	
<u>\$ 14,083</u>	<u>\$ 1,030,528</u>	<u>\$ 4,500,610</u>	<u>\$ 1,550,432</u>	<u>\$ 4,723,631</u>	<u>\$ 3,584,542</u>	<u>\$ 480,243</u>	<u>\$ 17,728,503</u>	
\$ 62,756	\$ 341,373	\$ 2,280	\$ 309,154	\$ -	\$ 198,258	\$ 375	\$ 1,080,714	
287	287	287	287	-	-	-	10,356	
-	-	-	-	-	1,761,967	412,800	2,177,979	
326,000	1,600,000	-	-	-	-	-	1,938,233	
-	-	-	-	848,657	-	-	848,657	
<u>389,043</u>	<u>1,941,660</u>	<u>2,567</u>	<u>309,441</u>	<u>848,657</u>	<u>1,960,225</u>	<u>413,175</u>	<u>6,055,939</u>	
-	-	-	-	-	-	-	18,932	
-	-	-	-	-	-	-	152,690	
-	-	-	-	-	1,624,317	-	1,624,317	
-	-	-	-	-	-	-	1,364,232	
-	-	-	-	-	-	-	119,151	
-	-	4,498,043	1,240,991	-	-	-	5,739,034	
-	-	-	-	-	-	67,068	67,068	
-	-	-	-	3,874,974	-	-	3,874,974	
(374,960)	(911,132)	-	-	-	-	-	(1,287,834)	
<u>(374,960)</u>	<u>(911,132)</u>	<u>4,498,043</u>	<u>1,240,991</u>	<u>3,874,974</u>	<u>1,624,317</u>	<u>67,068</u>	<u>11,672,564</u>	
<u>\$ 14,083</u>	<u>\$ 1,030,528</u>	<u>\$ 4,500,610</u>	<u>\$ 1,550,432</u>	<u>\$ 4,723,631</u>	<u>\$ 3,584,542</u>	<u>\$ 480,243</u>	<u>\$ 17,728,503</u>	

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
For the Year Ended December 31, 2011

	Special Revenue		
	Motor Fuel Tax	Emergency Telephone System	Grant
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	1,288,069	-	239,698
Charges for services	-	230,572	-
Investment income	12,969	2,237	-
Miscellaneous	-	147,029	-
Total revenues	<u>1,301,038</u>	<u>379,838</u>	<u>239,698</u>
EXPENDITURES			
Current			
Public safety	-	410,749	295,890
Highways and streets	1,667,672	-	-
Capital outlay	-	-	-
Capital improvements	-	-	-
Debt service			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	<u>1,667,672</u>	<u>410,749</u>	<u>295,890</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(366,634)</u>	<u>(30,911)</u>	<u>(56,192)</u>
OTHER FINANCING SOURCES (USES)			
Issuance of refunding bonds	-	-	-
Premium on refunding bonds	-	-	-
Payment to escrow agent	-	-	-
Transfers in	-	-	56,192
Transfers (out)	-	(66,014)	-
Total other financing sources (uses)	<u>-</u>	<u>(66,014)</u>	<u>56,192</u>
NET CHANGE IN FUND BALANCES	<u>(366,634)</u>	<u>(96,925)</u>	<u>-</u>
FUND BALANCES (DEFICIT), JANUARY 1	1,883,556	233,266	-
Prior period adjustment	-	-	-
FUND BALANCES (DEFICIT), JANUARY 1, RESTATED	<u>1,883,556</u>	<u>233,266</u>	<u>-</u>
FUND BALANCES (DEFICIT), DECEMBER 31	<u>\$ 1,516,922</u>	<u>\$ 136,341</u>	<u>\$ -</u>

Capital Projects							
Town Center TIF	Crossroads Redevelopment Area	South Milwaukee Redevelopment Area	Southeast TIF	Capital Equipment Replacement	Capital Projects	Debt Service	Total
\$ -	\$ 2,741,818	\$ 1,577,075	\$ 173,994	\$ -	\$ 1,871,180	\$ 464,352	\$ 6,828,419
104	-	-	-	-	150,000	-	1,677,871
-	-	-	-	-	705,195	-	935,767
150	27,645	32,557	15,518	70,137	21,616	1,128	183,957
-	289	-	-	-	-	-	147,318
254	2,769,752	1,609,632	189,512	70,137	2,747,991	465,480	9,773,332
-	-	-	-	-	-	-	706,639
-	-	-	-	-	330,027	-	1,997,699
246,062	2,936,603	60,226	26,598	230,813	-	-	3,500,302
658,917	269,064	-	-	-	367,082	-	1,295,063
-	-	-	-	-	246,875	560,000	806,875
-	-	-	-	-	190,807	1,672,912	1,863,719
904,979	3,205,667	60,226	26,598	230,813	1,134,791	2,232,912	10,170,297
(904,725)	(435,915)	1,549,406	162,914	(160,676)	1,613,200	(1,767,432)	(396,965)
-	-	-	-	-	3,820,676	-	3,820,676
-	-	-	-	-	104,358	-	104,358
-	-	-	-	-	(3,923,274)	-	(3,923,274)
-	-	-	-	574,391	-	1,781,450	2,412,033
-	-	-	-	(11,829)	(1,540,353)	-	(1,618,196)
-	-	-	-	562,562	(1,538,593)	1,781,450	795,597
(904,725)	(435,915)	1,549,406	162,914	401,886	74,607	14,018	398,632
6,001,709	9,497,174	5,840,981	1,078,077	3,473,088	1,549,710	53,050	29,610,611
(5,471,944)	(9,972,391)	(2,892,344)	-	-	-	-	(18,336,679)
529,765	(475,217)	2,948,637	1,078,077	3,473,088	1,549,710	53,050	11,273,932
\$ (374,960)	\$ (911,132)	\$ 4,498,043	\$ 1,240,991	\$ 3,874,974	\$ 1,624,317	\$ 67,068	\$ 11,672,564

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

MOTOR FUEL TAX FUND

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

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
REVENUES				
Intergovernmental				
Allotments	\$ 960,500	\$ 960,500	\$ 1,145,569	\$ 1,173,310
Grants	251,148	251,148	142,500	-
Investment income	19,374	19,374	12,969	41,451
Total revenues	<u>1,231,022</u>	<u>1,231,022</u>	<u>1,301,038</u>	<u>1,214,761</u>
EXPENDITURES				
Highways and streets				
Personnel services	343,787	343,787	260,051	296,219
Contractual services	211,682	211,682	166,588	119,772
Commodities	241,500	241,500	152,336	190,691
Maintenance and capital improvements	1,453,500	1,453,500	1,088,697	396,233
Total expenditures	<u>2,250,469</u>	<u>2,250,469</u>	<u>1,667,672</u>	<u>1,002,915</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,019,447)</u>	<u>\$ (1,019,447)</u>	(366,634)	211,846
FUND BALANCE, JANUARY 1			<u>1,883,556</u>	<u>1,671,710</u>
FUND BALANCE, DECEMBER 31			<u>\$ 1,516,922</u>	<u>\$ 1,883,556</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

EMERGENCY TELEPHONE SYSTEM FUND

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

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
REVENUES				
Charges for services	\$ 238,000	\$ 238,000	\$ 230,572	\$ 232,604
Investment income	4,469	4,469	2,237	6,402
Miscellaneous				
Telephone surcharges	150,000	150,000	147,029	157,439
Total revenues	392,469	392,469	379,838	396,445
EXPENDITURES				
Public safety	481,224	481,224	410,749	394,892
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	(88,755)	(88,755)	(30,911)	1,553
OTHER FINANCING SOURCE (USES)				
Transfers (out)				
Capital Equipment Replacement Fund	(66,014)	(66,014)	(66,014)	(147,181)
Total other financing sources (uses)	(66,014)	(66,014)	(66,014)	(147,181)
NET CHANGE IN FUND BALANCE	\$ (154,769)	\$ (154,769)	(96,925)	(145,628)
FUND BALANCE, JANUARY 1			233,266	378,894
FUND BALANCE, DECEMBER 31			\$ 136,341	\$ 233,266

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

EMERGENCY TELEPHONE SYSTEM FUND

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
PUBLIC SAFETY				
Personnel services				
Training	\$ 975	\$ 975	\$ 975	\$ -
Contractual services				
Conferences and meetings	1,685	1,685	890	-
Data processing services	51,800	51,800	47,618	45,130
Maintenance - equipment	65,740	65,740	52,233	43,608
Membership dues	250	250	222	-
Regional and special agency assessments	315,524	315,524	282,681	281,798
Rental agreements	250	250	-	-
Telecommunications	19,900	19,900	8,873	12,548
Total contractual services	455,149	455,149	392,517	383,084
Commodities				
Books and subscriptions				
Information systems miscellaneous equipment and supplies	1,100	1,100	577	-
Small tools and equipment	20,000	20,000	14,970	8,644
Miscellaneous operating supplies	-	-	-	1,255
Miscellaneous software	1,000	1,000	699	1,051
Miscellaneous software	3,000	3,000	1,011	858
Total commodities	25,100	25,100	17,257	11,808
Capital outlay				
Transfer to CERF	66,014	66,014	66,014	147,181
Less transfer to CERF	(66,014)	(66,014)	(66,014)	(147,181)
Net capital outlay	-	-	-	-
TOTAL EXPENDITURES	\$ 481,224	\$ 481,224	\$ 410,749	\$ 394,892

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GRANT FUND

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

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
REVENUES				
Intergovernmental	\$ 238,700	\$ 238,700	\$ 239,698	\$ 555,788
Total revenues	238,700	238,700	239,698	555,788
EXPENDITURES				
Public safety				
Personnel services				
Overtime	120,000	120,000	109,178	130,796
Salaries	107,934	107,934	80,900	105,214
Employer contributions	17,466	17,466	16,607	21,603
Conferences and meetings	-	-	-	42
Contractual services				
Employee health insurance	20,500	20,500	20,423	19,206
Maintenance office/special equipment	-	-	-	1,071
Printing and binding	-	-	193	2,767
Miscellaneous contractual services	10,700	10,700	16,833	16,766
Commodities				
Vehicle maintenance	-	-	-	37,817
Information systems miscellaneous equipment and supplies	-	-	-	69,337
Small tools and equipment	-	-	-	746
Miscellaneous operating supplies	1,800	1,800	903	9,545
Investigative funds	-	-	500	750
Capital improvements				
Special equipment	-	-	50,353	63,009
Streetscape improvements	-	-	-	170,000
Total expenditures	278,400	278,400	295,890	648,669
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(39,700)	(39,700)	(56,192)	(92,881)
OTHER FINANCING SOURCES (USES)				
Transfers in				
General Fund	39,700	39,700	56,192	92,881
Total other financing sources (uses)	39,700	39,700	56,192	92,881
NET CHANGE IN FUND BALANCE	\$ -	\$ -	-	-
FUND BALANCE, JANUARY 1			-	-
FUND BALANCE, DECEMBER 31			\$ -	\$ -

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

TOWN CENTER TIF FUND

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

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 288,476	\$ 288,476	\$ -	\$ 525,677
Intergovernmental	-	-	104	23,114
Investment income	4,094	4,094	150	460
Total revenues	292,570	292,570	254	549,251
EXPENDITURES				
Capital outlay				
Salaries	12,046	12,046	12,169	11,465
Employer contributions	2,537	2,537	2,508	2,292
Consulting services	52,075	52,075	231,385	(2,772)
Land acquisition	-	-	-	5,310
Capital improvements				
Streetscape improvements	365,000	365,000	77,336	4,705
Sidewalk improvements	107,600	107,600	-	-
Pavement improvements	3,263,443	3,263,443	-	-
Bridge improvements	463,000	463,000	224,482	-
Contingencies	-	-	357,099	-
Total expenditures	4,265,701	4,265,701	904,979	21,000
EXCESS (DEFICIENCY) OF REVENUES OF EXPENDITURES	(3,973,131)	(3,973,131)	(904,725)	528,251
OTHER FINANCING SOURCES (USES)				
Transfers in				
Crossroads Redevelopment Area Fund	-	-	-	6,330,000
Total other financing sources (uses)	-	-	-	6,330,000
NET CHANGE IN FUND BALANCE	\$ (3,973,131)	\$ (3,973,131)	(904,725)	6,858,251
FUND BALANCE (DEFICIT), JANUARY 1			6,001,709	(856,542)
Prior period adjustment			(5,471,944)	-
FUND BALANCE, JANUARY 1, RESTATED			529,765	(856,542)
FUND BALANCE (DEFICIT), DECEMBER 31			\$ (374,960)	\$ 6,001,709

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

CROSSROADS REDEVELOPMENT AREA FUND

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

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 2,706,044	\$ 2,706,044	\$ 2,741,818	\$ 2,690,993
Charges for services	1,200	1,200	-	28,000
Investment income	-	-	27,645	53,688
Miscellaneous	950,000	950,000	289	-
Total revenues	<u>3,657,244</u>	<u>3,657,244</u>	<u>2,769,752</u>	<u>2,772,681</u>
EXPENDITURES				
Capital outlay				
Salaries	12,046	12,046	12,169	11,465
Overtime	-	-	-	2,804
Employee contributions	2,537	2,537	2,508	2,292
Consulting services	277,575	277,575	621,451	1,120,231
Surplus distributions	1,905,582	1,905,582	2,300,475	2,249,337
Capital improvements				
Streetscape improvements	50,000	50,000	269,064	29,265
Total expenditures	<u>2,247,740</u>	<u>2,247,740</u>	<u>3,205,667</u>	<u>3,415,394</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>1,409,504</u>	<u>1,409,504</u>	<u>(435,915)</u>	<u>(642,713)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in				
North Milwaukee/Lake Cook Redevelopment Area Fund	-	-	-	6,330,000
Transfers (out)				
Town Center TIF Fund	-	-	-	(6,330,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 1,409,504</u>	<u>\$ 1,409,504</u>	<u>(435,915)</u>	<u>(642,713)</u>
FUND BALANCE, JANUARY 1			9,497,174	10,139,887
Prior period adjustment			(9,972,391)	-
FUND BALANCE, JANUARY 1, RESTATED			<u>(475,217)</u>	<u>10,139,887</u>
FUND BALANCE, DECEMBER 31			<u>\$ (911,132)</u>	<u>\$ 9,497,174</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SOUTH MILWAUKEE REDEVELOPMENT AREA FUND

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

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 1,429,314	\$ 1,429,314	\$ 1,577,075	\$ 1,529,556
Investment income	45,736	45,736	32,557	34,320
Total revenues	<u>1,475,050</u>	<u>1,475,050</u>	<u>1,609,632</u>	<u>1,563,876</u>
EXPENDITURES				
Capital outlay				
Salaries	12,046	12,046	12,169	11,465
Employer contributions	2,537	2,537	2,508	2,292
Conferences and meetings	60	60	312	82
Consulting services	-	-	32,573.74	-
Employee health insurance	2,015	2,015	1,984	1,956
Membership dues	-	-	-	188
Miscellaneous contractual services	-	-	500	-
Legal services	5,000	5,000	2,279	7,071
Streetscape improvements	-	-	7,900	-
Total expenditures	<u>21,658</u>	<u>21,658</u>	<u>60,226</u>	<u>23,054</u>
NET CHANGE IN FUND BALANCE	<u>\$ 1,453,392</u>	<u>\$ 1,453,392</u>	<u>1,549,406</u>	<u>1,540,822</u>
FUND BALANCE, JANUARY 1			5,840,981	4,300,159
Prior period adjustment			<u>(2,892,344)</u>	-
FUND BALANCE, JANUARY 1, RESTATED			<u>2,948,637</u>	<u>4,300,159</u>
FUND BALANCE, DECEMBER 31			<u>\$ 4,498,043</u>	<u>\$ 5,840,981</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SOUTHEAST TIF FUND

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

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 586,687	\$ 586,687	\$ 173,994	\$ 903,985
Investment income	13,656	13,656	15,518	18,020
Total revenues	600,343	600,343	189,512	922,005
EXPENDITURES				
Capital outlay				
Salaries	12,046	12,046	12,169	11,465
Employer contributions	2,537	2,537	2,508	2,292
Conferences and meetings	60	60	119	82
Consulting services	-	-	6,103	10,754
Employee health insurance	2,015	2,015	1,984	1,956
Legal services	25,000	25,000	3,715	6,451
Minor street repairs	-	-	-	107,718
Sewer line maintenance	40,000	40,000	-	14,230
Surplus distributions	158,405	158,405	-	400,372
Capital improvements				
Streetscape improvements	50,000	50,000	-	-
Sidewalk improvements	45,100	45,100	-	-
Total expenditures	335,163	335,163	26,598	555,320
NET CHANGE IN FUND BALANCE	\$ 265,180	\$ 265,180	162,914	366,685
FUND BALANCE (DEFICIT), JANUARY 1			1,078,077	711,392
FUND BALANCE, DECEMBER 31			\$ 1,240,991	\$ 1,078,077

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

CAPITAL EQUIPMENT REPLACEMENT FUND

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

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
REVENUES				
Investment income	\$ 60,000	\$ 60,000	\$ 70,137	\$ 124,138
Total revenues	60,000	60,000	70,137	124,138
EXPENDITURES				
Capital outlay				
Rental equipment	3,700	3,700	-	-
Information systems miscellaneous equipment and supplies	-	-	-	320
Mobile equipment	429,600	429,600	209,445	121,582
Office equipment	27,000	27,000	-	-
Special equipment	-	-	4,558	8,791
Capital equipment and supplies	45,000	45,000	-	447,601
Capital software	-	-	16,810	-
Total expenditures	505,300	505,300	230,813	578,294
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(445,300)	(445,300)	(160,676)	(454,156)
OTHER FINANCING SOURCES (USES)				
Transfers in				
General Fund	508,377	508,377	508,377	426,064
Waterworks and Sewerage Fund	183,302	183,302	-	-
Emergency Telephone System Fund	66,014	66,014	66,014	147,181
Transfers (out)				
Waterworks and Sewerage Fund	-	-	(11,829)	(17,513)
Total other financing sources (uses)	757,693	757,693	562,562	555,732
NET CHANGE IN FUND BALANCE	\$ 312,393	\$ 312,393	401,886	101,576
FUND BALANCE, JANUARY 1			3,473,088	3,371,512
FUND BALANCE, DECEMBER 31			\$ 3,874,974	\$ 3,473,088

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

CAPITAL PROJECTS FUND

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

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
REVENUES				
Taxes				
Utility taxes	\$ 1,820,000	\$ 1,820,000	\$ 1,871,180	\$ 1,863,505
Intergovernmental	-	-	150,000	-
Investment income	1,888	1,888	21,616	52,051
Miscellaneous	716,732	716,732	705,195	477,832
Total revenues	2,538,620	2,538,620	2,747,991	2,393,388
EXPENDITURES				
Current				
Highways and streets				
Personnel services	247,610	247,610	247,610	247,610
Contractual services	25,000	25,000	81,195	15,138
Commodities	-	-	1,222	118,210
Capital outlay				
Land acquisition	-	-	-	5,306
Equipment	25,000	25,000	-	-
Capital improvements				
Storm sewer improvements	280,000	280,000	57,872	3,975
Streetscape improvements	300,772	300,772	74,040	38,754
Bridge improvements	-	-	-	-
Pavement improvements	3,000	3,000	2,160	-
Waterway improvements	-	-	4,538	26,935
Building improvements	-	-	228,472	7,379,081
Debt service				
Principal	246,875	246,875	246,875	235,000
Interest	176,569	176,569	190,407	185,663
Fiscal agent fees	400	400	400	400
Total expenditures	1,305,226	1,305,226	1,134,791	8,256,072
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,233,394	1,233,394	1,613,200	(5,862,684)
OTHER FINANCING SOURCES (USES)				
Issuance of refunding bonds	-	-	3,820,676	-
Premium on refunding bonds	-	-	104,358	-
Payment to escrow agent	-	-	(3,923,274)	-
Transfers (out)				
North Milwaukee/Lake Cook Redevelopment Area Fund	-	-	(40,353)	-
Debt Service Fund	(1,500,000)	(1,500,000)	(1,500,000)	(500,000)
Total other financing sources (uses)	(1,500,000)	(1,500,000)	(1,538,593)	(500,000)
NET CHANGE IN FUND BALANCE	\$ (266,606)	\$ (266,606)	74,607	(6,362,684)
FUND BALANCE, JANUARY 1			1,549,710	7,912,394
FUND BALANCE, DECEMBER 31			\$ 1,624,317	\$ 1,549,710

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

DEBT SERVICE FUND

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

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011			2010
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes				
Property taxes	\$ 450,715	\$ 450,715	\$ 464,352	\$ 1,474,942
Investment income	-	-	1,128	864
Total revenues	<u>450,715</u>	<u>450,715</u>	<u>465,480</u>	<u>1,475,806</u>
EXPENDITURES				
Debt service				
Principal retirement	560,000	560,000	560,000	535,000
Interest	1,672,165	1,672,165	1,672,162	1,693,006
Fiscal agent fees	750	750	750	750
Total expenditures	<u>2,232,915</u>	<u>2,232,915</u>	<u>2,232,912</u>	<u>2,228,756</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,782,200)</u>	<u>(1,782,200)</u>	<u>(1,767,432)</u>	<u>(752,950)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in				
Capital Projects Fund	1,500,000	1,500,000	1,500,000	500,000
Water and Sewerage Fund	281,450	281,450	281,450	281,450
Total other financing sources (uses)	<u>1,781,450</u>	<u>1,781,450</u>	<u>1,781,450</u>	<u>781,450</u>
NET CHANGE IN FUND BALANCE	<u>\$ (750)</u>	<u>\$ (750)</u>	14,018	28,500
FUND BALANCE, JANUARY 1			<u>53,050</u>	<u>24,550</u>
FUND BALANCE, DECEMBER 31			<u>\$ 67,068</u>	<u>\$ 53,050</u>

(See independent auditor's report.)

MAJOR PROPRIETARY FUNDS

ENTERPRISE FUNDS

Enterprise Funds are established to account for the financing of self-supporting activities of the Village that render services on a user-charge basis.

Waterworks and Sewerage Fund

This fund is used to account for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, and improvements.

INTERNAL SERVICE FUND

Liability Insurance Fund

This fund is used to account for accumulation of resources and costs associated with liability insurance for the Village.

VILLAGE OF WHEELING, ILLINOIS
WATERWORKS AND SEWERAGE FUND
STATEMENT OF NET ASSETS
December 31, 2011
(With Comparative Amounts for December 31, 2010)

	2011	2010
CURRENT ASSETS		
Cash and investments	\$ 7,058,300	\$ 6,815,292
Receivables (net where applicable of allowance for uncollectibles)		
Accounts	1,611,983	1,664,971
Accrued interest	4,916	4,058
IPBC	102,940	99,873
Miscellaneous	435	5,126
Prepaid expenses	136,064	125,276
Inventory	291,143	316,879
	9,205,781	9,031,475
NONCURRENT ASSETS		
Capital assets		
Assets not being depreciated	1,539,353	588,581
Assets being depreciated		
Cost	54,992,132	54,570,964
Accumulated depreciation	(18,369,177)	(17,385,228)
	36,622,955	37,185,736
Net capital assets being depreciated		
Net capital assets	38,162,308	37,774,317
Deferred charges	30,580	15,484
Advances to other funds	848,657	703,737
Investment in joint ventures	7,001,387	7,220,328
	46,042,932	45,713,866
Total noncurrent assets		
Total assets	55,248,713	54,745,341
CURRENT LIABILITIES		
Accounts payable	218,102	150,488
Accrued payroll	78,295	45,513
Compensated absences payable	58,032	60,695
Deposits payable	64,180	50,118
Interest payable	1,939	2,104
Bonds payable	162,824	150,000
	583,372	458,918
Total current liabilities		
NONCURRENT LIABILITIES		
General obligation bonds payable (less current portion)	1,310,723	1,350,000
Compensated absences payable (less current portion)	70,927	74,183
Other postemployment benefit obligation	9,927	20,776
	1,391,577	1,444,959
Total noncurrent liabilities		
Total liabilities	1,974,949	1,903,877
NET ASSETS		
Invested in capital assets, net of related debt	36,688,761	36,274,317
Unrestricted	16,585,003	16,567,147
	53,273,764	52,841,464
TOTAL NET ASSETS		

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN NET ASSETS - BUDGET AND ACTUAL

For the Year Ended December 31, 2011

	Waterworks and Sewerage		
	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services			
Water sales	\$ 5,821,476	\$ 5,821,476	\$ 5,966,492
Sewer charges	1,446,000	1,446,000	1,394,337
Water connection fees	26,140	26,140	35,170
Sewer connection fees	30,000	30,000	88,556
Water meter sales	10,000	10,000	15,167
Other	101,217	101,217	102,968
Total operating revenues	<u>7,434,833</u>	<u>7,434,833</u>	<u>7,602,690</u>
OPERATING EXPENSES EXCLUDING DEPRECIATION			
Waterworks division	4,375,531	4,375,531	4,119,482
Sewerage division	1,612,732	1,612,732	1,395,014
Waterworks and Sewerage capital division	3,657,100	3,657,100	254,846
Total operating expenses excluding depreciation	<u>9,645,363</u>	<u>9,645,363</u>	<u>5,769,342</u>
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	<u>(2,210,530)</u>	<u>(2,210,530)</u>	<u>1,833,348</u>
DEPRECIATION	<u>-</u>	<u>-</u>	<u>1,020,799</u>
OPERATING INCOME (LOSS)	<u>(2,210,530)</u>	<u>(2,210,530)</u>	<u>812,549</u>
NONOPERATING REVENUES (EXPENSES)			
Investment income	91,794	91,794	29,945
Interest expense	(50,900)	(50,900)	(27,735)
Gain on disposal of capital assets	-	-	57,122
Expenses for joint venture - Northwest Water Commission	-	-	(218,942)
Total nonoperating revenues (expenses)	<u>40,894</u>	<u>40,894</u>	<u>(159,610)</u>
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	<u>(2,169,636)</u>	<u>(2,169,636)</u>	<u>652,939</u>
TRANSFERS IN (OUT)			
North Milwaukee/Lake Cook Redevelopment Area Fund	-	-	(117,821)
Debt Service Fund	(281,450)	(281,450)	(281,450)
Capital Equipment Replacement Fund	-	-	11,829
Capital Equipment Replacement Fund	(183,302)	(183,302)	-
Total transfers in (out)	<u>(464,752)</u>	<u>(464,752)</u>	<u>(387,442)</u>
CONTRIBUTIONS	<u>-</u>	<u>-</u>	<u>166,803</u>
CHANGE IN NET ASSETS	<u>\$ (2,634,388)</u>	<u>\$ (2,634,388)</u>	<u>432,300</u>
NET ASSETS, JANUARY 1			<u>52,841,464</u>
NET ASSETS, DECEMBER 31			<u>\$ 53,273,764</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
WATERWORKS DIVISION				
Personnel services				
Overtime	\$ 60,000	\$ 60,000	\$ 36,830	\$ 59,060
Seasonal help	22,750	22,750	13,641	19,796
Salaries	647,586	647,586	552,498	780,565
Longevity	4,000	4,000	6,135	5,506
Training	4,075	4,075	2,177	3,508
Uniform allowance	4,800	4,800	4,479	5,863
Employer contributions	137,216	137,216	128,434	173,035
Unemployment compensation	-	-	339	-
Tuition reimbursement	-	-	-	225
VEMA/PEHP contributions	-	-	-	13,616
Sick leave buy back	1,046	1,046	-	948
OPEB	-	-	(10,849)	(11,385)
Total personnel services	881,473	881,473	733,684	1,050,737
Contractual services				
Bank charges	15,900	15,900	19,057	17,851
Conference and meetings	2,755	2,755	2,667	2,679
Consulting services	1,500	1,500	-	-
Legal services	-	-	11,456	2,088
Debris dump charges	20,000	20,000	17,213	25,153
Energy	92,000	92,000	93,602	99,034
Employee group insurance	139,740	139,740	120,875	162,096
General liability insurance	93,132	93,132	93,132	106,005
Hydrant maintenance	30,000	30,000	30,529	24,519
Landscape maintenance	20,000	20,000	14,525	16,990
Maintenance - office and special equipment	1,500	1,500	149	485
Maintenance - radio equipment	550	550	62	16
Membership dues	880	880	285	524
Postage	13,792	13,792	12,818	12,858
Printing and binding	9,040	9,040	9,568	10,281
Rental equipment	1,500	1,500	-	1,255
Telemetry equipment maintenance	20,200	20,200	9,853	7,673
Retiree health insurance	-	-	11,312	11,565
Wells maintenance	17,500	17,500	15,912	55,669
Miscellaneous contractual services	250	250	64	62
Total contractual services	480,239	480,239	463,079	556,803
Commodities				
Auto petroleum products	34,250	34,250	30,009	25,242
Books and subscriptions	100	100	-	-
Chemicals - treatment	7,000	7,000	6,214	6,853
Water samples	25,000	25,000	10,313	11,149
Janitorial supplies	500	500	4,036	389
Vehicle maintenance	22,000	22,000	18,004	20,444
Building and grounds maintenance	22,000	22,000	31,278	11,483
Minor tools and equipment	8,000	8,000	6,816	8,161
Miscellaneous operating supplies	1,400	1,400	1,111	3,207
Office supplies	350	350	343	563
Protective clothing	3,975	3,975	2,800	4,574
Meters	40,000	40,000	38,585	27,197
Water main maintenance	60,000	60,000	43,311	(2,452)
Water storage facilities maintenance	52,000	52,000	26,443	33,909
Total commodities	276,575	276,575	219,263	150,719

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
WATERWORKS DIVISION (Continued)				
Capital outlay				
Water improvements	\$ 20,000	\$ 20,000	\$ (7,764)	\$ 11,634
Transfer to CERF	144,674	144,674	-	-
Subtotal	164,674	164,674	(7,764)	11,634
Less				
Transfer to CERF	(144,674)	(144,674)	-	-
Net capital outlay	20,000	20,000	(7,764)	11,634
Less				
Capital assets capitalized	-	-	-	-
Other				
General Fund reimbursement	967,244	967,244	967,244	952,950
Northwest Water Commission - water charge	1,750,000	1,750,000	1,743,976	1,633,443
Total other	2,717,244	2,717,244	2,711,220	2,586,393
Total operating expenses excluding depreciation - waterworks division	4,375,531	4,375,531	4,119,482	4,356,286
SEWERAGE DIVISION				
Personnel services				
Overtime	35,000	35,000	34,634	21,212
Seasonal help	22,750	22,750	10,013	19,624
Salaries	647,586	647,586	573,216	546,383
Longevity	4,000	4,000	6,135	4,522
Training	1,000	1,000	1,222	1,116
Uniform allowance	4,800	4,800	2,267	5,041
Employer contributions	137,216	137,216	131,293	113,833
VEMA/PEHP contributions	-	-	-	13,616
Sick leave buy back	1,046	1,046	-	-
Total personnel services	853,398	853,398	758,780	725,347
Contractual services				
Conferences and meetings	975	975	1,419	706
Legal services	-	-	-	6,102
Debris dump charges	15,000	15,000	8,988	7,110
Energy	20,000	20,000	17,495	18,469
Employee health insurance	139,740	139,740	112,285	105,074
General liability insurance	49,670	49,670	49,670	56,536
Landscape maintenance	34,110	34,110	11,824	16,357
Bank charges	2,700	2,700	2,987	3,031
Maintenance office/special equipment	3,500	3,500	3,797	2,887
Maintenance - radio equipment	500	500	30	81
Membership dues	75	75	-	38
Postage	2,931	2,931	2,724	2,732
Printing and binding	1,921	1,921	1,982	2,061
Rental equipment	1,500	1,500	-	1,000
Tree maintenance	30,000	30,000	29,978	14,995
Telemetry equipment maintenance	2,000	2,000	738	1,145
Retiree health insurance	9,426	9,426	11,642	6,003
Miscellaneous contractual	6,000	6,000	1,576	1,000
Total contractual services	320,048	320,048	257,135	245,327

(This schedule is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
SEWERAGE DIVISION (Continued)				
Commodities				
Auto petroleum products	\$ 22,000	\$ 22,000	\$ 19,424	\$ 15,826
Books and subscriptions	7,150	7,150	4,360	4,360
Chemicals	9,000	9,000	6,874	8,652
Vehicle maintenance	23,000	23,000	16,241	24,272
Building and grounds maintenance	2,000	2,000	960	210
Minor tools and equipment	6,500	6,500	5,875	6,749
Miscellaneous operating supplies	3,500	3,500	2,281	3,164
Office supplies	350	350	328	444
Protective clothing	3,975	3,975	2,519	3,306
Life stations	35,000	35,000	19,623	21,311
Sewer line maintenance	85,000	85,000	58,803	80,473
Total commodities	197,475	197,475	137,288	168,767
Capital outlay				
Transfer to CERF	38,628	38,628	-	-
Subtotal	38,628	38,628	-	-
Less				
Transfer to CERF	(38,628)	(38,628)	-	-
Net capital outlay	-	-	-	-
Other				
General Fund reimbursement	241,811	241,811	241,811	238,237
Total operating expenses excluding depreciation - sewerage division	1,612,732	1,612,732	1,395,014	1,377,678
WATERWORKS AND SEWERAGE CAPITAL DIVISION				
Personnel services				
Salaries	93,000	93,000	93,000	93,000
Total personnel services	93,000	93,000	93,000	93,000
Contractual services				
Consulting services	-	-	-	10,000
Legal services	-	-	-	324
Miscellaneous contractual services	-	-	500	-
Consulting services	-	-	9,008	-
Total contractual services	-	-	9,508	10,324
Capital outlay				
Water improvements	3,269,100	3,269,100	-	-
Sanitary sewer improvements	295,000	295,000	152,338	7,664
Total capital outlay	3,564,100	3,564,100	152,338	7,664
Total operating expenses excluding depreciation - sewerage division	3,657,100	3,657,100	254,846	110,988
TOTAL OPERATING EXPENSES EXCLUDING DEPRECIATION	\$ 9,645,363	\$ 9,645,363	\$ 5,769,342	\$ 5,844,952

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

LIABILITY INSURANCE FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN NET ASSETS - BUDGET AND ACTUAL

For the Year Ended December 31, 2011
(With Comparative Actual)

	2011		Actual	2010
	Original Budget	Final Budget		
OPERATING REVENUES				
Charges for services	\$ 1,041,760	\$ 1,041,760	\$ 1,041,760	\$ 1,413,404
OPERATING EXPENSES				
Contractual services				
Consulting services	62,528	62,528	55,437	54,500
Insurance claims administration	42,000	42,000	25,350	34,112
General liability insurance	402,233	402,233	349,234	349,473
Self-insurance claims	735,000	735,000	706,296	720,700
Total operating expenses	1,241,761	1,241,761	1,136,317	1,158,785
OPERATING INCOME (LOSS)	(200,001)	(200,001)	(94,557)	254,619
NONOPERATING REVENUES				
Investment income	18,670	18,670	12,189	24,441
Miscellaneous	-	-	-	170,872
Total nonoperating revenues	18,670	18,670	12,189	195,313
CHANGE IN NET ASSETS	\$ (181,331)	\$ (181,331)	(82,368)	449,932
NET ASSETS, JANUARY 1			1,390,826	940,894
NET ASSETS, DECEMBER 31			\$ 1,308,458	\$ 1,390,826

(See independent auditor's report.)

FIDUCIARY FUNDS

Trust Funds are used to account for assets held by the Village in a trustee capacity.

PENSION TRUST FUNDS

Police Pension Fund

This fund accounts for the accumulation of resources used to pay police pension benefits. Resources are provided by member contributions, employer contributions, and interest.

Firefighters' Pension Fund

This fund accounts for the accumulation of resources used to pay firefighters' pension benefits. Resources are provided by member contributions, employer contributions, and interest.

VILLAGE OF WHEELING, ILLINOIS

PENSION TRUST FUNDS

COMBINING STATEMENT OF NET ASSETS

December 31, 2011

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and short-term investments	\$ 412,574	\$ 1,185,128	\$ 1,597,702
Investments at fair value			
U.S. Government and agency obligations	15,312,882	8,386,119	23,699,001
State and local obligations	2,156,713	849,155	3,005,868
Corporate bonds	335,902	3,418,386	3,754,288
Mutual funds	16,053,629	6,254,090	22,307,719
Equities	-	6,962,449	6,962,449
Total investments	33,859,126	25,870,199	59,729,325
Receivables			
Accrued interest	145,986	111,239	257,225
Due from General Fund	43,662	40,381	84,043
Total receivables	189,648	151,620	341,268
Total assets	34,461,348	27,206,947	61,668,295
LIABILITIES			
Accounts payable	35,269	20,347	55,616
Total liabilities	35,269	20,347	55,616
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	\$ 34,426,079	\$ 27,186,600	\$ 61,612,679

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

PENSION TRUST FUNDS

COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS

For the Year Ended December 31, 2011

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 1,296,344	\$ 1,194,810	\$ 2,491,154
Employee	538,322	391,349	929,671
Total contributions	<u>1,834,666</u>	<u>1,586,159</u>	<u>3,420,825</u>
Investment income			
Net appreciation in fair value of investments	(168,966)	(391,606)	(560,572)
Investment income	<u>1,070,676</u>	<u>916,238</u>	<u>1,986,914</u>
Total investment income	901,710	524,632	1,426,342
Less investment expenses	<u>85,639</u>	<u>93,624</u>	<u>179,263</u>
Net investment income	<u>816,071</u>	<u>431,008</u>	<u>1,247,079</u>
Total additions	<u>2,650,737</u>	<u>2,017,167</u>	<u>4,667,904</u>
DEDUCTIONS			
Benefits and refunds	1,754,502	2,288,867	4,043,369
Administrative expenses	<u>18,966</u>	<u>12,323</u>	<u>31,289</u>
Total deductions	<u>1,773,468</u>	<u>2,301,190</u>	<u>4,074,658</u>
NET INCREASE	877,269	(284,023)	593,246
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS			
January 1	<u>33,548,810</u>	<u>27,470,623</u>	<u>61,019,433</u>
December 31	<u>\$ 34,426,079</u>	<u>\$ 27,186,600</u>	<u>\$ 61,612,679</u>

(See independent auditor's report.)

SUPPLEMENTAL FINANCIAL INFORMATION

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND SERIES 2004A

December 31, 2011

Date of Issue April 15, 2004
 Date of Maturity December 15, 2023
 Authorized Issue \$8,000,000
 Interest Rates 2.70% - 4.70%
 Interest Dates June 15 and December 15
 Principal Maturity Date December 15
 Payable at Amalgamated Bank of Chicago

Current and Future Principal and Interest Requirements

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	June 15	Amount	December 15	Amount
2011	\$ 410,000	\$ 15,580	\$ 425,580	2012	\$ 7,790	2012	\$ 7,790
	<u>\$ 410,000</u>	<u>\$ 15,580</u>	<u>\$ 425,580</u>		<u>\$ 7,790</u>		<u>\$ 7,790</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION SALES TAX BOND SERIES 2005

December 31, 2011

Date of Issue	September 1, 2005
Date of Maturity	December 1, 2024
Authorized Issue	\$5,140,000
Interest Rates	4.00% - 4.25%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

Current and Future Principal and Interest Requirements

Tax Levy Year				Interest Due On			
	Principal	Interest	Totals	June 1	Amount	December 1	Amount
2011	\$ 250,000	\$ 173,194	\$ 423,194	2012	\$ 86,597	2012	\$ 86,597
2012	260,000	163,194	423,194	2013	81,597	2013	81,597
2013	270,000	152,794	422,794	2014	76,397	2014	76,397
2014	285,000	141,994	426,994	2015	70,997	2015	70,997
2015	295,000	130,594	425,594	2016	65,297	2016	65,297
2016	310,000	118,794	428,794	2017	59,397	2017	59,397
2017	325,000	106,394	431,394	2018	53,197	2018	53,197
2018	335,000	93,394	428,394	2019	46,697	2019	46,697
2019	350,000	79,994	429,994	2020	39,997	2020	39,997
2020	370,000	65,994	435,994	2021	32,997	2021	32,997
2021	385,000	50,731	435,731	2022	25,366	2022	25,365
2022	400,000	34,850	434,850	2023	17,425	2023	17,425
2023	420,000	17,850	437,850	2024	8,925	2024	8,925
	<u>\$ 4,255,000</u>	<u>\$ 1,329,771</u>	<u>\$ 5,584,771</u>		<u>\$ 664,886</u>		<u>\$ 664,885</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
TAX INCREMENT REVENUE BOND SERIES 2005

December 31, 2011

Date of Issue	August 25, 2005
Date of Maturity	January 1, 2025
Authorized Issue	\$19,000,000
Interest Rates	6.00%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	Bank of New York Mellon

Current and Future Principal and Interest Requirements

Fiscal Year				Interest Due On			
	Principal	Interest	Totals	January 1	Amount	July 1	Amount
2012	\$ 600,000	\$ 1,080,000	\$ 1,680,000	2012	\$ 549,000	2012	\$ 531,000
2013	710,000	1,040,700	1,750,700	2013	531,000	2013	509,700
2014	780,000	996,000	1,776,000	2014	509,700	2014	486,300
2015	865,000	946,650	1,811,650	2015	486,300	2015	460,350
2016	970,000	891,600	1,861,600	2016	460,350	2016	431,250
2017	1,060,000	830,700	1,890,700	2017	431,250	2017	399,450
2018	1,185,000	763,350	1,948,350	2018	399,450	2018	363,900
2019	1,295,000	688,950	1,983,950	2019	363,900	2019	325,050
2020	1,410,000	607,800	2,017,800	2020	325,050	2020	282,750
2021	1,545,000	519,150	2,064,150	2021	282,750	2021	236,400
2022	1,690,000	422,100	2,112,100	2022	236,400	2022	185,700
2023	1,830,000	316,500	2,146,500	2023	185,700	2023	130,800
2024	2,050,000	200,100	2,250,100	2024	130,800	2024	69,300
2025	2,310,000	69,300	2,379,300	2025	69,300	2025	-
	<u>\$ 18,300,000</u>	<u>\$ 9,372,900</u>	<u>\$ 27,672,900</u>		<u>\$ 4,960,950</u>		<u>\$ 4,411,950</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND SERIES 2007

December 31, 2011

Date of Issue	November 30, 2007
Date of Maturity	December 1, 2030
Authorized Issue	\$10,000,000
Interest Rates	3.92%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Bank of America

Current and Future Principal and Interest Requirements

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	June 1	Amount	December 1	Amount
2011	\$ -	\$ 392,000	\$ 392,000	2012	\$ 196,000	2012	\$ 196,000
2012	-	392,000	392,000	2013	196,000	2013	196,000
2013	-	392,000	392,000	2014	196,000	2014	196,000
2014	-	392,000	392,000	2015	196,000	2015	196,000
2015	-	392,000	392,000	2016	196,000	2016	196,000
2016	-	392,000	392,000	2017	196,000	2017	196,000
2017	-	392,000	392,000	2018	196,000	2018	196,000
2018	-	392,000	392,000	2019	196,000	2019	196,000
2019	-	392,000	392,000	2020	196,000	2020	196,000
2020	-	392,000	392,000	2021	196,000	2021	196,000
2021	-	392,000	392,000	2022	196,000	2022	196,000
2022	-	392,000	392,000	2023	196,000	2023	196,000
2023	-	392,000	392,000	2024	196,000	2024	196,000
2024	-	392,000	392,000	2025	196,000	2025	196,000
2025	-	392,000	392,000	2026	196,000	2026	196,000
2026	1,445,000	392,000	1,837,000	2027	196,000	2027	196,000
2027	3,700,000	335,356	4,035,356	2028	167,678	2028	167,678
2028	3,850,000	190,316	4,040,316	2029	95,158	2029	95,158
2029	1,005,000	39,396	1,044,396	2030	19,698	2030	19,698
	<u>\$ 10,000,000</u>	<u>\$ 6,837,068</u>	<u>\$ 16,837,068</u>		<u>\$ 3,418,534</u>		<u>\$ 3,418,534</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND SERIES 2008

December 31, 2011

Date of Issue	January 15, 2008
Date of Maturity	December 1, 2024
Authorized Issue	\$20,000,000
Interest Rates	4.33%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Bank of America

Current and Future Principal and Interest Requirements

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	June 1	Amount	December 1	Amount
2011	\$ 510,000	\$ 866,000	\$ 1,376,000	2012	\$ 433,000	2012	\$ 433,000
2012	670,000	843,917	1,513,917	2013	421,959	2013	421,958
2013	840,000	814,906	1,654,906	2014	407,453	2014	407,453
2014	1,015,000	778,534	1,793,534	2015	389,267	2015	389,267
2015	1,205,000	734,585	1,939,585	2016	367,293	2016	367,292
2016	1,400,000	682,408	2,082,408	2017	341,204	2017	341,204
2017	1,600,000	621,788	2,221,788	2018	310,894	2018	310,894
2018	1,815,000	552,508	2,367,508	2019	276,254	2019	276,254
2019	2,030,000	473,919	2,503,919	2020	236,960	2020	236,959
2020	2,250,000	386,020	2,636,020	2021	193,010	2021	193,010
2021	2,475,000	288,595	2,763,595	2022	144,298	2022	144,297
2022	2,700,000	181,427	2,881,427	2023	90,714	2023	90,713
2023	1,490,000	64,517	1,554,517	2024	32,259	2024	32,258
	<u>\$ 20,000,000</u>	<u>\$ 7,289,124</u>	<u>\$ 27,289,124</u>		<u>\$ 3,644,565</u>		<u>\$ 3,644,559</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND SERIES 2009

December 31, 2011

Date of Issue	January 15, 2009
Date of Maturity	December 1, 2027
Authorized Issue	\$10,000,000
Interest Rates	3.92%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Bank of America

Current and Future Principal and Interest Requirements

Tax Levy Year	Tax Levy			June 1	Interest Due On		
	Principal	Interest	Totals		Amount	December 1	Amount
2011	\$ -	\$ 392,000	\$ 392,000	2012	\$ 196,000	2012	\$ 196,000
2012	-	392,000	392,000	2013	196,000	2013	196,000
2013	-	392,000	392,000	2014	196,000	2014	196,000
2014	-	392,000	392,000	2015	196,000	2015	196,000
2015	-	392,000	392,000	2016	196,000	2016	196,000
2016	-	392,000	392,000	2017	196,000	2017	196,000
2017	-	392,000	392,000	2018	196,000	2018	196,000
2018	-	392,000	392,000	2019	196,000	2019	196,000
2019	-	392,000	392,000	2020	196,000	2020	196,000
2020	-	392,000	392,000	2021	196,000	2021	196,000
2021	-	392,000	392,000	2022	196,000	2022	196,000
2022	-	392,000	392,000	2023	196,000	2023	196,000
2023	1,435,000	392,000	1,827,000	2024	196,000	2024	196,000
2024	3,140,000	335,748	3,475,748	2025	167,874	2025	167,874
2025	3,340,000	212,660	3,552,660	2026	106,330	2026	106,330
2026	2,085,000	81,732	2,166,732	2027	40,866	2027	40,866
	<u>\$ 10,000,000</u>	<u>\$ 5,726,140</u>	<u>\$ 15,726,140</u>		<u>\$ 2,863,070</u>		<u>\$ 2,863,070</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BOND SERIES 2011

December 31, 2011

Date of Issue	October 3, 2011
Date of Maturity	December 15, 2023
Authorized Issue	\$8,445,000
Interest Rates	2.00% - 3.00%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Amalgamated Bank of Chicago

Current and Future Principal and Interest Requirements

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	June 15	Amount	December 15	Amount
2011	\$ 240,000	\$ 240,419	\$ 480,419	2012	\$ 134,869	2012	\$ 105,550
2012	770,000	206,300	976,300	2013	103,150	2013	103,150
2013	780,000	190,900	970,900	2014	95,450	2014	95,450
2014	785,000	175,300	960,300	2015	87,650	2015	87,650
2015	825,000	159,600	984,600	2016	79,800	2016	79,800
2016	825,000	143,100	968,100	2017	71,550	2017	71,550
2017	835,000	126,600	961,600	2018	63,300	2018	63,300
2018	665,000	101,550	766,550	2019	50,775	2019	50,775
2019	685,000	81,600	766,600	2020	40,800	2020	40,800
2020	705,000	61,050	766,050	2021	30,525	2021	30,525
2021	720,000	39,900	759,900	2022	19,950	2022	19,950
2022	610,000	18,300	628,300	2023	9,150	2023	9,150
	<u>\$ 8,445,000</u>	<u>\$ 1,544,619</u>	<u>\$ 9,989,619</u>		<u>\$ 786,969</u>		<u>\$ 757,650</u>

VILLAGE OF WHEELING, ILLINOIS
SCHEDULE OF INSURANCE IN FORCE

December 31, 2011

Insured	Description of Coverage	Amount of Coverage	Expiration Date of Policy
Village of Wheeling	Comprehensive General Liability Auto Physical Damage Errors & Omissions Employee Benefits Liability Terrorism (Torus & Argonaut Insurance)	\$1,000,000 per occurrence (\$3,000,000 aggregate), \$100,000 SIR \$1,000,000 per occurrence (\$3,000,000 aggregate), \$100,000 SIR \$1,000,000 per occurrence (\$3,000,000 aggregate), \$100,000 SIR \$1,000,000 per occurrence (\$3,000,000 aggregate), \$100,000 SIR \$1,000,000 per occurrence, \$25,000 deductible	12/31/2012
Village of Wheeling	Excess Property (Torus & Argonaut Insurance)	\$80,607,601 per occurrence	12/31/2012
Village of Wheeling	Excess Liability (Torus & Argonaut Insurance)	\$15,000,000 aggregate	12/31/2012
Village of Wheeling	Workers Compensation (Torus Specialty Insurance)	\$450,000 SIR per occurrence (550,000 for Police Officers) Statutory loss limit per occurrence	12/31/2012
Village of Wheeling	Crime - Employee Dishonesty (Hartford Fire Insurance Co.)	\$25,000 deductible \$5,000,000 loss limit	12/31/2012
Village of Wheeling	Boiler & Machinery (Travelers Insurance)	\$5,000 deductible \$50,000,000 loss limit	12/31/2012
Village of Wheeling	Storage Tank System (Colony Insurance)	\$5,000 deductible \$1,000,000 loss limit	12/31/2012

(See independent auditor's report.)

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	131-136
Revenue Capacity	
These schedules contain information to help the reader assess the Village's most significant local revenue source, the sales tax.	137-142
Debt Capacity	
These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	143-146
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	147-149
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	150-151

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The Village of Wheeling, Illinois implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

VILLAGE OF WHEELING, ILLINOIS

NET ASSETS BY COMPONENT

Last Nine Fiscal Years

	2003	2004	2005	2006	2007	2008	2009	2010	2011
GOVERNMENTAL ACTIVITIES									
Invested in capital assets, net of related debt	\$ 28,543,534	\$ 32,484,495	\$ 34,964,527	\$ 38,279,976	\$ 30,177,350	\$ 44,583,426	\$ 44,689,081	\$ 42,799,847	\$ 54,123,693
Restricted	10,291,528	22,610,652	22,930,347	20,192,016	29,617,995	37,126,903	36,584,679	28,589,477	10,362,766
Unrestricted	27,014,782	14,834,556	(11,793,666)	(9,996,054)	(6,423,488)	(25,182,170)	(23,198,346)	(10,132,657)	(7,488,366)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 65,849,844	\$ 69,929,703	\$ 46,101,208	\$ 48,475,938	\$ 53,371,857	\$ 56,528,159	\$ 58,075,414	\$ 61,256,667	\$ 56,998,093
BUSINESS-TYPE ACTIVITIES									
Invested in capital assets, net of related debt	\$ 70,888,301	\$ 71,768,341	\$ 33,371,623	\$ 35,710,919	\$ 36,808,647	\$ 37,418,818	\$ 37,148,779	\$ 36,274,317	\$ 36,688,761
Restricted	-	-	-	-	-	-	-	-	-
Unrestricted	11,647,200	14,760,149	57,635,307	59,865,026	64,732,651	61,423,064	60,938,306	63,241,696	62,992,898
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 82,535,501	\$ 86,528,490	\$ 91,006,930	\$ 95,575,945	\$ 101,541,298	\$ 98,841,882	\$ 98,087,085	\$ 99,516,013	\$ 99,681,659
PRIMARY GOVERNMENT									
Invested in capital assets, net of related debt	\$ 99,431,835	\$ 104,252,836	\$ 68,336,150	\$ 73,990,895	\$ 66,985,997	\$ 82,002,244	\$ 81,837,860	\$ 79,074,164	\$ 90,812,454
Restricted	10,291,528	22,610,652	22,930,347	20,192,016	29,617,995	37,126,903	36,584,679	28,589,477	10,362,766
Unrestricted	38,661,982	29,594,705	45,841,641	49,868,972	58,309,163	36,240,894	37,739,960	53,109,039	55,504,532
TOTAL PRIMARY GOVERNMENT	\$ 148,385,345	\$ 156,458,193	\$ 137,108,138	\$ 144,051,883	\$ 154,913,155	\$ 155,370,041	\$ 156,162,499	\$ 160,772,680	\$ 156,679,752

Note: The Village implemented GASB S-34 for the period ended December 31, 2003. Information for prior years is not available.

Data Source

Audited Financial Statements

VILLAGE OF WHEELING, ILLINOIS

CHANGE IN NET ASSETS

Last Nine Fiscal Years

	2003*	2004	2005	2006	2007	2008	2009	2010	2011
EXPENSES									
Governmental Activities									
General government	\$ 6,580,632	\$ 9,314,779	\$ 36,362,855	\$ 16,646,480	\$ 12,984,438	\$ 17,784,959	\$ 14,122,513	\$ 14,219,565	\$ 16,233,324
Public safety	9,800,136	14,902,595	16,653,729	17,420,259	18,526,167	19,716,414	19,885,699	20,396,013	20,733,943
Highways and streets	2,433,207	2,873,423	3,538,506	3,371,315	5,412,538	1,842,576	5,476,091	2,783,647	4,577,770
Interest and fees	391,060	596,708	1,121,528	1,986,097	1,919,098	2,998,209	3,462,955	3,415,044	3,227,766
Total governmental activities expenses	19,205,035	27,687,505	57,676,618	39,424,151	38,842,241	42,342,158	42,947,258	40,814,269	44,772,803
Business-type Activities									
Water and sewer	3,815,158	6,348,615	6,470,907	6,265,342	7,612,327	7,373,555	7,067,551	6,912,264	6,817,876
Airport	-	-	-	-	-	3,444,406	799,270	-	266,654
Total business-type activities expenses	3,815,158	6,348,615	6,470,907	6,265,342	7,612,327	10,817,961	7,866,821	6,912,264	7,084,530
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 23,020,193	\$ 34,036,120	\$ 64,147,525	\$ 45,689,493	\$ 46,454,568	\$ 53,160,119	\$ 50,814,079	\$ 47,726,533	\$ 51,857,333
PROGRAM REVENUES									
Governmental Activities									
Charges for services									
General government	\$ 1,238,366	\$ 1,622,621	\$ 1,637,061	\$ 2,372,907	\$ 1,924,264	\$ 1,738,155	\$ 1,758,207	\$ 1,852,231	\$ 2,192,808
Public safety	704,442	1,202,261	1,282,589	1,315,490	1,434,628	1,809,901	2,166,029	1,947,388	1,862,414
Highways and streets	94,179	115,564	127,553	378,991	109,808	112,644	103,395	102,417	129,919
Operating grants and contributions	764,775	1,083,257	1,273,702	1,140,286	1,165,713	1,047,865	1,065,374	1,605,286	1,433,953
Capital grants and contributions	75,939	185,513	283,567	523,929	389,243	523,889	1,451,630	479,199	529,573
Total governmental activities program revenues	2,877,701	4,209,216	4,604,472	5,731,603	5,023,656	5,232,454	6,544,635	5,986,521	6,148,667

	2003*	2004	2005	2006	2007	2008	2009	2010	2011
PROGRAM REVENUES (Continued)									
Business-type Activities									
Charges for services									
Water and sewer	\$ 4,243,618	\$ 7,209,002	\$ 7,738,223	\$ 7,883,699	\$ 7,861,160	\$ 7,734,607	\$ 6,975,799	\$ 7,588,069	\$ 7,383,748
Airport	-	-	2,988,838	1,779,395	5,227,834	-	-	902,589	-
Capital grants and contributions	-	-	-	-	-	32,680	-	-	-
Total business-type activities program revenues	4,243,618	7,209,002	10,727,061	9,663,094	13,088,994	7,767,287	6,975,799	8,490,658	7,383,748
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 7,121,319	\$ 11,418,218	\$ 15,331,533	\$ 15,394,697	\$ 18,112,650	\$ 12,999,741	\$ 13,520,434	\$ 14,477,179	\$ 13,532,415
NET REVENUES (EXPENSES)									
Governmental activities	\$ (16,327,334)	\$ (23,478,289)	\$ (53,072,146)	\$ (33,692,548)	\$ (33,818,585)	\$ (37,109,704)	\$ (36,402,623)	\$ (34,827,748)	\$ (38,624,136)
Business-type activities	428,460	860,387	4,256,154	3,397,752	5,476,667	(3,050,674)	(891,022)	1,578,394	299,218
TOTAL PRIMARY GOVERNMENT NET REVENUES (EXPENSES)	\$ (15,898,874)	\$ (22,617,902)	\$ (48,815,992)	\$ (30,294,796)	\$ (28,341,918)	\$ (40,160,378)	\$ (37,293,645)	\$ (33,249,354)	\$ (38,324,918)
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS									
Governmental Activities									
Taxes									
Property	\$ 9,759,823	\$ 9,952,437	\$ 12,713,681	\$ 14,028,604	\$ 14,534,879	\$ 18,240,322	\$ 20,053,651	\$ 19,626,799	\$ 19,520,238
Sales	5,115,393	7,508,220	7,770,204	10,395,445	10,654,354	9,536,539	7,941,951	7,983,543	8,076,606
Other	4,265,920	6,930,374	7,487,039	8,395,952	9,881,950	10,029,935	8,948,380	8,959,523	9,001,301
Investment earnings	488,510	719,220	612,727	1,502,072	1,654,636	1,972,157	714,969	557,803	307,641
Miscellaneous	229,400	1,002,520	831,464	590,224	292,951	487,053	295,113	617,396	1,144,281
Contributions	-	1,539,906	-	1,228,782	-	-	-	-	-
Transfers	423,114	(483,480)	(60,232)	-	-	-	(4,186)	263,937	220,639
Total governmental activities	20,282,160	27,169,197	29,354,883	36,141,079	37,018,770	40,266,006	37,949,878	38,009,001	38,270,706

VILLAGE OF WHEELING, ILLINOIS

CHANGE IN NET ASSETS (Continued)

Last Nine Fiscal Years

	2003*	2004	2005	2006	2007	2008	2009	2010	2011
GENERAL REVENUES AND OTHER									
CHANGES IN NET ASSETS									
Business-type Activities									
Investment earnings	\$ 36,851	\$ 86,953	\$ 118,877	\$ 309,791	\$ 343,833	\$ 341,378	\$ 114,527	\$ 114,471	\$ 29,945
Gain on sale of capital assets	-	-	-	-	-	-	-	-	57,122
Income from joint venture	4,864,545	1,913,366	-	-	-	-	-	-	-
Miscellaneous	6,270	44,965	56,076	-	-	9,880	17,512	-	-
Contributions	714,130	636,401	-	-	-	-	-	-	-
Transfers	(423,114)	483,480	60,232	861,472	-	-	4,186	(263,937)	(220,639)
Total business-type activities	5,198,682	3,165,165	235,185	1,171,263	343,833	351,258	136,225	(149,466)	(133,572)
TOTAL PRIMARY GOVERNMENT	\$ 25,480,842	\$ 30,334,362	\$ 29,590,068	\$ 37,312,342	\$ 37,362,603	\$ 40,617,264	\$ 38,086,103	\$ 37,859,535	\$ 38,137,134
SPECIAL ITEM - GOVERNMENTAL ACTIVITIES	\$ -	\$ -	\$ -	\$ -	\$ 1,695,734	\$ -	\$ -	\$ -	\$ -
SPECIAL ITEM - BUSINESS-TYPE ACTIVITIES	\$ -	\$ -	\$ -	\$ -	\$ 144,853	\$ -	\$ -	\$ -	\$ -
CHANGE IN NET ASSETS									
Governmental activities	\$ 3,954,826	\$ 3,690,908	\$ (23,717,263)	\$ 2,448,531	\$ 4,895,919	\$ 3,156,302	\$ 1,547,255	\$ 3,181,253	\$ (353,430)
Business-type activities	5,627,142	4,025,552	4,491,339	4,569,015	5,965,353	(2,699,416)	(754,797)	1,428,928	165,646
TOTAL PRIMARY GOVERNMENT	\$ 9,581,968	\$ 7,716,460	\$ (19,225,924)	\$ 7,017,546	\$ 10,861,272	\$ 456,886	\$ 792,458	\$ 4,610,181	\$ (187,784)

Note: The Village implemented GASB S-34 for the period ended December 31, 2003. Information for prior years is not available.

* Information is for the eight months ended December 31, 2003.

Data Source

Audited Financial Statements

VILLAGE OF WHEELING, ILLINOIS
FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	2002*	2003	2004	2005	2006	2007	2008	2009	2010**	2011
GENERAL FUND										
Nonspendable										
Prepaid items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 340,730	\$ 369,478
Inventory	-	-	-	-	-	-	-	-	264,114	304,889
Assigned										
Health insurance	-	-	-	-	-	-	-	-	1,252,725	1,463,995
Unassigned	-	-	-	-	-	-	-	-	12,332,962	13,615,841
Reserved	2,764,674	690,440	590,310	727,988	770,103	1,922,853	7,208,103	545,940	-	-
Unreserved	13,958,170	15,855,369	14,753,238	13,462,781	15,452,128	18,339,434	10,823,755	14,913,216	-	-
TOTAL GENERAL FUND	\$ 16,722,844	\$ 16,545,809	\$ 15,343,548	\$ 14,190,769	\$ 16,222,231	\$ 20,262,287	\$ 18,031,858	\$ 15,459,156	\$ 14,190,531	\$ 15,754,203
ALL OTHER GOVERNMENTAL FUNDS										
Nonspendable										
Prepaid items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,428	\$ 18,932
Inventory	-	-	-	-	-	-	-	-	131,588	152,690
Land held for resale	-	-	-	-	-	-	-	-	18,336,679	-
Restricted										
Economic development	-	-	-	-	-	-	-	-	6,673,568	7,187,998
Capital projects	-	-	-	-	-	-	-	-	1,549,710	1,624,317
Highways and streets	-	-	-	-	-	-	-	-	1,751,968	1,364,232
Public safety	-	-	-	-	-	-	-	-	224,502	119,151
Debt service	-	-	-	-	-	-	-	-	53,050	67,068
Unrestricted										
Assigned										
Capital improvements	-	-	-	-	-	-	-	-	3,473,088	3,874,974
Unassigned, reported in										
Special Revenue Funds	-	-	-	-	-	-	-	-	(1,664)	(1,742)
Capital Project Funds	-	-	-	-	-	-	-	-	(475,217)	(1,286,092)
Reserved	1,876,326	4,254,943	23,341,663	22,930,347	20,193,276	29,618,534	37,130,548	36,735,159	-	-
Unreserved, reported in										
Special Revenue Funds	3,530,085	1,170,519	-	-	(1,260)	(2,035)	(1,371)	(1,532)	-	-
Capital Project Funds	16,405,104	13,869,183	3,048,009	4,003,921	3,823,167	2,646,930	(2,604,191)	(2,078,086)	-	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 21,811,515	\$ 19,294,645	\$ 26,389,672	\$ 26,934,268	\$ 24,015,183	\$ 32,263,429	\$ 34,524,986	\$ 34,655,541	\$ 31,727,700	\$ 13,121,528

* The Village changed its year end to December 31 in 2003. The information for 2001-2002 is as of April 30.

** The Village implemented GASB Statement No. 54 as of December 31, 2010

Data Source

Audited Financial Statements

VILLAGE OF WHEELING, ILLINOIS
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years

	2002*	2003	2004	2005	2006	2007	2008	2009	2010	2011
REVENUES										
Taxes	\$ 16,674,285	\$ 17,342,866	\$ 21,450,586	\$ 24,595,106	\$ 28,855,592	\$ 30,654,347	\$ 33,081,075	\$ 32,855,735	\$ 32,502,099	\$ 32,526,698
Licenses and permits	412,161	406,303	426,435	408,730	913,665	494,548	452,055	438,417	445,774	627,026
Intergovernmental	6,618,787	2,537,789	4,002,829	4,773,865	5,460,811	5,704,821	6,075,977	6,386,331	5,916,297	5,762,896
Fines and forfeitures	2,251,261	1,166,263	318,417	1,759,129	2,308,620	2,179,819	2,107,271	2,013,155	2,092,093	3,017,946
Charges for services	244,055	179,449	1,757,413	392,758	377,745	351,839	606,984	1,068,433	843,584	732,417
Investment income	1,443,352	488,510	719,220	612,727	1,502,072	1,654,636	1,972,157	714,969	557,803	307,641
Miscellaneous	901,278	518,535	1,647,087	1,477,272	1,225,395	1,002,416	1,202,941	1,021,659	1,373,935	1,224,110
Total revenues	28,545,179	22,639,715	30,321,987	34,019,587	40,643,900	42,042,426	45,498,460	44,498,699	43,731,585	44,198,734
EXPENDITURES										
General government	8,865,478	5,867,977	8,297,060	9,351,086	9,501,709	10,020,189	11,413,172	10,379,637	9,129,789	8,706,123
Public safety	12,035,832	9,360,757	14,511,462	15,917,000	16,954,892	18,282,302	19,478,287	19,336,413	20,710,039	20,103,256
Highways and streets	2,541,338	634,308	860,994	987,850	2,227,587	3,327,986	1,377,369	2,610,475	1,383,873	1,997,699
Capital outlay	3,566,415	2,922,801	6,597,684	29,755,245	8,328,521	6,347,338	28,828,056	19,722,483	12,180,419	7,409,366
Debt service										
Principal	1,465,000	1,960,000	1,750,000	1,815,000	1,880,000	1,705,000	1,485,000	1,570,000	1,500,000	1,735,000
Interest	620,906	408,528	311,402	860,974	1,721,895	1,842,556	2,969,421	3,346,722	3,319,203	3,267,345
Total expenditures	29,094,969	21,154,371	32,328,602	58,687,155	40,614,604	41,525,371	65,551,305	56,965,730	48,223,323	43,218,789
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(549,790)	1,485,344	(2,006,615)	(24,667,568)	29,296	517,055	(20,052,845)	(12,467,031)	(4,491,738)	979,945
OTHER FINANCING SOURCES (USES)										
Transfers in	1,611,322	2,811,299	1,179,720	5,678,677	3,720,499	1,385,960	1,703,588	3,315,179	14,524,176	2,987,807
Transfers (out)	(1,239,829)	(2,388,185)	(1,663,200)	(5,738,909)	(4,090,499)	(1,385,960)	(1,703,588)	(3,319,365)	(14,260,239)	(2,600,365)
Bonds issued	3,015,626	1,155,475	8,000,000	24,140,000	-	10,000,000	20,000,000	10,000,000	-	6,988,943
Premium on bonds issued	-	-	-	-	-	-	-	-	-	193,198
Discount on bonds issued	-	(67,696)	(49,860)	(39,999)	-	-	-	-	-	-
Payment to escrow agent	-	-	-	-	-	-	-	-	-	(7,263,149)
Loss on disposal of land held for resale	-	-	-	-	(578,212)	(38,530)	-	-	-	-
Sale of capital assets	-	102,749	25,614	19,616	31,293	114,043	83,973	29,070	31,335	7,800
Total other financing sources (uses)	3,387,119	1,613,642	7,492,274	24,059,385	(916,919)	10,075,513	20,083,973	10,024,884	295,272	314,234
SPECIAL ITEM	-	-	-	-	-	1,695,734	-	-	-	-
NET CHANGE IN FUND BALANCES	\$ 2,837,329	\$ 3,098,986	\$ 5,485,659	\$ (608,183)	\$ (887,623)	\$ 10,592,568	\$ 31,128	\$ (2,442,147)	\$ (4,196,466)	\$ 1,294,179
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	8.17%	12.99%	8.01%	9.25%	11.16%	10.08%	10.66%	11.66%	12.07%	11.94%

* The Village changed its year end to December 31 in 2003. The information for 2000-2002 is for the year ended April 30.

Data Source

Audited Financial Statements

VILLAGE OF WHEELING, ILLINOIS
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Cook County					Lake County	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
	Residential Property	Commercial Property	Industrial Property	Farm Property	Railroad Property	Total Property				
2001	\$ 346,633,735	\$ 182,651,941	\$ 370,022,379	\$ 51,344	\$ 242,883	\$ 643,788	\$ 900,246,070	0.842	\$ 2,700,738,210	33.333%
2002	385,143,032	180,433,092	384,042,243	74,026	217,677	3,398,419	953,308,489	0.798	2,859,925,467	33.333%
2003	383,867,047	170,563,081	383,498,262	73,905	239,294	3,461,246	941,702,835	0.837	2,825,108,505	33.333%
2004	475,353,083	173,630,760	448,553,188	73,487	459,996	3,570,575	1,101,641,089	0.758	3,304,923,267	33.333%
2005	516,482,519	170,857,125	474,865,044	73,487	587,618	3,689,831	1,166,555,624	0.737	3,499,666,872	33.333%
2006	535,223,102	160,866,914	466,694,131	77,178	737,901	3,737,798	1,167,337,024	0.771	3,502,011,072	33.333%
2007	626,842,573	158,446,498	543,426,355	77,179	904,133	5,762,422	1,335,459,160	0.674	4,006,377,480	33.333%
2008	662,500,104	142,237,686	560,738,500	77,179	1,097,827	6,200,247	1,372,851,543	0.707	4,118,554,629	33.333%
2009	652,665,360	140,126,155	552,414,455	76,070	1,081,534	6,028,165	1,352,391,739	0.770	4,057,175,217	33.333%
2010*	642,546,595	122,080,427	455,233,039	43,707	954,101	5,752,338	1,226,610,207	0.892	3,679,830,621	33.333%

Data Source

Office of the County Clerk

Note

*Allocated using 2009 levy year percentages. 2010 breakdown not available at the time this report was prepared.
 Property in Lake County is reassessed every year at 33% of actual value.
 Property in Cook County is reassessed every three years at rates that vary depending on type (e.g., residential, commercial, industrial, farm, and railroad).

VILLAGE OF WHEELING, ILLINOIS
DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Levy Years

Levy Year	Village Direct Rates					Total Direct Tax Rate	Overlapping Rates (a)									
	General	Bonds and Interest	Police Pension	Fire Pension	Cook County		Forest Preserve District	T.B. Sanitarium	Wheeling Township	Water Reclamation District	Northwest Mosquito Abatement	High School District 214	Harper College District 512	Wheeling Park District	Indian Trails Public Library	Wheeling C C School District 21
2001	0.6311	0.1793	0.0316	-	0.8420	0.7500	0.0700	0.0100	0.0300	0.4000	0.0100	1.9900	0.3100	0.5400	0.2800	2.8900
2002	0.5960	0.1690	0.0323	-	0.7973	0.6900	0.0600	0.0100	0.0600	0.3700	0.0100	1.8900	0.3000	0.5200	0.3000	3.2700
2003	0.6206	0.1765	0.0395	-	0.8366	0.6300	0.0600	-	0.0500	0.3600	0.0100	1.9800	0.3100	0.5600	0.3400	3.5800
2004	0.5305	0.1450	0.0625	0.0194	0.7575	0.5900	0.0600	-	0.0400	0.3500	0.0100	1.8200	0.2800	0.5200	0.3200	3.2600
2005	0.5055	0.1379	0.0646	0.0284	0.7365	0.5330	0.0600	0.0050	0.0410	0.3150	0.0090	1.7590	0.2810	0.5120	0.3120	3.3940
2006	0.5764	0.0832	0.0701	0.0411	0.7709	0.5000	0.0570	0.0050	0.0430	0.2840	0.0090	1.8230	0.2880	0.5350	0.3200	3.5020
2007	0.4082	0.1503	0.0629	0.0523	0.6740	0.4460	0.0530	-	0.0380	0.2630	0.0080	1.6210	0.2600	0.4920	0.2970	3.1540
2008	0.4099	0.1766	0.0640	0.0561	0.7066	0.4150	0.0510	-	0.0380	0.2520	0.0080	1.5870	0.2560	0.4986	0.3080	3.1610
2009	0.4776	0.1123	0.0957	0.0838	0.7694	0.3940	0.0490	-	0.0390	0.2610	0.0080	1.6360	0.2580	0.4900	0.3070	3.2090
2010	0.6533	0.0386	0.1038	0.0956	0.8913	0.0423	0.0510	-	0.0430	0.2740	0.0090	1.8390	0.2950	0.5710	0.3470	3.6580

Data Source

Office of the County Clerk

Note: Rates for debt service are set based on each year's requirements.

VILLAGE OF WHEELING, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	Type of Business	2010			2001		
		Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
Wheeling Hotel Owner	Hotel, Retail Stores	\$ 19,168,911	1	1.56%			
Wal-Mart Stores Inc.	Retail & Wholesale Discount Stores	18,385,716	2	1.50%	\$ 13,396,810	3	1.49%
C Cusick USGI INCC	Woodland Creek Apartments	17,879,172	3	1.46%	18,543,010	1	2.06%
Allstate Insurance Co.	Real Estate Holdings	15,188,184	4	1.24%	13,820,587	2	1.54%
Capstone Realty	Arlington Club/Village Green Apartments	11,090,303	5	0.90%			
Shorewood Management	Mallard Lake Apartments	10,689,136	6	0.87%	11,866,071	4	1.32%
Durable Inc	Industrial	9,784,649	7	0.80%			
Whippletree Village	Real Estate Holdings	8,551,703	8	0.70%			
Greek American	Nursing Home	8,244,482	9	0.67%			
Pactic Corp.	Aluminum Foil Products	6,758,766	10	0.55%			
Village Green Annette	Real Property				10,067,372	5	1.12%
Candlewood Hotel Co.	Hotel				9,671,909	6	1.07%
Foxboro Apartments	Real Property				8,828,132	7	0.98%
Moen Incorporated	Industrial				7,772,119	8	0.86%
NW Mutual Life	Insurance				7,696,933	9	0.86%
ACCO International	Manufacturing				7,512,673	10	0.83%
		<u>\$ 125,741,022</u>		<u>10.25%</u>	<u>\$ 109,175,616</u>		<u>12.13%</u>

NOTE:

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

2011 information was not available at the time of report preparation. Therefore, the Village has presented the most recent year available (2010) and the information for nine years ago.

Data Source

Office of the County Clerk

VILLAGE OF WHEELING, ILLINOIS
PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Tax Levied	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2001	\$ 7,580,477	\$ 7,422,288	97.91%	\$ -	\$ 7,422,288	97.91%
2002	7,600,914	7,421,500	97.64%	36,549	7,458,049	98.12%
2003	7,809,463	7,300,117	93.48%	230,687	7,530,804	96.43%
2004	8,344,130	8,154,484	97.73%	67,306	8,221,790	98.53%
2005	8,589,472	8,327,128	96.95%	74,028	8,401,156	97.81%
2006	8,997,472	7,809,015	86.79%	821,848	8,630,863	95.93%
2007	8,997,472	8,512,009	94.60%	195,228	8,707,237	96.77%
2008	9,699,708	9,049,717	93.30%	330,937	9,380,654	96.71%
2009	10,406,485	8,924,122	85.76%	1,193,793	10,117,915	97.23%
2010	10,931,390	10,633,539	97.28%	185,431	10,818,970	98.97%

Note

Property in Lake County is reassessed every year at 33% of actual value.
Property in Cook County is reassessed every three years at rates that vary depending on type (e.g., residential, commercial, industrial, farm, and railroad).

Data Source

Office of the County Clerk

VILLAGE OF WHEELING, ILLINOIS
MUNICIPAL SALES TAX RECEIPTS BY CATEGORY*

Last Nine Fiscal Years

Fiscal Year	2002	2003	2004	2005	2006	2007	2008	2009	2010
General merchandise	\$ 1,485,035	\$ 1,422,425	\$ 1,419,580	\$ 1,342,665	\$ 1,486,056	\$ 1,481,144	\$ 1,427,529	\$ 1,402,253	\$ 1,396,088
Food	453,001	551,967	549,384	549,085	590,675	538,346	565,923	492,894	479,897
Drinking and eating places	1,000,569	974,036	1,103,403	1,066,168	1,295,391	1,778,178	1,684,245	1,425,186	1,559,847
Apparel	12,466	12,497	13,701	14,730	16,800	18,619	21,337	21,972	29,283
Furniture & H.H. & Radio	339,586	344,420	328,956	354,842	515,529	542,113	478,916	234,314	352,717
Lumber, building hardware	178,676	232,135	237,653	394,147	550,604	711,156	714,022	582,744	547,706
Automobile and filling stations	719,456	585,422	587,033	649,795	2,063,177	1,322,485	823,683	738,858	766,793
Drugs and miscellaneous retail	494,486	555,071	668,512	661,554	666,211	670,955	687,225	553,660	560,097
Agriculture and all others	1,667,212	1,551,711	1,583,345	1,661,990	1,878,295	2,211,457	2,061,432	1,459,648	1,328,013
Manufacturers	714,892	687,605	656,612	672,161	833,893	649,508	521,939	440,853	417,144
TOTAL**	\$ 7,065,379	\$ 6,917,289	\$ 7,148,179	\$ 7,367,137	\$ 9,896,631	\$ 9,923,961	\$ 8,986,251	\$ 7,352,382	\$ 7,437,585
VILLAGE DIRECT SALES TAX RATE	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
VILLAGE HOME RULE SALES TAX RATE***	0.75%	0.75%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

* Includes the Cook & Lake County portions of the Village

** Totals do not tie to financial statements due to confidentiality agreements with certain taxpayers

***The Municipal Home Rule Sales tax rate does not apply to qualifying food, drugs, and medical appliances

Note

2011 information was not available at the time this report was prepared.

Information prior to 2002 not available.

Data Source

Illinois Department of Revenue
Village Records

VILLAGE OF WHEELING, ILLINOIS
 DIRECT AND OVERLAPPING SALES TAX RATES
 Last Ten Fiscal Years

Fiscal Year	Village Home Rule Rate	State, County and Local Rate	Total Rate
2002	0.75%	7.75%	8.50%
2003	0.75%	7.75%	8.50%
2004	0.75%	7.75%	8.50%
2005	0.75%	7.75%	8.50%
2006	1.00%	7.75%	8.75%
2007	1.00%	7.75%	8.75%
2008	1.00%	9.00%	10.00%
2009	1.00%	9.00%	10.00%
2010	1.00%	8.50%	9.50%
2011	1.00%	8.50%	9.50%

Data Source

Illinois Department of Revenue
 Village Records

Note

These tax rates are for Cook County. The Village receives the majority of its sales tax from businesses located in Cook County.

VILLAGE OF WHEELING, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Actual Taxable Value(1) of Property	Per Capita (2)	Debt Outstanding as a Percentage of Personal Income
	General Obligation Bonds	TIF Revenue Bonds	General Obligation Bonds					
2002	\$ 14,620,000	\$ -	\$ 1,675,000		\$ 16,295,000	0.60%	\$ 472.37	1.89%
2003	13,200,000	-	3,910,000		17,110,000	0.60%	496.00	1.98%
2004	17,038,700	-	3,635,000		20,673,700	0.73%	599.31	2.40%
2005	20,412,308	19,000,000	3,235,000		42,647,308	1.29%	1,236.30	4.43%
2006	18,582,906	19,000,000	2,830,000		40,412,906	1.15%	1,048.19	4.19%
2007	26,930,533	19,000,000	2,420,000		48,350,533	1.38%	1,254.07	5.02%
2008	45,499,078	19,000,000	2,020,000		66,519,078	1.66%	1,725.30	6.42%
2009	53,982,768	19,000,000	1,625,000		74,607,768	1.81%	1,935.10	7.17%
2010	52,790,735	18,745,000	1,500,000		73,035,735	1.80%	1,939.96	7.21%
2011	51,653,943	18,300,000	1,456,057		71,410,000	1.94%	1,896.78	7.89%

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

(1) Assessed value and actual value of taxable property

(2) See the schedule of Demographic and Economic Statistics on page 147 for personal income and population data.

Data Source

Village Records

VILLAGE OF WHEELING, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less Amounts Available In Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
2002	\$ 14,620,000	\$ 742,512	\$ 13,877,488	0.51%	\$ 402.29
2003	13,200,000	24,278	13,175,722	0.46%	381.95
2004	17,038,700	353,810	16,684,890	0.59%	483.68
2005	20,412,308	41,094	20,371,214	0.62%	528.37
2006	18,582,906	90,537	18,492,369	0.53%	479.64
2007	26,930,533	89,145	26,841,388	0.77%	696.18
2008	45,499,078	67,082	45,432,395	1.13%	1,178.38
2009	53,982,768	24,550	53,958,218	1.31%	1,399.51
2010	52,790,735	53,050	52,737,685	1.30%	1,400.81
2011	51,653,943	67,068	51,586,875	1.40%	1,370.24

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

* See the schedule of Assessed Value and Actual Value of Taxable Property on page 137 for property value data.

Data Source

Village Records

VILLAGE OF WHEELING, ILLINOIS
SCHEDULE OF LEGAL DEBT MARGIN

December 31, 2011

The Village is a home rule municipality.

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal debt margin.

"The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 50,000 an aggregate of one per cent:...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts."

To date the General Assembly has set no limits for home rule municipalities.

VILLAGE OF WHEELING, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2011

Governmental Unit	Gross Debt	Percentage Debt Applicable to the Village of Wheeling (1)	Village of Wheeling Share of Debt
Village of Wheeling	\$ 51,653,943	100.00%	\$ 51,653,943
Cook County, including Forest Preserve	3,804,145,000	0.72%	27,389,844
Lake County Forest Preserve	63,110,000	0.02%	12,622
Metropolitan Water Reclamation District	2,300,335,115	0.73%	16,792,446
Prospect Heights Park District	9,611,086	18.72%	1,799,195
River Trails Park District	7,320,305	0.02%	1,464
Wheeling Park District	10,540,000	88.23%	9,299,442
Indian Trails Library	-	45.85%	-
School District No. 21	32,658,355	47.82%	15,617,225
School District No. 23	2,470,000	19.10%	471,770
School District No. 102	6,795,000	0.56%	38,052
High School District No. 125	23,680,000	3.66%	866,688
High School District No. 214	48,305,000	11.73%	5,666,177
Community College District No. 512	185,775,000	5.35%	9,938,963
Community College District No. 532	24,350,000	0.02%	4,870
	<u>6,519,094,861</u>		<u>87,898,758</u>
	<u>\$ 6,570,748,804</u>		<u>\$ 139,552,701</u>

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

Data Source

Office of the County Clerk

VILLAGE OF WHEELING, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2002	34,496	\$ 862,020,544	\$ 24,989	34.5	6,007	5.8%
2003	34,496	862,020,544	24,989	34.5	6,187	5.6%
2004	34,496	862,020,544	24,989	34.5	6,064	5.1%
2005	38,555	963,450,895	24,989	34.5	6,064	4.8%
2006	38,555	963,450,895	24,989	34.5	6,064	3.6%
2007	38,555	963,450,895	24,989	34.5	6,249	3.8%
2008	38,555	1,036,551,175	26,885	35.7	6,249	4.9%
2009	38,555	1,039,886,905	26,971	36.2	6,295	7.7%
2010	37,648	1,013,446,512	26,919	35.6	7,075	8.5%
2011	37,648	904,907,328	24,036	36.1	6,987	8.1%

Personal income is the largest sole source income type, usually either property or sales tax.

Data Source

Village Records

VILLAGE OF WHEELING, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2011			2002		
	Number of Employees	Rank	% of Total Village Population	Number of Employees	Rank	% of Total Village Population
National Louis University	700	1	1.86%			
Healthcare Laundry Systems	500	2	1.33%			
Durable Inc.	500	3	1.33%			
Handi-Foil Corp.	500	4	1.33%			
Shure, Inc.	500	5	1.33%	500	2	1.45%
The Segerdahl Corp	400	6	1.06%			
Pactive Corp	350	7	0.93%	600	1	1.74%
Allstate Print Communication	320	8	0.85%			
Bowe Bell & Howell	300	9	0.80%			
Accellent, Inc.	280	10	0.74%			
Cole Taylor bank				500	2	1.45%
Kenny Construction				500	2	1.45%
Acco U.S.A. Inc.				400	3	1.16%
Orval Kent Food Co., Inc.				400	3	1.16%
Block & Company				350	3	1.01%
MMF Industries				306	7	0.89%
The Commercial Cam Co.				300	7	0.87%
J W Allen & Co.				270	9	0.78%
R R D Direct				258	10	0.75%
TOTAL	<u>4,350</u>		<u>11.56%</u>	<u>4,384</u>		<u>12.71%</u>

Data Source

2011 Illinois Service Directory

VILLAGE OF WHEELING, ILLINOIS
FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Government										
Management services	-	4	4	4	5	5	6	7	6	5
Human resources	-	2	2	2	2	2	2	2	2	2
Finance	17	12	12	11	11	12	10	9	8	8
Information systems							3	4	4	3
Economic development	2	2	2	2	-	-	-	-	-	-
Senior services	2	3	3	3	4	4	4	4	5	6
Community development	15	18	18	18	18	18	17	18	13	13
Engineering	-	-	-	-	-	-	4	4	2	2
Public Safety										
Police										
Officers	64	65	65	67	66	66	68	68	62	62
Civilians	25	25	25	25	27	27	28	28	22	21
Fire										
Firefighters and officers	48	54	54	54	56	56	57	58	48	50
Civilians	2	2	2	2	2	2	4	2	4	3
Public Works										
Administration	6	6	3	4	4	4	4	4	4	4
Capital projects and design	6	10	13	13	13	13	9	9	4	4
Building services	10	11	11	12	12	12	6	6	6	5
Fleet services	-	-	-	-	6	6	5	5	4	5
Forestry	-	-	-	-	-	-	4	5	3	4
Utilities	22	22	22	21	21	21	21	21	18	17
Street maintenance	10	10	10	10	10	10	9	9	7	5
	229	246	246	248	257	258	261	263	222	219

Data Source

Village budget office

VILLAGE OF WHEELING, ILLINOIS
OPERATING INDICATORS BY FUNCTION

Last Ten Fiscal Years

Function	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Police										
DUI arrests	262	235	227	203	189	212	244	242	168	155
Accidents	1,779	1,605	1,541	1,622	1,648	1,606	1,522	1,297	1,109	1,198
Total tickets	16,796	14,250	18,527	18,545	17,114	16,684	14,219	17,018	14,133	14,674
Total calls	25,555	25,849	25,687	23,485	28,593	39,233	34,244	32,770	32,389	33,857
Fire										
Number of calls answered	3,336	3,345	3,471	3,782	3,794	4,120	4,475	4,302	4,271	4,222
Inspections	1,749	1,963	2,178	2,123	2,665	2,623	2,319	2,162	2,047	1,652
Highways and Streets										
Word orders completed	1,296	940	1,409	1,566	1,744	1,989	1,902	1,740	1,821	2,276
Sidewalks plowed	500	18	284	518	186	619	722	668	668	400
Water and Sewer										
Meter replacements	1,800	373	373	177	N/A	N/A	N/A	N/A	N/A	N/A
Customer service calls	2,250	1,140	1,140	1,300	1,380	1,320	2,500	1,600	1,700	1,939
Sanitary sewer complaints	115	97	93	68	106	106	63	78	84	68
Sanitary sewer cleaned (l.f.)	68,000	42,600	65,447	35,721	42,600	35,290	26,835	16,092	13,257	14,204
Catch basins/inlets cleaned	150	225	323	105	172	172	106	45	63	89

Note: Indicators are not available for the general government function.

Data Source

Village records

VILLAGE OF WHEELING, ILLINOIS

CAPITAL ASSET STATISTICS BY FUNCTION

Last Ten Fiscal Years

Function	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Number of squad cars	33	33	33	33	33	33	40	40	41	41
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Highways and Streets										
Streets (miles)	65	65	65	65	65	65	75	75	75	75
Alleys (miles)	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Water										
Water mains (miles)	131	134	134	138	138	138	148	148	155	155
Fire hydrants	1488	1488	1488	1568	1620	1631	1635	1635	1651	1709
Average daily pumpage (mgd)	4.62	4.49	4.49	4.82	4.56	4.56	4.56	4.56	4.2	3.9
Sewer										
Sanitary sewers (miles)	76.7	76.7	76.7	76.7	76.7	76.7	82.6	82.6	87	87
Storm sewers (miles)	68	68	68	68	68	68	72	72	72	72
Building Inspections										
Number of permits issued	696	1335	1691	1327	1369	1151	1426	1426	1364	1650
Culture and Recreation										
Number of parks and playgrounds	16	16	16	16	16	16	16	16	16	16
Park area (acres)	270	270	270	270	270	270	270	270	270	270

Data Source

Village records

2012 DISCLOSURE

Relating to

VILLAGE OF WHEELING
Cook and Lake Counties, Illinois
CUSIP NUMBER 963099

\$8,000,000 General Obligation Bonds, Series 2004A
\$5,140,000 General Obligation Sales Tax Bonds, Series 2005
\$10,000,000 General Obligation Corporate Purpose Bonds, Series 2007
\$20,000,000 General Obligation Corporate Purpose Bonds, Series 2008
\$10,000,000 General Obligation Corporate Purpose Bonds, Series 2009
\$8,445,000 General Obligation Refunding Bonds, Series 2011
\$3,925,000 General Obligation Sales Tax Refunding Bonds, Series 2012A
and
\$3,500,000 General Obligation Water System Bonds, Series 2012B

For further information please contact:

Michael Mondschain, Director of Finance
Mr. Albert Walczak, Assistant Director of Finance
Village of Wheeling
2 Community Boulevard7
Wheeling, Illinois 60090

Phone: (847) 459-2600

Fax: (847) 459-9692

6/12/12

I. ANNUAL FINANCIAL INFORMATION REPORT UPDATE

Retailers' Occupation, Service Occupation and Use Tax

DEBT INFORMATION

Village General Obligation Bonded Debt

Overlapping Bonded Debt

Statement of Bonded Indebtedness

PROPERTY ASSESSMENT AND TAX INFORMATION

Village Equalized Assessed Valuation

Larger Taxpayers

Tax Levies and Collections

Village Tax Rates

Typical Tax Bill

FINANCIAL INFORMATION

Statement of Net Assets – Governmental Assets

General Fund – Balance Sheet

***Statement of Activities – Net (Expense) Revenue and Changes in Net Assets –
Governmental Activities***

General Fund – Revenues, Expenditures and Changes in Fund Balance

General Fund – Budget and Interim Financial Information

Retailers' Occupation, Service Occupation and Use Tax(1)

Calendar Year Ending December 31	Municipal Sales Tax Distributions(2)	Home Rule Sales Tax Distributions	Total	Annual Percent Change + (-)
2002	\$4,827,604	\$2,576,068	\$ 7,403,672	9.52%(3)
2003	4,725,308	2,587,926	7,313,234	(1.22%)
2004	4,884,679	2,684,724	7,569,403	3.50%
2005	5,023,863	2,778,315	7,802,178	3.08%
2006	6,548,443	3,878,195	10,426,638	33.64%
2007	6,162,977	4,461,378	10,624,355	1.90%
2008	5,438,399	4,098,140	9,536,539	(10.24%)
2009	4,625,774	3,316,177	7,941,951	(16.72%)
2010	4,622,924	3,360,618	7,983,542	0.52%
2011	4,737,611	3,336,362	8,073,973	1.13%
Growth from 2002 to 2011				9.05%

- Notes: (1) Source: Illinois Department of Revenue. Based on Standard Industrial Classification. Includes tax collections in both Cook and Lake County.
- (2) Tax distributions are based on records of the Illinois Department of Revenue relating to the 1% municipal portion of the Retailers' Occupation, Service Occupation and Use Tax, collected on behalf of the Village, less a State administration fee. The municipal 1% includes tax receipts from the sale of food and drugs which are not taxed by the State.
- (3) The 2002 percentage is based on a 2001 sales tax of \$6,670,269.

DIRECT GENERAL OBLIGATION DEBT (see schedules following)

Total General Obligation Bonds.....	\$56,280,000
Total Alternate Revenue Source Bonds.....	<u>510,000</u>
Total General Obligation Debt.....	<u>\$56,790,000</u>

REVENUE BONDS

<u>Issue</u>	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Amount Outstanding</u>
\$19,000,000 Tax Increment Revenue Bond, Series 2005	9/25/2005	1/1/2025	\$17,700,000

VILLAGE OF WHEELING, ILLINOIS
Village General Obligation Bonded Debt(1)

(As of May 7, 2012)

Calendar Year	Series 2004A	Series 2005(2)	Series 2007	Series 2008	Series 2009	Series 2011	Series 2012A	Series 2012B	Total Debt	Cumulative Principal Retired	
										Amount	Percent
2012.....	\$410,000	\$250,000	\$ 0	\$ 510,000	\$ 0	\$ 240,000	\$ 90,000	\$ 0	\$ 1,500,000	\$ 1,500,000	2.64%
2013.....	0	260,000	0	670,000	0	770,000	25,000	125,000	1,850,000	3,350,000	5.90%
2014.....	0	0	0	840,000	0	780,000	295,000	125,000	2,040,000	5,390,000	9.49%
2015.....	0	0	0	1,015,000	0	785,000	305,000	130,000	2,235,000	7,625,000	13.43%
2016.....	0	0	0	1,205,000	0	825,000	315,000	135,000	2,480,000	10,105,000	17.79%
2017.....	0	0	0	1,400,000	0	825,000	325,000	140,000	2,690,000	12,795,000	22.53%
2018.....	0	0	0	1,600,000	0	835,000	335,000	140,000	2,910,000	15,705,000	27.65%
2019.....	0	0	0	1,815,000	0	665,000	340,000	150,000	2,970,000	18,675,000	32.88%
2020.....	0	0	0	2,030,000	0	685,000	355,000	155,000	3,225,000	21,900,000	38.56%
2021.....	0	0	0	2,250,000	0	705,000	370,000	160,000	3,485,000	25,385,000	44.70%
2022.....	0	0	0	2,475,000	0	720,000	380,000	165,000	3,740,000	29,125,000	51.29%
2023.....	0	0	0	2,700,000	0	610,000	390,000	175,000	3,875,000	33,000,000	58.11%
2024.....	0	0	0	1,490,000	1,435,000	0	400,000	180,000	3,505,000	36,505,000	64.28%
2025.....	0	0	0	0	3,140,000	0	0	185,000	3,325,000	39,830,000	70.14%
2026.....	0	0	0	0	3,340,000	0	0	195,000	3,535,000	43,365,000	76.36%
2027.....	0	0	1,445,000	0	2,085,000	0	0	200,000	3,730,000	47,095,000	82.93%
2028.....	0	0	3,700,000	0	0	0	0	210,000	3,910,000	51,005,000	89.81%
2029.....	0	0	3,850,000	0	0	0	0	220,000	4,070,000	55,075,000	96.98%
2030.....	0	0	1,005,000	0	0	0	0	230,000	1,235,000	56,310,000	99.15%
2031.....	0	0	0	0	0	0	0	235,000	235,000	56,545,000	99.57%
2032.....	0	0	0	0	0	0	0	245,000	245,000	56,790,000	100.00%
Total....	\$410,000	\$510,000	\$10,000,000	\$20,000,000	\$10,000,000	\$8,445,000	\$3,925,000	\$3,500,000	\$56,790,000		

Notes: (1) Source: The Village.
(2) Alternate revenue source bonds payable from sales tax receipts.

OVERLAPPING DEBT(1)(2)

	Outstanding Debt	Applicable to Village	
		Percent(3)	Amount
Schools:			
School District Number 21.....	\$ 32,658,355	47.82%	\$15,617,225
School District Number 23.....	2,470,000	19.10%	471,770
School District Number 102.....	6,795,000	0.62%	42,129
High School District Number 125.....	23,680,000	0.16%	37,888
High School District Number 214.....	48,305,000	11.72%	5,661,346
Community College District Number 512.....	185,775,000	5.35%	9,938,963
Community College District Number 532.....	24,350,000	0.02%	4,870
Total Schools.....			<u>\$31,774,191</u>
Other:			
Cook County.....	\$3,709,260,000	0.71%	\$26,335,746
Cook County Forest Preserve District.....	94,885,000	0.71%	673,684
Lake County.....	84,770,000	0.02%	16,954
Lake County Forest Preserve District.....	63,110,000	0.02%	12,622
Metropolitan Water Reclamation District.....	2,300,335,115	0.73%	16,792,446
Wheeling Park District.....	10,540,000	88.23%	9,299,442
Prospect Heights Park District.....	9,611,086	18.72%	1,799,195
River Trails Park District.....	7,320,305	0.02%	1,464
Total Other.....			<u>\$54,931,553</u>
Total Schools and Other Overlapping Bonded Debt.....			<u>\$86,705,744</u>

- Notes: (1) Source: Cook and Lake County Clerks.
(2) As of February 16, 2012.
(3) Overlapping debt percentages based on 2010 EAV.

DEBT RATIOS

Statement of Bonded Indebtedness(1)

	Amount Applicable	Ratio To		Per Capita (2010 Census 37,648)
		Equalized Assessed	Estimated Actual	
Village EAV of Taxable Property, 2010.....	\$1,226,610,329	100.00%	33.33%	\$32,581.02
Estimated Actual Value, 2010.....	\$3,679,830,987	300.00%	100.00%	\$97,743.07
Total Direct Bonded Debt(2).....	\$ 56,790,000	4.63%	1.54%	\$ 1,508.45
Less: Alternate Revenue Source Bonds.....	(4,255,000)	(0.12%)	(0.12%)	(113.02)
Net Direct Bonded Debt.....	\$ 52,535,000	4.51%	1.43%	\$ 1,395.43
Overlapping Bonded Debt(3):				
Schools.....	\$ 31,774,191	2.59%	0.86%	\$ 843.98
Other.....	54,931,553	4.48%	1.49%	1,459.08
Total Overlapping Bonded Debt.....	<u>\$ 86,705,744</u>	<u>7.07%</u>	<u>2.36%</u>	<u>\$ 2,303.06</u>
Total Direct and Overlapping Bonded Debt.....	\$ 139,240,744	11.58%	3.78%	\$ 3,698.49

- Notes: (1) Source: Cook and Lake Counties Clerks.
(2) Includes the Bonds and excludes the Refunded Bonds.
(3) As of February 16, 2012.

VILLAGE EQUALIZED ASSESSED VALUATION(I)

Property Class	Levy Years					
	2006	2007	2008(2)	2009	2010	
Residential.....	\$ 535,223,103	\$ 626,842,573	\$ 644,263,611	\$ 708,601,147		Detail Not Available
Farm.....	77,178	77,179	79,266	48,235		
Commercial.....	160,866,914	158,446,498	162,850,032	134,630,472		
Industrial.....	466,694,131	543,426,355	558,529,065	502,031,477		
Railroad.....	737,901	904,133	939,333	1,052,243		
Total.....	\$1,163,599,227	\$1,329,696,738	\$1,366,661,307	\$1,346,363,574	\$1,220,857,991	
Lake County.....	3,737,798	5,762,422	6,200,247	6,028,165	5,752,338	
Total.....	\$1,167,337,025	\$1,335,459,160	\$1,372,861,554	\$1,352,391,739	\$1,226,610,329	
Percent Change +/-..	0.07%(3)	14.40%	2.80%	(1.49%)	(9.30%)	

- Notes: (1) Source: Cook County Clerk.
 (2) Triennial reassessment year.
 (3) Percentage change based on 2005 EAV of \$1,166,553,624.

LARGER TAXPAYERS(I)

Taxpayer Name	Business/Service	2010 EAV(2)
Westin Hotel.....	Hotel.....	\$ 19,168,911
Wal-Mart Stores.....	Retail Discount Store.....	18,385,716
Woodland Creek Assoc.....	Apartments.....	17,879,172
Allstate Insurance Co.....	Insurance.....	15,188,184
Capstone Realty Advisors.....	Real Property.....	11,090,303
Shorewood Management.....	Mallard Lake Apartments.....	10,689,136
Durable Packaging International.....	Industrial.....	9,784,648
Pactiv.....	Food Packaging.....	8,937,482
Whippletree Village.....	Apartments.....	8,551,702
Greek American Nursing Home.....	Nursing Home.....	8,244,482
Total.....		\$127,919,736
Ten Largest Taxpayers as Percent of Village's 2010 EAV (\$1,226,610,329).....		10.43%

- Notes: (1) Source: the Village and the Cook County Clerk.
 (2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked. The 2010 EAV is the most current available.

TAX LEVIES AND COLLECTIONS(I)

Levy Year	Coll. Year	Taxes Extended	Total Collections(2)	
			Amount	Percent
2006.....	2007.....	\$ 8,997,472	\$ 8,630,863	95.93%
2007.....	2008.....	8,997,472	8,707,237	96.77%
2008.....	2009.....	9,699,708	9,380,654	96.71%
2009.....	2010.....	10,406,485	10,117,915	97.23%
2010.....	2011.....	10,890,053	10,575,089	97.11%

- Notes: (1) Source: Cook County Treasurer.
 (2) Total Collections reflect all monies attributable to the specific tax but distributed to the taxing body over a period of time. This is updated annually by the County Treasurer and therefore is subject to revision as the treasurer makes allocations in the future. Excludes refunds and includes taxes held in reserve and interest earnings.

VILLAGE TAX RATES(1)

Property tax rates are expressed in dollars per \$100 of Equalized Assessed Value.

	Levy Years				
	2006	2007	2008	2009	2010
The Village:					
Corporate.....	\$0.5764	\$0.4082	\$0.4099	\$0.4776	\$0.6533
Bonds and Interest.....	0.0832	0.1503	0.1766	0.1123	0.0386
Police Pension.....	0.0701	0.0629	0.0640	0.0957	0.1038
Fire Pension	0.0411	0.0523	0.0561	0.0838	0.0956
IMRF.....	0.0000	0.0000	0.0000	0.0000	0.0000
Street and Bridge.....	0.0000	0.0000	0.0000	0.0000	0.0000
Total Village Rates(2).....	\$0.7708	\$0.6737	\$0.7066	\$0.7694	\$0.8913

- Notes: (1) Source: Cook County Clerk. Rates shown are for Cook County only.
 (2) The Village is a home rule-unit under the 1970 Illinois Constitution and, as such, has no statutory tax rate limit.

TYPICAL TAX BILL(1)(2)

Following is a typical tax bill for a taxpayer living in the Village of Wheeling. Property tax rates are expressed in dollars per \$100 of Equalized Assessed Value.

	Levy Years				
	2006	2007	2008	2009	2010
Cook County.....	0.5000	0.4460	0.4150	0.3940	0.4230
Cook County Forest Preserve District.....	0.0570	0.0530	0.0510	0.0490	0.0510
Suburban T B Sanitarium.....	0.0050	0.0000	0.0000	0.0000	0.0000
Metropolitan Water Reclamation District.....	0.2840	0.2630	0.2520	0.2610	0.2740
Northwest Mosquito Abatement District.....	0.0090	0.0080	0.0080	0.0080	0.0090
Consolidated Elections.....	0.0000	0.0120	0.0000	0.0210	0.0000
Wheeling Township.....	0.0430	0.0380	0.0380	0.0390	0.0430
General Assistance.....	0.0100	0.0090	0.0090	0.0090	0.0050
Road and Bridge.....	0.0130	0.0120	0.0120	0.0120	0.0140
School District Number 21.....	3.5020	3.1540	3.1610	3.2090	3.6580
High School District Number 214.....	1.8230	1.6210	1.5870	1.6360	1.8390
Community College District Number 512.....	0.2880	0.2600	0.2560	0.2580	0.2950
Indian Trails Public Library District.....	0.3200	0.2970	0.3080	0.3070	0.3470
Wheeling Park District.....	0.5350	0.4920	0.4960	0.4900	0.5710
Total Tax Rates(3).....	\$8.1600	\$7.3390	\$7.3000	\$7.4630	\$8.4210

- Notes: (1) Source: Cook County Clerk. Rates shown are for Cook County only.
 (2) The Village is a home rule-unit under the 1970 Illinois Constitution and, as such, has no statutory tax rate limit.
 (3) Representative tax rates for other government units are from Wheeling Township tax code 38055, which represents 52% of the Village's 2010 EAV, the most recent for which such ratios can be computed.

FINANCIAL INFORMATION

Statement of Net Assets - Governmental Activities

	Audited as of December 31				
	2007	2008	2009	2010	2011
ASSETS:					
Cash and Investments.....	\$ 39,229,154	\$ 39,579,141	\$ 29,344,188	\$ 26,117,808	\$29,275,817
Receivables, net:					
Property Taxes.....	10,100,711	10,004,922	11,088,234	12,979,611	10,994,497
Sales Taxes.....	3,069,961	2,309,410	2,151,779	2,106,135	2,168,497
Income Taxes.....	349,064	317,810	761,930	1,268,105	1,035,178
Telecommunications Tax.....	564,044	499,645	446,187	108,042	414,076
Accounts.....	130,293	173,905	216,965	110,443	90,176
Accrued Interest.....	144,445	100,667	59,914	45,636	52,205
IPBC.....	1,695,734	2,032,679	1,192,050	1,252,725	1,463,995
Other.....	644,599	620,642	624,969	748,908	858,043
Prepaid Expenses.....	267,338	323,787	350,289	359,121	388,493
Inventory.....	203,476	224,106	354,260	395,702	457,579
Due from Other Governments.....	137,199	138,358	1,190,512	252,839	265,557
Due from Fiduciary Funds.....	122	0	0	0	0
Land Held for Resale.....	10,388,184	13,790,976	18,336,679	18,336,679	0
Due to/From Other Funds.....	0	0	0	0	0
Advances to Other Funds.....	(678,231)	(570,091)	(553,756)	(703,737)	(848,657)
Deferred Charges.....	703,782	733,897	745,463	700,820	779,948
Deferred Outflows-Swap Agreement.....	0	0	0	3,464,821	5,922,709
Net Pension Asset.....	358,956	378,819	406,244	433,348	562,697
Capital Assets Not Being Depreciated.....	26,052,913	48,348,467	43,734,897	30,215,042	38,900,113
Capital Assets Being Depreciated.....	<u>21,724,437</u>	<u>21,170,398</u>	<u>38,269,404</u>	<u>56,850,175</u>	<u>58,940,940</u>
Total Assets.....	\$115,086,181	\$140,177,538	\$148,720,208	\$155,042,223	\$151,721,863
LIABILITIES:					
Accounts Payable.....	\$ 2,933,439	\$ 5,505,624	\$ 2,462,430	\$ 2,303,978	\$ 1,971,973
Accrued Payroll.....	146,299	330,636	365,591	426,640	414,931
Deposits Payable.....	81,358	92,445	175,762	78,632	103,103
Deferred Revenue.....	9,066,854	9,518,000	10,343,409	12,231,650	12,498,670
Claims Payable.....	1,069,289	836,177	0	0	0
Due to Fiduciary Funds.....	202,426	57,306	57,427	280,986	84,043
Interest Payable.....	638,148	635,450	701,503	691,678	721,412
Interest Rate Swap Agreement.....	0	0	0	3,464,821	5,922,709
Long-Term Liabilities:					
Due Within One Year.....	1,610,773	1,992,828	2,560,584	3,101,846	3,382,942
Due in More Than One Year.....	<u>45,965,738</u>	<u>64,680,913</u>	<u>73,978,088</u>	<u>71,505,325</u>	<u>69,623,987</u>
Total Liabilities.....	\$ 61,714,324	\$ 83,649,379	\$ 90,644,794	\$ 94,085,556	\$ 94,723,770
NET ASSETS:					
Investment in Capital Assets, Net of Related Debt....	\$ 30,177,350	\$ 44,583,426	\$ 44,689,081	\$ 42,799,847	\$ 54,123,693
Restricted for:					
Highways and Streets.....	954,554	1,348,905	1,538,962	1,751,968	1,364,232
Public Safety.....	304,415	516,314	362,694	224,502	119,151
Economic Development.....	16,032,619	23,452,540	26,746,079	25,010,247	7,187,998
Capital Projects.....	12,237,262	11,742,062	7,912,394	1,549,710	1,624,317
Debt Service.....	89,145	67,082	24,550	53,050	67,068
Unrestricted.....	<u>(6,423,488)</u>	<u>(25,182,170)</u>	<u>(23,198,346)</u>	<u>(10,132,657)</u>	<u>(7,488,366)</u>
TOTAL NET ASSETS.....	<u>\$ 53,371,857</u>	<u>\$ 56,528,159</u>	<u>\$ 58,075,414</u>	<u>\$ 61,256,667</u>	<u>\$ 56,998,093</u>

General Fund - Balance Sheet

	Audited as of Audited as of December 31				
	2007	2008	2009	2010	2011
ASSETS:					
Cash and Investments.....	\$13,022,846	\$ 6,472,785	\$ 4,774,768	\$ 5,565,168	\$ 9,117,094
Receivables (Net Where Applicable of Allowances for Uncollectibles):					
Property Taxes.....	7,592,737	7,218,004	8,880,148	11,182,844	10,372,249
Sales Taxes.....	3,069,961	2,309,410	2,151,779	2,106,135	2,168,497
Income Taxes.....	349,064	317,810	761,930	1,268,105	1,035,178
Telecommunications Tax.....	564,044	499,645	446,187	408,042	414,076
Accrued Interest.....	78,530	27,901	27,331	20,301	22,873
IPBC.....	1,695,734	2,032,679	1,192,050	1,252,725	1,463,995
Other.....	436,429	403,647	433,517	534,694	685,594
Due from Other Governments.....	0	0	0	69,000	116,441
Due from Other Funds.....	158,698	113,112	6,598,050	2,965,226	1,393,233
Due from Fiduciary Funds.....	122	0	0	0	0
Advance to Other Funds.....	6,458,431	0	0	0	0
Inventory	181,137	177,905	221,512	264,114	304,889
Prepaid Items.....	265,303	319,742	324,428	340,730	369,478
Total Assets and Other Debits.....	<u>\$28,638,993</u>	<u>\$26,351,071</u>	<u>\$25,811,700</u>	<u>\$25,977,084</u>	<u>\$27,463,597</u>
LIABILITIES:					
Accounts Payable.....	\$ 969,841	\$ 683,642	\$ 881,960	\$ 743,274	\$ 797,269
Accrued Payroll.....	144,133	326,223	354,113	419,526	404,288
Due to Other Funds.....	0	0	0	0	0
Due to Other Governments.....	0	0	0	0	0
Compensated Absences Payable.....	0	0	0	0	0
Deposits Payable.....	81,358	92,445	175,762	78,632	103,103
Due to Fiduciary Funds.....	202,426	57,306	57,427	280,986	84,043
Deferred Revenue.....	6,978,948	7,159,597	8,883,282	10,264,135	10,320,691
Total Liabilities.....	<u>\$ 8,376,706</u>	<u>\$ 8,319,213</u>	<u>\$10,352,544</u>	<u>\$11,786,553</u>	<u>\$11,709,394</u>
FUND BALANCES:					
Reserved for Prepaid Items.....	\$ 265,303	\$ 319,742	\$ 324,428	\$ 340,730	\$ 369,478
Reserved for Inventory.....	181,137	177,905	221,512	264,114	304,889
Reserved for Long-Term Receivables.....	0	6,458,431	0	0	0
Reserved for Senior Committee.....	211,074	211,074	0	0	0
Reserved for Sidewalks and Trees.....	40,951	40,951	0	0	0
Reserved for Insurance.....	1,695,734	0	0	0	0
Unreserved - Designated for					
Health Insurance.....	0	2,032,679	1,192,050	1,252,725	1,463,995
Unreserved - Undesignated.....	17,868,088	8,791,076	13,721,166	12,332,962	13,615,841
Total Fund Equity.....	<u>\$20,262,287</u>	<u>\$18,031,858</u>	<u>\$15,459,156</u>	<u>\$14,190,531</u>	<u>\$15,754,203</u>
Total Liabilities and Fund Equity.....	<u>\$28,638,993</u>	<u>\$26,351,071</u>	<u>\$25,811,700</u>	<u>\$25,977,084</u>	<u>\$27,463,597</u>

Statement of Activities
Net (Expense) Revenue and Changes in Net Assets
Governmental Activities

	Audited Year Ending December 31				
	2007	2008	2009	2010	2011(1)
Primary Government(1):					
General Government.....	\$(11,033,560)	\$(15,862,396)	\$(12,313,704)	\$(12,299,703)	\$(13,738,860)
Public Safety.....	(16,716,506)	(17,563,598)	(17,411,381)	(18,053,425)	(18,647,832)
Highways and Streets.....	(4,149,421)	(685,501)	(3,214,583)	(1,059,576)	(3,009,678)
Interest and Fees.....	(1,919,098)	(2,998,209)	(3,462,955)	(3,415,044)	(3,227,766)
Total Governmental Activities.....	<u>\$(33,818,585)</u>	<u>\$(37,109,704)</u>	<u>\$(36,402,623)</u>	<u>\$(34,827,748)</u>	<u>\$(38,624,136)</u>
General Revenues:					
Taxes:					
Property and Replacement.....	\$ 14,534,879	\$ 18,240,322	\$ 20,053,651	\$ 19,626,799	\$19,520,238
Sales.....	10,654,354	9,536,539	7,941,951	7,983,543	8,076,606
Utility.....	2,010,980	1,931,966	1,817,503	1,863,505	1,871,180
Telecommunications.....	2,081,177	2,039,167	1,946,167	1,769,146	1,733,726
Food and Beverage.....	883,373	842,084	753,117	762,197	757,431
Hotel/Motel.....	735,516	761,395	594,972	756,112	817,218
Income.....	3,412,530	3,649,770	3,133,711	3,034,361	2,988,314
Other.....	758,374	805,553	702,910	774,202	833,432
Investment Income.....	1,654,636	1,972,157	714,969	557,803	307,641
Miscellaneous.....	292,951	487,053	295,113	617,396	1,144,281
Contributions.....	0	0	0	0	0
Transfers.....	0	0	(4,186)	263,937	220,639
Total.....	<u>\$ 37,018,770</u>	<u>\$ 40,266,006</u>	<u>\$ 37,949,878</u>	<u>\$ 38,009,001</u>	<u>\$38,270,706</u>
Special Item.....	\$ 1,695,734	\$ 0	\$ 0	\$ 0	\$ 0
CHANGE IN NET ASSETS.....	\$ 4,895,919	\$ 3,156,302	\$ 1,547,255	\$ 3,181,253	\$ (353,430)
NET ASSETS, JANUARY 1.....	<u>\$ 48,475,938</u>	<u>\$ 53,371,857</u>	<u>\$ 56,528,159</u>	<u>\$ 58,075,414</u>	<u>\$61,256,667</u>
Prior Period Adjustment.....	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$(3,905,144)</u>
NET ASSETS, DECEMBER 31.....	<u>\$ 53,371,857</u>	<u>\$ 56,528,159</u>	<u>\$ 58,075,414</u>	<u>\$ 61,256,667</u>	<u>\$56,998,093</u>

Note: (1) Expenses less program revenues of charges for services, operating grants and capital grants.

General Fund Revenues, Expenditures and Changes In Fund Balance

	Audited as of December 31				
	2007	2008	2009	2010	2011
REVENUES:					
Taxes.....	\$22,257,201	\$20,140,024	\$18,484,185	\$20,230,707	\$21,921,158
Licenses and Permits.....	494,548	452,055	438,417	445,774	627,026
Intergovernmental.....	4,236,746	4,504,941	3,891,974	4,164,085	4,085,025
Charges for Services.....	1,989,123	1,762,796	1,773,677	1,831,489	2,082,179
Fines and Forfeits.....	351,839	606,984	1,068,433	843,584	732,417
Investment Income.....	595,184	647,298	343,684	180,049	116,184
Miscellaneous.....	687,390	988,498	845,661	736,164	1,076,792
Total Revenues.....	<u>\$30,612,031</u>	<u>\$29,102,596</u>	<u>\$26,846,031</u>	<u>\$28,431,852</u>	<u>\$30,640,781</u>
EXPENDITURES:					
General Government.....	\$10,020,189	\$11,413,172	\$10,379,637	\$ 9,129,789	\$ 8,706,123
Public Safety.....	<u>17,521,193</u>	<u>18,843,022</u>	<u>18,609,586</u>	<u>19,666,478</u>	<u>19,396,617</u>
Total Expenditures.....	<u>\$27,541,382</u>	<u>\$30,256,194</u>	<u>\$28,989,223</u>	<u>\$28,796,267</u>	<u>\$28,102,740</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures.....	\$ 3,070,649	\$(1,153,598)	\$(2,143,192)	\$ (364,415)	\$ 2,538,041
Other Financing Sources:					
Proceeds on Sale of Capital Assets.....	\$ 114,043	\$ 83,973	\$ 29,070	\$ 31,335	\$ 7,800
Operating Transfers Out.....	<u>(840,370)</u>	<u>(1,160,804)</u>	<u>(458,580)</u>	<u>(935,545)</u>	<u>(982,169)</u>
Total Other Financing Sources.....	<u>\$ (726,327)</u>	<u>\$(1,076,831)</u>	<u>\$ (429,510)</u>	<u>\$ (904,210)</u>	<u>\$ (974,369)</u>
Special Item.....	\$ 1,695,734	\$ 0	\$ 0	\$ 0	\$ 0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses..	\$ 4,040,056	\$(2,230,429)	\$(2,572,702)	\$(1,268,625)	\$ 1,563,672
Beginning Fund Balance	<u>\$16,222,231</u>	<u>\$20,262,287</u>	<u>\$18,031,858</u>	<u>\$15,459,156</u>	<u>\$14,190,531</u>
Ending Fund Balance	<u>\$20,262,287</u>	<u>\$18,031,858</u>	<u>\$15,459,156</u>	<u>\$14,190,531</u>	<u>\$15,754,203</u>

General Fund Budget and Interim Financial Information

	Budget Twelve Months Ending 12/31/2012
REVENUES:	
Taxes.....	\$19,217,958
Licenses and Permits.....	696,718
Intergovernmental.....	4,531,730
Charges for Services.....	1,270,358
Fines and Forfeits.....	752,917
Interest.....	138,922
Miscellaneous.....	<u>5,127,820</u>
Total Revenues.....	<u>\$31,736,423</u>
EXPENDITURES:	
Personnel Services.....	\$22,241,461
Contractual Services.....	7,645,309
Commodities	1,268,355
Capital Improvements.....	212,000
Other.....	150,000
Transfers Out.....	<u>1,180,351</u>
Total Expenditures.....	<u>\$32,697,476</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (961,053)