

Village of Wheeling, IL



Comprehensive Annual Financial Report

Fiscal Year Ended
December 31, 2013



VILLAGE OF WHEELING, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
December 31, 2013

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, 2013

ELECTED OFFICIALS

Dean Argiris
Village President

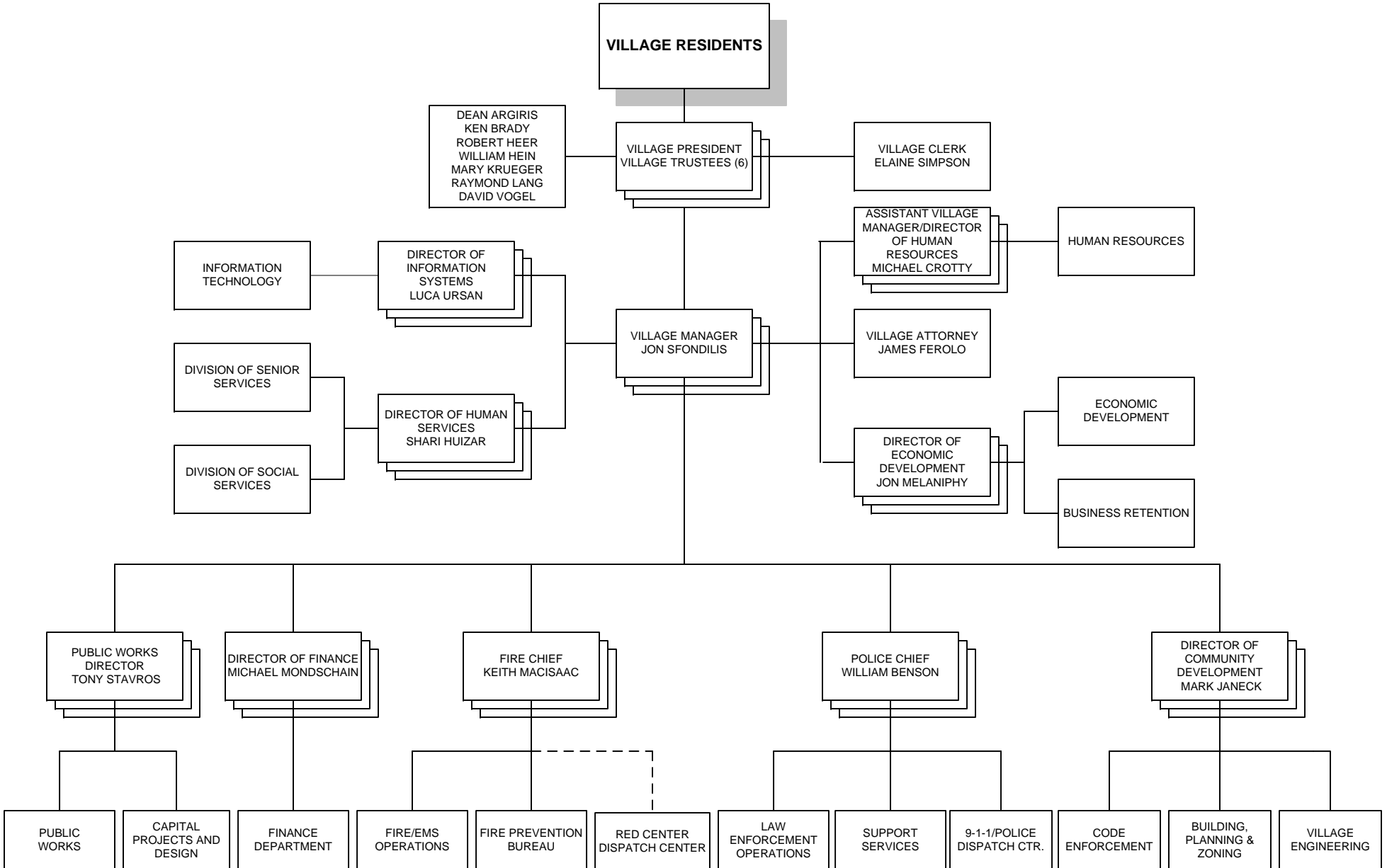
Kenneth Brady
Robert Heer
William Hein
Mary Krueger
Ray Lang
David Vogel
Village Trustees

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 Human Services*
John Melaniphy III - *Economic Development Director*
Luca Ursan - *Director of Information Technology*

VILLAGE OF WHEELING WHEELING, ILLINOIS





Government Finance Officers Association

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, 2012

Executive Director/CEO



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

May 31, 2014

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, 2013.

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 unmodified (“clean”) opinion on the Village of Wheeling’s financial statements for the year ended on December 31, 2013. 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. Board members serve four-year terms, with three trustees elected every two years. All members of the Board are elected at large. The Board appoints the Village Manager, who in turn appoints the heads of the various departments.

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 and social 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), department (e.g. police) and program (e.g. commuter parking). 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

Beginning in FY 2011, the Village started to see a slight rebound from the economic downturn that began a few years earlier, and that trend continued in FY 2013. Two of the Village's three largest sources of revenue – sales and income tax – increased significantly compared to the last fiscal year. Sales tax receipts were up \$919,628 (10.8%) and income tax revenue was up \$279,083 (8.4%). Those sources of revenue fluctuate significantly with changes in the economy; therefore, increases from the prior year are a positive financial trend for the Village.

Despite the increases in sales and income tax revenue, General Fund revenue as a whole increased by only \$840,802 (2.7%). Nonetheless, the increase in revenues outpaced the growth in expenditures, which grew by only \$535,914 (1.8%). The growth in expenditures was smaller than expected due to a favorable settlement of a dispute involving a revenue sharing agreement and the Village Board's decision to maintain the status quo with respect to new programs and services.

Despite signs of a turnaround, the Village approached the FY 2013 budget process conservatively, by not adding new positions and by finding ways to reduce expenditures while limiting the impact of tax increases on its residents and businesses. The net change in fund balance in the General Fund was an increase of \$570,871 (4.1%), which was achieved by allocating funds to the General Fund that historically have been allocated to the other funds for capital

projects and equipment and liability insurance claims. Had those funds been allocated to these other funds as in the past, the General Fund would have ended the year with a \$1.7 million deficit; nonetheless, the results are very positive given that the Village budgeted a deficit of -\$400,000. Village departments, which have been working hard to conserve limited resources, spent only what was allocated to them, in a continued effort to preserve limited resources. As a result, the total fund balance in the General Fund represented nearly 47% of annual operating expenditures at year end, well in excess of the Village's financial policy establishing a 25% minimum.

The results of FYE 2013 were 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 that began in 2008, 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 has seen its General Fund reserves reduced over the years (e.g. from \$20.2 million at FYE 2007 to \$14.4 million currently) in order to balance the budget. Nevertheless, this year's increase in fund balance is a positive sign for the future.

On a positive note, despite the past few years of economic constraint, Wheeling's position as a dynamic business and industrial center continues to strengthen. It is home to over 800 businesses, making it one of the largest business-industrial hubs in Chicago's northwest suburbs. Wheeling houses approximately 13.5 million square feet of industrial space under roof along with several expansive industrial parks which offer room for companies to grow. More than 20,000 jobs are generated by Wheeling-based businesses, attesting to the community's economic strength. Of those jobs, approximately 33.5 percent are in the manufacturing sector and nearly 20 percent are in the wholesale and retail sectors.

Last year retail sales by Wheeling businesses surpassed \$558 million, and this year's sales are even stronger, up overall by nearly 11.1%. That number reflects a 6.7% increase in restaurant sales and a 14.9% increase in general merchandise sales. Hotel performance also remains strong, with occupancies over 70%.

Wheeling's unemployment rate has remained relatively stable over the last ten years, but declined to 7.1% in 2013, down from 7.7% in 2012. Although unemployment in Wheeling is still at one of the highest rates in the last ten years, stronger revenue numbers and a decline in the number of unemployed over the last year are positive trends.

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 2013:

- Near the Westin hotel, the new owners of the Prairie Crossings shopping center began actively marketing the available retail space immediately after their acquisition of the property last year and have signed leases with new retailers, including the recently opened Spears Bourbon-Burgers-Beer, a 5,000-square-foot restaurant featuring live entertainment.
- Saranello's Ristorante Italiano began retrofitting the adjacent vacant former Tramonto's restaurant space to accommodate a dedicated banquet facility for weddings, corporate parties, and other events. This banquet facility opened in early 2014.
- On Lake Cook Road, the outlot building at Lexington Commons shopping center was demolished and replaced with a new outlot built to accommodate a second Wheeling Starbucks, which opened in early May 2014, and an adjacent 2,100 square foot unit which has been leased to Salata. This will be the first Chicago-area location for Salata, which is a Texas-based chain specializing in fresh salads, wraps, and soups. The Salata business license application and related approval processes are underway with an anticipated opening in the summer of 2014.
- The new owners of the Westin Chicago North Shore hotel site met with the Village in 2013 to discuss their plans to invest \$6–7 million in hotel renovations. This planned work commenced in late 2013 and will continue through 2015.
- A 120,000 square foot industrial facility located at 1234 Peterson Drive along with five acres of vacant land across the street was sold late in 2013 to an industrial development firm. The property is being prepared for occupancy sometime in September 2014 by the lessee, FedEx, to accommodate its expanding operations. The budgeted renovations amount to more than \$13M.
- The purchasers of the property at 100 Chaddick Drive were granted a Class 6B property tax abatement at the beginning of 2013, and substantial renovation of the approximately 72,000 square foot facility began in June 2013 with a target completion date of June 2014. The purchasers acquired the property to accommodate the growth of their related manufacturing businesses. The cost of the renovations is more than \$1 million.
- At Chicago Executive Airport (CEA), Atlantic Aviation completed construction of a new hangar. The groundbreaking of the 30,000 square-

foot Tin Goose hangar facility, also at CEA, took place in spring 2013; the facility was completed late last year and has since been leased to an aviation user. In addition, Governor Quinn and the Illinois Department of Transportation (IDOT) announced in late 2013 that the State would invest \$5.3 million in runway improvements at Chicago Executive Airport.

- Construction of a new Dunkin' Donuts store near the intersection of Dundee Road and Milwaukee Avenue was completed in 2013.
- The owner of the former ACE Hardware building located at 755 W. Dundee sold the property to a shopping center developer that has substantially renovated the property to accommodate a 7,500 square foot store for Advanced Auto Parts, and has created 4,000 square feet of new retail space which was leased to TitleMax in mid-2013.
- Hot Mama's Foods, which leased approximately 60,000 square feet of property located at 120 W. Palatine Road in 2012, is currently working with the property owner to occupy an additional 35,000 square feet at this location by the end of 2014.
- Construction and other renovations for Heritage Park were conducted to transform the park into a regional athletic and recreation destination. The \$35 million project has already doubled the size of the lake and is in the process of completely remaking the park with the construction of new walkways, a pavilion by the lake, a band shell, soccer fields and baseball diamonds. This will serve as a regional attraction for residents and visitors to the community, and will provide storm water storage which will facilitate future development. The final phase of this project is on schedule to be completed by April 2015.
- The Village continued to make progress on planning and supporting two major development projects in the Dundee Road corridor: Wheeling Town Center, a \$100 million transit-oriented mixed-use project to be built between the community campus and the Metra Station, and Northgate Crossings, which will bring 288 high-end apartments to Wheeling. Together these projects will add nearly 600 new residential units to the center of town.
- In 2013, the total value of the Village-issued construction permits was over \$36 million. Industrial vacancy rates are holding steady around 7%, which is below the regional rate of 8.5%.

These developments and others are positive signs for the Wheeling economy.

Long-term financial planning and relevant financial policies

The Village's financial policies establish minimum reserve levels for certain funds of the Village. At December 31, 2013, the fund balance in the General Fund totaled \$14,494,547, representing approximately 47% of total general fund expenditures (excluding inter-fund transfers), more than the 25 percent minimum established by the Board. Of this amount, \$12,188,455 (39.6%) was unassigned and available to fund future programs and services. The Village's other funds had fund balances that met or exceeded the minimums required by policy, in instances where one has been formally adopted by the Board.

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 2004 to 2013 levies), the levy has increased an average of 4.17% per year from \$8.18 million to nearly \$11.55 million. In addition, in FY 2010, the Village increased its hotel/motel tax from 5% to 6% (generating an additional \$120,000 annually to pay for operating costs), and increased its gas and electric use tax (in 2013) in order to generate an additional \$1,000,000 annually for capital project purposes.

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 capital asset policy, which requires that the Village maintain capital 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. Capital assets include land, infrastructure, buildings, machinery, equipment, and vehicles with estimated useful life in excess of one year, subject to the capitalization threshold.

Another 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 without having to borrow to cover those costs.

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, 2013, the Village completed a number of significant projects, including the following:

- The Administrative Services Department executed a term sheet with a developer to develop a mixed-use residential and retail development on the former Wickes Furniture site. The site will serve as the centerpiece for the Village's Town Center redevelopment project.
- The Finance Department implemented the State of Illinois' Local Debt Recovery program which will allow the Village to collect outstanding parking ticket and red light violation fees.
- The Community Development Department continued to build on the use of a GIS system allowing for updates to Village base maps and mapping of storm sewer and water distribution systems.
- The Police Department successfully implemented the new electronic crash reporting software program, and partnered with crimemapping.com to offer Wheeling residents information on the latest crimes that have occurred in the Village.
- The Fire Department adopted and implemented the 2012 International Fire Code (IFC) and the 2013 International Building Code (IBC), both with various amendments.
- The Public Works Department oversaw the installation of over 7,000 water meters throughout the Village. In addition, the department completed the 2013 sanitary sewer lining program with 5,245 feet of sewer lined.

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, 2012. This was the thirty-third (33rd) 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, 2013. This marked the twenty-seventh (27th) 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 Michael Marro, 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 and Anthony Cervini, 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, Illinois 60563

630.566.8400 // www.sikich.com

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

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 (the Village), as of and for the year ended December 31, 2013, and the related notes to financial statements, 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, 2013.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the 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, 2013, 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, 2013, 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.

Other Matters

Required Supplementary Information

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.

Other Matters

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements and on the combining and individual fund financial statements. The introductory section, statistical section, and financial information listed as supplemental financial information in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The 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 supplemental financial 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 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.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, financial statements of the governmental activities, business-type activities, each major fund, the aggregate remaining fund information, and each nonmajor governmental, internal service, and fiduciary funds of the Village of Wheeling, Illinois as of and for the year ended December 31, 2012, and we expressed unmodified opinions on those financial statements. The audit was conducted for purposes of forming an opinion on the financial statements as a whole. The balance sheets, schedules of revenues, expenditures (expenses) and changes in fund balance (net position) - budget and actual for each fund with comparative actual is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2012 financial statements. The information has been subjected to the auditing procedures applied in the audit of those financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements from which it has been derived.



Naperville, Illinois
April 22, 2014

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis December 31, 2013

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, 2013. 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, 2013 fiscal year by \$159,007,035 (*net position*). Of this amount, \$8,397,219 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The Village's total net position increased by \$2,596,349. This increase was due to an increase in general revenues.
- As of the close of the year ended December 31, 2013, the Village's governmental funds reported combined ending fund balances of \$31,566,161, an increase of \$415,425 compared to the prior year. The increase was due to an increase in revenues. Approximately 32.5% of combined ending fund balances, \$10,247,529 *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 \$12,188,455 or 39.6% 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 position* presents information on all of the Village's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but 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.

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis December 31, 2013

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. The Village's investment in the Chicago Executive Airport is included in the governmental activities capital assets.

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

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The 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 thirteen 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, Crossroads Redevelopment Area Fund, South Milwaukee Redevelopment Area Fund and Capital Equipment Replacement Fund which are considered to be major funds. Data from the other nine 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 7-12 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, 2013

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 13-17 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 18-19 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 20-66 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 the General Fund 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 67-76 of this report.

The combining statements referred to earlier are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 77-122 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village of Wheeling, assets exceeded liabilities (*net position*) by \$159,007,035 at the close of the fiscal year ended December 31, 2013.

By far the largest portion of the Village's net position (\$135,540,787) reflects its investment in capital assets (e.g., land, buildings, airport, 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.

The Village of Wheeling is a joint owner of the Chicago Executive Airport, a 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 2013, the airport reported total non-depreciated assets of \$46,950,384, an increase of \$288,502 from last year.

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis
December 31, 2013

VILLAGE OF WHEELING
Net Position (in thousands)

	Governmental activities		Business-type activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$51,023	\$50,703	\$11,088	\$13,989	\$62,111	\$64,692
Capital assets	143,715	143,529	40,907	38,068	184,622	181,597
Investment in joint venture	-	-	7,098	7,262	7,098	7,262
Deferred Outflows	4,348	6,702	15	17	4,363	6,719
Total Assets	199,086	200,934	59,108	59,336	258,194	260,270
Current and other liabilities	12,766	15,383	1,287	952	14,053	16,335
Long-term liabilities	69,270	71,876	4,312	4,646	73,582	76,522
Deferred Inflows	11,552	11,002	-	-	11,552	11,002
Total liabilities	93,588	98,261	5,599	5,598	99,187	103,859
Net position:						
Invested in capital assets, net of related debt	98,281	97,084	37,260	33,188	135,541	130,272
Restricted	15,069	14,015	-	-	15,069	14,015
Unrestricted (deficit)	(7,852)	(8,426)	16,249	20,550	8,397	12,124
Total net position	\$105,498	\$102,673	\$ 53,509	\$53,738	\$159,007	\$156,411

An additional portion of the Village's net position (\$15,069,029 or 9.48%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$8,397,219) 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 of net position for the government as a whole. The governmental activities reported positive balances in all categories except unrestricted net position; the unrestricted deficit decreased by \$574,564 from the prior fiscal year. This balance represents a decrease in capital asset investment and community development activity. The business-type activities net position decreased by \$229,320 during the fiscal year.

The Village's total net position increased \$2,596,349 during the current fiscal year. The increase is due primarily to an increase in revenues during the fiscal year.

Governmental activities. Net position related to governmental activities increased by \$2,825,669. Key changes in revenue and expenses are as follows:

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis
December 31, 2013

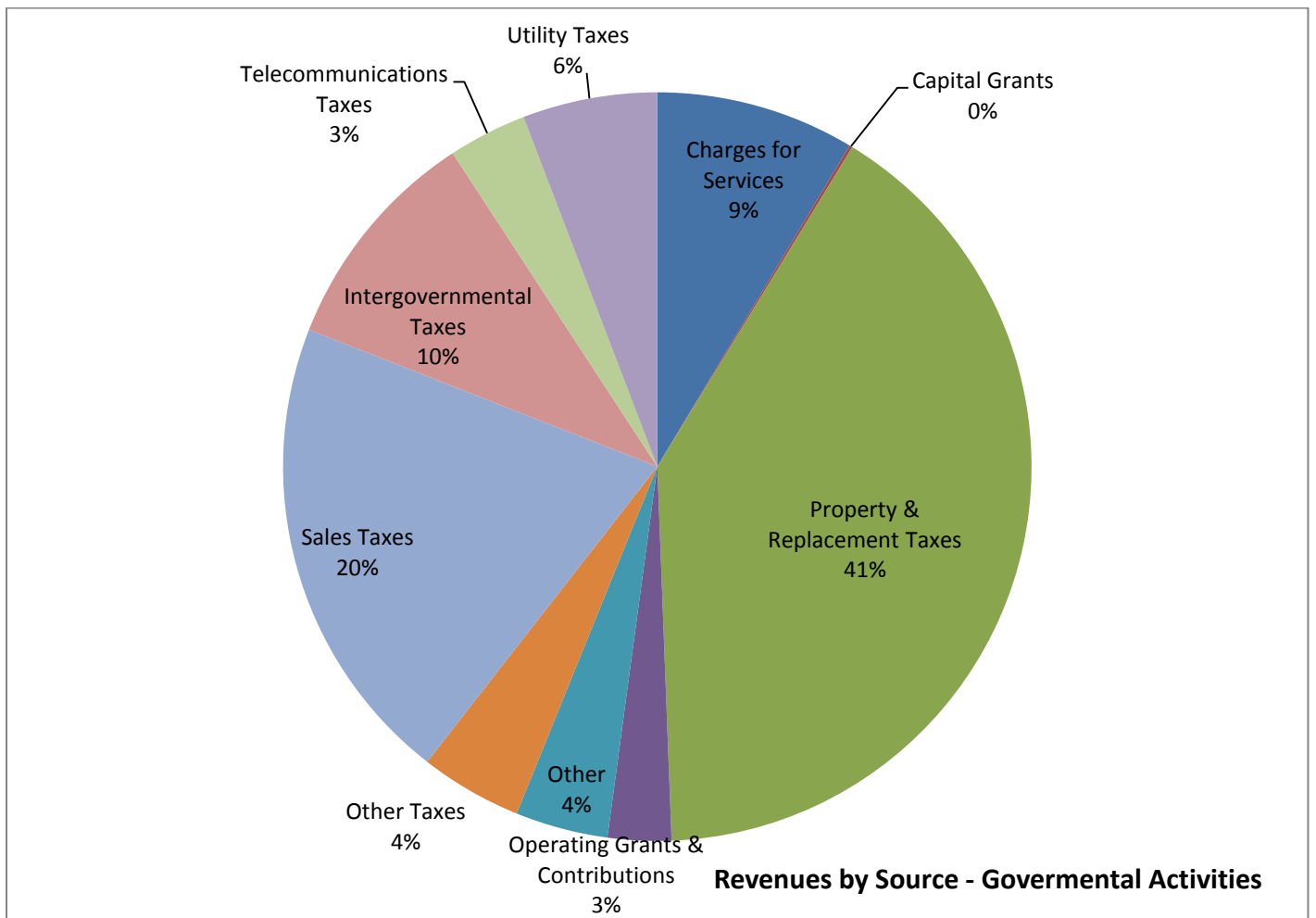
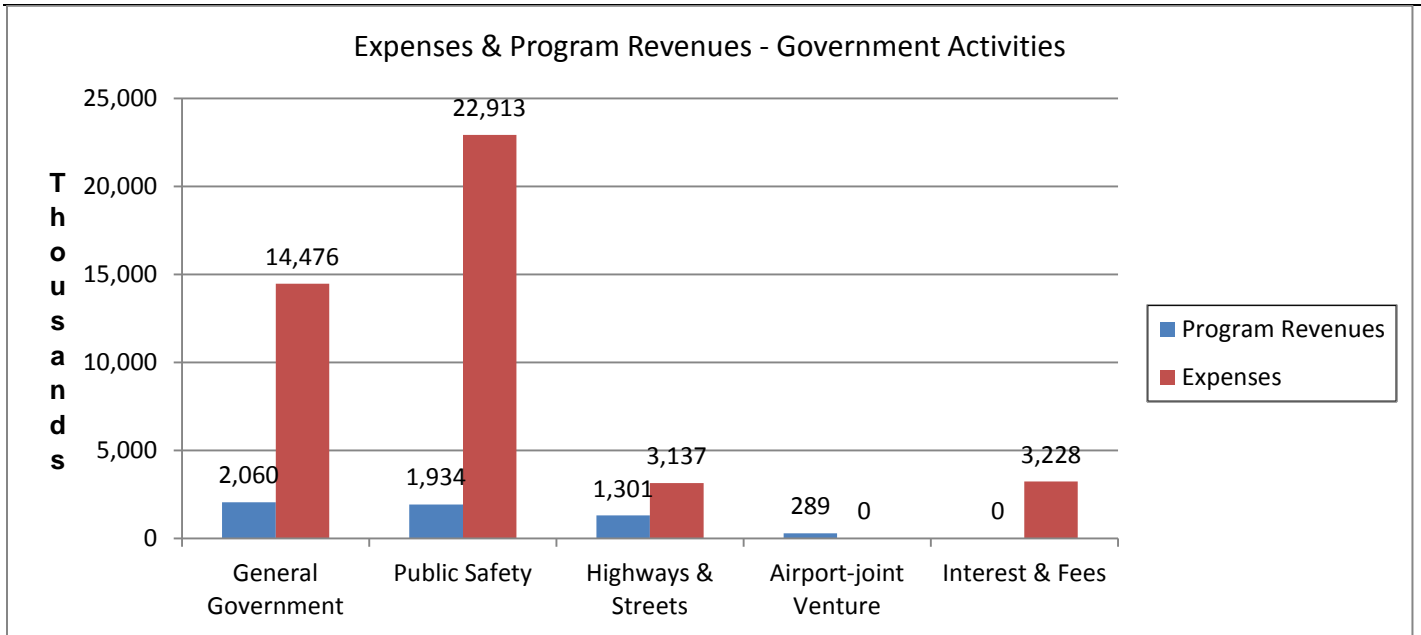
VILLAGE OF WHEELING
Changes in Net Position (in thousands)

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program Revenues:						
Charges for services	\$3,969	\$4,242	\$8,077	\$8,499	\$12,046	\$12,741
Operating grants and contributions	1,265	1,254	-	-	1,265	1,254
Capital grants and contributions	60	281	-	220	60	501
General Revenue:						
Property & replacement taxes	18,781	19,022	-	-	18,781	19,022
Other taxes	15,717	13,695	-	-	15,717	13,695
Intergovernmental	4,541	4,185	-	-	4,541	4,185
Other	1,471	1,601	53	84	1,524	1,685
Airport – joint venture	289	254	-	-	289	254
Total Revenues	46,093	44,534	8,130	8,803	54,223	53,337
Expenses:						
General government	14,477	18,700	-	-	14,477	18,700
Public safety	22,913	21,318	-	-	22,913	21,318
Highways and streets	3,137	2,511	-	-	3,137	2,511
Interest and fees	3,228	3,357	-	-	3,228	3,357
Water and sewer	-	-	7,872	7,875	7,872	7,875
Total Expenses	43,755	45,886	7,872	7,875	51,627	53,761
Increase in net position before transfers & special item	2,338	(1,352)	258	928	2,596	(424)
Transfers	487	433	(487)	(433)	-	-
Increase in net position	2,825	(919)	(229)	495	2,596	(424)
Net position – 1/1/13	102,672	103,592	53,738	53,243	156,411	156,835
Net position – 12/31/13	\$105,498	\$102,673	\$53,509	\$53,738	\$159,007	\$156,411

- Property and replacement taxes decreased by \$241,054 (1.3%) during the year. The decrease is due primarily to a decrease in property tax increment received in the TIF funds.
- Other taxes, which consists primarily of sales tax, utility tax and telecom tax, increased by \$2,022,042 (14.8%). The increase is indicative of an economy that is recovering from the downturn that began in 2008.
- Intergovernmental taxes which include income tax increased \$356,138 (8.5%).
- Charges for services for governmental activities decreased by \$272,755 (6.4%) during the year. This source of revenue includes licenses and permits, inspection fees, and fire & forfeits.

VILLAGE OF WHEELING, ILLINOIS

**Management's Discussion and Analysis
December 31, 2013**

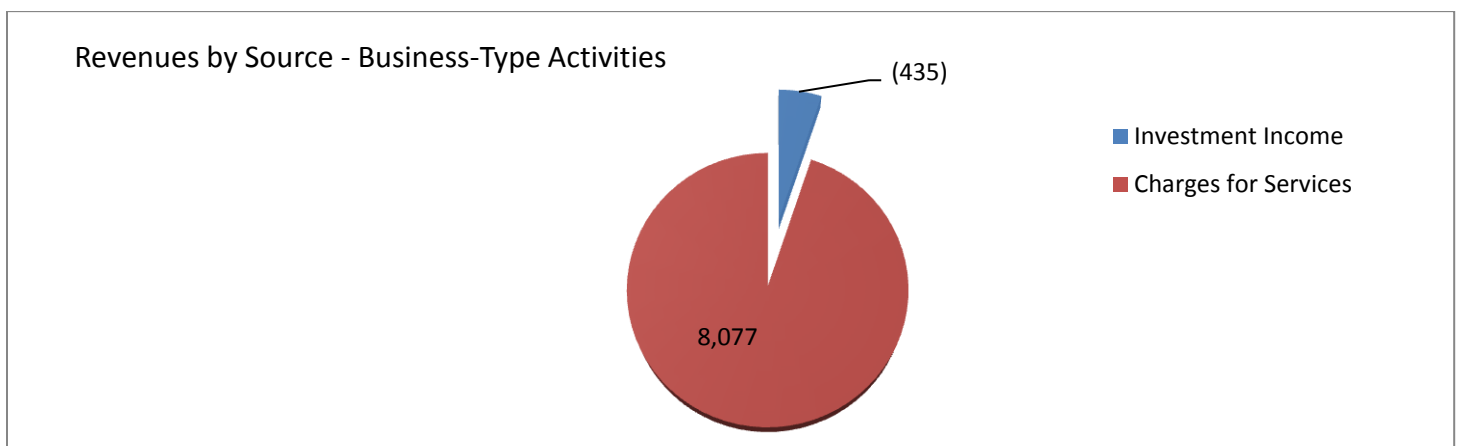
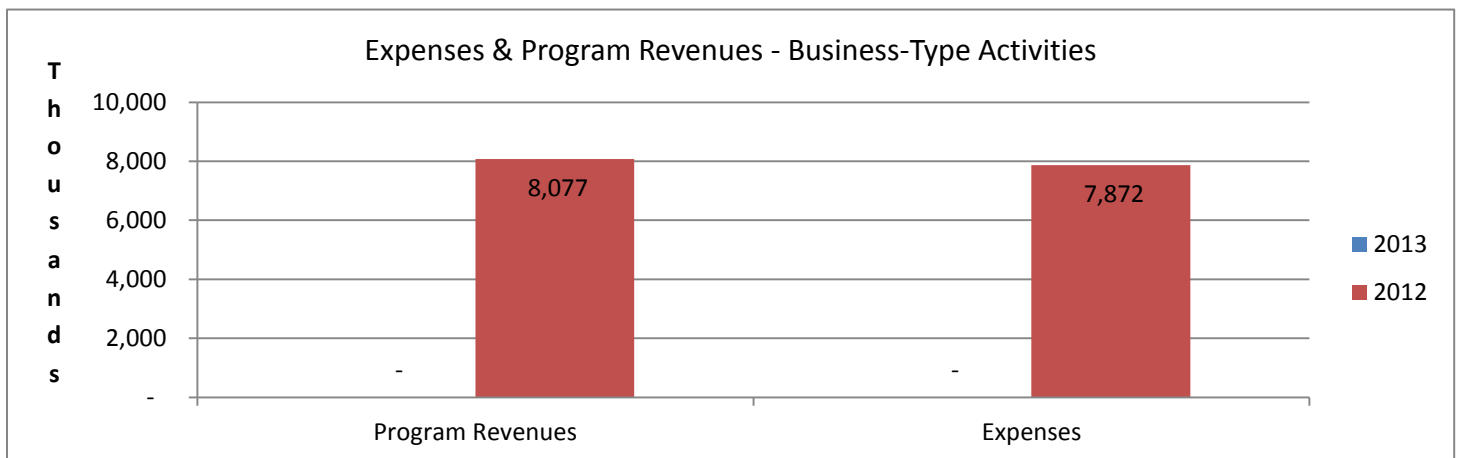


VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis December 31, 2013

Expenditures in the general government category decreased by \$4,223,754 (22.6%) during the year, due mainly to a decrease in capital outlay in the TIF districts. A \$1,595,323 (7.5%) increase in public safety expenditures is due primarily to increases in salaries and benefits. The increase in highways and streets expenses of \$625,740 (24.9%) is due to increased spending, primarily in the Village's Motor Fuel Tax Fund.

Business-type activities There was a decrease in net position related to business-type activities of \$229,320 at December 31, 2013. A key factor in the decrease was an decrease in charges for services of \$421,591, which was related to water and sewer activities. Water and sewer fees increased in fiscal year 2013 due to an adjustment to water and sewer rates, but this source of revenue was offset by an increase in expenses related to the Northwest Water Commission joint venture.



VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis December 31, 2013

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 \$31,566,161, an increase of \$415,425 in comparison with the prior year due primarily to increases in revenue. Of the total fund balance, \$10,247,529 or 32.5%, constitutes *unassigned fund balance*, which is available for spending at the Village's discretion. The remainder of fund balance is *non-spendable, restricted or assigned*, to indicate that it is not available for new spending because it is related to prepaid items and inventory (\$591,058), restricted for capital projects, highways and streets (\$3,178,631), restricted for economic development (\$10,866,598), restricted, or assigned for 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 \$12,188,455; while total fund balance was \$14,494,547. 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. At December 31, 2013, unassigned fund balance represented 39.6% of total general fund expenditures, while total fund balance represented 47% of the same amount.

The fund balance in the Village's General Fund increased by \$570,871 during the current fiscal year. The primary factor for this increase is as follows:

- An increase in revenue of \$840,802 (2.7%) due primarily to increases in taxes
- A decrease in Other Financing Sources (Uses) due to the Village's decision to not make a contribution this year to the Capital Equipment Replacement Fund

The debt service funds had a total fund balance of \$39,513, 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 \$9,405. Property tax levies for debt service payments resulted in revenues of \$956,627 in the current fiscal year.

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 Crossroads Redevelopment Area is a major governmental fund this year with a deficit fund balance of (-\$1,939,250), an increase to the deficit of \$1,416,634. The decrease in fund balance was due to a transfer to the Town Center TIF Fund which was necessary to eliminate a deficit that existed in that fund. The South Milwaukee Redevelopment Area is also a major governmental fund this year with a restricted fund balance (for economic development) of \$7,834,914, an increase of \$1,616,080. The other three funds include the North Milwaukee /Lake Cook 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, 2013

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 decreased by \$625,641 during the current fiscal year to \$1,774,679, due primarily to an increase in expenditures for pavement improvements.

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 waterworks and sewerage fund as a proprietary fund.

Unrestricted net position of the Water and Sewer Fund at the end of the year amounted to \$16,248,947. The decrease in unrestricted net position was \$1,122,136.

General Fund Budgetary Highlights

During the year there were no changes in appropriations between the original and final amended budget.

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, 2013 amounts to \$143,715,391 and \$40,906,774 (net of accumulated depreciation), respectively. This investment in capital assets includes land, airport, buildings and improvements, vehicles, equipment, furniture and infrastructure. The total decrease in the Village's investment in capital assets was .97%.

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

- In governmental activities, building improvements, vehicles and equipment and infrastructure expenditures of \$2,381,497 were added during the year, while \$114,102 of old equipment was retired, resulting in a net increase of \$2,267,395.
- In business-type activities, construction in progress for a water & sewer meter replacement project resulted in an increase of \$3,563,358.
- In business-type activities, vehicles, equipment and infrastructure expenses totaling \$301,206 were added during the year.

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis
December 31, 2013

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

	Governmental		Business-type		Total	
	activities		Activities			
	2013	2012	2013	2012	2013	2012
Land	\$26,838	\$26,291	\$568	\$568	\$27,406	\$26,859
Land right of way	11,624	11,624	-	-	11,624	11,624
Airport(joint venture)	46,950	46,662	-	-	46,950	46,662
Buildings & Improvements	46,753	48,200	-	-	46,753	48,200
Vehicles, equipment, & furniture	1,772	2,224	565	425	2,337	2,649
Infrastructure	9,778	8,528	-	-	9,778	8,528
Water System Improvements	-	-	24,823	25,408	24,823	25,408
Sewer System Improvements	-	-	11,055	11,334	11,055	11,334
Construction in progress	-	-	3,896	333	3,896	333
Total	\$143,715	\$143,529	\$40,907	\$38,068	\$184,622	\$181,597

Additional information on the Village's capital assets can be found in note 4, on pages 35-36 of this report.

Long-term debt. At the end of the current fiscal year, the Village had total bonded debt outstanding of \$73,851,821. Of this amount, \$53,440,000 comprises debt backed by the full faith and credit of the government, while \$16,990,000 is backed by tax increment revenue for which the bonds are secured solely by this revenue source and \$3,421,821 is related to a tax increment revenue note, issued for economic development purposes.

The Village's total general obligation bond related debt decreased by \$1,850,000 (3.4%).

During the current fiscal year, the Village retired \$1,506,377 of general bond principal and \$343,623 of the water and sewer funded debt. The Village also retired \$710,000 of tax increment revenue bond principal.

A Tax Increment Financing (TIF) note was issued on January 25, 2012 for \$3,500,000. Interest on the note is 7%. The Village retired \$422,605 of note principal and accrued \$242,482 of interest payable which resulted in a net decrease of \$180,123.

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis December 31, 2013

VILLAGE OF WHEELING'S Outstanding Debt

	Governmental		Business-type		Total	
	Activities		Activities			
	2013	2012	2013	2012	2013	2012
General obligation bonds	\$48,990,391	\$50,496,768	\$4,449,609	\$4,793,232	\$53,440,000	\$55,290,000
TIF revenue bonds	16,990,000	17,700,000	-	-	16,990,000	17,700,000
Tax Increment Revenue Note	3,421,821	3,601,944	-	-	3,421,821	3,601,944
Total	\$69,402,212	\$71,798,712	\$4,449,609	\$4,793,232	\$73,851,821	\$76,591,944

The Village, under its home rule authority, does not have a legal debt limit. In February 2014, Fitch Ratings downgraded the Village's AAA bond rating to AA+. In their report, Fitch indicated that they downgraded the rating due to "declines in assessed valuation and the reduced, but still substantial level of financial reserves." They also stated that the Village "...benefits from moderate debt ratios and minimal future debt plans, supported by significant pay-go funding of capital." The Village's bond rating with Standard & Poor's is AA.

Additional information of the Village's long-term debt can be found in the notes #5 on pages 37-45 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the Village of Wheeling is currently 7.1%, a decrease from 7.7% a year ago. This compares to the State of Illinois' average unemployment rate of 9.2% and the national average rate of 7.3%.
- The number of occupancy permits issued for new construction during last year increased from 27 in 2012 to 53 in 2013.
- The improving economy has resulted in significant 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 2014 fiscal year.

During the current fiscal year, unassigned fund balance in the general fund increased to \$12,188,445, and the total fund balance increased \$570,871 from the previous year.

The Village increased its water and sewer rates for the 2014 budget year by 2.43%. Rate increases are necessary to provide adequate funding in the years ahead to pay for water and sewer system repair and replacement projects.

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 Village'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 POSITION

December 31, 2013

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 33,643,222	\$ 7,807,456	\$ 41,450,678
Receivables (net where applicable of allowance for uncollectibles)			
Property taxes	11,677,826	-	11,677,826
Sales taxes	2,553,906	-	2,553,906
Income taxes	616,726	-	616,726
Telecommunications tax	386,569	-	386,569
Accounts	97,481	1,830,196	1,927,677
Accrued interest	42,035	2,079	44,114
IPBC	703,552	48,490	752,042
Other	975,542	1,141	976,683
Prepaid expenses	290,284	129,485	419,769
Inventory	300,857	206,445	507,302
Due from other governments	129,748	-	129,748
Advances to other funds	(1,062,514)	1,062,514	-
Net pension asset	667,309	-	667,309
Capital assets not being depreciated	85,412,131	4,464,249	89,876,380
Capital assets being depreciated, net of accumulated depreciation	58,303,260	36,442,525	94,745,785
Investment in joint venture	-	7,098,124	7,098,124
Total assets	194,737,934	59,092,704	253,830,638
DEFERRED OUTFLOWS OF RESOURCES			
Swap agreement	3,641,777	-	3,641,777
Unamortized loss on refunding	706,169	15,727	721,896
Total deferred outflows of resources	4,347,946	15,727	4,363,673
Total assets and deferred outflows of resources	199,085,880	59,108,431	258,194,311
LIABILITIES			
Accounts payable	1,789,685	689,573	2,479,258
Accrued payroll	603,103	62,751	665,854
Deposits payable	115,814	64,771	180,585
Unearned revenue	1,742,811	37,526	1,780,337
Due to fiduciary funds	54,107	-	54,107
Interest payable	659,146	9,994	669,140
Interest rate swap agreement	3,641,777	-	3,641,777
Long-term liabilities			
Due within one year	4,159,726	423,285	4,583,011
Due in more than one year	69,269,636	4,311,570	73,581,206
Total liabilities	82,035,805	5,599,470	87,635,275
DEFERRED INFLOWS OF RESOURCES			
Unearned revenue - property taxes	11,552,001	-	11,552,001
Total deferred inflows of resources	11,552,001	-	11,552,001
Total liabilities and deferred inflows of resources	93,587,806	5,599,470	99,187,276
NET POSITION			
Net investment in capital assets	98,280,773	37,260,014	135,540,787
Restricted for			
Capital projects	1,774,679	-	1,774,679
Highways and streets	1,403,952	-	1,403,952
Public safety	984,287	-	984,287
Economic development	10,866,598	-	10,866,598
Debt service	39,513	-	39,513
Unrestricted (deficit)	(7,851,728)	16,248,947	8,397,219
TOTAL NET POSITION	\$ 105,498,074	\$ 53,508,961	\$ 159,007,035

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2013

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
FUNCTIONS/PROGRAMS				
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 14,476,498	\$ 2,041,198	\$ 18,571	\$ -
Public safety	22,913,151	1,807,153	126,379	-
Highways and streets	3,137,265	121,004	1,120,170	60,321
Airport - joint venture	-	-	-	288,502
Interest and fees	3,227,999	-	-	-
Total governmental activities	43,754,913	3,969,355	1,265,120	348,823
Business-Type Activities				
Water and sewer	7,871,938	8,077,300	-	-
Total business-type activities	7,871,938	8,077,300	-	-
TOTAL PRIMARY GOVERNMENT	\$ 51,626,851	\$ 12,046,655	\$ 1,265,120	\$ 348,823

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Total
	\$ (12,416,729)	\$ -	\$ (12,416,729)
	(20,979,619)	-	(20,979,619)
	(1,835,770)	-	(1,835,770)
	288,502	-	288,502
	(3,227,999)	-	(3,227,999)
	<u>(38,171,615)</u>	<u>-</u>	<u>(38,171,615)</u>
	-	205,362	205,362
	-	205,362	205,362
	<u>(38,171,615)</u>	<u>205,362</u>	<u>(37,966,253)</u>
General Revenues			
Taxes			
Property and replacement	18,781,294	-	18,781,294
Sales	9,430,241	-	9,430,241
Utility	2,686,499	-	2,686,499
Telecommunications	1,565,067	-	1,565,067
Food and beverage	816,668	-	816,668
Hotel/motel	933,853	-	933,853
Other	285,090	-	285,090
Intergovernmental			
Income	3,587,115	-	3,587,115
Other	953,946	-	953,946
Investment income	108,698	40,086	148,784
Gain on disposal of capital assets	1,152	12,000	13,152
Miscellaneous	1,360,893	-	1,360,893
Transfers	486,768	(486,768)	-
Total	<u>40,997,284</u>	<u>(434,682)</u>	<u>40,562,602</u>
CHANGE IN NET POSITION	2,825,669	(229,320)	2,596,349
NET POSITION, JANUARY 1	102,672,405	53,738,281	156,410,686
NET POSITION, DECEMBER 31	<u>\$ 105,498,074</u>	<u>\$ 53,508,961</u>	<u>\$ 159,007,035</u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

GOVERNMENTAL FUNDS

BALANCE SHEET

December 31, 2013

	General	Crossroads Redevelopment Area	South Milwaukee Redevelopment Area	Capital Equipment Replacement	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	\$ 10,684,210	\$ 625,292	\$ 5,246,090	\$ 5,561,635	\$ 8,587,842	\$ 30,705,069
Receivables (net where applicable of allowance for uncollectibles)						
Property taxes	10,042,721	788	18,668	-	1,615,649	11,677,826
Sales taxes	2,553,906	-	-	-	-	2,553,906
Income taxes	616,726	-	-	-	-	616,726
Telecommunications tax	386,569	-	-	-	-	386,569
Accounts	-	-	-	-	97,481	97,481
Accrued interest	14,353	1,005	4,239	9,965	8,846	38,408
IPBC	703,552	-	-	-	-	703,552
Other	609,128	3,366	-	-	363,048	975,542
Prepaid items	281,547	-	-	-	8,654	290,201
Inventory	265,189	-	-	-	35,668	300,857
Due from other funds	579,658	-	2,566,800	-	-	3,146,458
Due from other governments	-	-	-	-	129,748	129,748
TOTAL ASSETS	\$ 26,737,559	\$ 630,451	\$ 7,835,797	\$ 5,571,600	\$ 10,846,936	\$ 51,622,343

	General	Crossroads Redevelopment Area	South Milwaukee Redevelopment Area	Capital Equipment Replacement	Nonmajor Governmental Funds	Total Governmental Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 1,389,706	\$ 2,081	\$ 63	\$ -	\$ 387,524	\$ 1,779,374
Accrued payroll	594,001	820	820	-	7,462	603,103
Deposits payable	115,814	-	-	-	-	115,814
Unearned revenue	128,355	-	-	-	1,614,456	1,742,811
Due to other funds	-	2,566,800	-	-	579,658	3,146,458
Due to fiduciary funds	54,107	-	-	-	-	54,107
Advance from other funds	-	-	-	1,062,514	-	1,062,514
Total liabilities	2,281,983	2,569,701	883	1,062,514	2,589,100	8,504,181
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	9,961,029	-	-	-	1,590,972	11,552,001
Total deferred inflows of resources	9,961,029	-	-	-	1,590,972	11,552,001
Total liabilities and deferred inflows of resources	12,243,012	2,569,701	883	1,062,514	4,180,072	20,056,182
FUND BALANCES						
Nonspendable						
Prepaid items	281,547	-	-	-	8,654	290,201
Inventory	265,189	-	-	-	35,668	300,857
Restricted						
Capital projects	-	-	-	-	1,774,679	1,774,679
Highways and streets	-	-	-	-	1,403,952	1,403,952
Public safety	-	-	-	-	374,390	374,390
Economic development	-	-	7,834,914	-	3,031,684	10,866,598
Debt service	-	-	-	-	39,513	39,513
Unrestricted						
Assigned						
Health insurance	703,552	-	-	-	-	703,552
Subsequent year's budget	1,055,804	-	-	-	-	1,055,804
Capital improvements	-	-	-	4,509,086	-	4,509,086
Unassigned, reported in						
General Fund	12,188,455	-	-	-	-	12,188,455
Special Revenue Funds	-	-	-	-	(1,676)	(1,676)
Capital Project Funds	-	(1,939,250)	-	-	-	(1,939,250)
Total fund balances (deficit)	14,494,547	(1,939,250)	7,834,914	4,509,086	6,666,864	31,566,161
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
	\$ 26,737,559	\$ 630,451	\$ 7,835,797	\$ 5,571,600	\$ 10,846,936	\$ 51,622,343

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 POSITION

December 31, 2013

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 31,566,161
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	143,715,391
The loss on refunding of bonds is capitalized and amortized over the life of the bonds on the statement of net position	706,169
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation bonds	(48,990,391)
Tax increment revenue bonds	(16,990,000)
Tax increment revenue note	(3,421,821)
Premium on bonds payable	(365,233)
Compensated absences payable	(2,189,651)
Other postemployment benefit obligation	(79,858)
Accrued interest on long-term liabilities is reported as a liability on the statement of net position	(659,146)
The net pension asset of the Police and Firefighters' Pension Funds is reported as an asset on the statement of net position	667,309
The net position of the Internal Service Fund is included in the governmental activities in the statement of net position	<u>1,539,144</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 105,498,074</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, 2013

	General	Crossroads Redevelopment Area	South Milwaukee Redevelopment Area	Capital Equipment Replacement	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	\$ 22,956,784	\$ 2,372,438	\$ 1,633,388	\$ -	\$ 7,255,002	\$ 34,217,612
Licenses and permits	544,271	-	-	-	-	544,271
Intergovernmental	4,542,285	-	-	-	1,324,217	5,866,502
Charges for services	1,998,815	-	-	-	1,007,475	3,006,290
Fines and forfeits	714,405	-	-	-	-	714,405
Investment income	45,967	7,148	16,706	29,868	9,009	108,698
Miscellaneous	1,153,542	3,887	-	-	188,953	1,346,382
Total revenues	31,956,069	2,383,473	1,650,094	29,868	9,784,656	45,804,160
EXPENDITURES						
Current						
General government	9,642,297	-	-	-	-	9,642,297
Public safety	21,029,060	-	-	-	652,168	21,681,228
Highways and streets	-	-	-	-	1,852,783	1,852,783
Capital outlay	-	2,361,716	34,014	296,762	287,104	2,979,596
Capital improvements	-	15,186	-	-	4,089,246	4,104,432
Debt service						
Principal	109,235	313,371	-	-	2,216,376	2,638,982
Interest and fiscal charges	-	-	-	-	2,977,337	2,977,337
Total expenditures	30,780,592	2,690,273	34,014	296,762	12,075,014	45,876,655
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,175,477	(306,800)	1,616,080	(266,894)	(2,290,358)	(72,495)

	General	Crossroads Redevelopment Area	South Milwaukee Redevelopment Area	Capital Equipment Replacement	Nonmajor Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)						
Proceeds on sale of capital assets	\$ 1,152	\$ -	\$ -	\$ -	\$ -	\$ 1,152
Transfers in	-	-	-	85,424	3,069,191	3,154,615
Transfers (out)	(605,758)	(1,109,834)	-	(5,255)	(947,000)	(2,667,847)
Total other financing sources (uses)	(604,606)	(1,109,834)	-	80,169	2,122,191	487,920
NET CHANGE IN FUND BALANCES	570,871	(1,416,634)	1,616,080	(186,725)	(168,167)	415,425
FUND BALANCES (DEFICIT), JANUARY 1	13,923,676	(522,616)	6,218,834	4,695,811	6,835,031	31,150,736
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 14,494,547	\$ (1,939,250)	\$ 7,834,914	\$ 4,509,086	\$ 6,666,864	\$ 31,566,161

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, 2013

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$	415,425
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures; however, they are capitalized on the statement of net position and depreciated on the statement of activities		2,928,131
Depreciation expense does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds		(3,030,309)
The increase in equity of joint venture is reported on the statement of activities		288,502
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 position		2,638,982
Amortization of premium on bonds is reported as a reduction of interest expense on the statement of activities		34,666
Amortization of the loss on refunding is reported as interest expense on the statement of activities		(67,945)
Accretion of bonds is reported as interest expense on the statement of activities		(242,482)
The increase of accrued interest payable is shown as an increase of expense on the statement of activities		25,099
The increase in compensated absences payable is shown as an increase of expense on the statement of activities		(210,071)
The change in the net pension asset		57,412
The change in the other postemployment benefit obligation		7,084
The change in net position of internal service funds is reported in governmental activities		<u>(18,825)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>2,825,669</u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

December 31, 2013

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CURRENT ASSETS		
Cash and investments	\$ 7,807,456	\$ 2,938,153
Receivables (net where applicable of allowance for uncollectibles)		
Accounts	1,830,196	-
Accrued interest	2,079	3,627
IPBC	48,490	-
Other	1,141	-
Prepaid expenses	129,485	83
Inventory	206,445	-
	10,025,292	2,941,863
NONCURRENT ASSETS		
Capital assets		
Assets not being depreciated	4,464,249	-
Assets being depreciated		
Cost	56,862,236	-
Accumulated depreciation	(20,419,711)	-
	36,442,525	-
Net capital assets being depreciated		
Net capital assets	40,906,774	-
Advances to other funds	1,062,514	-
Investment in joint ventures	7,098,124	-
	49,067,412	-
Total noncurrent assets		
Total assets	59,092,704	2,941,863
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized loss on refunding	15,727	-
	15,727	-
Total deferred outflows of resources		
Total assets and deferred outflows of resources	59,108,431	2,941,863

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET POSITION (Continued)

December 31, 2013

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Waterworks and Sewerage</u>	<u>Internal Service</u>
CURRENT LIABILITIES		
Accounts payable	\$ 689,573	\$ 10,311
Accrued payroll	62,751	-
Compensated absences payable	81,464	-
Deposits payable	64,771	-
Unearned revenue	37,526	-
Interest payable	9,994	-
Bonds payable	341,821	-
Claims payable	-	696,204
	<hr/>	<hr/>
Total current liabilities	1,287,900	706,515
NONCURRENT LIABILITIES		
Claims payable	-	696,204
General obligation bonds payable (less current portion)	4,205,397	-
Compensated absences payable (less current portion)	99,567	-
Other postemployment benefit obligation	6,606	-
	<hr/>	<hr/>
Total noncurrent liabilities	4,311,570	696,204
	<hr/>	<hr/>
Total liabilities	5,599,470	1,402,719
NET POSITION		
Net investment in capital assets	37,260,014	-
Unrestricted	16,248,947	1,539,144
	<hr/>	<hr/>
TOTAL NET POSITION	<u>\$ 53,508,961</u>	<u>\$ 1,539,144</u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION

For the Year Ended December 31, 2013

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service Fund
OPERATING REVENUES		
Charges for services		
Water sales and sewer charges	\$ 7,966,136	\$ -
Connection fees	114,299	-
Meter sales	10,190	-
Liability insurance charges	-	1,094,366
Other	150,725	-
Total operating revenues	<u>8,241,350</u>	<u>1,094,366</u>
OPERATING EXPENSES EXCLUDING DEPRECIATION		
Waterworks division	4,286,879	-
Sewer division	1,644,747	-
Water and sewer capital division	782,341	-
Insurance and claims	-	1,120,121
Total operating expenses excluding depreciation	<u>6,713,967</u>	<u>1,120,121</u>
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	1,527,383	(25,755)
DEPRECIATION	<u>1,025,751</u>	<u>-</u>
OPERATING INCOME (LOSS)	<u>501,632</u>	<u>(25,755)</u>
NON-OPERATING REVENUES (EXPENSES)		
Investment income	40,086	6,930
Interest expense and fees	(132,220)	-
Gain on disposal of capital assets	12,000	-
Increase (decrease) in joint venture	(164,050)	-
Total non-operating revenues (expenses)	<u>(244,184)</u>	<u>6,930</u>
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	<u>257,448</u>	<u>(18,825)</u>
TRANSFERS IN (OUT)		
Capital Equipment Replacement Fund	5,255	-
Debt Service Fund	(492,023)	-
Total transfers in (out)	<u>(486,768)</u>	<u>-</u>
CHANGE IN NET POSITION	(229,320)	(18,825)
NET POSITION, JANUARY 1	<u>53,738,281</u>	<u>1,557,969</u>
NET POSITION, DECEMBER 31	<u>\$ 53,508,961</u>	<u>\$ 1,539,144</u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2013

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Waterworks and Sewerage</u>	<u>Internal Service Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 8,175,593	\$ -
Receipts from internal service transactions	-	1,094,366
Payments to suppliers	(4,693,464)	(1,158,295)
Payments to employees	(1,822,573)	-
	<u>1,659,556</u>	<u>(63,929)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers in	5,255	-
Transfers (out)	(492,023)	-
Advances to other funds	(59,900)	-
	<u>(546,668)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	(3,568,785)	-
Proceeds from disposal of capital assets	12,000	-
Principal paid on general obligation bonds	(343,623)	-
Interest and fees paid on general obligation bonds	(137,704)	-
	<u>(4,038,112)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investment securities	(6,000)	(591,000)
Sale of investment securities	2,279,462	-
Interest on investments	58,788	20,897
	<u>2,332,250</u>	<u>(570,103)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(592,974)	(634,032)
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>1,119,671</u>	<u>2,083,086</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 526,697</u>	<u>\$ 1,449,054</u>
CASH AND INVESTMENTS		
Cash and cash equivalents	\$ 526,697	\$ 1,449,054
Investments	<u>7,280,759</u>	<u>1,489,099</u>
TOTAL CASH AND INVESTMENTS	<u>\$ 7,807,456</u>	<u>\$ 2,938,153</u>

(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, 2013

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Waterworks and Sewerage</u>	<u>Internal Service Fund</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income (loss)	\$ 501,632	\$ (25,755)
Adjustments to reconcile operating income (loss) to net cash from operating activities		
Depreciation	1,025,751	-
Changes in current assets and liabilities		
Accounts receivable	(89,543)	-
IPBC receivable	72,751	-
Inventory	87,937	-
Prepaid expenses	4,891	1,824
Accounts payable	22,161	4,295
Claims and judgments payable	-	(44,293)
Accrued payroll	(16,139)	-
Compensated absences payable	26,914	-
Other postemployment benefit obligation	(585)	-
Deposits payable	5,431	-
Unearned revenue	18,355	-
NET CASH FROM OPERATING ACTIVITIES	<u>\$ 1,659,556</u>	<u>\$ (63,929)</u>
NONCASH TRANSACTIONS		
Increase (decrease) in joint venture	\$ (164,050)	\$ -
TOTAL NONCASH TRANSACTIONS	<u>\$ (164,050)</u>	<u>\$ -</u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PENSION TRUST FUNDS

STATEMENT OF FIDUCIARY NET POSITION

December 31, 2013

ASSETS

Cash and short-term investments	<u>\$ 2,333,370</u>
Investments at fair value	
U.S. Government and agency obligations	15,333,699
State and local obligations	2,671,076
Corporate bonds	12,277,407
Mutual funds	25,068,910
Equities	<u>15,803,158</u>
Total investments	<u>71,154,250</u>
Receivables	
Accrued interest	288,439
Due from other funds	<u>54,107</u>
Total receivables	<u>342,546</u>
Prepaid items	<u>775</u>
Total assets	<u>73,830,941</u>

LIABILITIES

Accounts payable	<u>7,714</u>
Total liabilities	<u>7,714</u>

**NET POSITION HELD IN TRUST FOR
PENSION BENEFITS**

\$ 73,823,227

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PENSION TRUST FUNDS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the Year Ended December 31, 2013

ADDITIONS

Contributions	
Employer	\$ 2,887,148
Employee	976,403

Total contributions	<u>3,863,551</u>
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Investment income	
Net appreciation in fair value of investments	5,924,003
Interest	2,539,845

Total investment income	8,463,848
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Less investment expenses	<u>223,149</u>
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Net investment income	<u>8,240,699</u>
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Total additions	<u>12,104,250</u>
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DEDUCTIONS

Benefits and refunds	4,562,204
Administrative expenses	55,240

Total deductions	<u>4,617,444</u>
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NET INCREASE	7,486,806
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**NET POSITION HELD IN TRUST FOR
PENSION BENEFITS**

January 1	<u>66,336,421</u>
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December 31	<u><u>\$ 73,823,227</u></u>
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See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2013

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 Board (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 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.

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

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).

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 position 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. Interfund services provided and used are not eliminated on 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.

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

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 accounted for in another fund.

The Crossroads Redevelopment Area 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.

The South Milwaukee Redevelopment Area Fund is used to account for the funds restricted for the redevelopment activities of the tax increment financing district located east and west of Milwaukee Ave, south of Manchester Drive and north of Mill Circle.

The Capital Equipment Replacement Fund is used to account for transfers and advances from other funds assigned for the eventual replacement of vehicles and equipment utilized by those funds.

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.

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. Non-operating 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, income 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.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The Village reports unearned revenue and unavailable revenue on its financial statements. Unavailable revenues arise when a potential revenue does not meet both the available criteria for recognition in the current period, under the modified accrual basis of accounting. Unearned revenue arises when a revenue is measurable but not earned under the accrual basis of accounting. Unearned revenues also arise when resources are received by the Village 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 and deferred inflows of resource for unearned and unavailable revenue are 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 non-negotiable 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 2013 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 2013 levy is intended to finance the 2014 fiscal year, the levy has been recorded as a receivable and deferred inflow of resources.

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. Prepaid items/expenses are recorded as expenditures/expenses when consumed rather than when purchased.

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.

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

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. SLDPA is a method of allowing eligible employees to contribute the value of accrued but unused sick time hours to a Postemployment 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 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 non-union 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 non-union 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 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 the unamortized loss on refunding, are deferred and amortized over the life of the bonds. Bonds payable are reported net of any applicable bond premium or discount. The unamortized loss on refunding is reported as a deferred outflow of resources.

In the fund financial statements, governmental funds recognize bond premiums and discounts 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.

l. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Deferred Outflows/Inflows of Resources (Continued)

a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

m. Fund Balance/Net Position

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 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 Manager through the fund balance policy adopted by the Village Board. 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 positions are legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any long-term debt issued to acquire or construct the capital assets.

n. Use of Estimates

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

2. 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.

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. The Village's deposits with Cole Taylor Bank are collateralized with an irrevocable line of credit at the Federal Home Loan Bank of Chicago.

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

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

Investments

The following table presents the investments and maturities of the Village's debt securities as of December 31, 2013:

Investment Type	Fair Value	Investment Maturities in Years			
		Less Than 1	1-5	6-10	Greater than 10
Negotiable certificates of deposit	\$ 18,828,727	\$ 2,449,309	\$ 16,379,418	\$ -	\$ -
TOTAL	\$ 18,828,727	\$ 2,449,309	\$ 16,379,418	\$ -	\$ -

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 up to \$250,000.

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 (DVP) 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.

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

Investments (Continued)

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, 2013, the Village had greater than 5% 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).

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, 2013 are covered by Federal Depository Insurance.

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

2. DEPOSITS AND INVESTMENTS (Continued)

b. Police Pension Investments (Continued)

Investments

The following table presents the investments and maturities of the Police Pension Fund's debt securities as of December 31, 2013:

Investment Type	Fair Value	Investment Maturities in Years			
		Less Than 1	1-5	6-10	Greater than 10
U.S. Agency obligations	\$ 9,097,202	\$ 905,991	\$ 6,070,413	\$ 2,120,798	\$ -
Municipal bonds	2,102,205	200,572	1,445,940	455,693	-
Corporate bonds	6,942,538	730,160	5,196,540	1,015,838	-
TOTAL	\$ 18,141,945	\$ 1,836,723	\$ 12,712,893	\$ 3,592,329	\$ -

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 range in rating from AA+ to not rated. 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 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, 2013. At December 31, 2013, the Police Pension Fund had greater than 5% of its overall portfolio invested in U.S. agency obligations, corporate bonds, and municipal bonds, which is in accordance with the Police Pension Fund's investment policy.

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

2. DEPOSITS AND INVESTMENTS (Continued)

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.

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, 2013 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, 2013:

Investment Type	Fair Value	Investment Maturities in Years			
		Less Than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 4,187,975	\$ 713,146	\$ 2,336,091	\$ 1,138,738	\$ -
U.S. agency obligations	2,048,522	446,536	1,226,860	248,697	126,429
Municipal bonds	568,871	51,331	375,921	141,619	-
Corporate bonds	5,334,869	207,761	3,340,536	1,786,572	-
TOTAL	\$ 12,140,237	\$ 1,418,774	\$ 7,279,408	\$ 3,315,626	\$ 126,429

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

2. DEPOSITS AND INVESTMENTS (Continued)

c. Firefighters' Pension Investments (Continued)

Investments (Continued)

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 range in rating from AA+ to not rated. 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 55% 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, 2013, the Firefighters' Pension Fund had greater than 5% of its overall portfolio invested in U.S. Treasury obligations, U.S. agency obligations and corporate bonds, which is in accordance with the Firefighters' Pension Fund's investment policy.

3. RECEIVABLES

The following receivables are included in due from other governments on the statement of net position at December 31, 2013:

GOVERNMENTAL ACTIVITIES	
Motor fuel tax	\$ 94,208
Grants	<u>35,540</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 129,748</u>

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

3. RECEIVABLES (Continued)

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

GOVERNMENTAL ACTIVITIES	
Court fines	\$ 27,437
Franchise fees	137,672
Hotel/motel tax	47,688
Food and beverage tax	79,108
Unbilled SWANCC fees	28,540
TIF surplus	143,191
SWANCC service charge	24,564
Utility taxes	363,048
Miscellaneous	<u>124,294</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 975,542</u>

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2013 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 26,290,921	\$ 546,634	\$ -	\$ 26,837,555
Land right of way	11,624,192	-	-	11,624,192
Airport (joint venture)	46,661,882	288,502	-	46,950,384
Total capital assets not being depreciated	<u>84,576,995</u>	<u>835,136</u>	<u>-</u>	<u>85,412,131</u>
Capital assets being depreciated				
Buildings and improvements	57,553,224	-	-	57,553,224
Vehicles, equipment, and furniture	9,321,119	214,780	-	9,535,899
Infrastructure	25,400,386	2,166,717	114,102	27,453,001
Total capital assets being depreciated	<u>92,274,729</u>	<u>2,381,497</u>	<u>114,102</u>	<u>94,542,124</u>
Less accumulated depreciation for				
Buildings and improvements	9,353,684	1,446,385	-	10,800,069
Vehicles, equipment, and furniture	7,096,828	666,632	-	7,763,460
Infrastructure	16,872,145	917,292	114,102	17,675,335
Total accumulated depreciation	<u>33,322,657</u>	<u>3,030,309</u>	<u>114,102</u>	<u>36,238,864</u>
Total capital assets being depreciated, net	<u>58,952,072</u>	<u>(648,812)</u>	<u>-</u>	<u>58,303,260</u>
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	<u>\$ 143,529,067</u>	<u>\$ 186,324</u>	<u>\$ -</u>	<u>\$ 143,715,391</u>

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

4. CAPITAL ASSETS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 567,824	\$ -	\$ -	\$ 567,824
Construction in progress	333,067	3,563,358	-	3,896,425
Total capital assets not being depreciated	<u>900,891</u>	<u>3,563,358</u>	<u>-</u>	<u>4,464,249</u>
Capital assets being depreciated				
Waterworks	36,640,728	-	-	36,640,728
Sewerage	17,433,970	-	-	17,433,970
Equipment and vehicles	2,486,332	301,206	-	2,787,538
Total capital assets being depreciated	<u>56,561,030</u>	<u>301,206</u>	<u>-</u>	<u>56,862,236</u>
Less accumulated depreciation for				
Waterworks	11,232,413	584,877	-	11,817,290
Sewerage	6,100,259	279,201	-	6,379,460
Equipment and vehicles	2,061,288	161,673	-	2,222,961
Total accumulated depreciation	<u>19,393,960</u>	<u>1,025,751</u>	<u>-</u>	<u>20,419,711</u>
Total capital assets being depreciated, net	<u>37,167,070</u>	<u>(724,545)</u>	<u>-</u>	<u>36,442,525</u>
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET				
	<u>\$ 38,067,961</u>	<u>\$ 2,838,813</u>	<u>\$ -</u>	<u>\$ 40,906,774</u>

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

GOVERNMENTAL ACTIVITIES

General government	\$ 1,186,125
Public safety	1,119,634
Highways and streets	<u>724,550</u>

TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES \$ 3,030,309

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

GOVERNMENTAL ACTIVITIES

General government	\$ 575,742
Public safety	103,510
Highways and streets	<u>2,248,879</u>

TOTAL ADDITIONS - GOVERNMENTAL ACTIVITIES \$ 2,928,131

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

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, 2013 is as follows:

Issue	Fund Debt Retired By	Purpose	Balances January 1	Accretion/ Additions	Reductions/ Refunding	Balances December 31	Current
General Obligation Sales Tax Bond Series 2005 (dated September 1, 2005; maturing December 1, 2024; original issue \$5,140,000; interest rates 4.00% to 4.25%; principal payable annually on December 1).	General Fund Sales Tax	Westin Hotel Development in TIF	\$ 260,000	\$ -	\$ 260,000	\$ -	\$ -
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 4.33%; principal payable annually on December 1).	Capital Projects	Village Building Projects	19,490,000	-	670,000	18,820,000	840,000
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	-

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 Refunding Bond Series 2011 (dated October 3, 2011; maturing December 15, 2023; original issue \$8,445,000; interest rates 2.00% to 3.00%; principal payable annually on December 15).							
	Capital Projects/ North Milwaukee/ Lake Cook Redevelopment Area	Refunding	\$ 6,911,768	\$ -	\$ 551,377	\$ 6,360,391	\$ 563,179
General Obligation Sales Tax Refunding Bond Series 2012A (dated April 24, 2012; maturing December 1, 2024; original issue \$3,925,000; interest rates 2.00% to 3.50%; principal payable annually on December 1).							
	Capital Projects/ North Milwaukee/ Lake Cook Redevelopment Area	Refunding	3,835,000	-	25,000	3,810,000	295,000
TOTAL			\$ 50,496,768	\$ -	\$ 1,506,377	\$ 48,990,391	\$ 1,698,179
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	\$17,700,000	\$ -	\$ 710,000	\$ 16,990,000	\$ 780,000
Tax Increment Revenue Note Series 2012 (dated January 25, 2012; maturing July 1, 2030; original issue \$3,500,000; interest rate 7.00%; principal payable annually on July 1).							
	General/ Crossroads Redevelopment Area	Fresh Farms Redevelopment Project in TIF	\$ 3,601,944	\$ 242,482	\$ 422,605	\$ 3,421,821	\$ -

* \$242,482 of the increase is interest accrued to the Note balance.

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 Refunding Bond Series 2011 (dated October 25, 2011; maturing December 15, 2023; original issue \$8,445,000; interest rates 2.00% to 3.00%; principal payable annually on December 15).	Waterworks and Sewerage	Refunding	\$ 1,293,232	\$ -	\$ 218,623	\$ 1,074,609	\$ 216,821
General Obligation Bond Series 2012B (dated April 24, 2012; maturing December 1, 2032; original issue \$3,500,000; interest rates 3.00% to 3.50%; principal payable annually on December 1).	Waterworks and Sewerage	Water Improvements	3,500,000	-	125,000	3,375,000	125,000
TOTAL			\$ 4,793,232	\$ -	\$ 343,623	\$ 4,449,609	\$ 341,821

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.

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

5. LONG-TERM DEBT (Continued)

d. Debt Service Requirements to Maturity

Year Ending December 31,	General Obligation Bonds					
	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2014	\$ 1,698,179	\$ 1,879,437	\$ 3,577,616	\$ 341,821	\$ 129,294	\$ 471,115
2015	1,889,937	1,825,644	3,715,581	345,063	121,465	466,528
2016	2,127,812	1,762,782	3,890,594	352,188	113,154	465,342
2017	2,335,726	1,690,265	4,025,991	354,274	105,068	459,342
2018	2,558,737	1,609,688	4,168,425	351,263	96,200	447,463
2019	2,820,000	1,510,008	4,330,008	150,000	87,300	237,300
2020	3,070,000	1,401,269	4,471,269	155,000	82,800	237,800
2021	3,325,000	1,282,170	4,607,170	160,000	78,150	238,150
2022	3,575,000	1,152,495	4,727,495	165,000	73,350	238,350
2023	3,700,000	1,011,377	4,711,377	175,000	68,400	243,400
2024	3,325,000	862,517	4,187,517	180,000	63,150	243,150
2025	3,140,000	727,748	3,867,748	185,000	57,750	242,750
2026	3,340,000	604,660	3,944,660	195,000	51,969	246,969
2027	3,530,000	473,732	4,003,732	200,000	45,875	245,875
2028	3,700,000	335,356	4,035,356	210,000	39,375	249,375
2029	3,850,000	190,316	4,040,316	220,000	32,550	252,550
2030	1,005,000	39,396	1,044,396	230,000	24,850	254,850
2031	-	-	-	235,000	16,800	251,800
2032	-	-	-	245,000	8,575	253,575
TOTAL	\$ 48,990,391	\$ 18,358,860	\$ 67,349,251	\$ 4,449,609	\$ 1,296,075	\$ 5,745,684

Year Ending December 31,	Tax Increment Revenue Bonds		
	Principal	Interest	Total
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	\$ 16,990,000	\$ 7,252,200	\$ 24,242,200

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

5. LONG-TERM DEBT (Continued)

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	Balances December 31	Current Portion
General obligation bonds payable	\$ 50,496,768	\$ -	\$ 1,506,377	\$ 48,990,391	\$ 1,698,179
Tax increment revenue bonds payable	17,700,000	-	710,000	16,990,000	780,000
Tax increment revenue note	3,601,944	242,482	422,605	3,421,821	-
Premium on bonds payable	399,899	-	34,666	365,233	-
Compensated absences payable - governmental funds	1,979,580	1,104,832	894,761	2,189,651	985,343
Insurance claims payable	1,436,702	-	44,294	1,392,408	696,204
Net other postemployment benefit obligation	86,942	-	7,084	79,858	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 75,701,835	\$ 1,347,314	\$ 3,619,787	\$ 73,429,362	\$ 4,159,726

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

Business-Type Activities

	Balances January 1	Issuances	Reductions	Balances December 31	Current Portion
General obligation bonds payable	\$ 4,793,232	\$ -	\$ 343,623	\$ 4,449,609	\$ 341,821
Premium on bonds payable	104,182	-	6,573	97,609	-
Compensated absences	154,117	96,267	69,353	181,031	81,464
Net other postemployment benefit obligation	7,191	-	585	6,606	-
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 5,058,722	\$ 96,267	\$ 420,134	\$ 4,734,855	\$ 423,285

f. Tax Increment Revenue Note

The Village, pursuant to a redevelopment agreement dated April 27, 2009, has agreed to reimburse the developer (Wheeling Shopping Center, Inc.) for certain project costs the developer has incurred in the Crossroads (Central Business District) TIF District. A note was issued January 25, 2012 for \$3,500,000. Interest on the note is 7%. The note provides that the payment of principal and interest on the note is due only if tax increment revenues are available for payment of debt service. Therefore, no set debt service to maturity schedule is available. During the fiscal year ended December 31, 2013, \$242,482 of interest was accreted and principal payments against the note of \$422,605 were paid.

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

5. LONG-TERM DEBT (Continued)

g. 2008 Interest Rate Swap

The fair value balances and notional amounts of derivative instruments outstanding at December 31, 2013, and the changes in fair value of such derivative instruments for the year then ended in the 2013 financial statements are as follows:

Governmental Activities	Changes in Fair Value*		Fair Value at December 31, 2013		
	Classification	Amount	Classification	Amount	Notional
Cash flow hedges: Pay - fixed interest rate swap	Deferred Outflow of Resources	\$(1,239,840)	Fair Value of Swap (Liability)	\$2,138,809	\$18,820,000

*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 of resources on the statement of net position 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 \$18,820,000 matches the \$18,820,000 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, 2013, the swap had a fair value of \$(2,138,809). The fair value of the swap is affected by changes in LIBOR relative to November 7, 2007.

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

5. LONG-TERM DEBT (Continued)

g. 2008 Interest Rate Swap (Continued)

Credit risk - The swap's fair value represented the Village's credit exposure to the counterparty as of December 31, 2013. 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, 2013.

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.

h. 2009 Interest Rate Swap

The fair value balances and notional amounts of derivative instruments outstanding at December 31, 2013, and the changes in fair value of such derivative instruments for the year then ended in the 2013 financial statements are as follows:

Governmental Activities	Changes in Fair Value*		Fair Value at December 31, 2013		
	Classification	Amount	Classification	Amount	Notional
Cash flow hedges: Pay - fixed interest rate swap	Deferred Outflow of Resources	\$(1,046,410)	Fair Value of Swap (Liability)	\$1,502,968	\$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 of resources on the Statement of Net Position 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%.

5. LONG-TERM DEBT (Continued)

h. 2009 Interest Rate Swap (Continued)

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 the terms of the \$10,000,000 variable rate bonds that the counterparty purchased 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, 2013, the swap had a fair value of \$(1,502,968). The fair value of the swap is affected by changes in 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, 2013. 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, 2013.

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. 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. On April 19, 2010, the Village refunded the remaining \$3,200,000 Series 2008 Notes through the issuance of \$3,200,000 Airport Revenue Notes, Series 2010A. 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, 2013, \$1,642,211 of the Airport Revenue Notes, Series 2010A is outstanding.

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

5. LONG-TERM DEBT (Continued)

i. Airport Revenue Notes (Continued)

On April 19, 2010, the Village issued \$2,300,000 Airport Revenue Notes, Series 2010B. These notes are special, limited obligations payable solely from the Chicago Executive Airport Commission revenues and do not constitute an indebtedness of the Village (See also Note #9c). Accordingly, these notes are not reported as a liability in the Village's financial statements. As of December 31, 2013, \$2,062,323 of the Airport Revenue Notes, Series 2010B is outstanding.

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, 2013 and 2012 are as follows:

	2013	2012
UNPAID CLAIMS - BEGINNING OF YEAR	\$ 1,436,702	\$ 1,358,547
Incurred claims (including IBNR)	681,998	654,803
Claims payments	(726,292)	(576,648)
UNPAID CLAIMS - END OF YEAR	<u>\$ 1,392,408</u>	<u>\$ 1,436,702</u>

6. RISK MANAGEMENT (Continued)

Intergovernmental Personnel Benefit Cooperative (IPBC)

The Village participates in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC is a public entity risk pool established in 1979 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. The officers of IPBC are chosen by the Board of Directors from among their membership. The Village does not exercise any control over the activities of IPBC beyond its representation on the Board of Directors.

IPBC acts as an administrative agency to receive, process, and pay such claims as may come within the benefit program of each member. Through 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 55% 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 45% 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, 2013 (most recent available) of \$752,042. This amount was declared as a dividend to the Village and, therefore, has been recorded as a receivable in the General Fund of \$703,552 and the Waterworks and Sewerage Fund of \$48,490 as of December 31, 2013.

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.

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.

e. TIF Revenue Note

The Village, pursuant to a redevelopment development agreement dated August 20, 2012, has agreed to reimburse the developer (Millbrook Pointe, LLC) for certain project costs the developer has incurred in the North Milwaukee/Lake Cook Redevelopment Area TIF District. The redevelopment agreement also contains a provision providing for the issuance of a tax increment allocation revenue note (the note) not to exceed \$1,500,000. This note is payable from and secured by the pledged incremental revenues of the North Milwaukee/Lake Cook Redevelopment Area TIF District solely attributable to Phase II of the project. Interest on the note is 5%. The note provides that the payment of principal and interest on the note is due only if tax increment revenues are available for payment of debt service. As of December 31, 2013, the Village had not issued this note.

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

8. COMMITMENTS

a. Northwest Water Commission (NWWC)

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

<u>Fiscal Year Ending December 31,</u>	<u>Amount</u>
2014	\$ 1,650,000
2015	1,683,000
2016	1,716,660
2017	1,750,993
2018	1,786,013
2019-2021	5,575,233

These amounts have been calculated using the Village’s current allocation percentage of 17.37%. In future years, this allocation percentage will be subject to change.

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>
2014	\$ 500,000
2015	517,500
2016	535,613
2017	554,359
2018	573,762

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.

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 \$441,969 to SWANCC for the year ended December 31, 2013. The payments have been recorded in the General Fund. The Village does not have an equity interest in SWANCC at December 31, 2013.

9. JOINT VENTURES (Continued)

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.

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 2035.

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 \$1,649,643 to NWWC for the year ended December 31, 2013. The Village has an equity interest in NWWC in the amount of \$7,098,124 as of December 31, 2013.

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

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>100%</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; approval of the Airport Layout Plan submitted to the Federal Aviation Administration and State of Illinois rules, regulations and minimum standards for the operations of the Airport; 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, 2013, the most recent information available:

ASSETS	
Current assets	\$ 2,873,846
Capital assets	93,279,227
Construction in progress	<u>3,439,496</u>
Total assets	<u>99,592,569</u>
LIABILITIES	
Current liabilities	1,211,923
Long-term liabilities	<u>4,479,878</u>
Total liabilities	<u>5,691,801</u>
NET POSITION	<u><u>\$ 93,900,768</u></u>

Summary of revenues, expenses, and changes in net position for the year ended April 30, 2013:

Total revenues	\$ 3,695,355
Total expenses	<u>5,373,287</u>
Net income (loss) before capital contributions	(1,677,932)
Capital contributions	<u>2,254,936</u>
Change in net position	577,004
Net position	
May 1, 2012	<u>93,323,764</u>
April 30, 2013	<u><u>\$ 93,900,768</u></u>

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

At April 30, 2013, the Village's proportionate share of net position and change in net position were \$46,950,384 and \$288,502, respectively. The Village's equity share in joint venture is included in the capital assets of governmental activities.

The Village made no payments to CEA for the year ended December 31, 2013.

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	Nonmajor Governmental	\$ 556,000
General	Nonmajor Governmental	23,658
South Milwaukee Redevelopment Area	Crossroads Redevelopment Area	2,566,800
Fiduciary	General	<u>54,107</u>
TOTAL		<u>\$ 3,200,565</u>

The purposes of the due to/due from other funds are as follows:

- \$556,000 due from the nonmajor governmental (North Milwaukee/Lake Cook Redevelopment Area Fund) to the General Fund to cover incentive payments to developers. Repayment is expected within one year.
- \$23,658 due from nonmajor governmental (Grant Fund) to the General Fund to eliminate a deficit cash position. Repayment is expected within one year.
- \$2,566,800 due from Crossroads Redevelopment Area Fund to the South Milwaukee Redevelopment Area Fund for surplus distributions. Repayment is expected within one year.
- \$54,107 due from the General Fund to fiduciary funds (Police and Firefighters' Pension Funds) for property taxes not yet remitted. Repayment is expected within one year.

b. Advances From/To Other Funds

Advances from/to other funds at December 31, 2013 consisted of the following:

Receivable Fund	Payable Fund	Amount
Waterworks and Sewerage	Capital Equipment Replacement	<u>\$ 1,062,514</u>
TOTAL		<u>\$ 1,062,514</u>

The purposes of the advances from/to other funds are as follows:

- \$1,062,514 advance from the Waterworks and Sewerage Fund to the Capital Equipment Replacement Fund for future replacement of equipment. Repayment is not expected within one year.

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

10. INDIVIDUAL FUND DISCLOSURES (Continued)

c. Interfund Transfers

Interfund transfers between funds for the year ended December 31, 2013 were as follows:

	Transfers In	Transfers Out
General		
Nonmajor governmental (Town Center TIF)	\$ -	\$ 12,966
Nonmajor governmental (North Milwaukee/Lake Cook Redevelopment Area)	-	407,425
Nonmajor governmental (Grant)	-	35,367
Nonmajor governmental (Emergency Telephone System)	-	150,000
Total General	-	605,758
Crossroads Redevelopment Area		
Nonmajor governmental (Town Center TIF)	-	1,109,834
Total Crossroads Redevelopment Area	-	1,109,834
Capital Equipment Replacement		
Nonmajor governmental (Emergency Telephone System)	85,424	-
Waterworks and Sewerage	-	5,255
Total Capital Equipment Replacement	85,424	5,255
Nonmajor governmental		
General	605,758	-
Capital Equipment Replacement	-	85,424
Crossroads Redevelopment Area	1,109,834	-
Waterworks and Sewerage	492,023	-
Nonmajor governmental	861,576	861,576
Total nonmajor governmental	3,069,191	947,000
Waterworks and Sewerage		
Capital Equipment Replacement	5,255	-
Nonmajor governmental (Debt Service)	-	492,023
Total Waterworks and Sewerage	5,255	492,023
TOTAL	\$ 3,159,870	\$ 3,159,870

10. INDIVIDUAL FUND DISCLOSURES (Continued)

c. Interfund Transfers (Continued)

The purpose of significant transfers is as follows:

- \$407,425 transferred to the nonmajor governmental (North Milwaukee/Lake Cook Redevelopment Area Fund) from the General Fund for payment on applicable bond issues. This transfer will not be repaid.
- \$150,000 transferred to the nonmajor governmental (Emergency Telephone System Fund) from the General Fund to cover expenditures for the fiscal year. This transfer will not be repaid.
- \$1,109,834 transferred to the nonmajor governmental (Town Center TIF Fund) from the Crossroads Redevelopment Area Fund to close the Town Center TIF Fund. This transfer will not be repaid.
- \$85,424 transferred to the Capital Equipment Replacement Fund from the nonmajor governmental (Emergency Telephone System Fund) for the purchase of equipment. This transfer will not be repaid.
- \$492,023 transferred to the nonmajor governmental (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.
- \$860,000 transferred to the nonmajor governmental (Debt Service Fund) from the nonmajor governmental (Capital Projects Fund) for principal and interest expense on the 2007 and 2008 GO Bonds. This transfer will not be repaid.

d. Deficit Fund Balances

At December 31, 2013, the Crossroads Redevelopment Area Fund had a deficit fund balance of \$1,939,250.

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.

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

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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, 2013, membership consisted of:

Retirees and beneficiaries currently receiving benefits	84
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	<u>219</u>
TOTAL	<u>303</u>
Participating employers	<u><u>1</u></u>

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, 2013, retirees contributed \$327,981 and the Village contributed \$924,978. 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.

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

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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 2013 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, 2011	\$ 609,873	\$ 755,540	123.88%	\$ 130,615
December 31, 2012	917,553	954,035	104.00%	94,133
December 31, 2013	917,309	924,978	100.84%	86,464

The net OPEB obligation (NOPEBO) as December 31, 2013 was calculated as follows:

Annual required contribution	\$ 916,682
Interest on net OPEB obligation	3,765
Adjustment to annual required contribution	<u>(3,138)</u>
Annual OPEB cost	917,309
Contributions made	<u>924,978</u>
Increase (decrease) in net OPEB obligation	(7,669)
Net OPEB obligation, beginning of year	<u>94,133</u>
NET OPEB OBLIGATION, END OF YEAR	<u><u>\$ 86,464</u></u>

Funded Status and Funding Progress. The funded status of the plan as of December 31, 2013 was as follows:

Actuarial accrued liability (AAL)	\$ 19,406,394
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	19,406,394
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ 19,370,663
UAAL as a percentage of covered payroll	100.18%

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.

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Annual OPEB Costs and Net OPEB Obligation (Continued)

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, 2013 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 8% 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, 2013, the Village's remaining contributions due under the program were \$10,511. In accordance with GASB Statement No. 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 No. 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 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' Pension 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.

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 IMRF as specified by statute. The employer contribution for the year ended December 31, 2013 was 13.22% 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.

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

At December 31, 2013, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	39
Terminated employees entitled to benefits but not yet receiving them	2
Current employees	
Vested	48
Nonvested	13
	<hr/>
TOTAL	<u>102</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. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive 2.50% of salary for each year of service. The monthly benefit shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later.

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

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, 2013, the Village's contribution was 25.09% of covered payroll.

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, 2013, the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	52
Terminated employees entitled to benefits but not yet receiving them	-
Current employees	
Vested	31
Nonvested	18
	<hr/>
TOTAL	<u>101</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.

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

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 but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit 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.

Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 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 ½ of the change in the Consumer Price Index for the proceeding 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, 2013, the Village's contribution was 33.41% of covered payroll.

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

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 position for either the Police or the Firefighters' Pension Plans. Information for IMRF is not available.

c. Annual Pension Costs

Employer contributions for 2013 have been determined as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial valuation date	December 31, 2011	December 31, 2012	December 31, 2012
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	28 Years, Closed	28 Years, Closed
Significant actuarial assumptions			
a) Rate of return on present and future assets	7.50% Compounded Annually	7.50% Compounded Annually	7.50% Compounded Annually
b) Projected salary increase - attributable to inflation	4.00% Compounded Annually	5.00% Compounded Annually	5.00% 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)	2011	\$ 1,057,971	\$ 1,228,535	\$ 1,133,270
	2012	1,161,724	1,350,172	1,295,609
	2013	1,091,383	1,376,184	1,453,552
Actual contribution	2011	\$ 1,057,971	\$ 1,296,344	\$ 1,194,810
	2012	1,161,724	1,378,043	1,314,938
	2013	1,091,383	1,403,098	1,484,050
Percentage of APC contributed	2011	100.00%	105.6%	105.4%
	2012	100.00%	102.1%	101.5%
	2013	100.00%	102.0%	102.1%
NPO (asset)	2011	\$ -	\$ (326,544)	\$ (236,153)
	2012	-	(354,415)	(255,482)
	2013	-	(381,329)	(285,980)

The NPO (asset) as of December 31, 2013 has been calculated as follows:

	Police Pension	Firefighters' Pension
Annual required contribution	\$ 1,385,278	\$ 1,460,107
Interest on net pension obligation	(26,581)	(19,161)
Adjustment to annual required contribution	17,487	12,606
Annual pension cost	1,376,184	1,453,552
Contributions made	1,403,098	1,484,050
(Increase) decrease in net pension obligation (asset)	(26,914)	(30,498)
Net pension obligation (asset), beginning of year	(354,415)	(255,482)
NET PENSION OBLIGATION (ASSET), END OF YEAR	\$ (381,329)	\$ (285,980)

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, 2013 were as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial accrued liability (AAL)	\$ 25,695,577	\$ 58,065,393	\$ 51,049,717
Actuarial value of plan assets	20,118,393	42,508,296	31,314,931
Unfunded actuarial accrued liability (UAAL)	5,577,184	15,557,097	19,734,786
Funded ratio (actuarial value of plan assets/AAL)	78.3%	73.2%	61.3%
Covered payroll (active plan members)	\$ 8,255,541	\$ 5,591,645	\$ 4,442,556
UAAL as a percentage of covered payroll	67.6%	278.2%	444.2%

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 Position

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and cash equivalents	\$ 571,821	\$ 1,761,549	\$ 2,333,370
Investments			
U.S. Treasury and agency securities	9,097,202	6,236,497	15,333,699
State and local obligations	2,102,205	568,871	2,671,076
Corporate bonds	6,942,538	5,334,869	12,277,407
Mutual funds	17,240,228	7,828,682	25,068,910
Equities	6,336,323	9,466,835	15,803,158
Accrued interest	195,248	93,191	288,439
Due from General Fund	25,830	28,277	54,107
Prepaid Items	-	775	775
Total assets	42,511,395	31,319,546	73,830,941
LIABILITIES			
Accounts payable	3,099	4,615	7,714
Total liabilities	3,099	4,615	7,714
NET POSITION HELD IN TRUST FOR PENSION BENEFITS			
	\$ 42,508,296	\$ 31,314,931	\$ 73,823,227

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

f. Pension Fund Disclosures (Continued)

Changes in Plan Net Position

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 1,403,098	\$ 1,484,050	\$ 2,887,148
Employee	560,395	416,008	976,403
Total contributions	<u>1,963,493</u>	<u>1,900,058</u>	<u>3,863,551</u>
Investment income			
Net appreciation in fair value of investments	3,135,954	2,788,049	5,924,003
Interest	1,611,074	928,771	2,539,845
Total investment income	4,747,028	3,716,820	8,463,848
Less investment expense	(86,625)	(136,524)	(223,149)
Net investment income	<u>4,660,403</u>	<u>3,580,296</u>	<u>8,240,699</u>
Total additions	<u>6,623,896</u>	<u>5,480,354</u>	<u>12,104,250</u>
DEDUCTIONS			
Benefits and refunds	1,967,516	2,594,688	4,562,204
Administrative expenses	30,294	24,946	55,240
Total deductions	<u>1,997,810</u>	<u>2,619,634</u>	<u>4,617,444</u>
NET INCREASE	4,626,086	2,860,720	7,486,806
NET POSITION HELD IN TRUST FOR PENSION BENEFITS			
January 1	<u>37,882,210</u>	<u>28,454,211</u>	<u>66,336,421</u>
December 31	<u>\$ 42,508,296</u>	<u>\$ 31,314,931</u>	<u>\$ 73,823,227</u>

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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
REVENUES				
Taxes	\$ 22,549,065	\$ 22,549,065	\$ 22,956,784	\$ 22,268,871
Licenses and permits	494,840	494,840	544,271	536,729
Intergovernmental	4,255,375	4,255,375	4,542,285	4,290,418
Charges for services	1,961,047	1,961,047	1,998,815	2,287,031
Fines and forfeits	798,730	798,730	714,405	690,272
Investment income	140,210	140,210	45,967	148,338
Miscellaneous	672,153	672,153	1,153,542	893,608
Total revenues	30,871,420	30,871,420	31,956,069	31,115,267
EXPENDITURES				
General government	9,944,945	9,944,945	9,642,297	10,200,168
Public safety	20,644,418	20,644,418	21,029,060	20,028,984
Debt service				
Principal	100,000	100,000	109,235	15,526
Total expenditures	30,689,363	30,689,363	30,780,592	30,244,678
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	182,057	182,057	1,175,477	870,589
OTHER FINANCING SOURCES (USES)				
Proceeds on sale of capital assets	20,446	20,446	1,152	19,703
Transfers in				
Grant Fund	-	-	-	53,372
Debt Service Fund	-	-	-	68
Transfers (out)				
Capital Equipment Replacement Fund	-	-	-	(985,372)
Foreign Fire Insurance Tax Fund	-	-	-	(52,656)
Emergency Telephone System Fund	(150,000)	(150,000)	(150,000)	(225,000)
Grant Fund	(45,070)	(45,070)	(35,367)	(80,892)
Town Center TIF Fund	-	-	(12,966)	-
Capital Project Fund	-	-	-	(800,000)
North Milwaukee/Lake Cook Redevelopment Area	(407,425)	(407,425)	(407,425)	(423,194)
Debt Service Fund	-	-	-	(7,145)
Liability Insurance Fund	-	-	-	(200,000)
Total other financing sources (uses)	(582,049)	(582,049)	(604,606)	(2,701,116)
NET CHANGE IN FUND BALANCE	\$ (399,992)	\$ (399,992)	570,871	(1,830,527)
FUND BALANCE, JANUARY 1			13,923,676	15,754,203
FUND BALANCE, DECEMBER 31			\$ 14,494,547	\$ 13,923,676

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF FUNDING PROGRESS
December 31, 2013

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)
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%
2012	18,033,053	24,466,255	73.7%	6,433,202	7,881,435	81.6%
2013	20,118,393	25,695,577	78.3%	5,577,184	8,255,541	67.6%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

POLICE PENSION FUND

SCHEDULE OF FUNDING PROGRESS

December 31, 2013

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)
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	34,426,079	49,030,589	70.2%	14,604,510	5,343,159	273.3%
2012	37,882,210	55,233,258	68.6%	17,351,048	5,556,957	312.2%
2013	42,508,296	58,065,393	73.2%	15,557,097	5,591,645	278.2%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

FIREFIGHTERS' PENSION FUND

SCHEDULE OF FUNDING PROGRESS

December 31, 2013

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)
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	27,186,600	42,887,413	63.4%	15,700,813	4,213,548	372.6%
2012	28,454,211	48,423,831	58.8%	19,969,620	4,365,105	457.5%
2013	31,314,931	51,049,717	61.3%	19,734,786	4,442,556	444.2%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

OTHER POSTEMPLOYMENT BENEFITS PLAN

SCHEDULE OF FUNDING PROGRESS

December 31, 2013

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%
2012	N/A	N/A	N/A	N/A	N/A	N/A
2013	-	19,406,394	0.00%	19,406,394	19,370,663	100.18%

N/A - information not available

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

ILLINOIS MUNICIPAL RETIREMENT FUND

SCHEDULE OF EMPLOYER CONTRIBUTIONS

December 31, 2013

<u>Fiscal Year Ended December 31,</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
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%
2012	1,161,724	1,161,724	100.00%
2013	1,091,383	1,091,383	100.00%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

POLICE PENSION FUND

SCHEDULE OF EMPLOYER CONTRIBUTIONS

December 31, 2013

<u>Fiscal Year Ended December 31,</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
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%
2012	1,378,043	1,358,943	101.41%
2013	1,403,098	1,385,278	101.29%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

FIREFIGHTERS' PENSION FUND

SCHEDULE OF EMPLOYER CONTRIBUTIONS

December 31, 2013

<u>Fiscal Year Ended December 31,</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
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%
2012	1,314,938	1,301,952	101.00%
2013	1,484,050	1,460,107	101.64%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

OTHER POSTEMPLOYMENT BENEFITS PLAN

SCHEDULE OF EMPLOYER CONTRIBUTIONS

December 31, 2013

<u>Fiscal 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%
2012	954,035	916,682	104.07%
2013	924,978	916,682	100.91%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2013

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, one supplemental appropriation was necessary.

2. INDIVIDUAL FUND DISCLOSURES

The following funds had expenditures in excess of budget:

Fund	Final Budget	Actual
General	\$ 30,689,363	\$ 30,780,592
Crossroads Redevelopment Area Fund	2,282,344	2,690,273
South Milwaukee Redevelopment Area Fund	29,106	34,014
Emergency Telephone System Fund	422,332	434,122
Grant	150,758	179,093
Southeast TIF Fund	84,606	93,276
North Milwaukee/Lake Cook Redevelopment Area Fund	3,099,218	3,913,137

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

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

The South Milwaukee Redevelopment Area Fund is used to account for the funds restricted for the redevelopment activities of the tax increment financing district located east and west of Milwaukee Ave, south of Manchester Drive and north of Mill Circle.

Capital Equipment Replacement Fund

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

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

BALANCE SHEET

December 31, 2013

(With Comparative Amounts for December 31, 2012)

	<u>2013</u>	<u>2012</u>
ASSETS		
Cash and investments	\$ 10,684,210	\$ 8,883,099
Receivables (net where applicable of allowance for uncollectibles)		
Property taxes	10,042,721	10,129,462
Sales taxes	2,553,906	2,277,453
Income taxes	616,726	917,393
Telecommunications tax	386,569	407,710
Accrued interest	14,353	17,600
IPBC	703,552	1,703,945
Other	609,128	626,952
Prepaid items	281,547	372,806
Inventory	265,189	262,536
Due from other funds	579,658	195,059
Advance to other funds	-	576,000
	<hr/>	<hr/>
TOTAL ASSETS	\$ 26,737,559	\$ 26,370,015
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$ 1,389,706	\$ 1,628,638
Accrued payroll	594,001	473,328
Deposits payable	115,814	104,379
Unearned revenue	128,355	127,453
Due to fiduciary funds	54,107	56,528
	<hr/>	<hr/>
Total liabilities	2,281,983	2,390,326
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenues - property taxes	9,961,029	10,056,013
	<hr/>	<hr/>
Total deferred inflows of resources	9,961,029	10,056,013
FUND BALANCE		
Nonspendable		
Long-term receivable	-	576,000
Prepaid items	281,547	372,806
Inventory	265,189	262,536
Unrestricted		
Assigned		
Health insurance	703,552	1,703,945
Subsequent year's budget	1,055,804	400,000
Unassigned	12,188,455	10,608,389
	<hr/>	<hr/>
Total fund balance	14,494,547	13,923,676
	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 26,737,559	\$ 26,370,015

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL

For the Year Ended December 31, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
TAXES				
Property taxes	\$ 7,210,628	\$ 7,210,628	\$ 7,153,545	\$ 7,527,902
Property taxes - Police Pension Fund	1,385,278	1,385,278	1,403,098	1,378,043
Property taxes - Firefighters' Pension Fund	1,460,107	1,460,107	1,484,050	1,314,938
TIF surplus distribution	210,630	210,630	166,272	148,459
Sales tax	5,170,681	5,170,681	5,588,948	5,030,987
Home rule sales tax	3,602,314	3,602,314	3,841,292	3,479,625
Telecommunications tax	1,745,066	1,745,066	1,565,067	1,702,077
Food and beverage tax	847,895	847,895	816,668	783,361
Hotel/motel tax	913,399	913,399	933,853	899,759
Auto rental tax	3,067	3,067	3,991	3,720
Total taxes	22,549,065	22,549,065	22,956,784	22,268,871
LICENSES AND PERMITS				
Business licenses	71,561	71,561	75,500	73,544
Coin-operated licenses	10,838	10,838	11,707	10,746
Liquor licenses	144,000	144,000	157,801	156,010
Other licenses	67,559	67,559	54,328	64,233
Building permits	163,568	163,568	212,372	192,928
Other permits	37,314	37,314	32,563	39,268
Total licenses and permits	494,840	494,840	544,271	536,729
INTERGOVERNMENTAL				
Township property replacement tax	89,349	89,349	83,827	79,815
Personal property replacement tax	147,917	147,917	185,046	166,921
Federal grants	-	-	-	139,655
Income tax	3,463,000	3,463,000	3,587,115	3,308,032
State use tax	555,109	555,109	648,555	592,551
Fire training	-	-	1,224	1,434
Video gaming tax	-	-	34,508	-
Pull tabs and jar games tax	-	-	2,010	2,010
Total intergovernmental	4,255,375	4,255,375	4,542,285	4,290,418
CHARGES FOR SERVICES				
Electrical inspections	61,338	61,338	67,037	70,435
Plumbing inspections	33,439	33,439	46,099	41,551
Engineering inspection fees	185,593	185,593	153,696	445,846
Solid waste service charge	517,000	517,000	544,086	540,558
SWANCC fees	219,000	219,000	239,859	238,457
Host community fees	100,000	100,000	100,000	100,000
Ambulance fees	496,838	496,838	496,544	493,201
Impounding fees	409	409	705	735

(This schedule is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
CHARGES FOR SERVICES (Continued)				
Plan review	\$ 34,758	\$ 34,758	\$ 30,780	\$ 40,538
Subdivision prefilng fees	-	-	2,755	576
Planning and zoning fees	5,199	5,199	5,122	4,434
Industrial revenue bond and 6(b) fees	1,200	1,200	1,800	3,600
Duplicating services	6,159	6,159	5,723	5,836
Maps and codes	-	-	-	5
False alarm fees	11,295	11,295	10,895	11,423
Pavilion senior center	29,058	29,058	32,006	30,458
Monthly permit fee	28,500	28,500	26,173	28,230
Daily parking fee	48,400	48,400	49,746	49,327
Rental income	6,200	6,200	6,212	6,212
Rental income - T-Mobile	26,225	26,225	27,062	26,274
Police liaison reimbursement	146,066	146,066	150,581	146,133
Finger printing fee	3,578	3,578.00	954	2,212
CPR training fees	792	792	980	990
Total charges for services	1,961,047	1,961,047	1,998,815	2,287,031
FINES AND FORFEITS				
Court fines	198,071	198,071	153,951	178,944
Local ordinance fines	600,659	600,659	560,454	511,328
Total fines and forfeits	798,730	798,730	714,405	690,272
INVESTMENT INCOME				
Investment income	140,210	140,210	45,967	148,338
MISCELLANEOUS				
Cable TV franchise fees	335,698	335,698	341,267	336,892
Waste management franchise fees	87,243	87,243	86,869	85,705
AT&T franchise fees	141,651	141,651	150,529	147,128
Other franchise fees	40,397	40,397	41,453	40,198
IPBC terminal reserve revenue	-	-	249,954	238,057
Donations	100	100	31,644	200
Other	67,064	67,064	251,826	45,428
Total miscellaneous	672,153	672,153	1,153,542	893,608
TOTAL REVENUES	\$ 30,871,420	\$ 30,871,420	\$ 31,956,069	\$ 31,115,267

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended December 31, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
GENERAL GOVERNMENT				
Village Manager's office and Board of Trustees	\$ 1,362,468	\$ 1,362,468	\$ 1,063,051	\$ 2,109,035
Finance	993,402	993,402	1,012,921	992,480
Human resources	238,457	238,457	225,198	213,441
Legal	410,850	410,850	366,522	350,095
Special events	9,450	9,450	45,014	8,130
Solid waste system	550,877	550,877	442,040	477,118
Commuter parking system	34,628	34,628	39,839	80,771
Municipal building maintenance	935,344	935,344	954,875	968,848
Municipal vehicle maintenance	592,505	592,505	606,211	588,813
Community development	1,987,737	1,987,737	1,944,583	1,872,813
Senior citizens services	348,738	348,738	349,557	346,772
Social services	297,850	297,850	305,346	297,949
CIP engineering	197,234	197,234	214,380	204,054
Street division	847,840	847,840	849,173	799,757
Public works administration	558,367	558,367	580,889	535,383
Forestry	1,021,768	1,021,768	1,074,893	827,828
Information systems	710,300	710,300	720,675	690,636
Subtotal	11,097,815	11,097,815	10,795,167	11,363,923
Less Waterworks and Sewerage Fund reimbursements	1,152,870	1,152,870	1,152,870	1,163,755
Total general government	9,944,945	9,944,945	9,642,297	10,200,168
PUBLIC SAFETY				
Police Department	11,896,424	11,896,424	12,040,739	11,609,393
Fire Department	8,747,994	8,747,994	8,988,321	8,419,591
Total public safety	20,644,418	20,644,418	21,029,060	20,028,984
DEBT SERVICE				
Principal	100,000	100,000	109,235	15,526
Total public safety	100,000	100,000	109,235	15,526
TOTAL EXPENDITURES	\$ 30,689,363	\$ 30,689,363	\$ 30,780,592	\$ 30,244,678

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended December 31, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
GENERAL GOVERNMENT				
Village Manager's Office and Board of Trustees				
Personnel services				
Overtime	\$ -	\$ -	\$ 398	\$ -
Seasonal help	-	-	856	-
Salaries	498,256	498,256	492,798	499,457
Longevity	600	600	600	600
Training	225	225	3,970	208
Employer contribution	93,340	93,340	91,058	100,307
SLDPA retiree contributions	-	-	7	-
Sick leave buy back	1,457	1,457	1,788	1,731
Total personnel services	593,878	593,878	591,475	602,303
Contractual services				
Advertising and publishing	2,250	2,250	1,952	1,581
Codification	6,750	6,750	7,364	5,929
Conferences and meetings	15,750	15,750	8,915	12,198
Consulting services	4,500	4,500	59,005	11,376
Data processing services	81,000	81,000	85,027	68,909
Energy	31,500	31,500	20,349	11,056
Employee group insurance	53,149	53,149	48,962	50,689
General liability insurance	10,684	10,684	10,684	10,431
Maintenance - office equipment	2,700	2,700	105	1,333
Membership dues	27,605	27,605	25,060	24,772
Miscellaneous	150,000	150,000	(254,403)	878,864
Newsletter	-	-	-	41,937
Postage	22,500	22,500	36,400	20,778
Printing and binding	1,350	1,350	1,214	109
Rental agreements	2,590	2,590	2,863	2,958
Cellular service	96,895	96,895	88,020	78,756
Telecommunications	176,760	176,760	216,883	184,828
Retiree health insurance	21,017	21,017	19,413	18,971
Duplication services	5,400	5,400	2,791	1,704
Miscellaneous contractual services	-	-	8,470	-
Total contractual services	712,400	712,400	389,074	1,427,179
Commodities				
Books and subscriptions	6,120	6,120	7,161	5,833
Information systems miscellaneous equipment and supplies	1,575	1,575	1,582	3,413
Small tools and equipment	450	450	1,452	435
Miscellaneous	2,070	2,070	6,620	3,187
Office supplies	9,000	9,000	11,442	10,525
Awards/decorations	900	900	572	150
Business recruitment	36,075	36,075	53,673	56,010
Total commodities	56,190	56,190	82,502	79,553
Debt service				
Principal	100,000	100,000	109,235	15,526
Total debt service	100,000	100,000	109,235	15,526

(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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Village Manager's Office and Board of Trustees (Continued)				
Capital outlay				
Transfer to CERF	\$ -	\$ -	\$ -	\$ 500,000
Less transfer to CERF	-	-	-	(500,000)
Net capital outlay	-	-	-	-
Total Village Manager's Office and Board of Trustees	1,462,468	1,462,468	1,172,286	2,124,561
Finance				
Personnel services				
Overtime	500	500	298	3,147
Salaries	601,751	601,751	617,587	593,381
Longevity	4,200	4,200	4,200	3,600
Training	810	810	1,440	1,278
Employer contribution	124,798	124,798	123,177	125,122
Sick leave buy back	2,603	2,603	3,188	2,813
Total personnel services	734,662	734,662	749,890	729,341
Contractual services				
Advertising and publishing	1,035	1,035	1,103	1,142
Audit	43,200	43,200	38,498	45,296
Conferences and meetings	5,150	5,150	4,917	3,772
Employee group insurance	139,190	139,190	138,970	134,613
General liability insurance	10,684	10,684	10,684	10,431
Bank charges	18,900	18,900	22,138	21,040
Maintenance - office equipment	450	450	2,853	693
Membership dues	1,145	1,145	1,045	1,365
Actuarial services	6,210	6,210	5,050	6,900
Printing and binding	3,150	3,150	4,187	4,234
Credit card fees	5,400	5,400	11,631	7,787
Retiree health insurance	10,141	10,141	9,889	9,548
Miscellaneous contracts	4,455	4,455	3,968	4,079
Total contractual services	249,110	249,110	254,933	250,900
Commodities				
Books and subscriptions	180	180	34	159
Information systems miscellaneous equipment and supplies	3,600	3,600	3,567	5,391
Small tools and equipment	450	450	-	658
Miscellaneous	1,350	1,350	1,192	1,289
Office supplies	3,150	3,150	2,375	3,812
Awards/decorations	900	900	930	930
Total commodities	9,630	9,630	8,098	12,239
Capital outlay				
Transfer to CERF	-	-	-	2,388
Less transfer to CERF	-	-	-	(2,388)
Net capital outlay	-	-	-	-
Total finance	993,402	993,402	1,012,921	992,480

(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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Human resources				
Personnel services				
Overtime	\$ -	\$ -	\$ 487	\$ -
Salaries	129,538	129,538	134,744	129,671
Longevity	-	-	-	600
Training	450	450	38	215
Employer contribution	26,192	26,192	27,299	28,311
Total personnel services	156,180	156,180	162,568	158,797
Contractual services				
Advertising and publishing	2,520	2,520	2,124	2,504
Conferences and meetings	3,555	3,555	3,360	4,097
Consulting services	6,480	6,480	6,681	5,016
Employee group insurance	22,573	22,573	19,103	21,342
General liability insurance	3,739	3,739	3,739	3,651
Membership dues	1,020	1,020	1,148	1,148
Personnel services	31,500	31,500	18,370	3,950
Printing and binding	90	90	-	-
Medical exams	9,000	9,000	6,818	10,830
Total contractual services	80,477	80,477	61,343	52,538
Commodities				
Information systems miscellaneous equipment and supplies	-	-	-	1,294
Miscellaneous	180	180	149	-
Office supplies	270	270	256	411
Awards/decorations	1,350	1,350	882	401
Total commodities	1,800	1,800	1,287	2,106
Total human resources	238,457	238,457	225,198	213,441
Legal				
Contractual services				
Recording fees	1,400	1,400	500	293
Legal services	408,600	408,600	365,752	349,232
Duplication services	-	-	-	30
Miscellaneous contractual services	750	750	270	540
Total contractual services	410,750	410,750	366,522	350,095
Commodities				
Books and subscriptions	100	100	-	-
Total commodities	100	100	-	-
Total legal	410,850	410,850	366,522	350,095
Special events				
Personnel services				
Overtime	-	-	-	94
Total personnel services	-	-	-	94

(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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Special events (Continued)				
Contractual services				
Membership dues	\$ 450	\$ 450	\$ -	\$ -
Printing and binding	-	-	1,824	-
Miscellaneous contractual services	450	450	22,253	-
Total contractual services	900	900	24,077	-
Commodities				
Miscellaneous operating supplies	8,550	8,550	20,937	8,036
Total commodities	8,550	8,550	20,937	8,036
Total special events	9,450	9,450	45,014	8,130
Solid waste system				
Contractual services				
Postage	517	517	491	484
Printing and binding	360	360	381	350
Regional and special agencies assessments	550,000	550,000	441,168	476,284
Total contractual services	550,877	550,877	442,040	477,118
Total solid waste system	550,877	550,877	442,040	477,118
Commuter parking system				
Contractual services				
Energy	14,850	14,850	15,073	12,761
Janitorial services	-	-	-	6,360
Office equipment maintenance	5,715	5,715	5,251	6,387
Printing and binding	-	-	3,492	-
Rental agreement	8,304	8,304	9,224	9,224
Credit card fees	650	650	918	723
Telecommunications	294	294	432	432
Total contractual services	29,813	29,813	34,390	35,887
Commodities				
Janitorial supplies	-	-	-	588
Maintenance - building and grounds	4,500	4,500	5,100	7,087
Water and sewer services charges	315	315	349	422
Total commodities	4,815	4,815	5,449	8,097
Capital outlay				
Pavement improvements	-	-	-	36,787
Total capital outlay	-	-	-	36,787
Total commuter parking system	34,628	34,628	39,839	80,771

(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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Municipal building maintenance				
Personnel services				
Overtime	\$ 12,000	\$ 12,000	\$ 15,469	\$ 7,376
Seasonal help	18,000	18,000	17,730	21,976
Salaries	391,348	391,348	413,316	384,252
Longevity	2,200	2,200	2,200	2,200
Training	2,250	2,250	2,146	1,116
Uniform allowance	2,250	2,250	2,690	2,924
Employer contribution	82,124	82,124	88,325	88,214
Unemployment compensation	-	-	1,680	-
Total personnel services	510,172	510,172	543,556	508,058
Contractual services				
Conferences and meetings	-	-	31	-
Information systems service and maintenance agreement	5,989	5,989	2,634	3,440
Debris dump charges	540	540	744	296
Employee group insurance	91,745	91,745	83,384	85,274
General liability insurance	27,778	27,778	27,778	27,120
Janitorial services	144,000	144,000	132,983	130,059
Maintenance - equipment	9,900	9,900	11,456	9,996
Maintenance - radio equipment	-	-	-	200
Membership dues	-	-	165	-
Rental equipment	4,770	4,770	4,819	5,886
Retiree health insurance	5,070	5,070	4,937	4,767
Miscellaneous contractual services	25,020	25,020	33,030	34,731
Total contractual services	314,812	314,812	301,961	301,769
Commodities				
Auto petroleum products	9,450	9,450	13,852	9,097
Books and subscriptions	270	270	389	165
Chemicals	4,500	4,500	5,028	5,718
Janitorial supplies	20,700	20,700	25,483	19,002
Vehicle maintenance	7,200	7,200	6,987	12,581
Maintenance - buildings and grounds	36,000	36,000	22,450	69,928
Information systems miscellaneous equipment and supplies	1,575	1,575	1,576	-
Minor tools and equipment	6,750	6,750	6,121	7,502
Miscellaneous operating supplies	2,250	2,250	2,461	1,938
Office supplies	335	335	207	348
Protective clothing	3,330	3,330	4,101	4,098
Water and sewer services charges	18,000	18,000	20,703	28,644
Total commodities	110,360	110,360	109,358	159,021
Capital outlay				
Transfer to CERF	-	-	-	21,942
Less transfer to CERF	-	-	-	(21,942)
Net capital outlay	-	-	-	-
Total municipal building maintenance	935,344	935,344	954,875	968,848

(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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Municipal vehicle maintenance				
Personnel services				
Overtime	\$ 6,000	\$ 6,000	\$ 4,804	\$ 2,973
Salaries	352,311	352,311	373,275	352,585
Longevity	1,800	1,800	1,800	2,400
Training	2,610	2,610	1,700	2,206
Uniform allowance	7,650	7,650	5,747	10,397
Employer contribution	73,895	73,895	79,405	79,265
Sick leave buy back	912	912	1,110	1,083
Total personnel services	445,178	445,178	467,841	450,909
Contractual services				
Conferences and meetings	1,920	1,920	1,687	1,734
Consulting services	900	900	1,291	1,083
Debris dump charges	135	135	-	107
Employee group insurance	98,401	98,401	86,574	84,656
General liability insurance	17,094	17,094	17,094	16,690
Maintenance - office equipment and special equipment	2,340	2,340	3,226	4,976
Maintenance - radio equipment	-	-	37	21
Membership dues	650	650	658	643
Printing and binding	380	380	195	57
Retiree health insurance	6,697	6,697	7,039	4,179
Total contractual services	128,517	128,517	117,801	114,146
Commodities				
Auto petroleum products	2,880	2,880	3,413	3,133
Books and subscriptions	450	450	319	356
Chemicals	1,350	1,350	1,600	1,771
Vehicle maintenance	2,700	2,700	3,958	3,022
Miscellaneous equipment and supplies	-	-	-	3,632
Minor tools and equipment	4,950	4,950	4,863	5,588
Miscellaneous operating supplies	4,725	4,725	4,375	5,247
Office supplies	315	315	538	218
Protective clothing	540	540	985	791
Information systems miscellaneous software	900	900	518	-
Total commodities	18,810	18,810	20,569	23,758
Capital outlay				
Transfer to CERF	-	-	-	2,468
Less transfer to CERF	-	-	-	(2,468)
Net capital outlay	-	-	-	-
Total municipal vehicle maintenance	592,505	592,505	606,211	588,813
Community development				
Personnel services				
Overtime	2,000	2,000	1,867	2,354
Seasonal help	13,500	13,500	9,789	15,101
Salaries	1,227,971	1,227,971	1,181,908	1,153,297

(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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Community development (Continued)				
Personnel services (Continued)				
Longevity	\$ 4,150	\$ 4,150	\$ 4,150	\$ 3,550
Training	3,600	3,600	1,507	4,108
Uniform allowance	560	560	517	653
Employer contribution	251,557	251,557	238,511	247,335
Sick leave buy back	-	-	1,765	861
Total personnel services	1,503,338	1,503,338	1,440,014	1,427,259
Contractual services				
Advertising and publishing	2,250	2,250	1,548	1,889
Conferences and meetings	4,050	4,050	4,064	2,234
Consulting services	22,500	22,500	28,263	28,951
Data processing services	11,700	11,700	12,600	12,600
Exterminating services	9,450	9,450	9,240	10,462
Employee group insurance	222,612	222,612	202,040	197,814
General liability insurance	104,701	104,701	104,701	102,223
Maintenance - office equipment	6,390	6,390	5,374	5,611
Membership dues	3,576	3,576	2,452	3,279
Printing and binding	6,795.0	6,795.0	5,548.8	7,189.0
Recording fees	-	-	-	379
Credit card fees	2,700	2,700	7,125	3,933
Retiree health insurance	33,720	33,720	32,832	33,772
Duplication services	5,400	5,400	4,562	2,700
Finger printing fees	2,700	2,700	2,474	3,364
Miscellaneous	450	450	36,916	-
Total contractual services	438,994	438,994	459,740	416,400
Commodities				
Auto petroleum products	10,800	10,800	11,600	10,855
Books and subscriptions	1,620	1,620	892	1,592
Health test supplies	180	180	284	199
Vehicle maintenance	5,850	5,850	5,450	4,254
Information systems miscellaneous equipment and supplies	15,750	15,750	16,571	3,402
Minor tools and equipment	1,350	1,350	1,081	1,580
Miscellaneous operating supplies	5,850	5,850	5,591	4,284
Office supplies	3,375	3,375	2,732	2,293
Protective clothing	630	630	628	695
Total commodities	45,405	45,405	44,829	29,154
Capital outlay				
Transfer to CERF	-	-	-	13,654
Less transfer to CERF	-	-	-	(13,654)
Net capital outlay	-	-	-	-
Total community development	1,987,737	1,987,737	1,944,583	1,872,813
Senior citizens services				
Personnel services				
Overtime	-	-	303	-
Salaries	210,292	210,292	206,646	195,791

(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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Senior citizens services (Continued)				
Personnel services (Continued)				
Longevity	\$ -	\$ -	\$ -	\$ 818
Employer contribution	38,552	38,552	38,019	40,966
Total personnel services	248,844	248,844	244,968	237,575
Contractual services				
Conferences and meetings	13,680	13,680	22,316	21,406
Energy	1,800	1,800	4,892	1,640
Employee group insurance	49,190	49,190	42,597	39,498
General liability insurance	3,739	3,739	3,739	3,651
Janitorial services	360	360	-	569
Landscape maintenance	1,530	1,530	1,343	1,530
Maintenance - equipment	3,780	3,780	4,076	4,468
Membership dues	550	550	605	245
Postage	3,060	3,060	2,991	759
Printing and binding	1,440	1,440	1,444	5,396
Regional and special agency assessments	360	360	196	302
Credit card fees	405	405	2,224	583
Total contractual services	79,894	79,894	86,423	80,047
Commodities				
Books and subscriptions	90	90	278	146
Janitorial supplies	-	-	-	81
Maintenance - buildings and grounds	12,710	12,710	6,712	11,881
Information systems miscellaneous equipment and supplies	3,150	3,150	6,854	8,341
Minor tools and equipment	360	360	263	549
Miscellaneous operating supplies	1,350	1,350	2,297	5,897
Office supplies	2,340	2,340	1,762	2,255
Total commodities	20,000	20,000	18,166	29,150
Total senior citizen services	348,738	348,738	349,557	346,772
Social services				
Personnel services				
Longevity	600	600	600	600
Overtime	1,000	1,000	4,245	1,704
Salaries	204,486	204,486	208,111	203,498
Employer contributions	42,423	42,423	42,891	43,861
Training and meetings	280	280	418	116
Total personnel services	248,789	248,789	256,265	249,779
Contractual services				
Conferences and meetings	2,790	2,790	3,056	2,727
Employee health insurance	34,291	34,291	33,473	32,382
Membership dues	290	290	437	218
Printing and binding	1,350	1,350	803	1,779
Contractual services	5,120	5,120	5,120	1,000
Total contractual services	43,841	43,841	42,889	38,106

(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, 2013
(With Comparative Actual)

	2013			2012
	Original Budget	Final Budget	Actual	
GENERAL GOVERNMENT (Continued)				
Social services (Continued)				
Commodities				
Miscellaneous equipment and supplies	\$ 3,150	\$ 3,150	\$ 4,354	\$ 8,142
Miscellaneous operating supplies	720	720	1,289	459
Office supplies	1,350	1,350	549	1,463
Total commodities	5,220	5,220	6,192	10,064
Total social services	297,850	297,850	305,346	297,949
CIP Engineering				
Personnel services				
Overtime	3,000	3,000	3,400	9,061
Seasonal help	18,000	18,000	13,245	18,667
Salaries	-	-	5,440	-
Longevity	650	650	650	650
Training	450	450	622	555
Employer contribution	46,430	46,430	48,697	35,411
Sick leave buy back	335	335	-	-
Total personnel services	68,865	68,865	72,054	64,344
Contractual services				
Conferences and meetings	750	750	204	30
Consulting services	9,000	9,000	13,650	9,265
Data processing	2,700	2,700	2,550	2,860
Employee group insurance	22,011	22,011	27,519	37,615
General liability insurance	73,718	73,718	73,718	71,974
Maintenance - office equipment	450	450	507	145
Membership dues	615	615	541	796
Printing and binding	1,080	1,080	1,100	802
Recording fees	-	-	31	73
Rental agreements	450	450	500	450
Total contractual services	110,774	110,774	120,320	124,010
Commodities				
Auto petroleum products	4,500	4,500	2,330	3,839
Books and subscriptions	450	450	8,858	1,057
Vehicle maintenance	2,160	2,160	860	1,405
Information systems software	675	675	300	300
Miscellaneous equipment and supplies	3,330	3,330	3,163	2,197
Minor tools and equipment	1,350	1,350	1,349	367
Miscellaneous operating supplies	3,150	3,150	3,141	4,827
Office supplies	900	900	960	963
Protective clothing	1,080	1,080	1,045	745
Total commodities	17,595	17,595	22,006	15,700
Capital outlay				
Transfer to CERF	-	-	-	5,301
Less transfer to CERF	-	-	-	(5,301)
Total capital outlay	-	-	-	-
Total CIP engineering	197,234	197,234	214,380	204,054

(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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Streets division				
Personnel services				
Overtime	\$ 70,000	\$ 70,000	\$ 86,289	\$ 29,949
Seasonal help	27,000	27,000	24,373	51,841
Salaries	304,418	304,418	316,911	303,467
Longevity	1,500	1,500	1,500	1,200
Training	1,237	1,237	1,169	827
Uniform allowance	2,700	2,700	1,864	2,492
Employer contributions	63,839	63,839	72,584	73,473
Unemployment compensation	-	-	2,438	-
Total personnel services	470,694	470,694	507,128	463,249
Contractual services				
Conferences and conventions	750	750	1,286	65
Consulting services	-	-	680	-
Information system service and maintenance agreement	-	-	-	228
Debris dumping charges	4,050	4,050	3,914	12,954
Energy	2,250	2,250	3,142	2,878
Employee health insurance	83,908	83,908	74,897	78,866
General liability insurance	48,611	48,611	48,611	47,461
Office equipment maintenance	270	270	-	-
Radio equipment maintenance	-	-	-	19
Membership dues	125	125	-	138
Rental equipment	2,215	2,215	1,812	1,845
Retiree health insurance	18,464	18,464	17,050	17,929
Pavement markings	9,000	9,000	9,028	-
Street light maintenance	47,700	47,700	36,894	12,816
Total contractual services	217,343	217,343	197,314	175,199
Commodities				
Auto petroleum products	31,500	31,500	38,202	35,309
Books and subscriptions	900	900	900	900
Chemicals	22,238	22,238	18,119	127
Janitorial supplies	-	-	-	620
Vehicle maintenance	34,200	34,200	40,739	35,094
Maintenance - building and grounds	2,700	2,700	(5,387)	24,470
Minor tools and equipment	36,000	36,000	22,591	28,197
Small tools and equipment	6,300	6,300	6,300	6,626
Miscellaneous operating supplies	2,700	2,700	2,125	3,470
Office supplies	225	225	208	229
Protective clothing	2,700	2,700	1,738	2,449
Streets signs	5,400	5,400	5,221	1,197
Water and sewer service charges	1,440	1,440	475	1,783
Total commodities	146,303	146,303	131,231	140,471
Capital outlay				
Streetscape improvements	13,500	13,500	13,500	20,838
Transfer to CERF	-	-	-	61,232
Less transfer to CERF	-	-	-	(61,232)
Net capital outlay	13,500	13,500	13,500	20,838
Total streets division	847,840	847,840	849,173	799,757

(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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Public works administration				
Personnel services				
Salaries	\$ 351,821	\$ 351,821	\$ 352,173	\$ 342,777
Training	900	900	523	1,262
Longevity	2,300	2,300	3,042	2,300
Employer contributions	72,322	72,322	70,778	73,789
SLDPA retiree contributions	-	-	16,884	-
Sick leave buy back	1,843	1,843	1,738	1,696
Total personnel services	429,186	429,186	445,138	421,824
Contractual services				
Conferences and meetings	3,415	3,415	5,727	3,537
Consulting services	-	-	680	-
Energy	9,000	9,000	10,643	5,490
Employee group insurance	61,107	61,107	56,936	58,124
General liability insurance	18,162	18,162	18,162	17,733
Maintenance - office equipment	7,335	7,335	15,277	7,539
Maintenance - radio equipment	1,295	1,295	775	210
Membership dues	4,475	4,475	4,937	5,929
Medical examinations	4,500	4,500	5,969	2,924
Retiree health insurance	9,362	9,362	5,498	5,308
Miscellaneous contractual services	-	-	307	-
Total contractual services	118,651	118,651	124,911	106,794
Commodities				
Auto petroleum products	450	450	352	525
Books and subscriptions	90	90	90	32
Vehicle maintenance	495	495	646	78
Information systems miscellaneous equipment and supplies	4,725	4,725	4,914	-
Miscellaneous operating supplies	1,350	1,350	2,004	2,115
Office supplies	3,150	3,150	2,735	3,674
Protective clothing	270	270	77	341
Awards and decorations	-	-	22	-
Total commodities	10,530	10,530	10,840	6,765
Total public works administration	558,367	558,367	580,889	535,383
Forestry				
Personnel services				
Longevity	1,500	1,500	1,500	1,200
Overtime	3,000	3,000	3,718	376
Seasonal help	31,500	31,500	31,229	42,894
Salaries	304,418	304,418	316,864	303,465
Training	1,350	1,350	1,070	767
Uniform allowance	2,250	2,250	1,881	2,443
Employer contributions	63,839	63,839	70,160	71,507
Unemployment compensation	-	-	6,858	4,855
Total personnel services	407,857	407,857	433,280	427,507
Contractual services				
Conferences and meetings	-	-	12	401
Information systems service and maintenance agreement	-	-	-	228

(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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Forestry (Continued)				
Contractual services (Continued)				
Debris dump charges	\$ 17,100	\$ 17,100	\$ 7,023	\$ 2,278
Energy	18,000	18,000	20,558	21,498
Employee health insurance	83,908	83,908	74,896	78,865
General liability insurance	20,833	20,833	20,833	20,340
Landscape maintenance	90,000	90,000	100,789	56,881
Maintenance - office equipment	90	90	-	-
Maintenance - radio equipment	-	-	-	219
Membership dues	760	760	908	760
Energy	139,500	139,500	160,114	36,253
Miscellaneous contractual services	85,500	85,500	85,288	-
Total contractual services	455,691	455,691	470,421	217,723
Commodities				
Auto petroleum products	10,800	10,800	13,124	15,836
Books and subscriptions	90	90	70	-
Chemicals	-	-	-	965
Vehicle maintenance	7,200	7,200	7,612	6,713
Maintenance - building and grounds	18,000	18,000	10,009	17,695
Miscellaneous equipment and supplies	-	-	-	3,332
Small tools and equipment	9,000	9,000	8,906	10,288
Miscellaneous operating supplies	1,350	1,350	864	1,842
Office supplies	180	180	168	204
Protective clothing	2,250	2,250	2,553	2,089
Water charge	5,850	5,850	16,431	5,562
Total commodities	54,720	54,720	59,737	64,526
Capital outlay				
Streetscape improvements	103,500	103,500	111,455	118,072
Transfer to CERF	-	-	-	19,524
Less transfer to CERF	-	-	-	(19,524)
Total capital outlay	103,500	103,500	111,455	118,072
Total forestry	1,021,768	1,021,768	1,074,893	827,828
Information systems				
Personnel services				
Salaries	327,893	327,893	328,544	314,691
Training	3,600	3,600	3,577	3,908
Longevity	1,600	1,600	1,600	1,200
Employer contribution	68,227	68,227	67,187	68,726
Sick leave buy back	1,590	1,590	1,933	1,432
Total personnel services	402,910	402,910	402,841	389,957
Contractual services				
Information system service and maintenance agreement	174,150	174,150	183,717	197,250
Employee health insurance	72,895	72,895	70,583	69,026
Maintenance - office equipment	1,800	1,800	684	1,089
Membership dues	90	90	100	100
Total contractual services	248,935	248,935	255,084	267,465

(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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Information systems (Continued)				
Commodities				
Information systems miscellaneous equipment and supplies	\$ 10,800	\$ 10,800	\$ 18,969	\$ 6,457
Miscellaneous operating supplies	2,475	2,475	1,734	2,071
Office supplies	180	180	80	55
Miscellaneous software	45,000	45,000	41,967	24,631
Total commodities	58,455	58,455	62,750	33,214
Capital outlay				
Transfer to CERF	-	-	-	65,443
Less transfer to CERF	-	-	-	(65,443)
Net capital outlay	-	-	-	-
Total information systems	710,300	710,300	720,675	690,636
Total	11,197,815	11,197,815	10,904,402	11,379,449
Less Waterworks and Sewerage Fund reimbursements	1,152,870	1,152,870	1,152,870	1,163,755
Total general government	10,044,945	10,044,945	9,751,532	10,215,694
PUBLIC SAFETY				
Police Department				
Personnel services				
Longevity	47,300	47,300	48,857	43,000
Overtime	525,600	525,600	579,177	520,183
Salaries	7,095,473	7,095,473	7,151,859	6,936,522
Training	39,150	39,150	32,650	33,068
Uniform allowance	51,300	51,300	70,371	52,361
Employer contribution - IMRF	379,769	379,769	392,057	406,715
Employer contribution - police pension	1,385,278	1,385,278	1,403,098	1,378,043
College incentive	3,240	3,240	3,600	3,600
Tuition reimbursement	3,240	3,240	-	-
VEMA/PEHP contribution	-	-	37,632	-
Sick leave buy back	36,000	36,000	40,841	38,156
Total personnel services	9,566,350	9,566,350	9,760,142	9,411,648
Contractual services				
Animal impounding	4,500	4,500	4,095	3,032
Conferences and meetings	9,000	9,000	7,115	8,885
Energy	10,800	10,800	9,896	6,601
Employee group insurance	1,418,992	1,418,992	1,338,500	1,333,566
General liability insurance	216,881	216,881	216,881	211,748
Information systems software	7,560	7,560	9,597	3,810
Maintenance - office and special equipment	37,274	37,274	30,464	29,653
Membership dues	2,520	2,520	3,400	1,678
Printing and binding	16,380	16,380	10,901	17,328
Prisoner welfare	4,050	4,050	4,313	3,804
Regional and special agency assessments	69,710	69,710	73,724	65,010
Credit card services	430	430	2,214	549
Duplication services	3,285	3,285	6,210	3,613

(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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
PUBLIC SAFETY (Continued)				
Police Department (Continued)				
Contractual services (Continued)				
Medical examinations	\$ 7,200	\$ 7,200	\$ 4,807	\$ 4,238
Miscellaneous contractual services	3,600	3,600	1,198	370
Retiree health insurance	164,679	164,679	182,912	176,153
Total contractual services	1,976,861	1,976,861	1,906,227	1,870,038
Commodities				
Auto petroleum products	153,000	153,000	146,330	157,529
Books and subscriptions	1,800	1,800	2,297	1,415
Vehicle maintenance	54,000	54,000	76,916	54,867
Computer supplies	32,175	32,175	31,950	18,327
Small tools and equipment	33,967	33,967	22,238	10,920
Range supplies	36,916	36,916	35,370	36,639
Miscellaneous operating supplies	29,835	29,835	37,821	29,138
Office supplies	8,370	8,370	10,206	10,364
Awards/decorations	1,800	1,800	1,259	-
Police DUI fund	-	-	8,905	8,473
Investigative funds	1,350	1,350	1,078	35
Total commodities	353,213	353,213	374,370	327,707
Capital outlay				
Transfer to CERF	-	-	-	135,330
Less transfer to CERF	-	-	-	(135,330)
Net capital outlay	-	-	-	-
Total Police Department	11,896,424	11,896,424	12,040,739	11,609,393
Fire Department				
Personnel services				
Longevity	15,700	15,700	15,762	14,500
Overtime	337,170	337,170	553,599	368,058
Salaries	4,660,604	4,660,604	4,630,805	4,533,470
Training	31,520	31,520	12,706	19,366
Uniform allowance	36,000	36,000	20,002	25,793
Employer contribution - IMRF	119,967	119,967	123,241	123,863
Employer contribution - police pension	1,460,107	1,460,107	1,484,050	1,314,938
College incentive	270	270	300	300
Tuition reimbursement	2,700	2,700	5,162	2,242
VEMA/PEHP contributions	-	-	13	-
Sick leave buy back	4,050	4,050	3,526	5,143
Total personnel services	6,668,088	6,668,088	6,849,166	6,407,673
Contractual services				
Conferences and meetings	5,718	5,718	3,828	2,825
Fire extinguisher maintenance	1,620	1,620	2,132	2,132
Energy	9,000	9,000	5,725	3,739
Employee group insurance	876,120	876,120	895,075	842,987
General liability insurance	388,889	388,889	388,889	379,687
Maintenance - office equipment	56,135	56,135	48,328	52,833
Maintenance - radio equipment	10,395	10,395	4,965	483

(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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
PUBLIC SAFETY (Continued)				
Fire Department (Continued)				
Contractual services (Continued)				
Membership dues	\$ 1,440	\$ 1,440	\$ 1,349	\$ 1,344
Printing and binding	2,250	2,250	1,030	1,129
Regional and special agency assessments	18,285	18,285	16,124	16,887
Medical examinations	17,815	17,815	14,518	14,835
Finger printing fees	35	35	189	-
Miscellaneous contractual services	-	-	307	-
Retiree health insurance	415,244	415,244	466,963	408,721
Total contractual services	1,802,946	1,802,946	1,849,422	1,727,602
Commodities				
Auto petroleum products	58,500	58,500	68,052	67,118
Books and subscriptions	3,288	3,288	3,523	3,354
Firefighting supplies	62,000	62,000	64,909	55,560
Vehicle maintenance	54,000	54,000	46,714	70,431
Maintenance - building and grounds	13,320	13,320	20,862	13,237
Medical supplies	19,543	19,543	20,078	16,474
Computer supplies	23,720	23,720	24,616	14,002
Miscellaneous operating supplies	8,595	8,595	7,138	5,591
Office supplies	5,175	5,175	5,064	5,775
Protective clothing	28,819	28,819	28,777	32,774
Total commodities	276,960	276,960	289,733	284,316
Capital outlay				
Transfer to CERF	-	-	-	158,090
Less transfer to CERF	-	-	-	(158,090)
Net capital outlay	-	-	-	-
Total fire department	8,747,994	8,747,994	8,988,321	8,419,591
Total public safety	20,644,418	20,644,418	21,029,060	20,028,984
TOTAL EXPENDITURES	\$ 30,689,363	\$ 30,689,363	\$ 30,780,592	\$ 30,244,678

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

CROSSROADS REDEVELOPMENT AREA FUND

BALANCE SHEET

December 31, 2013

(With Comparative Totals for December 31, 2012)

	<u>2013</u>	<u>2012</u>
ASSETS		
Cash and cash equivalents	\$ 625,292	\$ 870,621
Receivables (net where applicable of allowance for uncollectibles)		
Property taxes	788	-
Accrued interest	1,005	1,081
Other	3,366	-
	<hr/>	<hr/>
TOTAL ASSETS	\$ 630,451	\$ 871,702
	<hr/> <hr/>	<hr/> <hr/>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	\$ 2,081	\$ 459,949
Accrued payroll	820	369
Due to other funds	2,566,800	934,000
	<hr/>	<hr/>
Total liabilities	2,569,701	1,394,318
	<hr/>	<hr/>
FUND BALANCE (DEFICIT)		
Unassigned (deficit)	(1,939,250)	(522,616)
	<hr/>	<hr/>
Total fund balance (deficit)	(1,939,250)	(522,616)
	<hr/>	<hr/>
TOTAL LIABILITIES AND FUND BALANCE	\$ 630,451	\$ 871,702
	<hr/> <hr/>	<hr/> <hr/>

See accompanying notes to financial statements.

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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 2,786,137	\$ 2,786,137	\$ 2,372,438	\$ 2,652,392
Charges for services	1,200	1,200	-	-
Investment income	-	-	7,148	19,949
Miscellaneous	-	-	3,887	121,724
Total revenues	2,787,337	2,787,337	2,383,473	2,794,065
EXPENDITURES				
Capital outlay				
Salaries	13,114	13,114	15,054	13,119
Employee contributions	2,737	2,737	3,084	2,855
Consulting services	183,475	183,475	11,317	36,350
Business recruitment	6,000	6,000	8,368	25
Land acquisition	-	-	546,634	-
Surplus distributions	2,006,018	2,006,018	1,656,809	2,242,597
TIF incentive payments	-	-	120,450	3,543,564
Capital improvements				
Streetscape improvements	71,000	71,000	15,186	51,513
Debt service				
Principal	-	-	313,371	125,974
Total expenditures	2,282,344	2,282,344	2,690,273	6,015,997
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	504,993	504,993	(306,800)	(3,221,932)
OTHER FINANCING SOURCES (USES)				
Issuance of TIF development note	-	-	-	3,500,000
Transfers (out)				
Town Center TIF Fund	-	(1,109,834)	(1,109,834)	-
Total other financing sources (uses)	-	(1,109,834)	(1,109,834)	3,500,000
NET CHANGE IN FUND BALANCE	\$ 504,993	\$ (604,841)	(1,416,634)	278,068
FUND BALANCE (DEFICIT), JANUARY 1			(522,616)	(911,132)
Prior period adjustment			-	110,448
FUND BALANCE (DEFICIT), JANUARY 1, RESTATED			(522,616)	(800,684)
FUND BALANCE (DEFICIT), DECEMBER 31			\$ (1,939,250)	\$ (522,616)

(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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 1,641,552	\$ 1,641,552	\$ 1,633,388	\$ 1,656,242
Investment income	80,272	80,272	16,706	88,241
	<hr/>			
Total revenues	1,721,824	1,721,824	1,650,094	1,744,483
	<hr/>			
EXPENDITURES				
Capital outlay				
Salaries	13,114	13,114	15,054	13,119
Employer contributions	2,737	2,737	3,084	2,855
Conferences and meetings	60	60	742	252
Consulting services	-	-	2,780	4,537
Business recruitment	6,000	6,000	5,356	25
Employee health insurance	2,195	2,195	2,150	2,086
Membership dues	-	-	170	188
Legal services	5,000	5,000	4,678	630
	<hr/>			
Total expenditures	29,106	29,106	34,014	23,692
	<hr/>			
NET CHANGE IN FUND BALANCE	<u>\$ 1,692,718</u>	<u>\$ 1,692,718</u>	1,616,080	1,720,791
FUND BALANCE, JANUARY 1			6,218,834	4,498,043
	<hr/>			
FUND BALANCE, DECEMBER 31			<u>\$ 7,834,914</u>	<u>\$ 6,218,834</u>

(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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
REVENUES				
Investment income	\$ 42,895	\$ 42,895	\$ 29,868	\$ 77,166
Total revenues	42,895	42,895	29,868	77,166
EXPENDITURES				
Capital outlay				
Mobile equipment	421,000	421,000	214,780	261,926
Office equipment	27,000	27,000	8,100	46,565
Special equipment	-	-	2,303	4,174
Small tools and equipment	-	-	10,640	727
Capital software	60,000	60,000	60,939	-
Total expenditures	508,000	508,000	296,762	313,392
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(465,105)	(465,105)	(266,894)	(236,226)
OTHER FINANCING SOURCES (USES)				
Transfers in				
General Fund	-	-	-	985,372
Waterworks and Sewerage Fund	111,722	111,722	-	-
Emergency Telephone System Fund	85,424	85,424	85,424	85,555
Transfers (out)				
Waterworks and Sewerage Fund	-	-	(5,255)	(13,864)
Total other financing sources (uses)	197,146	197,146	80,169	1,057,063
NET CHANGE IN FUND BALANCE	\$ (267,959)	\$ (267,959)	(186,725)	820,837
FUND BALANCE, JANUARY 1			4,695,811	3,874,974
FUND BALANCE, DECEMBER 31			\$ 4,509,086	\$ 4,695,811

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Motor Fuel Tax Fund

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

Foreign Fire Insurance Tax Fund

Financing is provided by tax revenues received from the state restricted for use by the fire department in accordance with compiled statutes.

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.

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.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

CAPITAL PROJECTS FUNDS (Continued)

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 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.

Capital Projects Fund

This fund accounts for the municipal gas and electric tax proceeds. The proceeds are restricted to fund infrastructure and non-infrastructure 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, 2013

	Special Revenue			
	Motor Fuel Tax	Foreign Fire Insurance Tax	Emergency Telephone System	Grant
ASSETS				
Cash and investments	\$ 1,363,614	\$ 124,959	\$ 181,540	\$ -
Receivables				
Property taxes	-	-	-	-
Accounts	-	-	82,196	-
Accrued interest	1,167	-	-	-
Other	-	-	-	-
Prepaid items	-	834	6,144	1,676
Inventory	35,668	-	-	-
Due from other governments	94,208	-	-	35,540
TOTAL ASSETS	\$ 1,494,657	\$ 125,793	\$ 269,880	\$ 37,216
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 55,037	\$ -	\$ 14,305	\$ 1,478
Accrued payroll	-	-	-	6,642
Unearned revenue	-	-	-	5,438
Due to other funds	-	-	-	23,658
Total liabilities	55,037	-	14,305	37,216
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Total liabilities and deferred inflows of resources	55,037	-	14,305	37,216
FUND BALANCES				
Nonspendable				
Prepaid items	-	834	6,144	1,676
Inventory	35,668	-	-	-
Restricted				
Capital projects	-	-	-	-
Highways and streets	1,403,952	-	-	-
Public safety	-	124,959	249,431	-
Economic development	-	-	-	-
Debt service	-	-	-	-
Unrestricted				
Unassigned (deficit)	-	-	-	(1,676)
Total fund balances	1,439,620	125,793	255,575	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 1,494,657	\$ 125,793	\$ 269,880	\$ 37,216

Capital Projects						
Town Center TIF	Southeast TIF	North Milwaukee/ Lake Cook Redevelopment Area	Capital Projects	Debt Service	Total	
\$ 51,133	\$ 501,908	\$ 3,206,270	\$ 3,122,948	\$ 35,470	\$ 8,587,842	
-	-	20,634	-	1,595,015	1,615,649	
5,000	-	-	10,285	-	97,481	
-	-	-	7,679	-	8,846	
-	-	-	363,048	-	363,048	
-	-	-	-	-	8,654	
-	-	-	-	-	35,668	
-	-	-	-	-	129,748	
<u>\$ 56,133</u>	<u>\$ 501,908</u>	<u>\$ 3,226,904</u>	<u>\$ 3,503,960</u>	<u>\$ 1,630,485</u>	<u>\$ 10,846,936</u>	
\$ 56,133	\$ 100	\$ 140,208	\$ 120,263	\$ -	\$ 387,524	
-	-	820	-	-	7,462	
-	-	-	1,609,018	-	1,614,456	
-	-	556,000	-	-	579,658	
<u>56,133</u>	<u>100</u>	<u>697,028</u>	<u>1,729,281</u>	<u>-</u>	<u>2,589,100</u>	
-	-	-	-	1,590,972	1,590,972	
-	-	-	-	1,590,972	1,590,972	
<u>56,133</u>	<u>100</u>	<u>697,028</u>	<u>1,729,281</u>	<u>1,590,972</u>	<u>4,180,072</u>	
-	-	-	-	-	8,654	
-	-	-	-	-	35,668	
-	-	-	1,774,679	-	1,774,679	
-	-	-	-	-	1,403,952	
-	-	-	-	-	374,390	
-	501,808	2,529,876	-	-	3,031,684	
-	-	-	-	39,513	39,513	
-	-	-	-	-	(1,676)	
<u>-</u>	<u>501,808</u>	<u>2,529,876</u>	<u>1,774,679</u>	<u>39,513</u>	<u>6,666,864</u>	
<u>\$ 56,133</u>	<u>\$ 501,908</u>	<u>\$ 3,226,904</u>	<u>\$ 3,503,960</u>	<u>\$ 1,630,485</u>	<u>\$ 10,846,936</u>	

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES

For the Year Ended December 31, 2013

	Special Revenue			
	Motor Fuel Tax	Foreign Fire Insurance Tax	Emergency Telephone System	Grant
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,127,670	-	-	143,726
Charges for services	-	-	228,957	-
Investment income	2,911	198	371	-
Miscellaneous	-	54,296	134,657	-
Total revenues	1,130,581	54,494	363,985	143,726
EXPENDITURES				
Current				
Public safety	-	38,953	434,122	179,093
Highways and streets	1,287,857	-	-	-
Capital outlay	-	-	-	-
Capital improvements	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	1,287,857	38,953	434,122	179,093
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(157,276)	15,541	(70,137)	(35,367)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	150,000	35,367
Transfers (out)	-	-	(85,424)	-
Total other financing sources (uses)	-	-	64,576	35,367
NET CHANGE IN FUND BALANCES	(157,276)	15,541	(5,561)	-
FUND BALANCES, JANUARY 1	1,596,896	110,252	261,136	-
FUND BALANCES, DECEMBER 31	\$ 1,439,620	\$ 125,793	\$ 255,575	\$ -

Capital Projects					
Town Center TIF	North Milwaukee/ Lake Cook Redevelopment Area		Capital Projects	Debt Service	Total
	Southeast TIF				
\$ -	\$ 72,390	\$ 3,539,486	\$ 2,686,499	\$ 956,627	\$ 7,255,002
-	-	-	52,821	-	1,324,217
-	-	-	778,518	-	1,007,475
-	(3,207)	776	7,350	610	9,009
-	-	-	-	-	188,953
-	69,183	3,540,262	3,525,188	957,237	9,784,656
-	-	-	-	-	652,168
-	-	-	564,926	-	1,852,783
70,126	93,276	88,229	35,473	-	287,104
469,342	-	1,315,397	2,304,507	-	4,089,246
-	-	1,259,433	286,943	670,000	2,216,376
-	-	1,250,078	98,980	1,628,279	2,977,337
539,468	93,276	3,913,137	3,290,829	2,298,279	12,075,014
(539,468)	(24,093)	(372,875)	234,359	(1,341,042)	(2,290,358)
1,122,800	-	409,001	-	1,352,023	3,069,191
-	-	-	(860,000)	(1,576)	(947,000)
1,122,800	-	409,001	(860,000)	1,350,447	2,122,191
583,332	(24,093)	36,126	(625,641)	9,405	(168,167)
(583,332)	525,901	2,493,750	2,400,320	30,108	6,835,031
\$ -	\$ 501,808	\$ 2,529,876	\$ 1,774,679	\$ 39,513	\$ 6,666,864

See accompanying notes to financial statements.

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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
REVENUES				
Intergovernmental				
Allotments	\$ 1,084,365	\$ 1,084,365	\$ 1,120,170	\$ 1,109,121
Grants	-	-	7,500	-
Investment income	18,153	18,153	2,911	8,195
Total revenues	<u>1,102,518</u>	<u>1,102,518</u>	<u>1,130,581</u>	<u>1,117,316</u>
EXPENDITURES				
Highways and streets				
Contractual services	140,000	140,000	120,462	108,343
Commodities	151,000	151,000	302,568	119,842
Maintenance and capital improvements	1,000,000	1,000,000	864,827	809,157
Total expenditures	<u>1,291,000</u>	<u>1,291,000</u>	<u>1,287,857</u>	<u>1,037,342</u>
NET CHANGE IN FUND BALANCE	<u>\$ (188,482)</u>	<u>\$ (188,482)</u>	(157,276)	79,974
FUND BALANCE, JANUARY 1			<u>1,596,896</u>	<u>1,516,922</u>
FUND BALANCE, DECEMBER 31			<u>\$ 1,439,620</u>	<u>\$ 1,596,896</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

FOREIGN FIRE INSURANCE TAX FUND

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

For the Year Ended December 31, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
REVENUES				
Investment income	\$ -	\$ -	\$ 198	\$ -
Miscellaneous				
Foreign fire insurance	54,000	54,000	54,296	57,596
Total revenues	54,000	54,000	54,494	57,596
EXPENDITURES				
Public safety				
Contractual services	-	-	26,292	-
Commodities	54,000	54,000	12,661	-
Total expenditures	54,000	54,000	38,953	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	15,541	57,596
OTHER FINANCING SOURCES				
Transfers in				
General Fund	-	-	-	52,656
Total other financing sources (uses)	-	-	-	52,656
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	15,541	110,252
FUND BALANCE, JANUARY 1			110,252	-
FUND BALANCE, DECEMBER 31			<u>\$ 125,793</u>	<u>\$ 110,252</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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
REVENUES				
Charges for services	\$ 206,556	\$ 206,556	\$ 228,957	\$ 251,516
Investment income	1,982	1,982	371	1,173
Miscellaneous				
Telephone surcharges	125,000	125,000	134,657	139,037
Total revenues	333,538	333,538	363,985	391,726
EXPENDITURES				
Public safety	422,332	422,332	434,122	406,376
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	(88,794)	(88,794)	(70,137)	(14,650)
OTHER FINANCING SOURCE (USES)				
Transfers in				
General Fund	150,000	150,000	150,000	225,000
Transfers (out)				
Capital Equipment Replacement Fund	(85,424)	(85,424)	(85,424)	(85,555)
Total other financing sources (uses)	64,576	64,576	64,576	139,445
NET CHANGE IN FUND BALANCE	\$ (24,218)	\$ (24,218)	(5,561)	124,795
FUND BALANCE, JANUARY 1			261,136	136,341
FUND BALANCE, DECEMBER 31			<u>\$ 255,575</u>	<u>\$ 261,136</u>

(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, 2013

(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
PUBLIC SAFETY				
Personnel services				
Training	\$ 975	\$ 975	\$ 1,165	\$ 787
Contractual services				
Conferences and meetings	1,685	1,685	1,730	1,797
Data processing services	52,289	52,289	47,438	52,161
Maintenance - equipment	54,110	54,110	44,917	41,978
Membership dues	250	250	222	222
Regional and special agency assessments	292,000	292,000	317,963	304,239
Total contractual services	400,334	400,334	412,270	400,397
Commodities				
Books and subscriptions				
Information systems miscellaneous equipment and supplies	1,223	1,223	673	623
Miscellaneous operating supplies	16,000	16,000	16,338	3,955
Miscellaneous software	800	800	676	614
Total commodities	3,000	3,000	3,000	-
Total commodities	21,023	21,023	20,687	5,192
Capital outlay				
Transfer to CERF	85,424	85,424	85,424	85,555
Less transfer to CERF	(85,424)	(85,424)	(85,424)	(85,555)
Net capital outlay	-	-	-	-
TOTAL EXPENDITURES	\$ 422,332	\$ 422,332	\$ 434,122	\$ 406,376

(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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
REVENUES				
Intergovernmental	\$ 113,726	\$ 113,726	\$ 143,726	\$ 197,005
Total revenues	113,726	113,726	143,726	197,005
EXPENDITURES				
Public safety				
Personnel services				
Overtime	26,374	26,374	40,888	46,485
Salaries	75,498	75,498	78,418	78,324
Employer contributions	15,471	15,471	16,037	16,536
Conferences and meetings	-	-	-	75
Consulting services	-	-	-	73,554
Contractual services				
Employee health insurance	22,521	22,521	21,343	21,403
Miscellaneous contractual services	7,694	7,694	22,161	32,801
Commodities				
Miscellaneous operating supplies	-	-	(254)	5,066
Investigative funds	3,200	3,200	500	750
Capital improvements				
Special equipment	-	-	-	2,835
Total expenditures	150,758	150,758	179,093	277,829
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(37,032)	(37,032)	(35,367)	(80,824)
OTHER FINANCING SOURCES (USES)				
Transfers in				
General Fund	45,070	45,070	35,367	80,892
Transfers (out)				
General Fund	-	-	-	(68)
Total other financing sources (uses)	45,070	45,070	35,367	80,824
NET CHANGE IN FUND BALANCE	\$ 8,038	\$ 8,038	-	-
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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ 5
Intergovernmental	-	-	-	-
Investment income	-	-	-	5
Total revenues	-	-	-	10
EXPENDITURES				
Capital outlay				
Salaries	13,114	13,114	14,376	13,119
Employer contributions	2,737	2,737	2,942	2,855
Contractual services	52,255	52,255	47,514	27,392
Business recruitment	6,000	6,000	5,294	25
Capital improvements				
Storm sewer improvements	-	-	314,196	-
Streetscape improvements	413,000	413,000	81,658	111,478
Sidewalk improvements	141,700	141,700	-	15,064
Bridge improvements	-	-	56,121	-
Contingencies	-	-	17,367	38,449
Total expenditures	628,806	628,806	539,468	208,382
Excess (Deficiency) of Revenues Over Expenditures	(628,806)	(628,806)	(539,468)	(208,372)
OTHER FINANCING SOURCES				
Transfers in				
General Fund	-	-	12,966	-
Crossroads Redevelopment Area Fund	-	1,109,834	1,109,834	-
Total other financing sources	-	1,109,834	1,122,800	-
NET CHANGE IN FUND BALANCE	\$ (628,806)	\$ 481,028	583,332	(208,372)
FUND BALANCE (DEFICIT), JANUARY 1			(583,332)	(374,960)
FUND BALANCE (DEFICIT), DECEMBER 31			\$ -	\$ (583,332)

(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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ -	\$ -	\$ 72,390	\$ 133,773
Investment income	-	-	(3,207)	18,039
Total revenues	-	-	69,183	151,812
EXPENDITURES				
Capital outlay				
Salaries	13,114	13,114	14,376	13,119
Employer contributions	2,737	2,737	2,942	2,855
Conferences and meetings	60	60	646	-
Consulting services	-	-	17,605	29,060
Employee health insurance	2,195	2,195	2,150	2,086
Membership dues	-	-	170	-
Legal services	5,000	5,000	10,402	5,633
Business recruitment	6,000	6,000	5,286	-
Surplus distributions	-	-	39,699	314,149
TIF incentive payments	-	-	-	500,000
Capital improvements				
Streetscape improvements	50,000	50,000	-	-
Sidewalk improvements	5,500	5,500	-	-
Total expenditures	84,606	84,606	93,276	866,902
NET CHANGE IN FUND BALANCE	\$ (84,606)	\$ (84,606)	(24,093)	(715,090)
FUND BALANCE, JANUARY 1			525,901	1,240,991
FUND BALANCE, DECEMBER 31			\$ 501,808	\$ 525,901

(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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 3,454,643	\$ 3,454,643	\$ 3,539,486	\$ 3,544,515
Investment income	23,574	23,574	776	1,129
Miscellaneous	-	-	-	89
Total revenues	3,478,217	3,478,217	3,540,262	3,545,733
EXPENDITURES				
Capital outlay				
Salaries	13,114	13,114	15,054	13,119
Employer contributions	2,737	2,737	3,084	2,855
Consulting services	42,255	42,255	40,248	79,222
Business recruitment	6,000	6,000	5,438	35
Miscellaneous operating supplies	-	-	24,405	-
Capital improvements				
Streetscape improvements	50,000	50,000	-	-
Sidewalk improvements	25,500	25,500	-	9,909
TIF incentive	450,000	450,000	1,315,397	392,151
Debt service				
Principal	1,259,434	1,259,434	1,259,433	1,170,926
Interest	1,244,698	1,244,698	1,244,697	1,250,944
Fiscal agent fees	5,480	5,480	5,381	4,980
Total expenditures	3,099,218	3,099,218	3,913,137	2,924,141
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	378,999	378,999	(372,875)	621,592
OTHER FINANCING SOURCES (USES)				
Transfers in				
General Fund	407,425	407,425	407,425	423,194
Debt Service Fund	-	-	1,576	-
Total other financing sources (uses)	407,425	407,425	409,001	423,194
NET CHANGE IN FUND BALANCE	\$ 786,424	\$ 786,424	36,126	1,044,786
FUND BALANCE, JANUARY 1			2,493,750	1,448,964
FUND BALANCE, DECEMBER 31			\$ 2,529,876	\$ 2,493,750

(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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
REVENUES				
Taxes				
Utility taxes	\$ 2,260,112	\$ 2,260,112	\$ 2,686,499	\$ 1,799,567
Intergovernmental	1,080,800	1,080,800	52,821	87,034
Investment income	30,266	30,266	7,350	18,979
Miscellaneous	1,079,695	1,079,695	778,518	741,569
Total revenues	4,450,873	4,450,873	3,525,188	2,647,149
EXPENDITURES				
Current				
Highways and streets				
Personnel services	160,369	160,369	160,369	225,912
Contractual services	35,000	35,000	404,557	255,821
Capital outlay				
Equipment	35,000	35,000	35,473	126,867
Capital improvements				
Storm sewer improvements	140,000	140,000	14,982	20,495
Streetscape improvements	1,462,800	1,462,800	167,880	99,755
Bridge improvements	417,500	417,500	143,936	-
Pavement improvements	1,102,000	1,102,000	1,973,502	225,441
Waterway improvements	-	-	2,911	20,651
Building improvements	-	-	1,296	13,917
Debt service				
Principal	286,943	286,943	286,943	256,250
Interest	98,775	98,775	98,774	125,437
Fiscal agent fees	400	400	206	600
Total expenditures	3,738,787	3,738,787	3,290,829	1,371,146
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	712,086	712,086	234,359	1,276,003
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	800,000
Transfers (out)				
Debt Service Fund	(860,000)	(860,000)	(860,000)	(1,300,000)
Total other financing sources (uses)	(860,000)	(860,000)	(860,000)	(500,000)
NET CHANGE IN FUND BALANCE	\$ (147,914)	\$ (147,914)	(625,641)	776,003
FUND BALANCE, JANUARY 1			2,400,320	1,624,317
FUND BALANCE, DECEMBER 31			\$ 1,774,679	\$ 2,400,320

(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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 945,894	\$ 945,894	\$ 956,627	\$ 419,342
Investment income	-	-	610	1,386
Total revenues	945,894	945,894	957,237	420,728
EXPENDITURES				
Debt service				
Principal retirement	670,000	670,000	670,000	510,000
Interest	1,627,917	1,627,917	1,627,911	1,757,180
Fiscal agent fees	400	400	368	1,700
Total expenditures	2,298,317	2,298,317	2,298,279	2,268,880
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,352,423)	(1,352,423)	(1,341,042)	(1,848,152)
OTHER FINANCING SOURCES (USES)				
Issuance of refunding bonds	-	-	-	3,925,000
Premium on refunding bonds	-	-	-	222,801
Payment to escrow agent	-	-	-	(4,037,582)
Transfers in				
General Fund	-	-	-	7,145
Capital Projects Fund	860,000	860,000	860,000	1,300,000
Water and Sewerage Fund	492,023	492,023	492,023	447,200
Transfers (out)				
General Fund	-	-	-	(53,372)
North Milwaukee/Lake Cook Redevelopment Area Fund	-	-	(1,576)	-
Total other financing sources (uses)	1,352,023	1,352,023	1,350,447	1,811,192
NET CHANGE IN FUND BALANCE	\$ (400)	\$ (400)	9,405	(36,960)
FUND BALANCE, JANUARY 1			30,108	67,068
FUND BALANCE, DECEMBER 31			\$ 39,513	\$ 30,108

(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 POSITION

December 31, 2013

(With Comparative Amounts for December 31, 2012)

	<u>2013</u>	<u>2012</u>
CURRENT ASSETS		
Cash and investments	\$ 7,807,456	\$ 10,689,292
Receivables (net where applicable of allowance for uncollectibles)		
Accounts	1,830,196	1,741,794
Accrued interest	2,079	5,379
IPBC	48,490	121,241
Other	1,141	-
Prepaid expenses	129,485	134,376
Inventory	206,445	294,382
	<hr/>	<hr/>
Total current assets	10,025,292	12,986,464
NONCURRENT ASSETS		
Capital assets		
Assets not being depreciated	4,464,249	900,891
Assets being depreciated		
Cost	56,862,236	56,561,030
Accumulated depreciation	(20,419,711)	(19,393,960)
	<hr/>	<hr/>
Net capital assets being depreciated	36,442,525	37,167,070
	<hr/>	<hr/>
Net capital assets	40,906,774	38,067,961
	<hr/>	<hr/>
Advances to other funds	1,062,514	1,002,614
Investment in joint ventures	7,098,124	7,262,174
	<hr/>	<hr/>
Total noncurrent assets	49,067,412	46,332,749
	<hr/>	<hr/>
Total assets	59,092,704	59,319,213
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized loss on refunding	15,727	17,299
	<hr/>	<hr/>
Total deferred outflows of resources	15,727	17,299
	<hr/>	<hr/>
Total assets and deferred outflows of resources	59,108,431	59,336,512
	<hr/>	<hr/>

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

STATEMENT OF NET POSITION (Continued)

December 31, 2013

(With Comparative Amounts for December 31, 2012)

	<u>2013</u>	<u>2012</u>
CURRENT LIABILITIES		
Accounts payable	\$ 689,573	\$ 371,633
Accrued payroll	62,751	78,890
Compensated absences payable	81,464	69,353
Deposits payable	64,771	59,340
Unearned revenue	37,526	19,171
Interest payable	9,994	10,475
Bonds payable	341,821	343,623
	<hr/>	
Total current liabilities	1,287,900	952,485
	<hr/>	
NONCURRENT LIABILITIES		
General obligation bonds payable (less current portion)	4,205,397	4,553,791
Compensated absences payable (less current portion)	99,567	84,764
Other postemployment benefit obligation	6,606	7,191
	<hr/>	
Total noncurrent liabilities	4,311,570	4,645,746
	<hr/>	
Total liabilities	5,599,470	5,598,231
	<hr/>	
NET POSITION		
Net investment in capital assets	37,260,014	36,367,198
Unrestricted	16,248,947	17,371,083
	<hr/>	
TOTAL NET POSITION	<u>\$ 53,508,961</u>	<u>\$ 53,738,281</u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

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

For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services			
Water sales	\$ 6,655,066	\$ 6,655,066	\$ 6,406,738
Sewer charges	1,650,600	1,650,600	1,559,398
Water connection fees	24,200	24,200	61,599
Sewer connection fees	30,000	30,000	52,700
Water meter sales	10,000	10,000	10,190
Other	117,455	117,455	150,725
	<u>8,487,321</u>	<u>8,487,321</u>	<u>8,241,350</u>
OPERATING EXPENSES EXCLUDING DEPRECIATION			
Waterworks division	4,288,194	4,288,194	4,286,879
Sewerage division	1,547,782	1,547,782	1,685,585
Waterworks and sewerage capital division	6,099,866	6,099,866	4,548,990
	<u>11,935,842</u>	<u>11,935,842</u>	<u>10,521,454</u>
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	<u>(3,448,521)</u>	<u>(3,448,521)</u>	<u>(2,280,104)</u>
DEPRECIATION	<u>-</u>	<u>-</u>	<u>1,025,751</u>
OPERATING INCOME (LOSS)	<u>(3,448,521)</u>	<u>(3,448,521)</u>	<u>(3,305,855)</u>
NONOPERATING REVENUES (EXPENSES)			
Investment income	96,482	96,482	40,086
Interest expense	(137,903)	(137,903)	(132,220)
Gain on disposal of capital assets	-	-	12,000
Joint venture - Northwest Water Commission	-	-	(164,050)
	<u>(41,421)</u>	<u>(41,421)</u>	<u>(244,184)</u>
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	<u>(3,489,942)</u>	<u>(3,489,942)</u>	<u>(3,550,039)</u>
TRANSFERS IN (OUT)			
Debt Service Fund	(492,023)	(492,023)	(492,023)
Capital Equipment Replacement Fund	-	-	5,255
Capital Equipment Replacement Fund	(111,722)	(111,722)	-
	<u>(603,745)</u>	<u>(603,745)</u>	<u>(486,768)</u>
CHANGE IN NET POSITION (BUDGETARY BASIS)	<u>(4,093,687)</u>	<u>(4,093,687)</u>	<u>(4,036,807)</u>
ADJUSTMENTS TO GAAP BASIS			
Capital expenses			<u>3,807,487</u>
CHANGE IN NET POSITION (GAAP BASIS)	<u>\$ (4,093,687)</u>	<u>\$ (4,093,687)</u>	<u>(229,320)</u>
NET POSITION, JANUARY 1			<u>53,738,281</u>
NET POSITION, DECEMBER 31			<u>\$ 53,508,961</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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
WATERWORKS DIVISION				
Personnel services				
Overtime	\$ 50,000	\$ 50,000	\$ 74,778	\$ 40,017
Seasonal help	20,000	20,000	19,826	21,011
Salaries	593,818	593,818	642,128	594,479
Longevity	3,950	3,950	3,950	3,800
Training	2,000	2,000	2,410	1,526
Uniform allowance	4,800	4,800	5,554	4,224
Employer contributions	124,738	124,738	148,761	140,771
Unemployment compensation	-	-	1,584	930
Sick leave buy back	-	-	362	333
OPEB	-	-	(585)	(2,736)
Total personnel services	799,306	799,306	898,768	804,355
Contractual services				
Bank charges	20,400	20,400	22,788	20,530
Conference and meetings	2,305	2,305	1,208	532
Consulting services	-	-	1,420	192
Data processing services	45,000	45,000	43,612	34,455
Debris dump charges	20,000	20,000	21,408	17,463
Energy	100,000	100,000	83,276	88,937
Employee group insurance	138,781	138,781	126,293	124,968
Finger printing fees	-	-	-	252
General liability insurance	97,078	97,078	97,078	78,232
Hydrant maintenance	30,000	30,000	30,000	28,038
Landscape maintenance	15,000	15,000	12,103	9,817
Maintenance - office and special equipment	1,000	1,000	914	1,894
Maintenance - radio equipment	-	-	-	210
Membership dues	635	635	449	470
Postage	13,772	13,772	13,081	12,908
Printing and binding	9,616	9,616	10,880	9,613
Rental equipment	750	750	37	155
Telemetry equipment maintenance	10,000	10,000	10,596	10,117
Retiree health insurance	17,255	17,255	10,296	9,941
Wells maintenance	17,500	17,500	14,431	23,614
Miscellaneous contractual services	100	100	167	116
Total contractual services	539,192	539,192	500,037	472,454
Commodities				
Auto petroleum products	32,000	32,000	36,575	32,835
Books and subscriptions	100	100	100	76
Chemicals - treatment	9,000	9,000	4,212	8,550
Water samples	13,000	13,000	10,405	10,427
Janitorial supplies	-	-	-	686
Vehicle maintenance	20,000	20,000	24,309	21,247
Building and grounds maintenance	17,000	17,000	17,163	13,372
Minor tools and equipment	8,000	8,000	6,378	8,396
Miscellaneous operating supplies	6,650	6,650	6,163	2,813
Office supplies	350	350	415	307
Protective clothing	3,500	3,500	2,630	3,454
Meters	32,800	32,800	104,593	10,249
Water main maintenance	60,000	60,000	70,048	67,343
Water storage facilities maintenance	35,000	35,000	33,144	30,768
Total commodities	237,400	237,400	316,135	210,523

(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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
WATERWORKS DIVISION (Continued)				
Capital outlay				
Transfer to CERF	\$ 72,739	\$ 72,739	\$ -	\$ -
Subtotal	72,739	72,739	-	-
Less				
Transfer to CERF	(72,739)	(72,739)	-	-
Net capital outlay	-	-	-	-
Other				
General Fund reimbursement	922,296	922,296	922,296	931,004
Northwest Water Commission - water charge	1,790,000	1,790,000	1,649,643	1,707,719
Total other	2,712,296	2,712,296	2,571,939	2,638,723
Total operating expenses excluding depreciation - waterworks division	4,288,194	4,288,194	4,286,879	4,126,055
SEWERAGE DIVISION				
Personnel services				
Overtime	30,000	30,000	55,890	11,167
Seasonal help	15,000	15,000	15,506	20,047
Salaries	593,818	593,818	642,096	594,478
Longevity	3,950	3,950	3,950	3,800
Training	2,000	2,000	1,241	941
Uniform allowance	4,000	4,000	4,257	4,070
Employer contributions	124,738	124,738	147,724	140,834
Unemployment compensation	-	-	603	-
Sick leave buy back	-	-	362	333
Total personnel services	773,506	773,506	871,629	775,670
Contractual services				
Conferences and meetings	-	-	23	531
Consulting services	-	-	680	-
Data processing services	45,000	45,000	43,612	34,455
Debris dump charges	10,000	10,000	12,638	12,237
Energy	18,000	18,000	18,784	14,870
Employee health insurance	138,781	138,781	126,290	127,968
General liability insurance	51,775	51,775	51,775	41,724
Landscape maintenance	51,740	51,740	57,444	16,737
Bank charges	3,000	3,000	2,953	2,899
Maintenance office/special equipment	3,000	3,000	1,296	2,235
Maintenance - radio equipment	-	-	-	210
Membership dues	-	-	-	154
Postage	2,927	2,927	2,780	2,743
Printing and binding	2,044	2,044	2,159	2,037
Rental equipment	750	750	750	-
Tree maintenance	30,000	30,000	30,000	32,000
Telemetry equipment maintenance	7,000	7,000	8,091	7,096
Retiree health insurance	12,185	12,185	10,886	11,525
Miscellaneous contractual	2,500	2,500	2,500	1,000
Total contractual services	378,702	378,702	372,661	310,421

(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, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
SEWERAGE DIVISION (Continued)				
Commodities				
Auto petroleum products	\$ 21,000	\$ 21,000	\$ 28,264	\$ 21,339
Books and subscriptions	1,150	1,150	1,150	1,078
Chemicals	7,000	7,000	7,089	5,810
Vehicle maintenance	22,000	22,000	23,846	14,944
Building and grounds maintenance	1,000	1,000	1,610	98
Minor tools and equipment	6,500	6,500	6,156	3,465
Miscellaneous operating supplies	3,000	3,000	2,713	1,253
Office supplies	350	350	372	296
Protective clothing	3,000	3,000	1,950	3,592
Life stations	25,000	25,000	24,885	13,365
Sewer line maintenance	75,000	75,000	71,848	72,550
Total commodities	165,000	165,000	169,883	137,790
Capital outlay				
Transfer to CERF	38,983	38,983	-	-
Subtotal	38,983	38,983	-	-
Less				
Transfer to CERF	(38,983)	(38,983)	-	-
Net capital outlay	-	-	-	-
Other				
General Fund reimbursement	230,574	230,574	230,574	232,751
Total operating expenses excluding depreciation - sewerage division	1,547,782	1,547,782	1,644,747	1,456,632
WATERWORKS AND SEWERAGE CAPITAL DIVISION				
Personnel services				
Salaries	62,366	62,366	62,366	96,000
Total personnel services	62,366	62,366	62,366	96,000
Contractual services				
Consulting services	-	-	2,692	4,689
Miscellaneous contractual services	-	-	140	-
Consulting services	-	-	124,616	48,802
Total contractual services	-	-	127,448	53,491
Capital outlay				
Water improvements	5,707,500	5,707,500	320,870	729,880
Sanitary sewer improvements	330,000	330,000	271,657	188,844
Total capital outlay	6,037,500	6,037,500	592,527	918,724
Total operating expenses excluding depreciation - sewerage division	6,099,866	6,099,866	782,341	1,068,215
TOTAL OPERATING EXPENSES EXCLUDING DEPRECIATION	\$ 11,935,842	\$ 11,935,842	\$ 6,713,967	\$ 6,650,902

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

LIABILITY INSURANCE FUND

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

For the Year Ended December 31, 2013
(With Comparative Actual)

	2013		Actual	2012
	Original Budget	Final Budget		
OPERATING REVENUES				
Charges for services	\$ 1,094,366	\$ 1,094,366	\$ 1,094,366	\$ 1,043,096
OPERATING EXPENSES				
Contractual services				
Consulting services	54,515	54,515	54,515	54,515
Insurance claims administration	89,500	89,500	85,877	25,000
General liability insurance	295,225	295,225	297,731	284,780
Self-insurance claims	921,760	921,760	681,998	654,803
Total operating expenses	1,361,000	1,361,000	1,120,121	1,019,098
OPERATING INCOME (LOSS)	(266,634)	(266,634)	(25,755)	23,998
NONOPERATING REVENUES				
Investment income	12,084	12,084	6,930	25,334
Miscellaneous	-	-	-	179
Total nonoperating revenues	12,084	12,084	6,930	25,513
INCOME (LOSS) BEFORE TRANSFERS	(254,550)	(254,550)	(18,825)	49,511
TRANSFERS IN				
General Fund	-	-	-	200,000
Total transfers	-	-	-	200,000
CHANGE IN NET POSITION	\$ (254,550)	\$ (254,550)	(18,825)	249,511
NET POSITION, JANUARY 1			1,557,969	1,308,458
NET POSITION, DECEMBER 31			\$ 1,539,144	\$ 1,557,969

(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 investment income.

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 investment income.

VILLAGE OF WHEELING, ILLINOIS

PENSION TRUST FUNDS

COMBINING STATEMENT OF NET POSITION

December 31, 2013

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and short-term investments	\$ 571,821	\$ 1,761,549	\$ 2,333,370
Investments at fair value			
U.S. Government and agency obligations	9,097,202	6,236,497	15,333,699
State and local obligations	2,102,205	568,871	2,671,076
Corporate bonds	6,942,538	5,334,869	12,277,407
Mutual funds	17,240,228	7,828,682	25,068,910
Equities	6,336,323	9,466,835	15,803,158
Total investments	41,718,496	29,435,754	71,154,250
Receivables			
Accrued interest	195,248	93,191	288,439
Due from General Fund	25,830	28,277	54,107
Total receivables	221,078	121,468	342,546
Prepaid items	-	775	775
Total assets	42,511,395	31,319,546	73,830,941
LIABILITIES			
Accounts payable	3,099	4,615	7,714
Total liabilities	3,099	4,615	7,714
NET POSITION HELD IN TRUST FOR PENSION BENEFITS			
	\$ 42,508,296	\$ 31,314,931	\$ 73,823,227

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PENSION TRUST FUNDS

COMBINING STATEMENT OF CHANGES IN PLAN NET POSITION

For the Year Ended December 31, 2013

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 1,403,098	\$ 1,484,050	\$ 2,887,148
Employee	560,395	416,008	976,403
Total contributions	<u>1,963,493</u>	<u>1,900,058</u>	<u>3,863,551</u>
Investment income			
Net appreciation in fair value of investments	3,135,954	2,788,049	5,924,003
Interest	<u>1,611,074</u>	<u>928,771</u>	<u>2,539,845</u>
Total investment income	4,747,028	3,716,820	8,463,848
Less investment expenses	<u>86,625</u>	<u>136,524</u>	<u>223,149</u>
Net investment income	<u>4,660,403</u>	<u>3,580,296</u>	<u>8,240,699</u>
Total additions	<u>6,623,896</u>	<u>5,480,354</u>	<u>12,104,250</u>
DEDUCTIONS			
Benefits and refunds	1,967,516	2,594,688	4,562,204
Administrative expenses	<u>30,294</u>	<u>24,946</u>	<u>55,240</u>
Total deductions	<u>1,997,810</u>	<u>2,619,634</u>	<u>4,617,444</u>
NET INCREASE	4,626,086	2,860,720	7,486,806
NET POSITION HELD IN TRUST FOR PENSION BENEFITS			
January 1	<u>37,882,210</u>	<u>28,454,211</u>	<u>66,336,421</u>
December 31	<u>\$ 42,508,296</u>	<u>\$ 31,314,931</u>	<u>\$ 73,823,227</u>

See accompanying notes to financial statements.

SUPPLEMENTAL FINANCIAL INFORMATION

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2013

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
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>\$ 16,990,000</u>	<u>\$ 7,252,200</u>	<u>\$ 24,242,200</u>		<u>\$ 3,880,950</u>		<u>\$ 3,371,250</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2013

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
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>\$ 6,053,068</u>	<u>\$ 16,053,068</u>		<u>\$ 3,026,534</u>		<u>\$ 3,026,534</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2013

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
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>\$ 18,820,000</u>	<u>\$ 5,579,207</u>	<u>\$ 24,399,207</u>		<u>\$ 2,789,606</u>		<u>\$ 2,789,601</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2013

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			Interest Due On			
	Principal	Interest	Totals	June 1	Amount	December 1	Amount
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>\$ 4,942,140</u>	<u>\$ 14,942,140</u>		<u>\$ 2,471,070</u>		<u>\$ 2,471,070</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2013

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
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>\$ 7,435,000</u>	<u>\$ 1,097,900</u>	<u>\$ 8,532,900</u>		<u>\$ 548,950</u>		<u>\$ 548,950</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

**SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION SALES TAX REFUNDING BOND SERIES 2012A**

December 31, 2013

Date of Issue	April 24, 2012
Date of Maturity	December 1, 2024
Authorized Issue	\$3,925,000
Interest Rates	2.00% - 3.50%
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	Tax Levy			Interest Due On			
	Principal	Interest	Totals	June 1	Amount	December 1	Amount
2013	\$ 295,000	\$ 111,525	\$ 406,525	2014	\$ 55,763	2014	\$ 55,762
2014	305,000	105,625	410,625	2015	52,813	2015	52,812
2015	315,000	98,000	413,000	2016	49,000	2016	49,000
2016	325,000	90,125	415,125	2017	45,063	2017	45,062
2017	335,000	82,000	417,000	2018	41,000	2018	41,000
2018	340,000	71,950	411,950	2019	35,975	2019	35,975
2019	355,000	61,750	416,750	2020	30,875	2020	30,875
2020	370,000	51,100	421,100	2021	25,550	2021	25,550
2021	380,000	40,000	420,000	2022	20,000	2022	20,000
2022	390,000	27,650	417,650	2023	13,825	2023	13,825
2023	400,000	14,000	414,000	2024	7,000	2024	7,000
	<u>\$ 3,810,000</u>	<u>\$ 753,725</u>	<u>\$ 4,563,725</u>		<u>\$ 376,864</u>		<u>\$ 376,861</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION WATER SYSTEM BONDS SERIES 2012B

December 31, 2013

Date of Issue	April 24, 2012
Date of Maturity	December 1, 2032
Authorized Issue	\$3,500,000
Interest Rates	3.00% - 3.50%
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

Fiscal Year				Interest Due On			
	Principal	Interest	Totals	June 1	December 1	Amount	
2014	\$ 125,000	\$ 107,400	\$ 232,400	2014	\$ 53,700	2014	\$ 53,700
2015	130,000	103,650	233,650	2015	51,825	2015	51,825
2016	135,000	99,750	234,750	2016	49,875	2016	49,875
2017	140,000	95,700	235,700	2017	47,850	2017	47,850
2018	140,000	91,500	231,500	2018	45,750	2018	45,750
2019	150,000	87,300	237,300	2019	43,650	2019	43,650
2020	155,000	82,800	237,800	2020	41,400	2020	41,400
2021	160,000	78,150	238,150	2021	39,075	2021	39,075
2022	165,000	73,350	238,350	2022	36,675	2022	36,675
2023	175,000	68,400	243,400	2023	34,200	2023	34,200
2024	180,000	63,150	243,150	2024	31,575	2024	31,575
2025	185,000	57,750	242,750	2025	28,875	2025	28,875
2026	195,000	51,969	246,969	2026	25,985	2026	25,984
2027	200,000	45,875	245,875	2027	22,938	2027	22,937
2028	210,000	39,375	249,375	2028	19,688	2028	19,687
2029	220,000	32,550	252,550	2029	16,275	2029	16,275
2030	230,000	24,850	254,850	2030	12,425	2030	12,425
2031	235,000	16,800	251,800	2031	8,400	2031	8,400
2032	245,000	8,575	253,575	2032	4,288	2032	4,287
	<u>\$ 3,375,000</u>	<u>\$ 1,228,894</u>	<u>\$ 4,603,894</u>		<u>\$ 614,449</u>		<u>\$ 614,445</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF INSURANCE IN FORCE

December 31, 2013

Insured	Description of Coverage	Amount of Coverage	Expiration Date of Policy
Village of Wheeling	Argonaut Insurance: Comprehensive General Liability Auto Physical Damage Errors & Omissions Employee Benefits Liability Terrorism (Lloyd's 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 \$5,000,000 per occurrence, \$25,000 deductible	12/31/2014
Village of Wheeling	Property/Auto Physical Damage Limits (Federal Insurance Company)	\$120,040,635	12/31/2014
Village of Wheeling	Excess Liability (Argonaut & Torus Insurance)	\$15,000,000 (\$16,000,000 aggregate)	12/31/2014
Village of Wheeling	Workers Compensation (Safety National)	\$550,000 SIR per occurrence (\$650,000 for Police Officers) Statutory loss limit per occurrence	12/31/2014
Village of Wheeling	Crime - Employee Dishonesty (Hartford Fire Insurance Co.)	\$25,000 deductible \$5,000,000 loss limit	12/31/2014
Village of Wheeling	Boiler & Machinery (Travelers Insurance)	\$5,000 deductible \$50,000,000 loss limit	12/31/2014
Village of Wheeling	Storage Tank System (Colony Insurance)	\$5,000 deductible \$1,000,000 loss limit	12/31/2014

(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.	131-140
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the sales tax.	141-146
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.	147-150
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.	151-153
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.	154-153

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

VILLAGE OF WHEELING, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

	2004	2005	2006	2007
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 32,484,495	\$ 34,964,527	\$ 38,279,976	\$ 30,177,350
Restricted	22,610,652	22,930,347	20,192,016	29,617,995
Unrestricted	14,834,556	(11,793,666)	(9,996,054)	(6,423,488)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 69,929,703	\$ 46,101,208	\$ 48,475,938	\$ 53,371,857
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 71,768,341	\$ 33,371,623	\$ 35,710,919	\$ 36,808,647
Restricted	-	-	-	-
Unrestricted	14,760,149	57,635,307	59,865,026	64,732,651
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 86,528,490	\$ 91,006,930	\$ 95,575,945	\$ 101,541,298
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 104,252,836	\$ 68,336,150	\$ 73,990,895	\$ 66,985,997
Restricted	22,610,652	22,930,347	20,192,016	29,617,995
Unrestricted	29,594,705	45,841,641	49,868,972	58,309,163
TOTAL PRIMARY GOVERNMENT	\$ 156,458,193	\$ 137,108,138	\$ 144,051,883	\$ 154,913,155

Data Source

Audited Financial Statements

2008	2009	2010	2011	2012	2013
\$ 44,583,426	\$ 44,689,081	\$ 42,799,847	\$ 54,123,693	\$ 97,083,613	\$ 98,280,773
37,126,903	36,584,679	28,589,477	10,362,766	14,015,084	15,069,029
(25,182,170)	(23,198,346)	(10,132,657)	(7,488,366)	(8,426,292)	(7,851,728)
\$ 56,528,159	\$ 58,075,414	\$ 61,256,667	\$ 56,998,093	\$ 102,672,405	\$ 105,498,074
\$ 37,418,818	\$ 37,148,779	\$ 36,274,317	\$ 36,688,761	\$ 36,367,198	\$ 37,260,014
-	-	-	-	-	-
61,423,064	60,938,306	63,241,696	62,992,898	17,371,083	16,248,947
\$ 98,841,882	\$ 98,087,085	\$ 99,516,013	\$ 99,681,659	\$ 53,738,281	\$ 53,508,961
\$ 82,002,244	\$ 81,837,860	\$ 79,074,164	\$ 90,812,454	\$ 130,271,459	\$ 135,540,787
37,126,903	36,584,679	28,589,477	10,362,766	14,015,084	15,069,029
36,240,894	37,739,960	53,109,039	55,504,532	12,124,143	8,397,219
\$ 155,370,041	\$ 156,162,499	\$ 160,772,680	\$ 156,679,752	\$ 156,410,686	\$ 159,007,035

VILLAGE OF WHEELING, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

	2004	2005	2006	2007
EXPENSES				
Governmental Activities				
General government	\$ 9,314,779	\$ 36,362,855	\$ 16,646,480	\$ 12,984,438
Public safety	14,902,595	16,653,729	17,420,259	18,526,167
Highways and streets	2,873,423	3,538,506	3,371,315	5,412,538
Interest and fees	596,708	1,121,528	1,986,097	1,919,098
Total governmental activities expenses	<u>27,687,505</u>	<u>57,676,618</u>	<u>39,424,151</u>	<u>38,842,241</u>
Business-Type Activities				
Water and sewer	6,348,615	6,470,907	6,265,342	7,612,327
Airport	-	-	-	-
Total business-type activities expenses	<u>6,348,615</u>	<u>6,470,907</u>	<u>6,265,342</u>	<u>7,612,327</u>
TOTAL PRIMARY GOVERNMENT EXPENSES	<u>\$ 34,036,120</u>	<u>\$ 64,147,525</u>	<u>\$ 45,689,493</u>	<u>\$ 46,454,568</u>
PROGRAM REVENUES				
Governmental Activities				
Charges for services				
General government	\$ 1,622,621	\$ 1,637,061	\$ 2,372,907	\$ 1,924,264
Public safety	1,202,261	1,282,589	1,315,490	1,434,628
Highways and streets	115,564	127,553	378,991	109,808
Operating grants and contributions	1,083,257	1,273,702	1,140,286	1,165,713
Capital grants and contributions	185,513	283,567	523,929	389,243
Total governmental activities program revenues	<u>4,209,216</u>	<u>4,604,472</u>	<u>5,731,603</u>	<u>5,023,656</u>
Business-Type Activities				
Charges for services				
Water and sewer	7,209,002	7,738,223	7,883,699	7,861,160
Airport	-	2,988,838	1,779,395	5,227,834
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	<u>7,209,002</u>	<u>10,727,061</u>	<u>9,663,094</u>	<u>13,088,994</u>
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	<u>\$ 11,418,218</u>	<u>\$ 15,331,533</u>	<u>\$ 15,394,697</u>	<u>\$ 18,112,650</u>
NET REVENUES (EXPENSES)				
Governmental activities	\$ (23,478,289)	\$ (53,072,146)	\$ (33,692,548)	\$ (33,818,585)
Business-type activities	860,387	4,256,154	3,397,752	5,476,667
TOTAL PRIMARY GOVERNMENT NET REVENUES (EXPENSES)	<u>\$ (22,617,902)</u>	<u>\$ (48,815,992)</u>	<u>\$ (30,294,796)</u>	<u>\$ (28,341,918)</u>

2008	2009	2010	2011	2012	2013
\$ 17,784,959	\$ 14,122,513	\$ 14,219,565	\$ 16,233,324	\$ 18,700,252	\$ 14,476,498
19,716,414	19,885,699	20,396,013	20,733,943	21,317,828	22,913,151
1,842,576	5,476,091	2,783,647	4,577,770	2,511,525	3,137,265
2,998,209	3,462,955	3,415,044	3,227,766	3,356,724	3,227,999
42,342,158	42,947,258	40,814,269	44,772,803	45,886,329	43,754,913
7,373,555	7,067,551	6,912,264	6,817,876	7,875,234	7,871,938
3,444,406	799,270	-	266,654	-	-
10,817,961	7,866,821	6,912,264	7,084,530	7,875,234	7,871,938
\$ 53,160,119	\$ 50,814,079	\$ 47,726,533	\$ 51,857,333	\$ 53,761,563	\$ 51,626,851
\$ 1,738,155	\$ 1,758,207	\$ 1,852,231	\$ 2,192,808	\$ 2,300,930	\$ 2,041,198
1,809,901	2,166,029	1,947,388	1,862,414	1,811,500	1,807,153
112,644	103,395	102,417	129,919	129,680	121,004
1,047,865	1,065,374	1,605,286	1,433,953	1,253,583	1,265,120
523,889	1,451,630	479,199	529,573	534,653	348,823
5,232,454	6,544,635	5,986,521	6,148,667	6,030,346	5,583,298
7,734,607	6,975,799	7,588,069	7,383,748	8,498,891	8,077,300
-	-	902,589	-	-	-
32,680	-	-	-	220,890	-
7,767,287	6,975,799	8,490,658	7,383,748	8,719,781	8,077,300
\$ 12,999,741	\$ 13,520,434	\$ 14,477,179	\$ 13,532,415	\$ 14,750,127	\$ 13,660,598
\$ (37,109,704)	\$ (36,402,623)	\$ (34,827,748)	\$ (38,624,136)	\$ (40,109,970)	\$ (38,171,615)
(3,050,674)	(891,022)	1,578,394	299,218	844,547	205,362
\$ (40,160,378)	\$ (37,293,645)	\$ (33,249,354)	\$ (38,324,918)	\$ (39,265,423)	\$ (37,966,253)

VILLAGE OF WHEELING, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

	2004	2005	2006	2007
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental Activities				
Taxes				
Property	\$ 9,952,437	\$ 12,713,681	\$ 14,028,604	\$ 14,534,879
Sales	7,508,220	7,770,204	10,395,445	10,654,354
Other	6,930,374	7,487,039	8,395,952	9,881,950
Intergovernmental*	-	-	-	-
Investment earnings	719,220	612,727	1,502,072	1,654,636
Miscellaneous	1,002,520	831,464	590,224	292,951
Contributions	1,539,906	-	1,228,782	-
Gain on disposal of capital assets	-	-	-	-
Transfers	(483,480)	(60,232)	-	-
Total governmental activities	27,169,197	29,354,883	36,141,079	37,018,770
Business-Type Activities				
Investment earnings	86,953	118,877	309,791	343,833
Gain on sale of capital assets	-	-	-	-
Income from joint venture	1,913,366	-	-	-
Miscellaneous	44,965	56,076	-	-
Contributions	636,401	-	-	-
Transfers	483,480	60,232	861,472	-
Total business-type activities	3,165,165	235,185	1,171,263	343,833
TOTAL PRIMARY GOVERNMENT	\$ 30,334,362	\$ 29,590,068	\$ 37,312,342	\$ 37,362,603
SPECIAL ITEM - GOVERNMENTAL ACTIVITIES	\$ -	\$ -	\$ -	\$ 1,695,734
SPECIAL ITEM - BUSINESS-TYPE ACTIVITIES	\$ -	\$ -	\$ -	\$ 144,853
CHANGE IN NET POSITION				
Governmental activities	\$ 3,690,908	\$ (23,717,263)	\$ 2,448,531	\$ 4,895,919
Business-type activities	4,025,552	4,491,339	4,569,015	5,965,353
TOTAL PRIMARY GOVERNMENT				
CHANGE IN NET POSITION	\$ 7,716,460	\$ (19,225,924)	\$ 7,017,546	\$ 10,861,272

* Income tax and certain other intergovernmental revenues were reclassified beginning with the year ended December 31, 2009.

Data Source

Audited Financial Statements

2008	2009	2010	2011	2012	2013
\$ 18,240,322	\$ 20,053,651	\$ 19,626,799	\$ 19,520,238	\$ 19,022,348	\$ 18,781,294
9,536,539	7,941,951	7,983,543	8,076,606	8,510,612	9,430,241
10,029,935	5,079,052	5,127,712	5,201,932	5,220,358	6,287,177
-	3,869,328	3,831,811	3,799,369	4,149,329	4,541,061
1,972,157	714,969	557,803	307,641	382,600	108,698
487,053	295,113	617,396	1,144,281	1,198,450	1,360,893
-	-	-	-	-	-
-	-	-	-	19,703	1,152
-	(4,186)	263,937	220,639	433,336	486,768
40,266,006	37,949,878	38,009,001	38,270,706	38,936,736	40,997,284
341,378	114,527	114,471	29,945	83,886	40,086
-	-	-	57,122	-	12,000
-	-	-	-	-	-
9,880	17,512	-	-	-	-
-	-	-	-	-	-
-	4,186	(263,937)	(220,639)	(433,336)	(486,768)
351,258	136,225	(149,466)	(133,572)	(349,450)	(434,682)
\$ 40,617,264	\$ 38,086,103	\$ 37,859,535	\$ 38,137,134	\$ 38,587,286	\$ 40,562,602
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 3,156,302	\$ 1,547,255	\$ 3,181,253	\$ (353,430)	\$ (919,247)	\$ 2,825,669
(2,699,416)	(754,797)	1,428,928	165,646	495,097	(229,320)
\$ 456,886	\$ 792,458	\$ 4,610,181	\$ (187,784)	\$ (424,150)	\$ 2,596,349

VILLAGE OF WHEELING, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	2004	2005	2006	2007
GENERAL FUND				
Nonspendable				
Long-term receivable	\$ -	\$ -	\$ -	\$ -
Prepaid items	-	-	-	-
Inventory	-	-	-	-
Assigned				
Health insurance	-	-	-	-
Subsequent year's budget	-	-	-	-
Unassigned	-	-	-	-
Reserved	590,310	727,988	770,103	1,922,853
Unreserved	14,753,238	13,462,781	15,452,128	18,339,434
TOTAL GENERAL FUND	\$ 15,343,548	\$ 14,190,769	\$ 16,222,231	\$ 20,262,287
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable				
Prepaid items	\$ -	\$ -	\$ -	\$ -
Inventory	-	-	-	-
Land held for resale	-	-	-	-
Restricted				
Capital projects	-	-	-	-
Highways and streets	-	-	-	-
Public safety	-	-	-	-
Economic development	-	-	-	-
Debt service	-	-	-	-
Unrestricted				
Assigned				
Capital improvements	-	-	-	-
Unassigned, reported in				
Special Revenue Funds	-	-	-	-
Capital Project Funds	-	-	-	-
Reserved	23,341,663	22,930,347	20,193,276	29,618,534
Unreserved, reported in				
Special Revenue Funds	-	-	(1,260)	(2,035)
Capital Project Funds	3,048,009	4,003,921	3,823,167	2,646,930
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 26,389,672	\$ 26,934,268	\$ 24,015,183	\$ 32,263,429

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

Data Source

Audited Financial Statements

2008	2009	2010*	2011	2012	2013
\$ -	\$ -	\$ -	\$ -	\$ 576,000	\$ -
-	-	340,730	369,478	372,806	281,547
-	-	264,114	304,889	262,536	265,189
-	-	1,252,725	1,463,995	1,703,945	703,552
-	-	-	-	400,000	1,055,804
-	-	12,332,962	13,615,841	10,608,389	12,188,455
7,208,103	545,940	-	-	-	-
10,823,755	14,913,216	-	-	-	-
<u>\$ 18,031,858</u>	<u>\$ 15,459,156</u>	<u>\$ 14,190,531</u>	<u>\$ 15,754,203</u>	<u>\$ 13,923,676</u>	<u>\$ 14,494,547</u>
\$ -	\$ -	\$ 10,428	\$ 18,932	\$ 27,794	\$ 8,654
-	-	131,588	152,690	206,004	35,668
-	-	18,336,679	-	-	-
-	-	1,549,710	1,624,317	2,400,320	1,774,679
-	-	1,751,968	1,364,232	1,390,892	1,403,952
-	-	224,502	119,151	345,382	374,390
-	-	6,673,568	7,187,998	9,238,485	10,866,598
-	-	53,050	67,068	30,108	39,513
-	-	3,473,088	3,874,974	4,695,811	4,509,086
-	-	(1,664)	(1,742)	(1,788)	(1,676)
-	-	(475,217)	(1,286,092)	(1,105,948)	(1,939,250)
37,130,548	36,735,159	-	-	-	-
(1,371)	(1,532)	-	-	-	-
(2,604,191)	(2,078,086)	-	-	-	-
<u>\$ 34,524,986</u>	<u>\$ 34,655,541</u>	<u>\$ 31,727,700</u>	<u>\$ 13,121,528</u>	<u>\$ 17,227,060</u>	<u>\$ 17,071,614</u>

VILLAGE OF WHEELING, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	2004	2005	2006	2007
REVENUES				
Taxes	\$ 21,450,586	\$ 24,595,106	\$ 28,855,592	\$ 30,654,347
Licenses and permits	426,435	408,730	913,665	494,548
Intergovernmental	4,002,829	4,773,865	5,460,811	5,704,821
Fines and forfeitures	318,417	1,759,129	2,308,620	2,179,819
Charges for services	1,757,413	392,758	377,745	351,839
Investment income	719,220	612,727	1,502,072	1,654,636
Miscellaneous	1,647,087	1,477,272	1,225,395	1,002,416
Total revenues	30,321,987	34,019,587	40,643,900	42,042,426
EXPENDITURES				
General government	8,297,060	9,351,086	9,501,709	10,020,189
Public safety	14,511,462	15,917,000	16,954,892	18,282,302
Highways and streets	860,994	987,850	2,227,587	3,327,986
Capital outlay	6,597,684	29,755,245	8,328,521	6,347,338
Debt service				
Principal	1,750,000	1,815,000	1,880,000	1,705,000
Interest	311,402	860,974	1,721,895	1,842,556
Total expenditures	32,328,602	58,687,155	40,614,604	41,525,371
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,006,615)	(24,667,568)	29,296	517,055
OTHER FINANCING SOURCES (USES)				
Transfers in	1,179,720	5,678,677	3,720,499	1,385,960
Transfers (out)	(1,663,200)	(5,738,909)	(4,090,499)	(1,385,960)
Bonds issued	8,000,000	24,140,000	-	10,000,000
Premium on bonds issued	-	-	-	-
Discount on bonds issued	(49,860)	(39,999)	-	-
TIF development note issued	-	-	-	-
Payment to escrow agent	-	-	-	-
Loss on disposal of land held for resale	-	-	(578,212)	(38,530)
Sale of capital assets	25,614	19,616	31,293	114,043
Total other financing sources (uses)	7,492,274	24,059,385	(916,919)	10,075,513
SPECIAL ITEM	-	-	-	1,695,734
NET CHANGE IN FUND BALANCES	\$ 5,485,659	\$ (608,183)	\$ (887,623)	\$ 12,288,302
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	8.01%	9.25%	11.16%	10.08%

Data Source

Audited Financial Statements

	2008	2009	2010	2011	2012	2013
\$	33,081,075	\$ 32,855,735	\$ 32,502,099	\$ 32,526,698	\$ 32,474,707	\$ 34,217,612
	452,055	438,417	445,774	627,026	536,729	544,271
	6,075,977	6,386,331	5,916,297	5,762,896	5,683,578	5,866,502
	2,107,271	2,013,155	2,092,093	3,017,946	3,280,116	3,006,290
	606,984	1,068,433	843,584	732,417	690,272	714,405
	1,972,157	714,969	557,803	307,641	382,600	108,698
	1,202,941	1,021,659	1,373,935	1,224,110	1,212,054	1,346,382
	45,498,460	44,498,699	43,731,585	44,198,734	44,260,056	45,804,160
	11,413,172	10,379,637	9,129,789	8,706,123	10,200,168	9,642,297
	19,478,287	19,336,413	20,710,039	20,103,256	20,713,189	21,681,228
	1,377,369	2,610,475	1,383,873	1,997,699	1,519,075	1,852,783
	28,828,056	19,722,483	12,180,419	7,409,366	8,322,334	7,084,028
	1,485,000	1,570,000	1,500,000	1,735,000	2,063,150	2,638,982
	2,969,421	3,346,722	3,319,203	3,267,345	3,140,841	2,977,337
	65,551,305	56,965,730	48,223,323	43,218,789	45,958,757	45,876,655
	(20,052,845)	(12,467,031)	(4,491,738)	979,945	(1,698,701)	(72,495)
	1,703,588	3,315,179	14,524,176	2,987,807	4,460,454	3,154,615
	(1,703,588)	(3,319,365)	(14,260,239)	(2,600,365)	(4,227,118)	(2,667,847)
	20,000,000	10,000,000	-	6,988,943	3,925,000	-
	-	-	-	193,198	222,801	-
	-	-	-	-	-	-
	-	-	-	-	3,500,000	-
	-	-	-	(7,263,149)	(4,037,582)	-
	-	-	-	-	-	-
	83,973	29,070	31,335	7,800	19,703	1,152
	20,083,973	10,024,884	295,272	314,234	3,863,258	487,920
	-	-	-	-	-	-
\$	31,128	\$ (2,442,147)	\$ (4,196,466)	\$ 1,294,179	\$ 2,164,557	\$ 415,425
	10.66%	11.66%	12.07%	11.94%	11.63%	13.08%

VILLAGE OF WHEELING, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Cook County					Lake County Total Property	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					
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	644,263,611	162,850,032	558,529,065	79,266	939,333	6,200,247	1,372,861,554	0.707	4,118,584,662	33.333%
2009	708,601,147	134,630,472	502,031,477	48,235	1,052,243	6,028,165	1,352,391,739	0.770	4,057,175,217	33.333%
2010	625,503,040	126,633,405	467,430,769	37,187	1,253,590	5,752,338	1,226,610,329	0.892	3,679,830,987	33.333%
2011	562,378,196	112,456,049	407,022,376	37,187	1,162,024	5,673,483	1,088,729,315	1.004	3,266,187,945	33.333%
2012	506,940,389	107,718,357	376,869,218	37,187	758,102	5,330,444	997,653,697	1.138	2,992,961,091	33.333%

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

DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Levy Years

Levy Year	Village Direct Rates					Overlapping Rates (a)										
	General	Bonds and Interest	Police Pension	Fire Pension	Total Direct Tax Rate	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 Trail Public Library	Wheeling C C School District 21
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	0.6737	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	0.4960	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	0.4230	0.0510	-	0.0430	0.2740	0.0090	1.8390	0.2950	0.5710	0.3470	3.6580
2011	0.7154	0.0398	0.1271	0.1217	1.0040	0.4620	0.0580	-	0.0480	0.3200	0.0100	2.0670	0.3340	0.6540	0.3930	4.1640
2012	0.7444	0.0996	0.1430	0.1507	1.1377	0.5310	0.0630	-	0.0520	0.3700	0.0110	2.3240	0.3730	0.7380	0.4630	4.5560

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

Data Source

Office of the County Clerk

VILLAGE OF WHEELING, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	Type of Business	2013			2004		
		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	\$ 19,900,007	1	1.99%			
Wal-Mart Stores Inc.	Retail & Wholesale Discount Stores	18,268,308	2	1.83%	\$ 15,168,401	2	1.61%
C Cusick USGI INCC	Woodland Creek Apartments	13,753,205	3	1.38%	17,951,999	1	1.91%
Allstate Insurance Co	Real Estate Holdings	11,760,629	4	1.18%	14,718,105	3	1.56%
Durable Inc	Industrial	9,784,649	5	0.98%	7,936,060	8	0.84%
Shorewood Management	Mallard Lake Apartments	8,222,412	6	0.82%	11,487,874	5	1.22%
Capstone Realty	Arlington Club/Village Green Apartments	7,775,876	7	0.78%	13,307,877	4	1.41%
DCT Industrial	Industrial	7,063,762	8	0.71%			
Pactiv Corp.	Alumimum Foil Products	6,758,766	9	0.68%	9,895,502	6	1.05%
Cabot Property	Real Estate Holdings	6,465,578	10	0.65%			
Foxboro Apartments	Real Property				8,546,755	7	0.91%
HPT CW Properties	Candlewood Hotel Co.				7,244,111	9	0.77%
Pine Hill Limited	Pine Hill Apartments				6,596,726	10	0.70%
		<u>\$ 109,753,192</u>		<u>11.00%</u>	<u>\$ 112,853,410</u>		<u>11.98%</u>

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

Data Source

Office of the County Clerk

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
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%
2011	10,930,632	10,565,589	96.66%	74,245	10,639,834	97.34%
2012	11,350,882	10,912,249	96.14%	85,070	10,997,319	96.89%

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 Ten Fiscal Years

Fiscal Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General merchandise	\$ 1,422,425	\$ 1,419,580	\$ 1,342,665	\$ 1,486,056	\$ 1,481,144	\$ 1,427,529	\$ 1,402,253	\$ 1,396,088	\$ 1,173,241	\$ 1,429,594
Food	551,967	549,384	549,085	590,675	538,346	565,923	492,894	479,897	508,014	651,499
Drinking and eating places	974,036	1,103,403	1,066,168	1,295,391	1,778,178	1,684,245	1,425,186	1,559,847	1,411,629	1,596,618
Apparel	12,497	13,701	14,730	16,800	18,619	21,337	21,972	29,283	215,248	22,137
Furniture & H.H. & Radio	344,420	328,956	354,842	515,529	542,113	478,916	234,314	352,717	241,592	365,085
Lumber, building hardware	232,135	237,653	394,147	550,604	711,156	714,022	582,744	547,706	527,913	519,347
Automobile and filling stations	585,422	587,033	649,795	2,063,177	1,322,485	823,683	738,858	766,793	860,719	867,975
Drugs and miscellaneous retail	555,071	668,512	661,554	666,211	670,955	687,225	553,660	560,097	561,997	571,162
Agriculture and all others	1,551,711	1,583,345	1,661,990	1,878,295	2,211,457	2,061,432	1,459,648	1,328,013	1,396,313	1,420,378
Manufacturers	687,605	656,612	672,161	833,893	649,508	521,939	440,853	417,144	211,273	251,196
TOTAL**	\$ 6,917,289	\$ 7,148,179	\$ 7,367,137	\$ 9,896,631	\$ 9,923,961	\$ 8,986,251	\$ 7,352,382	\$ 7,437,585	\$ 7,107,939	\$ 7,694,991
VILLAGE DIRECT SALES TAX RATE	1.00%	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%	0.75%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Note: 2013 information was not available at the time this report was prepared.

* Includes the Cook and 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

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
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%	8.25%	9.25%
2012	1.00%	8.25%	9.25%
2013	1.00%	8.00%	9.00%

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

Data Source

Illinois Department of Revenue
Village Records

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	TIF Revenue Notes	General Obligation Bonds				
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%	1,106.14	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%
2012	50,496,768	17,700,000	3,601,944	4,793,232	76,591,944	2.34%	2,034.42	8.23%
2013	48,990,391	16,990,000	3,421,821	4,449,609	73,851,821	2.47%	1,961.64	7.35%

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

(1) Assessed value and actual value of taxable property

(2) See the schedule of Demographic and Economic Information on page 151 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	Governmental Activites General Obligation Bonds*	Business-Type Activites General Obligation Bonds*	Less Amounts Available In Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2004	\$ 17,038,700	\$ 3,635,000	\$ 353,810	\$ 20,319,890	0.59%	\$ 589
2005	20,412,308	3,235,000	41,094	23,606,214	0.62%	612.27
2006	18,582,906	2,830,000	90,537	21,322,369	0.53%	553.04
2007	26,930,533	2,420,000	89,145	29,261,388	0.77%	758.95
2008	45,499,078	2,020,000	67,082	47,451,996	1.13%	1,230.76
2009	53,982,768	1,625,000	24,550	55,583,218	1.31%	1,441.66
2010	52,790,735	1,500,000	53,050	54,237,685	1.34%	1,440.65
2011	51,653,943	1,456,057	67,068	53,042,932	1.44%	1,408.92
2012	50,496,768	4,793,232	30,108	55,259,892	1.69%	1,467.80
2013	48,990,391	4,449,609	39,513	53,400,487	1.78%	1,418.41

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 141 for property value data.

Data Source

Village records

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF LEGAL DEBT MARGIN

December 31, 2013

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, 2013

Governmental Unit	Gross Debt	Percentage Debt Applicable to the Village of Wheeling (1)	Village of Wheeling Share of Debt
Village of Wheeling	\$ 69,402,212	100.00%	\$ 69,402,212
Cook County, including Forest Preserve	3,894,385,000	0.71%	27,650,134
Lake County	82,955,000	0.02%	16,591
Metropolitan Water Reclamation District	2,238,816,507	0.73%	16,343,361
Prospect Heights Park District	8,633,314	16.63%	1,435,720
River Trails Park District	7,439,122	0.02%	1,488
Wheeling Park District	9,885,000	88.07%	8,705,720
Indian Trails Library	-	45.35%	-
School District No. 21	28,358,314	47.42%	13,447,512
School District No. 23	1,560,000	18.66%	291,096
School District No. 102	5,625,000	0.66%	37,125
High School District No. 125	24,265,000	0.16%	38,824
High School District No. 214	46,530,000	11.49%	5,346,297
Community College District No. 512	178,285,000	5.25%	9,359,963
Community College District No. 532	20,535,000	0.02%	4,107
	<u>6,547,272,257</u>		<u>82,677,938</u>
	<u>\$ 6,616,674,469</u>		<u>\$ 152,080,150</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
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%
2012	37,648	931,072,688	24,731	36.1	6,620	7.7%
2013	37,648	1,005,126,304	26,698	36.1	6,681	7.1%

Note: 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	2013			2004		
	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	4,350		11.56%	4,384		12.71%

Data Source

2013 Illinois Service Directory

VILLAGE OF WHEELING, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
GENERAL GOVERNMENT										
Management Services	4	4	5	5	6	6	6	5	5	5
Human Resources	2	2	2	2	2	2	2	2	2	2
Finance	12	11	11	12	10	9	8	8	8	8
Information Systems	-	-	-	-	3	4	4	3	4	4
Economic Development	2	2	-	-	-	-	-	-	-	-
Human Services	3	3	4	4	4	5	5	6	6	6
Community Development	18	18	18	18	17	15	13	13	13	13
Engineering	-	-	-	-	4	4	2	2	2	2
PUBLIC SAFETY										
Police										
Officers	65	65	66	66	68	65	62	62	62	62
Civilians	25	27	27	27	28	25	22	21	21	23
Fire										
Firefighters and officers	54	54	56	56	57	48	48	50	50	50
Civilians	2	2	2	2	4	5	4	3	4	4
PUBLIC WORKS										
Administration	3	4	4	4	4	5	4	4	4	4
Capital Projects and Design	13	13	13	13	9	4	4	4	4	3
Building Services	11	12	12	12	6	6	6	5	6	6
Fleet Services	-	-	6	6	5	5	4	5	5	5
Forestry	-	-	-	-	4	4	3	4	4	4
Utilities	22	21	21	21	21	21	18	17	18	18
Street Maintenance	10	10	10	10	9	9	7	5	5	4
	246	248	257	258	261	242	222	219	223	223

Data Source

Village budget office

VILLAGE OF WHEELING, ILLINOIS

OPERATING INDICATORS BY FUNCTION

Last Ten Fiscal Years

Function	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
POLICE										
DUI arrests	227	203	189	221	244	246	168	155	110	130
Accidents	1,380	1,763	1,678	1,606	1,522	1,297	1,109	1,198	1,047	1,126
Total tickets	18,527	18,545	17,208	16,699	14,219	17,018	14,133	14,674	14,166	12,051
Total calls	27,319	25,708	29,216	39,233	34,244	32,770	32,389	33,857	34,797	34,186
FIRE										
Number of calls answered	3,471	3,782	3,794	4,120	4,475	4,302	4,271	4,422	4,354	4,534
Inspections	2,178	2,123	2,665	2,623	2,319	2,162	2,047	1,652	1,547	1,342
HIGHWAYS AND STREETS										
Word orders completed	1,409	1,566	1,744	1,989	1,902	1,740	1,821	2,276	2,260	1,750
Sidewalks plowed	284	518	186	619	722	668	668	400	116	386
WATER AND SEWER										
Meter replacements	373	177	N/A	N/A	N/A	N/A	N/A	N/A	90	545
Customer service calls	1,140	1,300	1,380	1,320	2,500	1,600	1,700	1,939	2,215	2,310
Sanitary sewer complaints	93	68	106	106	63	78	84	68	127	111
Sanitary sewer cleaned (l.f.)	65,447	35,721	42,600	35,290	26,835	16,092	13,257	14,204	58,000	33,483
Catch basins/inlets cleaned	323	105	172	172	106	45	63	89	107	59

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	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Number of squad cars	33	33	33	33	40	40	41	41	41	42
Fire										
Stations	2	2	2	2	2	2	2	3	3	3
HIGHWAYS AND STREETS										
Streets (miles)	65	65	65	65	75	75	75	75	75	75
WATER										
Water mains (miles)	134	138	138	138	148	148	155	155	155	155
Fire hydrants	1,488	1,568	1,620	1,631	1,635	1,635	1,651	1,709	1,709	1,766
Average daily pumpage (mgd)	5	5	5	5	5	5	4	4	4	4
SEWER										
Sanitary sewers (miles)	77	77	77	77	83	83	87	87	87	89
Storm sewers (miles)	68	68	68	68	72	72	72	72	72	72
BUILDING INSPECTIONS										
Number of permits issued	1,691	1,327	1,369	1,151	1,426	1,348	1,364	1,650	1,501	1,488
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



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

630.566.8400 // www.sikich.com

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

REPORT OF INDEPENDENT ACCOUNTANT'S ON COMPLIANCE

The Honorable Mayor
Members of the Board of Trustees
Village of Wheeling, Illinois

We have examined management's assertion that the Village of Wheeling, Illinois, complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended December 31, 2013. As discussed in that representation letter, management is responsible for the Village of Wheeling, Illinois' compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Village of Wheeling, Illinois' compliance based on our examination.

Our examination was made in accordance with the standards established by the American Institute of Public Accountants and, accordingly, included examining, on a test basis, evidence about the Village of Wheeling, Illinois' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Village of Wheeling, Illinois' compliance with statutory requirements.

In our opinion, management's assertion that the Village of Wheeling, Illinois complied with the aforementioned requirements for the year ended December 31, 2013, is fairly stated in all material respects.

This report is intended solely for the information and use of the Village Board, management, the joint review board, the Illinois State Comptroller, and the Illinois Department of Revenue and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read 'Sikich LLP'.

Naperville, Illinois
April 22, 2014

2014 DISCLOSURE

Relating to

**VILLAGE OF WHEELING
Cook and Lake Counties, Illinois**

CUSIP NUMBER 963099

\$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 Boulevard
Wheeling, Illinois 60090**

Phone: (847) 459-2600

Fax: (847) 459-9692

5/28/14

I. ANNUAL FINANCIAL INFORMATION REPORT UPDATE

Retailers' Occupation, Service Occupation and Use Tax

DEBT INFORMATION

Village General Obligation Bonded Debt

Overlapping Bonded Debt

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*Statement of Activities – Net (Expense) Revenue and Changes in Net Position –
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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 + (-)
2004	\$4,884,679	\$2,684,724	\$ 7,569,403	3.50%(3)
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%
2012	5,030,987	3,478,485	8,509,472	5.39%
2013	5,588,948	3,840,287	9,429,235	10.81%
Growth from 2004 to 2013				24.57%

- 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 2004 percentage is based on a 2003 sales tax of \$7,313,234.

DIRECT GENERAL OBLIGATION DEBT (see schedules following)

Total General Obligation Bonds	<u>\$53,440,000</u>
Total General Obligation Debt	<u>\$53,440,000</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	\$16,210,000

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

(As of April 7, 2014)

Calendar Year	Series 2007	Series 2008	Series 2009	Series 2011	Series 2012A	Series 2012B	Total Debt	Cumulative Principal Retired	
								Amount	Percent
2014	\$ 0	\$ 840,000	\$ 0	\$ 780,000	\$ 295,000	\$ 125,000	\$ 2,040,000	\$ 2,040,000	3.82%
2015	0	1,015,000	0	785,000	305,000	130,000	2,235,000	4,275,000	8.00%
2016	0	1,205,000	0	825,000	315,000	135,000	2,480,000	6,755,000	12.64%
2017	0	1,400,000	0	825,000	325,000	140,000	2,690,000	9,445,000	17.67%
2018	0	1,600,000	0	835,000	335,000	140,000	2,910,000	12,355,000	23.12%
2019	0	1,815,000	0	665,000	340,000	150,000	2,970,000	15,325,000	28.68%
2020	0	2,030,000	0	685,000	355,000	155,000	3,225,000	18,550,000	34.71%
2021	0	2,250,000	0	705,000	370,000	160,000	3,485,000	22,035,000	41.23%
2022	0	2,475,000	0	720,000	380,000	165,000	3,740,000	25,775,000	48.23%
2023	0	2,700,000	0	610,000	390,000	175,000	3,875,000	29,650,000	55.48%
2024	0	1,490,000	1,435,000	0	400,000	180,000	3,505,000	33,155,000	62.04%
2025	0	0	3,140,000	0	0	185,000	3,325,000	36,480,000	68.26%
2026	0	0	3,340,000	0	0	195,000	3,535,000	40,015,000	74.88%
2027	1,445,000	0	2,085,000	0	0	200,000	3,730,000	43,745,000	81.86%
2028	3,700,000	0	0	0	0	210,000	3,910,000	47,655,000	89.17%
2029	3,850,000	0	0	0	0	220,000	4,070,000	51,725,000	96.79%
2030	1,005,000	0	0	0	0	230,000	1,235,000	52,960,000	99.10%
2031	0	0	0	0	0	235,000	235,000	53,195,000	99.54%
2032	0	0	0	0	0	245,000	245,000	53,440,000	100.00%
Total	\$10,000,000	\$18,820,000	\$10,000,000	\$7,435,000	\$3,810,000	\$3,375,000	\$53,440,000		

Note: (1) Source: the Village.

OVERLAPPING DEBT (1)(2)

	Outstanding Debt	Applicable to Village	
		Percent(3)	Amount
Schools:			
School District Number 21	\$ 44,265,000	47.87%	\$21,189,656
School District Number 23	8,565,000	18.28%	1,565,682
School District Number 102	4,420,000	0.65%	28,730
High School District Number 125	20,985,000	0.17%	35,675
High School District Number 214	44,695,000	11.45%	5,117,578
Community College District Number 512	175,310,000	5.22%	9,151,182
Community College District Number 532	77,990,000	0.02%	15,598
Total Schools			<u>\$37,104,100</u>
Other:			
Cook County	\$3,578,905,000	0.73%	\$26,126,007
Cook County Forest Preserve District	179,655,000	0.73%	1,311,482
Lake County	81,055,000	0.02%	16,211
Lake County Forest Preserve District	288,495,000	0.02%	57,699
Metropolitan Water Reclamation District	2,168,368,889	0.74%	16,045,930
Wheeling Park District	9,740,000	88.54%	8,623,796
Prospect Heights Park District	8,743,130	16.34%	1,428,627
River Trails Park District	8,040,000	0.02%	1,608
Total Other			<u>\$53,611,359</u>
Total Schools and Other Overlapping Bonded Debt			<u>\$90,715,459</u>

- Notes: (1) Source: Cook and Lake County Clerks.
(2) As of December 31, 2013.
(3) Overlapping debt percentages based on 2012 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, 2012	\$ 997,653,697	100.00%	33.33%	\$26,499.51
Estimated Actual Value, 2012	\$2,992,961,091	300.00%	100.00%	\$79,498.54
Total Direct Bonded Debt	\$ 53,440,000	5.36%	1.79%	\$ 1,419.46
Overlapping Bonded Debt(2):				
Schools	\$ 37,104,100	3.72%	1.24%	\$ 985.55
Other	53,611,359	5.37%	1.79%	1,424.02
Total Overlapping Bonded Debt	<u>\$ 90,715,459</u>	<u>9.09%</u>	<u>3.03%</u>	<u>\$ 2,409.57</u>
Total Direct and Overlapping Bonded Debt	\$ 144,155,459	14.45%	4.82%	\$ 3,829.03

- Notes: (1) Source: Cook and Lake Counties Clerks.
(2) As of December 31, 2013.

VILLAGE EQUALIZED ASSESSED VALUATION(I)

Property Class	Levy Years				
	2008	2009	2010(2)	2011	2012
Residential	\$ 644,263,611	\$ 708,601,147	\$ 625,503,040	\$ 562,378,196	\$506,940,389
Farm.....	79,266	48,235	37,187	37,187	37,187
Commercial.....	162,850,032	134,630,472	126,633,405	112,456,049	107,718,357
Industrial	558,529,065	502,031,477	467,430,769	407,022,376	376,869,218
Railroad.....	939,333	1,052,243	1,253,590	1,162,024	758,102
Total	\$1,366,661,307	\$1,346,363,574	\$1,220,857,991	\$1,083,055,832	\$992,323,253
Lake County.....	6,200,247	6,028,165	5,752,338	5,673,483	5,330,444
Total	\$1,372,861,554	\$1,352,391,739	\$1,226,610,329	\$1,088,729,315	\$997,653,697
Percent Change +/-	2.80%(3)	(1.49%)	(9.30%)	(11.24%)	(8.37%)

- Notes: (1) Source: Cook County Clerk.
 (2) Triennial reassessment year.
 (3) Percentage change based on 2007 EAV of \$1,335,459,160.

LARGER TAXPAYERS(I)

Taxpayer Name	Business/Service	2012 EAV(2)
Westin Hotel.....	Hotel	\$16,929,507
Wal-Mart Stores	Retail Discount Store.....	15,531,384
Woodland Creek Assoc.....	Apartments	11,692,725
Allstate Insurance Co.	Insurance	9,998,673
Durable Packaging International.....	Industrial	8,318,730
DCT Industrial	Real Estate	7,183,312
Pactiv	Food Packaging.....	7,053,831
Shorewood Management	Mallard Lake Apartments.....	6,990,545
Capstone Realty Advisors.....	Real Estate	6,628,732
Cabot Prop. Inc.	Real Estate	5,496,917
Total		\$95,824,356
Ten Largest Taxpayers as Percent of Village's 2012 EAV (\$997,653,697)		9.60%

- 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 2012 EAV is the most current available.

TAX LEVIES AND COLLECTIONS(I)

Levy Year	Coll. Year	Taxes Extended	Total Collections(2)	
			Amount	Percent
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%
2011.....	2012	10,873,881	10,639,834	97.85%
2012.....	2013	11,352,979	10,997,319	96.87%

- Notes: (1) Source: Cook County Treasurer, Lake County Treasurer and the Village.
 (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				
	2008	2009	2010	2011	2012
The Village:					
Corporate	\$0.4099	\$0.4776	\$0.6533	\$0.7154	\$0.7444
Bonds and Interest	0.1766	0.1123	0.0386	0.0398	0.0996
Police Pension	0.0640	0.0957	0.1038	0.1271	0.1430
Fire Pension	<u>0.0561</u>	<u>0.0838</u>	<u>0.0956</u>	<u>0.1217</u>	<u>0.1507</u>
Total Village Rates(2).....	\$0.7070	\$0.7700	\$0.8920	\$1.0040	\$1.1380

- 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				
	2008	2009	2010	2011	2012
Cook County	\$0.4150	\$0.3940	\$0.4230	\$0.4620	\$ 0.5310
Cook County Forest Preserve District.....	0.0510	0.0490	0.0510	0.0580	0.0630
Metropolitan Water Reclamation District.....	0.2520	0.2610	0.2740	0.3200	0.3700
Northwest Mosquito Abatement District.....	0.0080	0.0080	0.0090	0.0100	0.0110
Consolidated Elections.....	0.0000	0.0210	0.0000	0.0250	0.0000
Wheeling Township.....	0.0380	0.0390	0.0430	0.0480	0.0520
General Assistance.....	0.0090	0.0090	0.0050	0.0090	0.0090
Road and Bridge	0.0120	0.0120	0.0140	0.0150	0.0160
School District Number 21	3.1610	3.2090	3.6580	4.1640	4.5560
High School District Number 214	1.5870	1.6360	1.8390	2.0670	2.3240
Community College District Number 512.....	0.2560	0.2580	0.2950	0.3340	0.3730
Indian Trails Public Library District.....	0.3080	0.3070	0.3470	0.3930	0.4630
Wheeling Park District.....	<u>0.4960</u>	<u>0.4900</u>	<u>0.5710</u>	<u>0.6540</u>	<u>0.7380</u>
Total Tax Rates(3)	\$7.3000	\$7.4630	\$8.4210	\$9.5630	\$10.6440

- 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 51% of the Village's 2012 EAV, the most recent for which such ratios can be computed.

FINANCIAL INFORMATION

Statement of Net Position - Governmental Activities(1)

	Audited as of December 31				
	2009	2010	2011	2012	2013
ASSETS:					
Cash and Investments	\$ 29,344,188	\$ 26,117,808	\$ 29,275,817	\$ 32,738,649	\$ 33,643,222
Receivables, Net:					
Property Taxes	11,088,234	12,979,611	10,994,497	11,100,581	11,677,826
Sales Taxes	2,151,779	2,106,135	2,168,497	2,277,453	2,553,906
Income Taxes.....	761,930	1,268,105	1,035,178	917,393	616,726
Telecommunications Tax	446,187	108,042	414,076	407,710	386,569
Accounts	216,965	110,443	90,176	127,427	97,481
Accrued Interest.....	59,914	45,636	52,205	46,856	42,035
IPBC	1,192,050	1,252,725	1,463,995	1,703,945	703,552
Other	624,969	748,908	858,043	802,455	975,542
Prepaid Expenses	350,289	359,121	388,493	402,507	290,284
Inventory	354,260	395,702	457,579	468,540	300,857
Due from Other Governments.....	1,190,512	252,839	265,557	101,100	129,748
Land Held for Resale	18,336,679	18,336,679	0	0	0
Advances to Other Funds	(553,756)	(703,737)	(848,657)	(1,002,614)	(1,062,514)
Deferred Charges - Unamortized Loss on Refunding	745,463	700,820	779,948	774,114	706,169
Deferred Outflows-Swap Agreement	0	3,464,821	5,922,709	5,928,027	3,641,777
Net Pension Asset.....	406,244	433,348	562,697	609,897	667,309
Capital Assets Not Being Depreciated	43,734,897	30,215,042	38,900,113	84,576,995	85,412,131
Capital Assets Being Depreciated.....	<u>38,269,404</u>	<u>56,850,175</u>	<u>58,940,940</u>	<u>58,952,072</u>	<u>58,303,260</u>
Total Assets	\$148,720,208	\$155,042,223	\$151,721,863	\$200,933,107	\$199,085,880
LIABILITIES:					
Accounts Payable	\$ 2,462,430	\$ 2,303,978	\$ 1,971,973	\$ 3,131,884	\$ 1,789,685
Accrued Payroll	365,591	426,640	414,931	477,197	603,103
Deposits Payable	175,762	78,632	103,103	104,379	115,814
Deferred Revenue	10,343,409	12,231,650	12,498,670	12,176,607	13,294,812
Claims Payable	0	0	0	0	0
Due to Fiduciary Funds.....	57,427	280,986	84,043	56,528	54,107
Interest Payable	701,503	691,678	721,412	684,245	659,146
Interest Rate Swap Agreement	0	3,464,821	5,922,709	5,928,027	3,641,777
Long-Term Liabilities:					
Due Within One Year	2,560,584	3,101,846	3,382,942	3,825,539	4,159,726
Due in More Than One Year	<u>73,978,088</u>	<u>71,505,325</u>	<u>69,623,987</u>	<u>71,876,296</u>	<u>69,269,636</u>
Total Liabilities	\$ 90,644,794	\$ 94,085,556	\$ 94,723,770	\$ 98,260,702	\$ 93,587,806
NET POSITION:					
Investment in Capital Assets, Net of Related Debt	\$ 44,689,081	\$ 42,799,847	\$ 54,123,693	\$ 97,083,613	\$ 98,280,773
Restricted for:					
Highways and Streets	1,538,962	1,751,968	1,364,232	1,390,892	1,403,952
Public Safety	362,694	224,502	119,151	955,279	984,287
Economic Development	26,746,079	25,010,247	7,187,998	9,238,485	10,866,598
Capital Projects	7,912,394	1,549,710	1,624,317	2,400,320	1,774,679
Debt Service.....	24,550	53,050	67,068	30,108	39,513
Unrestricted.....	<u>(23,198,346)</u>	<u>(10,132,657)</u>	<u>(7,488,366)</u>	<u>(8,426,292)</u>	<u>(7,851,728)</u>
TOTAL NET POSITION	<u>\$ 58,075,414</u>	<u>\$ 61,256,667</u>	<u>\$ 56,998,093</u>	<u>\$102,672,405</u>	<u>\$105,498,074</u>

Note: (1) Formerly Statement of Net Assets.

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

	Audited Year Ending December 31				
	2009	2010	2011	2012	2013
Primary Government(1):					
General Government.....	\$(12,313,704)	\$(12,299,703)	\$(13,738,860)	\$(16,381,052)	\$ (12,416,729)
Public Safety	(17,411,381)	(18,053,425)	(18,647,832)	(19,186,504)	(20,979,619)
Highways and Streets	(3,214,583)	(1,059,576)	(3,009,678)	(1,185,690)	(1,835,770)
Airport-Joint Venture	0	0	0	0	288,502
Interest and Fees	<u>(3,462,955)</u>	<u>(3,415,044)</u>	<u>(3,227,766)</u>	<u>(3,356,724)</u>	<u>(3,227,999)</u>
Total Governmental Activities	<u>\$(36,402,623)</u>	<u>\$(34,827,748)</u>	<u>\$(38,624,136)</u>	<u>\$(40,109,970)</u>	<u>\$ (38,171,615)</u>
General Revenues:					
Taxes:					
Property and Replacement	\$ 20,053,651	\$ 19,626,799	\$ 19,520,238	\$ 19,022,348	\$ 18,781,294
Sales	7,941,951	7,983,543	8,076,606	8,510,612	9,430,241
Utility	1,817,503	1,863,505	1,871,180	1,799,567	2,686,499
Telecommunications	1,946,167	1,769,146	1,733,726	1,702,077	1,565,067
Food and Beverage.....	753,117	762,197	757,431	783,361	816,668
Hotel/Motel	594,972	756,112	817,218	899,759	933,853
Income	3,133,711	3,034,361	2,988,314	3,308,032	3,587,115
Other	702,910	774,202	833,432	876,891	1,239,036
Investment Income.....	714,969	557,803	307,641	382,600	108,698
Gain on Disposal of Capital Assets.....	0	0	0	19,703	1,152
Miscellaneous	295,113	617,396	1,144,281	1,198,450	1,360,893
Increase in Equity in Joint Venture.....	0	0	0	253,987	0
Transfers	<u>(4,186)</u>	<u>263,937</u>	<u>220,639</u>	<u>433,336</u>	<u>486,768</u>
Total	<u>\$ 37,949,878</u>	<u>\$ 38,009,001</u>	<u>\$ 38,270,706</u>	<u>\$ 39,190,723</u>	<u>\$ 40,997,284</u>
CHANGE IN NET POSITION	<u>\$ 1,547,255</u>	<u>\$ 3,181,253</u>	<u>\$ (353,430)</u>	<u>\$ (919,247)</u>	<u>\$ 2,825,669</u>
Prior Period Adjustment	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (3,905,144)</u>	<u>\$ 46,593,559</u>	<u>\$ 0</u>
NET POSITION, JANUARY 1	<u>\$ 56,528,159</u>	<u>\$ 58,075,414</u>	<u>\$ 61,256,667</u>	<u>\$ 56,998,093</u>	<u>\$102,672,405</u>
NET POSITION, DECEMBER 31	<u>\$ 58,075,414</u>	<u>\$ 61,256,667</u>	<u>\$ 56,998,093</u>	<u>\$102,672,405</u>	<u>\$105,498,074</u>

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

General Fund - Balance Sheet

Audited as of Audited as of December 31

	2009	2010	2011	2012	2013
ASSETS:					
Cash and Investments	\$ 4,774,768	\$ 5,565,168	\$ 9,117,094	\$ 8,883,099	\$10,684,210
Receivables (Net Where Applicable of Allowances for Uncollectibles):					
Property Taxes	8,880,148	11,182,844	10,372,249	10,129,462	10,042,721
Sales Taxes	2,151,779	2,106,135	2,168,497	2,277,453	2,553,906
Income Taxes	761,930	1,268,105	1,035,178	917,393	616,726
Telecommunications Tax	446,187	408,042	414,076	407,710	386,569
Accrued Interest	27,331	20,301	22,873	17,600	14,353
IPBC	1,192,050	1,252,725	1,463,995	1,703,945	703,552
Other	433,517	534,694	685,594	626,952	609,128
Due from Other Governments	0	69,000	116,441	0	0
Due from Other Funds	6,598,050	2,965,226	1,393,233	195,059	579,658
Advance to Other Funds	0	0	0	576,000	0
Inventory	221,512	264,114	304,889	262,536	265,189
Prepaid Items	324,428	340,730	369,478	372,806	281,547
Total Assets and Other Debits	<u>\$25,811,700</u>	<u>\$25,977,084</u>	<u>\$27,463,597</u>	<u>\$26,370,015</u>	<u>\$26,737,559</u>
LIABILITIES:					
Accounts Payable	\$ 881,960	\$ 743,274	\$ 797,269	\$ 1,628,638	\$ 1,389,706
Accrued Payroll	354,113	419,526	404,288	473,328	594,001
Deposits Payable	175,762	78,632	103,103	104,379	115,814
Due to Fiduciary Funds	57,427	280,986	84,043	56,528	54,107
Deferred Revenue	8,883,282	10,264,135	10,320,691	10,183,466	10,089,384
Total Liabilities	<u>\$10,352,544</u>	<u>\$11,786,553</u>	<u>\$11,709,394</u>	<u>\$12,446,339</u>	<u>\$12,243,012</u>
FUND BALANCES:					
Nonspendable for Prepaid Items	\$ 324,428	\$ 340,730	\$ 369,478	\$ 372,806	\$ 281,547
Nonspendable for Inventory	221,512	264,114	304,889	262,536	265,189
Nonspendable for Long-Term Receivables	0	0	0	576,000	0
Unrestricted - Assigned for Subsequent Year's Budget	0	0	0	0	1,055,804
Unrestricted - Assigned for Health Insurance	1,192,050	1,252,725	1,463,995	1,703,945	703,552
Unrestricted - Unassigned	13,721,166	12,332,962	13,615,841	11,008,389	12,188,455
Total Fund Balances	<u>\$15,459,156</u>	<u>\$14,190,531</u>	<u>\$15,754,203</u>	<u>\$13,923,676</u>	<u>\$14,494,547</u>
Total Liabilities and Fund Balances	<u>\$25,811,700</u>	<u>\$25,977,084</u>	<u>\$27,463,597</u>	<u>\$26,370,015</u>	<u>\$26,737,559</u>

**General Fund
Revenues, Expenditures and Changes In Fund Balance**

	Audited as of Audited as of December 31				
	2009	2010	2011	2012	2013
REVENUES:					
Taxes	\$18,484,185	\$20,230,707	\$21,921,158	\$22,268,871	\$22,956,784
Licenses and Permits	438,417	445,774	627,026	536,729	544,271
Intergovernmental	3,891,974	4,164,085	4,085,025	4,290,418	4,542,285
Charges for Services	1,773,677	1,831,489	2,082,179	2,287,031	1,998,815
Fines and Forfeits	1,068,433	843,584	732,417	690,272	714,405
Investment Income	343,684	180,049	116,184	148,338	45,967
Miscellaneous	845,661	736,164	1,076,792	893,608	1,153,542
Total Revenues	<u>\$26,846,031</u>	<u>\$28,431,852</u>	<u>\$30,640,781</u>	<u>\$31,115,267</u>	<u>\$31,956,069</u>
EXPENDITURES:					
General Government	\$10,379,637	\$ 9,129,789	\$ 8,706,123	\$10,200,168	\$ 9,642,297
Public Safety	18,609,586	19,666,478	19,396,617	20,028,984	21,029,060
Debt Service	<u>0</u>	<u>0</u>	<u>0</u>	<u>15,526</u>	<u>109,235</u>
Total Expenditures	<u>\$28,989,223</u>	<u>\$28,796,267</u>	<u>\$28,102,740</u>	<u>\$30,244,678</u>	<u>\$30,780,592</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (2,143,192)	\$ (364,415)	\$ 2,538,041	\$ 870,589	\$ 1,175,477
Other Financing Sources:					
Proceeds on Sale of Capital Assets	\$ 29,070	\$ 31,335	\$ 7,800	\$ 19,703	\$ 1,152
Operating Transfers In	0	0	0	53,440	0
Operating Transfers Out	<u>(458,580)</u>	<u>(935,545)</u>	<u>(982,169)</u>	<u>(2,774,259)</u>	<u>(605,758)</u>
Total Other Financing Sources	\$ (429,510)	\$ (904,210)	\$ (974,369)	\$(2,701,116)	\$ (604,606)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (2,572,702)	\$ (1,268,625)	\$ 1,563,672	\$ (1,830,527)	\$ 570,871
Beginning Fund Balance	<u>\$18,031,858</u>	<u>\$15,459,156</u>	<u>\$14,190,531</u>	<u>\$15,754,203</u>	<u>\$13,923,676</u>
Ending Fund Balance	<u>\$15,459,156</u>	<u>\$14,190,531</u>	<u>\$15,754,203</u>	<u>\$13,923,676</u>	<u>\$14,494,547</u>

**General Fund
Budgeted Financial Information**

	Budget Twelve Months Ending 12/31/2014
REVENUES:	
Taxes	\$19,174,748
Licenses and Permits	534,431
Intergovernmental	4,738,376
Charges for Services	4,087,869
Fines and Forfeits	699,589
Interest	142,261
Miscellaneous	<u>4,132,785</u>
Total Revenues	\$33,510,059
EXPENDITURES:	
Personnel Services	\$23,652,153
Contractual Services	8,075,795
Commodities	1,385,684
Capital Improvements	0
Other	310,000
Transfers Out	<u>1,142,231</u>
Total Expenditures	\$34,565,863
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (1,055,804)