



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2017

Wheeling Town Center Currently Under Construction



WHEELING, ILLINOIS

VILLAGE OF WHEELING, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
December 31, 2017

Prepared by Finance Department

Michael B. Mondschain
Director of Finance

Brian Smith
Assistant Director of Finance

VILLAGE OF WHEELING, ILLINOIS
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INTRODUCTORY SECTION

VILLAGE OF WHEELING, ILLINOIS

PRINCIPAL OFFICIALS

DECEMBER 31, 2017

ELECTED OFFICIALS

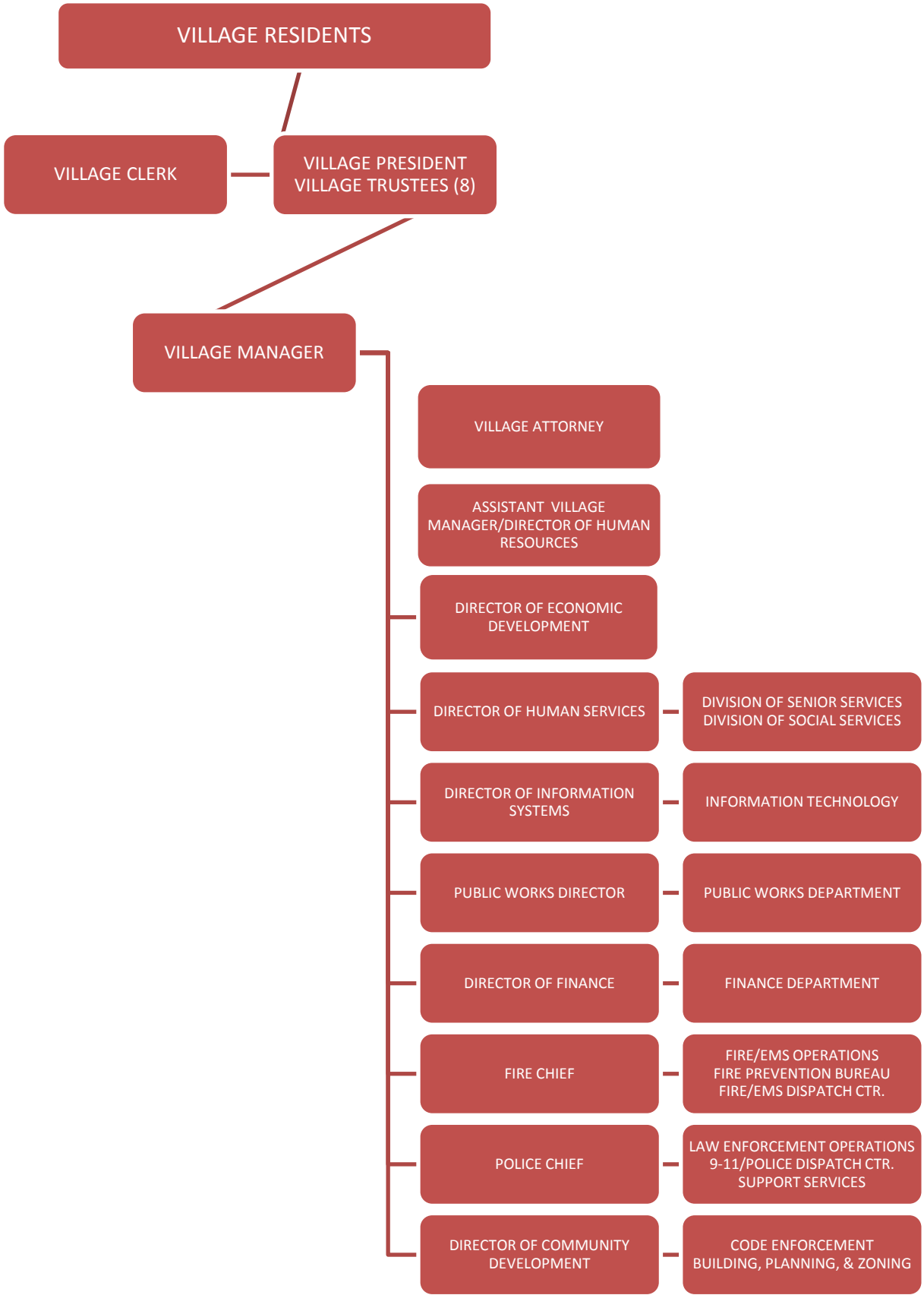
Pat Horcher
Village President

Kenneth Brady
Mary Krueger
Ray Lang
Mary Papantos
Joe Vito
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*
Andrew Jennings - *Director of Community Development*
James Dunne - *Police Chief*
Keith Maclsaac - *Fire Chief*
Mark Janeck - *Director of Public Works*
Shari Matthews Huizar - *Director of Human Services*
John Melaniphy III - *Economic Development Director*
Luca Ursan - *Director of Information Technology*





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
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Presented to

**Village of Wheeling
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morrell

Executive Director/CEO



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

May 29, 2018

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, 2017.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control 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.

The financial statements included in this report depict the financial position and changes in financial position presented in conformance with Generally Accepted Accounting Principles (GAAP). Sikich LLP, a firm of licensed certified public accountants, has issued an unmodified (“clean”) opinion on the Village of Wheeling’s financial statements for the year ended December 31, 2017. The independent auditor’s report is located at the front of the financial section of this report.

The financial statements have been prepared in accordance with Statement No. 34 (Basic Financial Statements - and Management’s Discussion and Analysis - for State and Local Governments) of the Governmental Accounting Standards Board (GASB). The GASB is an organization that establishes accounting and financial reporting standards for state and local governments in the United States. Sikich LLP provides, with reasonable assurance that the financial statements are free of material misstatement. The audit process includes examination, on a test basis, of evidence supporting the amounts and disclosures reported in the financial statements. The independent auditors also assess the accounting principles used and include their report as the first component of the financial section of this Comprehensive Annual Financial 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 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 and American cuisine. Six major hospitals are nearby, giving residents several options to meet their medical needs. Wheeling High School has received state and national recognition for its Science, Technology, Engineering and Math (STEM) program.

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

From a financial perspective, FY 2017 produced mixed results for the Village of Wheeling. The Village finished the year with a surplus in the General Fund and that allowed the Board to fully fund core services while maintaining reserves at prior levels. The surplus also created an opportunity for the Village Board, consistent with its financial policy, to use some of those funds to make additional contributions (in excess of what was actuarially required) to the three pension funds. In general, many sources of revenue related to the economy showed strong gains in FY 2017, but that good news was tempered by concerns about two of Wheeling's largest sources of revenue which were down from the prior year.

Two of the Village's largest sources of revenue – sales and income tax – serve as indicators of the strength of the local economy and are therefore closely monitored by Village staff. In FY 2017, sales tax receipts were down \$660,213 (-6.49%) compared to FY 2016; however, the decrease was primarily due to the Village having received two large one-time only use tax transactions totaling \$553,974 in FY 2016. This year, the Village did not receive any revenue from one-time use tax transactions so the drop in revenue from these transactions (compared to the prior year) made it appear that the Village's sales tax base declined more significantly than was otherwise the case. Excluding the one-time transactions from both fiscal years, sales tax revenue (i.e. attributable to the Village's base) declined \$106,239 (-1.10%) compared to FY 2016 receipts.

The \$106,239 (-1.10%) decline in sales tax receipts in FY 2017 was also due in part to the State of Illinois' decision to implement a 2% Home Rule Sales Tax administration fee. The fee, which is intended to offset the state's cost of collecting sales tax revenue on behalf of municipalities, impacted eight-months of receipts and cost the Village \$54,351 in revenue last year. Going forward, staff expects the 2% fee to cost the Village approximately \$76,000 annually.

The fee is one reason why sales tax revenue was down last year but of greater concern is the fact that sales tax has not grown much in the last several years. Staff attributes that, in part, to the fact that as more consumers opt to purchase on-line, brick-and-mortar retailers are negatively impacted as so too is the Village's sales tax revenue. Nevertheless, the Village has taken proactive steps in recent years to promote retail development in Wheeling and as a result, we are hopeful that sales tax revenue will begin showing growth in the near future.

Similar to the sales tax results, the Village's share of state income tax revenue was much weaker than expected with receipts decreasing by \$206,869 (-5.64%) compared to the prior year. This result was unexpected given what appeared to be an improving state and national economy in FY 2017. Since income tax is distributed by the state to municipalities on a per capita basis, the FY 2017 decline in receipts is something all communities in Illinois – not just Wheeling - are experiencing.

Some of the blame is due to the state's decision during FY 2017 to withhold 10% of the municipal share of income tax revenue for one-year in order to help balance their budget. That decision, which impacted 5-months of income tax receipts, cost the Village approximately \$119,000 in revenue last year and is the primary reason income tax receipts were down compared to FY 2016. Nevertheless, income tax revenue (like sales tax revenue) has shown very little growth in the last several years and that has put increasing pressure on the Village to reduce expenditures and increase its property tax levy to make up the difference. The 10% reduction in income tax receipts is expected to negatively impact seven-months of the Village's budget in FY 2018 as well. On a positive note, early signs are that income tax revenue is rebounding in FY 2018 with receipts for the first four-months showing significant growth compared to the same period in FY 2017. Staff will continue to monitor this situation closely.

Sales and income tax revenue are proxy indicators of the strength of the local and state economy. Other sources of income that serve the same purpose include the following:

- Building Permit revenue was up \$282,909 (+124.79%) due primarily to the Town Center project, which is discussed in more detail later in this letter.
- Engineering Inspection Fees were up \$89,954 (+31.75%)
- Video Gaming Tax was up \$12,869 (+5.82%)
- State Use Tax was up \$59,413 (+6.50%)
- Hotel/Motel tax was up \$35,213 (+3.49%)
- Food & Beverage tax was up \$7,328 (+0.80%)
- Liquor License revenue was up \$10,078 (+5.44%)

Other sources of revenue that showed significant gains or losses but are not directly related to changes in the economy include the following:

- Property tax revenue (in the General Fund) was up \$558,873 (+4.47%)
- Telecommunications Tax revenue was down \$89,943 (-7.18%)

General Fund revenue increased overall by \$279,150 or 0.73% (including other financing sources) primarily due to the Village Board's decision to increase the Village's total property tax levy by 5.0%. The increase in the levy produced an additional \$558,873 in revenue for the General Fund, and helped offset declines in sales tax and income tax receipts.

The increase in revenue offset the increase in expenditures which grew by \$278,533 or 0.73% (including other financing uses). The growth in expenditures was largely attributable to increases in the cost of salaries and benefits. The small increase in expenditures is indicative of the Village's efforts to control costs while continuing to provide core services to the Village's residents and businesses.

The Village approached the FY 2017 budget process conservatively by finding ways to limit the growth in expenditures while adjusting the property tax levy to offset other sources of revenue – primarily sales and income tax revenue – that, in the last few years, have not increased as much as hoped. The result was a General Fund surplus of \$630,303 that was reduced to \$155,303 after the Village Board opted to use \$475,000 of the surplus to make additional contributions to the pension funds in order to address Wheeling's unfunded liabilities. The result was much better than expected given that the Village initially approved a budget with a surplus of \$51,830 and can be attributed to the departments' efforts to conserve limited resources and an improving local economy.

Although not highlighted here, the results of the Village's other Governmental, Proprietary and Fiduciary Funds were as expected and do not create any immediate concerns for management.

Local Economic Development Activities

During the fiscal year that ended December 31, 2017, the Village issued 1,642 permits for nearly \$105 million worth of construction projects. In addition, the following major projects were initiated or were under construction in FY 2017:

- The Wheeling Town Center project broke ground in the fall of 2016. The \$110 million transit-oriented mixed-use development adjacent to the Metra station is a master-planned project that will feature approximately 300 luxury apartment units and 100,000 square feet of retail space anchored by a first-run movie and dinner theater as well as signature restaurants, fast-casual restaurants and specialty stores. Leases were signed with CMX Theaters, City Works Eatery and Pour House, Starbucks Coffee, and Inland Bank. Foundation permits were issued for CMX, Cityworks and Starbucks. The residential building is up and partially enclosed.
- Northgate Crossing, a transit-oriented luxury apartment development located at 250 Northgate Parkway, was completed in 2016; however, the developer added another 12 townhouse units on the east side of Northgate Parkway in 2017. The project has now reached over 85 percent occupancy. The development features nine, three-story buildings with 32 units per building, as well as attached garages, a clubhouse, walking trails, and other amenities. Northgate Crossings complements the community's Town Center master plan, which calls for a concentration of multi-family housing along with mixed-use commercial and residential development in proximity to the Wheeling Metra Station.
- LaSalle Group is nearing completion on The Whitley of Wheeling, a senior housing project at 60–156 West Dundee Road. The 102-unit assisted living and memory-support facility will encompass a three-story structure with walking trails, gardens, abundant landscaping, and other amenities. The project is expected to open later this year. The project was delayed due to some value engineering issues.
- Hamilton Partners completed an 181,000-square spec industrial building on the former Frito-Lay site. This building is the first spec industrial development in the Village of Wheeling in over two decades. The project provides prototype industrial space in the Village to meet the needs of warehouse, distribution and logistics uses.
- Sitex Group and the Missner Group are in the midst of construction of an 84,000-square foot spec industrial facility on the former ABF Trucking facility. The development is focused upon warehouse, distribution and logistics uses.
- Richelieu Foods, a major frozen pizza and salad dressing manufacturer, opened an 115,000 square foot facility in Wheeling in 2016 with one production line and 125 employees. In 2017, Richelieu Foods added two more production lines and another 250 employees.
- The retail market saw several new retailers and restaurants open or begin construction in 2017 including Boston Fish Market, I Love Kickboxing, Metro PCS, Cricket Wireless, Casa Chapala's Grill and 9-Round, among others.

Each of these projects is expected to help strengthen Wheeling's tax base and improve its mix of residential, commercial and industrial offerings.

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, 2017, the fund balance in the General Fund totaled \$14,770,370, representing 38% of General Fund expenditures (including inter-fund transfers), more than the 25 percent minimum established by the Board. Of this amount, \$13,232,023 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 2008 to 2017 levies), the levy has increased an average of 5.79% per year from \$9.37 million to \$15.5 million. 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 recently revised its debt management policy and created a surplus revenue policy. The former provides guidance to the administration regarding purposes for which debt may be issued, types and amounts of permissible debt and the method of sale that may be used. The latter provides a process by which the Village Board can contribute surplus General Fund revenue to the pension funds in order to reduce the Village's unfunded liabilities and the long-term cost of retirement benefits. In the last three years, the Village has relied on the surplus revenue policy to contribute an additional \$1,725,000 to the Village's three pension funds. Each of these policies is intended to strengthen the Village's overall financial position.

Major Initiatives

During the fiscal year that ended December 31, 2017, the Village completed a number of significant projects including the following:

- The Administrative Services Department assisted with recruitment, licensing and permitting of new restaurants including Boston Fish Market and Bella's Wine Bistro, as well as retailers including Binny's Beverage Depot and TMobile. The Department also encouraged industrial development and redevelopment through aggressive recruitment and judicious use of Cook County Class 6b property tax incentives, resulting in several new or expanded industrial facilities.

- The Finance Department implemented an on-line parking and compliance ticket payment system making it easier for residents and businesses to pay fines.
- The Human Services Department worked with the Wheeling Park District to fully integrate senior recreation programs to the Park District's Community Recreation Center after the Senior Center was closed at the end of 2017.
- The Community Development Department coordinated the purchase and closure of the flood-impacted Fox Point mobile home community, relocated the residents, and began the demolition of associated structures to reduce future impacts of flooding from the Des Plaines river.
- The Police Department replaced its aging 911 communications radio system with a new digital Motorola StarCom21 platform. All personnel were equipped with state of the art portable radios. The new system provides the best overall connection between the community and emergency first responders.
- The Fire Department completed an analysis of fees charged for ambulance services by other communities and recommended that the Board increase the Village's existing fee structure. The revised fee structure will provide additional revenue to offset the cost of providing ambulance services to the community.
- The Public Works Department participated in a rebate program to purchase and install 764 LED streetlight fixtures throughout the Village. The rebate covered \$237,000 of the total cost of the \$370,524 program.

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, 2016. This was the thirty-seventh (37th) 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, 2017. This marked the thirty-first (31st) 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 Brian Smith, Assistant Director of Finance 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, Anthony Cervini, and Nick Bava, 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

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SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

The Honorable President
Members of the 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, 2017, 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 in the accompanying combining and individual fund financial statements and schedules as of and for the year ended December 31, 2017, as indicated in the table of contents.

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 and the standards applicable to financial audits in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit 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, 2017, 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 funds of the Village of Wheeling, Illinois as of December 31, 2017, 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 Information

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 financial information listed as schedules and the supplemental financial information listed 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 schedules and supplemental financial information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 as of and for the year ended December 31, 2016, 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 2016 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated May 29, 2018 on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
May 29, 2018

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2017

As management of the Village of Wheeling, we offer readers of the Village of Wheeling's financial statements Management's Discussion and Analysis (MD&A) of the financial activities of the Village of Wheeling for the fiscal year ended December 31, 2017. The MD&A provides a narrative and analysis of the Village of Wheeling's financial activities for the fiscal year and is designed to:

1. Provide an overview of the Village's financial activity.
2. Assist the reader in focusing on significant financial issues by identifying changes in the Village's financial position and its ability to address subsequent year challenges.
3. Identify material deviations from the approved budget, and individual fund issues or concerns.

Since the MD&A's focus is on current year's activities, resulting changes and currently known facts, please read it in conjunction with the Transmittal Letter, beginning on page iv, and the Village's financial statements beginning on page 4.

Financial Highlights

The Village's total net position is \$114,816,543 of which \$60,490,793 is represented by governmental activities and \$54,325,750 is represented by business-type activities. During the fiscal year ended December 31, 2017, the prior year governmental net position of \$57,312,735 increased by \$3,178,058 or 5.55%, and business-type activities' prior year net position of \$53,071,390 increased by \$1,254,360, or 2.36%.

On December 31, 2017, the Village's governmental funds reported combined fund balances of \$30,314,881, an increase of \$1,694,167 (5.92%) in comparison with the prior year. Approximately 43.65% of this amount (\$13,232,023) is available for spending at the Village's discretion (*unassigned fund balance*). Changes in revenues and expenses of both governmental and business-type activities will be reviewed in greater detail under the Current Year Impacts of the Government-Wide Financial Statements section.

At the end of the current fiscal year, unrestricted fund balance (the total of the *committed*, *assigned*, and *unassigned* components of *fund balance*) for the general fund was \$14,251,518, or approximately 39.69% of the general fund's expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. These financial statements consist of three parts: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements

The *government-wide financial statements* – consisting of the *statement of net position* and the *statement of activities* - are designed to provide readers with a broad overview of the Village's finances, in a manner similar to private-sector business.

The *statement of net position* presents financial information on all of the Village of Wheeling's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference 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.

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2017

The *statement of activities* presents information showing how the Village of Wheeling'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 the 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.

Both 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 reflect the Village's basic services, including general government, public safety, highways and streets, airport – joint venture, and interest and fees. The business-type activities of the Village include the water and sewer operations.

The government-wide financial statements can be found on pages 4-7 of this report.

Fund Financial Statements

Fund groups contain related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The fund financial statements allow the demonstration of compliance with finance-related legal requirements. The focus is on major funds, rather than fund types. 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 assessing 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 Village's near-term financing decisions. Both the governmental fund balance sheet and 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 fourteen (14) 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 major funds. The General Fund and the Capital Equipment Replacement Fund are considered major governmental funds in 2017. Data from the other 12 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 governmental and enterprise funds. A budgetary comparison statement has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 8-11 of this report.

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2017

Proprietary Funds

The Village maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type* activities in the government-wide financial statements. The Village uses an enterprise fund to account for its Waterworks and Sewerage operations. *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, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary fund financial statements present the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 12-16 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are unavailable for support of the Village's programs and are not reflected in the government-wide financial statements. The accounting for fiduciary funds is much like that used for proprietary funds. The Village maintains two pension trust funds. The Police and Firefighters' pension trust funds are used to report resources held in trust for retirees and beneficiaries covered by the Police or Firefighters' pension plans.

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

Notes to the Financial Statements

The notes provide information essential in understanding the data provided in the government-wide and fund financial statements and can be located on pages 19-78 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information which include the general fund budgetary comparison schedule and information concerning the Village's progress in funding its obligation to provide pension and other postemployment benefits to its employees. Required supplementary information can be found on page 79-90 of this report.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information on pensions and OPEB. Combining and individual fund statements and schedules can be found on pages 91-138 of this report.

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

In accordance with GASB Statement No. 34, the Village presented comparative financial information to better understand the Village's financial position and changes in financial position. An analysis of the Village's financial position begins with a review of the Statement of Net position and the Statement of Activities. These two statements report the Village's net position and changes therein. It should be noted that the financial position can also be affected by non-financial factors, including economic conditions, population growth and new regulations.

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2017

Statement of Net Position

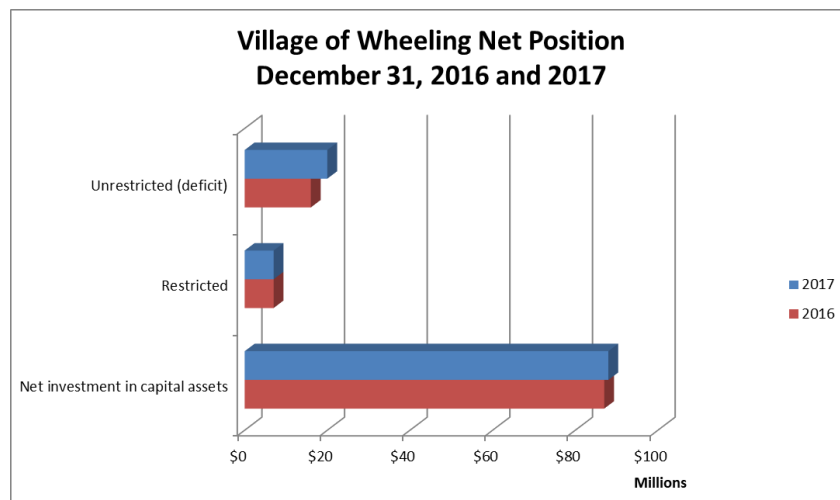
Net position may serve over time as a useful indicator of a government's financial position. In the case of the Village of Wheeling, assets and deferred outflows exceeded liabilities and deferred inflows by \$114,816,543 as of December 31, 2017. This was a combined increase from 2016 of \$4,432,418 (4.02%). A summary of the Village's Statement of Net position is presented below in Table 1. The table has been restated to move the Village's equity interest in a joint venture to unrestricted net position.

Table 1: Condensed Statements of Net Position (in thousands)

	Governmental Activities		Business-type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Assets						
Current and other assets	\$ 54,144	\$ 52,040	\$ 8,194	\$ 8,071	\$ 62,338	\$ 60,111
Capital assets	91,746	92,969	43,183	42,572	134,929	135,541
Investment in joint venture	45,497	45,563	7,461	6,986	52,958	52,549
Total Assets	191,387	190,572	58,838	57,629	250,225	248,201
Deferred Outflows of Resources						
Pension items	9,161	9,969	460	637	9,621	10,606
Other Deferred Outflows	3,325	4,107	9	11	3,334	4,118
Total Deferred Outflows	12,486	14,076	469	648	12,955	14,724
Total Assets and Deferred Outflows	203,873	204,648	59,307	58,277	263,180	262,925
Liabilities						
Current and other liabilities	7,010	8,561	416	268	7,426	8,829
Long-term liabilities	110,841	121,981	3,647	4,810	114,488	126,791
Total Liabilities	117,851	130,542	4,063	5,078	121,914	135,620
Deferred Inflows of Resources						
Pension Items	10,096	2,093	919	128	11,015	2,221
Property Tax	15,435	14,700	-	-	15,435	14,700
Total Deferred Inflows	25,531	16,793	919	128	26,450	16,921
Total Liabilities and Deferred Inflows	143,382	147,335	4,982	5,206	148,364	152,541
Net Position						
Net investment						
in capital assets	47,625	47,622	40,065	39,095	87,690	86,717
Restricted	7,416	7,352	-	-	7,416	7,352
Unrestricted (deficit)	5,450	2,339	14,261	13,976	19,711	16,315
Total net position	\$ 60,491	\$ 57,313	\$ 54,326	\$ 53,071	\$ 114,817	\$ 110,384

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2017



Governmental Activities Net Position Summary:

- ◆ Governmental Activities total net position increased \$3,178,058. A major component of the increase was due to a reduction in long-term liabilities related to debt payments in fiscal year 2017.
- ◆ Governmental Activities net investment in capital assets increased \$3,117 when compared to a restated 2016 Governmental Activities net investment in capital assets. The Village's unrestricted net position was restated in 2016 to include equity interest in a joint venture that was part of net investment in capital assets.
- ◆ Net position restricted for economic development increased by \$3,331,365, because the Village's North Milwaukee and South Milwaukee TIFs collected property taxes in excess of their annual expenses. Net position restricted for capital projects decreased \$2,922,497. The Net position restricted for capital projects that pertained to the Capital Projects Fund was reclassified to net position assigned for capital projects, because it was determined that there is no restriction from ordinance or bond proceeds on the current net position for the Capital Projects Fund.
- ◆ Total unrestricted net position reflected a surplus of \$5,450,134. Total unrestricted net position increased in 2017 by \$3,112,148 compared to 2016's restated surplus of \$2,337,986. This change is also attributable to the Village's reduction of long-term liabilities.

Business-Type Activities Net Position Summary:

- ◆ Business-Type Activities total net position increased by \$1,254,360 (2.36%) as a result of an increase in current assets. The increase can be attributed to charges for services in excess of expenses for the year.
- ◆ The Business-Type Activities net investment in capital assets increased by \$969,662 (2.48%) from the capitalization of the 2017 watermain program, less the annual depreciation of Business-Type Activities capital assets.
- ◆ Total liabilities and deferred inflows of resources decreased by \$223,730 (-4.30%) as the Village continued to pay down debt issued to maintain and improve the water and sewer system.

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2017

Statement of Activities

The Statement of Net position shows the changes in net position from one year to the next. The specific reasons for these changes can be more easily discerned by viewing the Statement of Activities as shown in Table 2.

Table 2: Condensed Statement of Activities

	Governmental Activities		Business-type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program Revenues:						
Charges for services	\$ 7,064	\$ 6,569	\$ 9,728	\$ 9,030	\$ 16,792	\$ 15,599
Operating grants and contributions	1,166	1,196	-	-	1,166	1,196
Capital grants and contributions	2,336	108	-	361	2,336	469
General Revenue:						
Property taxes	25,804	23,536	-	-	25,804	23,536
Other taxes	15,906	16,667	-	-	15,906	16,667
Intergovernmental	4,954	5,081	-	-	4,954	5,081
Other	2,450	2,688	45	39	2,495	2,727
Total Revenues	<u>59,680</u>	<u>55,845</u>	<u>9,773</u>	<u>9,430</u>	<u>69,453</u>	<u>65,275</u>
Expenses:						
General government	20,004	26,037	-	-	20,004	26,037
Public safety	28,082	28,510	-	-	28,082	28,510
Highways and streets	6,218	4,793	-	-	6,218	4,793
Airport – joint venture	65	661	-	-	65	661
Interest and fees	2,487	2,683	-	-	2,487	2,683
Water and sewer	-	-	8,164	8,366	8,164	8,366
Total Expenses	<u>56,856</u>	<u>62,684</u>	<u>8,164</u>	<u>8,366</u>	<u>65,020</u>	<u>71,050</u>
Increase (Decrease) in Net Position						
Before Transfers	2,824	(6,839)	1,609	1,064	4,433	(5,775)
Transfers	354	617	(354)	(617)	-	-
Change in Net Position	3,178	(6,222)	1,255	447	4,433	(5,775)
Beginning Net Position	57,313	61,075	53,071	52,624	110,384	113,699
Change in accounting principle	-	-	-	-	-	-
Prior period adjustment	-	2,460	-	-	-	2,460
Beginning Net Position, Restated	57,313	63,535	53,071	52,624	110,384	116,159
Ending Net Position	60,491	57,313	54,326	53,071	114,817	110,384

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2017

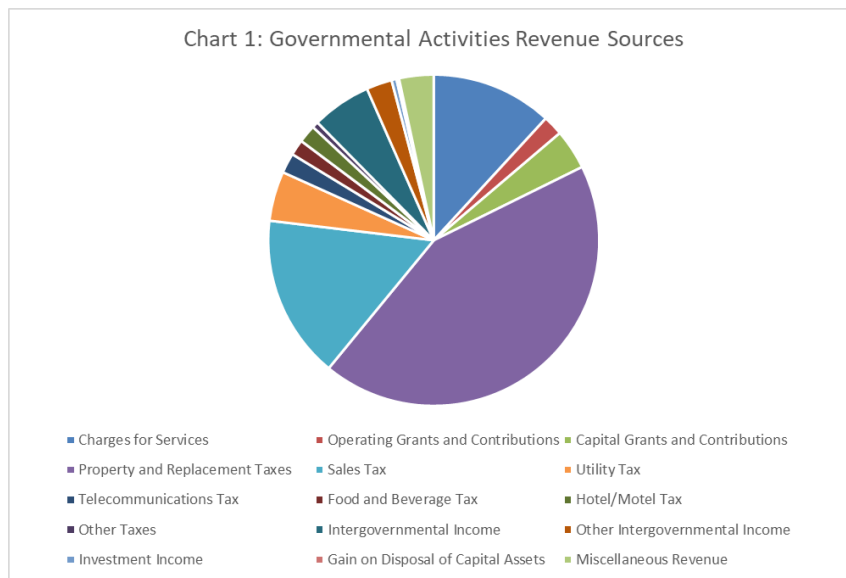
Governmental Statement of Activities Summary:

During the current fiscal year, net position for governmental activities increased \$3,178,058 from the prior fiscal year for an ending balance of \$60,490,793.

Governmental Activities Revenues

For the fiscal year ended December 31, 2017, revenues from governmental activities totaled \$59,679,782. Property taxes totaled \$25,804,441, representing 43.24% of total governmental funds' revenue. Sales and use taxes totaled \$9,518,542 accounted for 15.95% of revenue and charges for services represented 11.84% of total governmental activity revenue.

An analysis of the Village's governmental activities revenue sources is presented below in Chart 1.



- ◆ Property tax revenue increased from \$23,535,987 in fiscal year 2016 to \$25,804,441 in fiscal year 2017, an increase of \$2,268,454 or 9.64%. This was primarily due to a 5% increase in the Village's property tax levy, increases to property tax increment generated in the Village's TIF funds, and continued TIF Surplus declarations.
- ◆ The Village experienced a 12.53% increase in its equalized assessed valuation (EAV) from \$836,282,523 in tax year 2015 to \$941,050,721 in tax year 2016.

<u>Levy Year</u>	<u>EAV</u>
2015	\$ 836,282,523
2016	\$ 941,050,721
Increase	\$ 104,768,198
% Increase	12.53%

- ◆ Sales tax revenue decreased by 6.49% or \$660,212 from the prior year, in part because the Village did not receive any one-time large sales tax payments in 2017, compared to two in 2016. In addition, the State imposed a 2% administration fee on home rule sales tax receipts in July of 2017. The Village was charged \$41,425 in administration fees in 2017.
- ◆ Income tax revenue decreased 5.64% or \$206,869 from the prior year, despite a drop in the unemployment rate from the previous year. In 2017, the State of Illinois opted to reduce the local share of income tax revenue by 10% to help balance their budget.

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

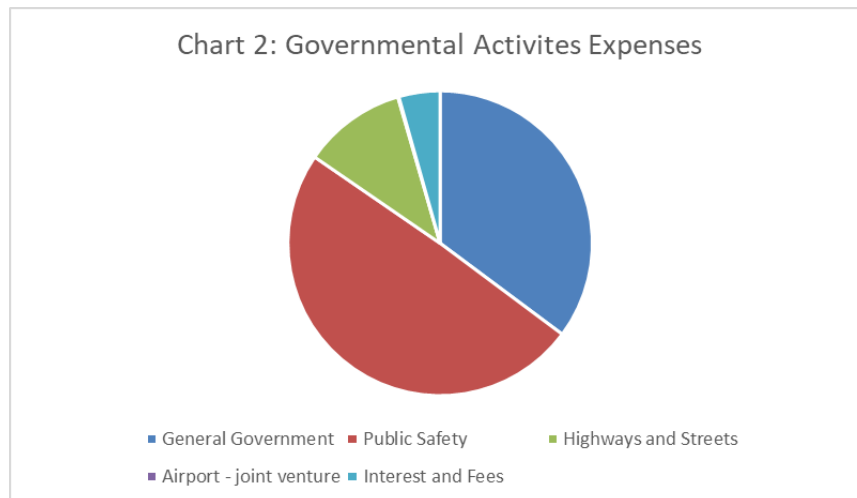
DECEMBER 31, 2017

- ◆ Telecommunication taxes decreased 7.18%, or \$89,943 from the prior year as residents continue to eliminate their landlines in favor of cell phone use.
- ◆ Capital grants and contributions increased by \$2,227,526 due to the federal funding received for the relocation of the Fox Point Mobile Home Park.
- ◆ General government charges for services increased 7.54%, or \$495,336 from the prior year as a result of building permits related to various large projects (eg. 660-720 Northgate Parkway, Wheeling Town Center, 1075 Chaddick, etc.).
- ◆ Miscellaneous revenues increased 21.07%, or \$350,397 over the prior year from revenues associated with the Wheeling Town Center project and a large legal settlement.
- ◆ Internal Service Fund contributions decreased 5.36%, or \$90,387 from prior year contributions because of a management decision to reduce the contributions based on several low-volume claims years in a row.

Governmental Activities Expenses

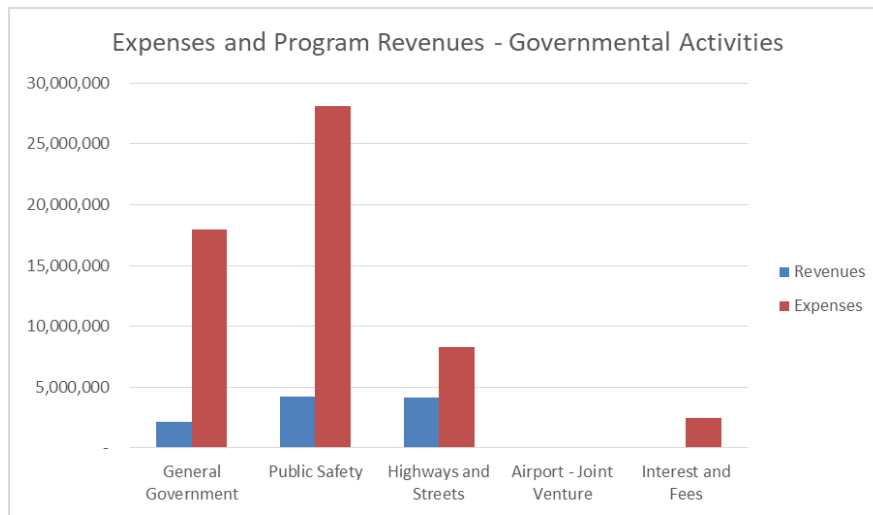
For the fiscal year ended December 31, 2017 expenses from governmental activities totaled \$56,855,883. Public Safety and General Government services account for 49.39% and 35.18% of all governmental activities expenses, respectively.

An analysis of the Village's governmental activities expenses by category is presented below in Chart 2.



- ◆ General government expenses decreased \$6,032,531 (23.2%) over the prior fiscal year. The general government expenses included \$2 million of Fox Point Relocation Grant expenditures in 2017 that had not been incurred in the past. However, 2016 was an unusual year containing two one-time expenses that caused expenditures to be much higher than normal: the issuance of two TIF Notes totaling \$6.5 million, and a loss of \$3.5 million on the sale of 233 Hintz Road.
- ◆ Public safety expenses decreased 1.50% or \$428,044 from the prior fiscal year due to the transfer of dispatching salaries to the Emergency Telephone System Fund and personnel savings in the Police Department. The Police Department operated with four open positions for the last few months of the year.
- ◆ Highways and streets expenses increased 29.73% or \$1,425,078 over the prior fiscal year due to the completion of the Westshore Pipeline project and a stormsewer project.
- ◆ Insurance and claims split decreased 42.20%, or \$460,933, due to a low-volume of claims made over the prior year.

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2017



Business-Type Statement of Activities Summary:

During the current fiscal year, net position for business-type activities increased \$1,245,360 (2.36%) over prior fiscal year to \$54,325,750.

Business-Type Revenues

- ◆ Business-type charges for services were \$697,944 (7.73%) more than the prior year as water consumption remained consistent with the prior year and rates increased 3.03%.
- ◆ Business-type capital grants and contributions in 2017 did not reflect any developer contributions. In 2016, business-type capital grants and contributions reflected developer contributions of \$360,932, related to the acceptance of Millbrook Point water main and sewer main.

Business-Type Expenses

- ◆ Business-type expenses decreased 2.40%, or \$201,769 from the prior year, due to an increase in water and sewer fund expenses that were capitalized in 2017.

FINANCIAL ANALYSIS OF THE VILLAGE FUNDS

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

Governmental Funds

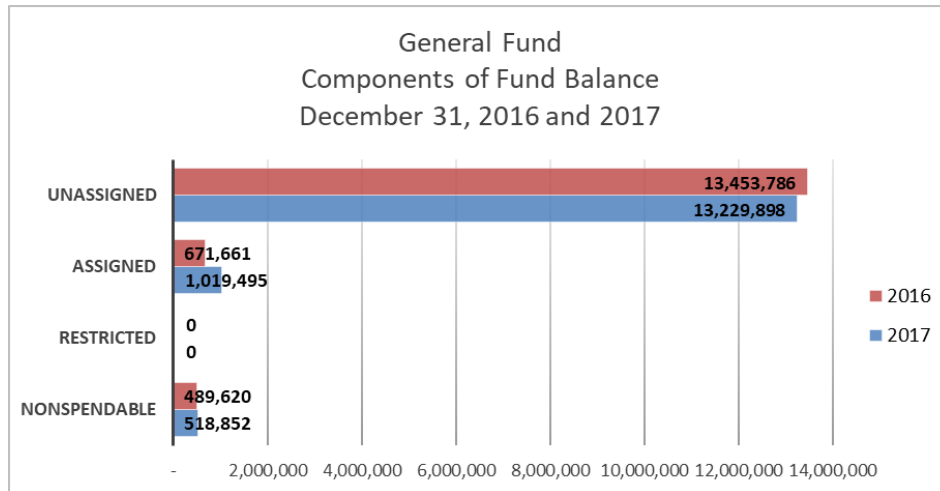
The focus of the Village’s *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the Village of Wheeling itself, or a group or individual that has been delegated authority to assign resources for use of particular purposes by the Village’s Board.

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2017

At December 31, 2017, the governmental funds reported a combined fund balance of \$30,314,881, which is a 1,694,167 increase, or 5.92%, from the beginning of the year of \$28,620,714. Approximately 43.65% of this amount (\$13,232,023) constitutes *unassigned fund balance*, which is available for spending at the Village's discretion. The remainder of the fund balance is either *nonspendable, restricted, or assigned* to indicate, that it is 1) not available for new spending because it is related to prepaid items and inventory (\$736,791), 2) legally required to be maintained intact, or restricted, for other purposes such as capital projects, highways and streets, public safety, economic development, and debt service (\$7,415,677) or 3) assigned (\$8,930,390) for particular purposes like capital improvements, capital projects, or health insurance expenditures.



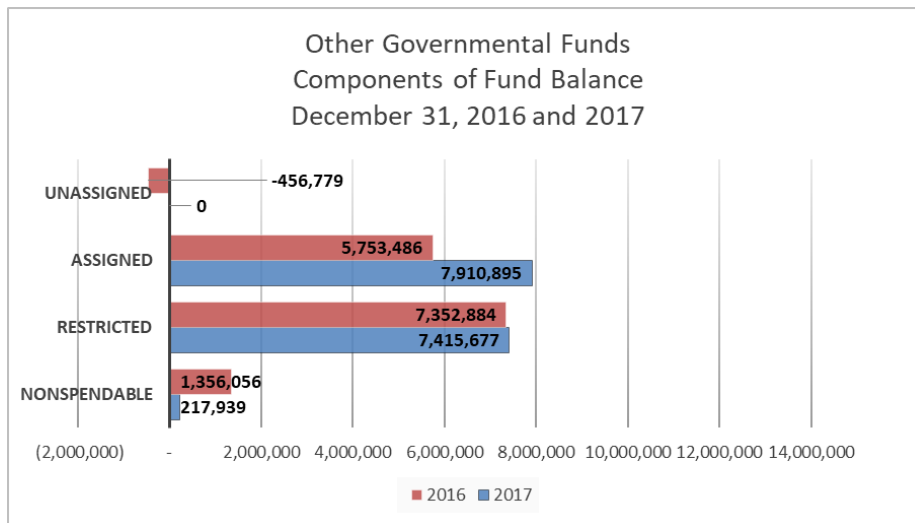
The General Fund is the Village's primary operating fund and the largest source of day-to-day service delivery. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$13,232,023. The total fund balance in the General Fund increased \$155,303 from \$14,615,067 in fiscal year 2016 to \$14,770,370 or 1.06% in fiscal year 2017. The increase in fund balance would have been \$475,000 higher had the Board not decided to contribute those funds to the pension funds in order to address the Village's long term liabilities.

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 General Fund expenditures. Unassigned fund balance represents approximately 36.86% of total General Fund expenditures, not including other financing sources (uses), while total fund balance represents approximately 41.14% of that same amount. The increase in fund balance is largely due to lower than expected expenditures.

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2017



The Village maintains (5) separate funds created to account for the revenues and expenditures related to the Village's Tax Increment Financing (TIF) redevelopment areas. The (5) separate funds combined for a net increase of \$2,670,560 (122.30%) for a total fund balance of \$4,854,088. The large increase was because revenues exceeded expenditures in 2017 and the Village set aside funds for future economic development projects. The growth in the Equalized Assessed Value of these districts produced property tax increment totaling \$10,641,858.

The Village maintains (3) three Capital Projects Funds, including a Capital Equipment Replacement Fund. The Capital Equipment Replacement Fund was a major fund in 2017. The Capital Equipment Replacement Fund was created to account for the transfers and advances from other funds assigned for the eventual replacement of vehicles and equipment utilized by those funds. The fund balance decreased by \$392,661 during the current fiscal year to \$4,488,033, primarily due to expenditures for asset acquisition.

Proprietary Funds

The Village of Wheeling's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the Waterworks and Sewerage Fund was \$14,261,188. The proprietary funds' total net position increased by \$1,254,360, or 2.36%, from a January 1st net position of \$53,071,390 to \$54,325,750 at December 31, 2017.

General Fund Budgetary Highlights

Original budget compared to final budget. During the year there was (1) one amendment to increase the original General Fund budgeted appropriation. The amendment distributed surplus revenue (\$475,000) among the three defined benefit plans (IMRF, Police Pension, Fire Pension).

Fund Budget compared to actual results. The most significant differences between budgeted and actual revenues were as follows:

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2017

Revenue Source	Budgeted Revenues	Actual Revenues	Difference	% Difference
Property Taxes	12,882,375	13,051,417	169,042	1.31%
Sales Tax	6,121,598	5,694,770	(426,828)	-6.97%
Home Rule Sales Tax	4,245,510	3,823,772	(421,738)	-9.93%
Income Tax	3,710,840	3,457,938	(252,902)	-6.82%
Emergency dispatch services	1,691,459	1,559,068	(132,391)	-7.83%
Local Use Tax	908,477	973,823	65,346	7.19%
Engineering inspection fees	196,900	373,233	176,333	89.55%
Ambulance Fees	572,460	611,139	38,679	6.76%
Local ordinance fines	796,070	847,322	51,252	6.44%
IPBC terminal reserve revenue	-	343,882	343,882	-
Other miscellaneous revenue	83,490	264,552	181,062	216.87%

- ◆ Property taxes came in 1.31% higher than budgeted because the Village benefited from a high collection rate on property taxes and prior year distributions received after the 60 day receivable day window for the 2017 audit. In addition, the Village declared surpluses in two TIF Funds and that resulted in additional property tax revenue.
- ◆ Income tax revenues fell 6.82% short of budgeted revenues in 2017. The State of Illinois opted this year to reduce the local share of income tax revenue by 10% to help balance their budget.
- ◆ Sales tax revenue was 6.97% lower than budgeted because the Village did not receive any unanticipated one-time sales tax distributions as it has in the past. Village sales tax receipts continue to be negatively impacted by online sales from retailers like Amazon and Wal-Mart.
- ◆ Home rule sales tax revenue was 9.93% or \$421,738 lower than budgeted. The State of Illinois added to the downward pressure on sales tax receipts by implementing (in July) a permanent 2% home-rule sales tax administration fee.
- ◆ Emergency dispatch services came in below budget due to a new state law requiring consolidation of the Village's Emergency 911 Fund with that of the City of Des Plaines. The Village's intergovernmental agreement with the City of Des Plaines, signed several years ago, did not anticipate this change in law. The Village chose to offset the City of Des Plaines' 911 revenue with the reduction of the City of Des Plaines' dispatching service fees in 2017 and is in the process of amending the intergovernmental agreement.
- ◆ Engineering inspection fees came in 89.55% or \$176,333 higher than budgeted in 2017, due largely to inspection fees related to the development of the Wheeling Town Center property, an asphalt plant at 751 Wheeling Road, and the development of an industrial building at 660-720 Northgate Parkway.
- ◆ Other miscellaneous revenue came in over budget due to the one-time collection of legal settlements in the amount of \$123,920.

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2017

The most significant differences between budgeted and actual expenditures were as follows:

Expenditure Type	Budgeted Expenditures	Actual Expenditures	Difference	% Difference
Police department	14,578,470	13,727,790	(850,680)	-5.84%
Community Development	1,764,447	1,685,427	(79,020)	-4.48%
Street division	963,700	804,888	(158,812)	-16.48%
Forestry	1,094,476	959,008	(135,468)	-12.38%
Fire department	11,030,756	11,303,554	272,798	2.47%
Legal	364,750	463,775	99,025	27.15%
Finance	1,074,015	1,137,852	63,837	5.94%

- ◆ Personnel services savings in the Police Department were primarily due to the decision to reclassify dispatching salaries to the Emergency Telephone System Fund in order to spend down that fund balance. In addition, the Police Department operated with four open positions for the last few months of the fiscal year.
- ◆ Savings in the Community Development Department were due to the elimination of a permit coordinator position that reduced overall salary and benefit expenditures.
- ◆ Savings in the Street division and Forestry were primarily due to the restructuring and elimination of a maintenance operator position split between those two departments, as well as the restructuring of landscaping and tree maintenance contracts.
- ◆ The overage in legal expenditures can be attributed to a considerable increase in the volume of freedom of information act requests over the last two years and the resulting legal fees from those requests.
- ◆ Personnel services overages in the Fire Department were primarily due to overtime expenditures related to training and injuries.
- ◆ Overages in personnel services in the Finance Department were attributable to retirements.

Capital Assets and Debt Administration

Capital assets. The Village's investment in capital assets for its governmental and business-type activities as of December 31, 2017 amounted to \$134,928,976. The investment in capital assets includes land, stormwater credits, buildings, equipment, underground distribution and collection systems, infrastructure, and construction work in progress. The Village saw a net decrease of capital assets (including additions, developer contributions, and retirements) of \$612,459 (-0.45%).

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2017

Table 3: Capital Assets

	Governmental Activities		Business-type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Land	\$ 23,060,421	\$ 25,302,977	\$567,510	\$567,510	\$23,627,931	\$25,870,487
Intangible assets - stormwater credits	2,988,400	2,988,400	-	-	2,988,400	2,988,400
Land right of way	11,512,484	11,624,192	-	-	11,512,484	11,624,192
Buildings & Improvements	53,392,754	53,392,754	-	-	53,392,754	53,392,754
Vehicles, equipment, & furniture	12,528,498	11,092,175	3,449,770	2,898,474	15,978,268	13,990,649
Infrastructure	31,797,759	30,356,747	-	-	31,797,759	30,356,747
Water System Improvements	-	-	45,095,988	43,810,274	45,095,988	43,810,274
Sewer System Improvements	-	-	19,108,154	19,014,767	19,108,154	19,014,767
Construction in progress	9,833	692,708	-	-	9,833	692,708
Total Capital Assets	135,290,149	135,449,953	\$68,221,422	\$66,291,025	203,511,571	201,740,978
Less: Accumulated depreciation	(43,543,881)	(42,480,839)	(25,038,714)	(23,718,704)	(68,582,595)	(66,199,543)
Total	91,746,268	92,969,114	43,182,708	42,572,321	134,928,976	135,541,435

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

- ◆ Restated opening capital asset balances to move airport (joint venture) out of the calculation of the net investment in capital assets. Instead, the equity interest in the airport joint venture will be considered as part of the calculation of unrestricted net position.
- ◆ The Village replaced its out of date, analog frequency radio system with the Starcom21 radio network. Starcom21 is a Project 25 (P25) compliant 700/800 MHz IP-based communication system with over 270 radio tower sites. Starcom21 is the official statewide public safety radio network of Illinois that will allow access to the various Illinois mutual aid resources that already exist on the network.
- ◆ The Village acquired land formerly known as the Fox Point mobile home park (\$567,510) to assist the families that lived there with relocation. The Village was awarded \$4 million in federal grant assistance to purchase the land, relocate the families, and redevelop the land as open space.
- ◆ The Village completed work on the Wheeling Town Center storm sewer project, valued at \$1,122,244. The storm sewer project involved the construction of an elliptical storm sewer pipe on the Wheeling Town Center property to provide flood control for future developments, including Northgate Crossings. Engineering for an additional storm sewer project connecting Northgate Crossings to the elliptical pipe have been prepared.
- ◆ The Village completed the 2017 water main replacement and roadway improvement program for water main replacement on Carpenter Avenue, Glenn Avenue, and Shepard Avenue. The program included the replacement of approximately 5,593 lineal feet of eight-inch diameter PBC water main pipe, valve vaults, fire hydrants, and other work. It also included the complete reconstruction of Carpenter Avenue.
- ◆ The Village continued its' laddered capital equipment replacement program with the purchase of 5 police utility vehicles, a new ambulance, and 9 public works vehicles totaling \$1,341,443.

Additional information on the Village's capital assets can be found in Note 4 on pages 31-32 of this report.

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2017

Long-term Debt. The Village, under its home rule authority, does not have a legal debt limit. In August 2016, Fitch Ratings affirmed the Village's AA+ bond rating. The Village's AA bond rating with Standard & Poor's was also affirmed in August 2016.

	Governmental Activities		Business-type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Bonds and Notes Payable						
General obligation bonds	\$ 49,468,736	\$ 53,274,462	\$ 3,056,264	\$ 3,410,538	\$ 52,525,000	\$ 56,685,000
Tax Increment Revenue Note	6,644,497	6,516,139	-	-	6,644,497	6,516,139
Premium on bonds payable	1,471,514	1,755,170	71,318	77,891	1,542,832	1,833,061
Other liabilities					-	-
Vested compensated absences	2,311,632	2,231,426	165,721	179,682	2,477,353	2,411,108
Insurance claims payable	412,500	872,516	-	-	412,500	872,516
Net pension liability - IMRF	1,930,231	6,414,961	340,629	1,132,051	2,270,860	7,547,012
Net pension liability - police pension	21,379,313	22,786,646	-	-	21,379,313	22,786,646
Net pension liability - fire pension	26,286,914	27,439,687	-	-	26,286,914	27,439,687
Other post employment benefits	936,001	689,912	13,159	10,173	949,160	700,085
Total	110,841,338	121,980,919	3,647,091	4,810,335	114,488,429	126,791,254

The Village's net pension liability decreased \$7,836,258 (13.56%) in 2017. Annual changes to the net pension liability can be volatile. The decrease in 2017 can be attributed to surplus contributions by the Village and good investment performances in 2017. The fire pension and police pension fund both had investment returns over 13%, while IMRF recorded investment returns of over 15% for 2017.

The Village Board did not pass a formal funding policy with the adoption of GASB pronouncement 68, instead opting to pass a General Fund surplus policy that requires the Village Board to consider contributing General Fund surpluses to the three defined benefit plans. The Village Board approved a surplus distribution of \$475,000 to the three defined benefit plans at the end of 2017. More information on the Village's defined benefit pension plans can be found in Note 14 on pages 57-78 of this report.

At the end of the current fiscal year, the Village had total bonded debt outstanding of \$52,525,000 which was backed by the full faith and credit of the government. Of the \$52,525,000 debt outstanding, however, only \$32,263,000 is supported by the Village's property tax levy and sales tax revenue. The remaining debt (\$20,262,000) is directly supported by other sources of revenue including gas and electric use tax revenue, water and sewer fees and tax increment financing revenue. During the current fiscal year, the Village retired \$3,805,726 of general bond principal and \$354,274 of the water and sewer funded debt. The Village has no plans to issue new general obligation debt in the next few years.

Tax Increment Financing (TIF) notes of \$4.0 million and \$2.5 million were issued on December 19, 2017 to reimburse a developer for certain project costs the developer incurred in the Town Center II TIF District. Interest on the notes is 7.45%. During the fiscal year ended December 31, 2017, \$483,717 of interest was accreted. The first principal payment of \$355,359 was made on December 1, 2017. As a result of these changes, total tax increment revenue note obligations increased by \$128,358 in 2017.

The Village will implement GASB statement number 75 in fiscal year 2018 which will create changes on this report related to postemployment benefits other than pensions.

Additional information on the Village's long-term debt can be found in Note 5 on pages 33-40 of this report.

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2017

Economic factors and next year's budget

The following economic and budgetary factors were considered in developing the 2018 fiscal year budget.

- The unemployment rate for the Village of Wheeling is currently 3.9%, which is near historical lows.
- A 5% property tax increase (\$735,000) to fund increases in recurring expenditure obligations.
- A 1.47% increase in water rates and sewer rates beginning on January 1, 2018 to offset increases in operating expenses in the Enterprise Funds.
- A 11.1% increase in the stormwater fee rate beginning on January 1, 2018 necessary to fund future stormwater projects.
- The award of a \$4 million CDBG Grant to assist with the relocation of the Fox Point Mobile Home Park. The remainder of the grant funds, approximately \$2 million, will be spent in fiscal year 2018.
- A full contribution to the Village's three defined benefit pension plans.
- A full contribution in the scheduled transfer to the Capital Equipment Replacement Fund.
- Anticipated increases in health insurance premiums, as well as pension and other employee benefit costs.
- Anticipated costs related to the Village's self-insurance program. The Village self-insures for losses from errors and omissions, liability, and workers' compensation to certain limits and purchases excess insurance above those limits.

Contacting the Village's Financial Management

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Michael Mondschain, Finance Director, Village of Wheeling, 2 Community Boulevard, Wheeling, Illinois 60090.

VILLAGE OF WHEELING, ILLINOIS

STATEMENT OF NET POSITION

December 31, 2017

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 31,879,622	\$ 4,572,801	\$ 36,452,423
Receivables (net, where applicable, of allowance for uncollectibles)			
Property taxes	15,564,682	-	15,564,682
Sales taxes	2,545,112	-	2,545,112
Local use taxes	297,951	-	297,951
Telecommunications tax	273,307	-	273,307
Accounts	867,001	1,915,098	2,782,099
Accrued interest	44,677	4,611	49,288
IPBC	1,019,495	78,965	1,098,460
Other	1,239,248	1,623	1,240,871
Prepaid expenses	243,476	125,159	368,635
Inventory	493,398	259,654	753,052
Due from other governments	911,950	-	911,950
Advances to other funds	(1,236,508)	1,236,508	-
Capital assets not being depreciated	37,571,138	567,510	38,138,648
Capital assets being depreciated, net of accumulated depreciation	54,175,130	42,615,198	96,790,328
Investment in joint venture	45,497,352	7,461,238	52,958,590
Total assets	191,387,031	58,838,365	250,225,396
DEFERRED OUTFLOWS OF RESOURCES			
Swap agreement	2,691,062	-	2,691,062
Pension items - Police Pension	3,214,696	-	3,214,696
Pension items - Firefighters' Pension	3,339,998	-	3,339,998
Pension items - IMRF	2,605,843	459,855	3,065,698
Unamortized loss on refunding	634,039	9,436	643,475
Total deferred outflows of resources	12,485,638	469,291	12,954,929
Total assets and deferred outflows of resources	203,872,669	59,307,656	263,180,325
LIABILITIES			
Accounts payable	2,992,560	319,726	3,312,286
Accrued payroll	59,477	5,915	65,392
Deposits payable	451,865	59,491	511,356
Unearned revenue	129,819	22,982	152,801
Due to fiduciary funds	520,548	-	520,548
Interest payable	164,542	7,882	172,424
Interest rate swap agreement	2,691,062	-	2,691,062
Long-term liabilities			
Due within one year	5,345,220	425,838	5,771,058
Due in more than one year	105,496,118	3,221,253	108,717,371
Total liabilities	117,851,211	4,063,087	121,914,298
DEFERRED INFLOWS OF RESOURCES			
Pension items - Police Pension	3,247,032	-	3,247,032
Pension items - Firefighters' Pension	1,641,992	-	1,641,992
Pension items - IMRF	5,206,641	918,819	6,125,460
Deferred revenue - property taxes	15,435,000	-	15,435,000
Total deferred inflows of resources	25,530,665	918,819	26,449,484
Total liabilities and deferred inflows of resources	143,381,876	4,981,906	148,363,782

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

STATEMENT OF NET POSITION (Continued)

December 31, 2017

	Governmental Activities	Business-Type Activities	Total
NET POSITION			
Net investment in capital assets	\$ 47,624,982	\$ 40,064,562	\$ 87,689,544
Restricted for			
Capital projects	1,078,439	-	1,078,439
Highways and streets	1,220,916	-	1,220,916
Public safety	125,692	-	125,692
Economic development	4,853,663	-	4,853,663
Debt service	136,967	-	136,967
Unrestricted	5,450,134	14,261,188	19,711,322
TOTAL NET POSITION	\$ 60,490,793	\$ 54,325,750	\$ 114,816,543

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2017

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
FUNCTIONS/PROGRAMS				
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 20,004,172	\$ 2,164,784	\$ -	\$ -
Public safety	28,081,294	4,066,883	189,716	-
Highways and streets	6,218,017	832,300	975,905	2,335,899
Airport - joint venture	65,299	-	-	-
Interest and fees	2,487,101	-	-	-
Total governmental activities	56,855,883	7,063,967	1,165,621	2,335,899
Business-Type Activities				
Water and sewer	8,164,288	9,728,265	-	-
Total business-type activities	8,164,288	9,728,265	-	-
TOTAL PRIMARY GOVERNMENT	\$ 65,020,171	\$ 16,792,232	\$ 1,165,621	\$ 2,335,899

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (17,839,388)	\$ -	\$ (17,839,388)
	(23,824,695)	-	(23,824,695)
	(2,073,913)	-	(2,073,913)
	(65,299)	-	(65,299)
	(2,487,101)	-	(2,487,101)
	(46,290,396)	-	(46,290,396)
	-	1,563,977	1,563,977
	-	1,563,977	1,563,977
	(46,290,396)	1,563,977	(44,726,419)
General Revenues			
Taxes			
Property	25,804,441	-	25,804,441
Sales	9,518,542	-	9,518,542
Utility	2,895,388	-	2,895,388
Telecommunications	1,162,995	-	1,162,995
Food and beverage	917,671	-	917,671
Hotel/motel	1,043,545	-	1,043,545
Other	368,291	-	368,291
Intergovernmental			
Income	3,457,938	-	3,457,938
Other	1,495,664	-	1,495,664
Investment income	289,035	44,542	333,577
Gain on disposal of capital assets	146,979	-	146,979
Miscellaneous	2,013,806	-	2,013,806
Transfers in (out)	354,159	(354,159)	-
Total	49,468,454	(309,617)	49,158,837
CHANGE IN NET POSITION	3,178,058	1,254,360	4,432,418
NET POSITION, JANUARY 1	57,312,735	53,071,390	110,384,125
NET POSITION, DECEMBER 31	\$ 60,490,793	\$ 54,325,750	\$ 114,816,543

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

GOVERNMENTAL FUNDS

BALANCE SHEET

December 31, 2017

	General	Capital Equipment Replacement	Nonmajor Governmental	Total Governmental
ASSETS				
Cash and investments	\$ 10,558,706	\$ 5,713,991	\$ 11,578,936	\$ 27,851,633
Receivables (net, where applicable, of allowance for uncollectibles)				
Property taxes	13,598,020	-	1,966,662	15,564,682
Sales taxes	2,545,112	-	-	2,545,112
Local use taxes	297,951	-	-	297,951
Telecommunications tax	273,307	-	-	273,307
Accounts	-	-	657,969	657,969
Accrued interest	20,223	10,550	11,085	41,858
IPBC	1,019,495	-	-	1,019,495
Other	922,320	-	316,928	1,239,248
Prepaid items	242,193	-	1,200	243,393
Inventory	276,659	-	216,739	493,398
Due from other funds	85,329	-	615,501	700,830
Due from other governments	-	-	911,950	911,950
TOTAL ASSETS	\$ 29,839,315	\$ 5,724,541	\$ 16,276,970	\$ 51,840,826
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 776,947	\$ -	\$ 2,214,951	\$ 2,991,898
Accrued payroll	50,290	-	9,187	59,477
Deposits payable	112,665	-	339,200	451,865
Unearned revenue	129,819	-	-	129,819
Due to other funds	-	-	700,830	700,830
Due to fiduciary funds	520,548	-	-	520,548
Advance from other funds	-	1,236,508	-	1,236,508
Total liabilities	1,590,269	1,236,508	3,264,168	6,090,945
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	13,478,676	-	1,956,324	15,435,000
Total deferred inflows of resources	13,478,676	-	1,956,324	15,435,000
Total liabilities and deferred inflows of resources	15,068,945	1,236,508	5,220,492	21,525,945
FUND BALANCES				
Nonspendable				
Prepaid items	242,193	-	1,200	243,393
Inventory	276,659	-	216,739	493,398
Restricted				
Capital projects	-	-	1,078,439	1,078,439
Highways and streets	-	-	1,220,916	1,220,916
Public safety	-	-	125,692	125,692
Economic development	-	-	4,853,663	4,853,663
Debt service	-	-	136,967	136,967
Assigned				
Health insurance	1,019,495	-	-	1,019,495
Capital improvements	-	4,488,033	-	4,488,033
Capital projects	-	-	3,422,862	3,422,862
Unassigned, reported in General Fund				
	13,232,023	-	-	13,232,023
Total fund balances	14,770,370	4,488,033	11,056,478	30,314,881
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 29,839,315	\$ 5,724,541	\$ 16,276,970	\$ 51,840,826

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, 2017

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 30,314,881
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	91,746,268
Investments in joint ventures used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	45,497,352
The loss on refunding of bonds is capitalized and amortized over the life of the bonds on the statement of net position	634,039
Differences between expected and actual experiences, assumption changes, and net difference between projected and actual earnings for the Police Pension Fund are recognized as deferred outflows and inflows of resources on the statement of net position	(32,336)
Differences between expected and actual experiences, assumption changes, and net difference between projected and actual earnings for the Firefighters' Pension Fund are recognized as deferred outflows and inflows of resources on the statement of net position	1,698,006
Differences between expected and actual experiences, assumption changes, and net difference between projected and actual earnings for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position	(2,600,798)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation bonds	(49,468,736)
Tax increment revenue note	(6,644,497)
Net pension liability - Police Pension	(21,379,313)
Net pension liability - Firefighters' Pension	(26,286,914)
Net pension liability - IMRF	(1,930,231)
Premium on bonds payable	(1,471,514)
Compensated absences payable	(2,311,632)
Other postemployment benefit obligation	(936,001)
Accrued interest on long-term liabilities is reported as a liability on the statement of net position	(164,542)
The net position of the Internal Service Fund is included in the governmental activities in the statement of net position	<u>3,826,761</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 60,490,793</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, 2017

	General	Capital Equipment Replacement	Nonmajor Governmental	Total Governmental
REVENUES				
Taxes	\$ 25,944,507	\$ -	\$ 15,400,456	\$ 41,344,963
Licenses and permits	1,050,924	-	-	1,050,924
Intergovernmental	6,578,577	-	3,670,182	10,248,759
Charges for services	2,421,787	-	1,179,964	3,601,751
Fines and forfeits	983,565	-	-	983,565
Investment income	84,892	35,741	168,402	289,035
Miscellaneous	1,339,003	6,206	668,597	2,013,806
Total revenues	38,403,255	41,947	21,087,601	59,532,803
EXPENDITURES				
Current				
General government	10,871,481	-	1,337,766	12,209,247
Public safety	25,031,344	-	1,575,584	26,606,928
Highways and streets	-	-	1,375,777	1,375,777
Capital outlay	-	2,185,464	5,493,201	7,678,665
Capital improvements	-	-	4,128,070	4,128,070
Debt service				
Principal	-	-	4,161,085	4,161,085
Interest and fiscal charges	-	-	2,191,468	2,191,468
Total expenditures	35,902,825	2,185,464	20,262,951	58,351,240
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,500,430	(2,143,517)	824,650	1,181,563
OTHER FINANCING SOURCES (USES)				
Proceeds on sale of capital assets	158,445	-	-	158,445
Transfers in	-	1,901,981	1,710,934	3,612,915
Transfers (out)	(2,503,572)	(151,125)	(604,059)	(3,258,756)
Total other financing sources (uses)	(2,345,127)	1,750,856	1,106,875	512,604
NET CHANGE IN FUND BALANCES	155,303	(392,661)	1,931,525	1,694,167
FUND BALANCES, JANUARY 1	14,615,067	4,880,694	9,124,953	28,620,714
FUND BALANCES, DECEMBER 31	\$ 14,770,370	\$ 4,488,033	\$ 11,056,478	\$ 30,314,881

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, 2017

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 1,694,167
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	4,836,172
Depreciation expense does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds	(2,983,269)
Proceeds from the disposal of capital assets are recognized in governmental funds but the loss is recognized on the statement of activities	(3,075,749)
The decrease in equity of joint venture is reported on the statement of activities	(65,299)
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	4,161,085
Amortization of premium on bonds is reported as a reduction of interest expense on the statement of activities	283,656
Amortization of the loss on refunding is reported as interest expense on the statement of activities	(107,876)
Accretion of bonds is reported as interest expense on the statement of activities	(483,717)
The decrease of accrued interest payable is shown as an decrease of expense on the statement of activities	12,304
The increase in compensated absences payable is shown as an increase of the statement of activities	(80,206)
The change in the other postemployment benefit obligation	(246,089)
The change in the Police Pension Fund net pension liability and deferred outflows/inflows of resources is not a source or use of a financial resource	(288,985)
The change in the Firefighters' Pension Fund net pension liability and deferred outflows of resources is not a source or use of a financial resource	(476,419)
The change in the Illinois Municipal Retirement Fund net pension liability and deferred outflows/inflows of resources is not a source or use of a financial resource	(1,001,157)
The change in net position of Internal Service Funds is reported in governmental activities	<u>999,440</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 3,178,058</u></u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

December 31, 2017

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CURRENT ASSETS		
Cash and investments	\$ 4,572,801	\$ 4,027,989
Receivables (net, where applicable, of allowance for uncollectibles)		
Accounts	1,915,098	209,032
Accrued interest	4,611	2,819
IPBC	78,965	-
Other	1,623	-
Prepaid expenses	125,159	83
Inventory	259,654	-
	<hr/>	<hr/>
Total current assets	6,957,911	4,239,923
NONCURRENT ASSETS		
Capital assets		
Assets not being depreciated	567,510	-
Assets being depreciated		
Cost	67,653,912	-
Accumulated depreciation	(25,038,714)	-
	<hr/>	<hr/>
Net capital assets being depreciated	42,615,198	-
	<hr/>	<hr/>
Net capital assets	43,182,708	-
Advances to other funds	1,236,508	-
Investment in joint ventures	7,461,238	-
	<hr/>	<hr/>
Total noncurrent assets	51,880,454	-
	<hr/>	<hr/>
Total assets	58,838,365	4,239,923
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized loss on refunding	9,436	-
Pension items - IMRF	459,855	-
	<hr/>	<hr/>
Total deferred outflows of resources	469,291	-
	<hr/>	<hr/>
Total assets and deferred outflows of resources	59,307,656	4,239,923

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET POSITION (Continued)

December 31, 2017

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CURRENT LIABILITIES		
Accounts payable	\$ 319,726	\$ 662
Accrued payroll	5,915	-
Compensated absences payable	74,574	-
Deposits payable	59,491	-
Unearned revenue	22,982	-
Interest payable	7,882	-
Bonds payable	351,264	-
Claims payable	-	206,250
	<hr/>	<hr/>
Total current liabilities	841,834	206,912
NONCURRENT LIABILITIES		
Claims payable	-	206,250
General obligation bonds payable (less current portion)	2,776,318	-
Compensated absences payable (less current portion)	91,147	-
Net pension liability - IMRF	340,629	-
Other postemployment benefit obligation	13,159	-
	<hr/>	<hr/>
Total noncurrent liabilities	3,221,253	206,250
	<hr/>	<hr/>
Total liabilities	4,063,087	413,162
DEFERRED INFLOWS OF RESOURCES		
Pension items - IMRF	918,819	-
	<hr/>	<hr/>
Total deferred inflows of resources	918,819	-
	<hr/>	<hr/>
Total liabilities and deferred inflows of resources	4,981,906	413,162
NET POSITION		
Net investment in capital assets	40,064,562	-
Unrestricted	14,261,188	3,826,761
	<hr/>	<hr/>
TOTAL NET POSITION	\$ 54,325,750	\$ 3,826,761

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, 2017

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Waterworks and Sewerage</u>	<u>Internal Service</u>
OPERATING REVENUES		
Charges for services		
Water sales and sewer charges	\$ 8,835,314	\$ -
Connection fees	139,418	-
Meter sales	10,498	-
Liability insurance charges	-	1,595,613
Other	267,787	-
	<u>9,253,017</u>	<u>1,595,613</u>
Total operating revenues		
OPERATING EXPENSES EXCLUDING DEPRECIATION		
Waterworks division	4,650,451	-
Sewer division	1,747,281	-
Water and sewer capital division	413,004	-
Insurance and claims	-	631,102
	<u>6,810,736</u>	<u>631,102</u>
Total operating expenses excluding depreciation		
OPERATING INCOME BEFORE DEPRECIATION	2,442,281	964,511
DEPRECIATION	<u>1,264,960</u>	-
OPERATING INCOME	<u>1,177,321</u>	<u>964,511</u>
NON-OPERATING REVENUES (EXPENSES)		
Investment income	44,542	34,929
Interest expense and fees	(100,117)	-
Gain (loss) on disposal of capital assets	11,525	-
Increase (decrease) in joint venture	475,248	-
	<u>431,198</u>	<u>34,929</u>
Total non-operating revenues (expenses)		
INCOME BEFORE TRANSFERS	<u>1,608,519</u>	<u>999,440</u>
TRANSFERS		
Transfers in - Capital Equipment Replacement Fund	322,625	-
Transfers (out) - Debt Service Fund	(676,784)	-
	<u>(354,159)</u>	<u>-</u>
Total transfers		
CHANGE IN NET POSITION	1,254,360	999,440
NET POSITION, JANUARY 1	<u>53,071,390</u>	<u>2,827,321</u>
NET POSITION, DECEMBER 31	<u>\$ 54,325,750</u>	<u>\$ 3,826,761</u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2017

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 9,197,753	\$ -
Receipts from internal service transactions	-	1,595,613
Payments to suppliers	(3,457,284)	(997,240)
Payments for interfund services	(1,290,306)	-
Payments to employees	(1,855,923)	-
Net cash from operating activities	<u>2,594,240</u>	<u>598,373</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers in	322,625	-
Transfers (out)	(676,784)	-
Advances to other funds	(197,682)	-
Net cash from noncapital financing activities	<u>(551,841)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	(1,815,545)	-
Proceeds from disposal of capital assets	11,525	-
Principal paid on general obligation bonds	(354,274)	-
Interest and fees paid on general obligation bonds	(105,705)	-
Net cash from capital and related financing activities	<u>(2,263,999)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
(Purchase) sale of investment securities	(203,000)	2,000
Interest on investments	69,593	48,653
Net cash from investing activities	<u>(133,407)</u>	<u>50,653</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(355,007)	649,026
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>1,280,212</u>	<u>1,601,263</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u><u>\$ 925,205</u></u>	<u><u>\$ 2,250,289</u></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, 2017

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CASH AND INVESTMENTS		
Cash and cash equivalents	\$ 925,205	\$ 2,250,289
Investments	3,647,596	1,777,700
	\$ 4,572,801	\$ 4,027,989
TOTAL CASH AND INVESTMENTS		
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income	\$ 1,177,321	\$ 964,511
Adjustments to reconcile operating income to net cash from operating activities		
Depreciation	1,264,960	-
Changes in current assets and liabilities		
Accounts receivable	(50,128)	94,273
IPBC receivable	(30,387)	-
Inventory	(18,492)	-
Prepaid expenses	(3,881)	-
Accounts payable	89,824	(395)
Claims and judgments payable	-	(460,016)
Accrued payroll	4,459	-
Net pension liability and deferred outflows of resources	176,675	-
Compensated absences payable	(13,961)	-
Other postemployment benefit obligation	2,986	-
Deposits payable	(665)	-
Unearned revenue	(4,471)	-
	\$ 2,594,240	\$ 598,373
NET CASH FROM OPERATING ACTIVITIES		
NONCASH TRANSACTIONS		
Increase (decrease) in joint venture	\$ 475,248	\$ -
	\$ 475,248	\$ -
TOTAL NONCASH TRANSACTIONS		

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PENSION TRUST FUNDS

STATEMENT OF FIDUCIARY NET POSITION

December 31, 2017

ASSETS	
Cash and short-term investments	<u>\$ 1,324,326</u>
Investments at fair value	
U.S. Treasury and U.S. agency obligations	22,906,568
State and local obligations	4,234,964
Corporate bonds	11,653,260
Mutual funds	45,531,733
Asset backed securities	11,324
Equities	<u>7,081,509</u>
Total investments	<u>91,419,358</u>
Receivables	
Accrued interest	310,264
Due from General Fund	<u>520,548</u>
Total receivables	<u>830,812</u>
Prepaid items	<u>3,562</u>
Total assets	<u>93,578,058</u>
LIABILITIES	
Accounts payable	<u>34,009</u>
Total liabilities	<u>34,009</u>
NET POSITION RESTRICTED FOR PENSIONS	<u><u>\$ 93,544,049</u></u>

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, 2017

ADDITIONS

Contributions	
Employer	\$ 4,599,974
Employee	<u>1,190,391</u>

Total contributions	<u>5,790,365</u>
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Investment income	
Net appreciation in fair value of investments	7,364,712
Interest	<u>3,694,430</u>

Total investment income	11,059,142
Less investment expenses	<u>161,386</u>

Net investment income	<u>10,897,756</u>
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Miscellaneous income	<u>759</u>
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Total additions	<u>16,688,880</u>
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DEDUCTIONS

Benefits and refunds	6,093,888
Administrative expenses	<u>70,295</u>

Total deductions	<u>6,164,183</u>
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NET INCREASE	10,524,697
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**NET POSITION RESTRICTED
FOR PENSIONS**

January 1	<u>83,019,352</u>
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December 31	<u>\$ 93,544,049</u>
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See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2017

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 Governmental 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 committed, restricted, or assigned 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.

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 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 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 deferred/unavailable revenue on its financial statements. Deferred/unavailable revenues arise when a potential revenue does not meet 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 or deferred inflow of resources for unearned and deferred/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 less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust funds are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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. Tax bills are prepared by the County and are payable in two installments on or about March 1 (Cook County) and June 1 (Lake County) and on or about August 1 (Cook County) and September 1 (Lake 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 2017 levy is intended to finance the 2018 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 and 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
Stormwater management credits	-
Other intangible assets (no definite useful life)	-
Other intangible assets (definite useful life)	20,000

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition 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
Other intangible assets	5-20

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 be 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).

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Compensated Absences (Continued)

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 firefighters' union). The maximum number of accrued but unused sick time hours that may be used within SLDPA is 536 hours (1,440 hours for firefighters' 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. Issuance costs are reported as expenses.

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.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. 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 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. Committed fund balance is constrained by formal actions of the Village Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions include ordinances approved by the Board of Trustees. 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 of Trustees. Any residual fund balance of the General Fund is reported as unassigned. Deficit fund balances of other governmental funds are also reported as unassigned.

The Village has established a fund balance reserve policy for its General Fund. The policy requires unassigned fund balances to be maintained in the General Fund equivalent to 25% of the fund's annual operating expenditures.

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 outstanding long-term debt issued to acquire or construct the capital assets.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Use of Estimates

The preparation of financial statements in conformity with GAAP 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

The Village and pension funds categorize the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

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 Government 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.

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

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

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, the Federal Reserve Bank of Chicago, or with an irrevocable line of credit at the Federal Home Loan Bank of Chicago.

Investments

The following table presents the investments and maturities of the Village's debt securities as of December 31, 2017:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater than 10
Negotiable certificates of deposit	\$ 23,051,142	\$ 4,446,139	\$ 18,605,003	\$ -	\$ -
TOTAL	\$ 23,051,142	\$ 4,446,139	\$ 18,605,003	\$ -	\$ -

Interest rate risk is the risk that changes in interest rates will adversely affect the market value of an investment.

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

The Village has the following recurring fair value measurements as of December 31, 2017: the negotiable certificates of deposit are valued using quoted matrix pricing models (Level 2 inputs).

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, are rated AAA. The negotiable certificates of deposit are not rated but are covered by FDIC insurance up to \$250,000.

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

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

Investments (Continued)

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

Investments in Illinois Funds are valued at Illinois Funds' share price, the price for which the investment could be sold.

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 (DVP) basis with the underlying investments held in a custodial account with the trust department of an approved financial institution. Illinois Funds are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Village has a high percentage of its investments invested in one type of investment. The Village's investment policy requires diversification of investment to avoid unreasonable risk but has no set percentage limits.

3. RECEIVABLES

The following receivables are included in due from other governments on the statement of net position at December 31, 2017:

GOVERNMENTAL ACTIVITIES	
Motor fuel tax	\$ 83,189
Grants (Due from Cook County: \$809,438)	<u>828,761</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u><u>\$ 911,950</u></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	\$ 22,714
Franchise fees	143,412
Hotel/motel tax	55,004
Food and beverage tax	106,407
Unbilled SWANCC fees	28,744
TIF surplus	247,956
SWANCC service charge	26,308
Utility taxes	306,993
Miscellaneous	<u>301,710</u>

TOTAL GOVERNMENTAL ACTIVITIES **\$ 1,239,248**

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2017 was as follows:

	Beginning Balances Restated*	Increases	Reclassification	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES					
Capital assets not being depreciated					
Land	\$ 25,302,977	\$ 696,150	\$ -	\$ 2,938,706	\$ 23,060,421
Intangible assets - stormwater credits	2,988,400	-	-	-	2,988,400
Land right of way	11,624,192	-	-	111,708	11,512,484
Construction in progress	692,708	9,833	-	692,708	9,833
Total capital assets not being depreciated	<u>40,608,277</u>	<u>705,983</u>	<u>-</u>	<u>3,743,122</u>	<u>37,571,138</u>
Capital assets being depreciated					
Buildings and improvements	53,392,754	-	-	-	53,392,754
Vehicles, equipment, and furniture	11,092,175	3,198,984	83,562	1,679,099	12,528,498
Infrastructure	30,356,747	1,623,913	-	182,901	31,797,759
Total capital assets being depreciated	<u>94,841,676</u>	<u>4,822,897</u>	<u>83,562</u>	<u>1,862,000</u>	<u>97,719,011</u>
Less accumulated depreciation for					
Buildings and improvements	13,422,393	1,330,357	-	-	14,752,750
Vehicles, equipment, and furniture	8,587,204	802,627	83,562	1,653,764	7,652,505
Infrastructure	20,471,242	850,285	-	182,901	21,138,626
Total accumulated depreciation	<u>42,480,839</u>	<u>2,983,269</u>	<u>83,562</u>	<u>1,836,665</u>	<u>43,543,881</u>
Total capital assets being depreciated, net	<u>52,360,837</u>	<u>1,839,628</u>	<u>-</u>	<u>25,335</u>	<u>54,175,130</u>
GOVERNMENTAL ACTIVITIES					
CAPITAL ASSETS, NET	<u>\$ 92,969,114</u>	<u>\$ 2,545,611</u>	<u>\$ -</u>	<u>\$ 3,768,457</u>	<u>\$ 91,746,268</u>

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

4. CAPITAL ASSETS (Continued)

*Capital assets for governmental activities was restated to reclassify the joint venture in Chicago Executive Airport on the statement of net position from net investment in capital assets to unrestricted capital assets.

	Beginning Balances	Increases	Reclassification	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES					
Capital assets not being depreciated					
Land	\$ 567,510	\$ -	\$ -	\$ -	\$ 567,510
Total capital assets not being depreciated	567,510	-	-	-	567,150
Capital assets being depreciated					
Waterworks	43,810,274	1,285,714	-	-	45,095,988
Sewerage	19,014,767	93,387	-	-	19,108,154
Equipment and vehicles	2,898,474	496,246	83,562	28,512	3,449,770
Total capital assets being depreciated	65,723,515	1,875,347	83,562	28,512	67,653,912
Less accumulated depreciation for					
Waterworks	14,201,716	808,269	-	-	15,009,985
Sewerage	7,225,122	324,190	-	-	7,549,312
Equipment and vehicles	2,291,866	132,501	83,562	28,512	2,479,417
Total accumulated depreciation	23,718,704	1,264,960	83,562	28,512	25,038,714
Total capital assets being depreciated, net	42,004,811	610,387	-	-	42,615,198
BUSINESS-TYPE ACTIVITIES					
CAPITAL ASSETS, NET	\$ 42,572,321	\$ 610,387	\$ -	\$ -	\$ 43,182,708

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

GOVERNMENTAL ACTIVITIES	
General government	\$ 1,091,183
Public safety	875,469
Highways and streets	1,016,617
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	\$ 2,983,269

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

GOVERNMENTAL ACTIVITIES	
General government	\$ 2,376,241
Highways and streets	1,003,440
Public safety	1,456,491
TOTAL ADDITIONS - GOVERNMENTAL ACTIVITIES	\$ 4,836,172

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, 2017 is as follows:

Issue	Fund Debt Retired By	Purpose	Balances January 1	Accretion/ Additions*	Reductions/ Refunding	Balances December 31	Current
Governmental Activities							
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).	Debt Service	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).	Debt Service	Village Building Projects	15,760,000	-	1,400,000	14,360,000	1,600,000
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).	Debt Service	Village Building Projects	10,000,000	-	-	10,000,000	-
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	4,619,462	-	610,726	4,008,736	623,736

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
Governmental Activities (Continued)							
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).							
	North Milwaukee/ Lake Cook Redevelop- ment Area	Refunding	\$ 2,895,000	\$ -	\$ 325,000	\$ 2,570,000	\$ 335,000
General Obligation Refunding Bond Series 2016 (dated September 6, 2016; maturing December 1, 2022; original issue \$11,355,000; interest rates 5.00%; principal payable annually on December 1).							
	North Milwaukee/ Lake Cook Redevelop- ment Area	Refunding	10,000,000	-	1,470,000	8,530,000	1,540,000
TOTAL			\$ 53,274,462	\$ -	\$ 3,805,726	\$ 49,468,736	\$ 4,098,736
Tax Increment Revenue Note Series 2016 (dated December 19, 2016; maturing December 19, 2036; original issue \$6,500,000; interest rate 7.45%; principal payable annually on December 1).							
	General/ Crossroads Redevelop- ment Area	Reva Redevelop- ment Project in TIF	\$ 6,516,139	\$ 483,717	\$ 355,358	\$ 6,644,497	\$ -

*\$483,717 is interest accreted to the note balance for the Reva Redevelopment Project.

A debt service to maturity schedule is not available for the REVA Redevelopment Project Note.

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
Business-Type Activities							
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	\$ 425,538	\$ -	\$ 214,274	\$ 211,264	\$ 211,264
General Obligation Water System Bonds 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	2,985,000	-	140,000	2,845,000	140,000
TOTAL			\$ 3,410,538	\$ -	\$ 354,274	\$ 3,056,264	\$ 351,264

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
2018	\$ 4,098,736	\$ 2,036,188	\$ 6,134,924	\$ 351,264	\$ 96,200	\$ 447,464
2019	4,445,000	1,859,508	6,304,508	150,000	87,300	237,300
2020	4,775,000	1,669,519	6,444,519	155,000	82,800	237,800
2021	5,110,000	1,465,170	6,575,170	160,000	78,150	238,150
2022	5,450,000	1,246,245	6,696,245	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	\$ 49,468,736	\$ 12,521,732	\$ 61,990,468	\$ 3,056,264	\$ 827,094	\$ 3,883,358

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	\$ 53,274,462	\$ -	\$ 3,805,726	\$ 49,468,736	\$ 4,098,736
Tax increment revenue note	6,516,139	483,717	355,359	6,644,497	-
Premium on bonds payable	1,755,170	-	283,656	1,471,514	-
Compensated absences payable - governmental funds	2,231,426	1,084,348	1,004,142	2,311,632	1,040,234
Insurance claims payable	872,516	209,918	669,934	412,500	206,250
Net pension liability - IMRF	6,414,961	-	4,484,730	1,930,231	-
Net pension liability - Police Pension	22,786,646	-	1,407,333	21,379,313	-
Net pension liability - Firefighters' Pension	27,439,687	-	1,152,773	26,286,914	-
Net other postemployment benefit obligation	689,912	246,089	-	936,001	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 121,980,919	\$ 2,024,072	\$ 13,163,653	\$ 110,841,338	\$ 5,345,220

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

5. LONG-TERM DEBT (Continued)

e. Changes in Long-Term Liabilities (Continued)

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

During the fiscal year the following changes occurred in liabilities reported in the business-type activities:

	Balances January 1	Issuances	Reductions	Balances December 31	Current Portion
General obligation bonds payable	\$ 3,410,538	\$ -	\$ 354,274	\$ 3,056,264	\$ 351,264
Premium on bonds payable	77,891	-	6,573	71,318	-
Compensated absences	179,682	66,896	80,857	165,721	74,574
Net pension liability - IMRF	1,132,051	-	791,422	340,629	-
Net other postemployment benefit obligation	10,173	2,986	-	13,159	-
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 4,810,335	\$ 69,882	\$ 1,233,126	\$ 3,647,091	\$ 425,838

f. Tax Increment Revenue Notes

The Village, pursuant to a redevelopment agreement dated July 21, 2014, agreed to reimburse a developer (Reva Development Partners, LLC.) for certain project costs the developer has incurred in the Town Center-II TIF District. Two notes were issued December 19, 2016 for a total of \$4,000,000 and \$2,500,000, respectively. Interest on the notes is 7.45%. The notes provide that the payment of principal and interest is due only if tax increment revenues are available for payment of debt service. Therefore, no debt service to maturity schedule is available. During the fiscal year ended December 31, 2017, \$483,717 of interest was accreted. Principal payments of \$355,359 were made during the fiscal year ended December 31, 2017.

g. 2008 Interest Rate Swap

The fair value balances and notional amounts of derivative instruments outstanding at December 31, 2017, and the changes in fair value of such derivative instruments for the year then ended in the 2017 financial statements are as follows:

Governmental Activities	Changes in Fair Value*		Fair Value at December 31, 2017		
	Classification	Amount	Classification	Amount	Notional
Cash flow hedges: pay - fixed interest rate swap	Deferred outflow of resources	\$ 439,137	Fair value of swap (liability)	\$ (1,115,461)	\$ 14,360,000

5. LONG-TERM DEBT (Continued)

g. 2008 Interest Rate Swap (Continued)

*Pursuant to GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, the Village has recorded the fair value of the interest rate swap agreement as a deferred outflow 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 \$14,360,000 matches the \$14,360,000 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% of the one-month USD-LIBOR-BBA rate as of the end of each monthly period plus a 1% spread which is exactly equal to the bond's variable rate.

Fair value - As of December 31, 2017, the swap had a fair value of \$(1,115,461). 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, 2017. 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 A+ Standard and Poor's as of December 31, 2017.

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

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

5. LONG-TERM DEBT (Continued)

h. 2009 Interest Rate Swap

The fair value balances and notional amounts of derivative instruments outstanding at December 31, 2017, and the changes in fair value of such derivative instruments for the year then ended in the 2017 financial statements are as follows:

Governmental Activities	Changes in Fair Value*		Fair Value at December 31, 2017		
	Classification	Amount	Classification	Amount	Notional
Cash flow hedges: pay - fixed interest rate swap	Deferred outflow of resources	\$ 234,792	Fair value of swap (liability)	\$ (1,575,600)	\$ 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%.

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 0.493% 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, 2017, the swap had a fair value of \$(1,575,600). 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, 2017.

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

5. LONG-TERM DEBT (Continued)

h. 2009 Interest Rate Swap (Continued)

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 A+ Standard and Poor's as of December 31, 2017.

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

i. Conduit Debt

On January 15, 2004, the Village (with the City of Prospect Heights) entered into a loan agreement for \$1,237,000 with Banco Popular North America for the purpose of constructing two new hangers and a taxiway at the Chicago Executive Airport (see Note 10c for additional disclosures on the joint venture). These notes are secured solely by the property financed and are payable solely from airport revenues. The Village is not obligated in any manner for the repayment of the notes. Accordingly, the notes are not reported as a liability in the Village's financial statements. As of December 31, 2017, the outstanding balance of the loan was \$575,127.

On April 19, 2010, the Village issued \$3,200,000 Airport Revenue Notes, Series 2010A. These notes are secured solely by the property financed and are payable solely from the payments received on the underlying mortgage loans on the property. The Village is not obligated in any manner for the repayment of the notes. Accordingly, the notes are not reported as a liability in the Village's financial statements. As of December 31, 2017, \$1,002,179 of the Airport Revenue Notes, Series 2010A are outstanding.

On April 19, 2010, the Village issued \$2,300,000 Airport Revenue Notes, Series 2010B. These notes are secured solely by the property financed and are payable solely from the payments received on the underlying mortgage loans on the property. The Village is not obligated in any manner for the repayment of the notes. Accordingly, these notes are not reported as a liability in the Village's financial statements. As of December 31, 2017, \$1,545,807 of the Airport Revenue Notes, Series 2010B are outstanding.

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

6. RISK MANAGEMENT

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

Beginning January 1, 2000, the Village became self-insured for general liability, property, and workers' compensation claims and established a risk financing fund (Liability Insurance Fund) (the Fund) for these risks. It is accounted for as an internal service fund where assets are set aside for claim settlements. The Village is responsible for the first \$50,000 of each property claim and \$100,000 for each liability claim. There is no aggregate amount.

The Village covers the first \$650,000 of each workers' compensation claim for the police and fire public safety personnel department and \$550,000 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 social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expense regardless of whether allocated to specific claims. Changes in the balances of claims liabilities during the years ended December 31, 2016 and 2017 are as follows:

	2016	2017
UNPAID CLAIMS - BEGINNING OF YEAR	\$ 778,848	\$ 872,516
Incurred claims (including IBNR)	1,755,968	209,917
Claims payments	(1,662,300)	(669,933)
UNPAID CLAIMS - END OF YEAR	<u>\$ 872,516</u>	<u>\$ 412,500</u>

6. RISK MANAGEMENT (Continued)

Intergovernmental Personnel Benefit Cooperative

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 51% of the Village's employees and retirees are PPO participants.

The HMO plan is also self-insured through a special arrangement. Members of IPBC pay for fixed costs of capitation and administration and then fund for claims not covered under the capitation fee. This plan is fully pooled and the Village is not individually rated based on claims experience. All members of the IPBC pay the same rates based on plan design choices. Approximately 45% of the Village's employees and retirees are HMO participants.

Approximately 4.00% of the Village employees and retirees are not active participants within IPBC.

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 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, 2017 (most recent available) of \$1,098,460. This amount was declared as a dividend to the Village and, therefore, has been recorded as a receivable in the General Fund of \$1,019,495 and the Waterworks and Sewerage Fund of \$78,965 as of December 31, 2017.

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

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

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 Notes

WTC, LLC

The Village, pursuant to a redevelopment agreement dated August 4, 2015, has agreed to reimburse the developer (WTC, LLC) for certain project costs the developer has incurred in the Town Center TIF #2 District. The redevelopment agreement also contains a provision providing for the issuance of a tax increment allocation revenue note not to exceed \$8,600,000. The note is payable from and secured by the pledged incremental revenues of the Town Center TIF #2 District. Interest on the notes is a rate equal to the BBB 20-year Corporate Bond Index as published by Bloomberg plus 150 basis points, as fixed upon the date of issuance. 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, 2017, the Village had not issued this note.

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

8. TAX ABATEMENTS

The Village participates in Cook County's Class 6b property tax incentive program. The purpose of the Class 6b program is to encourage industrial development throughout Cook County by offering a real estate tax incentive for the development of new industrial facilities, the rehabilitation of existing industrial structures, and the industrial reutilization of abandoned buildings. The goal of the Class 6b program is to attract new industry, stimulate expansion and retention of existing industry, and increase employment opportunities.

Under the incentive provided by Class 6b, qualifying industrial real estate is eligible for the Class 6b level of assessment from the date that new construction or substantial rehabilitation is completed and initially assessed or, in the case of abandoned property, from the date of substantial re-occupancy. Properties receiving a Class 6b incentive are assessed at 10% of market value for the first 10 years, 15% in the 11th year, and 20% in the 12th and final year of the incentive. This constitutes a substantial reduction in the level of assessment and results in significant tax savings. In the absence of this incentive, industrial real estate would normally be assessed at 25% of its market value.

The Village has granted Class 6b incentives to businesses that, as a result, have occupied abandoned properties, constructed new buildings, or expanded existing facilities. In many instances, the program has produced more property tax revenue for the Village and the other impacted taxing districts than would have been generated if the development had not occurred.

For the fiscal year ending December 31, 2017, the Village's share of the abatement granted to the Class 6b properties amounted to \$664,288.

9. COMMITMENTS

a. Northwest Water Commission

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

<u>Year Ending December 31,</u>	<u>Amount</u>
2018	\$ 1,757,244
2019	1,792,389
2020	1,828,237
2021	1,864,801
2022	1,902,097
2023-2025	5,937,603

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

9. COMMITMENTS (Continued)

a. Northwest Water Commission (Continued)

These amounts have been calculated using the Village's current allocation percentage of 17.410%. 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

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>Year Ending December 31,</u>	<u>Amount</u>
2018	\$ 429,894
2019	444,941
2020	460,514
2021	476,632
2022	493,314

These amounts have been calculated using the Village's allocation percentage of 3.96%. In future years, the allocation percentage will be subject to change.

10. JOINT VENTURES

a. Solid Waste Agency of Northern Cook County

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.

10. JOINT VENTURES (Continued)

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

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 the Village of Wheeling Public Works Building at 77 W. Hintz Road, Wheeling, Illinois 60090 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, 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 \$449,673 to SWANCC for the year ended December 31, 2017. The payments have been recorded in the General Fund. The Village does not have an equity interest in SWANCC at December 31, 2017.

10. JOINT VENTURES (Continued)

b. Northwest Water Commission

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 consists 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 \$1,741,397 to NWWC for the year ended December 31, 2017. The Village has an equity interest in NWWC in the amount of \$7,461,238 as of December 31, 2017.

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

10. JOINT VENTURES (Continued)

c. Chicago Executive Airport

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:

	Percent Share
City of Prospect Heights	50%
Village of Wheeling	50%
TOTAL	100%

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 President of the Village and the Mayor of the City 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

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

10. JOINT VENTURES (Continued)

c. Chicago Executive Airport (Continued)

Description of Joint Venture (Continued)

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 of Directors; 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 and City of Prospect Heights.

Summary of Financial Information of Joint Venture

Summary of financial position as of April 30, 2017, the most recent information available:

ASSETS	
Current assets	\$ 5,363,881
Capital assets	90,665,927
Construction in progress	<u>542,954</u>
Total assets	<u>96,572,762</u>
LIABILITIES	
Current liabilities	789,349
Long-term liabilities	<u>4,788,709</u>
Total liabilities	<u>5,578,058</u>
NET POSITION	<u><u>\$ 90,994,704</u></u>

Summary of revenues, expenses, and changes in net position for the year ended April 30, 2017:

Total revenues	\$ 4,668,094
Total expenses	<u>5,656,357</u>
Net income (loss) before capital contributions	(988,263)
Capital contributions	<u>857,665</u>
Change in net position	(130,598)
Net position	
May 1, 2016	<u>91,125,302</u>
April 30, 2017	<u><u>\$ 90,994,704</u></u>

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

10. JOINT VENTURES (Continued)

- c. Chicago Executive Airport (Continued)

Summary of Financial Information of Joint Venture (Continued)

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, 2017, the Village's proportionate share of net position and change in net position were \$45,497,352 and \$(65,299), respectively. The Village's equity share in joint venture is reported separately on the Statement of Net Position within governmental activities.

The Village made no payments to CEA for the year ended December 31, 2017.

11. 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	\$ 5,885
General	Nonmajor Governmental	79,444
Nonmajor Governmental	Nonmajor Governmental	615,501
Fiduciary	General	<u>520,548</u>
TOTAL		<u>\$ 1,221,378</u>

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

- \$5,885 due from nonmajor governmental (Grant Fund) to the General Fund to eliminate a deficit cash position. Repayment is expected within one year.
- \$79,444 due from nonmajor governmental (Emergency Telephone System Fund) to the General Fund to close fund balance of the fund to \$0. Repayment is expected within one year.
- \$615,501 due from nonmajor governmental (Grant Fund) to the nonmajor governmental (Capital Projects Fund) to eliminate a deficit cash position. Repayment is expected within one year.
- \$520,548 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.

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

11. INDIVIDUAL FUND DISCLOSURES (Continued)

b. Advances From/To Other Funds

Advances from/to other funds at December 31, 2017 consisted of the following:

Receivable Fund	Payable Fund	Amount
Waterworks and Sewerage	Capital Equipment Replacement	\$ 1,236,508
TOTAL		<u>\$ 1,236,508</u>

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

- \$1,236,508 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.

c. Interfund Transfers

Interfund transfers between funds for the year ended December 31, 2017 were as follows:

	Transfers In	Transfers Out
General		
Capital Equipment Replacement	\$ -	\$ 1,789,523
Nonmajor governmental (North Milwaukee/Lake Cook Redevelopment Area)	-	415,125
Nonmajor governmental (Grant)	-	88,924
Nonmajor governmental (Emergency Telephone System)	-	210,000
Total General	<u>-</u>	<u>2,503,572</u>
Capital Equipment Replacement		
General	1,789,523	-
Waterworks and Sewerage	-	151,125
Nonmajor governmental (Emergency Telephone System)	112,458	-
Total Capital Equipment Replacement	<u>1,901,981</u>	<u>151,125</u>

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

11. INDIVIDUAL FUND DISCLOSURES (Continued)

c. Interfund Transfers (Continued)

	Transfers In	Transfers Out
Waterworks and Sewerage		
Capital Equipment Replacement	\$ 151,125	\$ -
Nonmajor governmental (Storm Water)	171,500	-
Nonmajor governmental (Debt Service)	-	676,784
Total Waterworks and Sewerage	<u>322,625</u>	<u>676,784</u>
Nonmajor Governmental		
General	714,049	-
Capital Equipment Replacement	-	112,458
Waterworks and Sewerage	676,784	171,500
Nonmajor governmental (Debt Service)	320,101	-
Nonmajor governmental (Capital Projects)	-	320,101
Total Nonmajor governmental	<u>1,710,934</u>	<u>604,059</u>
TOTAL	<u>\$ 3,935,540</u>	<u>\$ 3,935,540</u>

The purpose of significant transfers is as follows:

- \$415,125 transferred to the North Milwaukee/Lake Cook Redevelopment Area Fund from the General Fund for payment on applicable bond issues. This transfer will not be repaid.
- \$1,789,523 transferred to the Capital Equipment Replacement Fund from the General Fund for the purchase of equipment. This transfer will not be repaid.
- \$210,000 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.
- \$112,458 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.
- \$320,101 transferred to the nonmajor governmental (Debt Service Fund) from the nonmajor governmental (Capital Projects Fund) for principal and interest expense on the 2007 GO Bonds. This transfer will not be repaid.

11. INDIVIDUAL FUND DISCLOSURES (Continued)

c. Interfund Transfers (Continued)

- \$676,784 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.
- \$171,500 transferred to Waterworks and Sewerage Fund from the nonmajor governmental (Storm Water Fund) to cover expenditures for the fiscal year. This transfer will not be repaid.

12. OTHER POSTEMPLOYMENT BENEFITS

a. 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.

b. 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; and prescriptions. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the Village's plan becomes secondary.

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

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Membership

At December 31, 2017, membership consisted of:

Retirees and beneficiaries currently receiving benefits	96
Terminated employees entitled to benefits but not yet receiving them	-
Duty disabled participants	5
Active employees	<u>218</u>
TOTAL	<u>319</u>
Participating employers	<u>1</u>

d. 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, 2017, the Village contributed \$960,244. 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.

e. 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 2017 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
2015	\$ 1,283,256	\$ 912,039	71.07%	\$ 407,623
2016	1,277,464	985,002	77.11%	700,085
2017	1,209,319	960,244	79.40%	949,160

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

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

The net OPEB obligation (NOPEBO) as December 31, 2017 was calculated as follows:

Annual required contribution	\$ 1,220,244
Interest on net OPEB obligation	28,004
Adjustment to annual required contribution	<u>(38,929)</u>
Annual OPEB cost	1,209,319
Contributions made	<u>(960,244)</u>
Increase in net OPEB obligation	249,075
Net OPEB obligation, beginning of year	<u>700,085</u>
NET OPEB OBLIGATION, END OF YEAR	<u>\$ 949,160</u>

Funded Status and Funding Progress. The funded status of the plan as of December 31, 2017 was as follows:

Actuarial accrued liability (AAL)	\$ 17,286,730
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	17,286,730
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$ 19,786,218
UAAL as a percentage of covered payroll	87.37%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

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, 2017 actuarial valuation, the entry-age actuarial cost method was used. The actuarial assumptions included a 4.00% investment rate of return and an annual healthcare cost trend rate of 8.00% initially, reduced by decrements to an ultimate rate of 5.00% after seven years. Both rates include a 2.50% 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.

13. OPERATING LEASES

a. Solid Waste Agency of Northern Cook County

The Village leases Public Works office space to SWANCC. The leases are operating leases with fixed monthly rental payments. The following is a schedule of approximate future minimum rentals under enforceable leases at December 31, 2017.

<u>Year Ending December 31,</u>	<u>Amount</u>
2018	\$ 67,406
2019	69,428
2020	71,511
2021	42,436

14. DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Police Pension Plan, which is a single-employer pension plan; and the Firefighters' Pension Plan, which is also a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for all three plans are governed by ILCS and can only be amended by the Illinois General Assembly. 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 at www.imrf.org. The Police and Firefighters' Pension Plans do not issue separate reports.

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

All employees (other than those covered by the Police and Firefighters' Pension Plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At December 31, 2017, IMRF membership consisted of:

Inactive employees or their beneficiaries	
currently receiving benefits	112
Inactive employees entitled to but not yet receiving benefits	48
Active employees	120
 TOTAL	 280

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Benefits Provided

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 2.00% 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 2.00% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all are established by state statute.

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The required employer contribution for the year ended December 31, 2017 was 12.20% of covered payroll.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2017
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	3.39% to 14.25%
Interest rate	7.50%
Cost of living adjustments	3.50%
Asset valuation method	Market value

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability at December 31, 2017 was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2017	\$ 57,415,909	\$ 49,868,897	\$ 7,547,012
Changes for the period			
Service cost	1,063,964	-	1,063,964
Interest	4,250,576	-	4,250,576
Difference between expected and actual experience	365,085	-	365,085
Changes in assumptions	(1,841,947)	-	(1,841,947)
Employer contributions	-	1,277,225	(1,277,225)
Employee contributions	-	452,276	(452,276)
Net investment income	-	8,659,571	(8,659,571)
Benefit payments and refunds	(2,547,081)	(2,547,081)	-
Other (net transfer)	-	(1,275,242)	1,275,242
Net changes	1,290,597	6,566,749	(5,276,152)
BALANCES AT DECEMBER 31, 2017	\$ 58,706,506	\$ 56,435,646	\$ 2,270,860

Changes in assumptions related to retirement age and mortality were made in previous years' prior measurement dates.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2017, the Village recognized pension expense of \$2,455,058.

At December 31, 2017, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 966,772	\$ 510,678
Changes in assumption	488,322	1,616,474
Net difference between projected and actual earnings on pension plan investments	<u>1,610,604</u>	<u>3,998,308</u>
TOTAL	<u>\$ 3,065,698</u>	<u>\$ 6,125,460</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	
2018	\$ (20,760)
2019	(342,845)
2020	(1,344,483)
2021	(1,329,762)
2022	(21,912)
Thereafter	<u>-</u>
TOTAL	<u>\$ (3,059,762)</u>

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the Village calculated using the discount rate of 7.50% as well as what the Village's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability (asset)	\$ 10,102,933	\$ 2,270,860	\$ (4,167,311)

Police Pension Plan

Plan Administration

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 plan as a pension trust fund.

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Village President, one member is elected by pension beneficiaries, and two members are elected by active police employees.

Plan Membership

At December 31, 2017, the measurement date, membership consisted of:

Inactive plan members currently receiving benefits	50
Inactive plan members entitled to but not yet receiving benefits	4
Active plan members	55
TOTAL	<u><u>109</u></u>

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided

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% 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% 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.

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. The Village has chosen a policy to fund 100% of the past service costs by 2040. For the year ended December 31, 2017, the Village's contribution was 29.57% of covered payroll.

Investment Policy

ILCS limits the Police Pension Fund's (the Fund) investments to those allowable by ILCS and require the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund's investment policy authorizes the Fund to make deposits/invest 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 Government 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, investment grade corporate bonds, and Illinois Funds. The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities, and real estate investment trusts. The investment policy was not modified during the year ended December 31, 2017.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

The Fund's investment policy, in accordance with ILCS, establishes the following target allocation across asset classes:

Asset Class	Range	Target	Long-Term Expected Real Rate of Return
Large cap domestic equity	0-75%	30.25%	7.60%
Small cap domestic equity	0-20%	11.00%	9.80%
International equity	0-25%	13.75%	4.10%
Fixed income	0-100%	45.00%	3.00%

The overall target for the Fund is approximately 45% invested in fixed income securities and 55% invested in equity securities. The long-term expected real rates of return are net of a 2.50% factor for inflation and investment expense. ILCS limits the Fund's investments in equities, mutual funds, and variable annuities to 65%. Securities in any one company should not exceed 5.00% of the total fund.

The long-term expected rate of return on the Fund's investments was determined using the Asset Management and Trust Division of the investment management consultant's proprietary research and analytical tools in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of December 31, 2017 are listed in the table above.

Investment Concentrations

There are no significant investments (other than United States Agency Securities and Corporate Bonds) in any one organization that represent 5.00% or more of the Fund's investments.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Rate of Return

For the year ended December 31, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 13.09%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policy requires all bank balances to be covered by federal depository insurance.

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of December 31, 2017:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 747,548	\$ 747,548	\$ -	\$ -	\$ -
U.S. agency obligations	9,967,247	1,452,393	4,654,066	3,860,788	-
Municipal bonds	1,954,088	322,348	1,395,602	-	236,138
Corporate bonds	9,249,666	952,806	4,940,517	3,356,343	-
TOTAL	\$ 21,918,549	\$ 3,475,095	\$ 10,990,185	\$ 7,217,131	\$ 236,138

The Fund has the following recurring fair value measurements as of December 31, 2017, the U.S. agency obligations, U.S. Treasury obligations, municipal bonds, and corporate bonds are valued using quoted matrix pricing models (Level 2 inputs). Mutual funds and equities use Level 1 inputs.

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Interest Rate Risk (Continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Fund.

Credit Risk

The 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 are rated AA+. The municipal bonds and corporate bonds range in rating from AAA to not rated by Standard and Poor's.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the 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 Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. The money market mutual funds and equity mutual funds are not subject to custodial credit risk.

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2017	\$ 70,077,482	\$ 47,290,836	\$ 22,786,646
Changes for the period			
Service cost	962,016	-	962,016
Interest	5,142,145	-	5,142,145
Difference between expected and actual experience	1,320,092	-	1,320,092
Changes in assumptions	-	-	-
Employer contributions	-	1,999,952	(1,999,952)
Employee contributions	-	562,330	(562,330)
Other contributions	-	134,279	(134,279)
Net investment income	-	6,183,757	(6,183,757)
Benefit payments and refunds	(3,031,091)	(3,031,091)	-
Administrative expense	-	(48,732)	48,732
Net changes	4,393,162	5,800,495	(1,407,333)
BALANCES AT DECEMBER 31, 2017	\$ 74,470,644	\$ 53,091,331	\$ 21,379,313

There were changes with respect to actuarial assumptions in the current year related to the assumed rate on High Quality 20 - Year Tax-Exempt Bonds and changes to actuarial assumptions from prior years to reflect revised expectations with respect to mortality rates, disability rates, turnover rates, and retirement rates.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2017
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	4.25% to 8.98%
Interest rate	7.50%
Cost of living adjustments	3.00% (Tier 1) 2.00% (Tier 2)
Asset valuation method	Market

Mortality rates were based on the actuary's 2016 Illinois Police Mortality Rates Table.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7.50% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability	\$ 32,199,141	\$ 21,379,313	\$ 12,578,243

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2017, the Village recognized pension expense of \$2,288,937. At December 31, 2017, the Village reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,121,879	\$ 469,533
Changes in assumptions	104,247	656,446
Net difference between projected and actual earnings on pension plan investments	<u>1,988,570</u>	<u>2,121,053</u>
TOTAL	<u>\$ 3,214,696</u>	<u>\$ 3,247,032</u>

Changes in the net pension liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in pension expense over the expected remaining service life of all employees (active and retired) in the plan. Differences in projected and actual earnings over the measurement period are recognized over a five-year period.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the police pension will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	
2018	\$ 365,093
2019	365,089
2020	(351,676)
2021	(536,685)
2022	25,392
Thereafter	<u>100,451</u>
TOTAL	<u>\$ (32,336)</u>

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan

Plan Administration

Firefighter sworn personnel are covered by the Firefighters' Pension Plan, a single-employer defined benefit pension plan sponsored by the Village. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-101) and may be amended only by the Illinois legislature. The Village accounts for the Firefighters' Pension Plan as a pension trust fund.

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Village President, one member is elected by pension beneficiaries, and two members are elected by active firefighter employees.

Plan Membership

At December 31, 2017, the measurement date, membership consisted of:

Inactive plan members currently receiving benefits	53
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	<u>47</u>
TOTAL	<u><u>100</u></u>

Benefits Provided

The following is a summary of benefits of the plan as provided for in ILCS:

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% 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.

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Benefits Provided (Continued)

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% 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 preceding calendar year.

Contributions

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. The Village has chosen a policy to fund 100% of the past service costs by 2040. For the year ended December 31, 2017, the Village's contribution was 45.51% of covered payroll.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Investment Policy

Permitted Deposits and Investments - Statutes and the Firefighters' Pension Fund's (the Fund) investment policy authorize the Fund to make deposits/invest 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 Government 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, investment grade corporate bonds, and Illinois Funds. The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds, and corporate equity securities. The investment policy was not modified during the year ended December 31, 2017.

The Fund's investment policy in accordance with ILCS establishes the following target allocation across asset classes:

Asset Class	Range	Target	Long-Term Expected Real Rate of Return
Large cap domestic equity	40-100%	38.50%	6.80%
Small cap domestic equity	0-40%	11.00%	8.80%
International equity	0-20%	5.50%	6.70%
Fixed income	0-100%	45.00%	1.80%

The long-term expected real rates of return are net of a 2.65% factor for inflation and investment expense. ILCS limits the Fund's investments in equities, mutual funds, and variable annuities to 65%. Securities in any one company should not exceed 5.00% of the total fund.

The long-term expected rates of return are the best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) for each major assets class. Best estimates or geometric real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of December 31, 2017 are listed in the table above.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Concentrations

There are no significant investments (other than United States Government guaranteed obligations, municipal bonds, and corporate bonds) in any one organization that represent 5.00% or more of the Fund's investments.

Rate of Return

For the year ended December 31, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 13.16%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policy requires all bank balances to be covered by federal depository insurance.

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of December 31, 2017:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 1,979,046	\$ 250,570	\$ 1,576,788	\$ 151,688	\$ -
U.S. agency obligations	10,212,727	109,948	2,728,274	7,352,432	22,073
Municipal bonds	2,280,876	149,217	1,337,521	616,887	177,251
Corporate bonds	2,403,594	475,481	1,324,967	603,146	-
Asset backed securities	11,324		11,324		
TOTAL	\$ 16,887,567	\$ 985,216	\$ 6,978,874	\$ 8,724,153	\$ 199,324

The Fund has the following recurring fair value measurements as of December 31, 2017: The U.S. agency obligations, U.S. Treasury obligations, municipal bonds, corporate bonds, and asset backed securities are valued using quoted matrix pricing models (Level 2 inputs). Mutual funds and equities use Level 1 inputs.

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Interest Rate Risk (Continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Fund.

Credit Risk

The 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 are rated AA+. The municipal bonds and corporate bonds range in rating from AAA to not rated by Standard and Poor's. The individual asset backed security is rated A.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the 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 Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. Money market mutual funds and mutual funds are not subject to custodial credit risk.

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2017	\$ 63,168,203	\$ 35,728,516	\$ 27,439,687
Changes for the period			
Service cost	1,066,718	-	1,066,718
Interest	4,622,760	-	4,622,760
Difference between expected and actual experience	944,749	-	944,749
Changes in assumptions	-	-	-
Employer contributions	-	2,600,022	(2,600,022)
Employee contributions	-	472,838	(472,838)
	-	20,944	(20,944)
Net investment income	-	4,716,583	(4,716,583)
Benefit payments and refunds	(3,062,798)	(3,062,798)	-
Administrative expense	-	(23,387)	23,387
Net changes	3,571,429	4,724,202	(1,152,773)
BALANCES AT DECEMBER 31, 2017	\$ 66,739,632	\$ 40,452,718	\$ 26,286,914

There were changes with respect to actuarial assumptions in the current year related to the assumed rate on High Quality 20 - Year Tax-Exempt Bonds and changes to actuarial assumptions from prior years to reflect revised expectations with respect to mortality rates, disability rates, turnover rates, and retirement rates.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2017
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	4.25% to 13.26%
Interest rate	7.50%
Cost of living adjustments	3.00% (Tier 1) 2.00% (Tier 2)
Asset valuation method	Market

Mortality rates were based on the actuary's 2016 Illinois Firefighters' Mortality Rates.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7.50% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability	\$ 35,827,117	\$ 26,286,914	\$ 18,507,861

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2017, the Village recognized pension expense of \$3,076,441. At December 31, 2017, the Village reported deferred outflows of resources and deferred inflows of resources related to the firefighters' pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 1,634,066	\$ -
Changes in assumption	717,075	12,665
Net difference between projected and actual earnings on pension plan investments	988,857	1,629,327
TOTAL	<u>\$ 3,339,998</u>	<u>\$ 1,641,992</u>

Changes in the net pension liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in pension expense over the expected remaining service life of all employees (active and retired) in the plan. Differences in projected and actual earnings over the measurement period are recognized over a five-year period.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the firefighters' pension will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	
2018	\$ 537,282
2019	537,278
2020	135,619
2021	73,775
2022	286,140
Thereafter	<u>127,912</u>
TOTAL	<u>\$ 1,698,006</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, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
REVENUES				
Taxes	\$ 26,765,206	\$ 26,765,206	\$ 25,944,507	\$ 26,094,987
Licenses and permits	959,883	959,883	1,050,924	712,117
Intergovernmental	6,849,386	6,849,386	6,578,577	6,715,665
Charges for services	2,274,140	2,274,140	2,421,787	2,417,037
Fines and forfeits	942,738	942,738	983,565	994,658
Investment income	146,598	146,598	84,892	187,160
Miscellaneous	823,145	823,145	1,339,003	1,142,006
Total revenues	38,761,096	38,761,096	38,403,255	38,263,630
EXPENDITURES				
General government	11,057,523	11,114,502	10,871,481	10,748,569
Public safety	25,191,205	25,609,226	25,031,344	24,749,064
Debt service				
Principal	-	-	-	199,335
Total expenditures	36,248,728	36,723,728	35,902,825	35,696,968
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,512,368	2,037,368	2,500,430	2,566,662
OTHER FINANCING SOURCES (USES)				
Proceeds on sale of capital assets	12,180	12,180	158,445	16,795
Transfers (out)				
Capital Equipment Replacement Fund	(1,789,523)	(1,789,523)	(1,789,523)	(1,831,869)
Emergency Telephone System Fund	(210,000)	(210,000)	(210,000)	(120,000)
Grant Fund	(58,070)	(58,070)	(88,924)	(66,007)
North Milwaukee/Lake Cook Redevelopment Area Fund	(415,125)	(415,125)	(415,125)	(413,000)
Total other financing sources (uses)	(2,460,538)	(2,460,538)	(2,345,127)	(2,414,081)
NET CHANGE IN FUND BALANCE	\$ 51,830	\$ (423,170)	155,303	152,581
FUND BALANCE, JANUARY 1			14,615,067	14,462,486
FUND BALANCE, DECEMBER 31			\$ 14,770,370	\$ 14,615,067

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

OTHER POSTEMPLOYMENT BENEFITS PLAN

SCHEDULE OF FUNDING PROGRESS

December 31, 2017

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 AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
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%
2014	N/A	N/A	N/A	N/A	N/A	N/A
2015	-	18,407,753	0.00%	18,407,753	20,035,265	91.88%
2016	N/A	N/A	N/A	N/A	N/A	N/A
2017	-	17,286,730	0.00%	17,286,730	19,786,218	87.37%

N/A - information not available.

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

**ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS**

Last Three Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2015	2016	2017
Actuarially determined contribution	\$ 1,206,414	\$ 1,161,365	\$ 1,207,392
Contributions in relation to the actuarially determined contribution	<u>1,225,986</u>	<u>1,329,827</u>	<u>1,277,225</u>
CONTRIBUTION DEFICIENCY (Excess)	<u>\$ (19,572)</u>	<u>\$ (168,462)</u>	<u>\$ (69,833)</u>
Covered-employee payroll	\$ 9,929,330	\$ 9,718,536	\$ 9,896,658
Contributions as a percentage of covered-employee payroll	12.35%	13.68%	12.91%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuation as of December 31, 2016. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 26 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.39% to 14.25% compounded annually, and postretirement benefit increases of 3.50% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS
POLICE PENSION FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS
Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Actuarially determined contribution	\$ 823,526	\$ 853,194	\$ 1,256,481	\$ 1,235,774	\$ 1,358,943	\$ 1,385,278	\$ 1,566,013	\$ 1,603,586	\$ 1,768,481	\$ 1,768,316
Contribution in relation to the actuarially determined contribution	823,000	868,101	1,268,284	1,296,344	1,378,043	1,403,098	1,692,954	2,060,385	1,922,292	1,999,952
CONTRIBUTION DEFICIENCY (Excess)	\$ 526	\$ (14,907)	\$ (11,803)	\$ (60,570)	\$ (19,100)	\$ (17,820)	\$ (126,941)	\$ (456,799)	\$ (153,811)	\$ (231,636)
Covered-employee payroll	\$ 5,318,433	\$ 5,323,317	\$ 5,301,423	\$ 5,343,159	\$ 5,556,957	\$ 5,591,645	\$ 5,716,640	\$ 5,947,555	\$ 6,535,588	\$ 6,764,334
Contributions as a percentage of covered-employee payroll	15.47%	16.31%	23.92%	24.26%	24.80%	25.09%	29.61%	34.64%	29.41%	29.57%

Notes to the Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 25 years; the asset valuation method was at market value; and the significant actuarial assumptions were an investment rate of return of 7.50% annually, projected salary increase assumption of 4.25% to 8.98% compounded annually, and postretirement benefit increases of 3.50% compounded annually.

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS
FIREFIGHTERS' PENSION FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS
Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Actuarially determined contribution	\$ 685,160	\$ 747,385	\$ 1,100,795	\$ 1,138,155	\$ 1,301,952	\$ 1,460,107	\$ 1,642,356	\$ 1,740,322	\$ 1,936,380	\$ 2,293,581
Contribution in relation to the actuarially determined contribution	695,926	750,324	1,106,487	1,194,810	1,314,938	1,484,050	1,850,379	2,258,857	2,123,616	2,600,022
CONTRIBUTION DEFICIENCY (Excess)	\$ (10,766)	\$ (2,939)	\$ (5,692)	\$ (56,655)	\$ (12,986)	\$ (23,943)	\$ (208,023)	\$ (518,535)	\$ (187,236)	\$ (306,441)
Covered-employee payroll	\$ 4,327,162	\$ 3,986,938	\$ 3,593,574	\$ 4,213,548	\$ 4,365,105	\$ 4,442,556	\$ 4,691,421	\$ 4,873,543	\$ 5,519,922	\$ 5,713,119
Contributions as a percentage of covered-employee payroll	16.08%	18.82%	30.79%	28.36%	30.12%	33.41%	39.44%	46.35%	38.47%	45.51%

Notes to the Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 25 years; the asset valuation method was at market value; and the significant actuarial assumptions were an investment rate of return of 7.50% annually, projected salary increase assumption of 4.25% to 13.26% compounded annually, and postretirement benefit increases of 3.50% compounded annually.

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

OTHER POSTEMPLOYMENT BENEFITS PLAN

SCHEDULE OF EMPLOYER CONTRIBUTIONS

December 31, 2017

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2012	\$ 954,035	\$ 916,682	104.07%
2013	924,978	916,682	100.91%
2014	924,978	874,344	105.79%
2015	912,039	1,283,824	71.04%
2016	985,002	1,283,824	76.72%
2017	960,244	1,220,244	78.69%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

ILLINOIS MUNICIPAL RETIREMENT FUND

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS**

Last Three Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017
TOTAL PENSION LIABILITY			
Service cost	\$ 1,015,147	\$ 1,078,576	\$ 1,063,964
Interest	3,799,229	4,105,922	4,250,576
Changes of benefit terms	-	-	-
Differences between expected and actual experience	1,423,041	(830,542)	365,085
Changes of assumptions	147,358	(223,543)	(1,841,947)
Benefit payments, including refunds of member contributions	(2,068,645)	(2,281,397)	(2,547,081)
Net change in total pension liability	4,316,130	1,849,016	1,290,597
Total pension liability - beginning	51,250,763	55,566,893	57,415,909
TOTAL PENSION LIABILITY - ENDING	\$ 55,566,893	\$ 57,415,909	\$ 58,706,506
PLAN FIDUCIARY NET POSITION			
Contributions - employer	\$ 1,225,986	\$ 1,329,827	\$ 1,277,225
Contributions - member	455,716	437,334	452,276
Net investment income	234,356	3,206,922	8,659,571
Benefit payments, including refunds of member contributions	(2,068,645)	(2,281,397)	(2,547,081)
Other	(196,861)	460,974	(1,275,242)
Net change in plan fiduciary net position	(349,448)	3,153,660	6,566,749
Plan fiduciary net position - beginning	47,064,685	46,715,237	49,868,897
PLAN FIDUCIARY NET POSITION - ENDING	\$ 46,715,237	\$ 49,868,897	\$ 56,435,646
EMPLOYER'S NET PENSION LIABILITY	\$ 8,851,656	\$ 7,547,012	\$ 2,270,860
Plan fiduciary net position as a percentage of the total pension liability	84.10%	86.90%	96.10%
Covered-employee payroll	\$ 9,929,330	\$ 9,718,536	\$ 9,896,658
Employer's net pension liability as a percentage of covered-employee payroll	89.10%	77.70%	22.90%

Changes in assumptions related to salary rates and inflation rates were made in previous years' measurement dates.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

POLICE PENSION FUND

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS

Last Four Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017
TOTAL PENSION LIABILITY				
Service cost	\$ 1,167,588	\$ 956,703	\$ 1,044,941	\$ 962,016
Interest	4,272,252	4,777,808	4,989,358	5,142,145
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	307,520	(503,870)	(239,691)	1,320,092
Changes to actuarial assumptions	3,350,055	177,150	(909,412)	-
Benefit payments, including refunds of member contributions	(2,204,065)	(2,509,271)	(2,664,977)	(3,031,091)
Net change in total pension liability	6,893,350	2,898,520	2,220,219	4,393,162
Total pension liability - beginning	58,065,393	64,958,743	67,857,263	70,077,482
TOTAL PENSION LIABILITY - ENDING	\$ 64,958,743	\$ 67,857,263	\$ 70,077,482	\$ 74,470,644
PLAN FIDUCIARY NET POSITION				
Contributions - employer	\$ 1,692,954	\$ 2,060,385	\$ 1,922,292	\$ 1,999,952
Contributions - member	564,098	604,042	571,932	562,330
Contributions - other	-	-	-	134,279
Net investment income	2,622,222	(216,949)	2,445,984	6,183,757
Benefit payments, including refunds of member contributions	(2,204,065)	(2,509,271)	(2,664,977)	(3,031,091)
Administrative expense	(27,972)	(44,077)	(34,058)	(48,732)
Net change in plan fiduciary net position	2,647,237	(105,870)	2,241,173	5,800,495
Plan fiduciary net position - beginning	42,508,296	45,155,533	45,049,663	47,290,836
PLAN FIDUCIARY NET POSITION - ENDING	\$ 45,155,533	\$ 45,049,663	\$ 47,290,836	\$ 53,091,331
EMPLOYER'S NET PENSION LIABILITY	\$ 19,803,210	\$ 22,807,600	\$ 22,786,646	\$ 21,379,313
Plan fiduciary net position as a percentage of the total pension liability	69.50%	66.40%	67.50%	71.30%
Covered-employee payroll	\$ 5,716,640	\$ 5,947,555	\$ 6,535,588	\$ 6,764,334
Employer's net pension liability as a percentage of covered-employee payroll	346.40%	383.50%	348.70%	316.10%

There were changes with respect to actuarial assumptions in the current year related to the assumed rate on High Quality 20-Year Tax-Exempt Bonds and changes to actuarial assumptions from prior years to reflect revised expectations with respect to mortality rates, disability rates, turnover rates, and retirement rates.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

FIREFIGHTERS' PENSION FUND

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS

Last Four Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017
TOTAL PENSION LIABILITY				
Service cost	\$ 1,111,028	\$ 1,009,443	\$ 1,093,332	\$ 1,066,718
Interest	3,727,758	4,067,329	4,428,808	4,622,760
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(29,931)	1,338,568	37,737	944,749
Changes to actuarial assumptions	2,438,228	1,202,682	(17,349)	-
Benefit payments, including refunds of member contributions	(2,692,551)	(2,746,399)	(2,850,197)	(3,062,798)
Net change in total pension liability	4,554,532	4,871,623	2,692,331	3,571,429
Total pension liability - beginning	51,049,717	55,604,249	60,475,872	63,168,203
TOTAL PENSION LIABILITY - ENDING	\$ 55,604,249	\$ 60,475,872	\$ 63,168,203	\$ 66,739,632
PLAN FIDUCIARY NET POSITION				
Contributions - employer	\$ 1,850,379	\$ 2,258,857	\$ 2,123,616	\$ 2,600,022
Contributions - member	438,414	578,831	470,922	472,838
Contributions - other	-	-	-	20,944
Net investment income	2,376,338	463,608	2,215,038	4,716,583
Benefit payments, including refunds of member contributions	(2,692,551)	(2,746,399)	(2,850,197)	(3,062,798)
Administrative expense	(13,222)	(28,683)	(31,366)	(23,387)
Net change in plan fiduciary net position	1,959,358	526,214	1,928,013	4,724,202
Plan fiduciary net position - beginning	31,314,931	33,274,289	33,800,503	35,728,516
PLAN FIDUCIARY NET POSITION - ENDING	\$ 33,274,289	\$ 33,800,503	\$ 35,728,516	\$ 40,452,718
EMPLOYER'S NET PENSION LIABILITY	\$ 22,329,960	\$ 26,675,369	\$ 27,439,687	\$ 26,286,914
Plan fiduciary net position as a percentage of the total pension liability	59.80%	55.90%	56.60%	60.60%
Covered-employee payroll	\$ 4,691,421	\$ 4,873,543	\$ 5,519,922	\$ 5,713,119
Employer's net pension liability as a percentage of covered-employee payroll	476.00%	547.40%	497.10%	460.10%

There were changes with respect to actuarial assumptions in the current year related to the assumed rate on High Quality 20-Year Tax-Exempt Bonds and changes to actuarial assumptions from prior years to reflect revised expectations with respect to mortality rates, disability rates, turnover rates, and retirement rates.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

POLICE PENSION FUND

SCHEDULE OF INVESTMENT RETURNS

Last Four Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017
Annual money-weighted rate of return, net of investment expense	6.14%	(0.48%)	5.44%	13.09%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

FIREFIGHTERS' PENSION FUND

SCHEDULE OF INVESTMENT RETURNS

Last Four Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017
Annual money-weighted rate of return, net of investment expense	7.10%	1.39%	6.59%	13.16%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2017

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
Capital Equipment Replacement	\$ 1,620,000	\$ 2,185,464
Foreign Fire Insurance	69,200	79,520
Emergency Telephone System	624,962	1,245,664
Grant	237,070	2,306,098
Town Center TIF #2	1,133,640	3,091,791

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

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 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, 2017

(With Comparative Amounts for December 31, 2016)

	2017	2016
ASSETS		
Cash and investments	\$ 10,558,706	\$ 10,229,745
Receivables (net, where applicable, of allowance for uncollectibles)		
Property taxes	13,598,020	12,972,229
Sales taxes	2,545,112	2,759,846
Income taxes/local use taxes	297,951	696,331
Telecommunications tax	273,307	317,745
Accrued interest	20,223	17,941
IPBC	1,019,495	671,661
Other	922,320	907,623
Prepaid items	242,193	211,316
Inventory	276,659	278,304
Due from other funds	85,329	42,783
	\$ 29,839,315	\$ 29,105,524
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$ 776,947	\$ 1,023,042
Accrued payroll	50,290	40,236
Deposits payable	112,665	124,167
Unearned revenue	129,819	114,261
Due to fiduciary funds	520,548	306,376
	1,590,269	1,608,082
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenues - property taxes	13,478,676	12,882,375
	13,478,676	12,882,375
FUND BALANCES		
Nonspendable		
Prepaid items	242,193	211,316
Inventory	276,659	278,304
Assigned		
Health insurance	1,019,495	671,661
Unassigned	13,232,023	13,453,786
	14,770,370	14,615,067
	\$ 29,839,315	\$ 29,105,524

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL

For the Year Ended December 31, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
TAXES				
Property taxes	\$ 8,820,478	\$ 8,820,478	\$ 8,869,464	\$ 8,663,160
Property taxes - Police Pension Fund	1,768,316	1,768,316	1,819,224	1,826,149
Property taxes - Firefighters' Pension Fund	2,293,581	2,293,581	2,362,729	2,003,235
TIF surplus distribution	320,700	320,700	247,956	252,056
Sales tax	6,121,598	6,121,598	5,694,770	6,252,421
Home rule sales tax	4,245,510	4,245,510	3,823,772	3,926,334
Telecommunications tax	1,172,180	1,172,180	1,162,995	1,252,938
Food and beverage tax	964,980	964,980	917,671	910,343
Hotel/motel tax	1,055,700	1,055,700	1,043,545	1,008,332
Auto rental tax	2,163	2,163	2,381	19
Total taxes	26,765,206	26,765,206	25,944,507	26,094,987
LICENSES AND PERMITS				
Business licenses	115,798	85,798	88,646	83,142
Coin-operated licenses	11,750	11,750	9,475	9,670
Liquor licenses	154,900	184,900	195,370	185,292
Other licenses	123,581	123,581	154,548	151,008
Building permits	490,000	490,000	509,621	226,712
Other permits	63,854	63,854	93,264	56,293
Total licenses and permits	959,883	959,883	1,050,924	712,117
INTERGOVERNMENTAL				
Township taxes	88,730	88,730	71,090	98,428
Personal property replacement tax	181,685	181,685	214,789	179,981
Income tax	3,710,840	3,710,840	3,457,938	3,664,807
State use tax	908,477	908,477	973,823	914,410
Grants	-	-	6,767	-
Police training	-	-	9,339	2,773
Fire training	-	-	12,134	35,036
Video gaming tax	224,660	224,660	234,060	221,191
Crossing guard reimbursement	42,135	42,135	37,669	14,814
Emergency dispatch services	1,691,459	1,691,459	1,559,068	1,582,226
Pull tabs and jar games tax	1,400	1,400	1,900	1,999
Total intergovernmental	6,849,386	6,849,386	6,578,577	6,715,665
CHARGES FOR SERVICES				
Electrical inspections	69,000	69,000	55,529	71,032
Plumbing inspections	35,000	35,000	30,875	27,011
Engineering inspection fees	196,900	196,900	373,233	283,279
Solid waste service charge	623,000	623,000	585,335	617,978
SWANCC fees	251,000	251,000	253,609	249,519
Host community fees	100,000	100,000	100,000	100,000
Ambulance fees	572,460	572,460	611,139	620,050
Impounding fees	850	850	750	1,100

(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, 2017
(With Comparative Actual)

	2017			2016
	Original Budget	Final Budget	Actual	
CHARGES FOR SERVICES (Continued)				
Plan review	\$ 30,000	\$ 30,000	\$ 39,988	\$ 37,809
Subdivision prefilling fees	1,195	1,195	659	-
Planning and zoning fees	4,600	4,600	7,867	17,492
Industrial revenue bond and 6(b) fees	1,900	1,900	6,650	1,900
Duplicating services	5,300	5,300	1,190	4,818
False alarm fees	10,000	10,000	11,184	11,142
Pavilion senior center	24,000	24,000	20,292	20,238
Monthly permit fee	26,500	26,500	26,381	27,604
Daily parking fee	55,000	55,000	54,564	61,092
Rental income	71,637	71,637	69,725	71,696
Rental income - T-Mobile	28,656	28,656	30,459	29,572
Police liaison reimbursement	164,042	164,042	140,643	160,664
Finger printing fee	2,080	2,080	1,505	2,021
CPR training fees	1,020	1,020	210	1,020
Total charges for services	2,274,140	2,274,140	2,421,787	2,417,037
FINES AND FORFEITS				
Court fines	146,668	146,668	136,243	152,996
Local ordinance fines	796,070	796,070	847,322	841,662
Total fines and forfeits	942,738	942,738	983,565	994,658
INVESTMENT INCOME				
Investment income	146,598	146,598	84,892	187,160
MISCELLANEOUS				
Cable TV franchise fees	391,790	391,790	405,155	392,434
Waste management franchise fees	90,249	90,249	89,893	88,915
AT&T franchise fees	167,855	167,855	144,850	160,932
Other franchise fees	44,391	44,391	44,442	43,841
IPBC terminal reserve revenue	-	-	343,882	311,189
Donations	45,370	45,370	46,229	44,562
Other	83,490	83,490	264,552	100,133
Total miscellaneous	823,145	823,145	1,339,003	1,142,006
TOTAL REVENUES	\$ 38,761,096	\$ 38,761,096	\$ 38,403,255	\$ 38,263,630

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended December 31, 2017
(With Comparative Actual)

	2017			2016
	Original Budget	Final Budget	Actual	
GENERAL GOVERNMENT				
Village Manager's office and Board of Trustees	\$ 1,754,354	\$ 1,811,333	\$ 1,828,427	\$ 1,714,504
Finance	1,074,015	1,074,015	1,137,852	1,008,114
Human resources	285,736	285,736	291,862	259,653
Legal	364,750	364,750	463,775	438,015
Special events	155,634	155,634	173,046	297,146
Solid waste system	480,311	480,311	450,608	440,177
Commuter parking system	47,720	47,720	48,374	44,035
Municipal building maintenance	1,028,792	1,028,792	1,032,089	1,011,738
Municipal vehicle maintenance	711,145	711,145	701,910	698,219
Community development	1,764,447	1,764,447	1,685,427	1,683,030
Senior citizens services	367,254	367,254	367,042	358,424
Social services	327,214	327,214	280,197	320,103
CIP engineering	459,937	459,937	471,777	428,630
Street division	963,700	963,700	804,888	940,815
Public works administration	593,514	593,514	592,998	575,273
Forestry	1,094,476	1,094,476	959,008	976,827
Information systems	874,831	874,831	872,507	804,738
Subtotal	12,347,830	12,404,809	12,161,787	11,999,441
Less Waterworks and Sewerage Fund reimbursements	1,290,307	1,290,307	1,290,306	1,250,872
Total general government	11,057,523	11,114,502	10,871,481	10,748,569
PUBLIC SAFETY				
Police department	14,397,742	14,578,470	13,727,790	14,217,598
Fire department	10,793,463	11,030,756	11,303,554	10,531,466
Total public safety	25,191,205	25,609,226	25,031,344	24,749,064
DEBT SERVICE				
Principal	-	-	-	199,335
Total debt service	-	-	-	199,335
TOTAL EXPENDITURES	\$ 36,248,728	\$ 36,723,728	\$ 35,902,825	\$ 35,696,968

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended December 31, 2017
(With Comparative Actual)

	2017			2016
	Original Budget	Final Budget	Actual	
GENERAL GOVERNMENT				
Village Manager's Office and Board of Trustees				
Personnel services				
Overtime	\$ -	\$ -	\$ 743	\$ 349
Seasonal help	7,000	7,000	-	5,975
Salaries	617,266	617,266	649,432	586,025
Longevity	1,600	1,600	1,000	1,000
Training	14,830	14,830	9,706	16,217
Employer contribution	110,742	167,721	168,825	133,994
Sick leave buy back	2,629	2,629	2,741	2,323
Total personnel services	754,067	811,046	832,447	745,883
Contractual services				
Advertising and publishing	3,500	3,500	2,148	1,765
Codification	7,500	7,500	5,481	5,260
Conferences and meetings	4,460	4,460	9,106	10,209
Consulting services	5,000	5,000	-	-
Data processing services	92,700	92,700	86,450	99,803
Energy	17,000	17,000	9,779	13,269
Employee group insurance	79,765	79,765	82,589	70,639
General liability insurance	15,956	15,956	15,956	16,860
Maintenance - office equipment	1,200	1,200	2,022	1,563
Membership dues	110,350	110,350	112,095	104,671
Miscellaneous	134,000	134,000	136,000	132,367
Postage	41,900	41,900	38,895	36,955
Printing and binding	1,000	1,000	1,558	1,042
Legal services	-	-	(2,842)	2,942
Rental agreements	2,880	2,880	2,625	3,024
Cellular service	102,980	102,980	93,818	94,208
Telecommunications	230,000	230,000	227,638	240,948
Retiree health insurance	11,296	11,296	11,319	15,778
Duplication services	6,000	6,000	3,800	5,222
Miscellaneous contractual services	-	-	5,966	1,568
Total contractual services	867,487	867,487	844,403	858,093
Commodities				
Auto petroleum products	800	800	248	784
Books and subscriptions	8,100	8,100	8,681	8,356
Vehicle maintenance	400	400	-	459
Information systems miscellaneous equipment and supplies	25,000	25,000	23,034	1,390
Small tools and equipment	500	500	1,059	453
Miscellaneous	5,000	5,000	4,922	3,979
Miscellaneous software	-	-	19,100	-
Office supplies	11,000	11,000	6,468	3,022
Awards/decorations	2,000	2,000	447	8,674
Business recruitment	80,000	80,000	87,618	83,411
Total commodities	132,800	132,800	151,577	110,528
Total Village Manager's Office and Board of Trustees	1,754,354	1,811,333	1,828,427	1,714,504

(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, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Finance				
Personnel services				
Overtime	\$ 500	\$ 500	\$ 278	\$ 303
Salaries	672,159	672,159	703,789	635,017
Longevity	3,800	3,800	4,572	3,800
Training	2,200	2,200	1,307	1,557
Employer contribution	132,102	132,102	141,447	118,453
SLDPA retiree contributions	-	-	24,309	-
Sick leave buy back	3,823	3,823	2,911	2,972
Total personnel services	814,584	814,584	878,613	762,102
Contractual services				
Advertising and publishing	1,150	1,150	1,067	901
Audit	49,950	49,950	40,943	42,107
Conferences and meetings	7,060	7,060	5,589	7,404
Employee group insurance	123,696	123,696	136,723	114,521
General liability insurance	15,956	15,956	15,956	16,860
Bank charges	13,200	13,200	12,429	12,929
Maintenance - office equipment	1,650	1,650	1,193	1,098
Membership dues	1,050	1,050	1,049	1,049
Actuarial services	11,500	11,500	8,075	11,500
Printing and binding	4,000	4,000	2,774	3,388
Credit card fees	12,000	12,000	17,885	12,848
Retiree health insurance	5,379	5,379	3,551	9,439
Miscellaneous contracts	5,920	5,920	5,933	6,488
Total contractual services	252,511	252,511	253,167	240,532
Commodities				
Books and subscriptions	200	200	480	40
Information systems miscellaneous equipment and supplies	1,950	1,950	1,394	639
Small tools and equipment	200	200	82	82
Miscellaneous	1,120	1,120	1,120	1,274
Office supplies	2,500	2,500	2,491	2,515
Awards/decorations	950	950	505	930
Total commodities	6,920	6,920	6,072	5,480
Capital outlay				
Transfer to CERF	100,000	100,000	100,000	61,801
Less transfer to CERF	(100,000)	(100,000)	(100,000)	(61,801)
Net capital outlay	-	-	-	-
Total finance	1,074,015	1,074,015	1,137,852	1,008,114

(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, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Human resources				
Personnel services				
Salaries	\$ 154,842	\$ 154,842	\$ 167,892	\$ 149,433
Training	500	500	371	533
Employer contribution	29,682	29,682	31,883	27,897
Sick leave buy back	582	582	607	289
Total personnel services	185,606	185,606	200,753	178,152
Contractual services				
Advertising and publishing	2,000	2,000	4,651	2,015
Conferences and meetings	3,700	3,700	2,978	3,016
Consulting services	6,700	6,700	6,986	7,712
Employee group insurance	20,715	20,715	20,899	20,004
General liability insurance	5,585	5,585	5,585	5,901
Membership dues	1,180	1,180	873	1,160
Personnel services	40,750	40,750	33,016	29,913
Miscellaneous contractual services	4,500	4,500	-	-
Medical exams	12,500	12,500	12,907	9,536
Total contractual services	97,630	97,630	87,895	79,257
Commodities				
Books and subscriptions	-	-	249	-
Awards/decorations	2,500	2,500	2,965	2,244
Total commodities	2,500	2,500	3,214	2,244
Total human resources	285,736	285,736	291,862	259,653
Legal				
Contractual services				
Recording fees	1,000	1,000	815	448
Advertising and publishing	-	-	-	700
Duplication services	-	-	-	1,000
Legal services	363,000	363,000	461,404	435,607
Miscellaneous contractual services	750	750	1,556	260
Total contractual services	364,750	364,750	463,775	438,015
Total legal	364,750	364,750	463,775	438,015
Special events				
Personnel services				
Employer contributions	2,751	2,751	-	-
Overtime	14,000	14,000	8,391	10,179
Total personnel services	16,751	16,751	8,391	10,179

(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, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Special events (Continued)				
Contractual services				
Rental equipment	\$ -	\$ -	\$ -	\$ 1,901
Programs and activities	78,500	78,500	85,853	80,227
Miscellaneous contractual services	38,743	38,743	53,009	71,857
Total contractual services	117,243	117,243	138,862	153,985
Commodities				
Auto petroleum products	-	-	128	-
Miscellaneous operating supplies	21,640	21,640	25,665	132,982
Total commodities	21,640	21,640	25,793	132,982
Total special events	155,634	155,634	173,046	297,146
Solid waste system				
Contractual services				
Postage	610	610	547	552
Printing and binding	386	386	388	300
Regional and special agencies assessments	479,315	479,315	449,673	439,325
Total contractual services	480,311	480,311	450,608	440,177
Total solid waste system	480,311	480,311	450,608	440,177
Commuter parking system				
Contractual services				
Energy	15,500	15,500	12,160	12,709
Office equipment maintenance	8,820	8,820	6,733	7,397
Printing and binding	3,500	3,500	2,921	-
Rental agreement	11,500	11,500	16,985	15,179
Credit card fees	2,700	2,700	4,825	3,375
Total contractual services	42,020	42,020	43,624	38,660
Commodities				
Maintenance - building and grounds	5,000	5,000	3,940	4,786
Water and sewer services charges	700	700	810	589
Total commodities	5,700	5,700	4,750	5,375
Total commuter parking system	47,720	47,720	48,374	44,035

(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, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Municipal building maintenance				
Personnel services				
Overtime	\$ 16,000	\$ 16,000	\$ 7,942	\$ 9,940
Seasonal help	10,000	10,000	7,566	13,289
Salaries	472,606	472,606	476,636	457,933
Longevity	4,100	4,100	4,100	3,700
Training	2,500	2,500	2,170	2,501
Uniform allowance	2,840	2,840	3,086	3,097
Unemployment compensation	-	-	4,650	-
Employer contribution	98,520	98,520	95,559	91,652
Sick leave annual buy back	1,206	1,206	-	-
Total personnel services	607,772	607,772	601,709	582,112
Contractual services				
Information systems service and maintenance agreement	5,989	5,989	2,634	2,634
Debris dump charges	200	200	140	270
Employee group insurance	75,555	75,555	76,382	74,327
General liability insurance	41,486	41,486	41,486	43,836
Janitorial services	100,000	100,000	87,879	90,436
Maintenance - equipment	14,590	14,590	12,739	12,453
Multiple day training	-	-	37	-
Retiree health insurance	-	-	-	3,828
Rental equipment	-	-	2,351	-
Membership dues	140	140	139	23
Miscellaneous contractual services	57,750	57,750	66,776	49,426
Total contractual services	295,710	295,710	290,563	277,233
Commodities				
Auto petroleum products	7,000	7,000	5,132	3,581
Chemicals	6,000	6,000	4,799	5,895
Janitorial supplies	26,000	26,000	37,639	30,647
Vehicle maintenance	12,500	12,500	12,218	11,769
Maintenance - buildings and grounds	40,000	40,000	40,641	61,763
Information systems miscellaneous equipment and supplies	-	-	104	1,475
Minor tools and equipment	7,000	7,000	7,062	8,455
Miscellaneous operating supplies	2,810	2,810	2,897	1,768
Protective clothing	2,000	2,000	919	1,750
Water and sewer services charges	22,000	22,000	28,406	25,290
Total commodities	125,310	125,310	139,817	152,393
Capital outlay				
Transfer to CERF	65,861	65,861	65,861	27,700
Less transfer to CERF	(65,861)	(65,861)	(65,861)	(27,700)
Net capital outlay	-	-	-	-
Total municipal building maintenance	1,028,792	1,028,792	1,032,089	1,011,738

(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, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Municipal vehicle maintenance				
Personnel services				
Overtime	\$ 6,000	\$ 6,000	\$ 3,677	\$ 6,422
Salaries	460,782	460,782	460,046	449,384
Longevity	3,600	3,600	3,600	3,600
Training	2,230	2,230	2,242	2,209
Uniform allowance	7,800	7,800	7,066	7,583
Employer contribution	91,334	91,334	90,394	89,271
Sick leave buy back	1,206	1,206	-	-
Total personnel services	572,952	572,952	567,025	558,469
Contractual services				
Conferences and meetings	3,000	3,000	2,744	3,634
Consulting services	1,400	1,400	1,290	1,946
Debris dump charges	150	150	168	158
Employee group insurance	71,556	71,556	72,449	70,846
General liability insurance	25,530	25,530	25,530	26,976
Maintenance - office equipment and special equipment	3,295	3,295	3,676	4,460
Membership dues	769	769	640	341
Printing and binding	300	300	65	132
Retiree health insurance	6,147	6,147	6,146	6,010
Total contractual services	112,147	112,147	112,708	114,503
Commodities				
Auto petroleum products	2,400	2,400	1,709	570
Books and subscriptions	500	500	1,168	196
Chemicals	1,500	1,500	1,736	1,631
Vehicle maintenance	3,500	3,500	3,012	3,094
Minor tools and equipment	5,500	5,500	5,863	5,476
Miscellaneous equipment and supplies	3,846	3,846	2,914	4,133
Miscellaneous operating supplies	7,450	7,450	4,952	8,214
Protective clothing	450	450	498	298
Information systems miscellaneous software	900	900	325	1,635
Total commodities	26,046	26,046	22,177	25,247
Capital outlay				
Transfer to CERF	8,118	8,118	8,118	4,124
Less transfer to CERF	(8,118)	(8,118)	(8,118)	(4,124)
Net capital outlay	-	-	-	-
Total municipal vehicle maintenance	711,145	711,145	701,910	698,219

(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, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Community development				
Personnel services				
Overtime	\$ 2,500	\$ 2,500	\$ 2,066	\$ 2,461
Seasonal help	6,600	6,600	7,010	7,455
Salaries	1,066,068	1,066,068	1,022,073	1,032,392
Longevity	2,800	2,800	3,406	4,258
Training	1,725	1,725	1,535	889
Uniform allowance	600	600	646	489
Retiree contribution	-	-	-	23,774
Employer contribution	205,785	205,785	206,248	204,946
Sick leave buy back	3,405	3,405	-	-
Total personnel services	1,289,483	1,289,483	1,242,984	1,276,664
Contractual services				
Advertising and publishing	1,000	1,000	609	1,004
Conferences and meetings	3,990	3,990	2,005	2,327
Consulting services	25,000	25,000	4,872	12,011
Data processing services	13,590	13,590	12,876	12,843
Exterminating services	6,800	6,800	6,115	5,965
Employee group insurance	146,681	146,681	137,366	138,269
General liability insurance	156,370	156,370	156,370	165,228
Maintenance - office equipment	5,000	5,000	3,007	2,459
Membership dues	2,600	2,600	1,711	2,159
Printing and binding	6,500	6,500	5,042	8,454
Credit card fees	3,300	3,300	6,368	4,273
Retiree health insurance	28,433	28,433	28,105	24,066
Duplication services	20,000	20,000	27,816	4,750
Miscellaneous contractual services	-	-	31,173	-
Finger printing fees	3,000	3,000	1,836	2,931
Total contractual services	422,264	422,264	425,271	386,739
Commodities				
Auto petroleum products	6,500	6,500	4,582	4,403
Books and subscriptions	1,200	1,200	535	1,108
Health test supplies	250	250	176	42
Vehicle maintenance	4,700	4,700	2,430	4,764
Information systems miscellaneous equipment and supplies	5,250	5,250	1,571	1,615
Minor tools and equipment	1,550	1,550	149	613
Miscellaneous operating supplies	4,000	4,000	2,963	3,769
Office supplies	5,500	5,500	4,553	3,062
Protective clothing	750	750	213	251
Total commodities	29,700	29,700	17,172	19,627

(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, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Community development (Continued)				
Capital outlay				
Office equipment	\$ 11,000	\$ 11,000	\$ -	\$ -
Capital software	12,000	12,000	-	-
Total capital outlay	23,000	23,000	-	-
Total community development	1,764,447	1,764,447	1,685,427	1,683,030
Senior citizens services				
Personnel services				
Overtime	200	200	270	37
Salaries	233,756	233,756	234,591	229,568
Employer contribution	41,598	41,598	44,703	41,845
Sick leave buy back	418	418	-	-
Total personnel services	275,972	275,972	279,564	271,450
Contractual services				
Conferences and meetings	350	350	369	-
Energy	4,900	4,900	3,804	4,520
Employee group insurance	41,987	41,987	42,418	41,111
General liability insurance	5,585	5,585	5,585	5,901
Landscape maintenance	1,700	1,700	1,479	1,527
Maintenance - equipment	4,200	4,200	4,118	3,686
Membership dues	560	560	570	250
Postage	3,000	3,000	3,000	2,353
Printing and binding	700	700	560	(94)
Programs and activities	16,100	16,100	18,068	22,608
Regional and special agency assessments	300	300	584	234
Credit card fees	840	840	1,183	1,008
Total contractual services	80,222	80,222	81,738	83,104
Commodities				
Books and subscriptions	160	160	183	13
Maintenance - buildings and grounds	7,000	7,000	1,699	1,864
Minor tools and equipment	400	400	191	104
Miscellaneous operating supplies	1,500	1,500	1,836	1,319
Office supplies	2,000	2,000	1,831	570
Total commodities	11,060	11,060	5,740	3,870
Total senior citizen services	367,254	367,254	367,042	358,424

(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, 2017
(With Comparative Actual)

	2017			2016
	Original Budget	Final Budget	Actual	
GENERAL GOVERNMENT (Continued)				
Social services				
Personnel services				
Longevity	\$ 1,600	\$ 1,600	\$ 1,911	\$ 1,600
Overtime	1,000	1,000	1,047	5,604
Salaries	227,944	227,944	198,368	226,557
Employer contributions	45,758	45,758	38,460	44,181
Tuition reimbursement	2,000	2,000	-	-
Sick leave annual buy back	670	670	-	-
Training and meetings	400	400	1,203	669
Total personnel services	279,372	279,372	240,989	278,611
Contractual services				
Conferences and meetings	5,350	5,350	2,652	4,582
Employee health insurance	34,432	34,432	29,287	33,561
Membership dues	460	460	668	380
Printing and binding	500	500	89	356
Contractual services	2,500	2,500	-	-
Total contractual services	43,242	43,242	32,696	38,879
Commodities				
Miscellaneous equipment and supplies	2,150	2,150	1,372	79
Miscellaneous operating supplies	1,700	1,700	4,982	1,255
Office supplies	750	750	158	1,279
Total commodities	4,600	4,600	6,512	2,613
Total social services	327,214	327,214	280,197	320,103
CIP engineering				
Personnel services				
Overtime	12,000	12,000	33,603	14,563
Seasonal help	18,000	18,000	23,440	17,935
Salaries	174,878	174,878	176,364	169,572
Longevity	715	715	715	715
Training	750	750	507	644
Employer contribution	38,461	38,461	39,106	35,428
Total personnel services	244,804	244,804	273,735	238,857
Contractual services				
Multiple day training	3,600	3,600	2,946	1,784
Consulting services	14,000	14,000	3,150	9,287
Data processing	2,900	2,900	3,133	2,625
Employee group insurance	32,331	32,331	32,587	28,867
General liability insurance	110,097	110,097	110,097	116,334
Maintenance - office equipment	500	500	310	415
Membership dues	1,055	1,055	1,318	963
Printing and binding	1,100	1,100	1,198	1,125
Duplication services	14,000	14,000	5,014	9,548
Rental agreements	500	500	500	-
Total contractual services	180,083	180,083	160,253	170,948

(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, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
CIP engineering (Continued)				
Commodities				
Auto petroleum products	\$ 2,900	\$ 2,900	\$ 2,836	\$ 2,080
Books and subscriptions	450	450	171	807
Vehicle maintenance	1,800	1,800	2,777	1,703
Information systems software	8,250	8,250	7,091	6,860
Miscellaneous equipment and supplies	1,750	1,750	1,411	2,282
Minor tools and equipment	1,000	1,000	896	1,240
Miscellaneous operating supplies	2,000	2,000	2,235	1,986
Office supplies	900	900	842	874
Protective clothing	1,000	1,000	955	993
Total commodities	20,050	20,050	19,214	18,825
Capital outlay				
Special equipment	15,000	15,000	18,575	-
Total capital outlay	15,000	15,000	18,575	-
Total CIP engineering	459,937	459,937	471,777	428,630
Streets division				
Personnel services				
Overtime	75,000	75,000	27,347	69,098
Seasonal help	10,000	10,000	3,857	4,955
Salaries	356,422	356,422	325,545	337,377
Longevity	2,600	2,600	1,969	2,000
Training	1,245	1,245	1,220	1,217
Uniform allowance	2,490	2,490	2,350	1,944
Employer contributions	86,757	86,757	65,302	67,423
Sick leave annual buy back	201	201	-	200
Total personnel services	534,715	534,715	427,590	484,214
Contractual services				
Multiple day training	-	-	27	125
Service and maintenance agreement	1,350	1,350	1,350	1,350
Debris dumping charges	5,000	5,000	1,638	-
Energy	1,800	1,800	282	360
Employee health insurance	68,996	68,996	70,060	73,242
General liability insurance	72,600	72,600	72,600	76,713
Miscellaneous contractual service	8,500	8,500	9,250	28,674
Membership dues	160	160	154	103
Rental equipment	1,000	1,000	-	-
Retiree health insurance	12,295	12,295	11,957	12,068
Pavement markings	20,000	20,000	-	17,487
Street light maintenance	40,000	40,000	59,401	73,746
Total contractual services	231,701	231,701	226,719	283,868

(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, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Streets division (Continued)				
Commodities				
Auto petroleum products	\$ 25,000	\$ 25,000	\$ 21,293	\$ 13,364
Books and subscriptions	2,200	2,200	2,850	950
Chemicals	15,000	15,000	-	2,242
Vehicle maintenance	41,000	41,000	43,743	40,256
Maintenance - building and grounds	49,500	49,500	24,593	10,490
Minor tools and equipment	30,000	30,000	34,406	49,110
Small tools and equipment	6,500	6,500	6,558	6,496
Miscellaneous operating supplies	500	500	307	1,089
Miscellaneous equipment and supplies	-	-	104	2,096
Protective clothing	2,500	2,500	2,358	2,229
Special equipment	14,084	14,084	12,258	38,080
Streets signs	10,000	10,000	814	4,464
Water and sewer service charges	1,000	1,000	1,295	1,867
Total commodities	197,284	197,284	150,579	172,733
Capital outlay				
Transfer to CERF	274,919	274,919	274,919	293,301
Less transfer to CERF	(274,919)	(274,919)	(274,919)	(293,301)
Net capital outlay	-	-	-	-
Total streets division	963,700	963,700	804,888	940,815
Public works administration				
Personnel services				
Salaries	387,247	387,247	393,352	379,006
Training	800	800	690	888
Employer contributions	75,293	75,293	73,622	70,297
Sick leave buy back	549	549	-	-
Total personnel services	463,889	463,889	467,664	450,191
Contractual services				
Conferences and meetings	5,000	5,000	3,218	3,742
Energy	8,300	8,300	6,009	5,655
Employee group insurance	61,185	61,185	60,691	58,534
General liability insurance	27,125	27,125	27,125	28,662
Maintenance - office equipment	2,250	2,250	1,302	1,074
Maintenance - radio equipment	-	-	-	335
Membership dues	320	320	308	307
Medical examinations	3,200	3,200	2,927	4,051
Printing and binding	300	300	170	212
Retiree health insurance	11,308	11,308	11,483	13,368
Miscellaneous contractual services	307	307	307	153
Total contractual services	119,295	119,295	113,540	116,093

(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, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Public works administration (Continued)				
Commodities				
Auto petroleum products	\$ 600	\$ 600	\$ 1,264	\$ 602
Books and subscriptions	200	200	-	-
Vehicle maintenance	450	450	829	145
Information systems miscellaneous equipment and supplies	1,750	1,750	1,307	-
Miscellaneous operating supplies	3,000	3,000	3,488	3,716
Office supplies	4,000	4,000	4,804	4,400
Protective clothing	270	270	-	97
Awards and decorations	60	60	102	29
Total commodities	10,330	10,330	11,794	8,989
Total public works administration	593,514	593,514	592,998	575,273
Forestry				
Personnel services				
Longevity	2,600	2,600	1,970	2,000
Overtime	2,500	2,500	2,588	1,386
Seasonal help	10,000	10,000	4,098	16,785
Salaries	356,422	356,422	325,543	337,375
Training	1,510	1,510	1,405	1,295
Uniform allowance	1,750	1,750	2,350	1,739
Employer contributions	72,509	72,509	63,873	69,427
Sick leave annual buy back	201	201	-	200
Unemployment compensation	-	-	-	2,005
Total personnel services	447,492	447,492	401,827	432,212
Contractual services				
Debris dump charges	6,500	6,500	2,427	4,590
Energy	20,600	20,600	13,230	14,870
Employee health insurance	68,996	68,996	70,059	73,242
General liability insurance	31,114	31,114	31,114	32,877
Multiple day training	-	-	12	-
Landscape maintenance	236,250	236,250	232,832	158,054
Membership dues	790	790	770	750
Energy	100,000	100,000	80,496	84,455
Miscellaneous contractual services	54,150	54,150	39,600	43,119
Total contractual services	518,400	518,400	470,540	411,957
Commodities				
Auto petroleum products	7,500	7,500	5,181	4,010
Chemicals	2,000	2,000	-	1,798
Books and subscriptions	-	-	20	-
Vehicle maintenance	10,000	10,000	11,478	7,525
Maintenance - building and grounds	78,700	78,700	39,624	83,785
Miscellaneous equipment and supplies	-	-	104	2,031
Small tools and equipment	9,000	9,000	8,619	6,827

(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, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Forestry (Continued)				
Commodities (Continued)				
Miscellaneous operating supplies	\$ 800	\$ 800	\$ 414	\$ 665
Protective clothing	2,500	2,500	1,775	1,712
Special equipment	4,084	4,084	4,068	8,325
Water charge	14,000	14,000	15,358	15,980
Total commodities	128,584	128,584	86,641	132,658
Capital outlay				
Transfer to CERF	47,865	47,865	47,865	45,458
Less transfer to CERF	(47,865)	(47,865)	(47,865)	(45,458)
Total capital outlay	-	-	-	-
Total forestry	1,094,476	1,094,476	959,008	976,827
Information systems				
Personnel services				
Salaries	413,425	413,425	418,315	398,678
Training	4,000	4,000	4,000	4,031
Longevity	2,000	2,000	2,000	1,600
Employer contribution	81,427	81,427	81,351	75,434
Sick leave buy back	2,493	2,493	2,555	1,525
Total personnel services	503,345	503,345	508,221	481,268
Contractual services				
Information system service and maintenance agreement	200,500	200,500	218,080	187,136
Employee health insurance	67,036	67,036	67,849	66,332
Maintenance - office equipment	2,000	2,000	1,759	1,597
Multiple day training	2,000	2,000	669	2,261
Membership dues	250	250	470	125
Total contractual services	271,786	271,786	288,827	257,451
Commodities				
Auto petroleum products	-	-	33	-
Information systems miscellaneous equipment and supplies	37,000	37,000	28,167	40,375
Miscellaneous operating supplies	2,500	2,500	2,176	2,437
Office supplies	200	200	245	86
Miscellaneous software	60,000	60,000	44,838	23,121
Total commodities	99,700	99,700	75,459	66,019

(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, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Information systems (Continued)				
Capital outlay				
Transfer to CERF	\$ 452,119	\$ 452,119	\$ 452,119	\$ 319,927
Less transfer to CERF	(452,119)	(452,119)	(452,119)	(319,927)
Net capital outlay	-	-	-	-
Total information systems	874,831	874,831	872,507	804,738
Total	12,347,830	12,404,809	12,161,787	11,999,441
Less Waterworks and Sewerage Fund reimbursements	1,290,307	1,290,307	1,290,306	1,250,872
Total general government	11,057,523	11,114,502	10,871,481	10,748,569
PUBLIC SAFETY				
Police department				
Personnel services				
Longevity	41,000	41,000	44,774	48,437
Overtime	490,500	490,500	335,214	376,990
Salaries	6,917,342	6,917,342	6,795,472	6,955,766
Training	51,785	51,785	49,330	60,110
Uniform allowance	65,725	65,725	70,261	68,080
Employer contribution - IMRF	274,668	274,668	265,482	293,407
Employer contribution - Police Pension	1,768,316	1,949,044	1,999,952	1,922,292
College incentive	3,000	3,000	1,235	2,270
Tuition reimbursement	4,000	4,000	-	4,000
VEMA/PEHP contribution	54,795	54,795	92,529	93,087
Sick leave buy back	39,495	39,495	37,235	35,664
Total personnel services	9,710,626	9,891,354	9,691,484	9,860,103
Contractual services				
Animal impounding	4,000	4,000	2,215	3,658
Conferences and meetings	19,550	19,550	19,980	14,935
Energy	13,400	13,400	11,531	6,769
Employee group insurance	1,123,696	1,123,696	1,046,900	1,098,163
General liability insurance	323,910	323,910	323,910	342,258
Information systems software	29,000	29,000	9,996	4,053
Maintenance - office and special equipment	46,139	46,139	37,900	33,716
Membership dues	9,144	9,144	11,062	5,416
Printing and binding	14,400	14,400	13,829	16,296
Prisoner welfare	4,000	4,000	2,066	4,407
Regional and special agency assessments	89,480	89,480	84,751	57,003
Credit card services	720	720	854	871
Rental equipment	-	-	-	300
Mobile equipment	-	-	7,000	22,722
Medical examinations	21,275	21,275	6,799	2,862
Miscellaneous contractual services	87,500	87,500	75,645	32,166
Retiree health insurance	138,449	138,449	134,247	138,432
Total contractual services	1,924,663	1,924,663	1,788,685	1,784,027

(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, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
PUBLIC SAFETY (Continued)				
Police department (Continued)				
Commodities				
Auto petroleum products	\$ 105,000	\$ 105,000	\$ 81,082	\$ 63,364
Books and subscriptions	1,200	1,200	346	682
Vehicle maintenance	82,000	82,000	72,967	92,844
Computer supplies	30,700	30,700	28,122	23,709
Small tools and equipment	62,400	62,400	58,800	28,283
Range supplies	32,259	32,259	30,895	36,801
Miscellaneous operating supplies	38,910	38,910	38,619	45,169
Office supplies	9,000	9,000	10,355	10,536
Awards/decorations	1,800	1,800	1,999	1,795
Police DUI fund	-	-	8,811	27,679
Investigative funds	2,000	2,000	890	2,045
Total commodities	365,269	365,269	332,886	332,907
Capital outlay				
Capital equipment/supplies	-	-	157,919	-
Transfer to CERF	316,260	316,260	316,260	297,771
Less transfer to CERF	(316,260)	(316,260)	(316,260)	(297,771)
Net capital outlay	-	-	157,919	-
Dispatch				
Personnel services				
Longevity	3,300	3,300	3,300	4,361
Overtime	275,000	275,000	271,775	240,808
Salaries	1,541,118	1,541,118	1,086,757	1,453,394
Uniform allowance	8,000	8,000	6,837	5,324
Retiree contribution	-	-	-	19,153
Employer contribution - IMRF	360,602	360,602	233,072	318,504
Employee health insurance	201,737	201,737	147,758	192,485
Retiree health insurance	5,269	5,269	5,271	5,104
Sick leave buy back	2,158	2,158	2,046	1,428
Total personnel services	2,397,184	2,397,184	1,756,816	2,240,561
Total police department	14,397,742	14,578,470	13,727,790	14,217,598
Fire department				
Personnel services				
Longevity	25,500	25,500	28,302	25,735
Overtime	394,339	394,339	627,977	548,346
Salaries	5,302,659	5,302,659	5,294,388	5,220,838
Training	34,295	34,295	19,277	29,137
Uniform allowance	34,275	34,275	25,367	38,673
Retiree contribution	-	-	97,482	15,617
Employer contribution - IMRF	134,818	134,818	141,439	127,627
Employer contribution - Firefighters' Pension	2,293,581	2,530,874	2,600,022	2,123,616
College incentive	-	-	-	139
Tuition reimbursement	1,500	1,500	-	590
Sick leave buy back	6,406	6,406	7,156	8,578
Total personnel services	8,227,373	8,464,666	8,841,410	8,138,896

(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, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
PUBLIC SAFETY (Continued)				
Fire department (Continued)				
Contractual services				
Conferences and meetings	\$ 8,891	\$ 8,891	\$ 4,095	\$ 5,236
Fire extinguisher maintenance	2,790	2,790	1,600	3,259
Energy	5,700	5,700	3,444	3,974
Employee group insurance	999,356	999,356	1,004,246	962,289
General liability insurance	580,803	580,803	580,803	613,704
Maintenance - office equipment	101,943	101,943	71,840	66,217
Membership dues	1,560	1,560	1,062	1,217
Printing and binding	1,650	1,650	845	1,406
Regional and special agency assessments	26,300	26,300	15,298	12,052
Medical examinations	20,295	20,295	16,624	16,690
Finger printing fees	210	210	297	298
Miscellaneous contractual services	-	-	307	153
Retiree health insurance	427,719	427,719	419,911	411,954
Total contractual services	2,177,217	2,177,217	2,120,372	2,098,449
Commodities				
Auto petroleum products	47,500	47,500	37,691	31,253
Books and subscriptions	5,077	5,077	4,259	2,740
Firefighting supplies	122,886	122,886	124,910	68,006
Vehicle maintenance	50,000	50,000	46,649	47,748
Maintenance - building and grounds	62,175	62,175	13,795	61,601
Medical supplies	15,954	15,954	19,273	9,081
Computer supplies	33,555	33,555	42,908	31,271
Miscellaneous operating supplies	7,150	7,150	7,698	5,289
Office supplies	5,350	5,350	5,365	4,968
Protective clothing	39,226	39,226	39,224	32,164
Total commodities	388,873	388,873	341,772	294,121
Capital outlay				
Transfer to CERF	524,381	524,381	524,381	781,787
Less transfer to CERF	(524,381)	(524,381)	(524,381)	(781,787)
Net capital outlay	-	-	-	-
Total fire department	10,793,463	11,030,756	11,303,554	10,531,466
Total public safety	25,191,205	25,609,226	25,031,344	24,749,064
DEBT SERVICE				
Debt service				
Principal	-	-	-	199,335
Total debt service	-	-	-	199,335
TOTAL EXPENDITURES	\$ 36,248,728	\$ 36,723,728	\$ 35,902,825	\$ 35,696,968

(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, 2017
(With Comparative Actual)

	2017			2016
	Original Budget	Final Budget	Actual	
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ 110,000
Investment income	77,467	77,467	35,741	78,870
Miscellaneous	-	-	6,206	12,068
Total revenues	77,467	77,467	41,947	200,938
EXPENDITURES				
Capital outlay				
Mobile equipment	666,000	666,000	947,207	1,424,007
Miscellaneous equipment and supplies	475,000	475,000	465,214	147,838
Capital software	40,000	40,000	13,450	-
Office equipment	-	-	-	-
Special equipment	80,000	80,000	-	-
Small tools and equipment	359,000	359,000	110,103	10,915
Capital equipment and supplies	-	-	649,490	-
Total expenditures	1,620,000	1,620,000	2,185,464	1,582,760
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,542,533)	(1,542,533)	(2,143,517)	(1,381,822)
OTHER FINANCING SOURCES (USES)				
Transfers in				
General Fund	1,789,524	1,789,524	1,789,523	1,831,869
Waterworks and Sewerage Fund	222,703	222,703	-	-
Emergency Telephone System Fund	112,458	112,458	112,458	54,339
Transfers (out)				
Waterworks and Sewerage Fund	-	-	(151,125)	(13,015)
Total other financing sources (uses)	2,124,685	2,124,685	1,750,856	1,873,193
NET CHANGE IN FUND BALANCE	\$ 582,152	\$ 582,152	(392,661)	491,371
FUND BALANCE, JANUARY 1			4,880,694	4,389,323
FUND BALANCE, DECEMBER 31			\$ 4,488,033	\$ 4,880,694

(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

Crossroads Redevelopment Area Fund

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

South Milwaukee Redevelopment Area Fund

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

NONMAJOR GOVERNMENTAL FUNDS (Continued)

CAPITAL PROJECTS FUNDS (Continued)

Town Center TIF #2 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.

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. Financing is provided from incremental property tax revenues restricted for development within the district.

Southeast TIF #2 Fund

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

Capital 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.

Stormwater Fund

This fund accounts for the revenue and expenditures related to the Village's stormwater maintenance and improvement projects.

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, 2017

	Special Revenue			
	Motor Fuel Tax	Foreign Fire Insurance Tax	Emergency Telephone System	Grant
ASSETS				
Cash and investments	\$ 1,291,124	\$ 125,692	\$ 42,622	\$ -
Receivables				
Property taxes	-	-	-	-
Accounts	-	-	373,437	-
Accrued interest	-	-	-	-
Other	-	-	-	153
Prepaid items	-	775	-	-
Inventory	216,739	-	-	-
Due from other funds	-	-	-	-
Due from other governments	83,189	-	-	828,761
TOTAL ASSETS	\$ 1,591,052	\$ 126,467	\$ 416,059	\$ 828,914
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 153,397	\$ -	\$ 336,615	\$ 198,341
Accrued payroll	-	-	-	9,187
Deposits payable	-	-	-	-
Due to other funds	-	-	79,444	621,386
Total liabilities	153,397	-	416,059	828,914
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Total liabilities and deferred inflows of resources	153,397	-	416,059	828,914
FUND BALANCES				
Nonspendable				
Prepaid items	-	775	-	-
Inventory	216,739	-	-	-
Restricted				
Capital projects	-	-	-	-
Highways and streets	1,220,916	-	-	-
Public safety	-	125,692	-	-
Economic development	-	-	-	-
Debt service	-	-	-	-
Assigned				
Capital projects	-	-	-	-
Total fund balances	1,437,655	126,467	-	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 1,591,052	\$ 126,467	\$ 416,059	\$ 828,914

Capital Projects									
Crossroads Redevelopment Area	Town Center TIF #2	North Milwaukee/ Lake Cook Redevelopment Area	South Milwaukee Redevelopment Area	Southeast TIF #2	Capital Projects	Stormwater	Debt Service	Total	
\$ 121,055	\$ 936,995	\$ 2,515,289	\$ 1,185,177	\$ 784,870	\$ 3,169,496	\$ 1,273,158	\$ 133,458	\$ 11,578,936	
451	-	6,058	-	320	-	-	1,959,833	1,966,662	
-	115,206	-	-	-	18,000	151,326	-	657,969	
-	1,340	412	1,492	-	7,841	-	-	11,085	
-	-	-	-	-	316,775	-	-	316,928	
85	85	85	85	85	-	-	-	1,200	
-	-	-	-	-	-	-	-	216,739	
-	-	-	-	-	615,501	-	-	615,501	
-	-	-	-	-	-	-	-	911,950	
<u>\$ 121,591</u>	<u>\$ 1,053,626</u>	<u>\$ 2,521,844</u>	<u>\$ 1,186,754</u>	<u>\$ 785,275</u>	<u>\$ 4,127,613</u>	<u>\$ 1,424,484</u>	<u>\$ 2,093,291</u>	<u>\$ 16,276,970</u>	
\$ 16,668	\$ 783,397	\$ 14,276	\$ -	\$ 661	\$ 704,751	\$ 6,845	\$ -	\$ 2,214,951	
-	-	-	-	-	-	-	-	9,187	
-	-	-	-	-	-	339,200	-	339,200	
-	-	-	-	-	-	-	-	700,830	
<u>16,668</u>	<u>783,397</u>	<u>14,276</u>	<u>-</u>	<u>661</u>	<u>704,751</u>	<u>346,045</u>	<u>-</u>	<u>3,264,168</u>	
-	-	-	-	-	-	-	1,956,324	1,956,324	
-	-	-	-	-	-	-	1,956,324	1,956,324	
<u>16,668</u>	<u>783,397</u>	<u>14,276</u>	<u>-</u>	<u>661</u>	<u>704,751</u>	<u>346,045</u>	<u>1,956,324</u>	<u>5,220,492</u>	
85	85	85	85	85	-	-	-	1,200	
-	-	-	-	-	-	-	-	216,739	
-	-	-	-	-	-	1,078,439	-	1,078,439	
-	-	-	-	-	-	-	-	1,220,916	
-	-	-	-	-	-	-	-	125,692	
104,838	270,144	2,507,483	1,186,669	784,529	-	-	-	4,853,663	
-	-	-	-	-	-	-	136,967	136,967	
-	-	-	-	-	3,422,862	-	-	3,422,862	
<u>104,923</u>	<u>270,229</u>	<u>2,507,568</u>	<u>1,186,754</u>	<u>784,614</u>	<u>3,422,862</u>	<u>1,078,439</u>	<u>136,967</u>	<u>11,056,478</u>	
<u>\$ 121,591</u>	<u>\$ 1,053,626</u>	<u>\$ 2,521,844</u>	<u>\$ 1,186,754</u>	<u>\$ 785,275</u>	<u>\$ 4,127,613</u>	<u>\$ 1,424,484</u>	<u>\$ 2,093,291</u>	<u>\$ 16,276,970</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, 2017

	Special Revenue			
	Motor Fuel Tax	Foreign Fire Insurance Tax	Emergency Telephone System	Grant
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	975,923	-	196,903	2,217,174
Charges for services	-	-	499,512	-
Investment income	13,923	-	3,444	-
Miscellaneous	-	63,981	1,350	-
Total revenues	<u>989,846</u>	<u>63,981</u>	<u>701,209</u>	<u>2,217,174</u>
EXPENDITURES				
Current				
General government	-	-	-	1,337,766
Public safety	-	79,520	1,245,664	250,400
Highways and streets	901,051	-	-	-
Capital outlay	-	-	-	717,932
Capital improvements	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>901,051</u>	<u>79,520</u>	<u>1,245,664</u>	<u>2,306,098</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>88,795</u>	<u>(15,539)</u>	<u>(544,455)</u>	<u>(88,924)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	210,000	88,924
Transfers (out)	-	-	(112,458)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>97,542</u>	<u>88,924</u>
NET CHANGE IN FUND BALANCES	88,795	(15,539)	(446,913)	-
FUND BALANCES (DEFICIT), JANUARY 1	<u>1,348,860</u>	<u>142,006</u>	<u>446,913</u>	<u>-</u>
FUND BALANCES, DECEMBER 31	<u>\$ 1,437,655</u>	<u>\$ 126,467</u>	<u>\$ -</u>	<u>\$ -</u>

Capital Projects									
Crossroads Redevelopment Area	Town Center TIF #2	North Milwaukee/ Lake Cook Redevelopment Area	South Milwaukee Redevelopment Area	Southeast TIF #2	Capital Projects	Stormwater	Debt Service	Total	
\$ 2,801,752	\$ 772,498	\$ 4,816,784	\$ 1,565,860	\$ 684,964	\$ 2,895,388	\$ -	\$ 1,863,210	\$ 15,400,456	
-	32,785	-	-	-	247,397	-	-	3,670,182	
-	-	-	-	-	-	680,452	-	1,179,964	
17,860	20,171	27,910	12,526	5,625	42,290	11,352	13,301	168,402	
-	585,220	-	-	-	18,046	-	-	668,597	
2,819,612	1,410,674	4,844,694	1,578,386	690,589	3,203,121	691,804	1,876,511	21,087,601	
-	-	-	-	-	-	-	-	1,337,766	
-	-	-	-	-	-	-	-	1,575,584	
-	-	-	-	-	474,726	-	-	1,375,777	
2,258,100	1,495,985	115,026	744,777	36,212	-	125,169	-	5,493,201	
-	1,240,448	104,822	-	-	2,782,800	-	-	4,128,070	
-	355,358	2,077,620	-	-	328,107	-	1,400,000	4,161,085	
-	-	660,172	-	-	64,949	-	1,466,347	2,191,468	
2,258,100	3,091,791	2,957,640	744,777	36,212	3,650,582	125,169	2,866,347	20,262,951	
561,512	(1,681,117)	1,887,054	833,609	654,377	(447,461)	566,635	(989,836)	824,650	
-	-	415,125	-	-	-	-	996,885	1,710,934	
-	-	-	-	-	(320,101)	(171,500)	-	(604,059)	
-	-	415,125	-	-	(320,101)	(171,500)	996,885	1,106,875	
561,512	(1,681,117)	2,302,179	833,609	654,377	(767,562)	395,135	7,049	1,931,525	
(456,589)	1,951,346	205,389	353,145	130,237	4,190,424	683,304	129,918	9,124,953	
\$ 104,923	\$ 270,229	\$ 2,507,568	\$ 1,186,754	\$ 784,614	\$ 3,422,862	\$ 1,078,439	\$ 136,967	\$ 11,056,478	

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, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
REVENUES				
Intergovernmental				
Allotments	\$ 961,311	\$ 961,311	\$ 975,905	\$ 990,227
Grants	-	-	18	78
Investment income	14,973	14,973	13,923	6,626
Total revenues	<u>976,284</u>	<u>976,284</u>	<u>989,846</u>	<u>996,931</u>
EXPENDITURES				
Highways and streets				
Contractual services	146,700	146,700	124,023	107,449
Commodities	68,000	68,000	58,631	67,622
Maintenance and capital improvements	900,000	900,000	718,397	754,961
Total expenditures	<u>1,114,700</u>	<u>1,114,700</u>	<u>901,051</u>	<u>930,032</u>
NET CHANGE IN FUND BALANCE	<u>\$ (138,416)</u>	<u>\$ (138,416)</u>	88,795	66,899
FUND BALANCE, JANUARY 1			<u>1,348,860</u>	<u>1,281,961</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 1,437,655</u></u>	<u><u>\$ 1,348,860</u></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, 2017

(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
REVENUES				
Investment income	\$ 1,470	\$ 1,470	\$ -	\$ -
Miscellaneous				
Foreign fire insurance	70,000	70,000	63,981	63,214
Total revenues	71,470	71,470	63,981	63,214
EXPENDITURES				
Public safety				
Contractual services	4,200	4,200	5,228	5,713
Commodities	65,000	65,000	74,292	42,766
Total expenditures	69,200	69,200	79,520	48,479
NET CHANGE IN FUND BALANCE	\$ 2,270	\$ 2,270	(15,539)	14,735
FUND BALANCE, JANUARY 1			142,006	127,271
FUND BALANCE, DECEMBER 31			\$ 126,467	\$ 142,006

(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, 2017
(With Comparative Actual)

	2017			2016
	Original Budget	Final Budget	Actual	
REVENUES				
Charges for services	\$ 362,514	\$ 362,514	\$ 499,512	\$ 367,249
Investment income	4,088	4,088	3,444	1,634
Intergovernmental	196,903	196,903	196,903	96,225
Miscellaneous	-	-	1,350	-
Total revenues	<u>563,505</u>	<u>563,505</u>	<u>701,209</u>	<u>465,108</u>
EXPENDITURES				
Public safety	624,962	624,962	1,245,664	489,331
Total expenditures	<u>624,962</u>	<u>624,962</u>	<u>1,245,664</u>	<u>489,331</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(61,457)</u>	<u>(61,457)</u>	<u>(544,455)</u>	<u>(24,223)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in				
General Fund	210,000	210,000	210,000	120,000
Transfers (out)				
Capital Equipment Replacement Fund	(112,458)	(112,458)	(112,458)	(54,339)
Total other financing sources (uses)	<u>97,542</u>	<u>97,542</u>	<u>97,542</u>	<u>65,661</u>
NET CHANGE IN FUND BALANCE	<u>\$ 36,085</u>	<u>\$ 36,085</u>	(446,913)	41,438
FUND BALANCE, JANUARY 1			<u>446,913</u>	<u>405,475</u>
FUND BALANCE, DECEMBER 31			<u>\$ -</u>	<u>\$ 446,913</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, 2017
(With Comparative Actual)

	2017			2016
	Original Budget	Final Budget	Actual	
PUBLIC SAFETY				
Personnel services				
Salaries	\$ -	\$ -	\$ 402,480	\$ -
Employer contributions	-	-	94,175	-
Training	4,700	4,700	4,589	1,122
Total personnel services	4,700	4,700	501,244	1,122
Contractual services				
Conferences and meetings	8,700	8,700	6,270	6,532
Employee health insurance	-	-	52,686	-
Data processing services	148,637	148,637	98,347	78,286
Maintenance - equipment	66,400	66,400	59,443	57,598
Membership dues	1,525	1,525	194	742
Regional and special agency assessments	360,000	360,000	350,953	322,024
Total contractual services	585,262	585,262	567,893	465,182
Commodities				
Books and subscriptions	1,000	1,000	(30)	864
Equipment and supplies	21,000	21,000	162,382	18,835
Small tools and equipment	8,000	8,000	8,216	195
Miscellaneous operating supplies	1,500	1,500	880	1,441
Office supplies	1,000	1,000	536	824
Awards and decorations	500	500	538	-
Miscellaneous software	2,000	2,000	4,005	868
Total commodities	35,000	35,000	176,527	23,027
Capital outlay				
Transfer to CERF	112,458	112,458	112,458	54,339
Less transfer to CERF	(112,458)	(112,458)	(112,458)	(54,339)
Net capital outlay	-	-	-	-
TOTAL EXPENDITURES	\$ 624,962	\$ 624,962	\$ 1,245,664	\$ 489,331

(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, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
REVENUES				
Intergovernmental	\$ 179,000	\$ 179,000	\$ 2,217,174	\$ 167,704
Total revenues	179,000	179,000	2,217,174	167,704
EXPENDITURES				
General Government				
Contractual services				
Consulting services	-	-	322,217	-
General liability insurance	-	-	12,752	-
Legal services	-	-	17,773	-
Relocation/temporary housing	-	-	909,677	-
Telecommunication services	-	-	1,077	-
Miscellaneous operating supplies	-	-	238	-
Miscellaneous contractual services	-	-	66,132	-
Commodities				
Energy	-	-	2,014	-
Water charge	-	-	5,886	-
Public safety				
Personnel services				
Overtime	55,000	55,000	51,458	51,725
Salaries	110,813	110,813	111,855	105,100
Employer contributions	19,960	19,960	21,055	20,090
Contractual services				
Miscellaneous contractual services	30,000	30,000	41,785	33,228
Employee health insurance	20,297	20,297	20,550	20,093
Commodities				
Building/grounds maintenance	-	-	-	1,000
Postage	-	-	-	543
Printing and binding	-	-	-	94
Miscellaneous operating supplies	1,000	1,000	-	1,180
Small tools and equipment	-	-	3,697	-
Office supplies	-	-	-	658
Capital outlay				
Land acquisition	-	-	717,932	-
Total expenditures	237,070	237,070	2,306,098	233,711
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(58,070)	(58,070)	(88,924)	(66,007)
OTHER FINANCING SOURCES (USES)				
Transfers in				
General Fund	58,070	58,070	88,924	66,007
Total other financing sources (uses)	58,070	58,070	88,924	66,007
NET CHANGE IN FUND BALANCE	\$ -	\$ -	-	-
FUND BALANCE, JANUARY 1			-	-
FUND BALANCE, DECEMBER 31			\$ -	\$ -

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

CROSSROADS REDEVELOPMENT AREA FUND

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

For the Year Ended December 31, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 3,036,491	\$ 3,036,491	\$ 2,801,752	\$ 2,696,365
Investment income	-	-	17,860	7,971
Total revenues	<u>3,036,491</u>	<u>3,036,491</u>	<u>2,819,612</u>	<u>2,704,336</u>
EXPENDITURES				
Capital outlay				
Salaries	17,411	17,411	15,940	17,225
Employer contributions	3,456	3,456	3,137	3,350
Consulting services	14,859	14,859	206,707	11,741
Business recruitment	10,095	10,095	11,758	10,173
Surplus distributions	2,186,273	2,186,273	2,020,558	1,975,890
Capital improvements				
Streetscape improvements	96,200	96,200	-	1,025
Debt service				
Principal	-	-	-	2,498,610
Total expenditures	<u>2,328,294</u>	<u>2,328,294</u>	<u>2,258,100</u>	<u>4,518,014</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>708,197</u>	<u>708,197</u>	<u>561,512</u>	<u>(1,813,678)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in				
Town Center #2 Redevelopment Area Fund	-	-	-	500,000
North Milwaukee/Lake Cook Redevelopment Area Fund	-	-	-	1,000,000
South Milwaukee Redevelopment Area Fund	-	-	-	500,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,000,000</u>
NET CHANGE IN FUND BALANCE	<u>\$ 708,197</u>	<u>\$ 708,197</u>	561,512	186,322
FUND BALANCE (DEFICIT), JANUARY 1			(456,589)	(642,911)
FUND BALANCE (DEFICIT), DECEMBER 31			<u>\$ 104,923</u>	<u>\$ (456,589)</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

TOWN CENTER TIF #2 FUND

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

For the Year Ended December 31, 2017

	2017		Actual	2016
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 552,310	\$ 552,310	\$ 772,498	\$ 58,225
Intergovernmental	-	-	32,785	94,156
Investment income	21,738	21,738	20,171	(6,890)
Miscellaneous	-	-	585,220	425,508
Total revenues	<u>574,048</u>	<u>574,048</u>	<u>1,410,674</u>	<u>570,999</u>
EXPENDITURES				
Capital outlay				
Salaries	17,411	17,411	15,940	17,225
Employer contributions	3,456	3,456	3,137	3,350
Employee health insurance	2,330	2,330	2,120	2,250
Recording fees	-	-	-	130
Multiple day training	1,308	1,308	1,087	1,023
Consulting services	130,000	130,000	105,840	163,657
Membership dues	-	-	85	85
Business recruitment	10,095	10,095	11,758	10,173
Legal services	25,000	25,000	43,322	31,478
Miscellaneous contractual services	-	-	1,312,696	857,966
Capital improvements				
Land acquisition	-	-	-	12,498
Storm sewer improvements	700,000	700,000	1,122,244	241,000
Sidewalk improvements	-	-	86,263	-
Pavement improvements	-	-	-	524,227
Streetscape improvements	244,040	244,040	31,941	57,777
Debt service				
Principal	-	-	355,358	6,500,000
Total expenditures	<u>1,133,640</u>	<u>1,133,640</u>	<u>3,091,791</u>	<u>8,422,839</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(559,592)</u>	<u>(559,592)</u>	<u>(1,681,117)</u>	<u>(7,851,840)</u>
OTHER FINANCING SOURCES (USES)				
Issuance of TIF development note	-	-	-	6,500,000
Transfers (out)				
Crossroads Redevelopment Area Fund	-	-	-	(500,000)
Proceeds from sale of capital assets	-	-	-	21,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,021,000</u>
NET CHANGE IN FUND BALANCE	<u>\$ (559,592)</u>	<u>\$ (559,592)</u>	<u>(1,681,117)</u>	<u>(1,830,840)</u>
FUND BALANCE, JANUARY 1			<u>1,951,346</u>	<u>3,782,186</u>
FUND BALANCE, DECEMBER 31			<u>\$ 270,229</u>	<u>\$ 1,951,346</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

NORTH MILWAUKEE/LAKE COOK REDEVELOPMENT AREA FUND

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

For the Year Ended December 31, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 5,694,137	\$ 5,694,137	\$ 4,816,784	\$ 4,697,882
Investment income	14,614	14,614	27,910	8,509
Total revenues	5,708,751	5,708,751	4,844,694	4,706,391
EXPENDITURES				
Capital outlay				
Salaries	17,411	17,411	15,940	17,225
Employer contributions	3,456	3,456	3,137	3,350
Consulting services	63,048	63,048	84,191	82,524
Business recruitment	10,095	10,095	11,758	10,173
Capital improvements				
Streetscape improvements	1,150,000	1,150,000	97,528	1,712
Sanitary sewer improvements	-	-	7,294	-
Debt service				
Principal	2,077,620	2,077,620	2,077,620	17,540,006
Interest	659,065	659,065	659,065	1,328,855
Fiscal agent fees	800	800	1,107	2,850
Total expenditures	3,981,495	3,981,495	2,957,640	18,986,695
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,727,256	1,727,256	1,887,054	(14,280,304)
OTHER FINANCING SOURCES (USES)				
Issuance of refunding bonds	-	-	-	11,355,000
Premium on refunding bonds	-	-	-	1,493,937
Transfers in				
General Fund	415,125	415,125	415,125	413,000
Transfers (out)				
Crossroads Redevelopment Area Fund	-	-	-	(1,000,000)
Total other financing sources (uses)	415,125	415,125	415,125	12,261,937
NET CHANGE IN FUND BALANCE	\$ 2,142,381	\$ 2,142,381	2,302,179	(2,018,367)
FUND BALANCE, JANUARY 1			205,389	2,223,756
FUND BALANCE, DECEMBER 31			<u>\$ 2,507,568</u>	<u>\$ 205,389</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SOUTH MILWAUKEE REDEVELOPMENT AREA FUND

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

For the Year Ended December 31, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 1,620,514	\$ 1,620,514	\$ 1,565,860	\$ 1,441,916
Investment income	12,397	12,397	12,526	15,440
Total revenues	<u>1,632,911</u>	<u>1,632,911</u>	<u>1,578,386</u>	<u>1,457,356</u>
EXPENDITURES				
Capital outlay				
Salaries	17,411	17,411	15,940	17,225
Employer contributions	3,456	3,456	3,137	3,350
Conferences and meetings	1,309	1,309	1,087	1,017
Consulting services	-	-	-	23,451
Business recruitment	10,095	10,095	11,758	10,173
Employee health insurance	2,330	2,330	2,120	2,250
Membership dues	-	-	85	85
Contractual services	729,231	729,231	710,365	657,442
Legal services	5,000	5,000	285	3,608
Capital improvements				
Streetscape improvements	-	-	-	269,613
Total expenditures	<u>768,832</u>	<u>768,832</u>	<u>744,777</u>	<u>988,214</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>864,079</u>	<u>864,079</u>	<u>833,609</u>	<u>469,142</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)				
Crossroads Redevelopment Area Fund	-	-	-	(500,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(500,000)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 864,079</u>	<u>\$ 864,079</u>	833,609	(30,858)
FUND BALANCE, JANUARY 1			<u>353,145</u>	<u>384,003</u>
FUND BALANCE, DECEMBER 31			<u>\$ 1,186,754</u>	<u>\$ 353,145</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SOUTHEAST TIF #2 FUND

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

For the Year Ended December 31, 2017

	2017		Actual	2016
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 621,735	\$ 621,735	\$ 684,964	\$ 148,772
Investment income	-	-	5,625	642
Total revenues	621,735	621,735	690,589	149,414
EXPENDITURES				
Capital outlay				
Salaries	17,411	17,411	15,940	17,225
Employer contributions	3,456	3,456	3,137	3,350
Employee health insurance	2,330	2,330	2,120	2,250
Membership dues	-	-	85	85
Multiple day training	1,308	1,308	1,087	1,018
Business recruitment	10,095	10,095	11,758	10,173
Legal services	25,000	25,000	1,485	32
Consulting services	50,000	50,000	600	-
Capital improvements				
Streetscape improvements	50,000	50,000	-	-
Total expenditures	159,600	159,600	36,212	34,133
NET CHANGE IN FUND BALANCE	\$ 462,135	\$ 462,135	654,377	115,281
FUND BALANCE, JANUARY 1			130,237	14,956
FUND BALANCE, DECEMBER 31			\$ 784,614	\$ 130,237

(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, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
REVENUES				
Taxes				
Utility taxes	\$ 2,852,000	\$ 2,852,000	\$ 2,895,388	\$ 2,952,545
Intergovernmental	3,000,000	3,000,000	247,397	14,139
Charges for services	-	-	-	56,361
Investment income	53,696	53,696	42,290	39,433
Miscellaneous	244,000	244,000	18,046	20,613
Total revenues	6,149,696	6,149,696	3,203,121	3,083,091
EXPENDITURES				
Current				
Highways and streets				
Personnel services	185,858	185,858	190,624	181,679
Contractual services	3,636,654	3,636,654	284,102	233,080
Capital improvements				
Special equipment	20,000	20,000	-	-
Storm sewer improvements	-	-	-	200,043
Streetscape improvements	733,760	733,760	486,850	136,788
Bridge improvements	-	-	-	9,076
Pavement improvements	1,718,500	1,718,500	2,114,378	642,292
Building improvements	2,010,000	2,010,000	181,572	-
Debt service				
Principal	328,107	328,107	328,107	322,389
Interest	64,792	64,792	64,792	72,793
Fiscal agent fees	400	400	157	158
Total expenditures	8,698,071	8,698,071	3,650,582	1,798,298
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,548,375)	(2,548,375)	(447,461)	1,284,793
OTHER FINANCING SOURCES (USES)				
Transfers (out)				
Debt Service Fund	(320,101)	(320,101)	(320,101)	(345,318)
Proceeds on sale of capital assets	-	-	-	397,535
Total other financing sources (uses)	(320,101)	(320,101)	(320,101)	52,217
NET CHANGE IN FUND BALANCE	\$ (2,868,476)	\$ (2,868,476)	(767,562)	1,337,010
FUND BALANCE, JANUARY 1			4,190,424	2,853,414
FUND BALANCE, DECEMBER 31			\$ 3,422,862	\$ 4,190,424

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

STORMWATER FUND

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

For the Year Ended December 31, 2017
(With Comparative Actual)

	2017			2016
	Original Budget	Final Budget	Actual	
REVENUES				
Charges for services				
Stormwater	\$ 690,500	\$ 690,500	\$ 680,452	\$ 580,862
Investment income	3,195	3,195	11,352	954
Total revenues	693,695	693,695	691,804	581,816
EXPENDITURES				
Capital outlay				
Land acquisition	10,000	10,000	-	-
Storm sewer improvements	524,500	524,500	-	-
Consulting services	20,000	20,000	78,013	67,079
Engineering and design services	50,000	50,000	47,156	72,433
Total expenditures	604,500	604,500	125,169	139,512
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	89,195	89,195	566,635	442,304
OTHER FINANCING SOURCES (USES)				
Transfers (out)				
Waterworks and Sewerage Fund	(171,500)	(171,500)	(171,500)	-
Proceeds from sale of capital assets	-	-	-	241,000
Total other financing sources (uses)	(171,500)	(171,500)	(171,500)	241,000
NET CHANGE IN FUND BALANCE	\$ (82,305)	\$ (82,305)	395,135	683,304
FUND BALANCE, JANUARY 1			683,304	-
FUND BALANCE, DECEMBER 31			\$ 1,078,439	\$ 683,304

(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, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 1,817,625	\$ 1,817,625	\$ 1,863,210	\$ 1,748,226
Investment income	-	-	13,301	7,887
	<hr/>			
Total revenues	1,817,625	1,817,625	1,876,511	1,756,113
	<hr/>			
EXPENDITURES				
Debt service				
Principal retirement	1,400,000	1,400,000	1,400,000	1,205,000
Interest	1,466,409	1,466,409	1,466,347	1,518,706
	<hr/>			
Total expenditures	2,866,409	2,866,409	2,866,347	2,723,706
	<hr/>			
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,048,784)	(1,048,784)	(989,836)	(967,593)
	<hr/>			
OTHER FINANCING SOURCES (USES)				
Transfers in				
Capital Projects Fund	320,101	320,101	320,101	345,318
Water and Sewerage Fund	676,784	676,784	676,784	630,364
	<hr/>			
Total other financing sources (uses)	996,885	996,885	996,885	975,682
	<hr/>			
NET CHANGE IN FUND BALANCE	\$ (51,899)	\$ (51,899)	7,049	8,089
	<hr/>			
FUND BALANCE, JANUARY 1			129,918	121,829
	<hr/>			
FUND BALANCE, DECEMBER 31			\$ 136,967	\$ 129,918
	<hr/>			

(See independent auditor's report.)

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, 2017

	2017	2016
CURRENT ASSETS		
Cash and investments	\$ 4,572,801	\$ 4,750,259
Receivables (net, where applicable, of allowance for uncollectibles)		
Accounts	1,915,098	1,854,914
Taxes	-	9,712
Accrued interest	4,611	4,211
IPBC	78,965	48,578
Other	1,623	1,967
Prepaid expenses	125,159	121,278
Inventory	259,654	241,162
	6,957,911	7,032,081
NONCURRENT ASSETS		
Capital assets		
Assets not being depreciated	567,510	567,510
Assets being depreciated		
Cost	67,653,912	65,723,515
Accumulated depreciation	(25,038,714)	(23,718,704)
	42,615,198	42,004,811
Net capital assets being depreciated		
Net capital assets	43,182,708	42,572,321
Advances to other funds	1,236,508	1,038,826
Investment in joint ventures	7,461,238	6,985,990
	51,880,454	50,597,137
Total noncurrent assets		
	58,838,365	57,629,218
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized loss on refunding	9,436	11,008
Pension items - IMRF	459,855	636,800
	469,291	647,808
Total deferred outflows of resources		
	59,307,656	58,277,026

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

STATEMENT OF NET POSITION (Continued)

December 31, 2017

	<u>2017</u>	<u>2016</u>
CURRENT LIABILITIES		
Accounts payable	\$ 319,726	\$ 170,101
Accrued payroll	5,915	1,456
Compensated absences payable	74,574	80,857
Deposits payable	59,491	60,156
Unearned revenue	22,982	27,453
Interest payable	7,882	8,469
Bonds payable	351,264	354,274
	<hr/>	<hr/>
Total current liabilities	841,834	702,766
NONCURRENT LIABILITIES		
General obligation bonds payable (less current portion)	2,776,318	3,134,154
Compensated absences payable (less current portion)	91,147	98,825
Net pension liability - IMRF	340,629	1,132,052
Other postemployment benefit obligation	13,159	10,173
	<hr/>	<hr/>
Total noncurrent liabilities	3,221,253	4,375,204
	<hr/>	<hr/>
Total liabilities	4,063,087	5,077,970
DEFERRED INFLOWS OF RESOURCES		
Pension items - IMRF	918,819	127,666
	<hr/>	<hr/>
Total deferred inflows of resources	918,819	127,666
	<hr/>	<hr/>
Total liabilities and deferred inflows of resources	4,981,906	5,205,636
NET POSITION		
Net investment in capital assets	40,064,562	39,094,901
Unrestricted	14,261,188	13,976,489
	<hr/>	<hr/>
TOTAL NET POSITION	<u>\$ 54,325,750</u>	<u>\$ 53,071,390</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 - BUDGETARY BASIS

For the Year Ended December 31, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
OPERATING REVENUES			
Charges for services			
Water sales	\$ 7,161,762	\$ 7,161,762	\$ 7,154,564
Sewer charges	1,768,600	1,768,600	1,680,750
Water connection fees	34,578	34,578	97,533
Sewer connection fees	37,500	37,500	41,885
Water meter sales	10,000	10,000	10,498
Other	114,760	114,760	267,787
	<u>9,127,200</u>	<u>9,127,200</u>	<u>9,253,017</u>
OPERATING EXPENSES EXCLUDING DEPRECIATION			
Waterworks division	4,560,700	4,560,700	4,650,451
Sewerage division	1,769,459	1,769,459	1,747,281
Waterworks and sewerage capital division	3,277,393	3,277,393	2,112,204
	<u>9,607,552</u>	<u>9,607,552</u>	<u>8,509,936</u>
OPERATING INCOME (LOSS)	<u>(480,352)</u>	<u>(480,352)</u>	<u>743,081</u>
NON-OPERATING REVENUES (EXPENSES)			
Investment income	57,980	57,980	44,542
Interest expense	(105,868)	(105,868)	(100,117)
Gain on disposal of capital assets	-	-	11,525
Increase in joint venture - Northwest Water Commission	-	-	475,248
	<u>(47,888)</u>	<u>(47,888)</u>	<u>431,198</u>
INCOME BEFORE TRANSFERS	<u>(528,240)</u>	<u>(528,240)</u>	<u>1,174,279</u>
TRANSFERS			
Transfers in			
Capital Equipment Replacement Fund	171,500	171,500	322,625
Transfers (out)			
Debt Service Fund	(676,784)	(676,784)	(676,784)
Capital Equipment Replacement Fund	(222,703)	(222,703)	-
	<u>(727,987)</u>	<u>(727,987)</u>	<u>(354,159)</u>
CHANGE IN NET POSITION (BUDGETARY BASIS)	<u>\$ (1,256,227)</u>	<u>\$ (1,256,227)</u>	<u>820,120</u>
ADJUSTMENTS TO GAAP BASIS			
Additions to capital assets			1,699,200
Depreciation			<u>(1,264,960)</u>
			<u>434,240</u>
CHANGE IN NET POSITION (GAAP BASIS)			1,254,360
NET POSITION, JANUARY 1			<u>53,071,390</u>
NET POSITION, DECEMBER 31			<u>\$ 54,325,750</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2017
(With Comparative Actual)

	2017			2016
	Original Budget	Final Budget	Actual	
WATERWORKS DIVISION				
Personnel services				
Overtime	\$ 55,000	\$ 55,000	\$ 55,825	\$ 36,506
Seasonal help	5,000	5,000	6,561	9,341
Salaries	702,974	702,974	680,424	684,060
Longevity	6,200	6,200	6,669	6,601
Training	1,290	1,290	1,131	1,407
Uniform allowance	5,085	5,085	3,704	4,058
Employer contributions	151,946	151,946	148,328	143,640
Sick leave buy back	1,187	1,187	673	658
Unemployment compensation	-	-	3,137	-
SLDPA retiree contribution	-	-	12,418	-
IMRF	-	-	176,675	108,678
OPEB	-	-	2,986	4,092
Total personnel services	928,682	928,682	1,098,531	999,041
Contractual services				
Bank charges	27,120	27,120	38,024	29,392
Conference and meetings	2,000	2,000	1,892	2,036
Data processing services	67,720	67,720	64,881	51,345
Debris dump charges	20,000	20,000	26,448	6,760
Energy	118,500	118,500	86,419	84,300
Employee group insurance	134,835	134,835	130,245	120,076
General liability insurance	119,671	119,671	119,671	126,450
Hydrant maintenance	26,000	26,000	33,758	22,952
Landscape maintenance	12,000	12,000	7,825	8,122
Maintenance - office and special equipment	2,052	2,052	1,194	2,951
Membership dues	3,309	3,309	3,131	3,069
Postage	16,219	16,219	14,595	14,708
Printing and binding	11,287	11,287	10,928	10,040
Rental equipment	400	400	-	-
Telemetry equipment maintenance	7,500	7,500	8,694	11,472
Retiree health insurance	14,278	14,278	14,039	13,502
Wells maintenance	17,500	17,500	19,058	18,680
Miscellaneous contractual services	56,425	56,425	48,100	64,494
Total contractual services	656,816	656,816	628,902	590,349
Commodities				
Auto petroleum products	21,000	21,000	16,016	11,440
Books and subscriptions	-	-	246	-
Chemicals - treatment	3,500	3,500	2,867	2,412
Water samples	10,173	10,173	7,872	9,835
Vehicle maintenance	22,000	22,000	19,607	15,380
Building and grounds maintenance	15,000	15,000	5,721	8,984
Minor tools and equipment	6,000	6,000	5,754	7,737
Miscellaneous operating supplies	200	200	605	3,969
Protective clothing	3,000	3,000	3,782	3,486

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)

For the Year Ended December 31, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
WATERWORKS DIVISION (Continued)				
Commodities (Continued)				
Meters	\$ 25,500	\$ 25,500	\$ 40,893	\$ 50,070
Water main maintenance	65,000	65,000	36,268	31,948
Water storage facilities maintenance	17,500	17,500	5,677	26,363
Total commodities	188,873	188,873	145,308	171,624
Capital outlay				
Special equipment	4,084	4,084	4,068	11,499
Transfer to CERF	132,653	132,653	-	-
Subtotal	136,737	136,737	4,068	11,499
Less				
Transfer to CERF	(132,653)	(132,653)	-	-
Net capital outlay	4,084	4,084	4,068	11,499
Other				
General Fund reimbursement	1,032,245	1,032,245	1,032,245	1,000,698
Northwest Water Commission - water charge	1,750,000	1,750,000	1,741,397	1,697,820
Total other	2,782,245	2,782,245	2,773,642	2,698,518
Total operating expenses excluding depreciation - waterworks division	4,560,700	4,560,700	4,650,451	4,471,031
SEWERAGE DIVISION				
Personnel services				
Overtime	20,000	20,000	8,611	8,735
Seasonal help	5,000	5,000	6,561	4,788
Salaries	702,974	702,974	680,422	684,057
Longevity	6,200	6,200	6,669	6,601
Training	3,590	3,590	3,161	3,370
Uniform allowance	3,965	3,965	3,704	3,865
Employer contributions	145,068	145,068	148,310	145,552
Unemployment compensation	-	-	3,137	5,550
SLDPA retiree contribution	-	-	12,418	-
Sick leave buy back	1,187	1,187	673	658
Total personnel services	887,984	887,984	873,666	863,176
Contractual services				
Conferences and meetings	1,075	1,075	955	653
Data processing services	46,500	46,500	43,225	37,048
Debris dump charges	10,000	10,000	14,411	5,848
Energy	24,900	24,900	21,569	18,941
Employee health insurance	134,835	134,835	130,244	120,075

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)

For the Year Ended December 31, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
SEWERAGE DIVISION (Continued)				
Contractual services (Continued)				
General liability insurance	\$ 63,825	\$ 63,825	\$ 63,825	\$ 67,440
Landscape maintenance	50,000	50,000	39,721	52,329
Bank charges	2,280	2,280	2,102	2,064
Maintenance office/special equipment	2,702	2,702	4,753	4,638
Membership dues	2,984	2,984	3,311	3,284
Postage	3,266	3,266	3,101	3,125
Printing and binding	2,186	2,186	2,266	1,884
Rental equipment	9,000	9,000	12,850	-
Tree maintenance	30,000	30,000	31,400	30,000
Telemetry equipment maintenance	6,352	6,352	4,183	6,604
Consulting services	4,000	4,000	6,479	-
Retiree health insurance	14,150	14,150	13,901	13,475
Miscellaneous contractual	55,325	55,325	74,536	63,862
Total contractual services	463,380	463,380	472,832	431,270
Commodities				
Auto petroleum products	16,000	16,000	10,370	8,758
Books and subscriptions	-	-	-	950
Chemicals	7,000	7,000	6,731	8,220
Vehicle maintenance	28,000	28,000	14,911	26,110
Building and grounds maintenance	750	750	57	179
Minor tools and equipment	6,000	6,000	3,320	3,487
Miscellaneous operating supplies	200	200	1,638	555
Protective clothing	3,000	3,000	3,055	3,574
Lift stations	30,000	30,000	13,093	29,107
Sewer line maintenance	65,000	65,000	85,479	100,148
Total commodities	155,950	155,950	138,654	181,088
Capital outlay				
Miscellaneous equipment	4,084	4,084	4,068	11,899
Transfer to CERF	90,050	90,050	-	-
Subtotal	94,134	94,134	4,068	11,899
Less				
Transfer to CERF	(90,050)	(90,050)	-	-
Net capital outlay	4,084	4,084	4,068	11,899
Other				
General Fund reimbursement	258,061	258,061	258,061	250,174
Total operating expenses excluding depreciation - sewerage division	1,769,459	1,769,459	1,747,281	1,737,607

(This schedule is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)

For the Year Ended December 31, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
WATERWORKS AND SEWERAGE CAPITAL DIVISION				
Personnel services				
Salaries	\$ 43,527	\$ 43,527	\$ 43,968	\$ 47,821
Longevity	370	370	370	370
Overtime	-	-	395	29
Employer contributions	8,713	8,713	9,151	8,545
Total personnel services	52,610	52,610	53,884	56,765
Contractual services				
Employee group insurance	9,283	9,283	9,343	8,887
Miscellaneous contractual services	-	-	500	500
Consulting services	105,000	105,000	64,214	104,010
Total contractual services	114,283	114,283	74,057	113,397
Capital outlay				
Water improvements	2,617,250	2,422,250	1,360,924	2,980
Sanitary sewer improvements	493,250	688,250	623,339	1,289,863
Total capital outlay	3,110,500	3,110,500	1,984,263	1,292,843
Total operating expenses excluding depreciation - waterworks and sewerage capital division	3,277,393	3,277,393	2,112,204	1,463,005
TOTAL OPERATING EXPENSES EXCLUDING DEPRECIATION	\$ 9,607,552	\$ 9,607,552	\$ 8,509,936	\$ 7,671,643

(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, 2017
(With Comparative Actual)

	2017		Actual	2016
	Original Budget	Final Budget		
OPERATING REVENUES				
Charges for services	\$ 1,595,613	\$ 1,595,613	\$ 1,595,613	\$ 1,686,000
Total operating revenues	1,595,613	1,595,613	1,595,613	1,686,000
OPERATING EXPENSES				
Contractual services				
Consulting services	57,000	57,000	35,500	35,500
Insurance claims administration	99,807	99,807	90,324	95,630
General liability insurance	388,740	388,740	442,383	441,684
Self-insurance claims	1,050,000	1,050,000	62,895	519,223
Total operating expenses	1,595,547	1,595,547	631,102	1,092,037
OPERATING INCOME	66	66	964,511	593,963
NON-OPERATING REVENUES (EXPENSES)				
Investment income	24,016	24,016	34,929	43,804
Total non-operating revenues (expenses)	24,016	24,016	34,929	43,804
CHANGE IN NET POSITION	\$ 24,082	\$ 24,082	999,440	637,767
NET POSITION, JANUARY 1			2,827,321	2,189,554
NET POSITION, DECEMBER 31			<u>\$ 3,826,761</u>	<u>\$ 2,827,321</u>

(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, 2017

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and short-term investments	\$ 755,773	\$ 568,553	\$ 1,324,326
Investments at fair value			
U.S. Treasury and U.S. agency obligations	10,714,795	12,191,773	22,906,568
State and local obligations	1,954,088	2,280,876	4,234,964
Corporate bonds	9,249,666	2,403,594	11,653,260
Mutual funds	22,926,317	22,605,416	45,531,733
Asset backed securities	-	11,324	11,324
Equities	7,081,509	-	7,081,509
Total investments	51,926,375	39,492,983	91,419,358
Receivables			
Accrued interest	197,230	113,034	310,264
Due from General Fund	224,642	295,906	520,548
Total receivables	421,872	408,940	830,812
Prepaid items	3,562	-	3,562
Total assets	53,107,582	40,470,476	93,578,058
LIABILITIES			
Accounts payable	16,251	17,758	34,009
Total liabilities	16,251	17,758	34,009
NET POSITION RESTRICTED FOR PENSIONS			
	\$ 53,091,331	\$ 40,452,718	\$ 93,544,049

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, 2017

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 1,999,952	\$ 2,600,022	\$ 4,599,974
Employee	696,609	493,782	1,190,391
Total contributions	<u>2,696,561</u>	<u>3,093,804</u>	<u>5,790,365</u>
Investment income			
Net appreciation in fair value of investments	4,306,681	3,058,031	7,364,712
Interest	1,978,581	1,715,849	3,694,430
Total investment income	<u>6,285,262</u>	<u>4,773,880</u>	<u>11,059,142</u>
Less investment expenses	<u>103,329</u>	<u>58,057</u>	<u>161,386</u>
Net investment income	<u>6,181,933</u>	<u>4,715,823</u>	<u>10,897,756</u>
Miscellaneous income	<u>-</u>	<u>759</u>	<u>759</u>
Total additions	<u>8,878,494</u>	<u>7,810,386</u>	<u>16,688,880</u>
DEDUCTIONS			
Benefits and refunds	3,031,091	3,062,797	6,093,888
Administrative expenses	46,908	23,387	70,295
Total deductions	<u>3,077,999</u>	<u>3,086,184</u>	<u>6,164,183</u>
NET INCREASE	5,800,495	4,724,202	10,524,697
NET POSITION RESTRICTED FOR PENSIONS			
January 1	<u>47,290,836</u>	<u>35,728,516</u>	<u>83,019,352</u>
December 31	<u>\$ 53,091,331</u>	<u>\$ 40,452,718</u>	<u>\$ 93,544,049</u>

(See independent auditor's report.)

SUPPLEMENTAL FINANCIAL INFORMATION

VILLAGE OF WHEELING, ILLINOIS

GENERAL OBLIGATION BOND SERIES 2007

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS

December 31, 2017

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			June 1	Interest Due On		
	Principal	Interest	Total		Amount	December 1	Amount
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>\$ 4,485,068</u>	<u>\$ 14,485,068</u>		<u>\$ 2,242,534</u>		<u>\$ 2,242,534</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL OBLIGATION BOND SERIES 2008

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS

December 31, 2017

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			June 1	Interest Due On		
	Principal	Interest	Total		Amount	December 1	Amount
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>\$ 14,360,000</u>	<u>\$ 2,568,774</u>	<u>\$ 16,928,774</u>		<u>\$ 1,284,389</u>		<u>\$ 1,284,385</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL OBLIGATION BOND SERIES 2009

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS

December 31, 2017

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

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			June 1	Interest Due On		
	Principal	Interest	Total		Amount	December 1	Amount
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>\$ 3,374,140</u>	<u>\$ 13,374,140</u>		<u>\$ 1,687,070</u>		<u>\$ 1,687,070</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL OBLIGATION REFUNDING BOND SERIES 2011

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS

December 31, 2017

Date of Issue	October 3, 2011
Date of Maturity	December 15, 2023
Authorized Issue	\$8,445,000
Interest Rates	2% to 3%
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	Total	June 15	Amount	December 15	Amount
2017	\$ 623,736	\$ 121,900	\$ 745,636	2018	\$ 60,950	2018	\$ 60,950
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>\$ 4,008,736</u>	<u>\$ 424,300</u>	<u>\$ 4,433,036</u>		<u>\$ 212,150</u>		<u>\$ 212,150</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL OBLIGATION SALES TAX REFUNDING BOND SERIES 2012A

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS

December 31, 2017

Date of Issue	April 24, 2012
Date of Maturity	December 1, 2024
Authorized Issue	\$3,925,000
Interest Rates	2.0% to 3.5%
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	Total	June 1	Amount	December 1	Amount
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>\$ 2,570,000</u>	<u>\$ 348,450</u>	<u>\$ 2,918,450</u>		<u>\$ 174,225</u>		<u>\$ 174,225</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL OBLIGATION WATER SYSTEM BONDS SERIES 2012B

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS

December 31, 2017

Date of Issue	April 24, 2012
Date of Maturity	December 1, 2032
Authorized Issue	\$3,500,000
Interest Rates	3.0% to 3.5%
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	Tax Levy			Interest Due On			
	Principal	Interest	Total	June 1	December 1	Amount	
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>\$ 2,845,000</u>	<u>\$ 822,394</u>	<u>\$ 3,667,394</u>		<u>\$ 411,199</u>		<u>\$ 411,195</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL OBLIGATION REFUNDING BONDS SERIES 2016

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS

December 31, 2017

Date of Issue	August 22, 2016
Date of Maturity	December 1, 2022
Authorized Issue	\$11,355,000
Interest Rates	5%
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	Tax Levy			Interest Due On			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2018	\$ 1,540,000	\$ 426,500	\$ 1,966,500	2018	\$ 213,250	2018	\$ 213,250
2019	1,625,000	349,500	1,974,500	2019	174,750	2019	174,750
2020	1,705,000	268,250	1,973,250	2020	134,125	2020	134,125
2021	1,785,000	183,000	1,968,000	2021	91,500	2021	91,500
2022	1,875,000	93,750	1,968,750	2022	46,875	2022	46,875
	<u>\$ 8,530,000</u>	<u>\$ 1,321,000</u>	<u>\$ 9,851,000</u>		<u>\$ 660,500</u>		<u>\$ 660,500</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF INSURANCE IN FORCE

December 31, 2017

Insured	Description of Coverage	Amount of Coverage	Expiration Date of Policy
Village	Lloyd's Insurance: Comprehensive General Liability Law Enforcement Liability Auto Physical Damage Errors and Omissions Employee Benefits Liability Terrorism (Lloyd's Insurance) Excess Employer's Liability (Lloyd's Insurance)	\$10,000,000 per occurrence (\$10,000,000 aggregate), \$100,000 SIR \$10,000,000 per occurrence (\$10,000,000 aggregate), \$100,000 SIR \$10,000,000 per occurrence (\$10,000,000 aggregate), \$100,000 SIR \$10,000,000 per occurrence (\$10,000,000 aggregate), \$100,000/\$250,000 SIR \$10,000,000 per occurrence (\$10,000,000 aggregate), \$100,000 SIR \$5,000,000 per occurrence, \$25,000 deductible \$8,000,000 per occurrence, \$2,000,000 SIR	12/31/2018
Village	Property/Auto Physical Damage Limits (CHUBB)	\$82,815,898	12/31/2018
Village	Excess Liability (Starstone)	\$6,000,000 (\$16,000,000 aggregate)	12/31/2018
Village	Workers' Compensation (Safety National)	\$550,000 SIR per occurrence (\$650,000 for Public Safety) \$2,000,000 loss limit	12/31/2018
Village	Crime - Employee Dishonesty and Faithful Performance (Hartford Fire Insurance Co.)	\$25,000 deductible \$5,000,000 loss limit	12/31/2018
Village	Boiler and Machinery (Travelers Insurance)	\$5,000 deductible \$50,000,000 loss limit	12/31/2018
Village	Storage Tank System (Colony Insurance)	\$5,000 deductible \$1,000,000 loss limit	12/31/2018
Village	Cyber Liability (BCS Insurance)	\$10,000 deductible \$2,000,000 loss limit	12/31/2018
Village	NFIP Flood Insurance (American Bankers)	\$1,250 deductible \$250,000 per occurrence for train station (\$500,000 for Fire Station)	12/31/2018

(See independent auditor's report.)

STATISTICAL SECTION

This part of the Village of Wheeling, Illinois' 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(s)</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.	147-156
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the sales tax.	157-162
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.	163-166
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.	167-169
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.	170-171

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

Fiscal Year	2008	2009	2010	2011
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 44,583,426	\$ 44,689,081	\$ 42,799,847	\$ 54,123,693
Restricted	37,126,903	36,584,679	28,589,477	10,362,766
Unrestricted (deficit)	(25,182,170)	(23,198,346)	(10,132,657)	(7,488,366)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 56,528,159	\$ 58,075,414	\$ 61,256,667	\$ 56,998,093
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 37,418,818	\$ 37,148,779	\$ 36,274,317	\$ 36,688,761
Unrestricted	61,423,064	60,938,306	63,241,696	62,992,898
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 98,841,882	\$ 98,087,085	\$ 99,516,013	\$ 99,681,659
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 82,002,244	\$ 81,837,860	\$ 79,074,164	\$ 90,812,454
Restricted	37,126,903	36,584,679	28,589,477	10,362,766
Unrestricted (deficit)	36,240,894	37,739,960	53,109,039	55,504,532
TOTAL PRIMARY GOVERNMENT	\$ 155,370,041	\$ 156,162,499	\$ 160,772,680	\$ 156,679,752

* The Village implemented GASB Statement No. 68 during the fiscal year ended December 31, 2015, which resulted in a substantial increase in the Village's long term liabilities as a result of having to recognize the net pension liabilities on the Statement of Net Position. This led to a substantial decrease to the Village's net position.

Note: In fiscal year 2017, the Village's equity in the airport joint venture was reclassified from governmental activities capital assets and classified separately on the statement of net position. This schedule reflects the changes to net investment in capital assets and unrestricted net position. The Village also retroactively updated net investment in capital assets and unrestricted net position dating back to fiscal year 2012.

Data Source

Audited Financial Statements

	2012	2013	2014	2015*	2016	2017
\$	50,421,731	\$ 51,330,389	\$ 51,916,419	\$ 53,620,148	\$ 47,621,865	\$ 47,624,982
	60,676,966	62,019,413	55,347,664	56,337,718	52,915,535	7,415,677
	(38,235,590)	(39,980,656)	(41,157,542)	(2,658,401)	2,337,986	5,450,134
\$	72,863,107	\$ 73,369,146	\$ 66,106,541	\$ 107,299,465	\$ 102,875,386	\$ 60,490,793
\$	36,367,198	\$ 37,260,014	\$ 38,135,341	\$ 38,977,362	\$ 39,094,900	\$ 40,064,562
	17,371,083	16,248,947	14,460,012	13,647,217	13,976,490	14,261,188
\$	53,738,281	\$ 53,508,961	\$ 52,595,353	\$ 52,624,579	\$ 53,071,390	\$ 54,325,750
\$	86,788,929	\$ 88,590,403	\$ 90,051,760	\$ 92,597,510	\$ 86,716,765	\$ 87,689,544
	60,676,966	62,019,413	55,347,664	56,337,718	52,915,535	7,415,677
	(20,864,507)	(23,731,709)	(26,697,530)	10,988,816	16,314,476	19,711,322
\$	126,601,388	\$ 126,878,107	\$ 118,701,894	\$ 159,924,044	\$ 155,946,776	\$ 114,816,543

VILLAGE OF WHEELING, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2008	2009	2010	2011
EXPENSES				
Governmental Activities				
General government	\$ 17,784,959	\$ 14,122,513	\$ 14,219,565	\$ 16,233,324
Public safety	19,716,414	19,885,699	20,396,013	20,733,943
Highways and streets	1,842,576	5,476,091	2,783,647	4,577,770
Airport - joint venture	-	-	-	-
Interest and fees	2,998,209	3,462,955	3,415,044	3,227,766
Total governmental activities expenses	42,342,158	42,947,258	40,814,269	44,772,803
Business-Type Activities				
Water and sewer	7,373,555	7,067,551	6,912,264	6,817,876
Airport	3,444,406	799,270	-	266,654
Total business-type activities expenses	10,817,961	7,866,821	6,912,264	7,084,530
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 53,160,119	\$ 50,814,079	\$ 47,726,533	\$ 51,857,333
PROGRAM REVENUES				
Governmental Activities				
Charges for services				
General government	\$ 1,738,155	\$ 1,758,207	\$ 1,852,231	\$ 2,192,808
Public safety	1,809,901	2,166,029	1,947,388	1,862,414
Highways and streets	112,644	103,395	102,417	129,919
Operating grants and contributions	1,047,865	1,065,374	1,605,286	1,433,953
Capital grants and contributions	523,889	1,451,630	479,199	529,573
Total governmental activities program revenues	5,232,454	6,544,635	5,986,521	6,148,667
Business-Type Activities				
Charges for services				
Water and sewer	7,734,607	6,975,799	7,588,069	7,383,748
Airport	-	-	902,589	-
Capital grants and contributions	32,680	-	-	-
Total business-type activities program revenues	7,767,287	6,975,799	8,490,658	7,383,748
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 12,999,741	\$ 13,520,434	\$ 14,477,179	\$ 13,532,415
NET REVENUES (EXPENSES)				
Governmental activities	\$ (37,109,704)	\$ (36,402,623)	\$ (34,827,748)	\$ (38,624,136)
Business-type activities	(3,050,674)	(891,022)	1,578,394	299,218
TOTAL PRIMARY GOVERNMENT NET REVENUES (EXPENSES)	\$ (40,160,378)	\$ (37,293,645)	\$ (33,249,354)	\$ (38,324,918)

	2012	2013	2014	2015*	2016	2017
\$	18,700,252	\$ 14,476,498	\$ 17,399,295	\$ 16,160,019	\$ 26,036,703	\$ 20,004,172
	21,317,828	22,913,151	24,351,195	27,098,130	28,509,338	28,081,294
	2,511,525	3,137,265	8,265,832	4,739,565	4,792,939	6,218,017
	-	-	365,947	360,206	661,580	65,299
	3,356,724	3,227,999	3,115,103	2,975,404	2,683,084	2,487,101
	45,886,329	43,754,913	53,497,372	51,333,324	62,683,644	56,855,883
	7,875,234	7,871,938	8,409,712	8,149,116	8,366,057	8,164,288
	-	-	-	-	-	-
	7,875,234	7,871,938	8,409,712	8,149,116	8,366,057	8,164,288
\$	53,761,563	\$ 51,626,851	\$ 61,907,084	\$ 59,482,440	\$ 71,049,701	\$ 65,020,171
\$	2,300,930	\$ 2,041,198	\$ 2,113,226	\$ 2,660,037	\$ 1,836,481	\$ 2,164,784
	1,811,500	1,807,153	2,518,598	3,816,401	3,981,577	4,066,883
	129,680	121,004	216,834	113,508	750,573	832,300
	1,253,583	1,265,120	1,468,290	1,136,341	1,195,740	1,165,621
	280,666	348,823	386,441	1,005,525	108,373	2,335,899
	5,776,359	5,583,298	6,703,389	8,731,812	7,872,744	10,565,487
	8,498,891	8,077,300	7,958,560	8,657,219	9,030,321	9,728,265
	-	-	-	-	-	-
	220,890	-	-	-	360,932	-
	8,719,781	8,077,300	7,958,560	8,657,219	9,391,253	9,728,265
\$	14,496,140	\$ 13,660,598	\$ 14,661,949	\$ 17,389,031	\$ 17,263,997	\$ 20,293,752
\$	(40,109,970)	\$ (38,171,615)	\$ (46,793,983)	\$ (42,601,512)	\$ (54,810,900)	\$ (46,290,396)
	844,547	205,362	(451,152)	508,103	1,025,196	1,563,977
\$	(39,265,423)	\$ (37,966,253)	\$ (47,245,135)	\$ (42,093,409)	\$ (53,785,704)	\$ (44,726,419)

VILLAGE OF WHEELING, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2008	2009	2010	2011
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental Activities				
Taxes				
Property	\$ 18,240,322	\$ 20,053,651	\$ 19,626,799	\$ 19,520,238
Sales	9,536,539	7,941,951	7,983,543	8,076,606
Other	10,029,935	5,079,052	5,127,712	5,201,932
Intergovernmental**	-	3,869,328	3,831,811	3,799,369
Investment earnings	1,972,157	714,969	557,803	307,641
Miscellaneous	487,053	295,113	617,396	1,144,281
Gain on disposal of capital assets	-	-	-	-
Transfers	-	(4,186)	263,937	220,639
Total governmental activities	40,266,006	37,949,878	38,009,001	38,270,706
Business-Type Activities				
Investment earnings	341,378	114,527	114,471	29,945
Gain on sale of capital assets	-	-	-	57,122
Miscellaneous	9,880	17,512	-	-
Transfers	-	4,186	(263,937)	(220,639)
Total business-type activities	351,258	136,225	(149,466)	(133,572)
TOTAL PRIMARY GOVERNMENT	\$ 40,617,264	\$ 38,086,103	\$ 37,859,535	\$ 38,137,134
CHANGE IN NET POSITION				
Governmental activities	\$ 3,156,302	\$ 1,547,255	\$ 3,181,253	\$ (353,430)
Business-type activities	(2,699,416)	(754,797)	1,428,928	165,646
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	\$ 456,886	\$ 792,458	\$ 4,610,181	\$ (187,784)

* The Village implemented GASB Statement No. 68 during the fiscal year ended December 31, 2015.

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

Data Source

Audited Financial Statements

	2012	2013	2014	2015*	2016	2017
\$	19,022,348	\$ 18,781,294	\$ 20,077,443	\$ 21,897,622	\$ 23,535,987	\$ 25,804,441
	8,510,612	9,430,241	9,915,534	10,786,813	10,178,754	9,518,542
	5,220,358	6,287,177	6,678,823	6,575,634	6,487,096	6,387,890
	4,149,329	4,541,061	4,714,309	5,281,649	5,080,815	4,953,602
	382,600	108,698	30,692	223,774	348,236	289,035
	1,452,437	1,360,893	1,172,294	1,435,358	1,663,409	2,013,806
	19,703	1,152	12,867	979,001	676,330	146,979
	433,336	486,768	531,135	572,257	617,349	354,159
	39,190,723	40,997,284	43,133,097	47,752,108	48,587,976	49,468,454
	83,886	40,086	21,347	37,327	38,964	44,542
	-	12,000	47,332	18,815	-	-
	-	-	-	-	-	-
	(433,336)	(486,768)	(531,135)	(572,257)	(617,349)	(354,159)
	(349,450)	(434,682)	(462,456)	(516,115)	(578,385)	(309,617)
\$	38,841,273	\$ 40,562,602	\$ 42,670,641	\$ 47,235,993	\$ 48,009,591	\$ 49,158,837
\$	(919,247)	\$ 2,825,669	\$ (3,660,886)	\$ 5,150,596	\$ (6,222,924)	\$ 3,178,058
	495,097	(229,320)	(913,608)	(8,012)	446,811	1,254,360
\$	(424,150)	\$ 2,596,349	\$ (4,574,494)	\$ 5,142,584	\$ (5,776,113)	\$ 4,432,418

VILLAGE OF WHEELING, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2008	2009	2010*	2011
GENERAL FUND				
Nonspendable				
Long-term receivable	\$ -	\$ -	\$ -	\$ -
Prepaid items	-	-	340,730	369,478
Inventory	-	-	264,114	304,889
Assigned				
Health insurance	-	-	1,252,725	1,463,995
Subsequent year's budget	-	-	-	-
Unassigned	-	-	12,332,962	13,615,841
Reserved	7,208,103	545,940	-	-
Unreserved	10,823,755	14,913,216	-	-
TOTAL GENERAL FUND	\$ 18,031,858	\$ 15,459,156	\$ 14,190,531	\$ 15,754,203
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable				
Prepaid items	\$ -	\$ -	\$ 10,428	\$ 18,932
Inventory	-	-	131,588	152,690
Land held for resale	-	-	18,336,679	-
Restricted				
Capital projects	-	-	1,549,710	1,624,317
Highways and streets	-	-	1,751,968	1,364,232
Public safety	-	-	224,502	119,151
Economic development	-	-	6,673,568	7,187,998
Debt service	-	-	53,050	67,068
Assigned				
Capital improvements	-	-	3,473,088	3,874,974
Capital projects	-	-	-	-
Unassigned, reported in				
Special Revenue Funds	-	-	(1,664)	(1,742)
Capital Project Funds	-	-	(475,217)	(1,286,092)
Reserved	37,130,548	36,735,159	-	-
Unreserved, reported in				
Special Revenue Funds	(1,371)	(1,532)	-	-
Capital Project Funds	(2,604,191)	(2,078,086)	-	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 34,524,986	\$ 34,655,541	\$ 31,727,700	\$ 13,121,528

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

Data Source

Audited Financial Statements

	2012	2013	2014	2015	2016	2017
\$	576,000	\$ -	\$ -	\$ -	\$ -	\$ -
	372,806	281,547	318,023	471,750	211,316	242,193
	262,536	265,189	264,960	287,856	278,304	276,659
	1,703,945	703,552	943,530	1,286,311	671,661	1,019,495
	400,000	1,055,804	753,849	-	-	-
	10,608,389	12,188,455	11,395,024	12,416,569	13,453,786	13,232,023
	-	-	-	-	-	-
	-	-	-	-	-	-
\$	13,923,676	\$ 14,494,547	\$ 13,675,386	\$ 14,462,486	\$ 14,615,067	\$ 14,770,370
\$	27,794	\$ 8,654	\$ 5,626	\$ 62,033	\$ 1,130,228	\$ 1,200
	206,004	35,668	119,575	148,918	225,828	216,739
	-	-	-	-	-	-
	2,400,320	1,774,679	1,314,424	1,979,004	4,000,936	1,078,439
	1,390,892	1,403,952	1,357,515	1,133,043	1,123,032	1,220,916
	345,382	374,390	493,396	476,106	576,700	125,692
	9,238,485	10,866,598	4,843,012	6,403,505	1,522,298	4,853,663
	30,108	39,513	87,571	121,829	129,918	136,967
	4,695,811	4,509,086	4,907,754	4,389,323	4,880,694	4,488,033
	-	-	-	872,792	872,792	3,422,862
	(1,788)	(1,676)	(1,849)	(2,030)	(190)	-
	(1,105,948)	(1,939,250)	(273,889)	(643,260)	(456,589)	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
\$	17,227,060	\$ 17,071,614	\$ 12,853,135	\$ 14,941,263	\$ 14,005,647	\$ 15,544,511

VILLAGE OF WHEELING, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2008	2009	2010	2011
REVENUES				
Taxes	\$ 33,081,075	\$ 32,855,735	\$ 32,502,099	\$ 32,526,698
Licenses and permits	452,055	438,417	445,774	627,026
Intergovernmental	6,075,977	6,386,331	5,916,297	5,762,896
Fines and forfeitures	2,107,271	2,013,155	2,092,093	3,017,946
Charges for services	606,984	1,068,433	843,584	732,417
Investment income	1,972,157	714,969	557,803	307,641
Miscellaneous	1,202,941	1,021,659	1,373,935	1,224,110
Total revenues	45,498,460	44,498,699	43,731,585	44,198,734
EXPENDITURES				
General government	11,413,172	10,379,637	9,129,789	8,706,123
Public safety	19,478,287	19,336,413	20,710,039	20,103,256
Highways and streets	1,377,369	2,610,475	1,383,873	1,997,699
Capital outlay	28,828,056	19,722,483	12,180,419	7,409,366
Debt service				
Principal	1,485,000	1,570,000	1,500,000	1,735,000
Interest	2,969,421	3,346,722	3,319,203	3,267,345
Total expenditures	65,551,305	56,965,730	48,223,323	43,218,789
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(20,052,845)	(12,467,031)	(4,491,738)	979,945
OTHER FINANCING SOURCES (USES)				
Transfers in	1,703,588	3,315,179	14,524,176	2,987,807
Transfers (out)	(1,703,588)	(3,319,365)	(14,260,239)	(2,600,365)
Bonds issued	20,000,000	10,000,000	-	6,988,943
Premium on bonds issued	-	-	-	193,198
TIF development note issued	-	-	-	-
Payment to escrow agent	-	-	-	(7,263,149)
Loss on disposal of land held for resale	-	-	-	-
Sale of capital assets	83,973	29,070	31,335	7,800
Total other financing sources (uses)	20,083,973	10,024,884	295,272	314,234
NET CHANGE IN FUND BALANCES	\$ 31,128	\$ (2,442,147)	\$ (4,196,466)	\$ 1,294,179
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	10.66%	11.66%	12.07%	11.94%

*Debt service principal increased due to the refunding of the Tax Increment Revenue Bond Series 2005.

Data Source

Audited Financial Statements

2012	2013	2014	2015	2016*	2017
\$ 32,474,707	\$ 34,217,612	\$ 36,373,747	\$ 38,961,036	\$ 39,838,918	\$ 41,344,963
536,729	544,271	550,247	956,338	712,117	1,050,924
5,683,578	5,866,502	6,958,153	8,216,312	8,188,194	10,248,759
3,280,116	3,006,290	3,235,445	3,167,197	3,421,509	3,601,751
690,272	714,405	844,161	959,311	994,658	983,565
382,600	108,698	30,692	223,774	348,236	289,035
1,212,054	1,346,382	1,300,039	1,574,034	1,663,409	2,013,806
44,260,056	45,804,160	49,292,484	54,058,002	55,167,041	59,532,803
10,200,168	9,642,297	10,553,805	10,997,647	10,748,569	12,209,247
20,713,189	21,681,228	23,270,049	25,254,427	25,520,585	26,606,928
1,519,075	1,852,783	1,928,121	1,730,257	1,344,791	1,375,777
8,322,334	7,084,028	13,218,099	8,482,208	14,290,045	11,806,735
2,063,150	2,638,982	3,022,485	3,491,572	21,765,340	4,161,085
3,140,841	2,977,337	2,881,567	2,777,921	2,923,362	2,191,468
45,958,757	45,876,655	54,874,126	52,734,032	76,592,692	58,351,240
(1,698,701)	(72,495)	(5,581,642)	1,323,970	(21,425,651)	1,181,563
4,460,454	3,154,615	9,646,088	6,490,141	5,460,897	3,612,915
(4,227,118)	(2,667,847)	(9,114,953)	(5,917,884)	(4,843,548)	(3,258,756)
3,925,000	-	-	-	11,355,000	-
222,801	-	-	-	1,493,937	-
3,500,000	-	-	-	6,500,000	-
(4,037,582)	-	-	-	-	-
-	-	-	-	-	-
19,703	1,152	12,867	979,001	676,330	158,445
3,863,258	487,920	544,002	1,551,258	20,642,616	512,604
\$ 2,164,557	\$ 415,425	\$ (5,037,640)	\$ 2,875,228	\$ (783,035)	\$ 1,694,167
11.63%	13.08%	11.20%	12.34%	32.97%	11.87%

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					
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	642,546,595	122,080,427	455,233,039	43,707	954,101	5,752,338	1,226,610,207	0.892	3,679,830,621	33.333%
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%
2013	398,703,329	107,440,045	326,039,359	35,715	783,286	5,145,717	838,147,451	1.424	2,514,442,353	33.333%
2014	425,609,608	135,422,155	290,188,352	126,078	917,222	5,135,426	857,398,841	1.517	2,572,196,523	33.333%
2015	415,287,122	132,668,239	282,104,354	48,507	1,106,149	5,068,152	836,282,523	1.729	2,508,847,569	33.333%
2016	494,966,376	138,718,618	300,581,268	143,114	1,221,970	5,419,375	941,050,721	1.613	2,823,152,163	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					Total Direct Tax Rate	Overlapping Rates									
	General	Bonds and Interest	Police Pension	Fire Pension	Cook County		Forest Preserve District	T.B. Sanitarium	Wheeling Township	Water Reclamation District	Northwest Mosquito Abatement	High School District 214	Harper College District 512	Wheeling Park District	Indian Trails Public Library	Wheeling C C School District 21
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
2013	0.8388	0.1993	0.1835	0.2018	1.4234	0.5600	0.0690	-	0.0560	0.4170	0.0130	2.7680	0.4440	0.8990	0.5040	4.8410
2014	0.9066	0.2082	0.1926	0.2091	1.5165	0.5680	0.0690	-	0.0520	0.4300	0.0130	2.7760	0.4510	0.8900	0.5290	5.4300
2015	1.0585	0.2136	0.2178	0.2385	1.7284	0.5520	0.0690	-	0.0550	0.4260	0.0110	2.8810	0.4660	0.9240	0.5340	5.6420
2016	0.9654	0.2028	0.1935	0.2510	1.6127	0.5330	0.0630	-	0.0410	0.4060	0.0100	2.5270	0.4160	0.8290	0.4760	4.9660

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 Ten Years Ago

Taxpayer	Type of Business	2017			2008		
		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	\$ 18,134,717	1	1.93%	\$ 31,602,151	1	2.37%
Wal-Mart Stores Inc.	Retail & Wholesale Discount Stores	17,004,335	2	1.81%	23,331,430	2	1.75%
Woodland Creek Apartments	Real Estate Holdings	14,276,339	3	1.52%	19,390,096	4	1.45%
Allstate Insurance Co.	Real Estate Holdings	8,941,465	4	0.95%	20,202,429	3	1.51%
Capstone Realty	Arlington Club/Village Green Apartments	8,854,849	5	0.94%	13,375,570	6	1.00%
Mallard Lake Apartments	Mallard Lake Apartments	8,058,491	6	0.86%			
Durable Inc.	Industrial	7,312,848	7	0.78%	13,537,722	5	1.01%
Pactiv Corp.	Aluminum Foil Products	6,730,293	8	0.72%	8,336,643	9	0.62%
Wheeling SC LLC	Retail Landlord	6,153,977	9	0.65%			
Liberty Property Trust	Real Estate Holdings	5,651,952	10	0.60%	7,530,151	10	0.56%
Shorewood Management	Mallard Lake Apartments				12,177,574	7	0.91%
Foxboro Apartments	Real Estate Holdings				9,130,788	8	0.68%
WIFI Wheeling Dealing	Commercial				7,530,151	10	0.56%
		<u>\$ 101,119,266</u>		<u>10.76%</u>	<u>\$ 166,144,705</u>		<u>12.42%</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
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%	131,373	10,764,912	98.48%
2011	10,930,632	10,565,589	96.66%	24,816	10,590,405	96.89%
2012	11,350,882	10,905,320	96.07%	85,071	10,990,391	96.82%
2013	11,930,382	11,636,039	97.53%	78,154	11,714,193	98.19%
2014	12,928,836	12,593,028	97.40%	135,842	12,728,870	98.45%
2015	14,454,024	14,150,917	97.90%	89,854	14,240,771	98.52%
2016	15,177,351	14,791,888	97.46%	122,739	14,914,627	98.27%

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	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General merchandise	\$ 1,427,529	\$ 1,402,253	\$ 1,396,088	\$ 1,173,241	\$ 1,429,594	\$ 1,619,274	\$ 1,650,738	\$ 1,703,500	\$ 1,190,237	\$ 1,108,401
Food	565,419	492,670	479,804	508,014	645,631	688,982	625,942	609,771	1,171,703	1,184,329
Drinking and eating places	1,591,037	1,342,981	1,470,517	1,411,629	1,487,579	1,589,800	1,687,115	1,799,139	1,798,929	1,786,666
Apparel	21,337	21,972	29,283	215,248	22,137	20,350	16,559	13,092	10,850	9,952
Furniture & H.H. & Radio	389,008	234,314	246,815	241,591	263,671	317,622	330,088	403,702	374,919	320,176
Lumber, building hardware	714,022	582,744	547,706	527,913	519,347	649,847	785,897	780,639	778,738	778,701
Automotive and filling stations	823,683	738,858	766,793	860,719	867,975	863,263	1,169,724	1,896,657	1,338,274	615,967
Drugs and miscellaneous retail	676,413	550,441	557,381	561,997	563,940	718,748	713,909	762,072	778,316	890,601
Agriculture and all others	2,046,244	1,443,058	1,316,131	1,396,313	1,401,967	1,517,316	1,486,962	1,445,890	1,406,318	1,318,782
Manufacturers	333,073	292,937	254,128	211,273	251,078	346,973	362,195	380,252	376,390	453,222
Lake County	913,525	836,918	912,563	966,034	1,056,553	1,097,062	1,085,168	990,653	952,351	1,102,288
TOTAL**	\$ 9,501,290	\$ 7,939,146	\$ 7,977,209	\$ 8,073,972	\$ 8,509,472	\$ 9,429,237	\$ 9,914,297	\$ 10,785,367	\$ 10,177,025	\$ 9,569,085
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***	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	0.00%	1.00%

* Totals do not tie to financial statements due to interest paid to the Municipality and the 2% administration fee deducted not being included

** Due to Confidentiality Agreements with Certain Taxpayers the Lake County sales tax receipts are not categorized, but shown in total

***The Municipal Home Rule Sales Tax Rate Does Not Apply to Qualifying Food, Drugs & Medical Appliances

Data Sources

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
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%
2014	1.00%	8.00%	9.00%
2015	1.00%	8.00%	9.00%
2016	1.00%	9.00%	10.00%
2017	1.00%	9.00%	10.00%

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

Data Sources

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	Unamortized Discount	Unamortized Premium	General Obligation Bonds	Unamortized Discount	Unamortized Premium				
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	-	28,000	193,198	1,456,057	13,631	36,362	71,681,191	1.95%	1,903.98	7.92%
2012	50,496,768	17,700,000	3,601,944	-	399,900	4,793,232	-	104,182	77,096,026	2.36%	2,047.81	8.28%
2013	48,990,391	16,990,000	3,421,821	-	365,233	4,449,609	-	97,609	74,314,663	2.48%	1,973.93	7.39%
2014	47,292,211	16,210,000	3,105,170	-	330,566	4,107,789	-	91,036	71,136,772	2.83%	1,889.52	6.71%
2015	45,402,274	15,345,000	2,559,796	-	295,901	3,762,726	-	84,463	67,450,160	2.62%	1,791.60	6.35%
2016	53,274,462	-	6,516,139	-	1,755,170	3,410,538	-	77,891	65,034,200	2.59%	1,727.43	6.17%
2017	49,468,736	-	6,644,497	-	1,471,514	3,056,264	-	71,318	60,712,329	2.15%	1,612.63	5.54%

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 167 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 Activities		Business-Type Activities		Less Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
	General Obligation Bonds*	General Obligation Bonds*	General Obligation Bonds*	General Obligation Bonds*				
2008	\$ 45,499,078	\$ 2,020,000	\$ 67,083	\$ 47,451,995	1.18%	\$ 1,230.76		
2009	53,982,768	1,625,000	24,550	55,583,218	1.35%	1,441.66		
2010	52,790,735	1,500,000	53,049	54,237,686	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	28,654	55,261,346	1.69%	1,467.84		
2013	48,990,390	4,449,609	35,470	53,404,529	1.78%	1,418.52		
2014	47,622,777	4,198,825	87,571	51,734,031	2.06%	1,374.15		
2015	45,698,175	3,847,189	121,829	49,423,535	1.92%	1,312.78		
2016	55,029,632	3,488,429	129,918	58,388,143	2.33%	1,550.90		
2017	50,940,250	3,127,582	136,967	53,930,865	1.91%	1,432.50		

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 157 for property value data.

Data Source

Village records

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF LEGAL DEBT MARGIN

December 31, 2017

The Village is a home rule municipality.

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

"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, 2017

Governmental Unit	Gross Debt	Percentage Debt Applicable to the Village (1)	The Village's Share of Debt
Village	\$ 57,584,747	100.00%	\$ 57,584,747
Cook County, including Forest Preserve	3,243,056,750	0.65%	21,079,869
Lake County, including Forest Preserve	438,130,000	0.02%	87,626
Metropolitan Water Reclamation District	2,658,416,000	0.66%	17,545,546
Prospect Heights Park District	7,580,305	16.18%	1,226,493
River Trails Park District	7,255,540	0.02%	1,451
Wheeling Park District	8,995,000	87.20%	7,843,640
School District No. 21	30,255,000	46.83%	14,168,417
School District No. 23	7,540,000	17.20%	1,296,880
School District No. 102	17,870,000	0.62%	110,794
High School District No. 125	3,455,000	0.16%	5,528
High School District No. 214	37,480,000	10.94%	4,100,312
Community College District No. 512	126,895,000	4.94%	6,268,613
Community College District No. 532	62,465,000	0.02%	12,493
	<u>6,649,393,595</u>		<u>73,747,662</u>
	<u>\$ 6,706,978,342</u>		<u>\$ 131,332,409</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 (Cook and Lake County)

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
2008	38,555	\$ 1,036,551,175	\$ 26,885	35.7	6,249	4.9%
2009	38,555	1,039,866,905	26,971	36.2	6,295	8.5%
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	7.8%
2014	37,648	1,060,280,624	28,163	36.1	6,031	5.9%
2015	37,648	1,062,991,280	28,235	36.3	6,086	4.7%
2016	37,648	1,054,595,776	28,012	36.5	6,350	4.8%
2017	37,648	1,096,498,000	29,125	36.4	6,590	3.9%

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 Ten Years Ago

Employer	2017			2008		
	Number of Employees	Rank	% of Total Village Population	Number of Employees	Rank	% of Total Village Population
SG360	903	1	2.40%			
Durable Packaging International	750	2	1.99%	500	4	1.30%
Pamarco Global Graphics	625	3	1.66%			
Handi-Foil	550	4	1.46%	500	2	1.30%
Crothall Laundry Services	450	5	1.20%			
Northbrook Services	400	6	1.06%			
Integer	380	7	1.01%			
Bob Chinn's Crabhouse	375	8	1.00%			
Reynolds Consumer Products	350	9	0.93%			
Argon Medical Devices	304	10	0.81%			
National Louis University				800	1	2.07%
Shure, Inc.				500	3	1.30%
Hospital Laundry Services				400	5	1.04%
Chef Solutions				400	6	1.04%
Allstate Printing/Dist. Ctr				360	7	0.93%
Pactiv Corp				350	8	0.91%
Block & Company				350	9	0.91%
Bowe Bell & Howell				300	10	0.78%
TOTAL	5,087		13.52%	4,460		11.58%

Data Source

Village Records

VILLAGE OF WHEELING, ILLINOIS
FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
GENERAL GOVERNMENT										
Management services	6	7	7	5	5	5	3	3	3	3
Human resources	2	2	2	2	2	2	2	2	2	2
Finance	10	9	9	8	8	8	8	8	8	8
Information systems	3	4	4	4	4	4	4	4	4	4
Economic development	-	-	-	-	-	-	2	2	2	2
Human services	4	4	5	7	7	6	6	6	6	6
Community development	17	18	13	13	13	14	14	14	12	12
Engineering	4	4	4	2	2	2	2	2	4	4
PUBLIC SAFETY										
Police										
Officers	68	68	66	62	62	62	62	62	62	61
Civilians	28	28	25	21	21	22	23	34	34	34
Fire										
Firefighters and officers	57	57	50	50	50	50	50	50	50	50
Civilians	4	4	4	4	4	3	3	3	3	3
PUBLIC WORKS										
Administration	4	4	5	4	4	4	4	4	4	4
Capital projects and design	9	9	4	4	4	3	2	2	-	-
Building services	6	6	6	6	6	6	6	6	6	6
Fleet services	5	5	5	5	5	5	5	5	5	5
Forestry	-	4	5	5	4	4	4	4	4	4
Utilities	21	21	21	18	18	18	18	18	18	18
Street maintenance	13	9	7	5	5	4	5	5	5	5
TOTAL	261	263	242	225	224	222	223	234	232	231

Data Source

Village budget office

VILLAGE OF WHEELING, ILLINOIS

OPERATING INDICATORS BY FUNCTION

Last Ten Fiscal Years

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
POLICE										
DUI arrests	244	246	168	155	110	130	93	96	94	73
Accidents	1,522	1,297	1,109	1,198	1,047	1,126	1,218	1,322	1,262	1,259
Total tickets	14,219	17,018	14,133	14,674	14,166	12,051	13,448	16,303	19,618	20,663
Total calls	34,244	32,770	32,389	33,857	34,797	34,186	36,489	41,454	35,458	35,342
FIRE										
Number of calls answered	4,475	4,302	4,271	4,422	4,354	4,534	4,694	4,463	4,629	4,685
Inspections	2,319	2,162	2,047	1,652	1,547	1,342	1,401	1,367	1,281	1,699
HIGHWAYS AND STREETS										
Work orders completed	1,902	1,740	1,821	2,276	2,260	1,750	1,889	1,150	1,157	1,710
Sidewalks plowed	722	668	668	400	116	386	793	587	247	249
WATER AND SEWER										
Meter replacements	N/A	N/A	N/A	N/A	90	545	413	112	69	32
Customer service calls	2,500	1,600	1,700	1,939	2,215	2,310	2,270	1,760	945	1,849
Sanitary sewer complaints	63	78	84	68	127	111	46	50	42	31
Sanitary sewer cleaned (l.f.)	26,835	16,092	13,257	14,204	58,000	33,483	34,000	64,000	102,321	88,606
Catch basins/inlets cleaned	106	45	63	89	107	59	95	191	393	340

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/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Number of squad cars	40	40	41	41	41	42	40	40	38	34
Fire										
Stations	2	2	2	3	3	3	3	3	3	3
HIGHWAYS AND STREETS										
Streets (miles)	75	75	75	75	75	75	75	75	75	75
WATER										
Water mains (miles)	148	148	155	155	155	155	162	162	164	165
Fire hydrants	1,635	1,635	1,651	1,709	1,709	1,766	1,766	1,732	1,738	1,744
Average daily pumpage (mgd)	5	5	4	4	4	4	4	4	4	4
SEWER										
Sanitary sewers (miles)	83	83	87	87	87	89	90	94	95	92
Storm sewers (miles)	92	92	92	92	92	92	92	92	92	92
BUILDING INSPECTIONS										
Number of permits issued	1,426	1,348	1,364	1,650	1,501	1,488	1,599	1,305	1,659	1,775
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

COMPLIANCE SECTION

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

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 (the Village), 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, 2017. As discussed in that representation letter, management is responsible for the Village's compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Village's 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's 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's 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, 2017, is fairly stated in all material respects.

This report is intended for the information and use of the Mayor, Board of Trustees, Management, the Joint Review Board, the Illinois State Comptroller, and the Illinois Department of Revenue.

Sikich LLP

Naperville, Illinois
May 29, 2018

2018 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

\$3,500,000 General Obligation Water System Bonds, Series 2012B

and

\$11,355,000 General Obligation Refunding Bonds, Series 2016

For further information please contact:

**Mr. Michael Mondschain, Director of Finance
Mr. Brian Smith, Assistant Director of Finance
Village of Wheeling
2 Community Boulevard
Wheeling, Illinois 60090**

Phone: (847) 459-2600

Fax: (847) 459-9692

5/24/18

I. ANNUAL FINANCIAL INFORMATION REPORT UPDATE

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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 + (-)
2008	\$5,438,339	\$4,098,140	\$ 9,536,479	(10.24%)(3)
2009	4,625,774	3,316,177	7,941,951	(16.72%)
2010	4,622,924	3,360,619	7,983,543	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%
2014	5,982,939	3,931,357	9,914,296	5.14%
2015	6,739,449	4,045,919	10,785,367	8.79%
2016	6,252,421	3,924,604	10,177,025	(5.64%)
2017	5,694,714	3,874,370	9,569,085	(5.97%)
Growth from 2008 to 2017				0.34%

- 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 2008 percentage is based on a 2007 sales tax of \$10,624,355.

Sales Tax Receipts by Kind of Business(1) (For the 12 months ended December 31, 2017)

	Amount Returned to the Village(2)	Percent
General Merchandise	\$1,108,401	13.1%
Food.....	1,184,329	14.0%
Drinking and Eating Places	1,786,666	21.1%
Apparel	9,952	0.1%
Furniture, Household & Radio	320,176	3.8%
Lumber Building and Hardware	778,701	9.2%
Automotive and Filling Stations	615,967	7.3%
Drugs and Misc. Retail	890,601	10.5%
Agriculture and All Other	1,318,782	15.6%
Manufactures.....	453,222	5.4%
Total.....	\$8,466,797	100.0%

- Notes: (1) Source: State of Illinois, Department of Revenue.
- (2) Includes Municipal Sales Tax returned by the State plus Home Rule Sales Taxes. Does not include Lake County sales taxes to protect the privacy of individual companies. The Lake County portion was \$1,102,288.12.

DIRECT GENERAL OBLIGATION DEBT (see schedules following)

Total General Obligation Bonds	\$52,525,000
Total General Obligation Debt	\$52,525,000

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

Calendar Year	Series 2007	Series 2008	Series 2009	Series 2011	Series 2012A	Series 2012B	Series 2016	Total Debt	Cumulative Principal Retired	
									Amount	Percent
2018	\$ 0	\$ 1,600,000	\$ 0	\$ 835,000	\$ 335,000	\$ 140,000	\$ 1,540,000	\$ 4,450,000	\$ 4,450,000	8.47%
2019	0	1,815,000	0	665,000	340,000	150,000	1,625,000	4,595,000	9,045,000	17.22%
2020	0	2,030,000	0	685,000	355,000	155,000	1,705,000	4,930,000	13,975,000	26.61%
2021	0	2,250,000	0	705,000	370,000	160,000	1,785,000	5,270,000	19,245,000	36.64%
2022	0	2,475,000	0	720,000	380,000	165,000	1,875,000	5,615,000	24,860,000	47.33%
2023	0	2,700,000	0	610,000	390,000	175,000	0	3,875,000	28,735,000	54.71%
2024	0	1,490,000	1,435,000	0	400,000	180,000	0	3,505,000	32,240,000	61.38%
2025	0	0	3,140,000	0	0	185,000	0	3,325,000	35,565,000	67.71%
2026	0	0	3,340,000	0	0	195,000	0	3,535,000	39,100,000	74.44%
2027	1,445,000	0	2,085,000	0	0	200,000	0	3,730,000	42,830,000	81.54%
2028	3,700,000	0	0	0	0	210,000	0	3,910,000	46,740,000	88.99%
2029	3,850,000	0	0	0	0	220,000	0	4,070,000	50,810,000	96.73%
2030	1,005,000	0	0	0	0	230,000	0	1,235,000	52,045,000	99.09%
2031	0	0	0	0	0	235,000	0	235,000	52,280,000	99.53%
2032	0	0	0	0	0	245,000	0	245,000	52,525,000	100.00%
Total	\$10,000,000	\$14,360,000	\$10,000,000	\$4,220,000	\$2,570,000	\$2,845,000	\$8,530,000	\$52,525,000		

Note: (1) Source: the Village.

OVERLAPPING DEBT(1)(2)

	Outstanding Debt	Applicable to Village	
		Percent(3)	Amount
Schools:			
School District Number 21	\$ 30,255,000	46.83%	\$14,168,417
School District Number 23	7,540,000	17.20%	1,296,880
School District Number 102	17,870,000	0.62%	110,794
High School District Number 125	3,455,000	0.16%	5,528
High School District Number 214	37,480,000	10.94%	4,100,312
Community College District Number 512	126,895,000	4.94%	6,268,613
Community College District Number 532	62,465,000	0.02%	12,493
Total Schools			\$25,963,037
Other:			
Cook County	\$3,092,046,750	0.65%	\$20,098,304
Cook County Forest Preserve District	151,010,000	0.65%	981,565
Lake County	182,235,000	0.02%	36,447
Lake County Forest Preserve District	255,895,000	0.02%	51,179
Metropolitan Water Reclamation District	2,658,416,000	0.66%	17,545,546
Wheeling Park District	8,995,000	87.20%	7,843,640
Prospect Heights Park District	7,580,305	16.18%	1,226,493
River Trails Park District	7,255,540	0.02%	1,451
Total Other			\$47,784,625
Total Schools and Other Overlapping Bonded Debt			\$73,747,661

- Notes: (1) Source: Cook and Lake County Clerks.
(2) As of December 31, 2017.
(3) Overlapping debt percentages based on 2016 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, 2016	\$ 941,050,721	100.00%	33.33%	\$24,996.03
Estimated Actual Value, 2016	\$2,823,152,163	300.00%	100.00%	\$74,988.10
Total Direct Bonded Debt	\$ 52,525,000	5.58%	1.86%	\$ 1,395.16
Overlapping Bonded Debt(2):				
Schools	\$ 25,963,037	2.76%	0.92%	\$ 689.63
Other	47,784,625	5.08%	1.69%	1,269.25
Total Overlapping Bonded Debt	\$ 73,747,662	7.84%	2.61%	\$ 1,958.87
Total Direct and Overlapping Bonded Debt(2)	\$ 126,272,662	13.42%	4.47%	\$ 3,354.03

- Notes: (1) Source: Cook and Lake Counties Clerks.
(2) As of December 31, 2017.

VILLAGE EQUALIZED ASSESSED VALUATION(I)

Property Class	Levy Years				
	2012	2013(2)	2014	2015	2016(2)
Residential	\$506,940,389	\$398,703,329	\$425,609,608	\$415,287,122	\$494,966,376
Farm.....	37,187	35,715	126,078	48,507	143,114
Commercial.....	107,718,357	107,440,045	135,422,155	132,668,239	138,718,618
Industrial	376,869,218	326,039,359	290,188,352	282,104,354	300,581,268
Railroad.....	758,102	783,286	917,222	1,106,149	1,221,970
Total	\$992,323,253	\$833,001,734	\$852,263,415	\$831,214,371	\$935,631,346
Lake County.....	5,330,444	5,145,717	5,135,426	5,068,152	5,419,375
Total	\$997,653,697	\$838,147,451	\$857,398,841	\$836,282,523	\$941,050,721
Percentage Change+(-)	(8.37%)(3)	(15.99%)	2.30%	(2.46%)	12.53%

- Notes: (1) Source: Cook County Clerk.
 (2) Triennial reassessment year.
 (3) Percentage change based on 2011 EAV of \$1,088,729,315.

LARGER TAXPAYERS(I)

Taxpayer Name	Business/Service	2016 EAV(2)
Westin Hotel.....	Hotel	\$ 18,134,717
Wal-Mart Stores	Retail Discount Store.....	17,004,335
Woodland Creek Assoc.....	Apartments	14,276,339
Allstate Insurance Co.	Insurance	8,941,465
Capstone Realty Advisors.....	Apartments	8,854,849
Mallard Lake Apartments	Apartments	8,058,491
Durable Packaging International.....	Industrial	7,312,848
Pactiv	Food Packaging.....	6,730,293
Wheeling SC LLC.....	Apartments	6,153,977
Liberty Property Trust.....	Real Estate	5,651,952
Total		\$101,119,265
Ten Largest Taxpayers as Percent of Village's 2016 EAV (\$941,050,721)		10.75%

- 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 2016 EAV is the most current available.

TAX LEVIES AND COLLECTIONS(I)

Levy Year	Coll. Year	Taxes Extended	Total Collections(2)	
			Amount	Percent
2012.....	2013	\$11,350,882	\$10,990,391	96.82%
2013.....	2014	11,930,382	11,714,193	98.19%
2014.....	2015	12,928,836	12,728,870	98.45%
2015.....	2016	14,454,024	14,240,771	98.52%
2016.....	2017	15,177,351	14,914,627	98.27%

- 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				
	2012	2013	2014	2015	2016
The Village:					
Corporate	\$ 0.7444	\$ 0.8388	\$ 0.9066	\$ 1.0585	\$0.9654
Bonds and Interest	0.0996	0.1993	0.2082	0.2136	0.2028
Police Pension	0.1430	0.1835	0.1926	0.2178	0.1935
Fire Pension	<u>0.1507</u>	<u>0.2018</u>	<u>0.2091</u>	<u>0.2385</u>	<u>0.2510</u>
Total Village Rates(2).....	\$ 1.1380	\$ 1.4240	\$ 1.5170	\$ 1.7290	\$1.6130

- 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. The Cook County Clerk rounds the total Village rates.

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				
	2012	2013	2014	2015	2016
Cook County	\$ 0.5310	\$ 0.5600	\$ 0.5680	\$ 0.5520	\$ 0.5330
Cook County Forest Preserve District.....	0.0630	0.0690	0.0690	0.0690	0.0630
Metropolitan Water Reclamation District.....	0.3700	0.4170	0.4300	0.4260	0.4060
Northwest Mosquito Abatement District.....	0.0110	0.0130	0.0130	0.0110	0.0100
Consolidated Elections.....	0.0000	0.0310	0.0000	0.0340	0.0000
Wheeling Township.....	0.0520	0.0560	0.0520	0.0550	0.0410
General Assistance	0.0090	0.0100	0.0100	0.0100	0.0080
Road and Bridge	0.0160	0.0190	0.0190	0.0200	0.0140
School District Number 21	4.5560	4.8410	5.4300	5.6420	4.9660
High School District Number 214	2.3240	2.7680	2.7760	2.8810	2.5270
Community College District Number 512	0.3730	0.4440	0.4510	0.4660	0.4160
Indian Trails Public Library District.....	0.4630	0.5040	0.5290	0.5340	0.4760
Wheeling Park District.....	<u>0.7380</u>	<u>0.8990</u>	<u>0.8900</u>	<u>0.9240</u>	<u>0.8290</u>
Total Tax Rates(3)	\$10.6440	\$12.0550	\$12.7540	\$13.3530	\$11.9020

- 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 53% of the Village's 2016 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				
	2013	2014	2015	2016	2017
ASSETS:					
Cash and Investments	\$ 33,643,222	\$ 27,105,062	\$ 28,061,638	\$ 29,846,511	\$ 31,879,622
Receivables, Net:					
Property Taxes	11,677,826	12,806,608	14,155,427	14,837,953	15,564,682
Sales Taxes	2,553,906	2,555,025	2,936,849	2,759,846	2,545,112
Local Use Taxes	0	0	0	0	297,951
Income Taxes.....	616,726	644,481	773,045	696,331	0
Telecommunications Tax	386,569	354,214	349,096	317,745	273,307
Accounts	97,481	200,799	522,602	645,023	867,001
Accrued Interest	42,035	44,598	45,599	40,488	44,677
IPBC.....	703,552	943,530	1,286,311	671,661	1,019,495
Other	975,542	1,120,770	1,161,817	1,274,205	1,239,248
Prepaid Expenses	290,284	323,845	533,866	1,341,627	243,476
Inventory	300,857	384,535	436,774	504,132	493,398
Due from Other Governments.....	129,748	137,302	151,887	142,922	911,950
Advances to Other Funds	(1,062,514)	(976,867)	(863,629)	(1,038,826)	(1,236,508)
Deferred Charges - Unamortized Loss on Refunding	706,169	638,224	570,278	741,915	634,039
Deferred Outflows-Swap Agreement	3,641,777	4,353,866	4,066,825	3,364,990	2,691,062
Net Pension Asset.....	667,309	1,018,534	11,435,662	9,969,634	9,160,537
Investment in Joint Venture.....	0	0	0	0	45,497,352
Capital Assets Not Being Depreciated	85,412,131	85,046,184	85,551,145	86,170,928	37,571,138
Capital Assets Being Depreciated.....	<u>58,303,260</u>	<u>57,467,789</u>	<u>56,209,319</u>	<u>52,360,837</u>	<u>54,175,130</u>
Total Assets	<u>\$199,085,880</u>	<u>\$194,168,499</u>	<u>\$207,384,511</u>	<u>\$204,647,922</u>	<u>\$203,872,669</u>
LIABILITIES:					
Accounts Payable	\$ 1,789,685	\$ 1,786,608	\$ 1,633,640	\$ 3,892,318	\$ 2,992,560
Accrued Payroll	603,103	764,925	51,921	48,652	59,477
Deposits Payable	115,814	144,654	144,309	124,167	451,865
Deferred Revenue.....	13,294,812	13,661,726	14,813,225	15,347,554	15,564,819
Due to Fiduciary Funds.....	54,107	100,721	970,788	306,376	520,548
Interest Payable	659,146	631,748	604,690	176,846	164,542
Pension Items	0	0	0	2,093,365	10,095,665
Interest Rate Swap Agreement.....	3,641,777	4,353,866	4,066,825	3,364,990	2,691,062
Long-Term Liabilities:					
Due Within One Year	4,159,726	4,601,468	4,492,374	5,246,126	5,345,220
Due in More Than One Year	<u>69,269,636</u>	<u>66,285,595</u>	<u>119,531,505</u>	<u>116,734,793</u>	<u>105,496,118</u>
Total Liabilities	<u>\$ 93,587,806</u>	<u>\$ 92,331,311</u>	<u>\$146,309,277</u>	<u>\$147,335,187</u>	<u>\$143,381,876</u>
NET POSITION:					
Investment in Capital Assets, Net of Related Debt	\$ 98,280,773	\$ 98,500,856	\$ 99,844,379	\$ 93,184,516	\$ 47,624,982
Restricted for:					
Highways and Streets	1,403,952	1,357,515	1,133,043	1,123,032	1,220,916
Public Safety	984,287	1,160,705	476,106	576,700	125,692
Economic Development	10,866,598	4,843,012	6,403,505	1,522,298	4,853,663
Capital Projects	1,774,679	1,314,424	1,979,004	4,000,936	1,078,439
Debt Service.....	39,513	87,571	121,829	129,918	136,967
Unrestricted.....	<u>(7,851,728)</u>	<u>(5,426,895)</u>	<u>(48,882,632)</u>	<u>(43,224,665)</u>	<u>5,450,134</u>
TOTAL NET POSITION	<u>\$105,498,074</u>	<u>\$101,837,188</u>	<u>\$ 61,075,234</u>	<u>\$ 57,312,735</u>	<u>\$ 60,490,793</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

	2013	2014	2015	2016	2017
Primary Government(1):					
General Government.....	\$ (12,416,729)	\$ (15,040,151)	\$ (13,499,982)	\$ (24,200,222)	\$ (17,839,388)
Public Safety	(20,979,619)	(21,681,963)	(23,097,414)	(24,322,248)	(23,824,695)
Highways and Streets	(1,835,770)	(6,590,819)	(2,668,506)	(2,943,766)	(2,073,913)
Airport-Joint Venture	288,502	(365,947)	(360,206)	(661,580)	(65,299)
Interest and Fees	<u>(3,227,999)</u>	<u>(3,115,103)</u>	<u>(2,975,404)</u>	<u>(2,683,084)</u>	<u>(2,487,101)</u>
Total Governmental Activities	\$ (38,171,615)	\$ (46,793,983)	\$ (42,601,512)	\$ (54,810,900)	\$ (46,290,396)
General Revenues:					
Taxes:					
Property and Replacement	\$ 18,781,294	\$ 20,077,443	\$ 21,897,622	\$ 23,535,987	\$ 25,804,441
Sales	9,430,241	9,915,534	10,786,813	10,178,754	9,518,542
Utility	2,686,499	3,143,435	2,973,641	2,952,545	2,895,388
Telecommunications	1,565,067	1,445,508	1,342,101	1,252,938	1,162,995
Food and Beverage.....	816,668	847,714	911,165	910,343	917,671
Hotel/Motel	933,853	942,103	1,048,308	1,008,332	1,043,545
Income	3,587,115	3,604,564	4,005,867	3,664,807	3,457,938
Other	285,090	300,063	300,419	362,938	368,291
Investment Income.....	108,698	30,692	223,774	348,236	289,035
Gain on Disposal of Capital Assets.....	1,152	12,867	979,001	676,330	146,979
Miscellaneous	1,360,893	1,172,294	1,435,358	1,663,409	2,013,806
Other Revenues	953,946	1,109,745	1,275,782	1,416,008	1,495,664
Transfers	<u>486,768</u>	<u>531,135</u>	<u>572,257</u>	<u>617,349</u>	<u>354,159</u>
Total	\$ 40,997,284	\$ 43,133,097	\$ 47,752,108	\$ 48,587,976	\$ 49,468,454
CHANGE IN NET POSITION	\$ 2,825,669	\$ (3,660,886)	\$ 5,150,596	\$ (6,222,924)	\$ 3,178,058
Change in Accounting Principle	\$ 0	\$ 0	\$(46,709,870)	\$ 0	\$ 0
Prior Period Adjustment	<u>0</u>	<u>0</u>	<u>797,320</u>	<u>2,460,425</u>	<u>0</u>
NET POSITION, JANUARY 1	<u>\$102,672,405</u>	<u>\$105,498,074</u>	<u>\$ 55,924,638</u>	<u>\$ 63,535,659</u>	<u>\$ 57,312,735</u>
NET POSITION, DECEMBER 31	<u>\$105,498,074</u>	<u>\$101,837,188</u>	<u>\$ 61,075,234</u>	<u>\$ 57,312,735</u>	<u>\$60,490,793</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

	2013	2014	2015	2016	2017
ASSETS:					
Cash and Investments	\$10,684,210	\$ 9,895,556	\$ 9,617,721	\$10,229,745	\$10,558,706
Receivables (Net Where Applicable of Allowances for Uncollectibles):					
Property Taxes	10,042,721	11,037,194	12,427,824	12,972,229	13,598,020
Sales Taxes	2,553,906	2,555,025	2,936,849	2,759,846	2,545,112
Income Taxes	616,726	644,481	773,045	696,331	0
Local Use Taxes	0	0	0	0	297,951
Telecommunications Tax	386,569	354,214	349,096	317,745	273,307
Accrued Interest	14,353	19,866	20,508	17,941	20,223
IPBC	703,552	943,530	1,286,311	671,661	1,019,495
Other	609,128	793,199	875,116	907,623	922,320
Due from Other Funds	579,658	29,213	87,550	42,783	85,329
Inventory	265,189	264,960	287,856	278,304	276,659
Prepaid Items	281,547	318,023	471,750	211,316	242,193
Total Assets and Other Debits	<u>\$26,737,559</u>	<u>\$26,855,261</u>	<u>\$29,133,626</u>	<u>\$29,105,524</u>	<u>\$29,839,315</u>
LIABILITIES:					
Accounts Payable	\$ 1,389,706	\$ 1,155,209	\$ 1,090,796	\$ 1,023,042	\$ 776,947
Accrued Payroll	594,001	752,327	46,491	40,236	50,290
Deposits Payable	115,814	144,654	144,309	124,167	112,665
Due to Fiduciary Funds	54,107	100,721	970,788	306,376	520,548
Deferred Revenue	10,089,384	11,026,964	12,418,756	12,996,636	13,608,495
Total Liabilities	<u>\$12,243,012</u>	<u>\$13,179,875</u>	<u>\$14,671,140</u>	<u>\$14,490,457</u>	<u>\$15,068,945</u>
FUND BALANCES:					
Nonspendable for Prepaid Items	\$ 281,547	\$ 318,023	\$ 471,750	\$ 211,316	\$ 242,193
Nonspendable for Inventory	265,189	264,960	287,856	278,304	276,659
Unrestricted - Assigned for Subsequent Year's Budget	1,055,804	943,530	0	0	0
Unrestricted - Assigned for Health Insurance ..	703,552	753,849	1,286,311	671,661	1,019,495
Unrestricted - Unassigned	12,188,455	11,395,024	12,416,569	13,453,786	13,232,023
Total Fund Balances	<u>\$14,494,547</u>	<u>\$13,675,386</u>	<u>\$14,462,486</u>	<u>\$14,615,067</u>	<u>\$14,770,370</u>
Total Liabilities and Fund Balances	<u>\$26,737,559</u>	<u>\$26,855,261</u>	<u>\$29,133,626</u>	<u>\$29,105,524</u>	<u>\$29,839,315</u>

General Fund Revenues, Expenditures and Changes In Fund Balance

	Audited as of Audited as of December 31				
	2013	2014	2015	2016	2017
REVENUES:					
Taxes	\$22,956,784	\$23,841,420	\$25,317,613	\$26,094,987	\$25,944,507
Licenses and Permits	544,271	550,247	956,338	712,117	1,050,924
Intergovernmental	4,542,285	4,927,125	6,761,148	6,715,665	6,578,577
Charges for Services	1,998,815	2,104,787	2,244,662	2,417,037	2,421,787
Fines and Forfeits	714,405	844,161	959,311	994,658	983,565
Investment Income	45,967	(76,871)	97,630	187,160	84,892
Miscellaneous	<u>1,153,542</u>	<u>1,098,290</u>	<u>1,305,352</u>	<u>1,142,006</u>	<u>1,339,003</u>
Total Revenues	\$31,956,069	\$33,289,159	\$37,642,054	\$38,263,630	\$38,403,255
EXPENDITURES:					
General Government	\$ 9,642,297	\$10,553,805	\$10,997,647	\$10,748,569	\$10,871,481
Public Safety	21,029,060	22,268,718	24,391,698	24,749,064	25,031,344
Debt Service	<u>109,235</u>	<u>202,900</u>	<u>193,283</u>	<u>199,335</u>	<u>0</u>
Total Expenditures	\$30,780,592	\$33,025,423	\$35,582,628	\$35,696,968	\$35,902,825
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 1,175,477	\$ 263,736	\$ 2,059,426	\$ 2,566,662	\$ 2,500,430
Other Financing Sources:					
Proceeds on Sale of Capital Assets	\$ 1,152	\$ 12,867	\$ 57,674	\$ 16,795	\$ 158,445
Operating Transfers In	0	36,500	0	0	0
Operating Transfers Out	<u>(605,758)</u>	<u>(1,132,264)</u>	<u>(1,330,000)</u>	<u>(2,430,876)</u>	<u>(2,503,572)</u>
Total Other Financing Sources	\$ (604,606)	\$(1,082,897)	\$(1,272,326)	\$ (2,414,081)	\$ (2,345,127)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 570,871	\$ (819,161)	\$ 787,100	\$ 152,581	\$ 155,303
Beginning Fund Balance	<u>\$13,923,676</u>	<u>\$14,494,547</u>	<u>\$13,675,386</u>	<u>\$14,462,486</u>	<u>\$14,615,067</u>
Ending Fund Balance	<u>\$14,494,547</u>	<u>\$13,675,386</u>	<u>\$14,462,486</u>	<u>\$14,615,067</u>	<u>\$14,770,370</u>

General Fund Budgeted and Interim Financial Information

	Budget Twelve Months Ending <u>12/31/2018</u>
REVENUES:	
Taxes	\$26,700,534
Licenses and Permits	702,309
Intergovernmental	5,850,810
Charges for Services	2,238,969
Fines and Forfeits	888,956
Interest	148,603
Miscellaneous	<u>2,125,084</u>
Total Revenues	\$38,655,265
EXPENDITURES:	
Personnel Services	\$ 26,171,122
Contractual Services	8,445,755
Commodities	1,474,540
Capital Improvements	0
Other	138,000
Transfers Out	<u>2,417,732</u>
Total Expenditures	\$ 38,647,149
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 8,116