

# Village of Wheeling, IL



## Comprehensive Annual Financial Report

Fiscal Year Ended  
December 31, 2012



VILLAGE OF WHEELING, ILLINOIS

COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

For the Year Ended  
December 31, 2012

Prepared by Finance Department

Michael B. Mondschain  
Director of Finance

Albert Walczak  
Assistant Director of Finance

VILLAGE OF WHEELING, ILLINOIS  
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## **INTRODUCTORY SECTION**

**VILLAGE OF WHEELING, ILLINOIS**

**PRINCIPAL OFFICIALS**

**DECEMBER 31, 2012**

**ELECTED OFFICIALS**

Judy Abruscato  
*Village President*

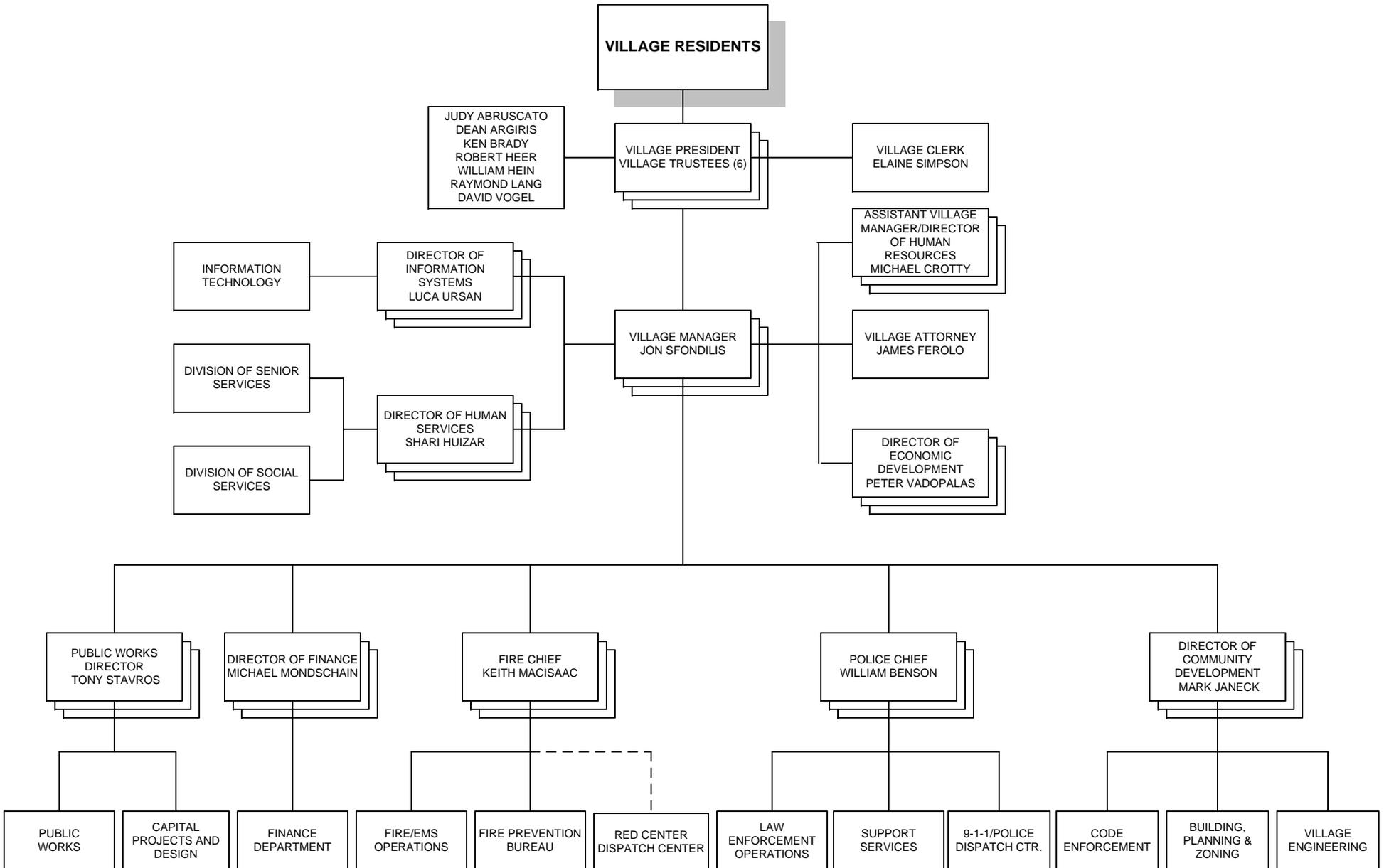
Dean Argiris  
Kenneth Brady  
Robert Heer  
William Hein  
Ray Lang  
David Vogel  
*Village Trustees*

Elaine Simpson  
*Village Clerk*

**ADMINISTRATIVE**

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

# VILLAGE OF WHEELING WHEELING, ILLINOIS



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Wheeling  
Illinois

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2011

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



*Christopher P. Morill*

President

*Jeffrey R. Emen*

Executive Director



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

June 30, 2013

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, 2012.

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

Sikich LLP has issued an unqualified (“clean”) opinion on the Village of Wheeling’s financial statements for the year ended on December 31, 2012. The independent auditor’s report is located at the front of the financial section of this report.

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

### ***Profile of the Village of Wheeling***

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

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

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

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

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

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

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

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

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

### ***Local economy***

Beginning in FY 2011, the Village started to see a slight rebound from the economic downturn that began a few years earlier, and that trend continued in FY 2012. Two of the Village's three largest sources of revenue – sales and income tax – increased significantly from the last fiscal year. Sales tax receipts increased \$434,006 (5.37%) and income tax revenue was up \$319,718 (10.7%), it's strongest showing since FY 2008. Those sources of revenue fluctuate significantly with changes in the economy; therefore, increases from the prior year have historically represented a positive financial trend for the Village.

Despite the strong increases in sales and income tax revenue, General Fund revenue as a whole increased by only \$474,486 (1.55%), due in part to the Village Board's decision to allocate more property tax dollars to debt service and less to the General Fund. Excluding property tax revenue (a more "apples to apples" approach), General Fund revenue was up \$608,221 (3.0%) from the prior year, which reflects modest growth.

Despite signs of a turnaround, the Village approached the FY 2012 budget process conservatively, by not adding new positions and by finding ways to reduce expenditures while limiting the impact of tax increases on its residents and businesses. The net change in fund balance in the General Fund was a reduction of \$1,830,527; however, that reflected the Village Board's decision to transfer \$1,500,000 of the FY 2011 surplus to other funds that contributed to that result. Excluding those transfers, the actual result was a \$330,527 deficit (i.e.

reduction of fund balance), slightly less than the \$961,053 budgeted deficit. The smaller than expected deficit was achieved in large part by stronger than anticipated revenue.

The Village ended FY 2012 with a \$330,527 deficit (not including the \$1,500,000 in inter-fund transfers), which was achieved in large part by allocating funds to the General Fund that historically have been allocated to the other funds for capital projects and equipment and liability insurance claims. Had those funds been allocated to these other funds borne as in the past, the General Fund deficit would have been much larger; nonetheless, the results are very positive given that the Village budgeted a deficit of \$961,053. Village departments, which have been working hard to conserve limited resources, spent significantly less than what was allocated to them, in a continued effort to preserve limited resources. As a result, the total fund balance in the General Fund represented nearly 41% of annual operating expenditures at year end, well in excess of the Village's financial policy establishing a 25% minimum.

The results of FYE 2012 were very positive, given the decline in the Village's major sources of revenue over the last few years and the need to reduce the size of the organization. The Village's strong General Fund reserves allowed the organization to weather the economic storm, but not without significant reductions in expenditures. In Fiscal Years 2009 and 2010, the Village reduced personnel by 36 positions (13.7%) and eliminated several non-essential programs and services in order to offset the decline in the Village's major sources of revenue. At the same time, increases to the Village's property tax levy were approved, reducing the Village's reliance on more volatile sources of revenue. Despite those actions, the Village finished those two fiscal years with substantial deficits of \$2.572 million and \$1.268 million respectively.

Despite the budgetary struggles of the last few years, Wheeling's reputation as a dynamic business and industrial center continues to grow. It is home to over 900 businesses, commercial and retail establishments, making it one of the largest business-industrial centers in Chicago's northwest suburbs. It boasts nearly 14.5 million square feet of industrial space and several expansive industrial parks offering room for companies to grow. More than 20,000 jobs are generated by Wheeling-based businesses attesting to its economic strength. Of those jobs, nearly 20 percent are in the manufacturing sector and 13 percent are in the wholesale and retail trades.

Wheeling's unemployment rate has remained relatively stable over the last 10 years, but declined to 7.7% in 2012, down from 8.1% in 2011. Unemployment in Wheeling is still at one of the highest rates in the last 10 years, however, stronger revenue numbers and a decline in the number of unemployed over the last year are positive trends for next year, and hopefully, beyond.

The growth and development that has occurred in Wheeling is another positive indicator of an economic recovery. The following projects were initiated or completed in FY 2012:

- Wal-Mart, located on Lake Cook Road in Wheeling, completed construction of an expanded Super Wal-Mart store on its existing site, and added 40,000 square feet of retail space.
- Atlantic Aviation, located at Chicago Executive Airport, completed construction of a new hangar, and construction began for a new hanger to accommodate a new company named Tin Goose.
- Construction continued on a new Dunkin Donuts restaurant near the corner of Dundee and Wolf Roads.
- The former Hackney's restaurant at 241 S. Milwaukee Avenue was sold to D'Agostino's Pizzeria, which opened in the fourth quarter of 2012 after significant renovations.
- The owner of the former ACE Hardware building located at 755 W. Dundee substantially renovated the property to accommodate a 7,000 square foot store for Advanced Auto Parts, and created 4,000 square feet of new retail space.
- Cano Packaging, Inc. purchased the 172,799 square foot property located at 230 W. Palatine Road, and took full occupancy last October.
- Aargus Plastics undertook a major expansion of its facility on Allendale Drive.
- Andrew Technologies expanded its operations locally with the acquisition of a 24,000 sq. ft. vacant building.
- Hot Mama's Foods leased approximately 60,000 square feet of property located at 120 W. Palatine Road.
- Children's Land Learning Center constructed a new daycare facility on McHenry Road.
- Construction preparations for Heritage Park were made to transform the park into a regional athletic and recreation destination. The project will completely remake the park including new walkways, a pavilion by the lake, a band shell, soccer fields and baseball diamonds. This will serve as a regional attraction for residents and visitors to the community and will provide storm water storage area, which will promote future development for the district.

- Village issued construction permits increased in value to \$51 million, a \$4 million increase compared to 2011, and industrial vacancy rates remained below 6%.

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

### ***Long-term financial planning and relevant financial policies***

The Village's financial policies establish minimum reserve levels for certain funds of the Village. At December 31, 2012, the fund balance in the General Fund totaled \$13,923,676, representing approximately 41% of total general fund expenditures (including inter-fund transfers), more than the 25 percent minimum established by the Board. Of this amount, \$11,008,389 (32.25%) 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 2003 to 2012 levies), the levy has increased an average of 4.00% per year from \$7.7 million to nearly \$11.0 million annually. In addition, in FY 2010, the Village increased its hotel/motel tax from 5% to 6% (generating an additional \$120,000 annually to pay for operating costs), and recently increased its gas and electric use tax in order to generate an additional \$1,000,000 annually for capital project purposes.

In addition to its fund balance policy, the Village has several other policies in place intended to meet a number of financial objectives. One example is the capital asset policy, which requires that the Village maintain capital asset records to comply with governmental financial reporting standards, to provide a basis for determining appropriate insurable values, and to establish responsibility for property control. Capital assets include land, infrastructure, buildings, machinery, equipment, and vehicles with estimated useful life in excess of one year, subject to the capitalization threshold.

Another example is the Village's Capital Equipment Replacement Fund (CERF) policy, which requires departments to set aside funds each year for the eventual replacement of existing equipment and to avoid significant fluctuations in the operating budget from one year to the next. Each department annually contributes to the replacement fund to ensure that sufficient funds exist to replace the item at the end of its useful life without having to borrow to cover those costs.

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

### ***Major initiatives***

During the fiscal year that ended December 31, 2012, the Village completed a number of significant projects, including the following:

- The Administrative Services Department successfully negotiated a responsible three-year collective bargaining agreement with the International Union of Operating Engineers – Local 150 (representing certain positions in the Department of Public Works) without the need for mediation.
- The Finance Department refunded the Village's existing Series 2012A general obligation bonds realizing a present value savings of over \$150,000. In addition, the department sold \$3.5 million in Series 2012B general obligation bonds in order to finance the replacement of all water meters in the Village.
- The Community Development Department was able to increase the number of municipal code violations processed through the Village's administrative adjudication hearings process. The increase in adjudication hearings has created a more efficient way to enforce violations of property maintenance codes and has led to a reduction in legal fees and an increase in revenue.
- The Human Services Department formed a new cooperative with the Wheeling Park District and Indian Trails Library to offer joint programming for residents of Wheeling.
- The Police Department successfully participated in the Gold Standard Review process, achieving reaccreditation of the agency. In addition, the department was recognized for completing 15 continuous years as an accredited agency.
- As a part of its emergency preparedness training efforts, the Fire Department conducted a full-scale table top disaster drill simulating a major tornado strike within the community and participated in a disaster drill simulating a plane crash at Chicago Executive Airport.

- The Public Works Department completed the 2012 sanitary sewer lining program, lining 4,000 feet of sewer in the Hollywood Ridge subdivision. In addition, the department bid and awarded the 2012 motor fuel tax street improvement project, which included .425 miles of pavement reconstruction, curb, gutter and sidewalk removal and replacement, and similar items.

### ***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, 2011. This was the thirty-second (32<sup>nd</sup>) 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, 2012. This marked the twenty-sixth (26<sup>th</sup>) consecutive year the Village has received this recognition. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document must be judged to be proficient in several categories including policy documentation, financial planning, communication and organization.

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

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Jon Sfondilis', with a stylized, cursive script.

Jon Sfondilis  
Village Manager

A handwritten signature in black ink, appearing to read 'Michael B. Mondschain', with a stylized, cursive script.

Michael B. Mondschain  
Finance Director

## **FINANCIAL SECTION**



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

## INDEPENDENT AUDITOR'S REPORT

Honorable President and  
Board of Trustees  
Village of Wheeling, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Wheeling, Illinois (the Village), as of and for the year ended December 31, 2012, which collectively comprise the Village's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the Village's nonmajor governmental, internal service, and fiduciary funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended December 31, 2012.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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

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

## **Opinions**

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village as of December 31, 2012, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental, internal service, and fiduciary fund of the Village as of December 31, 2012, 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.

## **Emphasis of Matter**

The Village adopted Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, during the year ended December 31, 2012. Statement No. 63 added new classifications on the statement of net position and changed net assets to net position. Statement No. 65 changed the classifications of certain items on the statement of position to the new classifications contained in GASB Statement No. 63.

## **Other Matters**

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements and on the combining and individual fund financial statements. The introductory section, statistical section, and financial information listed as supplemental financial information in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

The supplemental financial information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic, combining and individual fund financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

The prior year comparative information has been derived from the Village's 2011 financial statements and, in our report dated April 30, 2012, we expressed unqualified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund and the combining and individual fund information.

A handwritten signature in black ink that reads "Schuch LLP". The signature is written in a cursive, flowing style.

Naperville, Illinois  
April 25, 2013

# VILLAGE OF WHEELING, ILLINOIS

## Management's Discussion and Analysis December 31, 2012

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As management of the Village of Wheeling, Illinois (the "Village"), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the year ended December 31, 2012. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal located in the Introductory Section of this report.

### Financial Highlights

- Village's assets exceeded liabilities at the close of the December 31, 2012 fiscal year by \$156,410,686 (*net position*). Of this amount, \$12,124,143 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The Village's total net position decreased by \$424,150. This decrease was due to an increase in operating expenses.
- As of the close of the year ended December 31, 2012, the Village's governmental funds reported combined ending fund balances of \$31,150,736, an increase of \$2,164,557 compared to the prior year. The increase was due to a reduction in expenditures. Approximately 31.6% of combined ending fund balances, \$9,900,653 *is available for spending* at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$11,008,389 or 36.4% of total General Fund expenditures.

### Overview of the Financial Statements

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

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

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

The *statement of net position* presents information on all of the Village's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Village include general government, public safety, highways and streets and interest and fees. The business-type activities of the Village include the waterworks and sewerage system.

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The government-wide financial statements include not only the Village itself (known as the *primary government*), but also operations of the Chicago Executive Airport which is jointly owned with the City of Prospect Heights. The Village's investment in the Chicago Executive Airport is included in the governmental activities capital assets.

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

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

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

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

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

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

The basic governmental fund financial statements can be found on pages 7-12 of this report.

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

# VILLAGE OF WHEELING, ILLINOIS

## Management's Discussion and Analysis December 31, 2012

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

The basic proprietary fund financial statements can be found on pages 13-17 of this report.

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

The basic fiduciary fund financial statements can be found on pages 18-19 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 20-68 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* which includes a schedule of revenues, expenditures, and changes in fund balance – budget and actual and the Village's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 69-78 of this report.

The combining statements referred to earlier in connection with major and non-major governmental funds and internal service funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 79-132 of this report.

### Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village of Wheeling, assets exceeded liabilities (*net position*) by \$156,410,686 at the close of the fiscal year ended December 31, 2012.

By far the largest portion of the Village's net position (\$130,271,459) reflects its investment in capital assets (e.g., land, buildings, airport, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The Village of Wheeling is a joint owner of the Chicago Executive Airport, a joint venture with the City of Prospect Heights. Both municipalities maintain joint ownership and administration of the airport. Although assets are legally held in the name of both governments, all assets and revenues are restricted to the airport's needs. In 2012, the airport reported total non-depreciated assets of \$46,661,882, an increase of \$253,987 from last year.

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VILLAGE OF WHEELING  
Net Position (in thousands)

	Governmental activities		Business-type activities		Total	
	2012	2011	2012	2011	2012	2011
Current and other assets	\$ 50,703	\$ 47,179	\$ 13,989	\$ 10,085	\$ 64,692	\$ 57,264
Capital assets	143,529	145,104	38,068	38,162	181,597	183,266
Investment in joint venture	-	-	7,262	6,970	7,262	6,970
Deferred Outflows	6,702	6,418	17	19	6,719	6,437
Total Assets	200,934	198,701	59,336	55,236	260,270	253,937
Current and other liabilities	15,383	14,926	952	583	16,335	15,509
Long-term liabilities	71,876	70,119	4,646	1,410	76,522	71,529
Deferred Inflows	11,002	10,064	-	-	11,002	10,064
Total liabilities	98,261	95,109	5,598	1,993	103,859	97,102
<b>Net position:</b>						
Invested in capital assets, net of related debt	97,084	101,387	33,188	36,689	130,272	138,076
Restricted	14,015	10,473	-	-	14,015	10,473
Unrestricted (deficit)	(8,426)	(8,268)	20,550	16,554	12,124	8,286
Total net position	\$ 102,673	\$ 103,592	\$ 53,738	\$ 53,243	\$156,411	\$156,835

An additional portion of the Village's net position (\$14,015,084 or 9.0%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$12,124,143) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Village is able to report positive balances in all three categories of net position for the government as a whole. The governmental activities reported positive balances in all categories except unrestricted net position; the unrestricted deficit increased by \$937,926 from the prior fiscal year. This balance represents an increase in capital asset investment and community development activity. The business-type activities reported positive balances in net position.

The Village's total net position decreased \$269,066 during the current fiscal year. The decrease is due to the net effect of two factors: 1) expenses exceeded revenues by \$424,150; and 2) a prior period adjustment reflecting an increase of \$155,084 (related to a change in accounting for the airport).

**Governmental activities.** Net position related to governmental activities decreased by \$919,247. Key changes in revenue and expenses are as follows:

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis  
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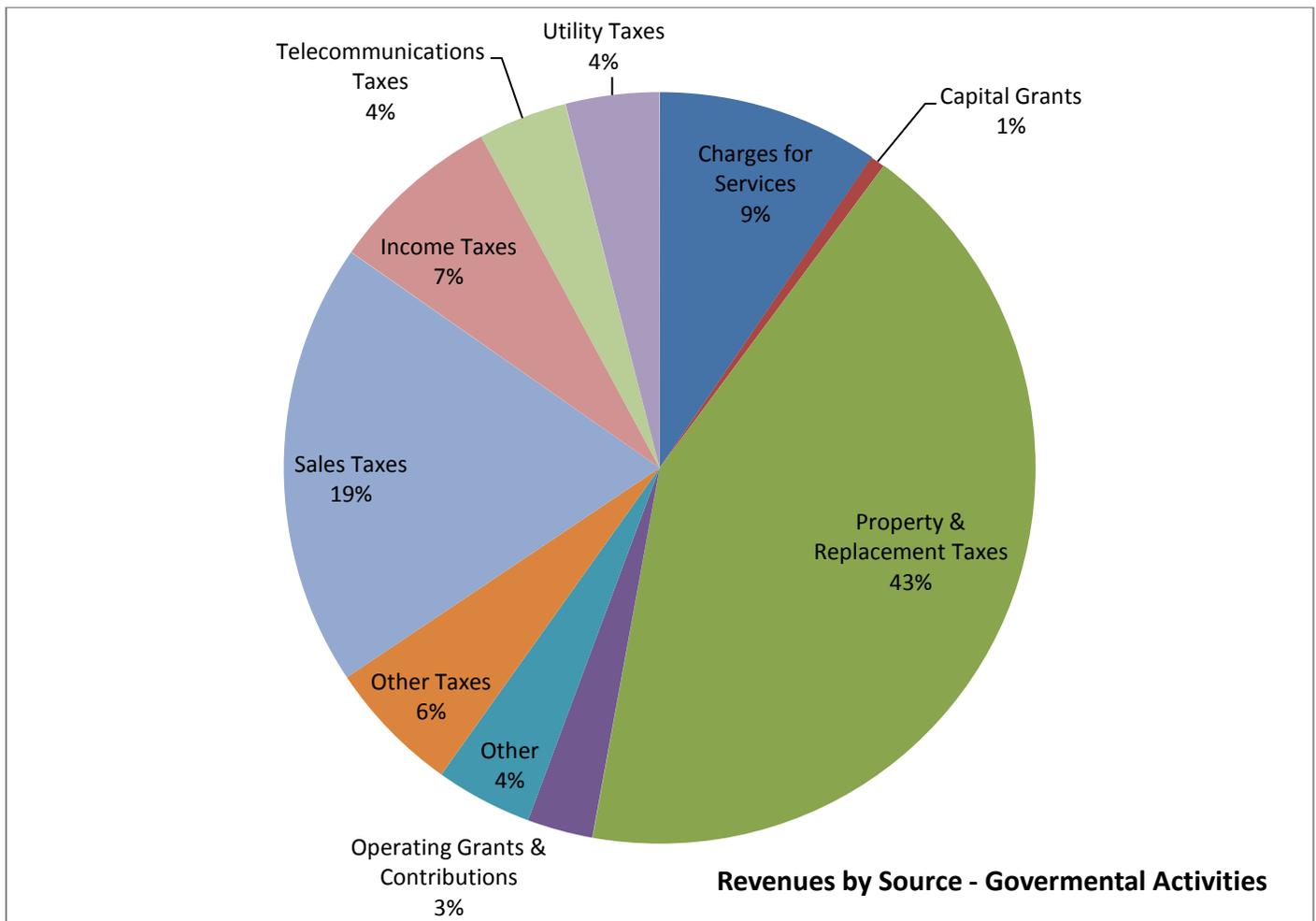
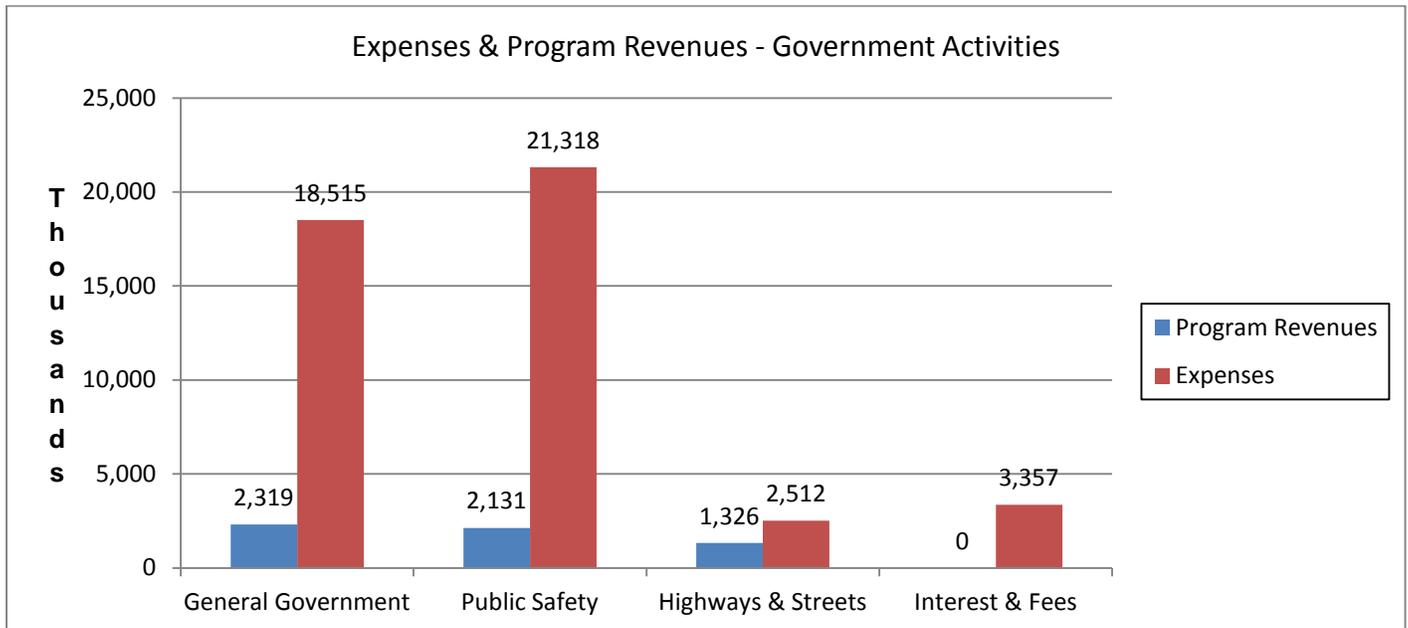
**VILLAGE OF WHEELING**  
**Changes in Net Position (in thousands)**

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
<b>Revenues:</b>						
Program Revenues:						
Charges for services	\$ 4,242	\$ 4,185	\$ 8,499	\$ 7,384	\$ 12,741	\$ 11,569
Operating grants and contributions	1,254	1,434	-	-	1,254	1,434
Capital grants and contributions	281	530	220	-	501	530
General Revenue:						
Property & replacement taxes	19,022	19,520	-	-	19,022	19,520
Other taxes	17,880	17,078	-	-	17,880	17,078
Other	1,601	1,452	84	87	1,685	1,539
Inc. in equity in joint venture	254	-	-	-	254	-
<b>Total Revenues</b>	<b>44,534</b>	<b>44,199</b>	<b>8,803</b>	<b>7,471</b>	<b>53,337</b>	<b>51,670</b>
<b>Expenses:</b>						
General government	18,700	16,233	-	-	18,700	16,233
Public safety	21,318	20,734	-	-	21,318	20,734
Highways and streets	2,511	4,578	-	-	2,511	4,578
Interest and fees	3,357	3,229	-	-	3,357	3,229
Water and sewer	-	-	7,875	6,818	7,875	6,818
Airport	-	-	-	267	-	267
<b>Total Expenses</b>	<b>45,886</b>	<b>44,774</b>	<b>7,875</b>	<b>7,085</b>	<b>53,761</b>	<b>51,859</b>
Increase in net position before transfers & special item	(1,352)	(575)	928	386	(424)	(189)
Transfers	433	221	(433)	(221)	-	-
Increase in net position	(919)	(354)	495	165	(424)	(189)
Net position – 1/1/12	56,998	61,257	99,681	99,516	156,679	160,773
Prior Period Adjustment	46,594	(3,905)	(46,438)	-	156	(3,905)
Net position – 1/1/12, Restated	103,592	57,352	53,243	99,516	156,835	156,868
Net position – 12/31/12	\$102,673	\$56,998	\$53,738	\$99,681	\$156,411	\$156,679

- Property and replacement taxes decreased by \$497,890 (2.6%) during the year. The decrease is due primarily to a decrease in property tax increment received in the TIF funds.
- Other taxes, which consists primarily of sales tax and state income tax, increased by \$802,392 (4.5%). The increase is indicative of an economy that is slowly recovering from the downturn that began in 2008.
- Charges for services for governmental activities increased by \$56,969 (1.3%) during the year. This source of revenue includes licenses and permits, inspection fees, and fire & forfeits.

**VILLAGE OF WHEELING, ILLINOIS**

**Management's Discussion and Analysis  
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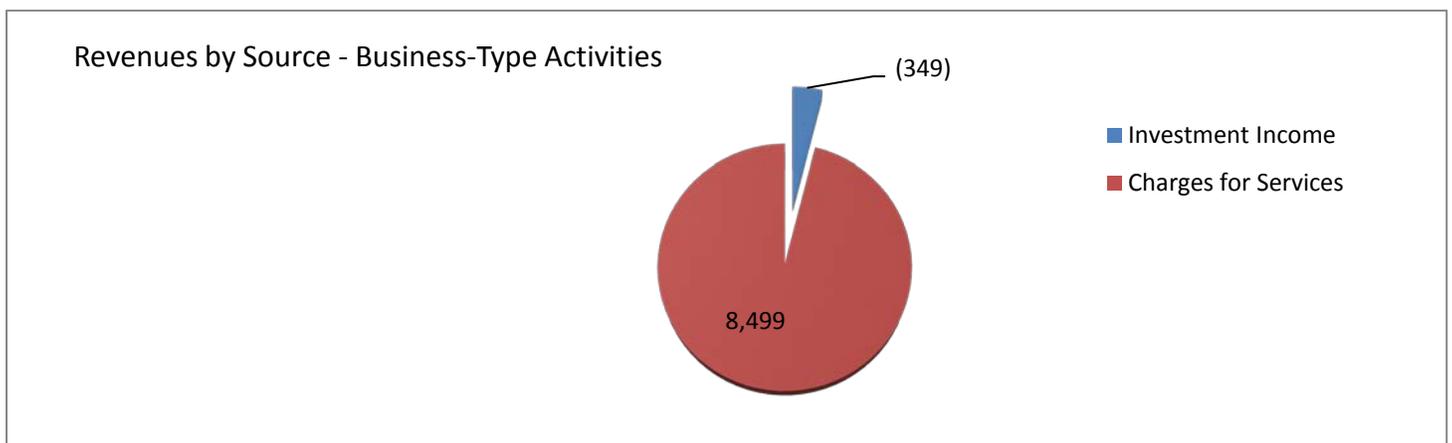
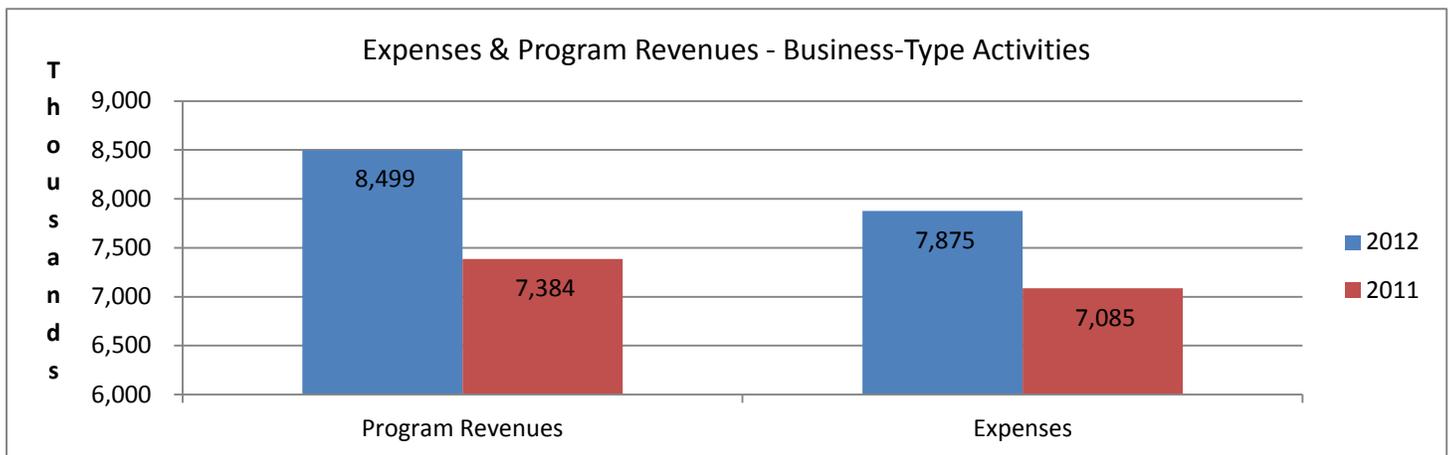
# VILLAGE OF WHEELING, ILLINOIS

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Expenses in the general government category increased by \$2,466,928 (12.3%) during the year, due mainly to an increase in capital outlay in the TIF districts, and an increase in normal operating costs such as salaries and benefits. A \$583,885 (2.7%) increase in public safety expenditures is due primarily to increases in salaries and benefits. The decrease in highways and streets expenses of \$2,066,245 (82.3%) is due to reduced spending, primarily in the Village's Motor Fuel Tax Fund.

**Business-type activities** There was an increase in net position related to business-type activities of \$495,097 (.92%) at December 31, 2012, not including the effect of a prior period adjustment. A key factor in the increase was an increase in charges for services of \$1,115,143, which was related to water and sewer activities. Water and sewer fees increased in Fiscal Year 2012 due to an adjustment to water and sewer rates.

The net position in business-type activities decreased by \$45,943,378 from the prior year due primarily to a prior period adjustment related to the Airport. In prior years, the assets of the Airport were recognized on the Statement of Net Position as an investment in joint venture in Business Type Activities; this year, they have been reclassified as a capital asset in Governmental Activities.



# VILLAGE OF WHEELING, ILLINOIS

## Management's Discussion and Analysis December 31, 2012

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### Financial Analysis of the Village's Funds

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

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

As of the end of the current fiscal year, the Village's governmental funds reported a combined ending fund balance of \$31,150,736, an increase of \$2,275,005 in comparison with the prior year due primarily to reduced expenditures in the TIF funds. Of the total fund balance, \$9,900,653 or 31.8%, constitutes *unassigned fund balance*, which is available for spending at the Village's discretion. The remainder of fund balance is *non-spendable, restricted or assigned*, to indicate that it is not available for new spending because it is related to long-term receivables, prepaid items and inventory (\$1,445,140), restricted for capital projects, highways and streets (\$3,791,212), restricted for economic development (\$9,238,485), restricted, or assigned for other purposes.

The general fund is the chief operating fund of the Village. At the end of the current fiscal year unassigned fund balance of the general fund was \$11,008,389; while total fund balance was \$13,923,676. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. At December 31, 2012, unassigned fund balance represented 36.4% of total general fund expenditures, while total fund balance represents 46% of that same amount.

The fund balance in the Village's General Fund decreased by \$1,830,527 during the current fiscal year. The primary factor for this decrease is as follows:

- A decision to transfer \$1,500,000 from the General Fund to the following three funds: Capital Projects Fund (\$800,000), Capital Equipment Replacement Fund (\$500,000), and Liability Insurance Fund (\$200,000). The funds, which were related to a surplus in the General Fund in Fiscal Year 2011, were transferred to these other funds to provide funding for capital equipment and projects and for liability insurance related claims.

The debt service funds have a total fund balance of \$30,108, all of which is restricted for the payment of debt. The net decrease in fund balance during the current year in the debt service fund was \$36,960. Property tax levies for debt service payments resulted in revenues of \$419,342 in the current fiscal year.

The Village maintains five separate funds created to account for the revenues and expenditures related to the Village's Tax Increment Financing (TIF) redevelopment areas. The Crossroads Redevelopment Area is a major governmental fund this year with an deficit fund balance of (-\$522,616), an increase of \$388,516. The increase in fund balance was due to a reduction in expenditures compared to the prior year. The South Milwaukee Redevelopment Area is also a major governmental fund this year with a restricted fund balance (for economic development) of \$6,218,834, an increase of \$1,720,791. The other three funds include the North Milwaukee /Lake Cook Redevelopment Area Fund, Town Center TIF Fund and the Southeast TIF Fund. The major sources of revenue to each of these funds are property tax increment, bond proceeds and investment income.

## VILLAGE OF WHEELING, ILLINOIS

### Management's Discussion and Analysis December 31, 2012

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The Capital Projects Fund was created to account for financial resources used for the acquisition or construction of major capital facilities and improvements. The fund balance increased by \$776,003 during the current fiscal year to (\$2,400,320), due mainly to the transfer of \$800,000 from the General Fund.

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

Unrestricted net position of the Water and Sewer Fund at the end of the year amounted to \$20,550,435. The total growth in unrestricted net position was \$3,996,012. This increase was generated by issuance of \$3,500,000 in Series 2012B general obligation bonds to pay for a new water meter replacement project.

### General Fund Budgetary Highlights

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

### Capital Asset and Debt Administration

**Capital assets.** The Village's investment in capital assets for its governmental and business-type activities as of December 31, 2012 amounts to \$143,529,067 and \$38,067,961 (net of accumulated depreciation), respectively. This investment in capital assets includes land, airport, buildings and improvements, vehicles, equipment, furniture and infrastructure. The total decrease in the Village's investment in capital assets was .97%.

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

- In governmental activities, a prior period adjustment for the Airport (joint venture) recognizing a beginning balance of \$46,407,895 and an increase of \$253,987 resulted in a net ending balance of \$46,661,882 .
- In governmental activities, building improvements, vehicles and equipment and infrastructure expenditures of \$1,199,528 were added during the year, while \$337,064 of old equipment was retired, resulting in a net increase of \$862,464.
- In business-type activities, construction in progress for a water & sewer meter replacement project and the completion of the water & sewer main project from 2011 resulted in a net decrease of \$626,078.
- In business-type activities, vehicles, equipment and infrastructure expenses totaling \$1,558,695 were added during the year.

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

	Governmental		Business-type		Total	
	activities		Activities			
	2012	2011	2012	2011	2012	2011
Land	\$ 26,291	\$ 26,291	\$ 568	\$ 580	\$ 26,859	\$ 26,871
Land right of way	11,624	11,624	-	-	11,624	11,624
Airport(joint venture)	46,662	46,408	-	-	46,662	46,408
Buildings & Improvements	48,200	49,474	-	-	48,200	49,474
Vehicles, equipment, & furniture	2,224	2,647	425	585	2,649	3,232
Infrastructure	8,528	8,660	-	-	8,528	8,660
Water System Improvements	-	-	25,408	24,601	25,408	24,601
Sewer System Improvements	-	-	11,334	11,437	11,334	11,437
Construction in progress	-	-	333	959	333	959
Total	\$ 143,529	\$ 145,104	\$ 38,068	\$ 38,162	\$ 181,597	\$ 183,266

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

**Long-term debt.** At the end of the current fiscal year, the Village had total bonded debt outstanding of \$76,591,944. Of this amount, \$55,290,000 comprises debt backed by the full faith and credit of the government, while \$17,700,000 is backed by tax increment revenue for which the bonds are secured solely by this revenue source and \$3,601,944 is related to a tax increment revenue note, issued for economic development purposes.

The Village's total general obligation bond related debt increased by \$2,180,000 (4.1%), due to the sale of \$3,500,000 in Series 2012B bonds intended to finance the Villages' water meter replacement program.

During the current fiscal year, the Village retired \$1,157,175 of general bond principal and \$162,825 of the water and sewer funded debt. The Village also retired \$600,000 of tax increment revenue bond principal.

A note was issued on January 25, 2012 for \$3,500,000. Interest on the note is 7%. The Village retired \$125,974 of note principal and accrued \$227,918 of interest payable which resulted in a net increase of \$101,944.

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**VILLAGE OF WHEELING’S Outstanding Debt**

	Governmental		Business-type		Total	
	Activities		Activities			
	2012	2011	2012	2011	2012	2011
General obligation bonds	\$50,496,768	\$51,653,943	\$4,793,232	\$1,456,057	\$55,290,000	\$53,110,000
TIF revenue bonds	17,700,000	18,300,000	-	-	17,700,000	18,300,000
Tax Increment Revenue Note	3,601,944	-	-	-	3,601,944	-
<b>Total</b>	<b>\$71,798,712</b>	<b>\$69,953,943</b>	<b>\$4,793,232</b>	<b>\$1,456,057</b>	<b>\$76,591,944</b>	<b>\$71,410,000</b>

The Village, under its home rule authority, does not have a legal debt limit. In May, 2012, Fitch Ratings affirmed the Village’s AAA bond rating. In their report, Fitch noted that the Village of Wheeling’s “access to and participation in the greater Chicago MSA, good to strong income and extremely strong wealth levels and very strong reserve levels...and moderate debt burden” were factors that contributed to the AAA rating.

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

**Economic Factors and Next Year’s Budgets and Rates**

- The unemployment rate for the Village of Wheeling is currently 7.7%, a decrease from 8.1% a year ago. This compares to the State of Illinois’ average unemployment rate of 8.9% and the national average rate of 8.1%.
- The number of occupancy permits issued for new construction during last year increased from 4 in 2011 to 27 in 2012.
- The current economy has resulted in minimal increases in state sales tax and home rule sales tax revenues.

All of these factors were considered in preparing the Village of Wheeling’s budget for the 2013 fiscal year.

During the current fiscal year, unassigned fund balance in the general fund decreased to \$11,008,389, and the total fund balance decreased \$1,830,527 from the previous year due to a decision to transfer \$1,500,000 from the General Fund to other funds for capital equipment, capital projects and liability insurance related purposes.

The Village increased its water and sewer rates for the 2013 budget year by 4.5%. Rate increases are necessary to provide adequate funding in the years ahead to pay for water and sewer system repair and replacement projects.

**Requests for Information**

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

VILLAGE OF WHEELING, ILLINOIS

STATEMENT OF NET POSITION

December 31, 2012

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and investments	\$ 32,738,649	\$ 10,689,292	\$ 43,427,941
Receivables (net where applicable of allowance for uncollectibles)			
Property taxes	11,100,581	-	11,100,581
Sales taxes	2,277,453	-	2,277,453
Income taxes	917,393	-	917,393
Telecommunications tax	407,710	-	407,710
Accounts	127,427	1,741,794	1,869,221
Accrued interest	46,856	5,379	52,235
IPBC	1,703,945	121,241	1,825,186
Other	802,455	-	802,455
Prepaid expenses	402,507	134,376	536,883
Inventory	468,540	294,382	762,922
Due from other governments	101,100	-	101,100
Advances to other funds	(1,002,614)	1,002,614	-
Net pension asset	609,897	-	609,897
Capital assets not being depreciated	84,576,995	900,891	85,477,886
Capital assets being depreciated, net of accumulated depreciation	58,952,072	37,167,070	96,119,142
Investment in joint venture	-	7,262,174	7,262,174
<b>Total assets</b>	<b>194,230,966</b>	<b>59,319,213</b>	<b>253,550,179</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Swap agreement	5,928,027	-	5,928,027
Unamortized loss on refunding	774,114	17,299	791,413
<b>Total deferred outflows of resources</b>	<b>6,702,141</b>	<b>17,299</b>	<b>6,719,440</b>
<b>Total assets and deferred outflows of resources</b>	<b>200,933,107</b>	<b>59,336,512</b>	<b>260,269,619</b>
<b>LIABILITIES</b>			
Accounts payable	3,131,884	371,633	3,503,517
Accrued payroll	477,197	98,061	575,258
Deposits payable	104,379	59,340	163,719
Unearned revenue	1,174,700	-	1,174,700
Due to fiduciary funds	56,528	-	56,528
Interest payable	684,245	10,475	694,720
Interest rate swap agreement	5,928,027	-	5,928,027
Long-term liabilities			
Due within one year	3,825,539	412,976	4,238,515
Due in more than one year	71,876,296	4,645,746	76,522,042
<b>Total liabilities</b>	<b>87,258,795</b>	<b>5,598,231</b>	<b>92,857,026</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unearned revenue - property taxes	11,001,907	-	11,001,907
<b>Total deferred inflows of resources</b>	<b>11,001,907</b>	<b>-</b>	<b>11,001,907</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>98,260,702</b>	<b>5,598,231</b>	<b>103,858,933</b>
<b>NET POSITION</b>			
Net investment in capital assets	97,083,613	33,187,846	130,271,459
Restricted for			
Capital projects	2,400,320	-	2,400,320
Highways and streets	1,390,892	-	1,390,892
Public safety	955,279	-	955,279
Economic development	9,238,485	-	9,238,485
Debt service	30,108	-	30,108
Unrestricted (deficit)	(8,426,292)	20,550,435	12,124,143
<b>TOTAL NET POSITION</b>	<b>\$ 102,672,405</b>	<b>\$ 53,738,281</b>	<b>\$ 156,410,686</b>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2012

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>FUNCTIONS/PROGRAMS</b>				
<b>PRIMARY GOVERNMENT</b>				
Governmental Activities				
General government	\$ 18,700,252	\$ 2,300,930	\$ -	\$ 18,270
Public safety	21,317,828	1,811,500	144,462	175,362
Highways and streets	2,511,525	129,680	1,109,121	87,034
Interest and fees	3,356,724	-	-	-
Total governmental activities	45,886,329	4,242,110	1,253,583	280,666
Business-Type Activities				
Water and sewer	7,875,234	8,498,891	-	220,890
Total business-type activities	7,875,234	8,498,891	-	220,890
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 53,761,563</b>	<b>\$ 12,741,001</b>	<b>\$ 1,253,583</b>	<b>\$ 501,556</b>

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (16,381,052)	\$ -	\$ (16,381,052)
	(19,186,504)	-	(19,186,504)
	(1,185,690)	-	(1,185,690)
	(3,356,724)	-	(3,356,724)
	(40,109,970)	-	(40,109,970)
	-	844,547	844,547
	-	844,547	844,547
	(40,109,970)	844,547	(39,265,423)
General Revenues			
Taxes			
Property and replacement	19,022,348	-	19,022,348
Sales	8,510,612	-	8,510,612
Utility	1,799,567	-	1,799,567
Telecommunications	1,702,077	-	1,702,077
Food and beverage	783,361	-	783,361
Hotel/motel	899,759	-	899,759
Income	3,308,032	-	3,308,032
Other	876,891	-	876,891
Investment income	382,600	83,886	466,486
Gain on disposal of capital assets	19,703	-	19,703
Miscellaneous	1,198,450	-	1,198,450
Transfers	433,336	(433,336)	-
Increase in equity in joint venture	253,987	-	253,987
Total	39,190,723	(349,450)	38,841,273
CHANGE IN NET POSITION	(919,247)	495,097	(424,150)
NET POSITION, JANUARY 1	56,998,093	99,681,659	156,679,752
Prior period adjustment	46,593,559	(46,438,475)	155,084
NET POSITION, JANUARY 1, RESTATED	103,591,652	53,243,184	156,834,836
NET POSITION, DECEMBER 31	\$ 102,672,405	\$ 53,738,281	\$ 156,410,686

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

GOVERNMENTAL FUNDS

BALANCE SHEET

December 31, 2012

	General	Crossroads Redevelopment Area	South Milwaukee Redevelopment Area	Capital Equipment Replacement	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and investments	\$ 8,883,099	\$ 870,621	\$ 5,266,889	\$ 5,689,405	\$ 9,033,205	\$ 29,743,219
Receivables (net where applicable of allowance for uncollectibles)						
Property taxes	10,129,462	-	15,626	-	955,493	11,100,581
Sales taxes	2,277,453	-	-	-	-	2,277,453
Income taxes	917,393	-	-	-	-	917,393
Telecommunications tax	407,710	-	-	-	-	407,710
Accounts	-	-	-	-	127,427	127,427
Accrued interest	17,600	1,081	2,902	10,208	11,715	43,506
IPBC	1,703,945	-	-	-	-	1,703,945
Other	626,952	-	-	-	175,503	802,455
Prepaid items	372,806	-	-	-	27,794	400,600
Inventory	262,536	-	-	-	206,004	468,540
Due from other funds	195,059	-	934,000	-	-	1,129,059
Due from other governments	-	-	-	-	101,100	101,100
Advance to other funds	576,000	-	-	-	-	576,000
<b>TOTAL ASSETS</b>	<b>\$ 26,370,015</b>	<b>\$ 871,702</b>	<b>\$ 6,219,417</b>	<b>\$ 5,699,613</b>	<b>\$ 10,638,241</b>	<b>\$ 49,798,988</b>

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

GOVERNMENTAL FUNDS

BALANCE SHEET (Continued)

December 31, 2012

	General	Crossroads Redevelopment Area	South Milwaukee Redevelopment Area	Capital Equipment Replacement	Nonmajor Governmental Funds	Total Governmental Funds
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ 1,628,638	\$ 459,949	\$ 214	\$ 1,188	\$ 1,035,879	\$ 3,125,868
Accrued payroll	473,328	369	369	-	3,131	477,197
Deposits payable	104,379	-	-	-	-	104,379
Unearned revenue	127,453	-	-	-	1,047,247	1,174,700
Due to other funds	-	934,000	-	-	195,059	1,129,059
Due to fiduciary funds	56,528	-	-	-	-	56,528
Advance from other funds	-	-	-	1,002,614	576,000	1,578,614
<b>Total liabilities</b>	<b>2,390,326</b>	<b>1,394,318</b>	<b>583</b>	<b>1,003,802</b>	<b>2,857,316</b>	<b>7,646,345</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue - property taxes	10,056,013	-	-	-	945,894	11,001,907
<b>Total deferred inflows of resources</b>	<b>10,056,013</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>945,894</b>	<b>11,001,907</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>12,446,339</b>	<b>1,394,318</b>	<b>583</b>	<b>1,003,802</b>	<b>3,803,210</b>	<b>18,648,252</b>
<b>FUND BALANCES</b>						
<b>Nonspendable</b>						
Long-term receivable	576,000	-	-	-	-	576,000
Prepaid items	372,806	-	-	-	27,794	400,600
Inventory	262,536	-	-	-	206,004	468,540
<b>Restricted</b>						
Capital projects	-	-	-	-	2,400,320	2,400,320
Highways and streets	-	-	-	-	1,390,892	1,390,892
Public safety	-	-	-	-	345,382	345,382
Economic development	-	-	6,218,834	-	3,019,651	9,238,485
Debt service	-	-	-	-	30,108	30,108
<b>Unrestricted</b>						
<b>Assigned</b>						
Health insurance	1,703,945	-	-	-	-	1,703,945
Capital improvements	-	-	-	4,695,811	-	4,695,811
<b>Unassigned, reported in</b>						
General Fund	11,008,389	-	-	-	-	11,008,389
Special Revenue Funds	-	-	-	-	(1,788)	(1,788)
Capital Project Funds	-	(522,616)	-	-	(583,332)	(1,105,948)
<b>Total fund balances (deficit)</b>	<b>13,923,676</b>	<b>(522,616)</b>	<b>6,218,834</b>	<b>4,695,811</b>	<b>6,835,031</b>	<b>31,150,736</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 26,370,015</b>	<b>\$ 871,702</b>	<b>\$ 6,219,417</b>	<b>\$ 5,699,613</b>	<b>\$ 10,638,241</b>	<b>\$ 49,798,988</b>

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, 2012

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FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 31,150,736
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	143,529,067
The loss on refunding of bonds is capitalized and amortized over the life of the bonds on the statement of net position	774,114
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:	
General obligation bonds	(50,496,768)
Tax increment revenue bonds	(17,700,000)
Tax increment revenue note	(3,601,944)
Premium on bonds payable	(399,899)
Compensated absences payable	(1,979,580)
Other postemployment benefit obligation	(86,942)
Accrued interest on long-term liabilities is reported as a liability on the statement of net position	(684,245)
The net pension asset of the Police and Firefighters' Pension Funds is reported as an asset on the statement of net position	609,897
The net position of the internal service fund are included in the governmental activities in the statement of net position	<u>1,557,969</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 102,672,405</u></u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES

For the Year Ended December 31, 2012

	General	Crossroads Redevelopment Area	South Milwaukee Redevelopment Area	Capital Equipment Replacement	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Taxes	\$ 22,268,871	\$ 2,652,392	\$ 1,656,242	\$ -	\$ 5,897,202	\$ 32,474,707
Licenses and permits	536,729	-	-	-	-	536,729
Intergovernmental	4,290,418	-	-	-	1,393,160	5,683,578
Charges for services	2,287,031	-	-	-	993,085	3,280,116
Fines and forfeits	690,272	-	-	-	-	690,272
Investment income	148,338	19,949	88,241	77,166	48,906	382,600
Miscellaneous	893,608	121,724	-	-	196,722	1,212,054
<b>Total revenues</b>	<b>31,115,267</b>	<b>2,794,065</b>	<b>1,744,483</b>	<b>77,166</b>	<b>8,529,075</b>	<b>44,260,056</b>
<b>EXPENDITURES</b>						
Current						
General government	10,200,168	-	-	-	-	10,200,168
Public safety	20,028,984	-	-	-	684,205	20,713,189
Highways and streets	-	-	-	-	1,519,075	1,519,075
Capital outlay	-	5,854,036	23,692	313,392	1,132,391	7,323,511
Capital improvements	-	51,513	-	-	947,310	998,823
Debt service						
Principal	15,526	110,448	-	-	1,937,176	2,063,150
Interest and fiscal charges	-	-	-	-	3,140,841	3,140,841
<b>Total expenditures</b>	<b>30,244,678</b>	<b>6,015,997</b>	<b>23,692</b>	<b>313,392</b>	<b>9,360,998</b>	<b>45,958,757</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>870,589</b>	<b>(3,221,932)</b>	<b>1,720,791</b>	<b>(236,226)</b>	<b>(831,923)</b>	<b>(1,698,701)</b>

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

GOVERNMENTAL FUNDS

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

For the Year Ended December 31, 2012

	General	Crossroads Redevelopment Area	South Milwaukee Redevelopment Area	Capital Equipment Replacement	Nonmajor Governmental Funds	Total Governmental Funds
<b>OTHER FINANCING SOURCES (USES)</b>						
Issuance of refunding bonds	\$ -	\$ -	\$ -	\$ -	\$ 3,925,000	\$ 3,925,000
Premium on refunding bonds	-	-	-	-	222,801	222,801
Payment to escrow agent	-	-	-	-	(4,037,582)	(4,037,582)
Issuance of TIF development note	-	3,500,000	-	-	-	3,500,000
Proceeds on sale of capital assets	19,703	-	-	-	-	19,703
Transfers in	53,440	-	-	1,070,927	3,336,087	4,460,454
Transfers (out)	(2,774,259)	-	-	(13,864)	(1,438,995)	(4,227,118)
Total other financing sources (uses)	(2,701,116)	3,500,000	-	1,057,063	2,007,311	3,863,258
<b>NET CHANGE IN FUND BALANCES</b>	<b>(1,830,527)</b>	<b>278,068</b>	<b>1,720,791</b>	<b>820,837</b>	<b>1,175,388</b>	<b>2,164,557</b>
<b>FUND BALANCES (DEFICIT), JANUARY 1</b>	<b>15,754,203</b>	<b>(911,132)</b>	<b>4,498,043</b>	<b>3,874,974</b>	<b>5,659,643</b>	<b>28,875,731</b>
Prior period adjustment	-	110,448	-	-	-	110,448
<b>FUND BALANCES (DEFICIT), JANUARY 1, RESTATED</b>	<b>15,754,203</b>	<b>(800,684)</b>	<b>4,498,043</b>	<b>3,874,974</b>	<b>5,659,643</b>	<b>28,986,179</b>
<b>FUND BALANCES (DEFICIT), DECEMBER 31</b>	<b>\$ 13,923,676</b>	<b>\$ (522,616)</b>	<b>\$ 6,218,834</b>	<b>\$ 4,695,811</b>	<b>\$ 6,835,031</b>	<b>\$ 31,150,736</b>

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, 2012

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 2,164,557
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	1,199,528
Depreciation expense does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds	(3,025,293)
The loss on disposal of capital assets does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds	(3,267)
The increase in equity of joint venture is reported on the statement of activities	253,987
The issuance of long-term debt is reported as an other financing source in governmental funds but as an increase in principal outstanding on the statement of net position	(7,647,801)
The payment to escrow agent for the refunding of long-term debt is reported as an other financing use in the governmental funds but as	
A decrease of principal outstanding in the statement of net position	3,745,000
A decrease of discount outstanding in the statement of net position	(28,000)
Loss on refunding amortized over the life of the bonds	320,582
The repayment of the principal portion of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding on the statement of net position	2,063,150
Amortization of premium on bonds is reported as a reduction of interest expense on the statement of activities	16,100
Amortization of the loss on refunding is reported as interest expense on the statement of activities	(41,232)
Accretion of bonds is reported as interest expense on the statement of activities	(227,918)
The increase of accrued interest payable is shown as an increase of expense on the statement of activities	37,167
The increase in compensated absences payable is shown as an increase of expense on the statement of activities	(76,264)
The change in the net pension asset	47,200
The change in the other postemployment benefit obligation	33,746
The change in net position of internal service funds is reported in governmental activities	<u>249,511</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ (919,247)</u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

December 31, 2012

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service Fund
<b>CURRENT ASSETS</b>		
Cash and investments	\$ 10,689,292	\$ 2,995,430
Receivables (net where applicable of allowance for uncollectibles)		
Accounts	1,741,794	-
Accrued interest	5,379	3,350
IPBC	121,241	-
Prepaid expenses	134,376	1,907
Inventory	294,382	-
	<u>12,986,464</u>	<u>3,000,687</u>
<b>NONCURRENT ASSETS</b>		
Capital assets		
Assets not being depreciated	900,891	-
Assets being depreciated		
Cost	56,561,030	-
Accumulated depreciation	<u>(19,393,960)</u>	<u>-</u>
Net capital assets being depreciated	<u>37,167,070</u>	<u>-</u>
Net capital assets	38,067,961	-
Advances to other funds	1,002,614	-
Investment in joint ventures	<u>7,262,174</u>	<u>-</u>
	<u>46,332,749</u>	<u>-</u>
	<u>59,319,213</u>	<u>3,000,687</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Unamortized loss on refunding	<u>17,299</u>	<u>-</u>
	<u>17,299</u>	<u>-</u>
	<u>59,336,512</u>	<u>3,000,687</u>

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET POSITION (Continued)

December 31, 2012

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service Fund
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 371,633	\$ 6,016
Accrued payroll	98,061	-
Compensated absences payable	69,353	-
Deposits payable	59,340	-
Interest payable	10,475	-
Bonds payable	343,623	-
Claims payable	-	718,351
Total current liabilities	952,485	724,367
<b>NONCURRENT LIABILITIES</b>		
Claims payable	-	718,351
General obligation bonds payable (less current portion)	4,553,791	-
Compensated absences payable (less current portion)	84,764	-
Other postemployment benefit obligation	7,191	-
Total noncurrent liabilities	4,645,746	718,351
Total liabilities	5,598,231	1,442,718
<b>NET POSITION</b>		
Net investment in capital assets	33,187,846	-
Unrestricted	20,550,435	1,557,969
TOTAL NET POSITION	\$ 53,738,281	\$ 1,557,969

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, 2012

	Business-Type Activities			Governmental
	Waterworks and Sewerage	Airport	Total	Internal Service Fund
<b>OPERATING REVENUES</b>				
Charges for services				
Water sales and sewer charges	\$ 7,953,487	\$ -	\$ 7,953,487	\$ -
Connection fees	123,017	-	123,017	-
Meter sales	7,458	-	7,458	-
Liability insurance charges	-	-	-	1,043,096
Other	154,141	-	154,141	-
Total operating revenues	8,238,103	-	8,238,103	1,043,096
<b>OPERATING EXPENSES EXCLUDING DEPRECIATION</b>				
Waterworks division	4,126,055	-	4,126,055	-
Sewer division	1,456,632	-	1,456,632	-
Water and sewer capital division	1,068,215	-	1,068,215	-
Insurance and claims	-	-	-	1,019,098
Total operating expenses excluding depreciation	6,650,902	-	6,650,902	1,019,098
OPERATING INCOME BEFORE DEPRECIATION	1,587,201	-	1,587,201	23,998
DEPRECIATION	1,014,580	-	1,014,580	-
OPERATING INCOME	572,621	-	572,621	23,998
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment income	83,886	-	83,886	25,334
Miscellaneous	-	-	-	179
Interest expense and fees	(209,752)	-	(209,752)	-
Increase in joint venture	260,788	-	260,788	-
Total nonoperating revenues (expenses)	134,922	-	134,922	25,513
INCOME BEFORE TRANSFERS AND CONTRIBUTIONS	707,543	-	707,543	49,511
<b>TRANSFERS IN (OUT)</b>				
General Fund	-	-	-	200,000
Debt Service Fund	(447,200)	-	(447,200)	-
Capital Equipment Replacement Fund	13,864	-	13,864	-
Total transfers in (out)	(433,336)	-	(433,336)	200,000
CONTRIBUTIONS	220,890	-	220,890	-
CHANGE IN NET POSITION	495,097	-	495,097	249,511
NET POSITION, JANUARY 1	53,273,764	46,407,895	99,681,659	1,308,458
Prior period adjustment	(30,580)	(46,407,895)	(46,438,475)	-
NET POSITION, JANUARY 1, RESTATED	53,243,184	-	53,243,184	1,308,458
NET POSITION, DECEMBER 31	\$ 53,738,281	\$ -	\$ 53,738,281	\$ 1,557,969

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2012

	Business-Type Activities <u>Waterworks and Sewerage</u>	Governmental Activities <u>Internal Service Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers and users	\$ 8,103,887	\$ -
Receipts from internal service transactions	-	1,043,096
Payments to suppliers	(4,822,897)	(939,296)
Payments to employees	(1,633,837)	-
Net cash from operating activities	<u>1,647,153</u>	<u>103,800</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Miscellaneous	-	179
Transfers in	13,864	200,000
Transfers (out)	(447,200)	-
Advances to other funds	(153,957)	-
Net cash from noncapital financing activities	<u>(587,293)</u>	<u>200,179</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchases of capital assets	(721,930)	-
Principal paid on general obligation bonds	(162,825)	-
Proceeds from issuance of general obligation bonds	3,505,650	-
Interest and fees paid on general obligation bonds	(143,390)	-
Net cash from capital and related financing activities	<u>2,477,505</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investment securities	(3,485,639)	(449,000)
Interest on investments	63,488	19,166
Net cash from investing activities	<u>(3,422,151)</u>	<u>(429,834)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>115,214</b>	<b>(125,855)</b>
<b>CASH AND CASH EQUIVALENTS, JANUARY 1</b>	<b><u>1,004,457</u></b>	<b><u>2,208,941</u></b>
<b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>	<b><u>\$ 1,119,671</u></b>	<b><u>\$ 2,083,086</u></b>
<b>CASH AND INVESTMENTS</b>		
Cash and cash equivalents	\$ 1,119,671	\$ 2,083,086
Investments	9,569,621	912,344
<b>TOTAL CASH AND INVESTMENTS</b>	<b><u>\$ 10,689,292</u></b>	<b><u>\$ 2,995,430</u></b>

(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, 2012

	Business-Type Activities Waterworks and Sewerage	Governmental Activities Internal Service Fund
<b>RECONCILIATION OF OPERATING INCOME</b>		
<b>TO NET CASH FLOWS FROM</b>		
<b>OPERATING ACTIVITIES</b>		
Operating income	\$ 572,621	\$ 23,998
Adjustments to reconcile operating income to net cash from operating activities		
Depreciation and amortization	1,014,580	-
Changes in current assets and liabilities		
Accounts receivable	(129,376)	-
Inventory	(3,239)	-
Prepaid expenses	1,688	(1,824)
Accounts payable	153,531	3,471
Claims and judgments payable	-	78,155
Accrued payroll	19,766	-
Compensated absences payable	25,158	-
Other postemployment benefit obligation	(2,736)	-
Deposits payable	(4,840)	-
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$ 1,647,153</b>	<b>\$ 103,800</b>
<b>NONCASH TRANSACTIONS</b>		
Increase (decrease) in joint venture	\$ 260,788	\$ -
Contributed capital assets	220,890	-
<b>TOTAL NONCASH TRANSACTIONS</b>	<b>\$ 481,678</b>	<b>\$ -</b>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PENSION TRUST FUNDS

STATEMENT OF FIDUCIARY NET POSITION

December 31, 2012

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<b>ASSETS</b>	
Cash and short-term investments	<u>\$ 1,374,034</u>
Investments at fair value	
U.S. Government and agency obligations	17,727,945
State and local obligations	2,541,461
Corporate bonds	10,395,316
Mutual funds	24,479,025
Equities	<u>9,505,354</u>
Total investments	<u>64,649,101</u>
Receivables	
Accrued interest	295,860
Due from other funds	<u>56,528</u>
Total receivables	<u>352,388</u>
Total assets	<u>66,375,523</u>
<b>LIABILITIES</b>	
Accounts payable	<u>39,102</u>
Total liabilities	<u>39,102</u>
<b>NET POSITION HELD IN TRUST FOR PENSION BENEFITS</b>	<u><u>\$ 66,336,421</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, 2012

<b>ADDITIONS</b>	
Contributions	
Employer	\$ 2,692,981
Employee	<u>947,908</u>
Total contributions	<u>3,640,889</u>
Investment income	
Net appreciation in fair value of investments	3,161,083
Interest	<u>2,540,721</u>
Total investment income	5,701,804
Less investment expenses	<u>218,562</u>
Net investment income	<u>5,483,242</u>
Total additions	<u>9,124,131</u>
<b>DEDUCTIONS</b>	
Benefits and refunds	4,341,357
Administrative expenses	<u>59,032</u>
Total deductions	<u>4,400,389</u>
NET INCREASE	4,723,742
<b>NET POSITION HELD IN TRUST FOR PENSION BENEFITS</b>	
January 1	<u>61,612,679</u>
December 31	<u><u>\$ 66,336,421</u></u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS

December 31, 2012

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

a. Reporting Entity

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

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

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

b. Fund Accounting

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

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

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

Enterprise funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the Village (internal service funds).

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

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements. Interfund services provided and used are not eliminated on these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

The Village reports the following major governmental funds:

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

The Crossroads Redevelopment Area Fund is used to account for the funds restricted for the redevelopment activities of the tax increment financing district located near Milwaukee Avenue and Dundee Road.

The South Milwaukee Redevelopment Area Fund is used to account for the funds restricted for the redevelopment activities of the tax increment financing district located near South Milwaukee Road.

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. Nonoperating revenue/expenses are incidental to the operations of these funds.

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

e. Cash and Investments

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

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

f. Interfund Receivables/Payables

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

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

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

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

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Property Taxes

Property taxes are levied in December of each year on all taxable real property in the Village and attach as an enforceable lien on the property as of the preceding January 1. Property taxes receivable represent the balance due on the 2012 levy. Tax bills are prepared by the County and issued on or about February 1 (Cook County) and May 1 (Lake County) and are payable in two installments on or about April 1 (Cook County) and June 1 (Lake County) and on or about September 1 (Lake County) and November 1 (Cook County). The County Collector collects such taxes and remits them periodically. A reduction for collection losses, based on historical collection experience, has been provided to reduce the taxes receivable to the estimated amounts to be collected. Since the 2012 levy is intended to finance the 2013 fiscal year, the levy has been recorded as a receivable and deferred revenue.

h. Inventories and Prepaid Items/Expenses

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

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

i. Capital Assets

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Capital Assets (Continued)

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

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

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

j. Compensated Absences

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Compensated Absences (Continued)

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

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

k. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund financial statements. Bond premiums and discounts, as well as the unamortized loss on refunding, are deferred and amortized over the life of the bonds. Bonds payable are reported net of any applicable bond premium or discount. The unamortized loss on refunding is reported as a deferred outflow of resources.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position 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 position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

m. Fund Balance/Net Position

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

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

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

2. DEPOSITS AND INVESTMENTS

a. Village Investments

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

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

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

Deposits with Financial Institutions

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

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

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

Investments

The following table presents the investments and maturities of the Village's debt securities as of December 31, 2012:

Investment Type	Fair Value	Investment Maturities in Years			
		Less Than 1	1-5	6-10	Greater than 10
Negotiable certificates of deposit	\$ 16,495,117	\$ 3,541,300	\$ 12,953,817	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 16,495,117</b>	<b>\$ 3,541,300</b>	<b>\$ 12,953,817</b>	<b>\$ -</b>	<b>\$ -</b>

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

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

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

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

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

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

Investments (Continued)

Concentration of credit risk is the risk that the Village has a high percentage of their investments invested in one type of investment. At December 31, 2012, the Village had greater than five percent of its overall portfolio invested in negotiable certificates of deposit. The Village's investment policy requires diversification of investment to avoid unreasonable risk but has no set percentage limits. Therefore, the Village is in compliance with its investment policy.

b. Police Pension Investments

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

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

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Police Pension Fund's deposits may not be returned to it. The Police Pension Fund policy does not require collateralization. However, all deposits at December 31, 2012 are covered by Federal Depository Insurance.

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

2. DEPOSITS AND INVESTMENTS (Continued)

b. Police Pension Investments (Continued)

Investments

The following table presents the investments and maturities of the Police Pension Fund's debt securities as of December 31, 2012:

Investment Type	Fair Value	Investment Maturities in Years			
		Less Than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 289,062	\$ -	\$ 289,062	\$ -	\$ -
U.S. agency obligations	10,314,304	282,905	5,903,245	3,492,481	635,673
Municipal bonds	1,808,000	-	1,117,737	690,263	-
Corporate bonds	5,235,869	333,400	3,069,630	1,832,839	-
<b>TOTAL</b>	<b>\$ 17,647,235</b>	<b>\$ 616,305</b>	<b>\$ 10,379,674</b>	<b>\$ 6,015,583</b>	<b>\$ 635,673</b>

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

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

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

Concentration of credit risk is the risk that the Police Pension Fund has a high percentage of their investments invested in one type of investment. The Police Pension Fund's investment policy requires diversification of investment to avoid unreasonable risk. No more than 50% of the Police Pension Fund's total investment portfolio will be invested in a single security type or with a single financial institution. All investments fall within their acceptable ranges at December 31, 2012. At December 31, 2012, the Police Pension Fund had greater than 5% of its overall portfolio invested in U.S. agency obligations and municipal bonds, which is in accordance with the Police Pension Fund's investment policy.

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

2. DEPOSITS AND INVESTMENTS (Continued)

c. Firefighters' Pension Investments

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

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

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Firefighters' Pension Fund's deposits may not be returned to it. The Firefighters' Pension Fund policy does not require collateralization. However, all deposits at December 31, 2012 are covered by Federal Depository Insurance.

Investments

The following table presents the investments and maturities of the Firefighters' Pension Fund's debt securities as of December 31, 2012:

Investment Type	Fair Value	Investment Maturities in Years			
		Less Than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 4,102,857	\$ 1,268,883	\$ 1,208,039	\$ 1,625,935	\$ -
U.S. agency obligations	3,021,722	248,305	1,493,211	507,868	772,338
Municipal bonds	733,461	136,149	401,499	195,813	-
Corporate bonds	5,159,447	427,872	2,384,505	2,347,070	-
<b>TOTAL</b>	<b>\$ 13,017,487</b>	<b>\$ 2,081,209</b>	<b>\$ 5,487,254</b>	<b>\$ 4,676,686</b>	<b>\$ 772,338</b>

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

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

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2. DEPOSITS AND INVESTMENTS (Continued)

c. Firefighters' Pension Investments (Continued)

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

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

Concentration of credit risk is the risk that the Firefighters' Pension Fund has a high percentage of their investments invested in one type of investment. No more than 55% of the Firefighters' Pension Fund's total investment portfolio will be invested in a single security type or with a single financial institution. At December 31, 2012, the Firefighters' Pension Fund had greater than 5% of its overall portfolio invested in U.S. agency obligations and corporate bonds, which is in accordance with the Firefighters' Pension Fund's investment policy.

3. RECEIVABLES

The following receivables are included in due from other governments on the statement of net position at December 31, 2012:

GOVERNMENTAL ACTIVITIES	
Motor fuel tax	\$ 77,932
Grants	<u>23,168</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 101,100</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	\$ 42,154
Franchise fees	76,672
Hotel/motel tax	48,463
Food and beverage tax	80,372
Unbilled SWANCC fees	28,466
TIF surplus	148,459
SWANCC service charge	25,761
Utility taxes	175,503
Miscellaneous	<u>176,605</u>
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 802,455</u></b>

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2012 was as follows:

	Beginning Balance, Restated	Increases	Decreases	Ending Balance
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital assets not being depreciated				
Land	\$ 26,290,921	\$ -	\$ -	\$ 26,290,921
Land right of way	11,624,192	-	-	11,624,192
Airport (joint venture)	46,407,895	253,987	-	46,661,882
Total capital assets not being depreciated	<u>84,323,008</u>	<u>253,987</u>	<u>-</u>	<u>87,576,995</u>
Capital assets being depreciated				
Buildings and improvements	57,436,793	126,867	10,436	57,553,224
Vehicles, equipment, and furniture	9,261,803	281,463	222,147	9,321,119
Infrastructure	24,713,669	791,198	104,481	25,400,386
Total capital assets being depreciated	<u>91,412,265</u>	<u>1,199,528</u>	<u>337,064</u>	<u>92,274,729</u>
Less accumulated depreciation for				
Buildings and improvements	7,963,069	1,401,051	10,436	9,353,684
Vehicles, equipment, and furniture	6,614,422	704,553	222,147	7,096,828
Infrastructure	16,053,670	919,689	101,214	16,872,145
Total accumulated depreciation	<u>30,631,161</u>	<u>3,025,293</u>	<u>333,797</u>	<u>33,322,657</u>
Total capital assets being depreciated, net	<u>107,188,999</u>	<u>(1,571,778)</u>	<u>3,267</u>	<u>105,613,954</u>
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<b><u>\$ 145,104,112</u></b>	<b><u>\$ (1,571,778)</u></b>	<b><u>\$ 3,267</u></b>	<b><u>\$ 143,529,067</u></b>

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

4. CAPITAL ASSETS (Continued)

	Beginning Balance Reclassified	Increases	Decreases	Ending Balance
<b>BUSINESS-TYPE ACTIVITIES</b>				
Capital assets not being depreciated				
Land	\$ 580,208	\$ -	\$ 12,384	\$ 567,824
Construction in progress	959,145	333,067	959,145	333,067
Total capital assets not being depreciated	<u>1,539,353</u>	<u>333,067</u>	<u>971,529</u>	<u>900,891</u>
Capital assets being depreciated				
Waterworks	35,398,219	1,242,509	-	36,640,728
Sewerage	17,117,784	316,186	-	17,433,970
Equipment and vehicles	2,486,332	-	-	2,486,332
Total capital assets being depreciated	<u>55,002,335</u>	<u>1,558,695</u>	<u>-</u>	<u>56,561,030</u>
Less accumulated depreciation for				
Waterworks	10,797,183	435,230	-	11,232,413
Sewerage	5,680,927	419,332	-	6,100,259
Equipment and vehicles	1,901,270	160,018	-	2,061,288
Total accumulated depreciation	<u>18,379,380</u>	<u>1,014,580</u>	<u>-</u>	<u>19,393,960</u>
Total capital assets being depreciated, net	<u>36,622,955</u>	<u>544,115</u>	<u>-</u>	<u>37,167,070</u>
<b>BUSINESS-TYPE ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<u>\$ 38,162,308</u>	<u>\$ 877,182</u>	<u>\$ 971,529</u>	<u>\$ 38,067,961</u>

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

**GOVERNMENTAL ACTIVITIES**

General government	\$ 1,195,858
Public safety	697,063
Highways and streets	<u>1,132,372</u>

**TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES** \$ 3,025,293

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

**GOVERNMENTAL ACTIVITIES**

General government	\$ 38,606
Public safety	231,608
Highways and streets	<u>929,314</u>

**TOTAL ADDITIONS - GOVERNMENTAL ACTIVITIES** \$ 1,199,528

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, 2012 is as follows:

Issue	Fund Debt Retired By	Purpose	Balances January 1	Accretion/ Additions	Reductions/ Refunding	Balances December 31	Current
General Obligation Bond Series 2004A (dated April 15, 2004; maturing December 15, 2023; original issue \$8,000,000; interest rates 2.70% to 4.70%; principal payable annually on December 15).	Capital Projects/ North Milwaukee Redevelopment Area	\$5,000,000 - Building for Public Works Department; \$3,000,000 - TIF Development Incentive	\$ 410,000	\$ -	\$ 410,000	\$ -	\$ -
General Obligation Sales Tax Bond Series 2005 (dated September 1, 2005; maturing December 1, 2024; original issue \$5,140,000; interest rates 4.00% to 4.25%; principal payable annually on December 1).	General Fund Sales Tax	Westin Hotel Development in TIF	4,255,000	-	3,995,000	260,000	260,000
General Obligation Bond Series 2007 (dated November 30, 2007; maturing December 1, 2030; original issue \$10,000,000; interest rates 3.92%; principal payable annually on December 1).	Capital Projects	Village Building Projects	10,000,000	-	-	10,000,000	-
General Obligation Bond Series 2008 (dated January 15, 2008; maturing December 1, 2024; original issue \$20,000,000; variable interest rates; principal payable annually on December 1).	Capital Projects	Village Building Projects	20,000,000	-	510,000	19,490,000	670,000

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

5. LONG-TERM DEBT (Continued)

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

Issue	Fund Debt Retired By	Purpose	Balances January 1	Accretion/ Additions	Reductions/ Refunding	Balances December 31	Current
General Obligation Bond Series 2009 (dated January 15, 2009; maturing December 1, 2027; original issue \$10,000,000; interest rates 3.92%; principal payable annually on December 1).	Capital Projects	Village Building Projects	\$ 10,000,000	\$ -	\$ -	\$ 10,000,000	\$ -
General Obligation Refunding Bond Series 2011 (dated October 3, 2011; maturing December 15, 2023; original issue \$8,445,000; interest rates 2.00% to 3.00%; principal payable annually on December 15).	Capital Projects/ North Milwaukee/ Lake Cook Redevelopment Area	Refunding	6,988,943	-	77,175	6,911,768	551,377
General Obligation Sales Tax Refunding Bond Series 2012A (dated April 24, 2012; maturing December 1, 2024; original issue \$3,925,000; interest rates 2.00% to 3.50%; principal payable annually on December 1).	Capital Projects/ North Milwaukee/ Lake Cook Redevelopment Area	Refunding	-	3,925,000	90,000	3,835,000	25,000
<b>TOTAL</b>			<b>\$ 51,653,943</b>	<b>\$ 3,925,000</b>	<b>\$ 5,082,175</b>	<b>\$ 50,496,768</b>	<b>\$ 1,506,377</b>
Tax Increment Revenue Bond Series 2005 (dated August 25, 2005; maturing January 1, 2025; original issue \$19,000,000; interest rates 6.00%; principal payable annually on January 1).	North Milwaukee/ Lake Cook Redevelopment Area	Westin Hotel Development in TIF	\$ 18,300,000	\$ -	\$ 600,000	\$ 17,700,000	\$ 710,000
Tax Increment Revenue Note Series 2012 (dated January 25, 2012; maturing July 1, 2030; original issue \$3,500,000; interest rate 7.00%; principal payable annually on July 1).	General/ Crossroads Redevelopment Area	Fresh Farms Redevelopment Project in TIF	\$ -	\$ 3,727,918	\$ 125,974	\$ 3,601,944	\$ -

\* \$227,918 of the increase is interest accrued to the Note balance.

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

5. LONG-TERM DEBT (Continued)

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

Issue	Fund Debt Retired By	Purpose	Balances January 1	Accretion/ Additions	Reductions/ Refunding	Balances December 31	Current
General Obligation Refunding Bond Series 2011 (dated October 25, 2011; maturing December 15, 2023; original issue \$8,445,000; interest rates 2.00% to 3.00%; principal payable annually on December 15).	Waterworks and Sewerage	Refunding	\$ 1,456,057	\$ -	\$ 162,825	\$ 1,293,232	\$ 218,623
General Obligation Bond Series 2012B (dated April 24, 2012; maturing December 1, 2032; original issue \$3,500,000; interest rates 3.00% to 3.50%; principal payable annually on December 1).	Waterworks and Sewerage	Water Improvements	-	3,500,000	-	3,500,000	125,000
<b>TOTAL</b>			<b>\$ 1,456,057</b>	<b>\$ 3,500,000</b>	<b>\$ 162,825</b>	<b>\$ 4,793,232</b>	<b>\$ 343,623</b>

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
2013	\$ 1,506,377	\$ 1,930,688	\$ 3,437,065	\$ 343,623	\$ 137,103	\$ 480,726
2014	1,698,179	1,879,437	3,577,616	341,821	129,294	471,115
2015	1,889,937	1,825,644	3,715,581	345,063	121,465	466,528
2016	2,127,812	1,762,782	3,890,594	352,188	113,154	465,342
2017	2,335,726	1,690,265	4,025,991	354,274	105,068	459,342
2018	2,558,737	1,609,688	4,168,425	351,263	96,200	447,463
2019	2,820,000	1,510,008	4,330,008	150,000	87,300	237,300
2020	3,070,000	1,401,269	4,471,269	155,000	82,800	237,800
2021	3,325,000	1,282,170	4,607,170	160,000	78,150	238,150
2022	3,575,000	1,152,495	4,727,495	165,000	73,350	238,350
2023	3,700,000	1,011,377	4,711,377	175,000	68,400	243,400
2024	3,325,000	862,517	4,187,517	180,000	63,150	243,150
2025	3,140,000	727,748	3,867,748	185,000	57,750	242,750
2026	3,340,000	604,660	3,944,660	195,000	51,969	246,969
2027	3,530,000	473,732	4,003,732	200,000	45,875	245,875
2028	3,700,000	335,356	4,035,356	210,000	39,375	249,375
2029	3,850,000	190,316	4,040,316	220,000	32,550	252,550
2030	1,005,000	39,396	1,044,396	230,000	24,850	254,850
2031	-	-	-	235,000	16,800	251,800
2032	-	-	-	245,000	8,575	253,575
<b>TOTAL</b>	<b>\$ 50,496,768</b>	<b>\$ 20,289,548</b>	<b>\$ 70,786,316</b>	<b>\$ 4,793,232</b>	<b>\$ 1,433,178</b>	<b>\$ 6,226,410</b>

Year Ending December 31,	Tax Increment Revenue Bonds		
	Principal	Interest	Total
2013	\$ 710,000	\$ 1,040,700	\$ 1,750,700
2014	780,000	996,000	1,776,000
2015	865,000	946,650	1,811,650
2016	970,000	891,600	1,861,600
2017	1,060,000	830,700	1,890,700
2018	1,185,000	763,350	1,948,350
2019	1,295,000	688,950	1,983,950
2020	1,410,000	607,800	2,017,800
2021	1,545,000	519,150	2,064,150
2022	1,690,000	422,100	2,112,100
2023	1,830,000	316,500	2,146,500
2024	2,050,000	200,100	2,250,100
2025	2,310,000	69,300	2,379,300
<b>TOTAL</b>	<b>\$ 17,700,000</b>	<b>\$ 8,292,900</b>	<b>\$ 25,992,900</b>

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

5. LONG-TERM DEBT (Continued)

e. Changes in Long-Term Liabilities

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

	Balances January 1	Issuances or Accretions	Reductions/ Refunding	Balances December 31	Current Portion
General obligation bonds payable	\$ 51,653,943	\$ 3,925,000	\$ 5,082,175	\$ 50,496,768	\$ 1,506,377
Tax increment revenue bonds payable	18,300,000	-	600,000	17,700,000	710,000
Tax increment revenue note	-	3,727,918	125,974	3,601,944	-
Premium on bonds payable	193,198	222,801	16,100	399,899	-
Discount on bonds payable	(28,000)	-	(28,000)	-	-
Compensated absences payable - governmental funds	1,903,316	102,354	26,090	1,979,580	890,811
Insurance claims payable	1,358,547	654,803	576,648	1,436,702	718,351
Net other postemployment benefit obligation	120,688	-	33,746	86,942	-
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 73,501,692</b>	<b>\$ 8,632,876</b>	<b>\$ 6,432,733</b>	<b>\$ 75,701,835</b>	<b>\$ 3,825,539</b>

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

Business-Type Activities

	Balances January 1	Issuances or Accretions	Reductions/ Refunding	Balances December 31	Current Portion
General obligation bonds payable	\$ 1,456,057	\$ 3,500,000	\$ 162,825	\$ 4,793,232	\$ 343,623
Premium on bonds payable	36,362	70,850	3,030	104,182	-
Compensated absences	128,959	25,158	-	154,117	69,353
Net other postemployment benefit obligation	9,927	-	2,736	7,191	-
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>\$ 1,631,305</b>	<b>\$ 3,596,008</b>	<b>\$ 168,591</b>	<b>\$ 5,058,722</b>	<b>\$ 412,976</b>

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

5. LONG-TERM DEBT (Continued)

f. Advance Refunding

On April 24, 2012, the Village issued \$3,925,000 Series 2012A General Obligation Bonds to advance refund \$3,745,000 of the General Obligation Bonds, Series 2005. The proceeds of the bonds were placed in an irrevocable trust to provide all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the financial statements. The defeased bonds will be called on December 1, 2013. As a result of the refunding, the Village achieved cash flow savings of \$193,461 and an economic gain on the refunding of \$167,424.

g. Tax Increment Revenue Note

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

h. 2008 Interest Rate Swap

The fair value balances and notional amounts of derivative instruments outstanding at December 31, 2012, and the changes in fair value of such derivative instruments for the year then ended in the 2012 financial statements are as follows:

Governmental Activities	Changes in Fair Value*		Fair Value at December 31, 2012		
	Classification	Amount	Classification	Amount	Notional
Cash flow hedges: Pay - fixed interest rate swap	Deferred Outflow	\$4,430	Fair Value of Swap (Liability)	\$3,378,649	\$19,490,000

\*Pursuant to GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, the Village has recorded the fair value of the interest rate swap agreement as a deferred outflow (asset) on the statement of net 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%.

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

5. LONG-TERM DEBT (Continued)

h. 2008 Interest Rate Swap (Continued)

*Terms* - The bonds and the related swap agreement mature on December 1, 2024 and the swap's notional amount of \$19,490,000 matches the \$19,490,000 variable rate bonds. The swap was entered into on November 7, 2007. At that time, the Village received a \$50,000 payment which was used to pay for costs related to issuing the swap. The Village then sold \$20,000,000 in variable rate General Obligation Bonds Series 2008 on January 15, 2008.

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

*Fair value* - As of December 31, 2012, the swap had a fair value of \$(3,378,649). 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, 2012. Should the counterparty to this transaction fail to perform according to the terms of the swap contract, the Village faced a maximum possible loss equivalent to the swap's fair value. The swap counterparty was rated A by Fitch Ratings and Standard and Poor's and A3 by Moody's Investors Service as of December 31, 2012.

*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. 2009 Interest Rate Swap

The fair value balances and notional amounts of derivative instruments outstanding at December 31, 2012, and the changes in fair value of such derivative instruments for the year then ended in the 2012 financial statements are as follows:

Governmental Activities	Changes in Fair Value*		Fair Value at December 31, 2012		
	Classification	Amount	Classification	Amount	Notional
Cash flow hedges: Pay - fixed interest rate swap	Deferred Outflow	\$(9,748)	Fair Value of Swap (Liability)	\$2,549,378	\$10,000,000

5. LONG-TERM DEBT (Continued)

i. 2009 Interest Rate Swap (Continued)

\*Pursuant to GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, the Village has recorded the fair value of the interest rate swap agreement as a deferred outflow (asset) on the Statement of Net 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 up with the terms of the \$10,000,000 variable rate bonds that the counter party is obligated to purchase from the Village on that date. Under the swap, the Village pays the counterparty a fixed payment of 3.92% and receives a variable payment equal to 63.169% of the one-month USD-LIBOR-BBA rate as of the end of each monthly period plus a .49300% spread. The variable rate for the \$10,000,000 in bank qualified general obligation bonds is exactly equal to the variable rate of the swap.

*Fair value* - As of December 31, 2012, the swap had a fair value of \$(2,549,378). 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, 2012. Should the counterparty to this transaction fail to perform according to the terms of the swap contract, the Village faced a maximum possible loss equivalent to the swap's fair value. The swap counterparty was rated A by Fitch Ratings and Standard and Poor's and A3 by Moody's Investors Service as of December 31, 2012.

*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.

j. Conduit Debt

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

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

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5. LONG-TERM DEBT (Continued)

j. Conduit Debt (Continued)

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

The amount of conduit debt (industrial revenue bonds) outstanding at December 31, 2012 is as follows:

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

k. Airport Revenue Notes

On December 27, 2006, the Village issued \$4,700,000 in Airport Revenue Notes, Series 2006. These notes are special, limited obligations payable solely from the Chicago Executive Airport revenues and do not constitute an indebtedness of the Village. Accordingly, these notes are not reported as a liability in the Village's financial statements. On November 25, 2008, the Village refunded the remaining \$3,200,000 Series 2006 Notes through the issuance of \$3,200,000 Airport Revenue Notes, Series 2008. These notes are also special, limited obligations payable solely from the Chicago Executive Airport Commission revenues and do not constitute an indebtedness of the Village. Accordingly, these notes are not reported as a liability in the Village's financial statements. As of December 31, 2012, \$1,802,219 of the Airport Revenue Notes, Series 2008 are outstanding.

6. RISK MANAGEMENT

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

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

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

6. RISK MANAGEMENT (Continued)

The General Fund and Waterworks and Sewerage Fund participate and make payments to the Fund based upon estimates of the amounts needed to pay prior and current year claims. Liabilities of the Fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and societal factors. Changes in the balances of claims liabilities during the years ended December 31, 2012 and 2011 are as follows:

	2012	2011
UNPAID CLAIMS - BEGINNING OF YEAR	\$ 1,358,547	\$ 1,047,074
Incurred claims (including IBNR)	654,803	706,296
Claims payments	(576,648)	(394,823)
UNPAID CLAIMS - END OF YEAR	<u>\$ 1,436,702</u>	<u>\$ 1,358,547</u>

Intergovernmental Personnel Benefit Cooperative (IPBC)

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

IPBC acts as an administrative agency to receive, process, and pay such claims as may come within the benefit program of each member. Through IPBC, the Village offers both a PPO plan and an HMO plan. For those employees enrolled in the PPO plan, the Village is responsible for the first \$35,000 in claims for each individual employee participant every claim year. The members of IPBC share claims (for each individual employee) between \$35,000 and \$125,000. IPBC maintains stop-loss insurance to cover claims in excess of \$125,000. Approximately 55% of the Village's employees and retirees are PPO participants.

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

6. RISK MANAGEMENT (Continued)

Intergovernmental Personnel Benefit Cooperative (IPBC) (Continued)

The Village makes payments to IPBC monthly based on its participation in the plan. The rates per individual participant are determined annually based on each member's prior experience within the pool and projected future claims. This rate also includes a provision for the cost of excess insurance purchased by IPBC. The Village also makes monthly payments to IPBC for administration of the plan. The Village had terminal reserve net of deficit of other accounts as of June 30, 2012 (most recent available) of \$1,825,186. This amount was declared as a dividend to the Village and, therefore, has been recorded as a receivable in the General Fund \$1,705,945 and the Waterworks and Sewerage Fund \$121,241 as of December 31, 2012.

7. CONTINGENT LIABILITIES

a. Litigation

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

b. Grants

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

c. Northwest Water Commission (NWWC)

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

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

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

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

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8. COMMITMENTS

a. Northwest Water Commission (NWWC)

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

<u>Fiscal Year Ending December 31,</u>	<u>Amount</u>
2013	\$ 1,790,000
2014	1,825,700
2015	1,862,316
2016	1,899,562
2017	1,937,554
2018-2021	8,145,553

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

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

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

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

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

<u>Fiscal Year Ending December 31,</u>	<u>Amount</u>
2013	\$ 550,000
2014	569,250
2015	589,174
2016	609,795
2017	631,138
2018	653,227

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

9. JOINT VENTURES

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

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

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

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

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

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

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

In accordance with the contract, the Village made payments totaling \$476,284 to SWANCC for the year ended December 31, 2012. The payments have been recorded in the General Fund. The Village does not have an equity interest in SWANCC at December 31, 2012.

9. JOINT VENTURES (Continued)

b. Northwest Water Commission (NWWC)

Description of Joint Venture

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

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

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

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

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

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

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

In accordance with the joint venture agreement, the Village remitted \$1,707,719 to NWWC for the year ended December 31, 2012. The Village has an equity interest in NWWC in the amount of \$7,262,174 as of December 31, 2012.

9. JOINT VENTURES (Continued)

c. Chicago Executive Airport (CEA)

Description of Joint Venture

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

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

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

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

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

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

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9. JOINT VENTURES (Continued)

c. Chicago Executive Airport (CEA) (Continued)

Summary of Financial Information of Joint Venture

Summary of financial position as of April 30, 2012, the most recent information available:

ASSETS	
Current assets	\$ 3,018,435
Capital assets	92,309,087
Construction in progress	3,585,084
Other assets	<u>186,860</u>
Total assets	<u>99,099,466</u>
LIABILITIES	
Current liabilities	995,432
Long-term liabilities	<u>4,780,270</u>
Total liabilities	<u>5,775,702</u>
NET POSITION	<u>\$ 93,323,764</u>

Summary of revenues, expenses, and changes in net position for the year ended April 30, 2012:

Total revenues	\$ 3,505,452
Total expenses	<u>5,625,881</u>
Net income (loss) before capital contributions	(2,120,429)
Capital contributions	<u>2,628,403</u>
Change in net position	507,974
Net position	
May 1, 2011	<u>92,815,790</u>
April 30, 2012	<u>\$ 93,323,764</u>

Complete financial statements can be obtained from the Chicago Executive Airport, 1020 South Plant Road, Wheeling, Illinois 60090 or at [www.chiexec.com](http://www.chiexec.com).

At April 30, 2012, the Village's proportionate share of net position and change in net position were \$46,661,882 and \$253,987, respectively. The Village's equity share in joint venture is included in the capital assets of governmental activities.

The Village made no payments to CEA for the year ended December 31, 2012.

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

10. INDIVIDUAL FUND DISCLOSURES

a. Due From/To Other Funds

Individual fund interfund receivables/payables are as follows:

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	\$ 180,000
General	Nonmajor Governmental	15,059
South Milwaukee Redevelopment Area	Crossroads Redevelopment Area	934,000
Fiduciary	General	<u>56,528</u>
TOTAL		<u>\$ 1,185,587</u>

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

- \$180,000 due from the nonmajor governmental (North Milwaukee/Lake Cook Redevelopment Area Fund) to the General Fund to cover incentive payments to developers. Repayment is expected within one year.
- \$15,059 due from nonmajor governmental (Grant Fund) to the General Fund to eliminate a deficit cash position. Repayment is expected within one year.
- \$934,000 due from Crossroads Redevelopment Area to the South Milwaukee Redevelopment Area for surplus distributions. Repayment is expected within one year.
- \$56,528 due from the General Fund to fiduciary funds (Police and Firefighters' Pension) for property taxes not yet remitted. Repayment is expected within one year.

b. Advances from/to other funds

Advances from/to other funds at December 31, 2012 consisted of the following:

Receivable Fund	Payable Fund	Amount
Waterworks and Sewerage	Capital Equipment Replacement	\$ 1,002,614
General	Nonmajor governmental	<u>576,000</u>
TOTAL		<u>\$ 1,578,614</u>

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

10. INDIVIDUAL FUND DISCLOSURES (Continued)

b. Advances From/To Other Funds (Continued)

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

- \$1,002,614 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.
- \$576,000 advance from General Fund to the nonmajor governmental funds (Town Center TIF) to eliminate a deficit cash position. Repayment is expected within one year.

c. Interfund Transfers

Interfund transfers between funds for the year ended December 31, 2012 were as follows:

	Transfers In	Transfers Out
General		
Capital Equipment Replacement	\$ -	\$ 985,372
Nonmajor governmental		
(North Milwaukee/Lake Cook Redevelopment Area)	-	423,194
Nonmajor governmental (Grant)	68	80,892
Nonmajor governmental (Capital Project)	-	800,000
Internal Service (Liability Insurance)	-	200,000
Nonmajor governmental (Emergency Telephone System)	-	225,000
Nonmajor governmental (Debt Service)	53,372	7,145
Nonmajor governmental (Foreign Fire Insurance Tax)	-	52,656
Total General	<u>53,440</u>	<u>2,774,259</u>
Capital Equipment Replacement		
General	985,372	-
Nonmajor governmental (Emergency Telephone System)	85,555	-
Waterworks and Sewerage	-	13,864
Total Capital Equipment Replacement	<u>1,070,927</u>	<u>13,864</u>
Nonmajor governmental		
General	1,588,887	53,440
Capital Equipment Replacement	-	85,555
Waterworks and Sewerage	447,200	-
Nonmajor governmental	1,300,000	1,300,000
Total nonmajor governmental	<u>3,336,087</u>	<u>1,438,995</u>
Waterworks and Sewerage		
Capital Equipment Replacement	13,864	-
Nonmajor governmental (Debt Service)	-	447,200
Total Waterworks and Sewerage	<u>13,864</u>	<u>447,200</u>
Liability Insurance		
General	200,000	-
Total Liability Insurance	<u>200,000</u>	<u>-</u>
TOTAL	<u>\$ 4,674,318</u>	<u>\$ 4,674,318</u>

10. INDIVIDUAL FUND DISCLOSURES (Continued)

c. Interfund Transfers (Continued)

The purpose of significant transfers is as follows:

- \$423,194 transferred to the nonmajor governmental (North Milwaukee/Lake Cook Redevelopment Area Fund) from the General Fund for sales taxes within the TIF Area required for payment on applicable bond issues. This transfer will not be repaid.
- \$80,892 transferred to the nonmajor governmental (Grant Fund) from the General Fund for the Village's share of multiple grants. This transfer will not be repaid.
- \$800,000 transferred to the nonmajor governmental (Capital Projects), \$500,000 transferred to the Capital Equipment Replacement Fund and \$200,000 transferred to the Internal Service (Liability Insurance Fund) from the General Fund due to surplus fund balance in 2011. This transfer will not be repaid.
- \$225,000 transferred to the nonmajor governmental (911 Fund) from the General Fund to cover expenditures for the fiscal year. This transfer will not be repaid.
- \$1,300,000 transferred to the nonmajor governmental (Debt Service Fund) from the Capital Projects Fund for principal and interest expense on the 2007 and 2008 GO Bonds. This transfer will not be repaid.
- \$52,656 transferred to the nonmajor governmental (Foreign Fire Insurance Tax Fund) from the General Fund to move prior year revenues. This transfer will not be repaid.
- \$447,200 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.
- \$570,927 transferred to the Capital Equipment Replacement Fund from the General Fund (\$485,372) and nonmajor governmental (\$85,555 - Emergency Telephone System Fund) for the purchase of equipment. This transfer will not be repaid.
- \$53,372 transferred to the General Fund to close the 2003 Bond Fund. This transfer will not be repaid.
- \$7,145 transferred to nonmajor governmental (Debt Service Fund) from the General Fund to close the 2001 Bond Fund. This transfer will not be repaid.
- \$13,864 transferred to business-type activities from the nonmajor governmental (Capital Equipment Replacement Fund) for interest earnings. This transfer will not be repaid.

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

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10. INDIVIDUAL FUND DISCLOSURES (Continued)

d. Deficit Fund Balances

At December 31, 2012, the Town Center TIF Fund had a deficit fund balance of \$583,332 and the Crossroads Redevelopment Area Fund had a deficit fund balance of \$522,616.

11. OTHER POSTEMPLOYMENT BENEFITS

Plan Description

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

Benefits Provided

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

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

Membership

At December 31, 2011 (most recent available), membership consisted of:

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

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

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Funding Policy

The Village negotiates the contribution percentages between the Village and employees through the union contracts and personnel policy. Retirees contribute their share of the actuarially determined premium to the plan and the Village contributes the remainder to cover the cost of providing the benefits to the retirees. For the fiscal year ended December 31, 2012, retirees contributed \$294,601 and the Village contributed \$954,035. The Village is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

Annual OPEB Costs and Net OPEB Obligation

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012 and the prior two years was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
December 31, 2010	\$ 610,837	\$ 755,540	123.69%	\$ 276,282
December 31, 2011	609,873	755,540	123.88%	130,615
December 31, 2012	917,553	954,035	104.00%	94,133

The net OPEB obligation (NOPEBO) as December 31, 2012 was calculated as follows:

Annual required contribution	\$ 916,682
Interest on net OPEB obligation	5,225
Adjustment to annual required contribution	(4,354)
	917,553
Annual OPEB cost	917,553
Contributions made	954,035
	(36,482)
Increase (decrease) in net OPEB obligation	(36,482)
Net OPEB obligation, beginning of year	130,615
	94,133
NET OPEB OBLIGATION, END OF YEAR	\$ 94,133

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

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11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Annual OPEB Costs and Net OPEB Obligation (Continued)

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

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

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

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

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

12. TERMINATION BENEFITS

On May 29, 2001, the Village adopted Resolution 01-120, adopting an Early Retirement Incentive Program offered by the Illinois Municipal Retirement Fund (IMRF). Eligible employees were required to enter into an irrevocable pledge to retire by July 1, 2001. For an employee to be eligible to retire under this plan, the employee must have attained age 50 and have at least 20 years of creditable service by his or her retirement date. Seven employees of the Village accepted the early retirement agreement. Under the agreement, the Village and the employee were required to contribute an additional five years of contributions to the plan giving the individuals additional creditable service for these five years. The Village has amortized its additional contributions over a ten-year period with interest charged annually on the remaining balance at 7.5%. These additional contributions are made through regular monthly contributions to IMRF. As of December 31, 2012, the Village's remaining contributions due under the program were \$28,209. In accordance with GASB Statement 47, this amount is not reported as a liability on the Village's financial statements and is recorded through their IMRF plan under the rules prescribed in GASB Statement 27. The change in the actuarially accrued liability due to the early retirement incentive is not available from IMRF.

13. DEFINED BENEFIT PENSION PLANS

a. Plan Descriptions

Illinois Municipal Retirement Fund

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

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the year ended December 31, 2012 was 14.74% of covered payroll.

Police Pension Plan

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Police Pension Plan as a pension trust fund. At December 31, 2012, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	37
Terminated employees entitled to benefits but not yet receiving them	3
Current employees	
Vested	49
Nonvested	13
	<hr/>
TOTAL	<u>102</u>

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

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

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

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with fewer than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. Contributions are recognized when due pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Police Pension Plan. The costs of administering the Police Pension Plan are financed through investment earnings. The Village is required to contribute the remaining amounts necessary to finance the Police Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. For the year ended December 31, 2012, the Village's contribution was 24.80% of covered payroll.

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan

Fire sworn personnel are covered by the Firefighters' Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the Firefighters' Pension Plan as a pension trust fund. At December 31, 2012, the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	51
Terminated employees entitled to benefits but not yet receiving them	-
Current employees	
Vested	26
Nonvested	24
	<hr/>
TOTAL	<u>101</u>

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

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1<sup>st</sup> 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.

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with fewer than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. Contributions are recognized when due pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Firefighters' Pension Plan. The costs of administering the Firefighters' Pension Plan are financed through investment earnings. The Village is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Firefighters' Pension Plan. For the year ended December 31, 2012, the Village's contribution was 30.12% of covered payroll.

b. Significant Investments

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

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

c. Annual Pension Costs

Employer contributions for 2012 have been determined as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial valuation date	December 31, 2010	December 31, 2011	December 31, 2011
Actuarial cost method	Entry-age Normal	Entry-age Normal	Entry-age Normal
Asset valuation method	5 Year Smoothed Market	Market	Market
Amortization method	Level Percentage of Payroll	Level Percentage of Payroll	Level Percentage of Payroll
Amortization period	30 Years, Open	28 Years, Closed	28 Years, Closed
Significant actuarial assumptions			
a) Rate of return on present and future assets	7.50% Compounded Annually	7.50% Compounded Annually	7.50% Compounded Annually
b) Projected salary increase - attributable to inflation	4.00% Compounded Annually	5.00% Compounded Annually	5.00% Compounded Annually
c) Additional projected salary increases - seniority/merit	.40% to 10.00%	1.00%	1.00%
d) Postretirement benefit increases	3.00%	3.00%	3.00%

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

c. Annual Pension Costs (Continued)

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

		Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual pension cost (APC)	2010	\$ 1,085,143	\$ 1,250,733	\$ 1,096,934
	2011	1,057,971	1,228,535	1,133,270
	2012	1,161,724	1,350,172	1,295,609
Actual contribution	2010	\$ 1,085,143	\$ 1,268,284	\$ 1,106,487
	2011	1,057,971	1,296,344	1,194,810
	2012	1,161,724	1,378,043	1,314,938
Percentage of APC contributed	2010	100.00%	101.4%	100.9%
	2011	100.00%	105.6%	105.4%
	2012	100.00%	102.1%	101.5%
NPO (asset)	2010	\$ -	\$ (258,735)	\$ (174,613)
	2011	-	(326,544)	(236,153)
	2012	-	(354,415)	(255,482)

The NPO (asset) as of December 31, 2012 has been calculated as follows:

	Police Pension	Firefighters' Pension
Annual required contribution	\$ 1,358,943	\$ 1,301,952
Interest on net pension obligation	(24,491)	(17,711)
Adjustment to annual required contribution	15,720	11,368
Annual pension cost	1,350,172	1,295,609
Contributions made	1,378,043	1,314,938
(Increase) decrease in net pension obligation (asset)	(27,871)	(19,329)
Net pension obligation (asset), beginning of year	(326,544)	(236,153)
<b>NET PENSION OBLIGATION (ASSET), END OF YEAR</b>	<b>\$ (354,415)</b>	<b>\$ (255,482)</b>

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

d. Funded Status and Funding Progress

The funded status and funding progress of the plans as of December 31, 2012 were as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial accrued liability (AAL)	\$ 24,466,255	\$ 55,233,258	\$ 48,423,831
Actuarial value of plan assets	18,033,053	37,882,210	28,454,211
Unfunded actuarial accrued liability (UAAL)	6,433,202	17,351,048	19,969,620
Funded ratio (actuarial value of plan assets/AAL)	73.71%	68.6%	58.8%
Covered payroll (active plan members)	\$ 7,881,435	\$ 5,556,957	\$ 4,365,105
UAAL as a percentage of covered payroll	81.62%	312.2%	457.5%

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

e. Pension Fund Disclosures

Plan Net Position

	Police Pension	Firefighters' Pension	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 406,039	\$ 967,995	\$ 1,374,034
Investments			
U.S. Treasury and agency securities	10,603,366	7,124,579	17,727,945
State and local obligations	1,808,000	733,461	2,541,461
Corporate bonds	5,235,869	5,159,447	10,395,316
Mutual funds	17,348,118	7,130,907	24,479,025
Equities	2,279,866	7,225,488	9,505,354
Accrued interest	180,942	114,918	295,860
Due from General Fund	28,794	27,733	56,527
	<u>37,890,994</u>	<u>28,484,528</u>	<u>66,375,522</u>
<b>LIABILITIES</b>			
Accounts payable	8,784	30,317	39,101
	<u>8,874</u>	<u>30,317</u>	<u>39,101</u>
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>			
	<u>\$ 37,882,210</u>	<u>\$ 28,454,211</u>	<u>\$ 66,336,421</u>

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

f. Pension Fund Disclosures (Continued)

Changes in Plan Net Position

	Police Pension	Firefighters' Pension	Total
<b>ADDITIONS</b>			
Contributions			
Employer	\$ 1,378,043	\$ 1,314,938	\$ 2,692,981
Employee	540,861	407,047	947,908
Total contributions	1,918,904	1,721,985	3,640,889
Investment income			
Net appreciation in fair value of investments	1,760,495	1,400,588	3,161,083
Interest	1,799,657	741,064	2,540,721
Total investment income	3,560,152	2,141,652	5,701,804
Less investment expense	(83,274)	(135,288)	(218,562)
Net investment income	3,476,878	2,006,364	5,483,242
Total additions	5,395,782	3,728,349	9,124,131
<b>DEDUCTIONS</b>			
Benefits and refunds	1,906,494	2,434,863	4,341,357
Administrative expenses	33,157	25,875	59,032
Total deductions	1,939,651	2,460,738	4,400,389
NET INCREASE	3,456,131	1,267,611	4,723,742
<b>NET POSITION HELD IN TRUST FOR PENSION BENEFITS</b>			
January 1	34,426,079	27,186,600	61,612,679
December 31	\$ 37,882,210	\$ 28,454,211	\$ 66,336,421

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

14. PRIOR PERIOD ADJUSTMENTS

The Village has restated fund balances/net position as of January 1, 2012 as follows:

	Governmental Activities	Business-Type Activities	Crossroads Redevelopment Area Fund
FUND BALANCES (DEFICIT)/NET POSITION, JANUARY 1, (AS PREVIOUSLY REPORTED)	\$ 56,998,093	\$ 99,681,659	\$ (911,132)
RESTATEMENTS			
a) To properly state accounts payable	110,448	-	110,448
b) To properly state capital assets	855,164	-	-
c) To expense issuance costs in accordance with GASB Statement No. 65	(779,948)	(30,580)	-
d) To reclassify equity in joint venture from business-type activities to governmental activities	46,407,895	(46,407,895)	-
Subtotal	46,593,559	(46,438,475)	110,448
FUND BALANCES (DEFICIT)/NET POSITION, JANUARY 1, RESTATED	\$ 103,591,652	\$ 53,243,184	\$ (800,684)

**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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>REVENUES</b>				
Taxes	\$ 22,102,320	\$ 22,102,320	\$ 22,268,871	\$ 21,921,158
Licenses and permits	600,121	600,121	536,729	627,026
Intergovernmental	4,288,712	4,288,712	4,290,418	4,085,025
Charges for services	1,956,184	1,954,172	2,287,031	2,082,179
Fines and forfeits	752,920	752,920	690,272	732,417
Investment income	138,922	138,922	148,338	116,184
Miscellaneous	715,500	715,500	893,608	1,076,792
Total revenues	<u>30,554,679</u>	<u>30,552,667</u>	<u>31,115,267</u>	<u>30,640,781</u>
<b>EXPENDITURES</b>				
General government	9,961,563	9,959,551	10,200,168	8,706,123
Public safety	20,243,818	20,243,818	20,028,984	19,396,617
Debt service				
Principal	150,000	150,000	15,526	-
Total expenditures	<u>30,355,381</u>	<u>30,353,369</u>	<u>30,244,678</u>	<u>28,102,740</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>199,298</u>	<u>199,298</u>	<u>870,589</u>	<u>2,538,041</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds on sale of capital assets	20,000	20,000	19,703	7,800
Transfers in				
Grant Fund	-	-	53,372	-
Debt Service Fund	-	-	68	-
Transfers (out)				
Foreign Fire Insurance Tax Fund	-	-	(52,656)	-
Capital Equipment Replacement Fund	(485,372)	(985,372)	(985,372)	(508,377)
North Milwaukee/Lake Cook Redevelopment Area	(423,194)	(423,194)	(423,194)	(417,600)
Emergency Telephone System Fund	(225,000)	(225,000)	(225,000)	-
Liability Insurance Fund	-	(200,000)	(200,000)	-
Debt Service Fund	-	-	(7,145)	-
Capital Project Fund	-	(800,000)	(800,000)	-
Grant Fund	(46,785)	(46,785)	(80,892)	(56,192)
Total other financing sources (uses)	<u>(1,160,351)</u>	<u>(2,660,351)</u>	<u>(2,701,116)</u>	<u>(974,369)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (961,053)</u>	<u>\$ (2,461,053)</u>	<u>(1,830,527)</u>	<u>1,563,672</u>
<b>FUND BALANCE, JANUARY 1</b>			<u>15,754,203</u>	<u>14,190,531</u>
<b>FUND BALANCE, DECEMBER 31</b>			<u>\$ 13,923,676</u>	<u>\$ 15,754,203</u>

(See independent auditor's report.)

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

December 31, 2012

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) as a Percentage of Covered Payroll (4) / (5)
2007	\$ 22,456,426	\$ 24,055,117	93.4%	\$ 1,598,691	\$ 8,520,957	18.8%
2008	19,330,410	24,987,261	77.4%	5,656,851	9,043,864	62.5%
2009	20,029,617	26,248,251	76.3%	6,218,634	8,966,495	69.4%
2010	16,240,399	22,895,143	70.9%	6,654,744	8,385,955	79.4%
2011	17,072,808	23,713,448	72.0%	6,640,640	7,889,418	84.2%
2012	18,033,053	24,466,255	73.7%	6,433,202	7,881,435	81.6%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

POLICE PENSION FUND

SCHEDULE OF FUNDING PROGRESS

December 31, 2012

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) as a Percentage of Covered Payroll (4) / (5)
2007	\$ 29,964,808	\$ 34,963,115	85.7%	\$ 4,998,307	\$ 4,878,555	102.5%
2008	26,511,322	37,772,171	70.2%	11,260,849	5,318,433	211.7%
2009	30,012,693	40,645,515	73.8%	10,632,822	5,323,317	199.7%
2010	33,548,810	45,645,311	73.5%	12,096,501	5,301,423	228.2%
2011	34,426,079	49,030,589	70.2%	14,604,510	5,343,159	273.3%
2012	37,882,210	55,233,258	68.6%	17,351,048	5,556,957	312.2%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

FIREFIGHTERS' PENSION FUND

SCHEDULE OF FUNDING PROGRESS

December 31, 2012

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) as a Percentage of Covered Payroll (4) / (5)
2007	\$ 26,533,904	\$ 30,983,871	85.6%	\$ 4,449,967	\$ 4,071,386	109.3%
2008	23,184,237	32,994,712	70.3%	9,810,475	4,327,162	226.7%
2009	25,181,994	35,808,961	70.3%	10,626,967	3,986,938	266.5%
2010	27,470,623	39,057,896	70.3%	11,587,273	3,593,574	322.4%
2011	27,186,600	42,887,413	63.4%	15,700,813	4,213,548	372.6%
2012	28,454,211	48,423,831	58.8%	19,969,620	4,365,105	457.5%

(See independent auditor's report.)

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

December 31, 2012

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age Normal	(3) Funded Ratio (1) / (2)	(4) Unfunded Actuarial Accrued Liability (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2008	\$ -	\$ 18,058,100	0.00%	\$ 18,058,100	\$ 18,062,500	99.98%
2009	-	15,077,788	0.00%	15,077,788	20,099,180	75.02%
2010	N/A	N/A	N/A	N/A	N/A	N/A
2011	-	20,496,888	0.00%	20,496,888	18,675,553	109.75%
2012	N/A	N/A	N/A	N/A	N/A	N/A

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

(See independent auditor's report.)

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

December 31, 2012

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<u>Fiscal Year Ended December 31,</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2007	\$ 946,678	\$ 946,678	100.00%
2008	976,737	976,737	100.00%
2009	930,722	930,722	100.00%
2010	1,085,143	1,085,143	100.00%
2011	1,057,971	1,057,971	100.00%
2012	1,161,724	1,161,724	100.00%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

POLICE PENSION FUND

SCHEDULE OF EMPLOYER CONTRIBUTIONS

December 31, 2012

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<u>Fiscal Year Ended December 31,</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2007	\$ 802,115	\$ 802,115	100.00%
2008	823,000	823,526	99.94%
2009	868,101	853,194	101.75%
2010	1,268,284	1,256,481	100.94%
2011	1,296,284	1,235,774	104.90%
2012	1,378,043	1,358,943	101.41%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

FIREFIGHTERS' PENSION FUND

SCHEDULE OF EMPLOYER CONTRIBUTIONS

December 31, 2012

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<u>Fiscal Year Ended December 31,</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2007	\$ 470,484	\$ 470,170	100.07%
2008	695,926	685,160	101.57%
2009	750,324	747,385	100.39%
2010	1,106,487	1,100,795	100.52%
2011	1,194,810	1,138,155	104.98%
2012	1,314,938	1,301,952	101.00%

(See independent auditor's report.)

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

December 31, 2012

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<u>Fiscal Year Ended December 31,</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2008	\$ 717,400	\$ 946,200	75.82%
2009	755,540	946,200	79.85%
2010	755,540	608,031	124.26%
2011	755,540	608,031	124.26%
2012	954,035	916,682	104.07%

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

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2012

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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, except for the Foreign Fire Insurance Tax Fund (special revenue). The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year end.

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

2. INDIVIDUAL FUND DISCLOSURES

The following funds had expenditures in excess of budget:

Fund	Final Budget	Actual
Crossroads Redevelopment Area Fund	\$ 3,191,937	\$ 6,015,997
South Milwaukee Redevelopment Area Fund	22,987	23,692
Debt Service Fund	1,994,250	2,268,880

## **MAJOR GOVERNMENTAL FUNDS**

### **GENERAL FUND**

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

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

### **CAPITAL PROJECTS FUNDS**

#### **Crossroads Redevelopment Area Fund**

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

#### **South Milwaukee Redevelopment Area Fund**

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.

#### **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, 2012

(With Comparative Amounts for December 31, 2011)

	2012	2011
<b>ASSETS</b>		
Cash and investments	\$ 8,883,099	\$ 9,117,094
Receivables (net where applicable of allowance for uncollectibles)		
Property taxes	10,129,462	10,372,249
Sales taxes	2,277,453	2,168,497
Income taxes	917,393	1,035,178
Telecommunications tax	407,710	414,076
Accrued interest	17,600	22,873
IPBC	1,703,945	1,463,995
Other	626,952	685,594
Prepaid items	372,806	369,478
Inventory	262,536	304,889
Due from other funds	195,059	1,393,233
Due from other governments	-	116,441
Advance to other funds	576,000	-
<b>TOTAL ASSETS</b>	<b>\$ 26,370,015</b>	<b>\$ 27,463,597</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>		
<b>LIABILITIES</b>		
Accounts payable	\$ 1,628,638	\$ 797,269
Accrued payroll	473,328	404,288
Deposits payable	104,379	103,103
Deferred revenue	127,453	129,243
Due to fiduciary funds	56,528	84,043
<b>Total liabilities</b>	<b>2,390,326</b>	<b>1,517,946</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenues - property taxes	10,056,013	10,191,448
<b>Total deferred inflows of resources</b>	<b>10,056,013</b>	<b>10,191,448</b>
<b>FUND BALANCE</b>		
Nonspendable		
Long-term receivable	576,000	-
Prepaid items	372,806	369,478
Inventory	262,536	304,889
Unrestricted		
Assigned		
Health insurance	1,703,945	1,463,995
Unassigned	11,008,389	13,615,841
<b>Total fund balance</b>	<b>13,923,676</b>	<b>15,754,203</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<b>\$ 26,370,015</b>	<b>\$ 27,463,597</b>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL

For the Year Ended December 31, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>TAXES</b>				
Property taxes	\$ 7,561,395	\$ 7,561,395	\$ 7,527,902	\$ 7,863,464
Property taxes - Police Pension Fund	1,343,965	1,343,965	1,378,043	1,296,344
Property taxes - Firefighters' Pension Fund	1,286,088	1,286,088	1,314,938	1,194,810
TIF surplus distribution	243,019	243,019	148,459	173,822
Sales tax	4,838,813	4,838,813	5,030,987	4,737,949
Home rule sales tax	3,442,575	3,442,575	3,479,625	3,338,657
Telecommunications tax	1,735,425	1,735,425	1,702,077	1,733,726
Food and beverage tax	801,400	801,400	783,361	757,431
Hotel/motel tax	838,350	838,350	899,759	817,218
Auto rental tax	11,290	11,290	3,720	7,737
<b>Total taxes</b>	<b>22,102,320</b>	<b>22,102,320</b>	<b>22,268,871</b>	<b>21,921,158</b>
<b>LICENSES AND PERMITS</b>				
Business licenses	68,323	68,323	73,544	75,683
Coin-operated licenses	10,637	10,637	10,746	10,578
Liquor licenses	115,000	115,000	156,010	153,134
Other licenses	64,001	64,001	64,233	69,858
Building permits	300,000	300,000	192,928	281,666
Other permits	42,160	42,160	39,268	36,107
<b>Total licenses and permits</b>	<b>600,121</b>	<b>600,121</b>	<b>536,729</b>	<b>627,026</b>
<b>INTERGOVERNMENTAL</b>				
Township property replacement tax	87,915	87,915	79,815	90,824
Personal property replacement tax	208,575	208,575	166,921	166,615
Federal grants	256,096	256,096	139,655	283,386
Income tax	3,074,963	3,074,963	3,308,032	2,988,314
State use tax	661,163	661,163	592,551	552,539
Fire training	-	-	1,434	2,270
Pull tabs and jar games tax	-	-	2,010	1,077
<b>Total intergovernmental</b>	<b>4,288,712</b>	<b>4,288,712</b>	<b>4,290,418</b>	<b>4,085,025</b>
<b>CHARGES FOR SERVICES</b>				
Electrical inspections	71,000	71,000	70,435	70,560
Plumbing inspections	25,600	25,600	41,551	32,709
Engineering inspection fees	185,000	185,000	445,846	181,692
Solid waste service charge	551,813	551,813	540,558	578,988
SWANCC fees	237,000	237,000	238,457	236,981
Host community fees	100,000	100,000	100,000	187,320
Ambulance fees	481,545	481,545	493,201	459,830
Impounding fees	734	734	735	920

(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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>CHARGES FOR SERVICES (Continued)</b>				
Plan review	\$ 26,300	\$ 26,300	\$ 40,538	\$ 33,813
Subdivision prefilng fees	-	-	576	-
Planning and zoning fees	3,678	3,678	4,434	5,172
Industrial revenue bond and 6(b) fees	600	600	3,600	1,800
Duplicating services	6,338	6,338	5,836	6,562
Maps and codes	41	41	5	40
False alarm fees	11,500	11,500	11,423	11,049
Pavilion senior center	19,054	19,054	30,458	16,863
Monthly permit fee	25,900	25,900	28,230	27,505
Daily parking fee	42,600	42,600	49,327	55,907
Rental income	6,200	6,200	6,212	6,212
Rental income - T-Mobile	24,000	24,000	26,274	25,509
Police liaison reimbursement	131,047	131,047	146,133	139,763
Finger printing fee	3,240	3,240.00	2,212	2,211
CPR training fees	982	982	990	773
Total charges for services	1,956,184	1,954,172	2,287,031	2,082,179
<b>FINES AND FORFEITS</b>				
Court fines	225,667	225,667	178,944	199,765
Local ordinance fines	527,253	527,253	511,328	532,652
Total fines and forfeits	752,920	752,920	690,272	732,417
<b>INVESTMENT INCOME</b>				
Investment income	138,922	138,922	148,338	116,184
<b>MISCELLANEOUS</b>				
Cable TV franchise fees	324,810	324,810	336,892	320,046
Waste management franchise fees	84,521	84,521	85,705	83,478
AT&T franchise fees	130,714	130,714	147,128	135,539
Other franchise fees	38,961	38,961	40,198	38,731
Foreign fire insurance	54,219	54,219	-	52,656
IPBC terminal reserve revenue	-	-	238,057	99,450
Donations	100	100	200	48,480
Other	82,175	82,175	45,428	298,412
Total miscellaneous	715,500	715,500	893,608	1,076,792
<b>TOTAL REVENUES</b>	<b>\$ 30,554,679</b>	<b>\$ 30,552,667</b>	<b>\$ 31,115,267</b>	<b>\$ 30,640,781</b>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended December 31, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>GENERAL GOVERNMENT</b>				
Village Manager's office and Board of Trustees	\$ 1,276,023	\$ 1,276,023	\$ 2,109,035	\$ 1,271,354
Finance	1,030,665	1,028,653	992,480	966,556
Human resources	228,217	228,217	213,441	221,850
Legal	466,900	466,900	350,095	355,314
Special events	9,500	9,500	8,130	52,379
Solid waste system	570,827	570,827	477,118	534,347
Commuter parking system	76,082	76,082	80,771	47,335
Municipal building maintenance	983,871	983,871	968,848	921,830
Municipal vehicle maintenance	613,180	613,180	588,813	592,223
Community development	1,996,001	1,996,001	1,872,813	1,828,338
Senior citizens services	303,147	303,147	346,772	287,728
Social services	298,061	298,061	297,949	268,780
CIP engineering	220,971	220,971	204,054	240,982
Street division	854,797	854,797	799,757	499,719
Public works administration	555,821	555,821	535,383	513,763
Forestry	946,769	946,769	827,828	783,154
Information systems	694,487	694,487	690,636	529,526
Subtotal	11,125,319	11,123,307	11,363,923	9,915,178
Less Waterworks and Sewerage Fund reimbursements	1,163,756	1,163,756	1,163,755	1,209,055
Total general government	9,961,563	9,959,551	10,200,168	8,706,123
<b>PUBLIC SAFETY</b>				
Police Department	11,866,366	11,866,366	11,609,393	11,244,035
Fire Department	8,377,452	8,377,452	8,419,591	8,152,582
Total public safety	20,243,818	20,243,818	20,028,984	19,396,617
<b>DEBT SERVICE</b>				
Principal	150,000	150,000	15,526	-
Total public safety	150,000	150,000	15,526	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 30,355,381</b>	<b>\$ 30,353,369</b>	<b>\$ 30,244,678</b>	<b>\$ 28,102,740</b>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended December 31, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>GENERAL GOVERNMENT</b>				
Village Manager's Office and Board of Trustees				
Personnel services				
Salaries	\$ 485,138	\$ 485,138	\$ 499,457	\$ 451,694
Longevity	600	600	600	600
Training	250	250	208	160
Employer contribution	98,073	98,073	100,307	87,734
Sick leave buy back	1,476	1,476	1,731	1,569
<b>Total personnel services</b>	<b>585,537</b>	<b>585,537</b>	<b>602,303</b>	<b>541,757</b>
Contractual services				
Advertising and publishing	2,500	2,500	1,581	2,491
Codification	7,500	7,500	5,929	8,870
Conferences and meetings	15,772	15,772	12,198	12,629
Consulting services	3,300	3,300	11,376	-
Data processing services	71,000	71,000	68,909	165,417
Energy	40,000	40,000	11,056	31,918
Employee group insurance	51,183	51,183	50,689	47,941
General liability insurance	10,431	10,431	10,431	10,158
Maintenance - office equipment	4,200	4,200	1,333	884
Membership dues	31,175	31,175	24,772	24,081
Miscellaneous	-	-	878,864	-
Newsletter	46,750	46,750	41,937	41,667
Postage	30,000	30,000	20,778	24,286
Printing and binding	1,500	1,500	109	1,124
Rental agreements	2,880	2,880	2,958	1,165
Cellular service	93,720	93,720	78,756	83,301
Telecommunications	177,000	177,000	184,828	174,554
Retiree health insurance	10,550	10,550	18,971	18,226
Duplication services	4,000	4,000	1,704	5,310
<b>Total contractual services</b>	<b>603,461</b>	<b>603,461</b>	<b>1,427,179</b>	<b>654,022</b>
Commodities				
Books and subscriptions	500	500	5,833	206
Information systems miscellaneous equipment and supplies	-	-	3,413	11,590
Small tools and equipment	500	500	435	-
Miscellaneous	2,300	2,300	3,187	3,747
Office supplies	12,300	12,300	10,525	4,332
Awards/decorations	1,000	1,000	150	237
Business recruitment	70,425	70,425	56,010	55,463
<b>Total commodities</b>	<b>87,025</b>	<b>87,025</b>	<b>79,553</b>	<b>75,575</b>
Debt service				
Principal	150,000	150,000	15,526	-
<b>Total debt service</b>	<b>150,000</b>	<b>150,000</b>	<b>15,526</b>	<b>-</b>
Capital outlay				
Transfer to CERF	-	500,000	500,000	-
Less transfer to CERF	-	(500,000)	(500,000)	-
<b>Net capital outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Village Manager's Office and Board of Trustees</b>	<b>1,426,023</b>	<b>1,426,023</b>	<b>2,124,561</b>	<b>1,271,354</b>

(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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>GENERAL GOVERNMENT (Continued)</b>				
<b>Finance</b>				
<b>Personnel services</b>				
Overtime	\$ 500	\$ 500	\$ 3,147	\$ 385
Salaries	605,896	605,896	593,381	586,944
Longevity	3,600	3,600	3,600	3,300
Training	900	900	1,278	580
Employer contribution	134,983	134,983	125,122	116,640
Sick leave buy back	3,266	3,266	2,813	2,513
<b>Total personnel services</b>	<b>751,157</b>	<b>749,145</b>	<b>729,341</b>	<b>710,362</b>
<b>Contractual services</b>				
Advertising and publishing	900	900	1,142	-
Audit	45,297	45,297	45,296	43,539
Conferences and meetings	4,050	4,050	3,772	3,748
Employee group insurance	144,224	144,224	134,613	136,042
General liability insurance	10,431	10,431	10,431	10,158
Bank charges	23,100	23,100	21,040	20,545
Maintenance - office equipment	2,400	2,400	693	2,286
Membership dues	1,210	1,210	1,365	1,130
Actuarial services	6,900	6,900	6,900	4,650
Printing and binding	5,625	5,625	4,234	4,470
Credit card fees	4,500	4,500	7,787	7,024
Retiree health insurance	9,637	9,637	9,548	9,100
Miscellaneous contracts	5,034	5,034	4,079	5,048
<b>Total contractual services</b>	<b>263,308</b>	<b>263,308</b>	<b>250,900</b>	<b>247,740</b>
<b>Commodities</b>				
Books and subscriptions	200	200	159	250
Information systems miscellaneous equipment and supplies	7,500	7,500	5,391	597
Small tools and equipment	500	500	658	410
Miscellaneous	1,500	1,500	1,289	1,559
Office supplies	5,500	5,500	3,812	4,708
Awards/decorations	1,000	1,000	930	930
<b>Total commodities</b>	<b>16,200</b>	<b>16,200</b>	<b>12,239</b>	<b>8,454</b>
<b>Capital outlay</b>				
Transfer to CERF	2,388	2,388	2,388	22,279
Less transfer to CERF	(2,388)	(2,388)	(2,388)	(22,279)
<b>Net capital outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total finance</b>	<b>1,030,665</b>	<b>1,028,653</b>	<b>992,480</b>	<b>966,556</b>
<b>Human resources</b>				
<b>Personnel services</b>				
Salaries	127,873	127,873	129,671	123,404
Longevity	600	600	600	600
Training	2,000	2,000	215	394
Employer contribution	28,007	28,007	28,311	25,427
<b>Total personnel services</b>	<b>158,480</b>	<b>158,480</b>	<b>158,797</b>	<b>149,825</b>

(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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>GENERAL GOVERNMENT (Continued)</b>				
<b>Human resources (Continued)</b>				
<b>Contractual services</b>				
Advertising and publishing	\$ 2,800	\$ 2,800	\$ 2,504	\$ 1,116
Conferences and meetings	3,950	3,950	4,097	3,648
Consulting services	7,700	7,700	5,016	6,138
Data processing services	-	-	-	1,282
Employee group insurance	21,451	21,451	21,342	20,749
General liability insurance	3,651	3,651	3,651	3,555
Membership dues	1,135	1,135	1,148	1,135
Personnel services	15,000	15,000	3,950	23,251
Printing and binding	100	100	-	-
Medical exams	10,000	10,000	10,830	10,128
<b>Total contractual services</b>	<b>65,787</b>	<b>65,787</b>	<b>52,538</b>	<b>71,002</b>
<b>Commodities</b>				
Information systems miscellaneous equipment and supplies	1,750	1,750	1,294	-
Miscellaneous	200	200	-	38
Office supplies	500	500	411	388
Awards/decorations	1,500	1,500	401	597
<b>Total commodities</b>	<b>3,950</b>	<b>3,950</b>	<b>2,106</b>	<b>1,023</b>
<b>Total human resources</b>	<b>228,217</b>	<b>228,217</b>	<b>213,441</b>	<b>221,850</b>
<b>Legal</b>				
<b>Contractual services</b>				
Recording fees	-	-	293	162
Legal services	461,800	461,800	349,232	353,053
Duplication services	4,500	4,500	30	-
Miscellaneous contractual services	500	500	540	2,099
<b>Total contractual services</b>	<b>466,800</b>	<b>466,800</b>	<b>350,095</b>	<b>355,314</b>
<b>Commodities</b>				
Books and subscriptions	100	100	-	-
<b>Total commodities</b>	<b>100</b>	<b>100</b>	<b>-</b>	<b>-</b>
<b>Total legal</b>	<b>466,900</b>	<b>466,900</b>	<b>350,095</b>	<b>355,314</b>
<b>Special events</b>				
<b>Personnel services</b>				
Overtime	-	-	94	3,859
Seasonal help	-	-	-	228
<b>Total personnel services</b>	<b>-</b>	<b>-</b>	<b>94</b>	<b>4,087</b>
<b>Contractual services</b>				
Membership dues	500	500	-	309
Printing and binding	-	-	-	1,449
Miscellaneous contractual services	4,000	4,000	-	30,200
<b>Total contractual services</b>	<b>4,500</b>	<b>4,500</b>	<b>-</b>	<b>31,958</b>

(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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>GENERAL GOVERNMENT (Continued)</b>				
<b>Special events (Continued)</b>				
Commodities				
Miscellaneous operating supplies	\$ 5,000	\$ 5,000	\$ 8,036	\$ 16,334
Total commodities	5,000	5,000	8,036	16,334
Total special events	9,500	9,500	8,130	52,379
Solid waste system				
Contractual services				
Postage	498	498	484	481
Printing and binding	329	329	350	-
Regional and special agencies assessments	570,000	570,000	476,284	533,866
Total contractual services	570,827	570,827	477,118	534,347
Total solid waste system	570,827	570,827	477,118	534,347
Commuter parking system				
Contractual services				
Energy	17,500	17,500	12,761	15,773
Janitorial services	5,000	5,000	6,360	6,360
Office equipment maintenance	5,750	5,750	6,387	5,713
Printing and binding	-	-	-	2,915
Rental agreement	10,500	10,500	9,224	9,224
Credit card fees	1,000	1,000	723	655
Telecommunications	432	432	432	324
Total contractual services	40,182	40,182	35,887	40,964
Commodities				
Janitorial supplies	600	600	588	1,365
Maintenance - building and grounds	5,000	5,000	7,087	4,620
Minor street repairs	-	-	-	-
Miscellaneous operating supplies	-	-	-	-
Water and sewer services charges	300	300	422	386
Total commodities	5,900	5,900	8,097	6,371
Capital outlay				
Pavement improvements	30,000	30,000	36,787	-
Total capital outlay	30,000	30,000	36,787	-
Total commuter parking system	76,082	76,082	80,771	47,335
Municipal building maintenance				
Personnel services				
Overtime	15,000	15,000	7,376	10,318
Seasonal help	27,000	27,000	21,976	22,198
Salaries	419,366	419,366	384,252	402,905
Longevity	2,800	2,800	2,200	2,200
Training	3,577	3,577	1,116	2,552
Uniform allowance	3,050	3,050	2,924	1,800
Employer contribution	94,517	94,517	88,214	88,981
Sick leave buy back	1,000	1,000	-	-
Total personnel services	566,310	566,310	508,058	530,954

(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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>GENERAL GOVERNMENT (Continued)</b>				
<b>Municipal building maintenance (Continued)</b>				
Contractual services				
Conferences and meetings	\$ -	\$ -	\$ -	\$ 39
Information systems service and maintenance agreement	6,504	6,504	3,440	3,829
Debris dump charges	900	900	296	456
Employee group insurance	88,923	88,923	85,274	80,155
General liability insurance	27,120	27,120	27,120	26,410
Janitorial services	118,000	118,000	130,059	132,813
Maintenance - equipment	10,000	10,000	9,996	10,089
Maintenance - radio equipment	350	350	200	81
Rental equipment	6,300	6,300	5,886	1,521
Retiree health insurance	4,818	4,818	4,767	4,543
Miscellaneous contractual services	29,471	29,471	34,731	36,594
<b>Total contractual services</b>	<b>292,386</b>	<b>292,386</b>	<b>301,769</b>	<b>296,530</b>
Commodities				
Auto petroleum products	11,000	11,000	9,097	9,699
Books and subscriptions	300	300	165	332
Chemicals	6,000	6,000	5,718	2,708
Janitorial supplies	25,000	25,000	19,002	20,461
Vehicle maintenance	9,500	9,500	12,581	6,434
Maintenance - buildings and grounds	40,000	40,000	69,928	15,026
Minor tools and equipment	7,500	7,500	7,502	6,997
Miscellaneous operating supplies	2,500	2,500	1,938	3,924
Office supplies	375	375	348	357
Protective clothing	3,000	3,000	4,098	1,500
Water and sewer services charges	20,000	20,000	28,644	26,908
<b>Total commodities</b>	<b>125,175</b>	<b>125,175</b>	<b>159,021</b>	<b>94,346</b>
Capital outlay				
Transfer to CERF	21,942	21,942	21,942	23,990
Less transfer to CERF	(21,942)	(21,942)	(21,942)	(23,990)
<b>Net capital outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total municipal building maintenance</b>	<b>983,871</b>	<b>983,871</b>	<b>968,848</b>	<b>921,830</b>
Municipal vehicle maintenance				
Personnel services				
Overtime	6,000	6,000	2,973	5,924
Salaries	364,940	364,940	352,585	364,636
Longevity	2,400	2,400	2,400	3,400
Training	2,700	2,700	2,206	1,122
Uniform allowance	8,720	8,720	10,397	7,820
Employer contribution	82,242	82,242	79,265	79,205
Sick leave buy back	1,000	1,000	1,083	1,062
<b>Total personnel services</b>	<b>468,002</b>	<b>468,002</b>	<b>450,909</b>	<b>463,169</b>
Contractual services				
Conferences and meetings	1,192	1,192	1,734	1,179
Consulting services	1,000	1,000	1,083	1,185
Debris dump charges	250	250	107	(158)
Employee group insurance	95,931	95,931	84,656	87,079
General liability insurance	16,690	16,690	16,690	16,252

(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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>GENERAL GOVERNMENT (Continued)</b>				
<b>Municipal vehicle maintenance (Continued)</b>				
<b>Contractual services (Continued)</b>				
Maintenance - office equipment and special equipment	\$ 4,600	\$ 4,600	\$ 4,976	\$ 4,136
Maintenance - radio equipment	200	200	21	69
Membership dues	715	715	643	604
Printing and binding	400	400	57	398
Retiree health insurance	-	-	4,179	-
<b>Total contractual services</b>	<b>120,978</b>	<b>120,978</b>	<b>114,146</b>	<b>110,744</b>
<b>Commodities</b>				
Auto petroleum products	3,200	3,200	3,133	3,127
Books and subscriptions	600	600	356	191
Chemicals	1,500	1,500	1,771	1,653
Vehicle maintenance	3,500	3,500	3,022	2,704
Miscellaneous equipment and supplies	3,500	3,500	3,632	-
Minor tools and equipment	5,500	5,500	5,588	5,208
Miscellaneous operating supplies	5,250	5,250	5,247	4,344
Office supplies	350	350	218	275
Protective clothing	800	800	791	808
<b>Total commodities</b>	<b>24,200</b>	<b>24,200</b>	<b>23,758</b>	<b>18,310</b>
<b>Capital outlay</b>				
Transfer to CERF	2,468	2,468	2,468	-
Less transfer to CERF	(2,468)	(2,468)	(2,468)	-
<b>Net capital outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total municipal vehicle maintenance</b>	<b>613,180</b>	<b>613,180</b>	<b>588,813</b>	<b>592,223</b>
<b>Community development</b>				
<b>Personnel services</b>				
Overtime	1,000	1,000	2,354	139
Seasonal help	18,000	18,000	15,101	9,763
Salaries	1,234,162	1,234,162	1,153,297	1,144,816
Longevity	3,550	3,550	3,550	2,500
Training	5,500	5,500	4,108	3,407
Uniform allowance	625	625	653	567
Employer contribution	275,779	275,779	247,335	231,724
Unemployment compensation	-	-	-	2,295
Sick leave buy back	2,040	2,040	861	-
<b>Total personnel services</b>	<b>1,540,656</b>	<b>1,540,656</b>	<b>1,427,259</b>	<b>1,395,211</b>
<b>Contractual services</b>				
Advertising and publishing	2,500	2,500	1,889	2,320
Conferences and meetings	6,826	6,826	2,234	2,688
Consulting services	35,200	35,200	28,951	26,977
Data processing services	15,040	15,040	12,600	12,273
Exterminating services	12,000	12,000	10,462	10,033
Employee group insurance	188,427	188,427	197,814	185,108
General liability insurance	102,223	102,223	102,223	99,545
Maintenance - office equipment	7,100	7,100	5,611	6,471
Membership dues	3,971	3,971	3,279	2,421

(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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>GENERAL GOVERNMENT (Continued)</b>				
<b>Community development (Continued)</b>				
<b>Contractual services (Continued)</b>				
Printing and binding	\$ 7,550	\$ 7,550	\$ 7,189	\$ 8,038
Recording fees	1,000	1,000	379	45
Credit card fees	3,000	3,000	3,933	4,605
Retiree health insurance	20,068	20,068	33,772	34,907
Duplication services	6,000	6,000	2,700	2,120
Finger printing fees	3,000	3,000	3,364	3,459
Miscellaneous	1,500	1,500	-	-
<b>Total contractual services</b>	<b>415,405</b>	<b>415,405</b>	<b>416,400</b>	<b>401,010</b>
<b>Commodities</b>				
Auto petroleum products	12,000	12,000	10,855	10,967
Books and subscriptions	1,800	1,800	1,592	3,357
Health test supplies	200	200	199	207
Vehicle maintenance	8,000	8,000	4,254	5,555
Information systems miscellaneous equipment and supplies	3,500	3,500	3,402	597
Minor tools and equipment	2,000	2,000	1,580	1,176
Miscellaneous operating supplies	7,740	7,740	4,284	5,710
Office supplies	4,000	4,000	2,293	3,649
Protective clothing	700	700	695	899
<b>Total commodities</b>	<b>39,940</b>	<b>39,940</b>	<b>29,154</b>	<b>32,117</b>
<b>Capital outlay</b>				
Transfer to CERF	13,654	13,654	13,654	11,613
Less transfer to CERF	(13,654)	(13,654)	(13,654)	(11,613)
<b>Net capital outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total community development</b>	<b>1,996,001</b>	<b>1,996,001</b>	<b>1,872,813</b>	<b>1,828,338</b>
<b>Senior citizens services</b>				
<b>Personnel services</b>				
Overtime	500	500	-	3
Salaries	167,948	167,948	195,791	160,668
Longevity	600	600	818	600
Employer contribution	35,107	35,107	40,966	41,469
Sick leave buy back	411	411	-	437
<b>Total personnel services</b>	<b>204,566</b>	<b>204,566</b>	<b>237,575</b>	<b>203,177</b>
<b>Contractual services</b>				
Conferences and meetings	10,200	10,200	21,406	10,922
Energy	2,300	2,300	1,640	2,090
Employee group insurance	35,128	35,128	39,498	33,121
General liability insurance	3,651	3,651	3,651	3,555
Janitorial services	1,925	1,925	569	-
Landscape maintenance	3,700	3,700	1,530	1,694
Maintenance - equipment	6,172	6,172	4,468	2,596
Membership dues	580	580	245	495
Postage	1,800	1,800	759	1,815
Printing and binding	1,900	1,900	5,396	1,326
Regional and special agency assessments	500	500	302	218
Credit card fees	300	300	583	323
<b>Total contractual services</b>	<b>68,156</b>	<b>68,156</b>	<b>80,047</b>	<b>58,155</b>

(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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>GENERAL GOVERNMENT (Continued)</b>				
<b>Senior citizens services (Continued)</b>				
Commodities				
Books and subscriptions	\$ 100	\$ 100	\$ 146	\$ 100
Janitorial supplies	-	-	81	4,430
Maintenance - buildings and grounds	15,000	15,000	11,881	13,627
Information systems miscellaneous equipment and supplies	8,375	8,375	8,341	649
Minor tools and equipment	400	400	549	248
Miscellaneous operating supplies	3,950	3,950	5,897	1,582
Office supplies	2,600	2,600	2,255	2,060
<b>Total commodities</b>	<b>30,425</b>	<b>30,425</b>	<b>29,150</b>	<b>22,696</b>
Capital improvements				
Office supplies	-	-	-	3,700
<b>Total capital improvements</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,700</b>
<b>Total senior citizen services</b>	<b>303,147</b>	<b>303,147</b>	<b>346,772</b>	<b>287,728</b>
Social services				
Personnel services				
Longevity	600	600	600	600
Overtime	2,500	2,500	1,704	-
Salaries	198,900	198,900	203,498	199,411
Employer contributions	44,667	44,667	43,861	31,832
Training and meetings	396	396	116	-
Sick leave buyback	277	277	-	-
<b>Total personnel services</b>	<b>247,340</b>	<b>247,340</b>	<b>249,779</b>	<b>231,843</b>
Contractual services				
Conferences and meetings	4,345	4,345	2,727	2,633
Employee health insurance	32,931	32,931	32,382	30,317
Membership dues	320	320	218	2,199
Printing and binding	2,000	2,000	1,779	338
Contractual services	2,500	2,500	1,000	-
<b>Total contractual services</b>	<b>42,096</b>	<b>42,096</b>	<b>38,106</b>	<b>35,487</b>
Commodities				
Books and subscriptions	-	-	-	24
Miscellaneous equipment and supplies	6,125	6,125	8,142	-
Miscellaneous operating supplies	500	500	459	(64)
Office supplies	2,000	2,000	1,463	1,490
<b>Total commodities</b>	<b>8,625</b>	<b>8,625</b>	<b>10,064</b>	<b>1,450</b>
<b>Total social services</b>	<b>298,061</b>	<b>298,061</b>	<b>297,949</b>	<b>268,780</b>
CIP Engineering				
Personnel services				
Overtime	2,000	2,000	9,061	4,637
Seasonal help	25,000	25,000	18,667	13,830
Salaries	-	-	-	4,939
Longevity	650	650	650	1,300
Training	2,340	2,340	555	367

(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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>GENERAL GOVERNMENT (Continued)</b>				
<b>CIP Engineering (Continued)</b>				
<b>Personnel services (Continued)</b>				
Employer contribution	\$ 39,222	\$ 39,222	\$ 35,411	\$ 74,498
Unemployment compensation	-	-	-	3,465
Sick leave buy back	1,435	1,435	-	354
<b>Total personnel services</b>	<b>70,647</b>	<b>70,647</b>	<b>64,344</b>	<b>103,390</b>
<b>Contractual services</b>				
Conferences and meetings	500	500	30	64
Consulting services	10,000	10,000	9,265	1,786
Data processing	5,000	5,000	2,860	3,250
Employee group insurance	37,475	37,475	37,615	45,821
General liability insurance	71,974	71,974	71,974	70,088
Maintenance - office equipment	1,300	1,300	145	140
Maintenance - radio equipment	120	120	-	-
Membership dues	865	865	796	756
Printing and binding	1,800	1,800	802	160
Recording fees	500	500	73	6
Rental agreements	50	50	450	1,500
<b>Total contractual services</b>	<b>129,584</b>	<b>129,584</b>	<b>124,010</b>	<b>123,571</b>
<b>Commodities</b>				
Auto petroleum products	6,000	6,000	3,839	4,813
Books and subscriptions	500	500	1,057	337
Vehicle maintenance	3,400	3,400	1,405	1,733
Information systems software	1,090	1,090	300	273
Miscellaneous equipment and supplies	1,750	1,750	2,197	-
Minor tools and equipment	1,500	1,500	367	1,689
Miscellaneous operating supplies	4,000	4,000	4,827	2,996
Office supplies	1,000	1,000	963	1,044
Protective clothing	1,500	1,500	745	1,136
<b>Total commodities</b>	<b>20,740</b>	<b>20,740</b>	<b>15,700</b>	<b>14,021</b>
<b>Capital outlay</b>				
Transfer to CERF	5,301	5,301	5,301	6,484
Less transfer to CERF	(5,301)	(5,301)	(5,301)	(6,484)
<b>Total capital outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total CIP engineering</b>	<b>220,971</b>	<b>220,971</b>	<b>204,054</b>	<b>240,982</b>
<b>Streets division</b>				
<b>Personnel services</b>				
Overtime	85,000	85,000	29,949	3,838
Seasonal help	50,000	50,000	51,841	25,323
Salaries	304,390	304,390	303,467	190,862
Longevity	1,200	1,200	1,200	1,735
Training	1,372	1,372	827	1,527
Uniform allowance	3,000	3,000	2,492	2,301
Employer contributions	68,419	68,419	73,473	28,162
Unemployment compensation	-	-	-	5,310
<b>Total personnel services</b>	<b>513,381</b>	<b>513,381</b>	<b>463,249</b>	<b>259,058</b>

(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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>GENERAL GOVERNMENT (Continued)</b>				
<b>Streets division (Continued)</b>				
<b>Contractual services</b>				
Conferences and conventions	\$ 675	\$ 675	\$ 65	\$ 35
Information system service and maintenance agreement	264	264	228	176
Debris dumping charges	4,500	4,500	12,954	3,321
Energy	2,400	2,400	2,878	2,606
Employee health insurance	77,709	77,709	78,866	40,260
General liability insurance	47,461	47,461	47,461	46,217
Office equipment maintenance	800	800	-	30
Radio equipment maintenance	400	400	19	35
Membership dues	130	130	138	-
Rental equipment	2,340	2,340	1,845	9,816
Retiree health insurance	11,337	11,337	17,929	17,082
Street light maintenance	25,000	25,000	12,816	29,498
<b>Total contractual services</b>	<b>173,016</b>	<b>173,016</b>	<b>175,199</b>	<b>149,076</b>
<b>Commodities</b>				
Auto petroleum products	42,000	42,000	35,309	26,206
Books and subscriptions	1,000	1,000	900	900
Chemicals	-	-	127	-
Janitorial supplies	300	300	620	323
Vehicle maintenance	40,000	40,000	35,094	25,049
Maintenance - building and grounds	3,000	3,000	24,470	(6,265)
Minor tools and equipment	40,000	40,000	28,197	24,940
Small tools and equipment	7,000	7,000	6,626	8,317
Miscellaneous operating supplies	5,000	5,000	3,470	3,034
Office supplies	300	300	229	236
Protective clothing	3,000	3,000	2,449	3,926
Streets signs	6,000	6,000	1,197	3,643
Water and sewer service charges	800	800	1,783	1,599
<b>Total commodities</b>	<b>148,400</b>	<b>148,400</b>	<b>140,471</b>	<b>91,908</b>
<b>Capital outlay</b>				
Streetscape improvements	20,000	20,000	20,838	(323)
Transfer to CERF	61,232	61,232	61,232	66,525
Less transfer to CERF	(61,232)	(61,232)	(61,232)	(66,525)
<b>Net capital outlay</b>	<b>20,000</b>	<b>20,000</b>	<b>20,838</b>	<b>(323)</b>
<b>Total streets division</b>	<b>854,797</b>	<b>854,797</b>	<b>799,757</b>	<b>499,719</b>
<b>Public works administration</b>				
<b>Personnel services</b>				
Salaries	341,077	341,077	342,777	330,681
Training	1,755	1,755	1,262	842
Longevity	2,300	2,300	2,300	2,300
Employer contributions	75,458	75,458	73,789	67,376
Sick leave buy back	1,566	1,566	1,696	1,647
<b>Total personnel services</b>	<b>422,156</b>	<b>422,156</b>	<b>421,824</b>	<b>402,846</b>
<b>Contractual services</b>				
Conferences and meetings	2,340	2,340	3,537	680
Energy	15,000	15,000	5,490	9,915
Employee group insurance	50,609	50,609	58,124	50,375
General liability insurance	17,733	17,733	17,733	17,268

(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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>GENERAL GOVERNMENT (Continued)</b>				
<b>Public works administration (Continued)</b>				
<b>Contractual services (Continued)</b>				
Maintenance - office equipment	\$ 9,450	\$ 9,450	\$ 7,539	\$ 9,165
Maintenance - radio equipment	350	350	210	196
Membership dues	4,070	4,070	5,929	3,446
Regional and special agency assessments	6,000	6,000	-	-
Medical examinations	5,000	5,000	2,924	3,166
Retiree health insurance	14,463	14,463	5,308	8,449
<b>Total contractual services</b>	<b>125,015</b>	<b>125,015</b>	<b>106,794</b>	<b>102,660</b>
<b>Commodities</b>				
Auto petroleum products	500	500	525	470
Books and subscriptions	1,000	1,000	32	1,041
Vehicle maintenance	750	750	78	419
Information systems miscellaneous equipment and supplies	-	-	-	597
Miscellaneous operating supplies	2,000	2,000	2,115	1,740
Office supplies	4,000	4,000	3,674	3,488
Protective clothing	400	400	341	337
Awards and decorations	-	-	-	165
<b>Total commodities</b>	<b>8,650</b>	<b>8,650</b>	<b>6,765</b>	<b>8,257</b>
<b>Total public works administration</b>	<b>555,821</b>	<b>555,821</b>	<b>535,383</b>	<b>513,763</b>
<b>Forestry</b>				
<b>Personnel services</b>				
Longevity	1,200	1,200	1,200	1,735
Overtime	8,000	8,000	376	436
Seasonal help	50,000	50,000	42,894	32,609
Salaries	304,390	304,390	303,465	287,435
Training	1,372	1,372	767	1,007
Uniform allowance	3,000	3,000	2,443	1,334
Employer contributions	68,419	68,419	71,507	63,831
Unemployment compensation	-	-	4,855	6,225
<b>Total personnel services</b>	<b>436,381</b>	<b>436,381</b>	<b>427,507</b>	<b>394,612</b>
<b>Contractual services</b>				
Conferences and meetings	675	675	401	52
Information systems service and maintenance agreement	264	264	228	330
Debris dump charges	10,000	10,000	2,278	1,967
Energy	19,000	19,000	21,498	19,760
Employee health insurance	77,709	77,709	78,865	66,065
General liability insurance	20,340	20,340	20,340	19,807
Landscape maintenance	100,000	100,000	56,881	86,945
Maintenance - office equipment	200	200	-	30
Maintenance - radio equipment	200	200	219	55
Membership dues	1,150	1,150	760	594
Rental equipment	3,000	3,000	-	-
Energy	40,000	40,000	36,253	36,045
<b>Total contractual services</b>	<b>272,538</b>	<b>272,538</b>	<b>217,723</b>	<b>231,650</b>
<b>Commodities</b>				
Auto petroleum products	10,500	10,500	15,836	13,785
Books and subscriptions	100	100	-	-
Chemicals	2,000	2,000	965	931
Vehicle maintenance	8,000	8,000	6,713	6,102

(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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>GENERAL GOVERNMENT (Continued)</b>				
Forestry (Continued)				
Commodities (Continued)				
Maintenance - building and grounds	\$ 30,000	\$ 30,000	\$ 17,695	\$ 15,014
Miscellaneous equipment and supplies	3,500	3,500	3,332	-
Small tools and equipment	10,000	10,000	10,288	6,762
Miscellaneous operating supplies	2,000	2,000	1,842	1,281
Office supplies	250	250	204	201
Protective clothing	3,000	3,000	2,089	1,815
Water charge	6,500	6,500	5,562	8,438
<b>Total commodities</b>	<b>75,850</b>	<b>75,850</b>	<b>64,526</b>	<b>54,329</b>
Capital outlay				
Streetscape improvements	162,000	162,000	118,072	102,563
Transfer to CERF	19,524	19,524	19,524	26,634
Less transfer to CERF	(19,524)	(19,524)	(19,524)	(26,634)
<b>Total capital outlay</b>	<b>162,000</b>	<b>162,000</b>	<b>118,072</b>	<b>102,563</b>
<b>Total forestry</b>	<b>946,769</b>	<b>946,769</b>	<b>827,828</b>	<b>783,154</b>
Information systems				
Personnel services				
Salaries	317,275	317,275	314,691	275,272
Training	4,000	4,000	3,908	2,495
Longevity	1,200	1,200	1,200	1,200
Employer contribution	70,926	70,926	68,726	55,972
Sick leave buy back	1,743	1,743	1,432	1,101
<b>Total personnel services</b>	<b>395,144</b>	<b>395,144</b>	<b>389,957</b>	<b>336,040</b>
Contractual services				
Conferences and meetings	-	-	-	159
Information system service and maintenance agreement	187,000	187,000	197,250	109,522
Employee health insurance	76,693	76,693	69,026	57,344
Maintenance - office equipment	1,750	1,750	1,089	1,516
Membership dues	150	150	100	100
<b>Total contractual services</b>	<b>265,593</b>	<b>265,593</b>	<b>267,465</b>	<b>168,641</b>
Commodities				
Information systems miscellaneous equipment and supplies	6,500	6,500	6,457	2,594
Miscellaneous operating supplies	2,000	2,000	2,071	2,525
Office supplies	250	250	55	131
Miscellaneous software	25,000	25,000	24,631	19,595
<b>Total commodities</b>	<b>33,750</b>	<b>33,750</b>	<b>33,214</b>	<b>24,845</b>

(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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>GENERAL GOVERNMENT (Continued)</b>				
Information systems (Continued)				
Capital outlay				
Transfer to CERF	\$ 65,443	\$ 65,443	\$ 65,443	\$ 61,425
Less transfer to CERF	(65,443)	(65,443)	(65,443)	(61,425)
Net capital outlay	-	-	-	-
Total information systems	694,487	694,487	690,636	529,526
Total	11,275,319	11,273,307	11,379,449	9,915,178
Less Waterworks and Sewerage Fund reimbursements	1,163,756	1,163,756	1,163,755	1,209,055
Total general government	10,111,563	10,109,551	10,215,694	8,706,123
<b>PUBLIC SAFETY</b>				
Police Department				
Personnel services				
Longevity	43,000	43,000	43,000	41,924
Overtime	565,614	565,614	520,183	454,225
Salaries	6,998,665	6,998,665	6,936,522	6,790,544
Training	34,385	34,385	33,068	32,125
Uniform allowance	70,435	70,435	52,361	52,706
Employer contribution - IMRF	447,211	447,211	406,715	375,573
Employer contribution - police pension	1,343,965	1,343,965	1,378,043	1,296,344
College incentive	4,000	4,000	3,600	3,600
Unemployment compensation	-	-	-	2,834
Tuition reimbursement	3,600	3,600	-	-
VEMA/PEHP contribution	-	-	-	15,947
Sick leave buy back	38,710	38,710	38,156	35,447
Total personnel services	9,549,585	9,549,585	9,411,648	9,101,269
Contractual services				
Animal impounding	5,000	5,000	3,032	4,691
Conferences and meetings	11,470	11,470	8,885	7,816
Energy	15,000	15,000	6,601	12,734
Employee group insurance	1,364,999	1,364,999	1,333,566	1,273,713
General liability insurance	211,748	211,748	211,748	206,202
Information systems software	3,000	3,000	3,810	2,151
Maintenance - office and special equipment	47,030	47,030	29,653	25,253
Maintenance - radio equipment	-	-	-	143
Membership dues	3,639	3,639	1,678	2,255
Printing and binding	21,200	21,200	17,328	19,213
Prisoner welfare	4,500	4,500	3,804	3,926
Regional and special agency assessments	72,933	72,933	65,010	63,891
Credit card services	480	480	549	475
Duplication services	2,050	2,050	3,613	1,938
Medical examinations	10,000	10,000	4,238	6,982
Miscellaneous contractual services	5,000	5,000	370	-
Retiree health insurance	198,682	198,682	176,153	190,783
Total contractual services	1,976,731	1,976,731	1,870,038	1,822,166

(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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>PUBLIC SAFETY (Continued)</b>				
<b>Police Department (Continued)</b>				
Commodities				
Auto petroleum products	\$ 170,000	\$ 170,000	\$ 157,529	\$ 154,736
Books and subscriptions	2,000	2,000	1,415	1,549
Vehicle maintenance	60,000	60,000	54,867	52,247
Maintenance - building and grounds	-	-	-	220
Computer supplies	17,200	17,200	18,327	16,518
Small tools and equipment	7,700	7,700	10,920	5,717
Range supplies	39,200	39,200	36,639	44,847
Miscellaneous operating supplies	31,650	31,650	29,138	31,233
Office supplies	9,300	9,300	10,364	12,498
Police DUI fund	-	-	8,473	-
Investigative funds	3,000	3,000	35	1,035
<b>Total commodities</b>	<b>340,050</b>	<b>340,050</b>	<b>327,707</b>	<b>320,600</b>
Capital outlay				
Transfer to CERF	135,330	135,330	135,330	130,531
Less transfer to CERF	(135,330)	(135,330)	(135,330)	(130,531)
<b>Net capital outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Police Department</b>	<b>11,866,366</b>	<b>11,866,366</b>	<b>11,609,393</b>	<b>11,244,035</b>
<b>Fire Department</b>				
Personnel services				
Longevity	14,500	14,500	14,500	14,727
Overtime	277,594	277,594	368,058	402,571
Salaries	4,548,209	4,548,209	4,533,470	4,386,565
Training	31,635	31,635	19,366	26,610
Uniform allowance	43,800	43,800	25,793	28,620
Employer contribution - IMRF	121,439	121,439	123,863	117,640
Employer contribution - police pension	1,286,088	1,286,088	1,314,938	1,194,810
College incentive	650	650	300	300
Tuition reimbursement	3,000	3,000	2,242	3,112
VEMA/PEHP contributions	-	-	-	42,709
Sick leave buy back	7,216	7,216	5,143	3,908
<b>Total personnel services</b>	<b>6,334,131</b>	<b>6,334,131</b>	<b>6,407,673</b>	<b>6,221,572</b>
Contractual services				
Conferences and meetings	10,935	10,935	2,825	4,495
Fire extinguisher maintenance	1,000	1,000	2,132	2,268
Energy	12,500	12,500	3,739	6,232
Employee group insurance	849,175	849,175	842,987	803,423
General liability insurance	379,687	379,687	379,687	369,743
Maintenance - office equipment	77,210	77,210	52,833	55,689
Maintenance - radio equipment	11,550	11,550	483	11,708
Membership dues	1,400	1,400	1,344	1,375
Printing and binding	3,000	3,000	1,129	2,163
Regional and special agency assessments	22,000	22,000	16,887	16,975
Medical examinations	19,795	19,795	14,835	12,745
Finger printing fees	35	35	-	-
Retiree health insurance	363,659	363,659	408,721	371,478
<b>Total contractual services</b>	<b>1,751,946</b>	<b>1,751,946</b>	<b>1,727,602</b>	<b>1,658,294</b>
<b>PUBLIC SAFETY (Continued)</b>				
<b>Fire Department (Continued)</b>				

(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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
Commodities				
Auto petroleum products	\$ 64,400	\$ 64,400	\$ 67,118	\$ 65,491
Books and subscriptions	4,013	4,013	3,354	3,962
Firefighting supplies	59,214	59,214	55,560	46,426
Vehicle maintenance	66,750	66,750	70,431	55,920
Maintenance - building and grounds	14,800	14,800	13,237	11,838
Medical supplies	19,113	19,113	16,474	19,397
Computer supplies	14,870	14,870	14,002	25,598
Small tools and equipment	-	-	-	-
Miscellaneous operating supplies	10,050	10,050	5,591	9,360
Office supplies	5,250	5,250	5,775	5,179
Protective clothing	32,915	32,915	32,774	29,545
Total commodities	291,375	291,375	284,316	272,716
Capital outlay				
Transfer to CERF	158,090	158,090	158,090	158,896
Less transfer to CERF	(158,090)	(158,090)	(158,090)	(158,896)
Net capital outlay	-	-	-	-
Total fire department	8,377,452	8,377,452	8,419,591	8,152,582
Total public safety	20,243,818	20,243,818	20,028,984	19,396,617
TOTAL EXPENDITURES	\$ 30,355,381	\$ 30,353,369	\$ 30,244,678	\$ 28,102,740

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

CROSSROADS REDEVELOPMENT AREA FUND

BALANCE SHEET

December 31, 2012

(With Comparative Totals for December 31, 2011)

	2012	2011
<b>ASSETS</b>		
Cash and cash equivalents	\$ 870,621	\$ 1,029,151
Receivables (net where applicable of allowance for uncollectibles)		
Accrued interest	1,081	1,377
<b>TOTAL ASSETS</b>	<b>\$ 871,702</b>	<b>\$ 1,030,528</b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
Accounts payable	\$ 459,949	\$ 341,373
Accrued payroll	369	287
Due to other funds	934,000	1,600,000
<b>Total liabilities</b>	<b>1,394,318</b>	<b>1,941,660</b>
<b>FUND BALANCE (DEFICIT)</b>		
Unassigned (deficit)	(522,616)	(911,132)
<b>Total fund balance (deficit)</b>	<b>(522,616)</b>	<b>(911,132)</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 871,702</b>	<b>\$ 1,030,528</b>

(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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>REVENUES</b>				
Taxes				
Property taxes	\$ 3,186,445	\$ 3,186,445	\$ 2,652,392	\$ 2,741,818
Charges for services	1,200	1,200	-	-
Investment income	1,140	1,140	19,949	27,645
Miscellaneous	100,000	100,000	121,724	289
<b>Total revenues</b>	<b>3,288,785</b>	<b>3,288,785</b>	<b>2,794,065</b>	<b>2,769,752</b>
<b>EXPENDITURES</b>				
Capital outlay				
Salaries	12,943	12,943	13,119	12,169
Employee contributions	2,898	2,898	2,855	2,508
Consulting services	831,856	831,856	36,350	621,451
Business recruitment	-	-	25	-
Surplus distributions	2,294,240	2,294,240	2,242,597	2,300,475
TIF incentive payments	-	-	3,559,090	-
Capital improvements				
Streetscape improvements	50,000	50,000	51,513	269,064
Debt service				
Principal	-	-	110,448	-
<b>Total expenditures</b>	<b>3,191,937</b>	<b>3,191,937</b>	<b>6,015,997</b>	<b>3,205,667</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>96,848</b>	<b>96,848</b>	<b>(3,221,932)</b>	<b>(435,915)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of TIF development note	-	-	3,500,000	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>3,500,000</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 96,848</b>	<b>\$ 96,848</b>	<b>278,068</b>	<b>(435,915)</b>
<b>FUND BALANCE (DEFICIT), JANUARY 1</b>			<b>(911,132)</b>	<b>9,497,174</b>
Prior period adjustment			110,448	(9,972,391)
<b>FUND BALANCE (DEFICIT), JANUARY 1, RESTATED</b>			<b>(800,684)</b>	<b>(475,217)</b>
<b>FUND BALANCE (DEFICIT), DECEMBER 31</b>			<b>\$ (522,616)</b>	<b>\$ (911,132)</b>

(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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>REVENUES</b>				
Taxes				
Property taxes	\$ 1,508,781	\$ 1,508,781	\$ 1,656,242	\$ 1,577,075
Investment income	58,148	58,148	88,241	32,557
Total revenues	<u>1,566,929</u>	<u>1,566,929</u>	<u>1,744,483</u>	<u>1,609,632</u>
<b>EXPENDITURES</b>				
Capital outlay				
Salaries	12,943	12,943	13,119	12,169
Employer contributions	2,898	2,898	2,855	2,508
Conferences and meetings	60	60	252	312
Consulting services	-	-	4,537	32,574
Business recruitment	-	-	25	-
Employee health insurance	2,086	2,086	2,086	1,984
Membership dues	-	-	188	-
Miscellaneous contractual services	-	-	-	500
Legal services	5,000	5,000	630	2,279
Streetscape improvements	-	-	-	7,900
Total expenditures	<u>22,987</u>	<u>22,987</u>	<u>23,692</u>	<u>60,226</u>
NET CHANGE IN FUND BALANCE	<u>\$ 1,543,942</u>	<u>\$ 1,543,942</u>	<u>1,720,791</u>	<u>1,549,406</u>
FUND BALANCE, JANUARY 1			4,498,043	5,840,981
Prior period adjustment			-	(2,892,344)
FUND BALANCE, JANUARY 1, RESTATED			<u>4,498,043</u>	<u>2,948,637</u>
FUND BALANCE, DECEMBER 31			<u>\$ 6,218,834</u>	<u>\$ 4,498,043</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

CAPITAL EQUIPMENT REPLACEMENT FUND

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

For the Year Ended December 31, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>REVENUES</b>				
Investment income	\$ 38,413	\$ 38,413	\$ 77,166	\$ 70,137
Total revenues	38,413	38,413	77,166	70,137
<b>EXPENDITURES</b>				
Capital outlay				
Mobile equipment	279,900	279,900	261,926	209,445
Office equipment	55,000	55,000	46,565	-
Special equipment	-	-	4,174	4,558
Small tools and equipment	-	-	727	-
Capital software	-	-	-	16,810
Total expenditures	334,900	334,900	313,392	230,813
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(296,487)	(296,487)	(236,226)	(160,676)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in				
General Fund	485,372	485,372	985,372	508,377
Waterworks and Sewerage Fund	140,093	140,093	-	-
Emergency Telephone System Fund	85,555	85,555	85,555	66,014
Transfers (out)				
Waterworks and Sewerage Fund	-	-	(13,864)	(11,829)
Total other financing sources (uses)	711,020	711,020	1,057,063	562,562
NET CHANGE IN FUND BALANCE	\$ 414,533	\$ 414,533	820,837	401,886
FUND BALANCE, JANUARY 1			3,874,974	3,473,088
FUND BALANCE, DECEMBER 31			\$ 4,695,811	\$ 3,874,974

(See independent auditor's report.)

## **NONMAJOR GOVERNMENTAL FUNDS**

### **SPECIAL REVENUE FUNDS**

#### **Motor Fuel Tax Fund**

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

#### **Foreign Fire Insurance Tax Fund**

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

#### **Emergency Telephone System Fund**

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

#### **Grant Fund**

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

## **CAPITAL PROJECTS FUNDS**

#### **Town Center TIF Fund**

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

#### **Southeast TIF Fund**

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

## **NONMAJOR GOVERNMENTAL FUNDS (Continued)**

### **CAPITAL PROJECTS FUNDS (Continued)**

#### **North Milwaukee/Lake Cook Redevelopment Area Fund**

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

#### **Capital Projects Fund**

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

### **DEBT SERVICE FUND**

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

VILLAGE OF WHEELING, ILLINOIS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
December 31, 2012

	Special Revenue			
	Motor Fuel Tax	Foreign Fire Insurance Tax	Emergency Telephone System	Grant
<b>ASSETS</b>				
Cash and investments	\$ 1,368,244	\$ 110,252	\$ 153,441	\$ -
Receivables				
Property taxes	-	-	-	-
Accounts	287	-	83,199	-
Accrued interest	3,353	-	410	-
Other	-	-	-	-
Prepaid items	-	-	26,006	1,788
Inventory	206,004	-	-	-
Due from other governments	77,932	-	-	23,168
<b>TOTAL ASSETS</b>	<b>\$ 1,655,820</b>	<b>\$ 110,252</b>	<b>\$ 263,056</b>	<b>\$ 24,956</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 58,924	\$ -	\$ 1,920	\$ 5,861
Accrued payroll	-	-	-	2,024
Unearned revenue	-	-	-	2,012
Due to other funds	-	-	-	15,059
Advances from other funds	-	-	-	-
<b>Total liabilities</b>	<b>58,924</b>	<b>-</b>	<b>1,920</b>	<b>24,956</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - property taxes	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities and deferred inflows</b>	<b>58,924</b>	<b>-</b>	<b>1,920</b>	<b>24,956</b>
<b>FUND BALANCES</b>				
<b>Nonspendable</b>				
Prepaid items	-	-	26,006	1,788
Inventory	206,004	-	-	-
<b>Restricted</b>				
Capital projects	-	-	-	-
Highways and streets	1,390,892	-	-	-
Public safety	-	110,252	235,130	-
Economic development	-	-	-	-
Debt service	-	-	-	-
<b>Unrestricted</b>				
Unassigned (deficit)	-	-	-	(1,788)
<b>Total fund balances</b>	<b>1,596,896</b>	<b>110,252</b>	<b>261,136</b>	<b>-</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 1,655,820</b>	<b>\$ 110,252</b>	<b>\$ 263,056</b>	<b>\$ 24,956</b>

Capital Projects						
Town Center TIF	Southeast TIF	North Milwaukee/Lake Cook Redevelopment Area	Capital Projects	Debt Service	Total	
\$ 930	\$ 847,616	\$ 3,145,475	\$ 3,378,593	\$ 28,654	\$ 9,033,205	
-	-	8,274	-	947,219	955,493	
-	-	-	43,812	129	127,427	
-	1,269	-	6,683	-	11,715	
-	-	-	175,503	-	175,503	
-	-	-	-	-	27,794	
-	-	-	-	-	206,004	
-	-	-	-	-	101,100	
<u>\$ 930</u>	<u>\$ 848,885</u>	<u>\$ 3,153,749</u>	<u>\$ 3,604,591</u>	<u>\$ 976,002</u>	<u>\$ 10,638,241</u>	
\$ 7,893	\$ 322,615	\$ 479,630	\$ 159,036	\$ -	\$ 1,035,879	
369	369	369	-	-	3,131	
-	-	-	1,045,235	-	1,047,247	
-	-	180,000	-	-	195,059	
576,000	-	-	-	-	576,000	
584,262	322,984	659,999	1,204,271	-	2,857,316	
-	-	-	-	945,894	945,894	
-	-	-	-	945,894	945,894	
584,262	322,984	659,999	1,204,271	945,894	3,803,210	
-	-	-	-	-	27,794	
-	-	-	-	-	206,004	
-	-	-	2,400,320	-	2,400,320	
-	-	-	-	-	1,390,892	
-	-	-	-	-	345,382	
-	525,901	2,493,750	-	-	3,019,651	
-	-	-	-	30,108	30,108	
(583,332)	-	-	-	-	(585,120)	
(583,332)	525,901	2,493,750	2,400,320	30,108	6,835,031	
<u>\$ 930</u>	<u>\$ 848,885</u>	<u>\$ 3,153,749</u>	<u>\$ 3,604,591</u>	<u>\$ 976,002</u>	<u>\$ 10,638,241</u>	

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
For the Year Ended December 31, 2012

	Special Revenue			
	Motor Fuel Tax	Foreign Fire Insurance Tax	Emergency Telephone System	Grant
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,109,121	-	-	197,005
Charges for services	-	-	251,516	-
Investment income	8,195	-	1,173	-
Miscellaneous	-	57,596	139,037	-
<b>Total revenues</b>	<b>1,117,316</b>	<b>57,596</b>	<b>391,726</b>	<b>197,005</b>
<b>EXPENDITURES</b>				
Current				
Public safety	-	-	406,376	277,829
Highways and streets	1,037,342	-	-	-
Capital outlay	-	-	-	-
Capital improvements	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<b>1,037,342</b>	<b>-</b>	<b>406,376</b>	<b>277,829</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>79,974</b>	<b>57,596</b>	<b>(14,650)</b>	<b>(80,824)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of refunding bonds	-	-	-	-
Premium on refunding bonds	-	-	-	-
Payment to escrow agent	-	-	-	-
Transfers in	-	52,656	225,000	80,892
Transfers (out)	-	-	(85,555)	(68)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>52,656</b>	<b>139,445</b>	<b>80,824</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>79,974</b>	<b>110,252</b>	<b>124,795</b>	<b>-</b>
<b>FUND BALANCES (DEFICIT), JANUARY 1</b>	<b>1,516,922</b>	<b>-</b>	<b>136,341</b>	<b>-</b>
<b>FUND BALANCES (DEFICIT), DECEMBER 31</b>	<b>\$ 1,596,896</b>	<b>\$ 110,252</b>	<b>\$ 261,136</b>	<b>\$ -</b>

Capital Projects						
Town Center TIF	Southeast TIF	North Milwaukee/ Lake Cook Redevelopment Area	Capital Projects	Debt Service	Total	
\$ 5	\$ 133,773	\$ 3,544,515	\$ 1,799,567	\$ 419,342	\$ 5,897,202	
-	-	-	87,034	-	1,393,160	
-	-	-	741,569	-	993,085	
5	18,039	1,129	18,979	1,386	48,906	
-	-	89	-	-	196,722	
10	151,812	3,545,733	2,647,149	420,728	8,529,075	
-	-	-	-	-	684,205	
-	-	-	481,733	-	1,519,075	
43,391	866,902	95,231	126,867	-	1,132,391	
164,991	-	402,060	380,259	-	947,310	
-	-	1,170,926	256,250	510,000	1,937,176	
-	-	1,255,924	126,037	1,758,880	3,140,841	
208,382	866,902	2,924,141	1,371,146	2,268,880	9,360,998	
(208,372)	(715,090)	621,592	1,276,003	(1,848,152)	(831,923)	
-	-	-	-	3,925,000	3,925,000	
-	-	-	-	222,801	222,801	
-	-	-	-	(4,037,582)	(4,037,582)	
-	-	423,194	800,000	1,754,345	3,336,087	
-	-	-	(1,300,000)	(53,372)	(1,438,995)	
-	-	423,194	(500,000)	1,811,192	2,007,311	
(208,372)	(715,090)	1,044,786	776,003	(36,960)	1,175,388	
(374,960)	1,240,991	1,448,964	1,624,317	67,068	5,659,643	
\$ (583,332)	\$ 525,901	\$ 2,493,750	\$ 2,400,320	\$ 30,108	\$ 6,835,031	

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

MOTOR FUEL TAX FUND

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

For the Year Ended December 31, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>REVENUES</b>				
Intergovernmental				
Allotments	\$ 961,600	\$ 961,600	\$ 1,109,121	\$ 1,145,569
Grants	418,580	418,580	-	142,500
Investment income	13,540	13,540	8,195	12,969
Total revenues	<u>1,393,720</u>	<u>1,393,720</u>	<u>1,117,316</u>	<u>1,301,038</u>
<b>EXPENDITURES</b>				
Highways and streets				
Personnel services	-	-	-	260,051
Contractual services	140,000	140,000	108,343	166,588
Commodities	247,500	247,500	119,842	152,336
Maintenance and capital improvements	1,240,000	1,240,000	809,157	1,088,697
Total expenditures	<u>1,627,500</u>	<u>1,627,500</u>	<u>1,037,342</u>	<u>1,667,672</u>
NET CHANGE IN FUND BALANCE	<u>\$ (233,780)</u>	<u>\$ (233,780)</u>	79,974	(366,634)
FUND BALANCE, JANUARY 1			<u>1,516,922</u>	<u>1,883,556</u>
FUND BALANCE, DECEMBER 31			<u>\$ 1,596,896</u>	<u>\$ 1,516,922</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

EMERGENCY TELEPHONE SYSTEM FUND

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

For the Year Ended December 31, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>REVENUES</b>				
Charges for services	\$ 222,000	\$ 222,000	\$ 251,516	\$ 230,572
Investment income	1,570	1,570	1,173	2,237
Miscellaneous				
Telephone surcharges	122,000	122,000	139,037	147,029
<b>Total revenues</b>	<b>345,570</b>	<b>345,570</b>	<b>391,726</b>	<b>379,838</b>
<b>EXPENDITURES</b>				
Public safety	452,381	452,381	406,376	410,749
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>				
	<b>(106,811)</b>	<b>(106,811)</b>	<b>(14,650)</b>	<b>(30,911)</b>
<b>OTHER FINANCING SOURCE (USES)</b>				
Transfers in	225,000	225,000	225,000	-
Transfers (out)				
Capital Equipment Replacement Fund	(85,555)	(85,555)	(85,555)	(66,014)
<b>Total other financing sources (uses)</b>	<b>139,445</b>	<b>139,445</b>	<b>139,445</b>	<b>(66,014)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 32,634</b>	<b>\$ 32,634</b>	<b>124,795</b>	<b>(96,925)</b>
<b>FUND BALANCE, JANUARY 1</b>			<b>136,341</b>	<b>233,266</b>
<b>FUND BALANCE, DECEMBER 31</b>			<b>\$ 261,136</b>	<b>\$ 136,341</b>

(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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>PUBLIC SAFETY</b>				
Personnel services				
Training	\$ 975	\$ 975	\$ 787	\$ 975
<b>Contractual services</b>				
Conferences and meetings	1,685	1,685	1,797	890
Data processing services	55,937	55,937	52,161	47,618
Maintenance - equipment	61,060	61,060	41,978	52,233
Membership dues	250	250	222	222
Regional and special agency assessments	294,124	294,124	304,239	282,681
Rental agreements	250	250	-	-
Telecommunications	17,000	17,000	-	8,873
Total contractual services	430,306	430,306	400,397	392,517
<b>Commodities</b>				
Books and subscriptions				
Information systems miscellaneous equipment and supplies	1,100	1,100	623	577
Miscellaneous operating supplies	16,000	16,000	3,955	14,970
Miscellaneous software	1,000	1,000	614	699
Miscellaneous software	3,000	3,000	-	1,011
Total commodities	21,100	21,100	5,192	17,257
<b>Capital outlay</b>				
Transfer to CERF	85,555	85,555	85,555	66,014
Less transfer to CERF	(85,555)	(85,555)	(85,555)	(66,014)
Net capital outlay	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 452,381</b>	<b>\$ 452,381</b>	<b>\$ 406,376</b>	<b>\$ 410,749</b>

(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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>REVENUES</b>				
Intergovernmental	\$ 234,726	\$ 234,726	\$ 197,005	\$ 239,698
Total revenues	234,726	234,726	197,005	239,698
<b>EXPENDITURES</b>				
Public safety				
Personnel services				
Overtime	67,598	67,598	46,485	109,178
Salaries	81,098	81,098	78,324	80,900
Employer contributions	19,395	19,395	16,536	16,607
Conferences and meetings	-	-	75	-
Consulting services	80,000	80,000	73,554	-
Contractual services				
Employee health insurance	20,850	20,850	21,403	20,423
Printing and binding	-	-	-	193
Miscellaneous contractual services	8,170	8,170	32,801	16,833
Commodities				
Miscellaneous operating supplies	1,200	1,200	5,066	903
Investigative funds	3,200	3,200	750	500
Capital improvements				
Special equipment	-	-	2,835	50,353
Total expenditures	281,511	281,511	277,829	295,890
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>				
	(46,785)	(46,785)	(80,824)	(56,192)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in				
General Fund	46,785	46,785	80,892	56,192
Transfers (out)				
General Fund	-	-	(68)	-
Total other financing sources (uses)	46,785	46,785	80,824	56,192
<b>NET CHANGE IN FUND BALANCE</b>				
	\$ -	\$ -	-	-
<b>FUND BALANCE, JANUARY 1</b>				
			-	-
<b>FUND BALANCE, DECEMBER 31</b>				
			\$ -	\$ -

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

TOWN CENTER TIF FUND

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

For the Year Ended December 31, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>REVENUES</b>				
Taxes				
Property taxes	\$ 23,500	\$ 23,500	\$ 5	\$ -
Intergovernmental	-	-	-	104
Investment income	201	201	5	150
Total revenues	<u>23,701</u>	<u>23,701</u>	<u>10</u>	<u>254</u>
<b>EXPENDITURES</b>				
Capital outlay				
Salaries	12,943	12,943	13,119	12,169
Employer contributions	2,898	2,898	2,855	2,508
Consulting services	52,146	52,146	27,392	231,385
Land acquisition	-	-	25	-
Capital improvements				
Streetscape improvements	365,000	365,000	111,478	77,336
Sidewalk improvements	107,600	107,600	15,064	-
Pavement improvements	3,763,400	3,763,400	-	-
Bridge improvements	-	-	-	224,482
Contingencies	-	-	38,449	357,099
Total expenditures	<u>4,303,987</u>	<u>4,303,987</u>	<u>208,382</u>	<u>904,979</u>
NET CHANGE IN FUND BALANCE	<u>\$ (4,280,286)</u>	<u>\$ (4,280,286)</u>	<u>(208,372)</u>	<u>(904,725)</u>
FUND BALANCE (DEFICIT), JANUARY 1			(374,960)	6,001,709
Prior period adjustment			-	(5,471,944)
FUND BALANCE (DEFICIT), JANUARY 1, RESTATED			<u>(374,960)</u>	<u>529,765</u>
FUND BALANCE (DEFICIT), DECEMBER 31			<u>\$ (583,332)</u>	<u>\$ (374,960)</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SOUTHEAST TIF FUND

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

For the Year Ended December 31, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>REVENUES</b>				
Taxes				
Property taxes	\$ -	\$ -	\$ 133,773	\$ 173,994
Investment income	6,635	6,635	18,039	15,518
<b>Total revenues</b>	<b>6,635</b>	<b>6,635</b>	<b>151,812</b>	<b>189,512</b>
<b>EXPENDITURES</b>				
Capital outlay				
Salaries	12,943	12,943	13,119	12,169
Employer contributions	2,898	2,898	2,855	2,508
Conferences and meetings	60	60	-	119
Consulting services	-	-	29,060	6,103
Employee health insurance	2,086	2,086	2,086	1,984
Legal services	5,000	5,000	5,633	3,715
Surplus distributions	-	-	314,149	-
TIF incentive payments	-	-	500,000	-
Capital improvements				
Streetscape improvements	50,000	50,000	-	-
Sidewalk improvements	45,100	45,100	-	-
Waterway improvements	1,535,000	1,535,000	-	-
<b>Total expenditures</b>	<b>1,653,087</b>	<b>1,653,087</b>	<b>866,902</b>	<b>26,598</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (1,646,452)</b>	<b>\$ (1,646,452)</b>	<b>(715,090)</b>	<b>162,914</b>
<b>FUND BALANCE, JANUARY 1</b>			<b>1,240,991</b>	<b>1,078,077</b>
<b>FUND BALANCE, DECEMBER 31</b>			<b>\$ 525,901</b>	<b>\$ 1,240,991</b>

(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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>REVENUES</b>				
Taxes				
Property taxes	\$ 3,732,258	\$ 3,732,258	\$ 3,544,515	\$ 3,777,121
Investment income	17,211	17,211	1,129	7,500
Miscellaneous	-	-	89	-
<b>Total revenues</b>	<b>3,749,469</b>	<b>3,749,469</b>	<b>3,545,733</b>	<b>3,784,621</b>
<b>EXPENDITURES</b>				
Capital outlay				
Salaries	12,943	12,943	13,119	12,169
Employer contributions	2,898	2,898	2,855	2,508
Consulting services	42,146	42,146	79,222	67,776
Business recruitment	-	-	35	-
Capital improvements				
Streetscape improvements	150,000	150,000	-	8,080
Sidewalk improvements	319,700	319,700	9,909	-
TIF incentive	420,000	420,000	392,151	2,523,468
Debt service				
Principal	1,023,634	1,023,634	1,170,926	928,125
Interest	1,404,439	1,404,439	1,250,944	1,398,446
Fiscal agent fees	5,080	5,080	4,980	5,180
<b>Total expenditures</b>	<b>3,380,840</b>	<b>3,380,840</b>	<b>2,924,141</b>	<b>4,945,752</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>368,629</b>	<b>368,629</b>	<b>621,592</b>	<b>(1,161,131)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of refunding bonds	-	-	-	3,168,267
Premium on refunding bonds	-	-	-	88,840
Payment to escrow agent	-	-	-	(3,339,875)
Transfers in				
General Fund	423,194	423,194	423,194	417,600
Capital Projects Fund	-	-	-	40,353
Waterworks and Sewerage Fund	-	-	-	117,821
<b>Total other financing sources (uses)</b>	<b>423,194</b>	<b>423,194</b>	<b>423,194</b>	<b>493,006</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 791,823</b>	<b>\$ 791,823</b>	<b>1,044,786</b>	<b>(668,125)</b>
<b>FUND BALANCE, JANUARY 1</b>			<b>1,448,964</b>	<b>2,117,089</b>
<b>FUND BALANCE, DECEMBER 31</b>			<b>\$ 2,493,750</b>	<b>\$ 1,448,964</b>

(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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>REVENUES</b>				
Taxes				
Utility taxes	\$ 1,924,000	\$ 1,924,000	\$ 1,799,567	\$ 1,871,180
Intergovernmental	1,096,800	1,096,800	87,034	150,000
Investment income	25,014	25,014	18,979	21,616
Miscellaneous	716,732	716,732	741,569	705,195
<b>Total revenues</b>	<b>3,762,546</b>	<b>3,762,546</b>	<b>2,647,149</b>	<b>2,747,991</b>
<b>EXPENDITURES</b>				
Current				
Highways and streets				
Personnel services	247,610	247,610	225,912	247,610
Contractual services	279,000	279,000	255,821	81,195
Commodities	-	-	-	1,222
Capital outlay				
Equipment	135,000	135,000	126,867	-
Capital improvements				
Storm sewer improvements	235,000	235,000	20,495	57,872
Streetscape improvements	1,652,000	1,652,000	99,755	74,040
Bridge improvements	134,000	134,000	-	-
Pavement improvements	223,000	223,000	225,441	2,160
Waterway improvements	30,100	30,100	20,651	4,538
Building improvements	-	-	13,917	228,472
Debt service				
Principal	160,763	160,763	256,250	246,875
Interest	224,746	224,746	125,437	190,407
Fiscal agent fees	400	400	600	400
<b>Total expenditures</b>	<b>3,321,619</b>	<b>3,321,619</b>	<b>1,371,146</b>	<b>1,134,791</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>440,927</b>	<b>440,927</b>	<b>1,276,003</b>	<b>1,613,200</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of refunding bonds	-	-	-	3,820,676
Premium on refunding bonds	-	-	-	104,358
Payment to escrow agent	-	-	-	(3,923,274)
Transfers in	-	-	800,000	-
Transfers (out)				
North Milwaukee/Lake Cook Redevelopment Area Fund	-	-	-	(40,353)
Debt Service Fund	(1,300,000)	(1,300,000)	(1,300,000)	(1,500,000)
<b>Total other financing sources (uses)</b>	<b>(1,300,000)</b>	<b>(1,300,000)</b>	<b>(500,000)</b>	<b>(1,538,593)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (859,073)</b>	<b>\$ (859,073)</b>	<b>776,003</b>	<b>74,607</b>
<b>FUND BALANCE, JANUARY 1</b>			<b>1,624,317</b>	<b>1,549,710</b>
<b>FUND BALANCE, DECEMBER 31</b>			<b>\$ 2,400,320</b>	<b>\$ 1,624,317</b>

(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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>REVENUES</b>				
Taxes				
Property taxes	\$ 412,800	\$ 412,800	\$ 419,342	\$ 464,352
Investment income	-	-	1,386	1,128
<b>Total revenues</b>	<b>412,800</b>	<b>412,800</b>	<b>420,728</b>	<b>465,480</b>
<b>EXPENDITURES</b>				
Debt service				
Principal retirement	344,250	344,250	510,000	560,000
Interest	1,650,000	1,650,000	1,757,180	1,672,162
Fiscal agent fees	-	-	1,700	750
<b>Total expenditures</b>	<b>1,994,250</b>	<b>1,994,250</b>	<b>2,268,880</b>	<b>2,232,912</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(1,581,450)</b>	<b>(1,581,450)</b>	<b>(1,848,152)</b>	<b>(1,767,432)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of refunding bonds	-	-	3,925,000	-
Premium on refunding bonds	-	-	222,801	-
Payment to escrow agent	-	-	(4,037,582)	-
Transfers in				
General Fund	-	-	7,145	-
Capital Projects Fund	1,300,000	1,300,000	1,300,000	1,500,000
Water and Sewerage Fund	447,200	447,200	447,200	281,450
Transfers (out)				
General Fund	-	-	(53,372)	-
<b>Total other financing sources (uses)</b>	<b>1,747,200</b>	<b>1,747,200</b>	<b>1,811,192</b>	<b>1,781,450</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 165,750</b>	<b>\$ 165,750</b>	<b>(36,960)</b>	<b>14,018</b>
<b>FUND BALANCE, JANUARY 1</b>			<b>67,068</b>	<b>53,050</b>
<b>FUND BALANCE, DECEMBER 31</b>			<b>\$ 30,108</b>	<b>\$ 67,068</b>

(See independent auditor's report.)

## **MAJOR PROPRIETARY FUNDS**

### **ENTERPRISE FUNDS**

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

#### **Waterworks and Sewerage Fund**

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

### **INTERNAL SERVICE FUND**

#### **Liability Insurance Fund**

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

VILLAGE OF WHEELING, ILLINOIS  
WATERWORKS AND SEWERAGE FUND

STATEMENT OF NET POSITION

December 31, 2012  
(With Comparative Amounts for December 31, 2011)

	2012	2011
<b>CURRENT ASSETS</b>		
Cash and investments	\$ 10,689,292	\$ 7,058,300
Receivables (net where applicable of allowance for uncollectibles)		
Accounts	1,741,794	1,611,983
Accrued interest	5,379	4,916
IPBC	121,241	102,940
Miscellaneous	-	435
Prepaid expenses	134,376	136,064
Inventory	294,382	291,143
Total current assets	12,986,464	9,205,781
<b>NONCURRENT ASSETS</b>		
Capital assets		
Assets not being depreciated	900,891	1,539,353
Assets being depreciated		
Cost	56,561,030	54,992,132
Accumulated depreciation	(19,393,960)	(18,369,177)
Net capital assets being depreciated	37,167,070	36,622,955
Net capital assets	38,067,961	38,162,308
Advances to other funds	1,002,614	848,657
Investment in joint ventures	7,262,174	7,001,387
Total noncurrent assets	46,332,749	46,012,352
Total assets	59,319,213	55,218,133
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Unamortized loss on refunding	17,299	18,872
Total deferred outflows of resources	17,299	18,872
Total assets and deferred outflows of resources	59,336,512	55,237,005

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

STATEMENT OF NET POSITION (Continued)

December 31, 2012

(With Comparative Amounts for December 31, 2011)

	2012	2011
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 371,633	\$ 218,102
Accrued payroll	98,061	78,295
Compensated absences payable	69,353	58,032
Deposits payable	59,340	64,180
Interest payable	10,475	1,939
Bonds payable	343,623	162,824
<b>Total current liabilities</b>	<b>952,485</b>	<b>583,372</b>
<b>NONCURRENT LIABILITIES</b>		
General obligation bonds payable (less current portion)	4,553,791	1,329,595
Compensated absences payable (less current portion)	84,764	70,927
Other postemployment benefit obligation	7,191	9,927
<b>Total noncurrent liabilities</b>	<b>4,645,746</b>	<b>1,410,449</b>
<b>Total liabilities</b>	<b>5,598,231</b>	<b>1,993,821</b>
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	33,187,846	36,688,761
Unrestricted	20,550,435	16,554,423
<b>TOTAL NET POSITION</b>	<b>\$ 53,738,281</b>	<b>\$ 53,243,184</b>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS  
WATERWORKS AND SEWERAGE FUND  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES  
IN NET POSITION - BUDGET AND ACTUAL

For the Year Ended December 31, 2012

	Original Budget	Final Budget	Actual
<b>OPERATING REVENUES</b>			
Charges for services			
Water sales	\$ 6,188,250	\$ 6,188,250	\$ 6,439,216
Sewer charges	1,531,250	1,531,250	1,514,271
Water connection fees	24,000	24,000	39,004
Sewer connection fees	30,000	30,000	84,013
Water meter sales	10,000	10,000	7,458
Other	104,873	104,873	154,141
Total operating revenues	<u>7,888,373</u>	<u>7,888,373</u>	<u>8,238,103</u>
<b>OPERATING EXPENSES EXCLUDING DEPRECIATION</b>			
Waterworks division	4,394,884	4,394,884	4,126,055
Sewerage division	1,640,870	1,640,870	1,456,632
Waterworks and sewerage capital division	5,123,000	5,123,000	1,068,215
Total operating expenses excluding depreciation	<u>11,158,754</u>	<u>11,158,754</u>	<u>6,650,902</u>
<b>OPERATING INCOME (LOSS) BEFORE DEPRECIATION</b>	(3,270,381)	(3,270,381)	1,587,201
<b>DEPRECIATION</b>	<u>-</u>	<u>-</u>	<u>1,014,580</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(3,270,381)</u>	<u>(3,270,381)</u>	<u>572,621</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment income	74,676	74,676	83,886
Increase in interest expense	(33,188)	(33,188)	(209,752)
Joint venture - Northwest Water Commission	-	-	260,788
Total nonoperating revenues (expenses)	<u>41,488</u>	<u>41,488</u>	<u>134,922</u>
<b>INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS</b>	<u>(3,228,893)</u>	<u>(3,228,893)</u>	<u>707,543</u>
<b>TRANSFERS IN (OUT)</b>			
Debt Service Fund	(447,200)	(447,200)	(447,200)
Capital Equipment Replacement Fund	-	-	13,864
Capital Equipment Replacement Fund	(140,093)	(140,093)	-
Total transfers in (out)	<u>(587,293)</u>	<u>(587,293)</u>	<u>(433,336)</u>
<b>CONTRIBUTIONS</b>	<u>-</u>	<u>-</u>	<u>220,890</u>
<b>CHANGE IN NET POSITION</b>	<u>\$ (3,816,186)</u>	<u>\$ (3,816,186)</u>	<u>495,097</u>
<b>NET POSITION, JANUARY 1</b>			53,273,764
Prior period adjustment			<u>(30,580)</u>
<b>NET POSITION, JANUARY 1, RESTATED</b>			<u>53,243,184</u>
<b>NET POSITION, DECEMBER 31</b>			<u><u>\$ 53,738,281</u></u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL

For the Year Ended December 31, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>WATERWORKS DIVISION</b>				
Personnel services				
Overtime	\$ 60,000	\$ 60,000	\$ 40,017	\$ 36,830
Seasonal help	22,750	22,750	21,011	13,641
Salaries	620,694	620,694	594,479	552,498
Longevity	3,800	3,800	3,800	6,135
Training	3,667	3,667	1,526	2,177
Uniform allowance	4,800	4,800	4,224	4,479
Employer contributions	139,816	139,816	140,771	128,434
Unemployment compensation	-	-	930	339
Sick leave buy back	-	-	333	-
OPEB	-	-	(2,736)	(10,849)
<b>Total personnel services</b>	<b>855,527</b>	<b>855,527</b>	<b>804,355</b>	<b>733,684</b>
Contractual services				
Bank charges	15,900	15,900	20,530	19,057
Conference and meetings	1,900	1,900	532	2,667
Consulting services	1,000	1,000	192	-
Data processing services	35,500	35,500	34,455	-
Legal services	-	-	-	11,456
Debris dump charges	20,000	20,000	17,463	17,213
Energy	100,000	100,000	88,937	93,602
Employee group insurance	145,832	145,832	124,968	120,875
Finger printing fees	-	-	252	-
General liability insurance	78,232	78,232	78,232	93,132
Hydrant maintenance	30,000	30,000	28,038	30,529
Landscape maintenance	20,000	20,000	9,817	14,525
Maintenance - office and special equipment	1,000	1,000	1,894	149
Maintenance - radio equipment	400	400	210	62
Membership dues	880	880	470	285
Postage	13,792	13,792	12,908	12,818
Printing and binding	9,040	9,040	9,613	9,568
Rental equipment	1,500	1,500	155	-
Telemetry equipment maintenance	20,200	20,200	10,117	9,853
Retiree health insurance	14,852	14,852	9,941	11,312
Wells maintenance	17,500	17,500	23,614	15,912
Miscellaneous contractual services	250	250	116	64
<b>Total contractual services</b>	<b>527,778</b>	<b>527,778</b>	<b>472,454</b>	<b>463,079</b>
Commodities				
Auto petroleum products	36,500	36,500	32,835	30,009
Books and subscriptions	100	100	76	-
Chemicals - treatment	7,000	7,000	8,550	6,214
Water samples	20,000	20,000	10,427	10,313
Janitorial supplies	500	500	686	4,036
Vehicle maintenance	22,000	22,000	21,247	18,004
Building and grounds maintenance	17,000	17,000	13,372	31,278
Minor tools and equipment	8,000	8,000	8,396	6,816
Miscellaneous operating supplies	3,150	3,150	2,813	1,111
Office supplies	350	350	307	343
Protective clothing	3,975	3,975	3,454	2,800
Meters	40,000	40,000	10,249	38,585
Water main maintenance	60,000	60,000	67,343	43,311
Water storage facilities maintenance	52,000	52,000	30,768	26,443
<b>Total commodities</b>	<b>270,575</b>	<b>270,575</b>	<b>210,523</b>	<b>219,263</b>

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>WATERWORKS DIVISION (Continued)</b>				
Capital outlay				
Water improvements	\$ 20,000	\$ 20,000	\$ -	\$ (7,764)
Transfer to CERF	99,365	99,365	-	-
Subtotal	119,365	119,365	-	(7,764)
Less				
Transfer to CERF	(99,365)	(99,365)	-	-
Net capital outlay	20,000	20,000	-	(7,764)
Less				
Capital assets capitalized	-	-	-	-
Other				
General Fund reimbursement	931,004	931,004	931,004	967,244
Northwest Water Commission - water charge	1,790,000	1,790,000	1,707,719	1,743,976
Total other	2,721,004	2,721,004	2,638,723	2,711,220
Total operating expenses excluding depreciation - waterworks division	4,394,884	4,394,884	4,126,055	4,119,482
<b>SEWERAGE DIVISION</b>				
Personnel services				
Overtime	35,000	35,000	11,167	34,634
Seasonal help	22,750	22,750	20,047	10,013
Salaries	620,694	620,694	594,478	573,216
Longevity	3,800	3,800	3,800	6,135
Training	1,000	1,000	941	1,222
Uniform allowance	4,800	4,800	4,070	2,267
Employer contributions	139,816	139,816	140,834	131,293
Sick leave buy back	-	-	333	-
Total personnel services	827,860	827,860	775,670	758,780
Contractual services				
Conferences and meetings	975	975	531	1,419
Data processing services	35,500	35,500	34,455	-
Debris dump charges	15,000	15,000	12,237	8,988
Energy	18,000	18,000	14,870	17,495
Employee health insurance	145,832	145,832	127,968	112,285
General liability insurance	41,724	41,724	41,724	49,670
Landscape maintenance	29,110	29,110	16,737	11,824
Bank charges	2,700	2,700	2,899	2,987
Maintenance office/special equipment	3,000	3,000	2,235	3,797
Maintenance - radio equipment	300	300	210	30
Membership dues	75	75	154	-
Postage	2,931	2,931	2,743	2,724
Printing and binding	1,921	1,921	2,037	1,982
Rental equipment	1,500	1,500	-	-
Tree maintenance	30,000	30,000	32,000	29,978
Telemetry equipment maintenance	9,000	9,000	7,096	738
Retiree health insurance	5,216	5,216	11,525	11,642
Miscellaneous contractual	6,000	6,000	1,000	1,576
Total contractual services	348,784	348,784	310,421	257,135

(This schedule is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>SEWERAGE DIVISION (Continued)</b>				
Commodities				
Auto petroleum products	\$ 23,500	\$ 23,500	\$ 21,339	\$ 19,424
Books and subscriptions	1,150	1,150	1,078	4,360
Chemicals	9,000	9,000	5,810	6,874
Vehicle maintenance	22,000	22,000	14,944	16,241
Building and grounds maintenance	1,500	1,500	98	960
Minor tools and equipment	6,500	6,500	3,465	5,875
Miscellaneous operating supplies	3,500	3,500	1,253	2,281
Office supplies	350	350	296	328
Protective clothing	3,975	3,975	3,592	2,519
Life stations	35,000	35,000	13,365	19,623
Sewer line maintenance	85,000	85,000	72,550	58,803
Total commodities	191,475	191,475	137,790	137,288
Capital outlay				
Mobile equipment	40,000	40,000	-	-
Transfer to CERF	40,728	40,728	-	-
Subtotal	80,728	80,728	-	-
Less				
Transfer to CERF	(40,728)	(40,728)	-	-
Net capital outlay	40,000	40,000	-	-
Other				
General Fund reimbursement	232,751	232,751	232,751	241,811
Total operating expenses excluding depreciation - sewerage division	1,640,870	1,640,870	1,456,632	1,395,014
<b>WATERWORKS AND SEWERAGE CAPITAL DIVISION</b>				
Personnel services				
Salaries	96,000	96,000	96,000	93,000
Total personnel services	96,000	96,000	96,000	93,000
Contractual services				
Consulting services	-	-	4,689	-
Miscellaneous contractual services	-	-	-	500
Consulting services	-	-	48,802	9,008
Total contractual services	-	-	53,491	9,508
Capital outlay				
Water improvements	4,652,000	4,652,000	729,880	-
Sanitary sewer improvements	375,000	375,000	188,844	152,338
Total capital outlay	5,027,000	5,027,000	918,724	152,338
Total operating expenses excluding depreciation - sewerage division	5,123,000	5,123,000	1,068,215	254,846
<b>TOTAL OPERATING EXPENSES EXCLUDING DEPRECIATION</b>	<b>\$ 11,158,754</b>	<b>\$ 11,158,754</b>	<b>\$ 6,650,902</b>	<b>\$ 5,769,342</b>

(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, 2012  
(With Comparative Actual)

	2012		Actual	2011
	Original Budget	Final Budget		
<b>OPERATING REVENUES</b>				
Charges for services	\$ 1,043,096	\$ 1,043,096	\$ 1,043,096	\$ 1,041,760
<b>OPERATING EXPENSES</b>				
Contractual services				
Consulting services	56,287	56,287	54,515	55,437
Insurance claims administration	26,617	26,617	25,000	25,350
General liability insurance	363,176	363,176	284,780	349,234
Self-insurance claims	823,000	823,000	654,803	706,296
Total operating expenses	1,269,080	1,269,080	1,019,098	1,136,317
OPERATING INCOME (LOSS)	(225,984)	(225,984)	23,998	(94,557)
<b>NONOPERATING REVENUES</b>				
Investment income	16,087	16,087	25,334	12,189
Miscellaneous	-	-	179	-
Total nonoperating revenues	16,087	16,087	25,513	12,189
INCOME (LOSS) BEFORE TRANSFERS	(209,897)	(209,897)	49,511	(82,368)
<b>TRANSFERS IN</b>				
General Fund	-	-	200,000	-
Total transfers	-	-	200,000	-
CHANGE IN NET POSITION	\$ (209,897)	\$ (209,897)	249,511	(82,368)
NET POSITION, JANUARY 1			1,308,458	1,390,826
NET POSITION, DECEMBER 31			\$ 1,557,969	\$ 1,308,458

(See independent auditor's report.)

## **FIDUCIARY FUNDS**

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

## **PENSION TRUST FUNDS**

### **Police Pension Fund**

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

### **Firefighters' Pension Fund**

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

VILLAGE OF WHEELING, ILLINOIS

PENSION TRUST FUNDS

COMBINING STATEMENT OF NET POSITION

December 31, 2012

	Police Pension	Firefighters' Pension	Total
<b>ASSETS</b>			
Cash and short-term investments	\$ 406,039	\$ 967,995	\$ 1,374,034
Investments at fair value			
U.S. Government and agency obligations	10,603,366	7,124,579	17,727,945
State and local obligations	1,808,000	733,461	2,541,461
Corporate bonds	5,235,869	5,159,447	10,395,316
Mutual funds	17,348,118	7,130,907	24,479,025
Equities	2,279,866	7,225,488	9,505,354
Total investments	37,275,219	27,373,882	64,649,101
Receivables			
Accrued interest	180,942	114,918	295,860
Due from General Fund	28,795	27,733	56,528
Total receivables	209,737	142,651	352,388
Total assets	37,890,995	28,484,528	66,375,523
<b>LIABILITIES</b>			
Accounts payable	8,785	30,317	39,102
Total liabilities	8,785	30,317	39,102
<b>NET POSITION HELD IN TRUST FOR PENSION BENEFITS</b>	<b>\$ 37,882,210</b>	<b>\$ 28,454,211</b>	<b>\$ 66,336,421</b>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

PENSION TRUST FUNDS

COMBINING STATEMENT OF CHANGES IN PLAN NET POSITION

For the Year Ended December 31, 2012

	Police Pension	Firefighters' Pension	Total
<b>ADDITIONS</b>			
Contributions			
Employer	\$ 1,378,043	\$ 1,314,938	\$ 2,692,981
Employee	540,861	407,047	947,908
Total contributions	1,918,904	1,721,985	3,640,889
Investment income			
Net appreciation in fair value of investments	1,760,495	1,400,588	3,161,083
Investment income	1,799,657	741,064	2,540,721
Total investment income	3,560,152	2,141,652	5,701,804
Less investment expenses	83,274	135,288	218,562
Net investment income	3,476,878	2,006,364	5,483,242
Total additions	5,395,782	3,728,349	9,124,131
<b>DEDUCTIONS</b>			
Benefits and refunds	1,906,494	2,434,863	4,341,357
Administrative expenses	33,157	25,875	59,032
Total deductions	1,939,651	2,460,738	4,400,389
<b>NET INCREASE</b>	3,456,131	1,267,611	4,723,742
<b>NET POSITION HELD IN TRUST FOR PENSION BENEFITS</b>			
January 1	34,426,079	27,186,600	61,612,679
December 31	\$ 37,882,210	\$ 28,454,211	\$ 66,336,421

(See independent auditor's report.)

**SUPPLEMENTAL FINANCIAL INFORMATION**

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2012

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

Current and Future Principal and Interest Requirements

Tax Levy Year				Interest Due On			
	Principal	Interest	Totals	June 1	Amount	December 1	Amount
2012	\$ 260,000	\$ 10,400	\$ 270,400	2013	\$ 5,200	2013	\$ 5,200
	<u>\$ 260,000</u>	<u>\$ 10,400</u>	<u>\$ 270,400</u>		<u>\$ 5,200</u>		<u>\$ 5,200</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2012

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

Current and Future Principal and Interest Requirements

Fiscal Year				Interest Due On			
	Principal	Interest	Totals	January 1	Amount	July 1	Amount
2013	\$ 710,000	\$ 1,040,700	\$ 1,750,700	2013	\$ 531,000	2013	\$ 509,700
2014	780,000	996,000	1,776,000	2014	509,700	2014	486,300
2015	865,000	946,650	1,811,650	2015	486,300	2015	460,350
2016	970,000	891,600	1,861,600	2016	460,350	2016	431,250
2017	1,060,000	830,700	1,890,700	2017	431,250	2017	399,450
2018	1,185,000	763,350	1,948,350	2018	399,450	2018	363,900
2019	1,295,000	688,950	1,983,950	2019	363,900	2019	325,050
2020	1,410,000	607,800	2,017,800	2020	325,050	2020	282,750
2021	1,545,000	519,150	2,064,150	2021	282,750	2021	236,400
2022	1,690,000	422,100	2,112,100	2022	236,400	2022	185,700
2023	1,830,000	316,500	2,146,500	2023	185,700	2023	130,800
2024	2,050,000	200,100	2,250,100	2024	130,800	2024	69,300
2025	2,310,000	69,300	2,379,300	2025	69,300	2025	-
	<u>\$ 17,700,000</u>	<u>\$ 8,292,900</u>	<u>\$ 25,992,900</u>		<u>\$ 4,411,950</u>		<u>\$ 3,880,950</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2012

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

Current and Future Principal and Interest Requirements

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	June 1	Amount	December 1	Amount
2012	\$ -	\$ 392,000	\$ 392,000	2013	\$ 196,000	2013	\$ 196,000
2013	-	392,000	392,000	2014	196,000	2014	196,000
2014	-	392,000	392,000	2015	196,000	2015	196,000
2015	-	392,000	392,000	2016	196,000	2016	196,000
2016	-	392,000	392,000	2017	196,000	2017	196,000
2017	-	392,000	392,000	2018	196,000	2018	196,000
2018	-	392,000	392,000	2019	196,000	2019	196,000
2019	-	392,000	392,000	2020	196,000	2020	196,000
2020	-	392,000	392,000	2021	196,000	2021	196,000
2021	-	392,000	392,000	2022	196,000	2022	196,000
2022	-	392,000	392,000	2023	196,000	2023	196,000
2023	-	392,000	392,000	2024	196,000	2024	196,000
2024	-	392,000	392,000	2025	196,000	2025	196,000
2025	-	392,000	392,000	2026	196,000	2026	196,000
2026	1,445,000	392,000	1,837,000	2027	196,000	2027	196,000
2027	3,700,000	335,356	4,035,356	2028	167,678	2028	167,678
2028	3,850,000	190,316	4,040,316	2029	95,158	2029	95,158
2029	1,005,000	39,396	1,044,396	2030	19,698	2030	19,698
	<u>\$ 10,000,000</u>	<u>\$ 6,445,068</u>	<u>\$ 16,445,068</u>		<u>\$ 3,222,534</u>		<u>\$ 3,222,534</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2012

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

Current and Future Principal and Interest Requirements

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	June 1	Amount	December 1	Amount
2012	\$ 670,000	\$ 843,917	\$ 1,513,917	2013	\$ 421,959	2013	\$ 421,958
2013	840,000	814,906	1,654,906	2014	407,453	2014	407,453
2014	1,015,000	778,534	1,793,534	2015	389,267	2015	389,267
2015	1,205,000	734,585	1,939,585	2016	367,293	2016	367,292
2016	1,400,000	682,408	2,082,408	2017	341,204	2017	341,204
2017	1,600,000	621,788	2,221,788	2018	310,894	2018	310,894
2018	1,815,000	552,508	2,367,508	2019	276,254	2019	276,254
2019	2,030,000	473,919	2,503,919	2020	236,960	2020	236,959
2020	2,250,000	386,020	2,636,020	2021	193,010	2021	193,010
2021	2,475,000	288,595	2,763,595	2022	144,298	2022	144,297
2022	2,700,000	181,427	2,881,427	2023	90,714	2023	90,713
2023	1,490,000	64,517	1,554,517	2024	32,259	2024	32,258
	<u>\$ 19,490,000</u>	<u>\$ 6,423,124</u>	<u>\$ 25,913,124</u>		<u>\$ 3,211,565</u>		<u>\$ 3,211,559</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2012

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

Current and Future Principal and Interest Requirements

Tax Levy Year	Tax Levy			June 1	Interest Due On		
	Principal	Interest	Totals		Amount	December 1	Amount
2012	\$ -	\$ 392,000	\$ 392,000	2013	\$ 196,000	2013	\$ 196,000
2013	-	392,000	392,000	2014	196,000	2014	196,000
2014	-	392,000	392,000	2015	196,000	2015	196,000
2015	-	392,000	392,000	2016	196,000	2016	196,000
2016	-	392,000	392,000	2017	196,000	2017	196,000
2017	-	392,000	392,000	2018	196,000	2018	196,000
2018	-	392,000	392,000	2019	196,000	2019	196,000
2019	-	392,000	392,000	2020	196,000	2020	196,000
2020	-	392,000	392,000	2021	196,000	2021	196,000
2021	-	392,000	392,000	2022	196,000	2022	196,000
2022	-	392,000	392,000	2023	196,000	2023	196,000
2023	1,435,000	392,000	1,827,000	2024	196,000	2024	196,000
2024	3,140,000	335,748	3,475,748	2025	167,874	2025	167,874
2025	3,340,000	212,660	3,552,660	2026	106,330	2026	106,330
2026	2,085,000	81,732	2,166,732	2027	40,866	2027	40,866
	<u>\$ 10,000,000</u>	<u>\$ 5,334,140</u>	<u>\$ 15,334,140</u>		<u>\$ 2,667,070</u>		<u>\$ 2,667,070</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2012

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

Current and Future Principal and Interest Requirements

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	June 15	Amount	December 15	Amount
2012	\$ 770,000	\$ 206,300	\$ 976,300	2013	\$ 103,150	2013	\$ 103,150
2013	780,000	190,900	970,900	2014	95,450	2014	95,450
2014	785,000	175,300	960,300	2015	87,650	2015	87,650
2015	825,000	159,600	984,600	2016	79,800	2016	79,800
2016	825,000	143,100	968,100	2017	71,550	2017	71,550
2017	835,000	126,600	961,600	2018	63,300	2018	63,300
2018	665,000	101,550	766,550	2019	50,775	2019	50,775
2019	685,000	81,600	766,600	2020	40,800	2020	40,800
2020	705,000	61,050	766,050	2021	30,525	2021	30,525
2021	720,000	39,900	759,900	2022	19,950	2022	19,950
2022	610,000	18,300	628,300	2023	9,150	2023	9,150
	<u>\$ 8,205,000</u>	<u>\$ 1,304,200</u>	<u>\$ 9,509,200</u>		<u>\$ 652,100</u>		<u>\$ 652,100</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2012

Date of Issue	April 24, 2012
Date of Maturity	December 1, 2024
Authorized Issue	\$3,925,000
Interest Rates	2.00% - 3.50%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

Current and Future Principal and Interest Requirements

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	June 1	Amount	December 1	Amount
2012	\$ 25,000	\$ 112,025	\$ 137,025	2013	\$ 56,013	2013	\$ 56,012
2013	295,000	111,525	406,525	2014	55,763	2014	55,762
2014	305,000	105,625	410,625	2015	52,813	2015	52,812
2015	315,000	98,000	413,000	2016	49,000	2016	49,000
2016	325,000	90,125	415,125	2017	45,063	2017	45,062
2017	335,000	82,000	417,000	2018	41,000	2018	41,000
2018	340,000	71,950	411,950	2019	35,975	2019	35,975
2019	355,000	61,750	416,750	2020	30,875	2020	30,875
2020	370,000	51,100	421,100	2021	25,550	2021	25,550
2021	380,000	40,000	420,000	2022	20,000	2022	20,000
2022	390,000	27,650	417,650	2023	13,825	2023	13,825
2023	400,000	14,000	414,000	2024	7,000	2024	7,000
	<u>\$ 3,835,000</u>	<u>\$ 865,750</u>	<u>\$ 4,700,750</u>		<u>\$ 432,877</u>		<u>\$ 432,873</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2012

Date of Issue	April 24, 2012
Date of Maturity	December 1, 2032
Authorized Issue	\$3,500,000
Interest Rates	3.00% - 3.50%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

Current and Future Principal and Interest Requirements

Fiscal Year				Interest Due On			
	Principal	Interest	Totals	June 15	Amount	December 15	Amount
2013	\$ 125,000	\$ 111,150	\$ 236,150	2013	\$ 55,575	2013	\$ 55,575
2014	125,000	107,400	232,400	2014	53,700	2014	53,700
2015	130,000	103,650	233,650	2015	51,825	2015	51,825
2016	135,000	99,750	234,750	2016	49,875	2016	49,875
2017	140,000	95,700	235,700	2017	47,850	2017	47,850
2018	140,000	91,500	231,500	2018	45,750	2018	45,750
2019	150,000	87,300	237,300	2019	43,650	2019	43,650
2020	155,000	82,800	237,800	2020	41,400	2020	41,400
2021	160,000	78,150	238,150	2021	39,075	2021	39,075
2022	165,000	73,350	238,350	2022	36,675	2022	36,675
2023	175,000	68,400	243,400	2023	34,200	2023	34,200
2024	180,000	63,150	243,150	2024	31,575	2024	31,575
2025	185,000	57,750	242,750	2025	28,875	2025	28,875
2026	195,000	51,969	246,969	2026	25,985	2026	25,984
2027	200,000	45,875	245,875	2027	22,938	2027	22,937
2028	210,000	39,375	249,375	2028	19,688	2028	19,687
2029	220,000	32,550	252,550	2029	16,275	2029	16,275
2030	230,000	24,850	254,850	2030	12,425	2030	12,425
2031	235,000	16,800	251,800	2031	8,400	2031	8,400
2032	245,000	8,575	253,575	2032	4,288	2032	4,287
	<u>\$ 3,500,000</u>	<u>\$ 1,340,044</u>	<u>\$ 4,840,044</u>		<u>\$ 670,024</u>		<u>\$ 670,020</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS  
SCHEDULE OF INSURANCE IN FORCE  
December 31, 2012

Insured	Description of Coverage	Amount of Coverage	Expiration Date of Policy
Village of Wheeling	Argonaut Insurance: Comprehensive General Liability Auto Physical Damage Errors and Omissions Employee Benefits Liability Terrorism (Lloyd's Insurance)	\$1,000,000 per occurrence (\$3,000,000 aggregate), \$100,000 SIR \$1,000,000 per occurrence (\$3,000,000 aggregate), \$100,000 SIR \$1,000,000 per occurrence (\$3,000,000 aggregate), \$100,000 SIR \$1,000,000 per occurrence (\$3,000,000 aggregate), \$100,000 SIR \$5,000,000 per occurrence, \$25,000 deductible	12/31/2013
Village of Wheeling	Property/Auto Physical Damage Limits (Chubb/Federal Insurance Company)	\$118,770,258	12/31/2013
Village of Wheeling	Excess Liability (Argonaut and Torus Insurance)	\$15,000,000 (\$16,000,000 aggregate)	12/31/2013
Village of Wheeling	Workers Compensation (Safety National)	\$500,000 SIR per occurrence (\$600,000 for Police Officers) Statutory loss limit per occurrence	12/31/2013
Village of Wheeling	Crime - Employee Dishonesty (Hartford Fire Insurance Co.)	\$25,000 deductible \$5,000,000 loss limit	12/31/2013
Village of Wheeling	Boiler and Machinery (Travelers Insurance)	\$5,000 deductible \$50,000,000 loss limit	12/31/2013
Village of Wheeling	Storage Tank System (Colony Insurance)	\$5,000 deductible \$1,000,000 loss limit	12/31/2013

## STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	133-138
Revenue Capacity	
These schedules contain information to help the reader assess the Village's most significant local revenue source, the sales tax.	139-144
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.	145-148
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.	149-151
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.	152-153

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

VILLAGE OF WHEELING, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>GOVERNMENTAL ACTIVITIES</b>										
Net investment in capital assets	\$ 28,543,534	\$ 32,484,495	\$ 34,964,527	\$ 38,279,976	\$ 30,177,350	\$ 44,583,426	\$ 44,689,081	\$ 42,799,847	\$ 54,123,693	\$ 97,083,613
Restricted	10,291,528	22,610,652	22,930,347	20,192,016	29,617,995	37,126,903	36,584,679	28,589,477	10,362,766	14,015,084
Unrestricted	27,014,782	14,834,556	(11,793,666)	(9,996,054)	(6,423,488)	(25,182,170)	(23,198,346)	(10,132,657)	(7,488,366)	(8,426,292)
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 65,849,844</b>	<b>\$ 69,929,703</b>	<b>\$ 46,101,208</b>	<b>\$ 48,475,938</b>	<b>\$ 53,371,857</b>	<b>\$ 56,528,159</b>	<b>\$ 58,075,414</b>	<b>\$ 61,256,667</b>	<b>\$ 56,998,093</b>	<b>\$ 102,672,405</b>
<b>BUSINESS-TYPE ACTIVITIES</b>										
Net investment in capital assets	\$ 70,888,301	\$ 71,768,341	\$ 33,371,623	\$ 35,710,919	\$ 36,808,647	\$ 37,418,818	\$ 37,148,779	\$ 36,274,317	\$ 36,688,761	\$ 33,187,846
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	11,647,200	14,760,149	57,635,307	59,865,026	64,732,651	61,423,064	60,938,306	63,241,696	62,992,898	20,550,435
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>\$ 82,535,501</b>	<b>\$ 86,528,490</b>	<b>\$ 91,006,930</b>	<b>\$ 95,575,945</b>	<b>\$ 101,541,298</b>	<b>\$ 98,841,882</b>	<b>\$ 98,087,085</b>	<b>\$ 99,516,013</b>	<b>\$ 99,681,659</b>	<b>\$ 53,738,281</b>
<b>PRIMARY GOVERNMENT</b>										
Net investment in capital assets	\$ 99,431,835	\$ 104,252,836	\$ 68,336,150	\$ 73,990,895	\$ 66,985,997	\$ 82,002,244	\$ 81,837,860	\$ 79,074,164	\$ 90,812,454	\$ 130,271,459
Restricted	10,291,528	22,610,652	22,930,347	20,192,016	29,617,995	37,126,903	36,584,679	28,589,477	10,362,766	14,015,084
Unrestricted	38,661,982	29,594,705	45,841,641	49,868,972	58,309,163	36,240,894	37,739,960	53,109,039	55,504,532	12,124,143
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 148,385,345</b>	<b>\$ 156,458,193</b>	<b>\$ 137,108,138</b>	<b>\$ 144,051,883</b>	<b>\$ 154,913,155</b>	<b>\$ 155,370,041</b>	<b>\$ 156,162,499</b>	<b>\$ 160,772,680</b>	<b>\$ 156,679,752</b>	<b>\$ 156,410,686</b>

Data Source

Audited Financial Statements

VILLAGE OF WHEELING, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

	2003*	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>EXPENSES</b>										
Governmental Activities										
General government	\$ 6,580,632	\$ 9,314,779	\$ 36,362,855	\$ 16,646,480	\$ 12,984,438	\$ 17,784,959	\$ 14,122,513	\$ 14,219,565	\$ 16,233,324	\$ 18,700,252
Public safety	9,800,136	14,902,595	16,653,729	17,420,259	18,526,167	19,716,414	19,885,699	20,396,013	20,733,943	21,317,828
Highways and streets	2,433,207	2,873,423	3,538,506	3,371,315	5,412,538	1,842,576	5,476,091	2,783,647	4,577,770	2,511,525
Interest and fees	391,060	596,708	1,121,528	1,986,097	1,919,098	2,998,209	3,462,955	3,415,044	3,227,766	3,356,724
Total governmental activities expenses	19,205,035	27,687,505	57,676,618	39,424,151	38,842,241	42,342,158	42,947,258	40,814,269	44,772,803	45,886,329
Business-Type Activities										
Water and sewer	3,815,158	6,348,615	6,470,907	6,265,342	7,612,327	7,373,555	7,067,551	6,912,264	6,817,876	7,875,234
Airport	-	-	-	-	-	3,444,406	799,270	-	266,654	-
Total business-type activities expenses	3,815,158	6,348,615	6,470,907	6,265,342	7,612,327	10,817,961	7,866,821	6,912,264	7,084,530	7,875,234
<b>TOTAL PRIMARY GOVERNMENT EXPENSES</b>	<b>\$ 23,020,193</b>	<b>\$ 34,036,120</b>	<b>\$ 64,147,525</b>	<b>\$ 45,689,493</b>	<b>\$ 46,454,568</b>	<b>\$ 53,160,119</b>	<b>\$ 50,814,079</b>	<b>\$ 47,726,533</b>	<b>\$ 51,857,333</b>	<b>\$ 53,761,563</b>
<b>PROGRAM REVENUES</b>										
Governmental Activities										
Charges for services										
General government	\$ 1,238,366	\$ 1,622,621	\$ 1,637,061	\$ 2,372,907	\$ 1,924,264	\$ 1,738,155	\$ 1,758,207	\$ 1,852,231	\$ 2,192,808	\$ 2,300,930
Public safety	704,442	1,202,261	1,282,589	1,315,490	1,434,628	1,809,901	2,166,029	1,947,388	1,862,414	1,811,500
Highways and streets	94,179	115,564	127,553	378,991	109,808	112,644	103,395	102,417	129,919	129,680
Operating grants and contributions	764,775	1,083,257	1,273,702	1,140,286	1,165,713	1,047,865	1,065,374	1,605,286	1,433,953	1,253,583
Capital grants and contributions	75,939	185,513	283,567	523,929	389,243	523,889	1,451,630	479,199	529,573	280,666
Total governmental activities program revenues	2,877,701	4,209,216	4,604,472	5,731,603	5,023,656	5,232,454	6,544,635	5,986,521	6,148,667	5,776,359

	2003*	2004	2005	2006	2007	2008	2009	2010	2011	2012
PROGRAM REVENUES (Continued)										
Business-Type Activities										
Charges for services										
Water and sewer	\$ 4,243,618	\$ 7,209,002	\$ 7,738,223	\$ 7,883,699	\$ 7,861,160	\$ 7,734,607	\$ 6,975,799	\$ 7,588,069	\$ 7,383,748	\$ 8,498,891
Airport	-	-	2,988,838	1,779,395	5,227,834	-	-	902,589	-	-
Capital grants and contributions	-	-	-	-	-	32,680	-	-	-	220,890
Total business-type activities program revenues	4,243,618	7,209,002	10,727,061	9,663,094	13,088,994	7,767,287	6,975,799	8,490,658	7,383,748	8,719,781
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 7,121,319	\$ 11,418,218	\$ 15,331,533	\$ 15,394,697	\$ 18,112,650	\$ 12,999,741	\$ 13,520,434	\$ 14,477,179	\$ 13,532,415	\$ 14,496,140
NET REVENUES (EXPENSES)										
Governmental activities	\$ (16,327,334)	\$ (23,478,289)	\$ (53,072,146)	\$ (33,692,548)	\$ (33,818,585)	\$ (37,109,704)	\$ (36,402,623)	\$ (34,827,748)	\$ (38,624,136)	\$ (40,109,970)
Business-type activities	428,460	860,387	4,256,154	3,397,752	5,476,667	(3,050,674)	(891,022)	1,578,394	299,218	844,547
TOTAL PRIMARY GOVERNMENT NET REVENUES (EXPENSES)	\$ (15,898,874)	\$ (22,617,902)	\$ (48,815,992)	\$ (30,294,796)	\$ (28,341,918)	\$ (40,160,378)	\$ (37,293,645)	\$ (33,249,354)	\$ (38,324,918)	\$ (39,265,423)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities										
Taxes										
Property	\$ 9,759,823	\$ 9,952,437	\$ 12,713,681	\$ 14,028,604	\$ 14,534,879	\$ 18,240,322	\$ 20,053,651	\$ 19,626,799	\$ 19,520,238	\$ 19,022,348
Sales	5,115,393	7,508,220	7,770,204	10,395,445	10,654,354	9,536,539	7,941,951	7,983,543	8,076,606	8,510,612
Other	4,265,920	6,930,374	7,487,039	8,395,952	9,881,950	10,029,935	8,948,380	8,959,523	9,001,301	9,369,687
Investment earnings	488,510	719,220	612,727	1,502,072	1,654,636	1,972,157	714,969	557,803	307,641	382,600
Miscellaneous	229,400	1,002,520	831,464	590,224	292,951	487,053	295,113	617,396	1,144,281	1,198,450
Contributions	-	1,539,906	-	1,228,782	-	-	-	-	-	-
Gain on disposal of capital assets	-	-	-	-	-	-	-	-	-	19,703
Increase in equity in joint venture	-	-	-	-	-	-	-	-	-	253,987
Transfers	423,114	(483,480)	(60,232)	-	-	-	(4,186)	263,937	220,639	433,336
Total governmental activities	20,282,160	27,169,197	29,354,883	36,141,079	37,018,770	40,266,006	37,949,878	38,009,001	38,270,706	39,190,723

VILLAGE OF WHEELING, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

	2003*	2004	2005	2006	2007	2008	2009	2010	2011	2012
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Business-Type Activities										
Investment earnings	\$ 36,851	\$ 86,953	\$ 118,877	\$ 309,791	\$ 343,833	\$ 341,378	\$ 114,527	\$ 114,471	\$ 29,945	\$ 83,886
Gain on sale of capital assets	-	-	-	-	-	-	-	-	57,122	-
Income from joint venture	4,864,545	1,913,366	-	-	-	-	-	-	-	-
Miscellaneous	6,270	44,965	56,076	-	-	9,880	17,512	-	-	-
Contributions	714,130	636,401	-	-	-	-	-	-	-	-
Transfers	(423,114)	483,480	60,232	861,472	-	-	4,186	(263,937)	(220,639)	(433,336)
Total business-type activities	5,198,682	3,165,165	235,185	1,171,263	343,833	351,258	136,225	(149,466)	(133,572)	(349,450)
TOTAL PRIMARY GOVERNMENT	\$ 25,480,842	\$ 30,334,362	\$ 29,590,068	\$ 37,312,342	\$ 37,362,603	\$ 40,617,264	\$ 38,086,103	\$ 37,859,535	\$ 38,137,134	\$ 38,841,273
SPECIAL ITEM - GOVERNMENTAL ACTIVITIES	\$ -	\$ -	\$ -	\$ -	\$ 1,695,734	\$ -	\$ -	\$ -	\$ -	\$ -
SPECIAL ITEM - BUSINESS-TYPE ACTIVITIES	\$ -	\$ -	\$ -	\$ -	\$ 144,853	\$ -	\$ -	\$ -	\$ -	\$ -
CHANGE IN NET POSITION										
Governmental activities	\$ 3,954,826	\$ 3,690,908	\$ (23,717,263)	\$ 2,448,531	\$ 4,895,919	\$ 3,156,302	\$ 1,547,255	\$ 3,181,253	\$ (353,430)	\$ (919,247)
Business-type activities	5,627,142	4,025,552	4,491,339	4,569,015	5,965,353	(2,699,416)	(754,797)	1,428,928	165,646	495,097
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	\$ 9,581,968	\$ 7,716,460	\$ (19,225,924)	\$ 7,017,546	\$ 10,861,272	\$ 456,886	\$ 792,458	\$ 4,610,181	\$ (187,784)	\$ (424,150)

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

Data Source

Audited Financial Statements

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

	2003	2004	2005	2006	2007	2008	2009	2010*	2011	2012
<b>GENERAL FUND</b>										
Nonspendable										
Long-term receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 576,000
Prepaid items	-	-	-	-	-	-	-	340,730	369,478	372,806
Inventory	-	-	-	-	-	-	-	264,114	304,889	262,536
Assigned										
Health insurance	-	-	-	-	-	-	-	1,252,725	1,463,995	1,703,945
Unassigned	-	-	-	-	-	-	-	12,332,962	13,615,841	11,008,389
Reserved	690,440	590,310	727,988	770,103	1,922,853	7,208,103	545,940	-	-	-
Unreserved	15,855,369	14,753,238	13,462,781	15,452,128	18,339,434	10,823,755	14,913,216	-	-	-
<b>TOTAL GENERAL FUND</b>	<b>\$ 16,545,809</b>	<b>\$ 15,343,548</b>	<b>\$ 14,190,769</b>	<b>\$ 16,222,231</b>	<b>\$ 20,262,287</b>	<b>\$ 18,031,858</b>	<b>\$ 15,459,156</b>	<b>\$ 14,190,531</b>	<b>\$ 15,754,203</b>	<b>\$ 13,923,676</b>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>										
Nonspendable										
Prepaid items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,428	\$ 18,932	\$ 27,794
Inventory	-	-	-	-	-	-	-	131,588	152,690	206,004
Land held for resale	-	-	-	-	-	-	-	18,336,679	-	-
Restricted										
Capital projects	-	-	-	-	-	-	-	1,549,710	1,624,317	2,400,320
Highways and streets	-	-	-	-	-	-	-	1,751,968	1,364,232	1,390,892
Public safety	-	-	-	-	-	-	-	224,502	119,151	345,382
Economic development	-	-	-	-	-	-	-	6,673,568	7,187,998	9,238,485
Debt service	-	-	-	-	-	-	-	53,050	67,068	30,108
Unrestricted										
Assigned										
Capital improvements	-	-	-	-	-	-	-	3,473,088	3,874,974	4,695,811
Unassigned, reported in										
Special Revenue Funds	-	-	-	-	-	-	-	(1,664)	(1,742)	(1,788)
Capital Project Funds	-	-	-	-	-	-	-	(475,217)	(1,286,092)	(1,105,948)
Reserved	4,254,943	23,341,663	22,930,347	20,193,276	29,618,534	37,130,548	36,735,159	-	-	-
Unreserved, reported in										
Special Revenue Funds	1,170,519	-	-	(1,260)	(2,035)	(1,371)	(1,532)	-	-	-
Capital Project Funds	13,869,183	3,048,009	4,003,921	3,823,167	2,646,930	(2,604,191)	(2,078,086)	-	-	-
<b>TOTAL ALL OTHER GOVERNMENTAL FUNDS</b>	<b>\$ 19,294,645</b>	<b>\$ 26,389,672</b>	<b>\$ 26,934,268</b>	<b>\$ 24,015,183</b>	<b>\$ 32,263,429</b>	<b>\$ 34,524,986</b>	<b>\$ 34,655,541</b>	<b>\$ 31,727,700</b>	<b>\$ 13,121,528</b>	<b>\$ 17,227,060</b>

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

Data Source

Audited Financial Statements

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>REVENUES</b>										
Taxes	\$ 17,342,866	\$ 21,450,586	\$ 24,595,106	\$ 28,855,592	\$ 30,654,347	\$ 33,081,075	\$ 32,855,735	\$ 32,502,099	\$ 32,526,698	\$ 32,474,707
Licenses and permits	406,303	426,435	408,730	913,665	494,548	452,055	438,417	445,774	627,026	536,729
Intergovernmental	2,537,789	4,002,829	4,773,865	5,460,811	5,704,821	6,075,977	6,386,331	5,916,297	5,762,896	5,683,578
Fines and forfeitures	1,166,263	318,417	1,759,129	2,308,620	2,179,819	2,107,271	2,013,155	2,092,093	3,017,946	3,280,116
Charges for services	179,449	1,757,413	392,758	377,745	351,839	606,984	1,068,433	843,584	732,417	690,272
Investment income	488,510	719,220	612,727	1,502,072	1,654,636	1,972,157	714,969	557,803	307,641	382,600
Miscellaneous	518,535	1,647,087	1,477,272	1,225,395	1,002,416	1,202,941	1,021,659	1,373,935	1,224,110	1,212,054
<b>Total revenues</b>	<b>22,639,715</b>	<b>30,321,987</b>	<b>34,019,587</b>	<b>40,643,900</b>	<b>42,042,426</b>	<b>45,498,460</b>	<b>44,498,699</b>	<b>43,731,585</b>	<b>44,198,734</b>	<b>44,260,056</b>
<b>EXPENDITURES</b>										
General government	5,867,977	8,297,060	9,351,086	9,501,709	10,020,189	11,413,172	10,379,637	9,129,789	8,706,123	10,200,168
Public safety	9,360,757	14,511,462	15,917,000	16,954,892	18,282,302	19,478,287	19,336,413	20,710,039	20,103,256	20,713,189
Highways and streets	634,308	860,994	987,850	2,227,587	3,327,986	1,377,369	2,610,475	1,383,873	1,997,699	1,519,075
Capital outlay	2,922,801	6,597,684	29,755,245	8,328,521	6,347,338	28,828,056	19,722,483	12,180,419	7,409,366	8,322,334
Debt service										
Principal	1,960,000	1,750,000	1,815,000	1,880,000	1,705,000	1,485,000	1,570,000	1,500,000	1,735,000	2,063,150
Interest	408,528	311,402	860,974	1,721,895	1,842,556	2,969,421	3,346,722	3,319,203	3,267,345	3,140,841
<b>Total expenditures</b>	<b>21,154,371</b>	<b>32,328,602</b>	<b>58,687,155</b>	<b>40,614,604</b>	<b>41,525,371</b>	<b>65,551,305</b>	<b>56,965,730</b>	<b>48,223,323</b>	<b>43,218,789</b>	<b>45,958,757</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>1,485,344</b>	<b>(2,006,615)</b>	<b>(24,667,568)</b>	<b>29,296</b>	<b>517,055</b>	<b>(20,052,845)</b>	<b>(12,467,031)</b>	<b>(4,491,738)</b>	<b>979,945</b>	<b>(1,698,701)</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers in	2,811,299	1,179,720	5,678,677	3,720,499	1,385,960	1,703,588	3,315,179	14,524,176	2,987,807	4,460,454
Transfers (out)	(2,388,185)	(1,663,200)	(5,738,909)	(4,090,499)	(1,385,960)	(1,703,588)	(3,319,365)	(14,260,239)	(2,600,365)	(4,227,118)
Bonds issued	1,155,475	8,000,000	24,140,000	-	10,000,000	20,000,000	10,000,000	-	6,988,943	3,925,000
Premium on bonds issued	-	-	-	-	-	-	-	-	193,198	222,801
Discount on bonds issued	(67,696)	(49,860)	(39,999)	-	-	-	-	-	-	-
TIF development note issued	-	-	-	-	-	-	-	-	-	3,500,000
Payment to escrow agent	-	-	-	-	-	-	-	-	(7,263,149)	(4,037,582)
Loss on disposal of land held for resale	-	-	-	(578,212)	(38,530)	-	-	-	-	-
Sale of capital assets	102,749	25,614	19,616	31,293	114,043	83,973	29,070	31,335	7,800	19,703
<b>Total other financing sources (uses)</b>	<b>1,613,642</b>	<b>7,492,274</b>	<b>24,059,385</b>	<b>(916,919)</b>	<b>10,075,513</b>	<b>20,083,973</b>	<b>10,024,884</b>	<b>295,272</b>	<b>314,234</b>	<b>3,863,258</b>
<b>SPECIAL ITEM</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,695,734</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 3,098,986</b>	<b>\$ 5,485,659</b>	<b>\$ (608,183)</b>	<b>\$ (887,623)</b>	<b>\$ 10,592,568</b>	<b>\$ 31,128</b>	<b>\$ (2,442,147)</b>	<b>\$ (4,196,466)</b>	<b>\$ 1,294,179</b>	<b>\$ 2,164,557</b>
<b>DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES</b>	<b>12.99%</b>	<b>8.01%</b>	<b>9.25%</b>	<b>11.16%</b>	<b>10.08%</b>	<b>10.66%</b>	<b>11.66%</b>	<b>12.07%</b>	<b>11.94%</b>	<b>11.63%</b>

Data Source

Audited Financial Statements

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

Last Ten Levy Years

Levy Year	Cook County					Lake County	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
	Residential Property	Commercial Property	Industrial Property	Farm Property	Railroad Property	Total Property				
2002	\$ 385,143,032	\$ 180,433,092	\$ 384,042,243	\$ 74,026	\$ 217,677	\$ 3,398,419	\$ 953,308,489	0.798	\$ 2,859,925,467	33.333%
2003	383,867,047	170,563,081	383,498,262	73,905	239,294	3,461,246	941,702,835	0.837	2,825,108,505	33.333%
2004	475,353,083	173,630,760	448,553,188	73,487	459,996	3,570,575	1,101,641,089	0.758	3,304,923,267	33.333%
2005	516,482,519	170,857,125	474,865,044	73,487	587,618	3,689,831	1,166,555,624	0.737	3,499,666,872	33.333%
2006	535,223,102	160,866,914	466,694,131	77,178	737,901	3,737,798	1,167,337,024	0.771	3,502,011,072	33.333%
2007	626,842,573	158,446,498	543,426,355	77,179	904,133	5,762,422	1,335,459,160	0.674	4,006,377,480	33.333%
2008	644,263,611	162,850,032	558,529,065	79,266	939,333	6,200,247	1,372,861,554	0.707	4,118,584,662	33.333%
2009	708,601,147	134,630,472	502,031,477	48,235	1,052,243	6,028,165	1,352,391,739	0.770	4,057,175,217	33.333%
2010	625,503,040	126,633,405	467,430,769	37,187	1,253,590	5,752,338	1,226,610,329	0.892	3,679,830,987	33.333%
2011	562,378,196	112,456,049	407,022,376	37,187	1,162,024	5,673,483	1,088,729,315	1.004	3,266,187,945	33.333%

Data Source

Office of the County Clerk

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).

VILLAGE OF WHEELING, ILLINOIS  
DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Levy Years

Levy Year	Village Direct Rates					Total Direct Tax Rate	Overlapping Rates (a)									
	General	Bonds and Interest	Police Pension	Fire Pension	Cook County		Forest Preserve District	T.B. Sanitarium	Wheeling Township	Water Reclamation District	Northwest Mosquito Abatement	High School District 214	Harper College District 512	Wheeling Park District	Indian Trails Public Library	Wheeling C C School District 21
2002	0.5960	0.1690	0.0323	-	0.7973	0.6900	0.0600	0.0100	0.0600	0.3700	0.0100	1.8900	0.3000	0.5200	0.3000	3.2700
2003	0.6206	0.1765	0.0395	-	0.8366	0.6300	0.0600	-	0.0500	0.3600	0.0100	1.9800	0.3100	0.5600	0.3400	3.5800
2004	0.5305	0.1450	0.0625	0.0194	0.7575	0.5900	0.0600	-	0.0400	0.3500	0.0100	1.8200	0.2800	0.5200	0.3200	3.2600
2005	0.5055	0.1379	0.0646	0.0284	0.7365	0.5330	0.0600	0.0050	0.0410	0.3150	0.0090	1.7590	0.2810	0.5120	0.3120	3.3940
2006	0.5764	0.0832	0.0701	0.0411	0.7709	0.5000	0.0570	0.0050	0.0430	0.2840	0.0090	1.8230	0.2880	0.5350	0.3200	3.5020
2007	0.4082	0.1503	0.0629	0.0523	0.6740	0.4460	0.0530	-	0.0380	0.2630	0.0080	1.6210	0.2600	0.4920	0.2970	3.1540
2008	0.4099	0.1766	0.0640	0.0561	0.7066	0.4150	0.0510	-	0.0380	0.2520	0.0080	1.5870	0.2560	0.4986	0.3080	3.1610
2009	0.4776	0.1123	0.0957	0.0838	0.7694	0.3940	0.0490	-	0.0390	0.2610	0.0080	1.6360	0.2580	0.4900	0.3070	3.2090
2010	0.6533	0.0386	0.1038	0.0956	0.8913	0.0423	0.0510	-	0.0430	0.2740	0.0090	1.8390	0.2950	0.5710	0.3470	3.6580
2011	0.7154	0.0398	0.1271	0.1217	1.0040	0.0462	0.0580	-	0.0480	0.3200	0.0100	2.0670	0.3340	0.6540	0.3930	4.1640

Data Source

Office of the County Clerk

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

VILLAGE OF WHEELING, ILLINOIS  
 PRINCIPAL PROPERTY TAXPAYERS  
 Current Year and Nine Years Ago

Taxpayer	Type of Business	2012			2003		
		Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
Wheeling Hotel Owner	Hotel, Retail Stores	\$ 19,168,911	1	1.76%			
Wal-Mart Stores Inc.	Retail & Wholesale Discount Stores	18,385,716	2	1.69%	\$ 13,396,810	3	1.41%
C Cusick USGI INCC	Woodland Creek Apartments	17,879,172	3	1.64%	18,543,010	1	1.95%
Allstate Insurance Co.	Real Estate Holdings	15,188,184	4	1.40%	13,820,587	2	1.45%
Capstone Realty	Arlington Club/Village Green Apartments	11,090,303	5	1.02%			
Shorewood Management	Mallard Lake Apartments	10,689,136	6	0.98%	11,866,071	4	1.24%
Durable Inc	Industrial	9,784,649	7	0.90%			
Whippletree Village	Real Estate Holdings	8,551,703	8	0.79%			
Greek American	Nursing Home	8,244,482	9	0.76%			
Pactic Corp.	Aluminum Foil Products	6,758,766	10	0.62%			
Village Green Annette	Real Property				10,067,372	5	1.06%
Candlewood Hotel Co.	Hotel				9,671,909	6	1.01%
Foxboro Apartments	Real Property				8,828,132	7	0.93%
Moen Incorporated	Industrial				7,772,119	8	0.82%
NW Mutual Life	Insurance				7,696,933	9	0.81%
ACCO International	Manufacturing				7,512,673	10	0.79%
		<u>\$ 125,741,022</u>		<u>11.56%</u>	<u>\$ 109,175,616</u>		<u>11.47%</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
2002	\$ 7,600,914	\$ 7,421,500	97.64%	\$ 36,549	\$ 7,458,049	98.12%
2003	7,809,463	7,300,117	93.48%	230,687	7,530,804	96.43%
2004	8,344,130	8,154,484	97.73%	67,306	8,221,790	98.53%
2005	8,589,472	8,327,128	96.95%	74,028	8,401,156	97.81%
2006	8,997,472	7,809,015	86.79%	821,848	8,630,863	95.93%
2007	8,997,472	8,512,009	94.60%	195,228	8,707,237	96.77%
2008	9,699,708	9,049,717	93.30%	330,937	9,380,654	96.71%
2009	10,406,485	8,924,122	85.76%	1,193,793	10,117,915	97.23%
2010	10,931,390	10,633,539	97.28%	185,431	10,818,970	98.97%
2011	10,930,632	10,565,589	96.66%	74,245	10,639,834	97.34%

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	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General merchandise	\$ 1,485,035	\$ 1,422,425	\$ 1,419,580	\$ 1,342,665	\$ 1,486,056	\$ 1,481,144	\$ 1,427,529	\$ 1,402,253	\$ 1,396,088	\$ 1,173,241
Food	453,001	551,967	549,384	549,085	590,675	538,346	565,923	492,894	479,897	508,014
Drinking and eating places	1,000,569	974,036	1,103,403	1,066,168	1,295,391	1,778,178	1,684,245	1,425,186	1,559,847	1,411,629
Apparel	12,466	12,497	13,701	14,730	16,800	18,619	21,337	21,972	29,283	215,248
Furniture & H.H. & Radio	339,586	344,420	328,956	354,842	515,529	542,113	478,916	234,314	352,717	241,592
Lumber, building hardware	178,676	232,135	237,653	394,147	550,604	711,156	714,022	582,744	547,706	527,913
Automobile and filling stations	719,456	585,422	587,033	649,795	2,063,177	1,322,485	823,683	738,858	766,793	860,719
Drugs and miscellaneous retail	494,486	555,071	668,512	661,554	666,211	670,955	687,225	553,660	560,097	561,997
Agriculture and all others	1,667,212	1,551,711	1,583,345	1,661,990	1,878,295	2,211,457	2,061,432	1,459,648	1,328,013	1,396,313
Manufacturers	714,892	687,605	656,612	672,161	833,893	649,508	521,939	440,853	417,144	211,273
<b>TOTAL**</b>	<b>\$ 7,065,379</b>	<b>\$ 6,917,289</b>	<b>\$ 7,148,179</b>	<b>\$ 7,367,137</b>	<b>\$ 9,896,631</b>	<b>\$ 9,923,961</b>	<b>\$ 8,986,251</b>	<b>\$ 7,352,382</b>	<b>\$ 7,437,585</b>	<b>\$ 7,107,939</b>
<b>VILLAGE DIRECT SALES TAX RATE</b>	<b>1.00%</b>									
<b>VILLAGE HOME RULE SALES TAX RATE***</b>	<b>0.75%</b>	<b>0.75%</b>	<b>0.75%</b>	<b>0.75%</b>	<b>1.00%</b>	<b>1.00%</b>	<b>1.00%</b>	<b>1.00%</b>	<b>1.00%</b>	<b>1.00%</b>

\* Includes the Cook and Lake County portions of the Village

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

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

Note

2012 information was not available at the time this report was prepared.

Data Source

Illinois Department of Revenue  
Village Records

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

Fiscal Year	Village Home Rule Rate	State, County and Local Rate	Total Rate
2003	0.75%	7.75%	8.50%
2004	0.75%	7.75%	8.50%
2005	0.75%	7.75%	8.50%
2006	1.00%	7.75%	8.75%
2007	1.00%	7.75%	8.75%
2008	1.00%	9.00%	10.00%
2009	1.00%	9.00%	10.00%
2010	1.00%	8.50%	9.50%
2011	1.00%	8.25%	9.25%
2012	1.00%	8.25%	9.25%

Data Source

Illinois Department of Revenue  
 Village Records

Note

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

VILLAGE OF WHEELING, ILLINOIS  
RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities			Business-Type Activities	Total Primary Government	Percentage of Actual Taxable Value(1) of Property	Per Capita (2)	Debt Outstanding as a Percentage of Personal Income
	General Obligation Bonds	TIF Revenue Bonds	TIF Revenue Notes	General Obligation Bonds				
2003	\$ 13,200,000	\$ -	\$ -	\$ 3,910,000	\$ 17,110,000	0.60%	\$ 496.00	1.98%
2004	17,038,700	-	-	3,635,000	20,673,700	0.73%	599.31	2.40%
2005	20,412,308	19,000,000	-	3,235,000	42,647,308	1.29%	1,106.14	4.43%
2006	18,582,906	19,000,000	-	2,830,000	40,412,906	1.15%	1,048.19	4.19%
2007	26,930,533	19,000,000	-	2,420,000	48,350,533	1.38%	1,254.07	5.02%
2008	45,499,078	19,000,000	-	2,020,000	66,519,078	1.66%	1,725.30	6.42%
2009	53,982,768	19,000,000	-	1,625,000	74,607,768	1.81%	1,935.10	7.17%
2010	52,790,735	18,745,000	-	1,500,000	73,035,735	1.80%	1,939.96	7.21%
2011	51,653,943	18,300,000	-	1,456,057	71,410,000	1.94%	1,896.78	7.89%
2012	50,496,768	17,700,000	3,601,944	4,793,232	76,591,944	2.34%	2,034.42	8.23%

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 149 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		Business-Type		Less Amounts		Percentage of Estimated Actual Taxable Value of Property	Per Capita
	General Obligation Bonds*	General Obligation Bonds*	General Obligation Bonds*	General Obligation Bonds*	Available In Debt Service Fund	Total		
2003	\$ 13,200,000	\$ 3,910,000	\$ 24,278	\$ 17,085,722	0.46%	\$ 495.30		
2004	17,038,700	3,635,000	353,810	20,319,890	0.59%	589.05		
2005	20,412,308	3,235,000	41,094	23,606,214	0.62%	612.27		
2006	18,582,906	2,830,000	90,537	21,322,369	0.53%	553.04		
2007	26,930,533	2,420,000	89,145	29,261,388	0.77%	758.95		
2008	45,499,078	2,020,000	67,082	47,451,996	1.13%	1,230.76		
2009	53,982,768	1,625,000	24,550	55,583,218	1.31%	1,441.66		
2010	52,790,735	1,500,000	53,050	54,237,685	1.34%	1,440.65		
2011	51,653,943	1,456,057	67,068	53,042,932	1.44%	1,408.92		
2012	50,496,768	4,793,232	30,108	55,259,892	1.69%	1,467.80		

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 139 for property value data.

Data Source

Village Records

VILLAGE OF WHEELING, ILLINOIS  
SCHEDULE OF LEGAL DEBT MARGIN

December 31, 2012

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The Village is a home rule municipality.

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

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

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

VILLAGE OF WHEELING, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2012

Governmental Unit	Gross Debt	Percentage Debt Applicable to the Village of Wheeling (1)	Village of Wheeling Share of Debt
Village of Wheeling	\$ 71,798,712	100.00%	\$ 71,798,712
Cook County, including Forest Preserve	3,894,385,000	0.71%	27,650,134
Lake County	82,955,000	0.02%	16,591
Metropolitan Water Reclamation District	2,238,816,507	0.73%	16,343,361
Prospect Heights Park District	8,633,314	16.63%	1,435,720
River Trails Park District	7,439,122	0.02%	1,488
Wheeling Park District	9,885,000	88.07%	8,705,720
Indian Trails Library	-	45.35%	-
School District No. 21	28,358,314	47.42%	13,447,512
School District No. 23	1,560,000	18.66%	291,096
School District No. 102	5,625,000	0.66%	37,125
High School District No. 125	24,265,000	0.16%	38,824
High School District No. 214	46,530,000	11.49%	5,346,297
Community College District No. 512	178,285,000	5.25%	9,359,963
Community College District No. 532	20,535,000	0.02%	4,107
	<u>6,547,272,257</u>		<u>82,677,938</u>
	<u>\$ 6,619,070,969</u>		<u>\$ 154,476,650</u>

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

Data Source

Office of the County Clerk

VILLAGE OF WHEELING, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

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Fiscal Year	Population	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2003	34,496	\$ 862,020,544	\$ 24,989	34.5	6,187	5.6%
2004	34,496	862,020,544	24,989	34.5	6,064	5.1%
2005	38,555	963,450,895	24,989	34.5	6,064	4.8%
2006	38,555	963,450,895	24,989	34.5	6,064	3.6%
2007	38,555	963,450,895	24,989	34.5	6,249	3.8%
2008	38,555	1,036,551,175	26,885	35.7	6,249	4.9%
2009	38,555	1,039,886,905	26,971	36.2	6,295	7.7%
2010	37,648	1,013,446,512	26,919	35.6	7,075	8.5%
2011	37,648	904,907,328	24,036	36.1	6,987	8.1%
2012	37,648	931,072,688	24,731	36.1	6,620	7.7%

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

Data Source

Village Records

VILLAGE OF WHEELING, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2012			2003		
	Number of Employees	Rank	% of Total Village Population	Number of Employees	Rank	% of Total Village Population
National Louis University	700	1	1.86%			
Healthcare Laundry Systems	500	2	1.33%			
Durable Inc.	500	3	1.33%			
Handi-Foil Corp.	500	4	1.33%			
Shure, Inc.	500	5	1.33%	500	2	1.45%
The Segerdahl Corp	400	6	1.06%			
Pactive Corp	350	7	0.93%	600	1	1.74%
Allstate Print Communication	320	8	0.85%			
Bowe Bell & Howell	300	9	0.80%			
Accellent, Inc.	280	10	0.74%			
Cole Taylor bank				500	2	1.45%
Kenny Construction				500	2	1.45%
Acco U.S.A. Inc.				400	3	1.16%
Orval Kent Food Co., Inc.				400	3	1.16%
Block & Company				350	3	1.01%
MMF Industries				306	7	0.89%
The Commercial Cam Co.				300	7	0.87%
J W Allen & Co.				270	9	0.78%
R R D Direct				258	10	0.75%
TOTAL	<u>4,350</u>		<u>11.56%</u>	<u>4,384</u>		<u>12.71%</u>

Data Source

2011 Illinois Service Directory

VILLAGE OF WHEELING, ILLINOIS  
 FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>General Government</b>										
Management Services	4	4	4	5	5	6	7	6	5.5	5.5
Human Resources	2	2	2	2	2	2	2	2	1.5	1.5
Finance	12	12	11	11	12	10	9	9	8	8
Information Systems	-	-	-	-	-	3	4	4	4	4
Economic Development	2	2	2	-	-	-	-	-	-	-
Human Services	3	3	3	4	4	4	4	5	7	7
Community Development	18	18	18	18	18	17	18	13	15	15
Engineering	-	-	-	-	-	4	4	4	-	-
<b>Public Safety</b>										
<b>Police</b>										
Officers	65	65	65	66	66	68	68	63	62	62
Civilians	25	25	27	27	27	28	28	28	22	22
<b>Fire</b>										
Firefighters and officers	54	54	54	56	56	57	55	50	50	50
Civilians	2	2	2	2	2	4	5	4	3	3
<b>Public Works</b>										
Administration	6	3	4	4	4	4	4	5	4	4
Capital Projects and Design	10	13	13	13	13	9	9	4	4	4
Building Services	11	11	12	12	6	6	6	6	6	6
Fleet Services	-	-	-	6	6	5	5	5	5	5
Forestry	-	-	-	-	-	4	5	4	5	4.5
Utilities	22	22	21	21	21	21	21	21	18	18
Street Maintenance	10	10	10	10	10	9	9	9	5	4.5
	246	246	248	257	252	261	263	242	225	224

Data Source

Village budget office

VILLAGE OF WHEELING, ILLINOIS  
OPERATING INDICATORS BY FUNCTION

Last Ten Fiscal Years

Function	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Police										
DUI arrests	235	227	203	189	212	244	242	168	155	110
Accidents	1,605	1,541	1,622	1,648	1,606	1,522	1,297	1,109	1,198	1,047
Total tickets	14,250	18,527	18,545	17,114	16,684	14,219	17,018	14,133	14,674	14,166
Total calls	25,849	25,687	23,485	28,593	39,233	34,244	32,770	32,389	33,857	34,797
Fire										
Number of calls answered	3,345	3,471	3,782	3,794	4,120	4,475	4,302	4,271	4,222	4,354
Inspections	1,963	2,178	2,123	2,665	2,623	2,319	2,162	2,047	1,652	1,547
Highways and Streets										
Word orders completed	940	1,409	1,566	1,744	1,989	1,902	1,740	1,821	2,276	2,260
Sidewalks plowed	18	284	518	186	619	722	668	668	400	116
Water and Sewer										
Meter replacements	373	373	177	N/A	N/A	N/A	N/A	N/A	N/A	90
Customer service calls	1,140	1,140	1,300	1,380	1,320	2,500	1,600	1,700	1,939	2,215
Sanitary sewer complaints	97	93	68	106	106	63	78	84	68	127
Sanitary sewer cleaned (l.f.)	42,600	65,447	35,721	42,600	35,290	26,835	16,092	13,257	14,204	58,000
Catch basins/inlets cleaned	225	323	105	172	172	106	45	63	89	107

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	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Number of squad cars	33	33	33	33	33	40	40	41	41	41
Fire										
Stations	2	2	2	2	2	2	2	2	2	3
Highways and Streets										
Streets (miles)	65	65	65	65	65	75	75	75	75	75
Water										
Water mains (miles)	134	134	138	138	138	148	148	155	155	155
Fire hydrants	1488	1488	1568	1620	1631	1635	1635	1651	1709	1709
Average daily pumpage (mgd)	5	5	5	5	5	5	5	4	4	4
Sewer										
Sanitary sewers (miles)	77	77	77	77	77	83	83	87	87	87
Storm sewers (miles)	68	68	68	68	68	72	72	72	72	72
Building Inspections										
Number of permits issued	1335	1691	1327	1369	1151	1426	1348	1364	1650	1501
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

REPORT OF INDEPENDENT ACCOUNTANT'S ON COMPLIANCE

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

We have examined management's assertion that the Village of Wheeling, Illinois, complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended December 31, 2012. As discussed in that representation letter, management is responsible for the Village of Wheeling, Illinois' compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Village of Wheeling, Illinois' compliance based on our examination.

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

In our opinion, management's assertion that the Village of Wheeling, Illinois complied with the aforementioned requirements for the year ended December 31, 2012, is fairly stated in all material respects.

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

Naperville, Illinois  
April 25, 2013

**2013 DISCLOSURE**

**Relating to**

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

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

**For further information please contact:**

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

**Phone: (847) 459-2600**

**Fax: (847) 459-9692**

**5/22/13**

**I. ANNUAL FINANCIAL INFORMATION REPORT UPDATE**

**Retailers' Occupation, Service Occupation and Use Tax**

**DEBT INFORMATION**

***Village General Obligation Bonded Debt***

***Overlapping Bonded Debt***

***Statement of Bonded Indebtedness***

**PROPERTY ASSESSMENT AND TAX INFORMATION**

***Village Equalized Assessed Valuation***

***Larger Taxpayers***

***Tax Levies and Collections***

***Village Tax Rates***

***Typical Tax Bill***

**FINANCIAL INFORMATION**

***Statement of Net Position – Governmental Assets***

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

***General Fund – Balance Sheet***

***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 + (-)
2003 .....	\$4,725,308	\$2,587,926	\$ 7,313,234	(1.22%)(3)
2004 .....	4,884,679	2,684,724	7,569,403	3.50%
2005 .....	5,023,863	2,778,315	7,802,178	3.08%
2006 .....	6,548,443	3,878,195	10,426,638	33.64%
2007 .....	6,162,977	4,461,378	10,624,355	1.90%
2008 .....	5,438,399	4,098,140	9,536,539	(10.24%)
2009 .....	4,625,774	3,316,177	7,941,951	(16.72%)
2010 .....	4,622,924	3,360,618	7,983,542	0.52%
2011 .....	4,737,611	3,336,362	8,073,973	1.13%
2012 .....	5,030,987	3,478,485	8,509,472	5.39%
Growth from 2003 to 2012.....				16.36%

- 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 2003 percentage is based on a 2002 sales tax of \$7,403,672.

### DIRECT GENERAL OBLIGATION DEBT (see schedules following)

Total General Obligation Bonds .....	\$55,030,000
Total Alternate Revenue Source Bonds.....	260,000
Total General Obligation Debt .....	<u>\$55,290,000</u>

### REVENUE BONDS

<u>Issue</u>	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Amount Outstanding</u>
\$19,000,000 Tax Increment Revenue Bond, Series 2005	9/25/2005	1/1/2025	\$16,990,000

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

(As of April 22, 2013)

Calendar Year	Series 2005(2)	Series 2007	Series 2008	Series 2009	Series 2011	Series 2012A	Series 2012B	Total Debt	Cumulative	
									Principal	Retired
								Amount	Percent	
2013	\$260,000	\$ 0	\$ 670,000	\$ 0	\$ 770,000	\$ 25,000	\$ 125,000	\$ 1,850,000	\$ 1,850,000	3.35%
2014	0	0	840,000	0	780,000	295,000	125,000	2,040,000	3,890,000	7.04%
2015	0	0	1,015,000	0	785,000	305,000	130,000	2,235,000	6,125,000	11.08%
2016	0	0	1,205,000	0	825,000	315,000	135,000	2,480,000	8,605,000	15.56%
2017	0	0	1,400,000	0	825,000	325,000	140,000	2,690,000	11,295,000	20.43%
2018	0	0	1,600,000	0	835,000	335,000	140,000	2,910,000	14,205,000	25.69%
2019	0	0	1,815,000	0	665,000	340,000	150,000	2,970,000	17,175,000	31.06%
2020	0	0	2,030,000	0	685,000	355,000	155,000	3,225,000	20,400,000	36.90%
2021	0	0	2,250,000	0	705,000	370,000	160,000	3,485,000	23,885,000	43.20%
2022	0	0	2,475,000	0	720,000	380,000	165,000	3,740,000	27,625,000	49.96%
2023	0	0	2,700,000	0	610,000	390,000	175,000	3,875,000	31,500,000	56.97%
2024	0	0	1,490,000	1,435,000	0	400,000	180,000	3,505,000	35,005,000	63.31%
2025	0	0	0	3,140,000	0	0	185,000	3,325,000	38,330,000	69.33%
2026	0	0	0	3,340,000	0	0	195,000	3,535,000	41,865,000	75.72%
2027	0	1,445,000	0	2,085,000	0	0	200,000	3,730,000	45,595,000	82.47%
2028	0	3,700,000	0	0	0	0	210,000	3,910,000	49,505,000	89.54%
2029	0	3,850,000	0	0	0	0	220,000	4,070,000	53,575,000	96.90%
2030	0	1,005,000	0	0	0	0	230,000	1,235,000	54,810,000	99.13%
2031	0	0	0	0	0	0	235,000	235,000	55,045,000	99.56%
2032	0	0	0	0	0	0	245,000	245,000	55,290,000	100.00%
<b>Total</b>	<b>\$260,000</b>	<b>\$10,000,000</b>	<b>\$19,490,000</b>	<b>\$10,000,000</b>	<b>\$8,205,000</b>	<b>\$3,835,000</b>	<b>\$3,500,000</b>	<b>\$55,290,000</b>		

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

## OVERLAPPING DEBT(1)(2)

	Outstanding Debt	Applicable to Village	
		Percent (3)	Amount
<b>Schools:</b>			
School District Number 21 .....	\$ 28,358,314	47.42%	\$13,447,512
School District Number 23 .....	1,560,000	18.66%	291,096
School District Number 102 .....	5,625,000	0.66%	37,125
High School District Number 125 .....	24,265,000	0.16%	38,824
High School District Number 214 .....	46,530,000	11.48%	5,341,644
Community College District Number 512 .....	178,285,000	5.24%	9,342,134
Community College District Number 532 .....	20,535,000	0.02%	4,107
Total Schools .....			<u>\$28,502,442</u>
<b>Other:</b>			
Cook County .....	\$3,706,435,000	0.70%	\$25,945,045
Cook County Forest Preserve District .....	187,950,000	0.70%	1,315,650
Lake County .....	82,955,000	0.02%	16,591
Lake County Forest Preserve District .....	280,420,000	0.02%	56,084
Metropolitan Water Reclamation District .....	2,238,816,507	0.73%	16,343,361
Wheeling Park District .....	9,885,000	88.07%	8,705,720
Prospect Heights Park District .....	8,633,314	16.63%	1,435,720
River Trails Park District .....	7,439,122	0.02%	1,488
Total Other .....			<u>\$53,819,658</u>
Total Schools and Other Overlapping Bonded Debt .....			<u>\$82,322,100</u>

- Notes: (1) Source: Cook and Lake County Clerks.  
(2) As of December 31, 2012.  
(3) Overlapping debt percentages based on 2011 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, 2011 .....	\$1,088,729,315	100.00%	33.33%	\$28,918.65
Estimated Actual Value, 2011 .....	\$3,266,187,945	300.00%	100.00%	\$86,755.95
Total Direct Bonded Debt .....	\$ 55,290,000	5.08%	1.69%	\$ 1,468.60
Less: Alternate Revenue Source Bonds .....	(260,000)	(0.01%)	(0.01%)	(6.91)
Net Direct Bonded Debt .....	\$ 55,030,000	5.07%	1.68%	\$ 1,461.70
<b>Overlapping Bonded Debt(2):</b>				
Schools .....	\$ 28,502,442	2.62%	0.87%	\$ 757.08
Other .....	53,819,658	4.94%	1.65%	1,429.55
Total Overlapping Bonded Debt .....	<u>\$ 82,322,100</u>	<u>7.56%</u>	<u>2.52%</u>	<u>\$ 2,186.63</u>
Total Direct and Overlapping Bonded Debt .....	\$ 137,352,100	12.63%	4.21%	\$ 3,648.32

- Notes: (1) Source: Cook and Lake Counties Clerks.  
(2) As of December 31, 2012.

## VILLAGE EQUALIZED ASSESSED VALUATION(I)

Property Class	Levy Years				
	2007	2008(2)	2009	2010	2011
Residential .....	\$ 626,842,573	\$ 644,263,611	\$ 708,601,147	\$ 625,503,040	\$ 562,378,196
Farm .....	77,179	79,266	48,235	37,187	37,187
Commercial .....	158,446,498	162,850,032	134,630,472	126,633,405	112,456,049
Industrial .....	543,426,355	558,529,065	502,031,477	467,430,769	407,022,376
Railroad .....	904,133	939,333	1,052,243	1,253,590	1,162,024
Total .....	\$1,329,696,738	\$1,366,661,307	\$1,346,363,574	\$1,220,857,991	\$1,083,055,832
.....					
Lake County .....	5,762,422	6,200,247	6,028,165	5,752,338	5,673,483
Total .....	\$1,335,459,160	\$1,372,861,554	\$1,352,391,739	\$1,226,610,329	\$1,088,729,315
Percent Change +(-) .	14.40%(3)	2.80%	(1.49%	(9.30%)	(11.24%)

- Notes: (1) Source: Cook County Clerk.  
 (2) Triennial reassessment year.  
 (3) Percentage change based on 2006 EAV of \$1,167,337,025.

## LARGER TAXPAYERS(I)

Taxpayer Name	Business/Service	2011 EAV(2)
Westin Hotel .....	Hotel .....	\$ 17,530,960
Wal-Mart Stores .....	Retail Discount Store .....	16,550,487
Allstate Insurance Co. ....	Insurance .....	13,672,127
Woodland Creek Assoc. ....	Apartments .....	12,380,385
Durable Packaging International .....	Industrial .....	8,807,963
Pactiv .....	Food Packaging .....	8,045,359
Shorewood Management .....	Mallard Lake Apartments .....	7,401,666
Capstone Realty Advisors .....	Real Property .....	6,999,702
Cabot Prop. Inc. ....	Real Property .....	6,924,308
Whippletree Village .....	Apartments .....	5,921,603
Total .....		\$104,234,560
Ten Largest Taxpayers as Percent of Village's 2011 EAV (\$1,088,729,315) .....		9.57%

- 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 2011 EAV is the most current available.

## TAX LEVIES AND COLLECTIONS(I)

Levy Year	Coll. Year	Taxes	Total Collections(2)	
		Extended	Amount	Percent
2007 .....	2008 .....	\$ 8,997,472	\$ 8,707,237	96.77%
2008 .....	2009 .....	9,699,708	9,380,654	96.71%
2009 .....	2010 .....	10,406,485	10,117,915	97.23%
2010 .....	2011 .....	10,890,053	10,575,089	97.11%
2011 .....	2012 .....	10,873,881	10,639,834	97.85%

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

**VILLAGE TAX RATES(1)**

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

	Levy Years				
	2007	2008	2009	2010	2011
The Village:					
Corporate .....	\$0.4082	\$0.4099	\$0.4776	\$0.6533	\$0.7154
Bonds and Interest .....	0.1503	0.1766	0.1123	0.0386	0.0398
Police Pension .....	0.0629	0.0640	0.0957	0.1038	0.1271
Fire Pension .....	0.0523	0.0561	0.0838	0.0956	0.1217
Total Village Rates(2) .....	\$0.6740	\$0.7070	\$0.7700	\$0.8920	\$1.0040

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

**TYPICAL TAX BILL(1)(2)**

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

	Levy Years				
	2007	2008	2009	2010	2011
Cook County .....	0.4460	0.4150	0.3940	0.4230	0.4620
Cook County Forest Preserve District .....	0.0530	0.0510	0.0490	0.0510	0.0580
Suburban T B Sanitarium .....	0.0000	0.0000	0.0000	0.0000	0.0000
Metropolitan Water Reclamation District .....	0.2630	0.2520	0.2610	0.2740	0.3200
Northwest Mosquito Abatement District .....	0.0080	0.0080	0.0080	0.0090	0.0100
Consolidated Elections .....	0.0120	0.0000	0.0210	0.0000	0.0250
Wheeling Township .....	0.0380	0.0380	0.0390	0.0430	0.0480
General Assistance .....	0.0090	0.0090	0.0090	0.0050	0.0090
Road and Bridge .....	0.0120	0.0120	0.0120	0.0140	0.0150
School District Number 21 .....	3.1540	3.1610	3.2090	3.6580	4.1640
High School District Number 214 .....	1.6210	1.5870	1.6360	1.8390	2.0670
Community College District Number 512 .....	0.2600	0.2560	0.2580	0.2950	0.3340
Indian Trails Public Library District .....	0.2970	0.3080	0.3070	0.3470	0.3930
Wheeling Park District .....	0.4920	0.4960	0.4900	0.5710	0.6540
Total Tax Rates(3) .....	\$7.3390	\$7.3000	\$7.4630	\$8.4210	\$9.5630

- Notes: (1) Source: Cook County Clerk. Rates shown are for Cook County only.  
 (2) The Village is a home rule-unit under the 1970 Illinois Constitution and, as such, has no statutory tax rate limit.  
 (3) Representative tax rates for other government units are from Wheeling Township tax code 38055, which represents 52% of the Village's 2011 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				
	2008	2009	2010	2011	2012
<b>ASSETS:</b>					
Cash and Investments .....	\$ 39,579,141	\$ 29,344,188	\$ 26,117,808	\$ 29,275,817	\$ 32,738,649
Receivables, net:					
Property Taxes .....	10,004,922	11,088,234	12,979,611	10,994,497	11,100,581
Sales Taxes .....	2,309,410	2,151,779	2,106,135	2,168,497	2,277,453
Income Taxes .....	317,810	761,930	1,268,105	1,035,178	917,393
Telecommunications Tax .....	499,645	446,187	108,042	414,076	407,710
Accounts .....	173,905	216,965	110,443	90,176	127,427
Accrued Interest .....	100,667	59,914	45,636	52,205	46,856
IPBC .....	2,032,679	1,192,050	1,252,725	1,463,995	1,703,945
Other .....	620,642	624,969	748,908	858,043	802,455
Prepaid Expenses .....	323,787	350,289	359,121	388,493	402,507
Inventory .....	224,106	354,260	395,702	457,579	468,540
Due from Other Governments .....	138,358	1,190,512	252,839	265,557	101,100
Land Held for Resale .....	13,790,976	18,336,679	18,336,679	0	0
Advances to Other Funds .....	(570,091)	(553,756)	(703,737)	(848,657)	(1,002,614)
Deferred Charges - Unamortized Loss on Refunding .....	733,897	745,463	700,820	779,948	774,114
Deferred Outflows-Swap Agreement .....	0	0	3,464,821	5,922,709	5,928,027
Net Pension Asset .....	378,819	406,244	433,348	562,697	609,897
Capital Assets Not Being Depreciated .....	48,348,467	43,734,897	30,215,042	38,900,113	84,576,995
Capital Assets Being Depreciated .....	21,170,398	38,269,404	56,850,175	58,940,940	58,952,072
Total Assets .....	<u>\$140,177,538</u>	<u>\$148,720,208</u>	<u>\$155,042,223</u>	<u>\$151,721,863</u>	<u>\$200,933,107</u>
<b>LIABILITIES:</b>					
Accounts Payable .....	\$ 5,505,624	\$ 2,462,430	\$ 2,303,978	\$ 1,971,973	\$ 3,131,884
Accrued Payroll .....	330,636	365,591	426,640	414,931	477,197
Deposits Payable .....	92,445	175,762	78,632	103,103	104,379
Deferred Revenue .....	9,518,000	10,343,409	12,231,650	12,498,670	12,176,607
Claims Payable .....	836,177	0	0	0	0
Due to Fiduciary Funds .....	57,306	57,427	280,986	84,043	56,528
Interest Payable .....	635,450	701,503	691,678	721,412	684,245
Interest Rate Swap Agreement .....	0	0	3,464,821	5,922,709	5,928,027
Long-Term Liabilities:					
Due Within One Year .....	1,992,828	2,560,584	3,101,846	3,382,942	3,825,539
Due in More Than One Year .....	64,680,913	73,978,088	71,505,325	69,623,987	71,876,296
Total Liabilities .....	<u>\$ 83,649,379</u>	<u>\$ 90,644,794</u>	<u>\$ 94,085,556</u>	<u>\$ 94,723,770</u>	<u>\$ 98,260,702</u>
<b>NET POSITION:</b>					
Investment in Capital Assets, Net of Related Debt ....	\$ 44,583,426	\$ 44,689,081	\$ 42,799,847	\$ 54,123,693	\$ 97,083,613
Restricted for:					
Highways and Streets .....	1,348,905	1,538,962	1,751,968	1,364,232	1,390,892
Public Safety .....	516,314	362,694	224,502	119,151	955,279
Economic Development .....	23,452,540	26,746,079	25,010,247	7,187,998	9,238,485
Capital Projects .....	11,742,062	7,912,394	1,549,710	1,624,317	2,400,320
Debt Service .....	67,082	24,550	53,050	67,068	30,108
Unrestricted .....	(25,182,170)	(23,198,346)	(10,132,657)	(7,488,366)	(8,426,292)
TOTAL NET POSITION .....	<u>\$ 56,528,159</u>	<u>\$ 58,075,414</u>	<u>\$ 61,256,667</u>	<u>\$ 56,998,093</u>	<u>\$102,672,405</u>

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				
	2008	2009	2010	2011	2012
<b>Primary Government(1):</b>					
General Government .....	\$(15,862,396)	\$(12,313,704)	\$(12,299,703)	\$(13,738,860)	\$(16,381,052)
Public Safety .....	(17,563,598)	(17,411,381)	(18,053,425)	(18,647,832)	(19,186,504)
Highways and Streets .....	(685,501)	(3,214,583)	(1,059,576)	(3,009,678)	(1,185,690)
Interest and Fees .....	(2,998,209)	(3,462,955)	(3,415,044)	(3,227,766)	(3,356,724)
Total Governmental Activities .....	<u>\$(37,109,704)</u>	<u>\$(36,402,623)</u>	<u>\$(34,827,748)</u>	<u>\$(38,624,136)</u>	<u>\$(40,109,970)</u>
<b>General Revenues:</b>					
Taxes:					
Property and Replacement .....	\$ 18,240,322	\$ 20,053,651	\$ 19,626,799	\$ 19,520,238	\$ 19,022,348
Sales .....	9,536,539	7,941,951	7,983,543	8,076,606	8,510,612
Utility .....	1,931,966	1,817,503	1,863,505	1,871,180	1,799,567
Telecommunications .....	2,039,167	1,946,167	1,769,146	1,733,726	1,702,077
Food and Beverage .....	842,084	753,117	762,197	757,431	783,361
Hotel/Motel .....	761,395	594,972	756,112	817,218	899,759
Income .....	3,649,770	3,133,711	3,034,361	2,988,314	3,308,032
Other .....	805,553	702,910	774,202	833,432	876,891
Investment Income .....	1,972,157	714,969	557,803	307,641	382,600
Gain on Disposal of Capital Assets .....	0	0	0	0	19,703
Miscellaneous .....	487,053	295,113	617,396	1,144,281	1,198,450
Increase in Equity in Joint Venture .....	0	0	0	0	253,987
Transfers .....	0	(4,186)	263,937	220,639	433,336
Total .....	<u>\$ 40,266,006</u>	<u>\$ 37,949,878</u>	<u>\$ 38,009,001</u>	<u>\$ 38,270,706</u>	<u>\$ 39,190,723</u>
CHANGE IN NET POSITION .....	<u>\$ 3,156,302</u>	<u>\$ 1,547,255</u>	<u>\$ 3,181,253</u>	<u>\$ (353,430)</u>	<u>\$ (919,247)</u>
Prior Period Adjustment .....	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (3,905,144)</u>	<u>\$ 46,593,559</u>
NET POSITION, JANUARY 1 .....	<u>\$ 53,371,857</u>	<u>\$ 56,528,159</u>	<u>\$ 58,075,414</u>	<u>\$ 61,256,667</u>	<u>\$ 56,998,093</u>
NET POSITION, DECEMBER 31 .....	<u>\$ 56,528,159</u>	<u>\$ 58,075,414</u>	<u>\$ 61,256,667</u>	<u>\$ 56,998,093</u>	<u>\$102,672,405</u>

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

## General Fund - Balance Sheet

	Audited as of December 31				
	2008	2009	2010	2011	2012
<b>ASSETS:</b>					
Cash and Investments .....	\$ 6,472,785	\$ 4,774,768	\$ 5,565,168	\$ 9,117,094	\$ 8,883,099
Receivables (Net Where Applicable of Allowances for Uncollectibles):					
Property Taxes .....	7,218,004	8,880,148	11,182,844	10,372,249	10,129,462
Sales Taxes .....	2,309,410	2,151,779	2,106,135	2,168,497	2,277,453
Income Taxes .....	317,810	761,930	1,268,105	1,035,178	917,393
Telecommunications Tax .....	499,645	446,187	408,042	414,076	407,710
Accrued Interest .....	27,901	27,331	20,301	22,873	17,600
IPBC .....	2,032,679	1,192,050	1,252,725	1,463,995	1,703,945
Other .....	403,647	433,517	534,694	685,594	626,952
Due from Other Governments .....	0	0	69,000	116,441	0
Due from Other Funds .....	113,112	6,598,050	2,965,226	1,393,233	195,059
Advance to Other Funds .....	0	0	0	0	576,000
Inventory .....	177,905	221,512	264,114	304,889	262,536
Prepaid Items .....	319,742	324,428	340,730	369,478	372,806
Total Assets and Other Debits .....	<u>\$26,351,071</u>	<u>\$25,811,700</u>	<u>\$25,977,084</u>	<u>\$27,463,597</u>	<u>\$26,370,015</u>
<b>LIABILITIES:</b>					
Accounts Payable .....	\$ 683,642	\$ 881,960	\$ 743,274	\$ 797,269	\$ 1,628,638
Accrued Payroll .....	326,223	354,113	419,526	404,288	473,328
Deposits Payable .....	92,445	175,762	78,632	103,103	104,379
Due to Fiduciary Funds .....	57,306	57,427	280,986	84,043	56,528
Deferred Revenue .....	7,159,597	8,883,282	10,264,135	10,320,691	10,183,466
Total Liabilities .....	<u>\$ 8,319,213</u>	<u>\$10,352,544</u>	<u>\$11,786,553</u>	<u>\$11,709,394</u>	<u>\$12,446,339</u>
<b>FUND BALANCES:</b>					
Nonspendable for Prepaid Items .....	\$ 319,742	\$ 324,428	\$ 340,730	\$ 369,478	\$ 372,806
Nonspendable for Inventory .....	177,905	221,512	264,114	304,889	262,536
Nonspendable for Long-Term Receivables ..	6,458,431	0	0	0	576,000
Nonspendable for Senior Committee .....	211,074	0	0	0	0
Nonspendable for Sidewalks and Trees ...	40,951	0	0	0	0
Unrestricted - Assigned for					
Health Insurance .....	2,032,679	1,192,050	1,252,725	1,463,995	1,703,945
Unrestricted - Unassigned .....	8,791,076	13,721,166	12,332,962	13,615,841	11,008,389
Total Fund Balances .....	<u>\$18,031,858</u>	<u>\$15,459,156</u>	<u>\$14,190,531</u>	<u>\$15,754,203</u>	<u>\$13,923,676</u>
Total Liabilities and Fund Balances ..	<u>\$26,351,071</u>	<u>\$25,811,700</u>	<u>\$25,977,084</u>	<u>\$27,463,597</u>	<u>\$26,370,015</u>

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

	Audited as of December 31				
	2008	2009	2010	2011	2012
<b>REVENUES:</b>					
Taxes .....	\$20,140,024	\$18,484,185	\$20,230,707	\$21,921,158	\$22,268,871
Licenses and Permits .....	452,055	438,417	445,774	627,026	536,729
Intergovernmental .....	4,504,941	3,891,974	4,164,085	4,085,025	4,290,418
Charges for Services .....	1,762,796	1,773,677	1,831,489	2,082,179	2,287,031
Fines and Forfeits .....	606,984	1,068,433	843,584	732,417	690,272
Investment Income .....	647,298	343,684	180,049	116,184	148,338
Miscellaneous .....	988,498	845,661	736,164	1,076,792	893,608
Total Revenues .....	<u>\$29,102,596</u>	<u>\$26,846,031</u>	<u>\$28,431,852</u>	<u>\$30,640,781</u>	<u>\$31,115,267</u>
<b>EXPENDITURES:</b>					
General Government .....	\$11,413,172	\$10,379,637	\$ 9,129,789	\$ 8,706,123	\$10,200,168
Public Safety .....	18,843,022	18,609,586	19,666,478	19,396,617	20,028,984
Debt Service .....	0	0	0	0	15,526
Total Expenditures .....	<u>\$30,256,194</u>	<u>\$28,989,223</u>	<u>\$28,796,267</u>	<u>\$28,102,740</u>	<u>\$30,244,678</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures .....	\$(1,153,598)	\$(2,143,192)	\$ (364,415)	\$ 2,538,041	\$ 870,589
Other Financing Sources:					
Proceeds on Sale of Capital Assets ....	\$ 83,973	\$ 29,070	\$ 31,335	\$ 7,800	\$ 19,703
Operating Transfers In .....	0	0	0	0	53,440
Operating Transfers Out .....	(1,160,804)	(458,580)	(935,545)	(982,169)	(2,774,259)
Total Other Financing Sources .....	<u>\$(1,076,831)</u>	<u>\$ (429,510)</u>	<u>\$ (904,210)</u>	<u>\$ (974,369)</u>	<u>\$(2,701,116)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses .	\$(2,230,429)	\$(2,572,702)	\$(1,268,625)	\$ 1,563,672	\$(1,830,527)
Beginning Fund Balance .....	<u>\$20,262,287</u>	<u>\$18,031,858</u>	<u>\$15,459,156</u>	<u>\$14,190,531</u>	<u>\$15,754,203</u>
Ending Fund Balance .....	<u>\$18,031,858</u>	<u>\$15,459,156</u>	<u>\$14,190,531</u>	<u>\$15,754,203</u>	<u>\$13,923,676</u>

## General Fund Budget and Interim Financial Information

	Budget Twelve Months Ending 12/31/2013
<b>REVENUES:</b>	
Taxes .....	\$18,787,214
Licenses and Permits .....	494,836
Intergovernmental .....	4,255,374
Charges for Services .....	2,623,586
Fines and Forfeits .....	798,729
Interest .....	140,210
Miscellaneous .....	4,944,779
Total Revenues .....	<u>\$32,044,728</u>
<b>EXPENDITURES:</b>	
Personnel Services .....	\$22,454,991
Contractual Services .....	7,814,026
Commodities .....	1,206,216
Capital Improvements .....	117,000
Other .....	250,000
Transfers Out .....	602,495
Total Expenditures .....	<u>\$32,444,728</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures .....	\$ (400,000)