

Village of Wheeling, IL



Comprehensive Annual Financial Report

Fiscal Year Ended
December 31, 2014



VILLAGE OF WHEELING, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
December 31, 2014

Prepared by Finance Department

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Director of Finance

Brian Smith
Assistant Director of Finance

VILLAGE OF WHEELING, ILLINOIS
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INTRODUCTORY SECTION

VILLAGE OF WHEELING, ILLINOIS

PRINCIPAL OFFICIALS

DECEMBER 31, 2014

ELECTED OFFICIALS

Dean Argiris
Village President

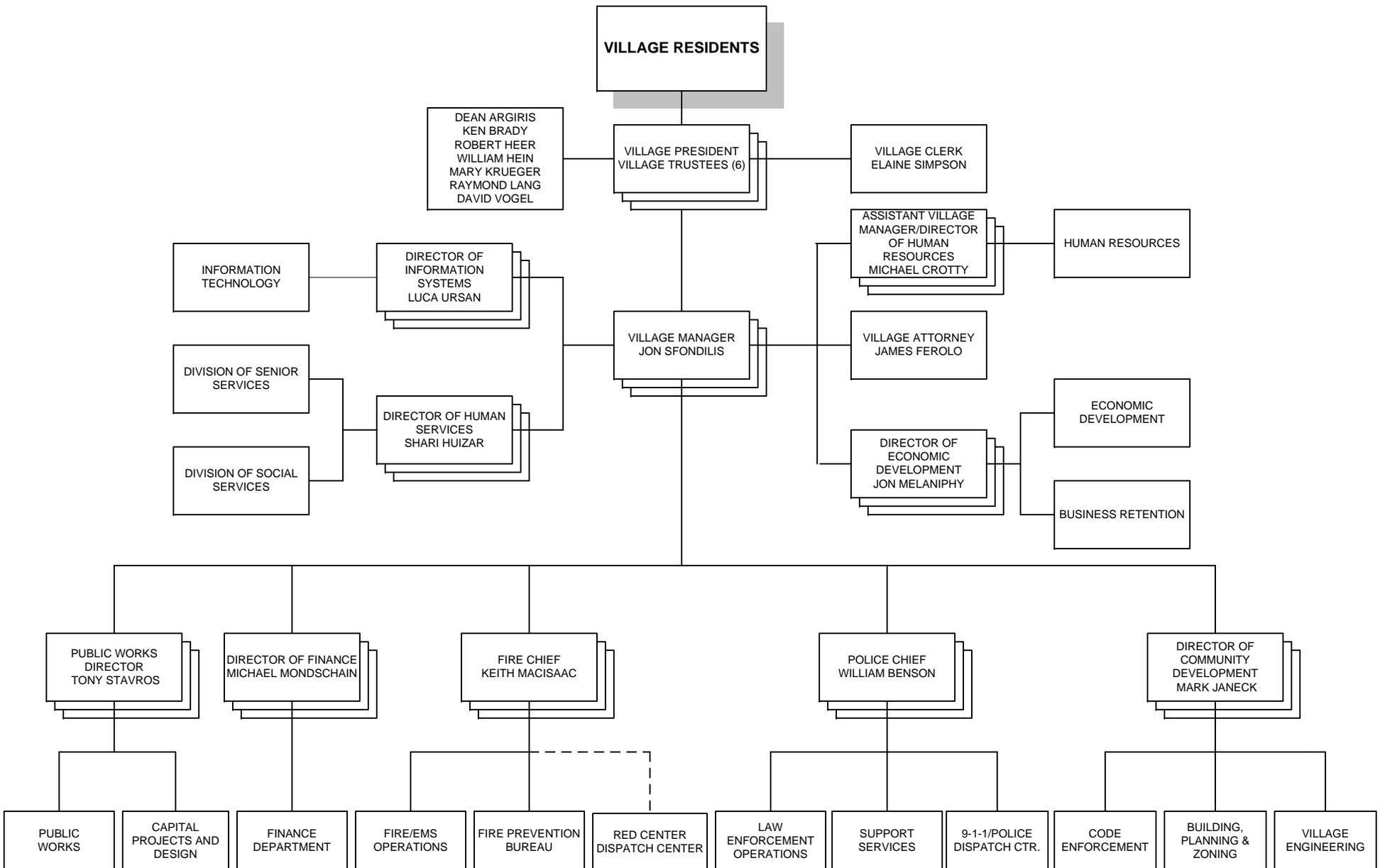
Kenneth Brady
Robert Heer
William Hein
Mary Krueger
Ray Lang
David Vogel
Village Trustees

Elaine Simpson
Village Clerk

ADMINISTRATIVE

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

VILLAGE OF WHEELING WHEELING, ILLINOIS





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Village of Wheeling
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO



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

May 29, 2015

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, 2014.

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

Sikich LLP has issued an unmodified (“clean”) opinion on the Village of Wheeling’s financial statements for the year ended on December 31, 2014. 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

Two of the Village's largest sources of revenue – sales and income tax – serve as indicators of the strength of the local economy and are therefore important to monitor closely. In both instances, receipts increased minimally this year, an indication that the local economy is improving albeit at a modest rate. While sales tax receipts were up \$485,293 (5.15%) compared to FY 2013, much of that increase was related to a one-time use tax transaction that is not expected to reoccur. Excluding that transaction, sales tax receipts were up only \$172,821 (1.83%) compared to last fiscal year. Similarly, income tax revenue was up only \$17,449 (.49%). When these two sources of revenue are not increasing at a rate sufficient to offset increases in expenditures, the Village must look to other sources of revenue such as the property tax levy to bridge the gap and balance the budget. Despite an increase in the tax levy, property tax revenue allocated to the General Fund was up only \$196,566 (1.96%), the result of a decision made by the Village to allocate more of the levy to debt service payments in order to avoid using Capital Projects funds for that purpose.

General Fund revenue as a whole increased by \$1,333,090 (4.17%) as a result of increases in revenue from the Village's video gaming tax, electrical inspection and plan review fees, local ordinance fines and an intergovernmental agreement with the City of Des Plaines related to emergency dispatching services. The increase in revenues was not enough to outpace the increase in expenditures, however, which grew by \$2,244,831 (7.29%). The growth in expenditures was largely attributable to increases in salaries and benefits, including significant

increases in pension costs. The combination of modest revenue growth and steady increases in labor costs have led the Village to budget conservatively for the last several years by avoiding the implementation of new programs and services.

The Village approached the FY 2014 budget process conservatively, by not adding new positions (excluding those hired as a result of a joint dispatching agreement with the City of Des Plaines) 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 decrease of \$819,161 (5.65%). Nonetheless, the results are better than expected given that the Village initially approved a budget with a deficit of \$1,055,804. Village departments, which have been working hard to conserve limited resources, spent only what was allocated to them, in a continued effort to preserve limited resources.

The results of FYE 2014 were very positive, given the decline in the Village's major sources of revenue over the last few years and the need to reduce the size of the organization. The Village's strong General Fund reserves allowed the organization to weather the economic storm that began in 2008, but not without significant reductions in expenditures. In Fiscal Years 2009 and 2010, the Village reduced personnel by 36 positions (13.7%) and eliminated several non-essential programs and services in order to offset the decline in the Village's major sources of revenue. At the same time, increases to the Village's property tax levy were approved, reducing the Village's reliance on more volatile sources of revenue. Despite those actions, the Village has relied on General Fund reserves and funds typically used for capital projects and equipment to balance the budget for the several years. Drawing down on fund balance is a trend that is not sustainable and one the Village Board has taken steps in recent years to address by seeking ways to reduce expenditures and find new sources of revenue.

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

Last year retail sales by Wheeling businesses surpassed \$558 million, and this year's sales are even stronger, up overall by nearly 11.1%. That number reflects a 6.7% increase in restaurant sales and a 14.9% increase in general

merchandise sales. Hotel performance also remains strong, with occupancies over 70%.

Wheeling's unemployment rate has remained relatively stable over the last ten years, but declined to 5.9% in 2014, down from 7.8% in 2013. Although unemployment in Wheeling is still higher than it has been in the past, stronger revenue numbers and a decline in the number of unemployed over the last year are positive trends.

The growth and development that has occurred in Wheeling is another positive indicator of an economic recovery. The following projects were initiated or completed in FY 2014:

- The Village approved a redevelopment agreement to build the Wheeling Town Center project, a \$100 million transit-oriented master-planned mixed-use development to be constructed at 351 West Dundee Road (the former Wickes Furniture site) adjacent to the Wheeling Metra Station. The project will feature approximately 300 luxury apartment units and 100,000 square feet of retail space anchored by a first-run movie theater and dinner theater as well as signature restaurants, fast-casual restaurants, specialty stores, and office space. Several tenants have signed letters of intent to join the project including Flix Brewhouse theater, Keefer's steakhouse, Reza's Mediterranean restaurant, Starbucks Coffee Company, Subway, Dunkin' Donuts, T-Mobile, Red Mango Frozen Yogurt & Smoothies, and Noodles & Company, among others. The project is a joint venture between WTC, LLC and the Lynmark Group. The Village anticipates that the project will break ground as early as 2015.
- Reva Development broke ground in 2014 on the Northgate Crossings project, a transit-oriented 288-unit luxury apartment development located at 250 Northgate Parkway on the former Kenny Construction site. Northgate Crossings will feature nine three-story buildings with 32 units per building, as well as attached garages, a clubhouse, walking trails, and other amenities. The project is an important part of Wheeling's Town Center area plan, which calls for a concentration of multi-family housing along with mixed-use commercial and residential development in proximity to the Wheeling Metra Station.
- In July of 2014, the Village signed a redevelopment agreement with LaSalle Group to develop the Whitley of Wheeling senior housing project at 60-156 West Dundee Road. The 102-unit assisted living and memory-support facility will encompass a three-story structure. The development will include walking trails, gardens and other amenities. The project is expected to open in the fall of 2016.

- Near the Westin hotel, the new owners of the Prairie Crossings shopping center completely leased the center to national tenants such as PostNet, Subway, and Dunkin Donuts, as well as local concepts such as Spears Bourbon-Burgers-Beer, a 5,000-square-foot restaurant featuring live entertainment.
- The outlot building at Lexington Commons shopping center was demolished and replaced with a new outlot built to accommodate a second Wheeling Starbucks, which opened in early May 2014, and an adjacent 2,100 square foot unit which has been leased to Salata. This was the first Chicago-area location for Salata, which is a Texas-based chain specializing in fresh salads, wraps, and soups.
- Construction and other renovations for Heritage Park to transform the park into a regional athletic and recreation destination continued in 2014. This \$35 million project doubled the size of the lake and included construction of new walkways, a pavilion by the lake, a band shell, soccer fields and baseball diamonds. This facility will serve as a regional attraction for residents and visitors to the community, and will provide storm water storage which will facilitate future development.

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, 2014, the fund balance in the General Fund totaled \$13,675,386, representing 41.4% of general fund expenditures (excluding inter-fund transfers), more than the 25 percent minimum established by the Board. Of this amount, \$11,395,024 (34.5%) 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 2005 to 2014 levies), the levy has increased an average of 4.44% per year from \$8.42 million to \$12.59 million. In FY 2010, the Village increased its hotel/motel tax from 5% to 6% (generating an additional \$120,000 annually to pay for operating costs), and increased its gas and electric use tax (in 2013) in order to generate an additional \$1,000,000 annually for capital project purposes.

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

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

Finally, the Village 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, 2014, the Village completed a number of significant projects, including the following:

- The Administrative Services Department worked with other taxing districts to establish the Town Center-II and Southeast-II tax increment financing districts. The Department also executed agreements with developers interested in building the Wheeling Town Center and Northgate Crossings projects.
- The Finance Department improved internal control procedures by rewriting narratives and retraining employees on procedures and processes.
- The Community Development Department successfully managed public infrastructure projects with expenditures of over \$7.0 million dollars.
- The Human Services department worked with elected officials and the Wheeling Park District to create a plan to integrate Senior Service Division programs and services with the Wheeling Park District Community Recreation Center.

- The Police Department successfully negotiated a joint emergency dispatch agreement with the City of Des Plaines and hired several new employees to begin dispatching Des Plaines' emergency (i.e. 911) calls. The five (5) year agreement will provide additional revenue to the Village of Wheeling and will reduce the cost of emergency dispatching for both communities.
- The Fire Department completed a table top disaster drill involving all operating departments within the Village simulating a major tornado strike resulting in extensive community wide damage and mass casualties. The lessons learned from the exercise were implemented by all operating departments in their disaster preparedness planning.
- The Public Works Department completed implementation of the Village's new water meter system upgrade program by working with a contractor to install over 8,000 water meters. The new meters can be read wirelessly from Village Hall and eliminate the need for employees to drive around the community to collect meter readings.

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, 2013. This was the thirty-fourth (34th) 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, 2014. This marked the twenty-eighth (28th) consecutive year the Village has received this recognition. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document must be judged to be proficient in several categories including policy documentation, financial planning, communication and organization.

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

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

Respectfully submitted,



Jon Sfondilis
Village Manager



Michael B. Mondschain
Finance Director

FINANCIAL SECTION



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

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Wheeling, Illinois (the Village), as of and for the year ended December 31, 2014, and the related notes to financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the Village's nonmajor governmental, internal service, and fiduciary funds presented in the accompanying combining and individual fund financial statements and schedules as of and for the year ended December 31, 2014, as indicated in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Wheeling, Illinois as of December 31, 2014, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental, internal service, and fiduciary fund of the Village of Wheeling, Illinois as of December 31, 2014, 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.

Change in Accounting Principle

The Village adopted the GASB Statement No 67, *Financial Reporting for Pension Plans*, which modified certain disclosures in the notes to financial statements and the required supplementary information. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

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

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

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, financial statements of the governmental activities, business-type activities, each major fund, the aggregate remaining fund information, and each nonmajor governmental, internal service, and fiduciary funds of the Village of Wheeling, Illinois as of and for the year ended December 31, 2013, and we expressed unmodified opinions on those financial statements. The audit was conducted for purposes of forming an opinion on the financial statements as a whole. The balance sheets, schedules of revenues, expenditures (expenses), and changes in fund balance (net position) - budget and actual for each fund with comparative actual is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2013 financial statements. The information has been subjected to the auditing procedures applied in the audit of those financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements from which it has been derived.

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

Naperville, Illinois
May 4, 2015

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2014

As management of the Village of Wheeling, we offer readers of the Village of Wheeling's financial statements this narrative overview and analysis of the financial activities of the Village of Wheeling for the fiscal year ended December 31, 2014. We encourage readers to consider the information presented here in conjunction with the financial statements.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Village of Wheeling exceeded its liabilities and deferred inflows of resources by \$154,432,541 (*net position*). Of this amount, \$9,033,117 is considered unrestricted net position, which may be used to meet the Village's ongoing obligations to citizens and creditors.
- The Village's total net position decreased by \$4,574,494. Governmental activities net position decreased by \$3,660,886 and business-type net position decreased by \$913,608.
- On December 31, 2014, the Village's governmental funds reported combined fund balances of \$26,528,521, a decrease of \$5,037,640 in comparison with the prior year. Approximately 41% of this amount (\$11,119,286) is available for spending at the Village's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unrestricted fund balance (the total of the *committed*, *assigned*, and *unassigned* components of *fund balance*) for the general fund was \$13,092,403, or approximately 40% of the general fund's expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2014

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

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 fund financial statements allow the demonstration of compliance with finance-related legal requirements. The focus is on major funds, rather than fund types. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

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

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

The Village maintains fifteen (15) 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, North Milwaukee/Lake Cook Redevelopment Area Fund, and the Capital Equipment Replacement Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Village adopts an annual appropriated budget for its governmental and enterprise funds. A budgetary comparison statement has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 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 as *business-type activities* in the government-wide financial statements. The Village uses an enterprise fund to account for its Waterworks and Sewerage operations. *Internal Service funds* are an accounting device used to accumulate and allocate costs internally among

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2014

the Village's various functions. The Village uses an internal service fund to account for accumulation of resources and costs associated with its liability insurance program. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary fund financial statements present the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 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* reported in the government-wide financial statements because the resources of those funds *are* not available to support the Village's own programs. The accounting for fiduciary funds is much like that used for proprietary funds.

The Village maintains one type of fiduciary fund. The Police and Firefighters' pension trust funds are used to report resources held in trust for retirees and beneficiaries covered by the Police or Firefighters' pension plans.

The fiduciary fund financial statements can be found on pages 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 20-73 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information which include the general fund budgetary comparison schedule and information concerning the Village's progress in funding its obligation to provide pension and other postemployment benefits to its employees. Required supplementary information can be found on page 74-87 of this report.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information on pensions and OPEB. Combining and individual fund statements and schedules can be found on pages 88-132 of this report.

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

An analysis of the Village's financial position begins with a review of the Statement of Net position and the Statement of Activities. These two statements report the Village's net position and changes therein. It should be noted that the financial position can also be affected by non-financial factors, including economic conditions, population growth and new regulations.

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2014

Government-wide Statements

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 by \$154,432,541 as of December 31, 2014. A summary of the Village's Statement of Net position is presented below in Table 1.

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

	Governmental Activities		Business-type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Assets						
Current and other assets	\$ 46,663	\$ 51,023	\$ 8,030	\$ 11,088	\$ 54,693	\$ 62,111
Capital assets	142,514	143,715	42,320	40,907	184,834	184,622
Investment in joint venture	-	-	6,990	7,098	6,990	7,098
Total Assets	189,177	194,738	57,340	59,093	246,517	253,831
Deferred Inflows of Resources						
Deferred Outflows	4,992	4,348	14	15	5,006	4,363
Total Deferred Outflows	4,992	4,348	14	15	5,006	4,363
Total Assets and Deferred Outflows	194,169	199,086	57,354	59,108	251,523	258,194
Liabilities						
Current and other liabilities	8,853	12,766	402	1,287	9,255	14,053
Long-term liabilities	70,887	69,270	4,357	4,312	75,244	73,582
Total Liabilities	79,740	82,036	4,759	5,599	84,499	87,635
Deferred Inflows of Resources						
Deferred Inflows	12,592	11,552	-	-	12,592	11,552
Total Deferred Inflows	12,592	11,552	-	-	12,592	11,552
Total Liabilities and Deferred Inflows	92,332	93,588	4,759	5,599	97,091	99,187
Net Position						
Net investment						
in capital assets	98,501	98,281	38,135	37,260	136,636	135,541
Restricted	8,763	15,069	-	-	8,763	15,069
Unrestricted (deficit)	(5,427)	(7,852)	14,460	16,249	9,033	8,397
Total net position	\$ 101,837	\$105,498	\$ 52,595	\$ 53,509	\$ 154,432	\$ 159,007

The largest portion of the Village's net position (88%) reflects its investment in capital assets (e.g., land, buildings, airport, machinery, and equipment); less any 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

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

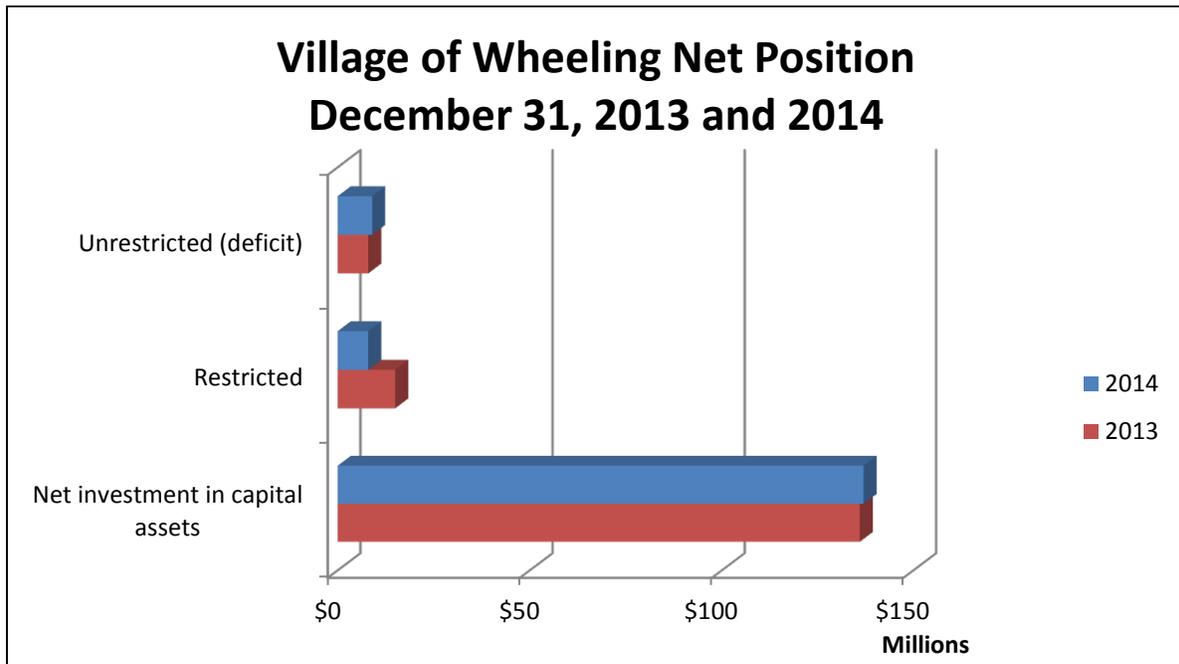
DECEMBER 31, 2014

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 2014, the airport reported total non-depreciated assets of \$46,584,437 (i.e. the Village's proportionate share), a decrease of \$365,947 from last year.

An additional portion of the Village's net position (6%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (6%) may be used to meet the government's ongoing obligation to citizens and creditors.

At the end of the current fiscal year, the Village is able to report positive balances of net position for the government as a whole. The governmental activities reported positive balances in all categories, except unrestricted net position; the unrestricted deficit decreased by \$2,424,833 during the fiscal year.



The Village's total net position decreased \$4,574,494 during the current fiscal year. The reasons for the overall decrease are discussed in the following sections for governmental activities and business-type activities.

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

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2014

Table 2: Condensed Statement of Activities

	Governmental Activities		Business-type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program Revenues:						
Charges for services	\$ 4,849	\$ 3,969	\$ 7,958	\$ 8,077	\$ 12,807	\$ 12,046
Operating grants and contributions	1,468	1,265	-	-	1,468	1,265
Capital grants and contributions	386	60	-	-	386	60
General Revenue:						
Property taxes	20,077	18,781	-	-	20,077	18,781
Other taxes	16,594	15,717	-	-	16,594	15,717
Intergovernmental	4,714	4,541	-	-	4,714	4,541
Other	1,216	1,471	69	53	1,285	1,524
Airport – joint venture	-	289	-	-	-	289
Total Revenues	<u>49,304</u>	<u>46,093</u>	<u>8,027</u>	<u>8,130</u>	<u>57,331</u>	<u>54,223</u>
Expenses:						
General government	17,398	14,477	-	-	17,398	14,477
Public safety	24,351	22,913	-	-	24,351	22,913
Highways and streets	8,266	3,137	-	-	8,266	3,137
Airport – joint venture	366	-	-	-	366	-
Interest and fees	3,115	3,228	-	-	3,115	3,228
Water and sewer	-	-	8,410	7,872	8,410	7,872
Total Expenses	<u>53,496</u>	<u>43,755</u>	<u>8,410</u>	<u>7,872</u>	<u>61,906</u>	<u>51,627</u>
Increase (Decrease) in Net Position						
Before Transfers	(4,192)	2,338	(383)	258	(4,575)	2,596
Transfers	<u>531</u>	<u>487</u>	<u>(531)</u>	<u>(487)</u>	<u>-</u>	<u>-</u>
Change in Net Position	(3,661)	2,825	(914)	(229)	(4,575)	2,596
Beginning Net Position	<u>105,498</u>	<u>102,673</u>	<u>53,509</u>	<u>53,738</u>	<u>159,007</u>	<u>156,411</u>
Ending Net Position	<u>101,838</u>	<u>105,499</u>	<u>52,595</u>	<u>53,509</u>	<u>154,432</u>	<u>159,007</u>

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2014

Governmental Activities

During the current fiscal year, net position for governmental activities decreased \$3,660,886 from the prior fiscal year for an ending balance of \$101,837,188.

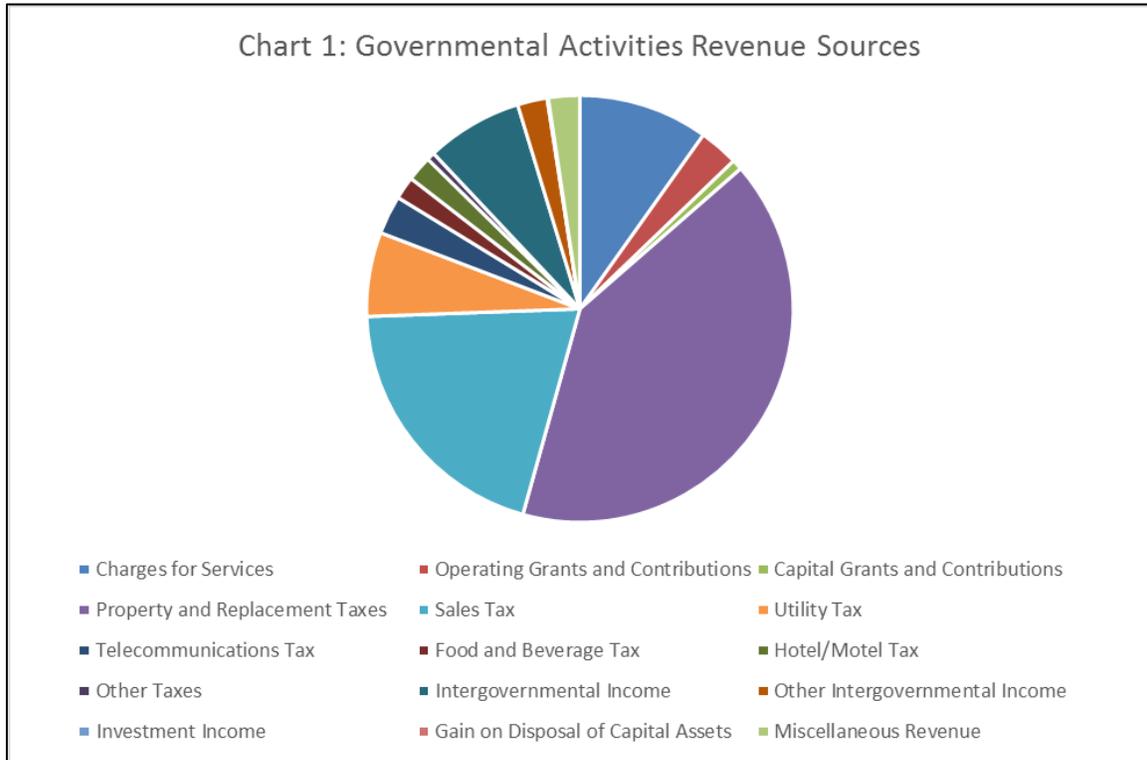
Current Year Impacts

- ◆ Property taxes increased 6.9% or \$1,296,149 over the prior fiscal year due primarily to an increase in the Village's property tax levy, additional contributions to the police and fire pension funds and increases to property tax increment revenue in the Village's TIF funds.
- ◆ Sales tax revenue increased by 5.2% or \$485,293 over the prior year.
- ◆ Utility taxes increased 17.1% or \$456,936 over the prior year due to a severely cold winter. The Village does not anticipate maintaining these increases in fiscal year 2015.
- ◆ Intergovernmental revenue increased 3.8% or \$173,248 in fiscal year 2014 due to additional Motor Fuel Tax Fund distributions of \$171,415 over the prior year.
- ◆ Charges for services increased 22.2% or \$879,303 over the prior fiscal year due to emergency dispatch services provided to the City of Des Plaines that brought in \$616,460 (\$202,768 to the general fund) of new revenue in fiscal year 2014.
- ◆ Investment income decreased due to historically low interest rates and reductions in cash available for investment.
- ◆ General government expenses increased 20.2% or \$2,922,797 over the prior fiscal year due to salary and benefit increases.
- ◆ Public safety expenses increased 6.3% or \$1,438,044 over the prior fiscal year due to additional employer contributions to the police and fire pension fund and salary increases.
- ◆ Highways and streets expenses increased by \$5,128,567 over the prior fiscal year due to increases in TIF surplus distributions to other taxing districts and increases in TIF incentive payments to developers.

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2014

Revenues

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



For the fiscal year ended December 31, 2014, revenues from governmental activities totaled \$49,305,351. Property taxes totaled \$20,077,443, representing 40.7% of total governmental funds’ revenue. Sales and use taxes account for 20.1% of revenue and charges for services represent 9.8% of total governmental activity revenue.

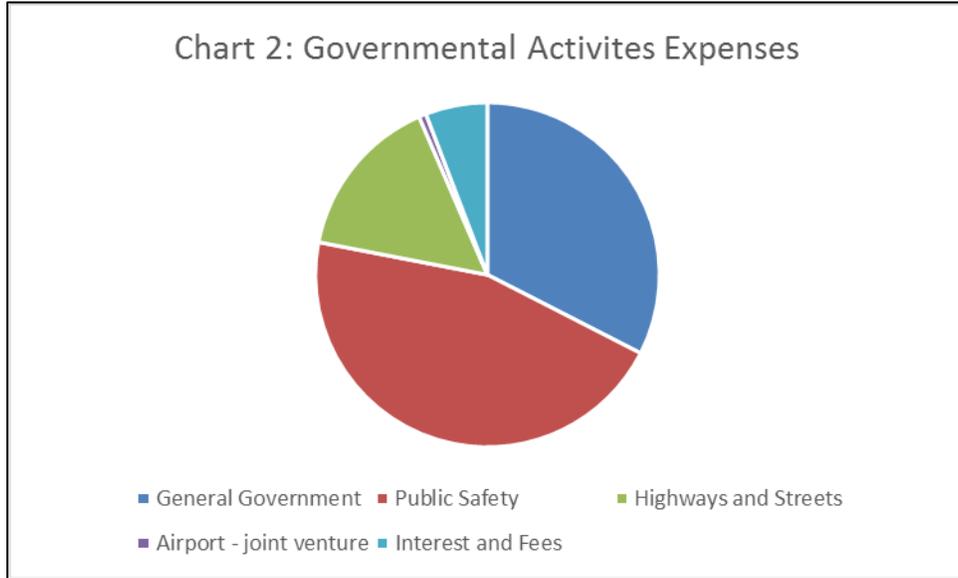
Property tax revenue increased from \$18,781,294 in fiscal year 2013 to \$20,077,443 in fiscal year 2014, an increase of \$1,296,149 or 6.9%. The Village experienced a 15% decrease in its equalized assessed valuation (EAV) from \$997,653,697 in tax year 2012 to \$838,147,451 in tax year 2013.

<u>Levy Year</u>	<u>EAV</u>
2012	\$ 997,653,697
2013	\$ 838,147,451
Decrease	\$ 159,506,246
% Decrease	(15%)

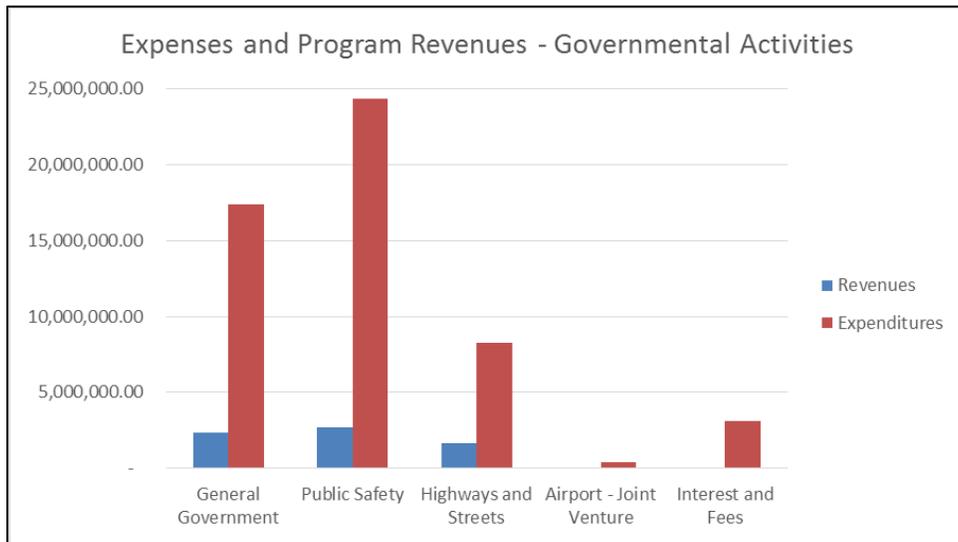
VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2014

Expenses

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



For the fiscal year ended December 31, 2014 expenses from governmental activities totaled \$53,497,372. Public Safety and General Government services account for 45.5% and 32.5% of all governmental activities expenses, respectively.



VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2014

Business-Type Activities

During the current fiscal year, net position for business-type activities decreased \$913,608 from the prior fiscal year for an ending balance of \$52,595,353.

Current Year Impacts

- ◆ Operating expenses, including depreciation of \$1.2 million, were more than operating revenues by \$218,779.
- ◆ Water consumption decreased by 5.6% from the prior year.
- ◆ The Village completed its water meter replacement program.
- ◆ Expenses relating to operation of water and wastewater departments were under budget by \$300,553 because water meter replacement program expenses were less than anticipated.

Financial Analysis of the Village Funds

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

Governmental Funds

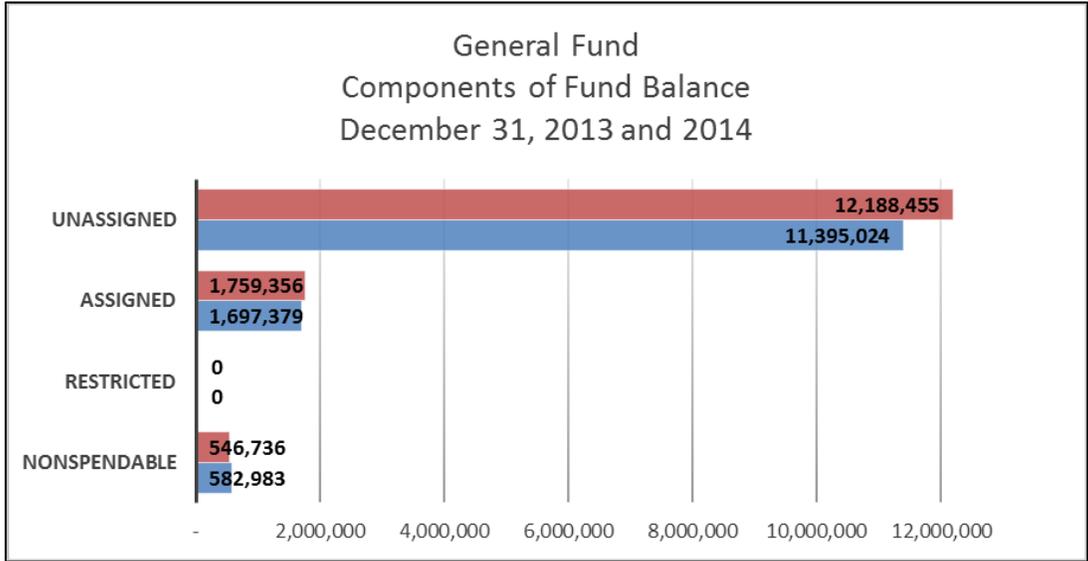
The focus of the Village's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's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

At December 31, 2014, the governmental funds reported a combined fund balance of \$26,528,521, which is almost a 16% decrease from the beginning of the year of \$31,566,161. Approximately 41.9% of this amount (\$11,119,286) constitutes *unassigned fund balance*, which is available for spending at the Village's discretion. The remainder of the fund balance is either *nonspendable*, *restricted*, or *assigned* to indicate that it is 1) not available for new spending because it is related to prepaid items and inventory (\$708,184), 2) legally required to be maintained intact, or restricted, for other purposes such as capital projects, highways and streets, public safety, economic development, and debt service (\$8,095,918) or 3) assigned (\$6,605,133) for particular purposes like capital improvements, health insurance expenditures or the subsequent year's budget.

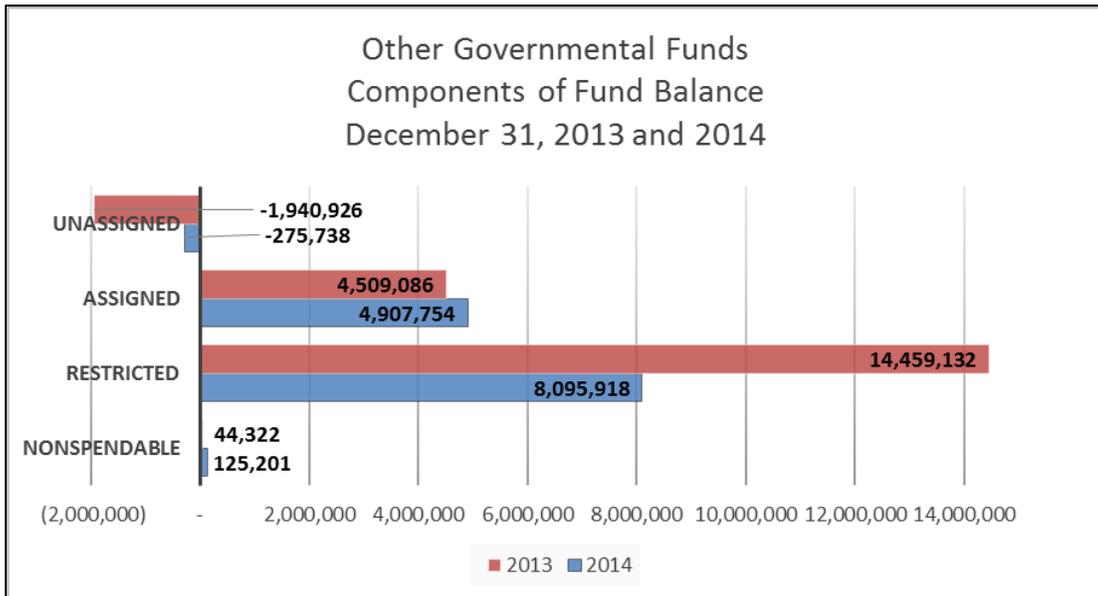
VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2014



The general fund is the Village's primary operating fund and the largest source of day-to-day service delivery. At the end of the current fiscal year, unassigned fund balance of the general fund was \$11,395,024. The total fund balance in the general fund decreased from \$14,494,547 in fiscal year 2013 to \$13,675,386 or 5.7% in fiscal year 2014. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 34.5% of total general fund expenditures, while total fund balance represents approximately 41.4% of that same amount. The decrease in fund balance is largely due to budgeted revenues being less than budgeted expenditures.



VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2014

The Village maintains seven separate funds created to account for the revenues and expenditures related to the Village's Tax Increment Financing (TIF) redevelopment areas. The North Milwaukee/Lake Cook Redevelopment Area Fund is a major governmental fund this year with a fund balance of \$651,942, which reflects a decrease of \$1,877,934 from the prior year. The decrease in fund balance was due to developer incentive payments of \$2,709,561.

The Capital Equipment Replacement Fund was created to account for the transfers and advances from other funds assigned for the eventual replacement of vehicles and equipment utilized by those funds. The fund balance increased by \$398,668 during the current fiscal year to \$4,907,754, primarily due to unspent, budgeted capital outlay expenditures. The Village continues to effectively extend the life of assets past their estimated useful lives.

Proprietary Funds

The Village of Wheeling's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Waterworks and Sewerage Fund was \$14,460,012. At December 31, 2014 the proprietary funds' total net position decreased by \$913,608, or 1.71%, from \$53,508,961 in 2013 to \$52,595,353 in 2014.

General Fund Budgetary Highlights

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

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

Revenue Source	Budgeted Revenues	Actual Revenues	Difference	% Difference
Telecommunication Tax	1,598,340	1,445,508	(152,832)	-9.56%
Local Ordinance Fines	540,162	701,640	161,478	29.89%
Video Gaming Tax	40,000	106,960	66,960	167.40%
Emergency Dispatch Services	-	202,768	202,768	N/A
Plan Review Fees	35,453	124,407	88,954	250.91%
	<u>2,213,955</u>	<u>2,581,283</u>	<u>367,328</u>	<u>16.59%</u>

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2014

Telecommunication tax has seen a steady decrease over the past three fiscal years. Staff foresees continued decline in the years to come.

Emergency dispatch services are now provided to the City of Des Plaines. The Village received over \$600,000 in the current year to offset start-up costs associated with taking on these dispatching duties.

Local ordinance fines came in almost 30% over budget due to several factors. The Village has had success using the State's Local Debt Recovery Program. The Police Department issued 650 more compliance tickets and 750 more overnight parking tickets than in the prior year. In addition, RedSpeed installed new high resolution cameras during the fiscal year that allowed for closer inspection of red light violations and increased revenue.

Additional plan review fees associated with the Northgate Crossings redevelopment agreement were collected but not expected until fiscal year 2015. Video Gaming participation from Wheeling businesses has been more than the Village originally anticipated and that led to a significant difference from what was budgeted.

The most significant differences between budgeted expenditures were as follows:

Expenditure Type	Budgeted Expenditures	Actual Expenditures	Difference	% Difference
Village Manager's office and Board of Trustees	1,457,450	1,582,525	125,075	8.58%
Police Department	12,405,632	12,648,272	242,640	1.96%
Fire Department	9,415,167	9,620,446	205,279	2.18%
Municipal building maintenance	1,012,230	1,066,008	53,778	5.31%
CIP engineering	222,751	151,023	(71,728)	-32.20%
Street division	910,456	957,099	46,643	5.12%
	<u>25,423,686</u>	<u>26,025,373</u>	<u>601,687</u>	<u>2.37%</u>

In fiscal year 2014, a reimbursement to the state was required for funds distributed to the Village that have been reclaimed due to a lawsuit filed against a large telecommunication carrier. This reimbursement of \$124,422 was booked to the Village Manager's office and Board of Trustees department.

Overages in personnel services in the Police, Fire, Municipal building maintenance and Street division departments were primarily due to overtime expenditures from the harsh winter and additional employer contributions to the pension funds. The savings in the CIP engineering department were due to an unfilled position that made salary and benefit expenditures less than anticipated.

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2014

Capital Assets and Debt Administration

Capital assets. The Village's investment in capital assets for its governmental and business-type activities as of December 31, 2014 amounts to \$184,833,985. The investment in capital assets includes land, buildings, equipment, underground distribution and collection systems, infrastructure, and construction work in progress. The Village saw a net increase of capital assets (including additions, developer contributions, and retirements) of \$211,820.

Table 3: Capital Assets

	Governmental Activities		Business-type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Land	\$ 26,837,555	\$ 26,837,555	\$567,510	\$567,824	\$27,405,065	\$27,405,379
Land right of way	11,624,192	11,624,192	-	-	11,624,192	11,624,192
Airport(joint venture)	46,584,437	46,950,384	-	-	46,584,437	46,950,384
Buildings & Improvements	58,117,574	57,553,224	-	-	58,117,574	57,553,224
Vehicles, equipment, & furniture	9,695,361	9,535,899	2,808,176	2,787,538	12,503,537	12,323,437
Infrastructure	28,647,671	27,453,001	-	-	28,647,671	27,453,001
Water System Improvements	-	-	42,691,189	36,640,728	42,691,189	36,640,728
Sewer System Improvements	-	-	17,648,386	17,433,970	17,648,386	17,433,970
Construction in progress	-	-	-	3,896,425	-	3,896,425
Total Capital Assets	181,506,790	179,954,255	63,715,261	61,326,485	245,222,051	241,280,740
Less: Accumulated depreciation	(38,992,817)	(36,238,864)	(21,395,249)	(20,419,711)	(60,388,066)	(56,658,575)
Total	142,513,973	143,715,391	42,320,012	40,906,774	184,833,985	184,622,165

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

- ◆ An addition to the second floor of the Public Works Building that cost \$564,350.
- ◆ Vehicles, Equipment & Furniture purchases of \$319,245 in the Governmental Funds and \$256,448 in the Enterprise Funds.
- ◆ Improvements to the Mayer Avenue storm water infrastructure in the amount of \$1,072,182.
- ◆ The completion of the water meter replacement program.
- ◆ The completion of water main replacement along Mors Avenue and Dundee Road.

Additional information on the Village's capital assets can be found in Note 4 on pages 32-33 of this report.

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2014

Long-term Debt. At the end of the current fiscal year, the Village had total bonded debt outstanding of \$67,610,000. Of this amount, \$51,400,000 comprises debt backed by the full faith and credit of the government and \$16,210,000 is backed by tax increment revenue for which the bonds are secured solely by this revenue source. Additionally, the Village has a note outstanding for \$3,105,170 related to a tax increment revenue note, issued for economic development purposes.

The Village's total general obligation bond related debt decreased by \$2,040,000 (3.8%).

During the current fiscal year, the Village retired \$1,698,180 of general bond principal and \$341,820 of the water and sewer funded debt. The Village also retired \$780,000 of tax increment revenue bond principal.

A Tax Increment Financing (TIF) note was issued on January 25, 2012 for \$3,500,000. Interest on the note is 7%. The Village retired \$544,305 of note principal and accrued \$227,654 of interest payable, which resulted in a net decrease of \$316,651.

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

	Governmental Activities		Business-type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Bonds and Notes Payable						
General obligation bonds	\$47,292,211	\$48,990,391	\$4,107,789	\$4,449,609	\$51,400,000	\$53,440,000
TIF revenue bonds	16,210,000	16,990,000	-	-	16,210,000	16,990,000
Tax Increment Revenue Note	3,105,170	3,421,821	-	-	3,105,170	3,421,821
Premium on bonds payable	330,567	365,233	91,036	97,609	421,603	462,842
Other liabilities						
Vested compensated absences	2,224,297	2,189,651	155,797	181,031	2,380,094	2,370,682
Other post employment benefits	33,625	79,858	2,781	6,606	36,406	86,464
Insurance claims payable	1,691,193	1,392,408	-	-	1,691,193	1,392,408
Total	70,887,063	73,429,362	4,357,403	4,734,855	75,244,466	78,164,217

Additional information on the Village's long-term debt can be found in the Note 5 on pages 34-41 of this report.

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2014

Economic factors and next year's budget

The following economic and budgetary factors were considered in developing the 2015 fiscal year budget.

- The unemployment rate for the Village of Wheeling is currently 5.9%, which is a decrease from the rate of 7.5% a year ago. While the unemployment rate is likely to decrease, it is not expected to reach the pre-recession level for a number of years.
- A 4.44% increase in water rates and sewer rates beginning on January 1, 2015 in an effort to cover operating expenses in the Enterprise Funds.
- A property tax increase of \$1,039,681 to fund increases in recurring expenditure obligations.
- A 50% reduction in the scheduled transfer to the Capital Equipment Replacement Fund.
- Anticipated increases are expected in health insurance premiums, as well as pension and other employee benefit costs.
- The Village of Wheeling continues to be self-insured for losses from errors and omissions, liability, and workers' compensation.

The Village of Wheeling has appropriated \$753,849 of fund balance from the General Fund for spending in the 2015 fiscal year budget. This action was taken as an additional measure to limit the impact of tax increases on the Village's residents and businesses.

Contacting the Village's Financial Management

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

VILLAGE OF WHEELING, ILLINOIS

STATEMENT OF NET POSITION

December 31, 2014

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 27,105,062	\$ 4,864,822	\$ 31,969,884
Receivables (net where applicable of allowance for uncollectibles)			
Property taxes	12,806,608	-	12,806,608
Sales taxes	2,555,025	-	2,555,025
Income taxes	644,481	-	644,481
Telecommunications tax	354,214	-	354,214
Accounts	200,799	1,759,308	1,960,107
Accrued interest	44,598	4,505	49,103
IPBC	943,530	71,500	1,015,030
Other	1,120,770	365	1,121,135
Prepaid expenses	323,845	135,940	459,785
Inventory	384,535	216,403	600,938
Due from other governments	137,302	-	137,302
Advances to other funds	(976,867)	976,867	-
Net pension asset	1,018,534	-	1,018,534
Capital assets not being depreciated	85,046,184	567,510	85,613,694
Capital assets being depreciated, net of accumulated depreciation	57,467,789	41,752,502	99,220,291
Investment in joint venture	-	6,990,359	6,990,359
Total assets	189,176,409	57,340,081	246,516,490
DEFERRED OUTFLOWS OF RESOURCES			
Swap agreement	4,353,866	-	4,353,866
Unamortized loss on refunding	638,224	14,154	652,378
Total deferred outflows of resources	4,992,090	14,154	5,006,244
Total assets and deferred outflows of resources	194,168,499	57,354,235	251,522,734
LIABILITIES			
Accounts payable	1,786,608	239,196	2,025,804
Accrued payroll	764,925	74,744	839,669
Deposits payable	144,654	46,821	191,475
Unearned revenue	1,070,043	31,213	1,101,256
Due to fiduciary funds	100,721	-	100,721
Interest payable	631,748	9,505	641,253
Interest rate swap agreement	4,353,866	-	4,353,866
Long-term liabilities			
Due within one year	4,601,468	415,172	5,016,640
Due in more than one year	66,285,595	3,942,231	70,227,826
Total liabilities	79,739,628	4,758,882	84,498,510
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue - property taxes	12,591,683	-	12,591,683
Total deferred inflows of resources	12,591,683	-	12,591,683
Total liabilities and deferred inflows of resources	92,331,311	4,758,882	97,090,193
NET POSITION			
Net investment in capital assets	98,500,856	38,135,341	136,636,197
Restricted for			
Capital projects	1,314,424	-	1,314,424
Highways and streets	1,357,515	-	1,357,515
Public safety	1,160,705	-	1,160,705
Economic development	4,843,012	-	4,843,012
Debt service	87,571	-	87,571
Unrestricted (deficit)	(5,426,895)	14,460,012	9,033,117
TOTAL NET POSITION	\$ 101,837,188	\$ 52,595,353	\$ 154,432,541

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2014

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
FUNCTIONS/PROGRAMS				
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 17,399,295	\$ 2,113,226	\$ 18,571	\$ 227,347
Public safety	24,351,195	2,518,598	150,634	-
Highways and streets	8,265,832	216,834	1,299,085	159,094
Airport - joint venture	365,947	-	-	-
Interest and fees	3,115,103	-	-	-
Total governmental activities	53,497,372	4,848,658	1,468,290	386,441
Business-Type Activities				
Water and sewer	8,409,712	7,958,560	-	-
Total business-type activities	8,409,712	7,958,560	-	-
TOTAL PRIMARY GOVERNMENT	\$ 61,907,084	\$ 12,807,218	\$ 1,468,290	\$ 386,441

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (15,040,151)	\$ -	\$ (15,040,151)
	(21,681,963)	-	(21,681,963)
	(6,590,819)	-	(6,590,819)
	(365,947)	-	(365,947)
	(3,115,103)	-	(3,115,103)
	<u>(46,793,983)</u>	-	<u>(46,793,983)</u>
	-	(451,152)	(451,152)
	-	(451,152)	(451,152)
	<u>(46,793,983)</u>	<u>(451,152)</u>	<u>(47,245,135)</u>
General Revenues			
Taxes			
Property	20,077,443	-	20,077,443
Sales	9,915,534	-	9,915,534
Utility	3,143,435	-	3,143,435
Telecommunications	1,445,508	-	1,445,508
Food and beverage	847,714	-	847,714
Hotel/motel	942,103	-	942,103
Other	300,063	-	300,063
Intergovernmental			
Income	3,604,564	-	3,604,564
Other	1,109,745	-	1,109,745
Investment income	30,692	21,347	52,039
Gain on disposal of capital assets	12,867	47,332	60,199
Miscellaneous	1,172,294	-	1,172,294
Transfers	531,135	(531,135)	-
Total	<u>43,133,097</u>	<u>(462,456)</u>	<u>42,670,641</u>
CHANGE IN NET POSITION	(3,660,886)	(913,608)	(4,574,494)
NET POSITION, JANUARY 1	<u>105,498,074</u>	<u>53,508,961</u>	<u>159,007,035</u>
NET POSITION, DECEMBER 31	<u>\$ 101,837,188</u>	<u>\$ 52,595,353</u>	<u>\$ 154,432,541</u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

GOVERNMENTAL FUNDS

BALANCE SHEET

December 31, 2014

	General	North Milwaukee/ Lake Cook Redevelopment Area	Capital Equipment Replacement	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 9,895,556	\$ 3,273,718	\$ 5,975,276	\$ 5,299,378	\$ 24,443,928
Receivables (net where applicable of allowance for uncollectibles)					
Property taxes	11,037,194	58,542	-	1,710,872	12,806,608
Sales taxes	2,555,025	-	-	-	2,555,025
Income taxes	644,481	-	-	-	644,481
Telecommunications tax	354,214	-	-	-	354,214
Accounts	-	-	-	200,799	200,799
Accrued interest	19,866	-	12,281	8,870	41,017
IPBC	943,530	-	-	-	943,530
Other	793,199	130	1,895	325,546	1,120,770
Prepaid items	318,023	178	-	5,448	323,649
Inventory	264,960	-	-	119,575	384,535
Due from other funds	29,213	-	-	-	29,213
Due from other governments	-	-	-	137,302	137,302
Advance to other funds	-	-	-	2,922,200	2,922,200
TOTAL ASSETS	\$ 26,855,261	\$ 3,332,568	\$ 5,989,452	\$ 10,729,990	\$ 46,907,271

**LIABILITIES, DEFERRED INFLOWS
OF RESOURCES, AND FUND BALANCES**

	General	North Milwaukee/ Lake Cook Redevelopment Area	Capital Equipment Replacement	Nonmajor Governmental Funds	Total Governmental Funds
LIABILITIES					
Accounts payable	\$ 1,155,209	\$ 12,016	\$ 104,831	\$ 506,388	\$ 1,778,444
Accrued payroll	752,327	610	-	11,988	764,925
Deposits payable	144,654	-	-	-	144,654
Unearned revenue	135,550	-	-	934,493	1,070,043
Due to other funds	-	-	-	29,213	29,213
Due to fiduciary funds	100,721	-	-	-	100,721
Advance from other funds	-	2,668,000	976,867	254,200	3,899,067
Total liabilities	2,288,461	2,680,626	1,081,698	1,736,282	7,787,067
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	10,891,414	-	-	1,700,269	12,591,683
Total deferred inflows of resources	10,891,414	-	-	1,700,269	12,591,683
Total liabilities and deferred inflows of resources	13,179,875	2,680,626	1,081,698	3,436,551	20,378,750
FUND BALANCES					
Nonspendable					
Prepaid items	318,023	178	-	5,448	323,649
Inventory	264,960	-	-	119,575	384,535
Restricted					
Capital projects	-	-	-	1,314,424	1,314,424
Highways and streets	-	-	-	1,357,515	1,357,515
Public safety	-	-	-	493,396	493,396
Economic development	-	651,764	-	4,191,248	4,843,012
Debt service	-	-	-	87,571	87,571
Assigned					
Health insurance	943,530	-	-	-	943,530
Subsequent year's budget	753,849	-	-	-	753,849
Capital improvements	-	-	4,907,754	-	4,907,754
Unassigned, reported in					
General Fund	11,395,024	-	-	-	11,395,024
Special Revenue Funds	-	-	-	(1,849)	(1,849)
Capital Projects Funds	-	-	-	(273,889)	(273,889)
Total fund balances	13,675,386	651,942	4,907,754	7,293,439	26,528,521
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
	\$ 26,855,261	\$ 3,332,568	\$ 5,989,452	\$ 10,729,990	\$ 46,907,271

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, 2014

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 26,528,521
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	142,513,973
The loss on refunding of bonds is capitalized and amortized over the life of the bonds on the statement of net position	638,224
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation bonds	(47,292,211)
Tax increment revenue bonds	(16,210,000)
Tax increment revenue note	(3,105,170)
Premium on bonds payable	(330,567)
Compensated absences payable	(2,224,297)
Other postemployment benefit obligation	(33,625)
Accrued interest on long-term liabilities is reported as a liability on the statement of net position	(631,748)
The net pension asset of the Police and Firefighters' Pension Funds is reported as an asset on the statement of net position	1,018,534
The net position of the Internal Service Fund is included in the governmental activities in the statement of net position	<u>965,554</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 101,837,188</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, 2014

	General	North Milwaukee/ Lake Cook Redevelopment Area	Capital Equipment Replacement	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 23,841,420	\$ 3,928,974	\$ -	\$ 8,603,353	\$ 36,373,747
Licenses and permits	550,247	-	-	-	550,247
Intergovernmental	4,927,125	-	-	2,031,028	6,958,153
Charges for services	2,104,787	-	-	1,130,658	3,235,445
Fines and forfeits	844,161	-	-	-	844,161
Investment income	(76,871)	652	35,180	71,731	30,692
Miscellaneous	1,098,290	-	-	201,749	1,300,039
Total revenues	33,289,159	3,929,626	35,180	12,038,519	49,292,484
EXPENDITURES					
Current					
General government	10,553,805	-	-	-	10,553,805
Public safety	22,268,718	-	-	1,001,331	23,270,049
Highways and streets	-	-	-	1,928,121	1,928,121
Capital outlay	-	103,648	227,352	6,052,876	6,383,876
Capital improvements	-	3,578,939	-	3,255,284	6,834,223
Debt service					
Principal	202,900	1,340,050	-	1,479,535	3,022,485
Interest and fiscal charges	-	1,191,448	-	1,690,119	2,881,567
Total expenditures	33,025,423	6,214,085	227,352	15,407,266	54,874,126
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	263,736	(2,284,459)	(192,172)	(3,368,747)	(5,581,642)

	General	North Milwaukee/ Lake Cook Redevelopment Area	Capital Equipment Replacement	Nonmajor Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)					
Proceeds on sale of capital assets	\$ 12,867	\$ -	\$ -	\$ -	\$ 12,867
Transfers in	36,500	406,525	597,549	8,605,514	9,646,088
Transfers (out)	(1,132,264)	-	(6,709)	(7,975,980)	(9,114,953)
Total other financing sources (uses)	(1,082,897)	406,525	590,840	629,534	544,002
NET CHANGE IN FUND BALANCES	(819,161)	(1,877,934)	398,668	(2,739,213)	(5,037,640)
FUND BALANCES, JANUARY 1	14,494,547	2,529,876	4,509,086	10,032,652	31,566,161
FUND BALANCES, DECEMBER 31	<u>\$ 13,675,386</u>	<u>\$ 651,942</u>	<u>\$ 4,907,754</u>	<u>\$ 7,293,439</u>	<u>\$ 26,528,521</u>

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, 2014

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (5,037,640)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized on the statement of net position and depreciated on the statement of activities	2,166,069
Depreciation expense does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds	(3,001,540)
The decrease in equity of joint venture is reported on the statement of activities	(365,947)
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	3,022,485
Amortization of premium on bonds is reported as a reduction of interest expense on the statement of activities	34,666
Amortization of the loss on refunding is reported as interest expense on the statement of activities	(67,945)
Accretion of bonds is reported as interest expense on the statement of activities	(227,654)
The increase of accrued interest payable is shown as an increase of expense on the statement of activities	27,398
The increase in compensated absences payable is shown as an increase of the statement of activities	(34,646)
The change in the net pension asset	351,225
The change in the other postemployment benefit obligation	46,233
The change in net position of internal service funds is reported in governmental activities	<u>(573,590)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ (3,660,886)</u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

December 31, 2014

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Waterworks and Sewerage</u>	<u>Internal Service</u>
CURRENT ASSETS		
Cash and investments	\$ 4,864,822	\$ 2,661,134
Receivables (net where applicable of allowance for uncollectibles)		
Accounts	1,759,308	-
Accrued interest	4,505	3,581
IPBC	71,500	-
Other	365	-
Prepaid expenses	135,940	196
Inventory	216,403	-
	<hr/>	<hr/>
Total current assets	7,052,843	2,664,911
NONCURRENT ASSETS		
Capital assets		
Assets not being depreciated	567,510	-
Assets being depreciated		
Cost	63,147,751	-
Accumulated depreciation	(21,395,249)	-
	<hr/>	<hr/>
Net capital assets being depreciated	41,752,502	-
	<hr/>	<hr/>
Net capital assets	42,320,012	-
Advances to other funds	976,867	-
Investment in joint ventures	6,990,359	-
	<hr/>	<hr/>
Total noncurrent assets	50,287,238	-
	<hr/>	<hr/>
Total assets	57,340,081	2,664,911
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized loss on refunding	14,154	-
	<hr/>	<hr/>
Total deferred outflows of resources	14,154	-
	<hr/>	<hr/>
Total assets and deferred outflows of resources	57,354,235	2,664,911

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET POSITION (Continued)

December 31, 2014

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Waterworks and Sewerage</u>	<u>Internal Service</u>
CURRENT LIABILITIES		
Accounts payable	\$ 239,196	\$ 8,164
Accrued payroll	74,744	-
Compensated absences payable	70,109	-
Deposits payable	46,821	-
Unearned revenue	31,213	-
Interest payable	9,505	-
Bonds payable	345,063	-
Claims payable	-	845,597
	<hr/>	<hr/>
Total current liabilities	816,651	853,761
NONCURRENT LIABILITIES		
Claims payable	-	845,596
General obligation bonds payable (less current portion)	3,853,762	-
Compensated absences payable (less current portion)	85,688	-
Other postemployment benefit obligation	2,781	-
	<hr/>	<hr/>
Total noncurrent liabilities	3,942,231	845,596
	<hr/>	<hr/>
Total liabilities	4,758,882	1,699,357
NET POSITION		
Net investment in capital assets	38,135,341	-
Unrestricted	14,460,012	965,554
	<hr/>	<hr/>
TOTAL NET POSITION	<u>\$ 52,595,353</u>	<u>\$ 965,554</u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION

For the Year Ended December 31, 2014

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
OPERATING REVENUES		
Charges for services		
Water sales and sewer charges	\$ 7,724,979	\$ -
Connection fees	36,188	-
Meter sales	21,314	-
Liability insurance charges	-	1,239,490
Other	283,844	-
Total operating revenues	<u>8,066,325</u>	<u>1,239,490</u>
OPERATING EXPENSES EXCLUDING DEPRECIATION		
Waterworks division	4,262,121	-
Sewer division	1,622,864	-
Water and sewer capital division	1,188,771	-
Insurance and claims	-	1,831,760
Total operating expenses excluding depreciation	<u>7,073,756</u>	<u>1,831,760</u>
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	992,569	(592,270)
DEPRECIATION	<u>1,211,348</u>	<u>-</u>
OPERATING INCOME (LOSS)	<u>(218,779)</u>	<u>(592,270)</u>
NON-OPERATING REVENUES (EXPENSES)		
Investment income	21,347	18,680
Interest expense and fees	(124,608)	-
Gain on disposal of capital assets	47,332	-
Increase (decrease) in joint venture	(107,765)	-
Total non-operating revenues (expenses)	<u>(163,694)</u>	<u>18,680</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(382,473)</u>	<u>(573,590)</u>
TRANSFERS		
Capital Equipment Replacement Fund	6,709	-
Debt Service Fund	(537,844)	-
Total transfers	<u>(531,135)</u>	<u>-</u>
CHANGE IN NET POSITION	(913,608)	(573,590)
NET POSITION, JANUARY 1	<u>53,508,961</u>	<u>1,539,144</u>
NET POSITION, DECEMBER 31	<u>\$ 52,595,353</u>	<u>\$ 965,554</u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2014

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Waterworks and Sewerage</u>	<u>Internal Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 8,113,726	\$ -
Receipts from internal service transactions	-	1,239,490
Payments to suppliers	(5,582,784)	(1,535,235)
Payments to employees	(1,796,448)	-
	<u>734,494</u>	<u>(295,745)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers in	(537,844)	-
Transfers (out)	6,709	-
Advances to other funds	85,647	-
	<u>(445,488)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	(2,826,289)	-
Proceeds from disposal of capital assets	47,646	-
Principal paid on general obligation bonds	(341,820)	-
Interest and fees paid on general obligation bonds	(130,097)	-
	<u>(3,250,560)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investment securities	(1,689,000)	(797,000)
Sale of investment securities	5,139,981	-
Interest on investments	29,581	13,289
	<u>3,480,562</u>	<u>(783,711)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	519,008	(1,079,456)
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>526,697</u>	<u>1,449,054</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 1,045,705</u>	<u>\$ 369,598</u>
CASH AND INVESTMENTS		
Cash and cash equivalents	\$ 1,045,705	\$ 369,598
Investments	3,819,117	2,291,536
TOTAL CASH AND INVESTMENTS	<u>\$ 4,864,822</u>	<u>\$ 2,661,134</u>

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS (Continued)

For the Year Ended December 31, 2014

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Waterworks and Sewerage</u>	<u>Internal Service</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income (loss)	\$ (218,779)	\$ (592,270)
Adjustments to reconcile operating income (loss) to net cash from operating activities		
Depreciation	1,211,348	-
Changes in current assets and liabilities		
Accounts receivable	71,664	-
IPBC receivable	(23,010)	-
Inventory	(9,958)	-
Prepaid expenses	(6,455)	(113)
Accounts payable	(248,987)	(2,146)
Claims and judgments payable	-	298,784
Accrued payroll	11,993	-
Compensated absences payable	(25,234)	-
Other postemployment benefit obligation	(3,825)	-
Deposits payable	(17,950)	-
Unearned revenue	(6,313)	-
NET CASH FROM OPERATING ACTIVITIES	<u>\$ 734,494</u>	<u>\$ (295,745)</u>
NONCASH TRANSACTIONS		
Increase (decrease) in joint venture	\$ (107,765)	-
TOTAL NONCASH TRANSACTIONS	<u>\$ (107,765)</u>	<u>-</u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PENSION TRUST FUNDS

STATEMENT OF FIDUCIARY NET POSITION

December 31, 2014

ASSETS

Cash and short-term investments	<u>\$ 1,432,696</u>
Investments at fair value	
U.S. Government and agency obligations	17,332,060
State and local obligations	4,334,085
Corporate bonds	11,800,534
Mutual funds	36,706,251
Equities	<u>6,392,861</u>
Total investments	<u>76,565,791</u>
Receivables	
Accrued interest	352,438
Due from General Fund	<u>100,721</u>
Total receivables	<u>453,159</u>
Prepaid items	<u>1,648</u>
Total assets	<u>78,453,294</u>

LIABILITIES

Accounts payable	<u>23,472</u>
Total liabilities	<u>23,472</u>

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

\$ 78,429,822

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, 2014

ADDITIONS

Contributions	
Employer	\$ 3,543,333
Employee	<u>1,002,512</u>
Total contributions	<u>4,545,845</u>
Investment income	
Net appreciation in fair value of investments	1,747,060
Interest	<u>3,407,058</u>
Total investment income	5,154,118
Less investment expenses	<u>155,558</u>
Net investment income	<u>4,998,560</u>
Total additions	<u>9,544,405</u>

DEDUCTIONS

Benefits and refunds	4,896,616
Administrative expenses	<u>41,194</u>
Total deductions	<u>4,937,810</u>

NET INCREASE 4,606,595

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

January 1	<u>73,823,227</u>
December 31	<u><u>\$ 78,429,822</u></u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

a. Reporting Entity

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

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

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

b. Fund Accounting

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

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

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

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

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

c. Government-Wide and Fund Financial Statements

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

The Village reports the following major governmental funds:

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

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

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

The Village reports the following major proprietary funds:

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

Additionally, the Village reports the following Internal Service Fund:

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The Village reports unearned revenue and deferred/unavailable revenue on its financial statements. Deferred/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 or deferred inflows of resource for unearned and deferred/unavailable revenue are removed from the financial statements and revenue is recognized.

e. Cash and Investments

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

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

f. Interfund Receivables/Payables

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

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

Interfund service transactions are accounted for as revenues, expenditures, or expenses.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Interfund Receivables/Payables (Continued)

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.

g. Property Taxes

Property taxes are levied in December of each year on all taxable real property in the Village and attach as an enforceable lien on the property as of the preceding January 1. Tax bills are prepared by the County and 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 2014 levy is intended to finance the 2015 fiscal year, the levy has been recorded as a receivable and deferred inflow of resources.

h. Inventories and Prepaid Items/Expenses

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

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses. Prepaid items/expenses are recorded as expenditures/expenses when consumed rather than when purchased.

i. Capital Assets

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Capital Assets (Continued)

<u>Asset Class</u>	<u>Capitalization Threshold</u>
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.

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:

<u>Assets</u>	<u>Years</u>
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).

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Compensated Absences (Continued)

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).

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

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

k. Long-Term Obligations

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Long-Term Obligations (Continued)

The unamortized loss on refunding is reported as a deferred outflow of resources.

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

l. Deferred Outflows/Inflows of Resources

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

m. Fund Balance/Net Position

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Fund Balance/Net Position (Continued)

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

In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any long-term debt issued to acquire or construct the capital assets.

n. Use of Estimates

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

2. DEPOSITS AND INVESTMENTS

a. Village Investments

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

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

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

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

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

Deposits with Financial Institutions

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

Investments

The following table presents the investments and maturities of the Village’s debt securities as of December 31, 2014:

Investment Type	Fair Value	Investment Maturities in Years			
		Less Than 1	1-5	6-10	Greater than 10
Negotiable certificates of deposit	\$ 20,964,412	\$ 3,432,105	\$ 17,532,307	\$ -	\$ -
TOTAL	\$ 20,964,412	\$ 3,432,105	\$ 17,532,307	\$ -	\$ -

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

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in external investment pools. Illinois Funds, the money market mutual funds, and the Illinois Metropolitan Investment Fund are all rated AAA. The negotiable certificates of deposit are not rated but are covered by FDIC insurance up to \$250,000.

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

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

Investments (Continued)

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

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

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

Concentration of credit risk is the risk that the Village has a high percentage of their investments invested in one type of investment. At December 31, 2014, the Village had greater than 5% of its overall portfolio invested in negotiable certificates of deposit. The Village's investment policy requires diversification of investment to avoid unreasonable risk but has no set percentage limits.

3. RECEIVABLES

The following receivables are included in due from other governments on the statement of net position at December 31, 2014:

GOVERNMENTAL ACTIVITIES	
Motor fuel tax	\$ 94,806
Grants	42,496
	<hr/>
TOTAL GOVERNMENTAL ACTIVITIES	\$ 137,302
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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	\$ 23,848
Franchise fees	148,495
Hotel/motel tax	67,151
Food and beverage tax	100,746
Unbilled SWANCC fees	28,284
TIF surplus	211,004
SWANCC service charge	19,211
Utility taxes	325,546
Miscellaneous	<u>196,485</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 1,120,770</u>

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2014 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 26,837,555	\$ -	\$ -	\$ 26,837,555
Land right of way	11,624,192	-	-	11,624,192
Airport (joint venture)	46,950,384	-	365,947	46,584,437
Total capital assets not being depreciated	<u>85,412,131</u>	<u>-</u>	<u>365,947</u>	<u>85,046,184</u>
Capital assets being depreciated				
Buildings and improvements	57,553,224	564,350	-	58,117,574
Vehicles, equipment, and furniture	9,535,899	319,245	159,783	9,695,361
Infrastructure	27,453,001	1,282,474	87,804	28,647,671
Total capital assets being depreciated	<u>94,542,124</u>	<u>2,166,069</u>	<u>247,587</u>	<u>96,460,606</u>
Less accumulated depreciation for				
Buildings and improvements	10,800,069	1,426,840	-	12,226,909
Vehicles, equipment, and furniture	7,763,460	569,194	159,783	8,172,871
Infrastructure	17,675,335	1,005,506	87,804	18,593,037
Total accumulated depreciation	<u>36,238,864</u>	<u>3,001,540</u>	<u>247,587</u>	<u>38,992,817</u>
Total capital assets being depreciated, net	<u>58,303,260</u>	<u>(835,471)</u>	<u>-</u>	<u>57,467,789</u>
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	<u>\$ 143,715,391</u>	<u>\$ (835,471)</u>	<u>\$ 365,947</u>	<u>\$ 142,513,973</u>

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

4. CAPITAL ASSETS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 567,824	\$ -	\$ 314	\$ 567,510
Construction in progress	3,896,425	-	3,896,425	-
Total capital assets not being depreciated	<u>4,464,249</u>	<u>-</u>	<u>3,896,739</u>	<u>567,510</u>
Capital assets being depreciated				
Waterworks	36,640,728	6,050,461	-	42,691,189
Sewerage	17,433,970	214,416	-	17,648,386
Equipment and vehicles	2,787,538	256,448	235,810	2,808,176
Total capital assets being depreciated	<u>56,862,236</u>	<u>6,521,325</u>	<u>235,810</u>	<u>63,147,751</u>
Less accumulated depreciation for				
Waterworks	11,817,290	775,459	-	12,592,749
Sewerage	6,379,460	280,572	-	6,660,032
Equipment and vehicles	2,222,961	155,317	235,810	2,142,468
Total accumulated depreciation	<u>20,419,711</u>	<u>1,211,348</u>	<u>235,810</u>	<u>21,395,249</u>
Total capital assets being depreciated, net	<u>36,442,525</u>	<u>5,309,977</u>	<u>-</u>	<u>41,752,502</u>
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 40,906,774</u>	<u>\$ 5,309,977</u>	<u>\$ 3,896,739</u>	<u>\$ 42,320,012</u>

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

GOVERNMENTAL ACTIVITIES

General government	\$ 1,180,664
Public safety	1,162,224
Highways and streets	<u>658,652</u>

TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES \$ 3,001,540

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

GOVERNMENTAL ACTIVITIES

General government	\$ 626,443
Public safety	257,152
Highways and streets	<u>1,282,474</u>

TOTAL ADDITIONS - GOVERNMENTAL ACTIVITIES \$ 2,166,069

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, 2014 is as follows:

Issue	Fund Debt Retired By	Purpose	Balances January 1	Accretion/ Additions*	Reductions/ Refunding	Balances December 31	Current
General Obligation Bond Series 2007 (dated November 30, 2007; maturing December 1, 2030; original issue \$10,000,000; interest rates 3.92%; principal payable annually on December 1).	Debt Service	Village Building Projects	\$ 10,000,000	\$ -	\$ -	\$ 10,000,000	\$ -
General Obligation Bond Series 2008 (dated January 15, 2008; maturing December 1, 2024; original issue \$20,000,000; variable interest rates 4.33%; principal payable annually on December 1).	Debt Service	Village Building Projects	18,820,000	-	840,000	17,980,000	1,015,000
General Obligation Bond Series 2009 (dated January 15, 2009; maturing December 1, 2027; original issue \$10,000,000; interest rates 3.92%; principal payable annually on December 1).	Debt Service	Village Building Projects	10,000,000	-	-	10,000,000	-
General Obligation Refunding Bond Series 2011 (dated October 3, 2011; maturing December 15, 2023; original issue \$8,445,000; interest rates 2% to 3%; principal payable annually on December 15).	Capital Projects/ North Milwaukee/ Lake Cook Redevelop- ment Area	Refunding	6,360,391	-	563,180	5,797,211	569,937

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 Sales Tax Refunding Bond Series 2012A (dated April 24, 2012; maturing December 1, 2024; original issue \$3,925,000; interest rates 2.0% to 3.5%; principal payable annually on December 1).	North Milwaukee/Lake Cook Redevelopment Area	Refunding	\$ 3,810,000	\$ -	\$ 295,000	\$ 3,515,000	\$ 305,000
TOTAL			\$ 48,990,391	\$ -	\$ 1,698,180	\$ 47,292,211	\$ 1,889,937
Tax Increment Revenue Bond Series 2005 (dated August 25, 2005; maturing January 1, 2025; original issue \$19,000,000; interest rates 6%; principal payable annually on January 1).	North Milwaukee/Lake Cook Redevelopment Area	Westin Hotel Development in TIF	\$ 16,990,000	\$ -	\$ 780,000	\$ 16,210,000	\$ 865,000
Tax Increment Revenue Note Series 2012 (dated January 25, 2012; maturing July 1, 2030; original issue \$3,500,000; interest rate 7%; principal payable annually on July 1).	General/Crossroads Redevelopment Area	Fresh Farms Redevelopment Project in TIF	\$ 3,421,821	\$ 227,654	\$ 544,305	\$ 3,105,170	\$ -
General Obligation Refunding Bond Series 2011 (dated October 25, 2011; maturing December 15, 2023; original issue \$8,445,000; interest rates 2% to 3%; principal payable annually on December 15).	Waterworks and Sewerage	Refunding	\$ 1,074,609	\$ -	\$ 216,820	\$ 857,789	\$ 215,063
General Obligation Water System Bonds Series 2012B (dated April 24, 2012; maturing December 1, 2032; original issue \$3,500,000; interest rates 3.0% to 3.5%; principal payable annually on December 1).	Waterworks and Sewerage	Water Improvements	3,375,000	-	125,000	3,250,000	130,000
TOTAL			\$ 4,449,609	\$ -	\$ 341,821	\$ 4,107,789	\$ 345,063

* \$227,654 is interest accrued to the note balance.

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

5. LONG-TERM DEBT (Continued)

c. Legal Debt Margin

The Village is a home rule municipality.

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

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

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

Year Ending December 31,	General Obligation Bonds					
	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
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	2,558,736	1,609,688	4,168,425	351,264	96,200	447,463
2019	2,820,000	1,510,008	4,330,008	150,000	87,300	237,300
2020	3,070,000	1,401,269	4,471,269	155,000	82,800	237,800
2021	3,325,000	1,282,170	4,607,170	160,000	78,150	238,150
2022	3,575,000	1,152,495	4,727,495	165,000	73,350	238,350
2023	3,700,000	1,011,377	4,711,377	175,000	68,400	243,400
2024	3,325,000	862,517	4,187,517	180,000	63,150	243,150
2025	3,140,000	727,748	3,867,748	185,000	57,750	242,750
2026	3,340,000	604,660	3,944,660	195,000	51,969	246,969
2027	3,530,000	473,732	4,003,732	200,000	45,875	245,875
2028	3,700,000	335,356	4,035,356	210,000	39,375	249,375
2029	3,850,000	190,316	4,040,316	220,000	32,550	252,550
2030	1,005,000	39,396	1,044,396	230,000	24,850	254,850
2031	-	-	-	235,000	16,800	251,800
2032	-	-	-	245,000	8,575	253,575
TOTAL	\$ 47,292,211	\$ 16,479,423	\$ 63,771,635	\$ 4,107,789	\$ 1,166,781	\$ 5,274,569

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

5. LONG-TERM DEBT (Continued)

d. Debt Service Requirements to Maturity

Year Ending December 31,	Tax Increment Revenue Bonds		
	Principal	Interest	Total
2015	\$ 865,000	\$ 946,650	\$ 1,811,650
2016	970,000	891,600	1,861,600
2017	1,060,000	830,700	1,890,700
2018	1,185,000	763,350	1,948,350
2019	1,295,000	688,950	1,983,950
2020	1,410,000	607,800	2,017,800
2021	1,545,000	519,150	2,064,150
2022	1,690,000	422,100	2,112,100
2023	1,830,000	316,500	2,146,500
2024	2,050,000	200,100	2,250,100
2025	2,310,000	69,300	2,379,300
TOTAL	\$ 16,210,000	\$ 6,256,200	\$ 22,466,200

e. Changes in Long-Term Liabilities

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

	Balances January 1	Issuances or Accretions	Reductions	Balances December 31	Current Portion
General obligation bonds payable	\$ 48,990,391	\$ -	\$ 1,698,180	\$ 47,292,211	\$ 1,889,937
Tax increment revenue bonds payable	16,990,000	-	780,000	16,210,000	865,000
Tax increment revenue note	3,421,821	227,654	544,305	3,105,170	-
Premium on bonds payable	365,233	-	34,666	330,567	-
Compensated absences payable - governmental funds	2,189,651	1,019,989	985,343	2,224,297	1,000,934
Insurance claims payable	1,392,408	1,370,212	1,071,427	1,691,193	845,597
Net other postemployment benefit obligation	79,858	-	46,233	33,625	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 73,429,362	\$ 2,617,855	\$ 5,160,154	\$ 70,887,063	\$ 4,601,468

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

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

5. LONG-TERM DEBT (Continued)

e. Changes in Long-Term Liabilities (Continued)

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

	Balances		Balances		Current
	January 1	Issuances	Reductions	December 31	Portion
General obligation bonds payable	\$ 4,449,609	\$ -	\$ 341,820	\$ 4,107,789	\$ 345,063
Premium on bonds payable	97,609	-	6,573	91,036	-
Compensated absences	181,031	56,230	81,464	155,797	70,109
Net other postemployment benefit obligation	6,606	-	3,825	2,781	-
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 4,734,855	\$ 56,230	\$ 433,682	\$ 4,357,403	\$ 415,172

f. Tax Increment Revenue Note

The Village, pursuant to a redevelopment agreement dated April 27, 2009, has agreed to reimburse the developer (Wheeling Shopping Center, Inc.) for certain project costs the developer has incurred in the Crossroads (Central Business District) TIF District. A note was issued January 25, 2012 for \$3,500,000. Interest on the note is 7%. The note provides that the payment of principal and interest on the note is due only if tax increment revenues are available for payment of debt service. Therefore, no set debt service to maturity schedule is available. During the fiscal year ended December 31, 2014, \$227,654 of interest was accreted and principal payments against the note of \$544,305 were paid.

g. 2008 Interest Rate Swap

The fair value balances and notional amounts of derivative instruments outstanding at December 31, 2014, and the changes in fair value of such derivative instruments for the year then ended in the 2014 financial statements are as follows:

Governmental Activities	Changes in Fair Value*		Fair Value at December 31, 2014		
	Classification	Amount	Classification	Amount	Notional
Cash flow hedges: Pay - fixed interest rate swap	Deferred Outflow of Resources	\$(108,060)	Fair Value of Swap (Liability)	\$(2,246,869)	\$17,980,000

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

5. LONG-TERM DEBT (Continued)

g. 2008 Interest Rate Swap (Continued)

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

Terms - The bonds and the related swap agreement mature on December 1, 2024 and the swap's notional amount of \$17,980,000 matches the \$17,980,000 variable rate bonds. The swap was entered into on November 7, 2007. At that time, the Village received a \$50,000 payment which was used to pay for costs related to issuing the swap. The Village then sold \$20,000,000 in variable rate General Obligation Bonds Series 2008 on January 15, 2008.

The notional value of the swap and the principal amount of the associated debt decline beginning in 2012 by equal principal amounts as noted in the debt service requirements to maturity schedule. Under the swap, the Village pays the counterparty a fixed payment of 4.33% and receives a variable payment equal to 64% of the one-month USD-LIBOR-BBA rate as of the end of each monthly period plus a 1% spread which is exactly equal to the bond's variable rate.

Fair value - As of December 31, 2014, the swap had a fair value of \$(2,246,869). 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, 2014. Should the counterparty to this transaction fail to perform according to the terms of the swap contract, the Village faced a maximum possible loss equivalent to the swap's fair value. The swap counterparty was rated A by Fitch Ratings and Standard and Poor's and A2 by Moody's Investors Service as of December 31, 2014.

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

h. 2009 Interest Rate Swap

The fair value balances and notional amounts of derivative instruments outstanding at December 31, 2014, and the changes in fair value of such derivative instruments for the year then ended in the 2014 financial statements are as follows:

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

5. LONG-TERM DEBT (Continued)

h. 2009 Interest Rate Swap (Continued)

Governmental Activities	Changes in Fair Value*		Fair Value at December 31, 2014		
	Classification	Amount	Classification	Amount	Notional
Cash flow hedges: Pay - fixed interest rate swap	Deferred Outflow of Resources	\$(604,029)	Fair Value of Swap (Liability)	\$(2,106,997)	\$10,000,000

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

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

Terms - The swap agreement is effective January 15, 2009 and matures on December 1, 2027 and the swap's notional amount of \$10,000,000 matches the terms of the \$10,000,000 variable rate bonds that the counterparty purchased from the Village on that date. Under the swap, the Village pays the counterparty a fixed payment of 3.92% and receives a variable payment equal to 63.169% of the one-month USD-LIBOR-BBA rate as of the end of each monthly period plus a .493% spread. The variable rate for the \$10,000,000 in bank qualified general obligation bonds is exactly equal to the variable rate of the swap.

Fair value - As of December 31, 2014, the swap had a fair value of \$(2,106,997). 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, 2014. Should the counterparty to this transaction fail to perform according to the terms of the swap contract, the Village faced a maximum possible loss equivalent to the swap's fair value. The swap counterparty was rated A by Fitch Ratings and Standard and Poor's and A2 by Moody's Investors Service as of December 31, 2014.

5. LONG-TERM DEBT (Continued)

h. 2009 Interest Rate Swap (Continued)

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

i. Conduit Debt

On April 19, 2010, the Village issued \$3,200,000 Airport Revenue Notes, Series 2010A. These notes are secured solely by the property financed and are payable solely from the payments received on the underlying mortgage loans on the property. The Village is not obligated in any manner for the repayment of the notes. Accordingly, the notes are not reported as a liability in the Village's financial statements. As of December 31, 2014, \$1,482,203 of the Airport Revenue Notes, Series 2010A is outstanding.

On April 19, 2010, the Village issued \$2,300,000 Airport Revenue Notes, Series 2010B. These notes are secured solely by the property financed and are payable solely from the payments received on the underlying mortgage loans on the property. The Village is not obligated in any manner for the repayment of the notes. Accordingly, these notes are not reported as a liability in the Village's financial statements. As of December 31, 2014, \$1,977,986 of the Airport Revenue Notes, Series 2010B is outstanding.

6. RISK MANAGEMENT

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

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

The Village covers the first \$650,000 of each workers' compensation claim for the police and fire public safety personnel department and \$550,000 for all other employees. There is no aggregate amount. The Village purchases commercial insurance for claims in excess of the coverages provided by the Fund. Settled claims did not exceed the Fund's coverage, and the commercial coverage was not exceeded in the past three fiscal years.

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 social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expense regardless of whether allocated to specific claims. Changes in the balances of claims liabilities during the years ended December 31, 2014 and 2013 are as follows:

	2014	2013
UNPAID CLAIMS - BEGINNING OF YEAR	\$ 1,392,408	\$ 1,436,702
Incurred claims (including IBNR)	1,370,212	681,998
Claims payments	(1,071,427)	(726,292)
UNPAID CLAIMS - END OF YEAR	\$ 1,691,193	\$ 1,392,408

Intergovernmental Personnel Benefit Cooperative (IPBC)

The Village participates in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC is a public entity risk pool established in 1979 by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical, dental, and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain other governmental, quasi governmental, and nonprofit public service entities. Management consists of a Board of Directors comprised of one appointed representative from each member. The officers of IPBC are chosen by the Board of Directors from among their membership. The Village does not exercise any control over the activities of IPBC beyond its representation on the Board of Directors.

IPBC acts as an administrative agency to receive, process, and pay such claims as may come within the benefit program of each member. Through IPBC, the Village offers both a PPO plan and an HMO plan. For those employees enrolled in the PPO plan, the Village is responsible for the first \$35,000 in claims for each individual employee participant every claim year. The members of IPBC share claims (for each individual employee) between \$35,000 and \$125,000.

IPBC maintains stop-loss insurance to cover claims in excess of \$125,000. Approximately 54% of the Village's employees and retirees are PPO participants.

6. RISK MANAGEMENT (Continued)

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 46% of the Village's employees and retirees are HMO participants.

The Village makes payments to IPBC monthly based on its participation in the plan. The rates per individual participant are determined annually based on each member's prior experience within the pool and projected future claims. This rate also includes a provision for the cost of excess insurance purchased by IPBC. The Village also makes monthly payments to IPBC for administration of the plan. The Village had terminal reserve net of deficit of other accounts as of June 30, 2014 (most recent available) of \$1,015,030. This amount was declared as a dividend to the Village and, therefore, has been recorded as a receivable in the General Fund of \$943,530 and the Waterworks and Sewerage Fund of \$71,500 as of December 31, 2014.

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.

7. CONTINGENT LIABILITIES (Continued)

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

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

e. TIF Revenue Notes

REVA Development Partners, LLC

The Village, pursuant to a redevelopment agreement dated July 21, 2014, has agreed to reimburse the developer (REVA Development Partners, LLC) for certain project costs the developer has incurred in the Town Center TIF #2 District. The redevelopment agreement also contains a provision providing for the issuance of tax increment allocation revenue notes (Note A and Note B) not to exceed \$4,000,000 and \$2,500,000, respectively. The notes are payable from and secured by the pledged incremental revenues of the Town Center TIF #2 District. Interest on the notes is a rate equal to the BBB 20-year Corporate Bond Index as published by Bloomberg plus 250 basis points, as fixed upon the date of issuance. The note provides that the payment of principal and interest on the note is due only if tax increment revenues are available for payment of debt service. As of December 31, 2014, the Village had not issued these notes.

WTC, LLC

The Village, pursuant to a redevelopment agreement dated August 4, 2014, has agreed to reimburse the developer (WTC, LLC) for certain project costs the developer has incurred in the Town Center TIF #2 District. The redevelopment agreement also contains a provision providing for the issuance of tax increment allocation revenue note not to exceed \$8,600,000. The note is payable from and secured by the pledged incremental revenues of the Town Center TIF #2 District. Interest on the notes is a rate equal to the BBB 20-year Corporate Bond Index as published by Bloomberg plus 150 basis points, as fixed upon the date of issuance. The note provides that the payment of principal and interest on the note is due only if tax increment revenues are available for payment of debt service. As of December 31, 2014, the Village had not issued this note.

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

8. COMMITMENTS

a. Northwest Water Commission (NWWC)

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

Fiscal Year Ending December 31,	Amount
2015	\$ 1,697,821
2016	1,731,777
2017	1,766,413
2018	1,801,741
2019	1,837,776
2020-2022	5,736,816

These amounts have been calculated using the Village's current allocation percentage of 17.31%. 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:

Fiscal Year Ending December 31,	Amount
2015	\$ 491,446
2016	508,646
2017	526,449
2018	544,875
2019	563,945

These amounts have been calculated using the Village's allocation percentage of 3.53%. In future years, the allocation percentage will be subject to change.

9. JOINT VENTURES

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

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

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

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

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

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

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

In accordance with the contract, the Village made payments totaling \$425,713 to SWANCC for the year ended December 31, 2014. The payments have been recorded in the General Fund. The Village does not have an equity interest in SWANCC at December 31, 2014.

9. JOINT VENTURES (Continued)

b. Northwest Water Commission (NWWC)

Description of Joint Venture

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

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

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

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

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

NWWC has entered into an agreement with the City of Evanston (the City) under which the City has agreed to sell quantities of Lake Michigan water sufficient to meet the projected water needs of the members through the year 2035.

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

In accordance with the joint venture agreement, the Village remitted \$1,692,088 to NWWC for the year ended December 31, 2014. The Village has an equity interest in NWWC in the amount of \$7,031,789 as of December 31, 2014.

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

9. JOINT VENTURES (Continued)

c. Chicago Executive Airport (CEA)

Description of Joint Venture

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

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

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

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

CEA is managed by a Board of Directors, which consists of seven members, three from each member municipality and a chairman of the board selected and appointed by the joint decision of the Village President of the Village of Wheeling and the Mayor of the City of Prospect Heights. Each Director has an equal vote. The officers of the CEA are appointed by the Board of Directors. The member municipalities have specific powers reserved to them including appointment of the Chairman and Members of the Board of Directors; approval of the Airport Layout Plan submitted to the Federal Aviation Administration and State of Illinois rules, regulations, and minimum standards for the operations of the airport; approval of any agreements with lessees, businesses, or other parties operating at the CEA; approval of a debt obligation or revenue obligation; approval of the annual budget of CEA and the Board; and approval of any land acquisition of CEA. All other powers and duties related to CEA are delegated to the Board of Directors as described in an Intergovernmental Agreement between the Village and City of Prospect Heights.

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

9. JOINT VENTURES (Continued)

c. Chicago Executive Airport (CEA) (Continued)

Summary of Financial Information of Joint Venture

Summary of financial position as of April 30, 2014, the most recent information available:

ASSETS	
Current assets	\$ 2,952,015
Capital assets	94,656,068
Construction in progress	<u>1,233,599</u>
Total assets	<u>98,841,682</u>
LIABILITIES	
Current liabilities	1,173,974
Long-term liabilities	<u>4,154,667</u>
Total liabilities	<u>5,328,641</u>
NET POSITION	<u>\$ 93,168,874</u>

Summary of revenues, expenses, and changes in net position for the year ended April 30, 2014:

Total revenues	\$ 4,185,888
Total expenses	<u>5,797,526</u>
Net income (loss) before capital contributions	(1,611,638)
Capital contributions	<u>879,744</u>
Change in net position	(731,894)
Net position	
May 1, 2013	<u>93,900,768</u>
April 30, 2014	<u>\$ 93,168,874</u>

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

At April 30, 2014, the Village's proportionate share of net position and change in net position were \$46,584,437 and \$(365,947), 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, 2014.

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	\$ 29,213
Fiduciary	General	<u>100,721</u>
TOTAL		<u>\$ 129,934</u>

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

- \$29,213 due from nonmajor governmental (Grant Fund) to the General Fund to eliminate a deficit cash position. Repayment is expected within one year.
- \$100,721 due from the General Fund to fiduciary funds (Police and Firefighters' Pension Funds) for property taxes not yet remitted. Repayment is expected within one year.

b. Advances From/To Other Funds

Advances from/to other funds at December 31, 2014 consisted of the following:

Receivable Fund	Payable Fund	Amount
Crossroads Redevelopment	North Milwaukee/Lake Cook Redevelopment Area	\$ 2,668,000
Crossroads Redevelopment	Nonmajor Governmental	254,200
Waterworks and Sewerage	Capital Equipment Replacement	<u>976,867</u>
TOTAL		<u>\$ 3,899,067</u>

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

- \$2,922,200 advance from the Crossroads Redevelopment Fund to nonmajor governmental (Town Center TIF #2 Fund, Southeast TIF #2 Fund, and North Milwaukee/Lake Cook Redevelopment Area Fund) to eliminate negative cash. Repayment is not expected within one year.
- \$976,867 advance from the Waterworks and Sewerage Fund to the Capital Equipment Replacement Fund for future replacement of equipment. Repayment is not expected within one year.

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

10. INDIVIDUAL FUND DISCLOSURES (Continued)

c. Interfund Transfers

Interfund transfers between funds for the year ended December 31, 2014 were as follows:

	Transfers In	Transfers Out
General		
North Milwaukee/Lake Cook Redevelopment Area	\$ -	\$ 406,525
Capital Equipment Replacement	-	512,290
Nonmajor governmental (Grant)	2,500	33,449
Nonmajor governmental (Southeast TIF #2)	34,000	-
Nonmajor governmental (Emergency Telephone System)	-	180,000
Total General	<u>36,500</u>	<u>1,132,264</u>
North Milwaukee/Lake Cook Redevelopment Area		
General	<u>406,525</u>	-
Total North Milwaukee/Lake Cook Redevelopment Area	<u>406,525</u>	-
Capital Equipment Replacement		
General	512,290	-
Nonmajor governmental (Emergency Telephone System)	85,259	-
Waterworks and Sewerage	-	6,709
Total Capital Equipment Replacement	<u>597,549</u>	<u>6,709</u>
Nonmajor governmental		
General	213,449	36,500
Capital Equipment Replacement	-	85,259
Waterworks and Sewerage	537,844	-
Nonmajor governmental	<u>7,854,221</u>	<u>7,854,221</u>
Total nonmajor governmental	<u>8,605,514</u>	<u>7,975,980</u>
Waterworks and Sewerage		
Capital Equipment Replacement	6,709	-
Nonmajor governmental (Debt Service)	-	537,844
Total Waterworks and Sewerage	<u>6,709</u>	<u>537,844</u>
TOTAL	<u><u>\$ 9,652,797</u></u>	<u><u>\$ 9,652,797</u></u>

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

10. INDIVIDUAL FUND DISCLOSURES (Continued)

c. Interfund Transfers (Continued)

The purpose of significant transfers is as follows:

- \$406,525 transferred to the North Milwaukee/Lake Cook Redevelopment Area Fund from the General Fund for payment on applicable bond issues. This transfer will not be repaid.
- \$512,290 transferred to the Capital Equipment Replacement Fund from the General Fund for the purchase of equipment. This transfer will not be repaid.
- \$180,000 transferred to the nonmajor governmental (Emergency Telephone System Fund) from the General Fund to cover expenditures for the fiscal year. This transfer will not be repaid.
- \$85,259 transferred to the Capital Equipment Replacement Fund from the nonmajor governmental (Emergency Telephone System Fund) for the purchase of equipment. This transfer will not be repaid.
- \$6,419,668 transferred to the nonmajor governmental (Crossroads Redevelopment Fund) from the nonmajor governmental (South Milwaukee TIF Fund) to fund tax increment financing eligible projects. This transfer will not be repaid.
- \$1,109,834 transferred to the nonmajor governmental (South Milwaukee TIF Fund) from the Crossroads Redevelopment Fund to fund tax increment financing eligible projects. This transfer will not be repaid.
- \$310,089 transferred to the nonmajor governmental (Debt Service Fund) from the nonmajor governmental (Capital Projects Fund) for principal and interest expense on the 2007 GO Bonds. This transfer will not be repaid.
- \$537,844 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.

d. Deficit Fund Balances

At December 31, 2014, the Town Center TIF #2 Fund had a deficit fund balance of \$162,846, and the Southeast TIF #2 Fund had a deficit fund balance of \$110,687.

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

11. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

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

b. Benefits Provided

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

All health care benefits are provided through the Village's health insurance plan with IPBC. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; 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.

c. Membership

At December 31, 2013 (most recent information available), membership consisted of:

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

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

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

d. Funding Policy

The Village negotiates the contribution percentages between the Village and employees through the union contracts and personnel policy. Retirees contribute their share of the actuarially determined premium to the plan and the Village contributes the remainder to cover the cost of providing the benefits to the retirees. For the fiscal year ended December 31, 2014, retirees contributed \$261,786 and the Village contributed \$924,978. The Village is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

e. Annual OPEB Costs and Net OPEB Obligation

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014 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, 2012	\$ 917,553	\$ 954,035	104.00%	\$ 94,133
December 31, 2013	917,309	924,978	100.84%	86,464
December 31, 2014	874,921	924,978	105.72%	36,406

The net OPEB obligation (NOPEBO) as December 31, 2014 was calculated as follows:

Annual required contribution	\$ 874,344
Interest on net OPEB obligation	3,459
Adjustment to annual required contribution	(2,882)
	<hr/>
Annual OPEB cost	874,921
Contributions made	924,978
	<hr/>
Increase (decrease) in net OPEB obligation	(50,058)
Net OPEB obligation, beginning of year	86,464
	<hr/>
NET OPEB OBLIGATION, END OF YEAR	\$ 36,406

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

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

Funded Status and Funding Progress. The funded status of the plan as of December 31, 2013 (most recent information available) was as follows:

Actuarial accrued liability (AAL)	\$ 19,406,394
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	19,406,394
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$ 19,370,663
UAAL as a percentage of covered payroll	100.18%

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

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

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

In the December 31, 2013 actuarial valuation (most recent information available), the entry-age actuarial cost method was used. The actuarial assumptions included a 4% investment rate of return and an annual healthcare cost trend rate of 8% initially, reduced by decrements to an ultimate rate of 4.5% after 11 years. Both rates include a 3% 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.

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

12. OPERATING LEASES

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

The Village leases Public Works office space to SWANCC. The leases are operating leases with fixed monthly rental payments. The following is a schedule of approximate future minimum rentals under enforceable leases at December 31, 2014.

<u>Fiscal Year Ending December 31,</u>	<u>Amount</u>
2015	\$ 61,686
2016	63,537
2017	65,443
2018	67,406
2019	67,928

- b. Mutual Aid Box Alarm System (MABAS)

The Village leases office space to MABAS. The leases are operating leases with fixed monthly rental payments. The following is a schedule of approximate future minimum rentals under enforceable leases at December 31, 2014.

<u>Fiscal Year Ending December 31,</u>	<u>Amount</u>
2015	\$ 676,329
2016	56,361

13. DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Police Pension Plan, which is a single-employer pension plan; and the Firefighters' Pension Plan, which is also a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for all three plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523. The Police and Firefighters' Pension Plans do not issue separate reports.

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions

Illinois Municipal Retirement Fund

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

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

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the year ended December 31, 2014 was 13.03% of covered payroll.

Police Pension Plan

Plan Administration

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

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

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Plan Membership

At December 31, 2014, the measurement date, membership consisted of:

Inactive plan members currently receiving benefits	42
Inactive plan members entitled to but not yet receiving benefits	1
Active plan members	<u>61</u>
 TOTAL	 <u><u>104</u></u>

Benefits Provided

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive 2.5% of salary for each year of service. The monthly benefit shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension, and 3% 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% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55).

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later.

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. The Village has chosen a policy to fund 100% of the past service costs by 2040. For the year ended December 31, 2014, the Village's contribution was 29.61% of covered payroll.

Investment Policy

ILCS limit the Police Pension Fund's (the Fund) investments to those allowable by ILCS and require the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund's investment policy authorizes the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment grade corporate bonds, and Illinois Funds. The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities, and real estate investment trusts. The investment policy was not modified during the year ended December 31, 2014.

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

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

Asset Class	Range	Target	Long-Term Expected Real Rate of Return
Large Cap Domestic Equity	0-75%	30.25%	7.6%
Small Cap Domestic Equity	0-20%	11.0%	9.8%
International Equity	0-25%	13.75%	4.1%
Fixed Income	0-100%	45.0%	3.0%

The overall target for the Fund is approximately 45% invested in fixed income securities and 55% invested in equity securities. The long-term expected real rates of return are net of a 2.5% factor for inflation and investment expense. ILCS limit the Fund's investments in equities, mutual funds, and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on the Fund's investments was determined using the Asset Management and Trust Division of the investment management consultant's proprietary research and analytical tools in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of December 31, 2014 are listed in the table above.

Investment Valuations

All investments in the plan are stated at fair value and are recorded as of the trade date. Fair value is based on quoted market prices at December 31 for debt securities, equity securities, mutual funds, and contract values for insurance contracts. Illinois Funds, an investment pool created by the state legislature under the control of the State Treasurer, is a money market mutual fund that maintains a \$1 per share value.

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Concentrations

There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5% or more of the Fund's investments.

Investment Rate of Return

For the year ended December 31, 2014, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 6.14%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

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

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of December 31, 2014:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater than 10
U.S. agency obligations	\$ 8,917,300	\$ 869,732	\$ 5,482,292	\$ 2,565,276	\$ -
Municipal bonds	2,428,535	-	1,451,320	977,215	-
Corporate bonds	8,210,992	766,184	4,983,810	2,460,998	-
TOTAL	\$ 19,556,827	\$ 1,635,916	\$ 11,917,422	\$ 6,003,489	\$ -

In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Fund.

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Credit Risk

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

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party.

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

Net Pension Liability

The components of the net pension liability of the Police Pension Plan as of December 31, 2014 calculated in accordance with GASB Statement No. 67 were as follows:

Total pension liability	\$	64,958,743
Plan fiduciary net position		45,155,533
Village's net pension liability		19,803,210
Plan fiduciary net position as a percentage of the total pension liability		69.51%

See the schedule of changes in the employer's net pension liability and related ratios in the required supplementary information for additional information related to the funded status of the Fund.

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2014 using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2014
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	3.00%
Salary increases	5.00%
Interest rate	7.50%
Cost of living adjustments	3.00% (Tier 1) 2.00% (Tier 2)
Asset valuation method	Market

Mortality rates were based on the RP-2000 CHBCA Mortality Table. The actuarial assumptions used in the December 31, 2014 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

Discount Rate

The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 7.5% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.5%) or 1 percentage point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Net pension liability	\$ 28,352,252	\$ 19,803,210	\$ 12,702,281

Firefighters' Pension Plan

Plan Administration

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

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

Plan Membership

At December 31, 2014, the measurement date, membership consisted of:

Inactive plan members currently receiving benefits	52
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	<u>50</u>
TOTAL	<u><u>102</u></u>

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Benefits Provided

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

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement.

The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension, and 3% compounded annually thereafter.

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

Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Contributions

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with fewer than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. Contributions are recognized when due pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Firefighters' Pension Plan. The costs of administering the Firefighters' Pension Plan are financed through investment earnings. The Village is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Firefighters' Pension Plan. The Village has chosen a policy to fund 100% of the past service costs by 2040. For the year ended December 31, 2014, the Village's contribution was 39.44% of covered payroll.

Investment Policy

Permitted Deposits and Investments - Statutes and the Firefighter's Pension Fund's (the Fund) investment policy authorize the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment grade corporate bonds and Illinois Funds. The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities. The investment policy was not modified during the year ended December 31, 2014.

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Investment Policy (Continued)

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

Asset Class	Range	Target	Long-Term Expected Real Rate of Return
Large Cap Domestic Equity	0-100%	38.5%	7.0%
Small Cap Domestic Equity	0-40%	11.0%	8.6%
International Equity	0-20%	5.5%	7.7%
Fixed Income	0-100%	45.0%	2.2%

The long-term expected real rates of return are net of a 3.15% factor for inflation and investment expense. ILCS limit the Fund's investments in equities, mutual funds, and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on the Fund's investments was determined using *Stocks, Bonds, Bills and Inflation 2013 Yearbook – Morningstar*, for the period of December 31, 1925 through December 31, 2013. The long-term expected rate of return on the Internal Equity class was based on the MCSI EAFE index for the period of December 31, 1976 through December 31, 2013. The long-term expected rates of return are the best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) for each major assets class. Best estimates or geometric real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of December 31, 2014 are listed in the table above.

Concentrations

There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5% or more of the Fund's investments.

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Rate of Return

For the year ended December 31, 2014, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 7.1%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

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

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of December 31, 2014:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 2,211,907	\$ -	\$ 1,505,390	\$ 706,517	\$ -
U.S. agency obligations	6,202,853	104,388	3,053,876	3,001,736	42,853
Municipal bonds	1,905,550	35,000	890,056	754,491	226,003
Corporate bonds	3,589,542	377,120	2,643,238	569,184	-
TOTAL	\$ 13,909,852	\$ 516,508	\$ 8,092,560	\$ 5,031,928	\$ 268,856

In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Fund.

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Credit Risk

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Treasury obligations and other obligations which are rated in the top three classes by a national rating agency. The money market mutual funds are not rated. Illinois Funds are rated AAA. The U.S. agency obligations are rated AA+. The municipal bonds and corporate bonds range in rating from AA+ to not rated by Standard and Poor's and from Aa1 to not rated by Moody's.

Custodial Credit Risk

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

Net Pension Liability

The components of the net pension liability of the Firefighters' Pension Plan as of December 31, 2014 calculated in accordance with GASB Statement No. 67 were as follows:

Total pension liability	\$	55,604,249
Plan fiduciary net position		33,274,289
Village's net pension liability		22,329,960
Plan fiduciary net position as a percentage of the total pension liability		59.84%

See the schedule of changes in the employer's net pension liability and related ratios in the required supplementary information for additional information related to the funded status of the Fund.

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2014 using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2014
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	3.00%
Salary increases	5.00%
Interest rate	7.50%
Cost of living adjustments	3.00% (Tier 1) 2.00% (Tier 2)
Asset valuation method	Market

Mortality rates were based on the RP-2000 CHBCA Mortality Table. The actuarial assumptions used in the December 31, 2014 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

Discount Rate

The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Firefighters' Pension Plan calculated using the discount rate of 7.5% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.5%) or 1 percentage point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Net pension liability	\$ 29,297,165	\$ 22,329,960	\$ 16,523,434

b. Significant Investments

There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5% or more of plan net assets for either the Police or the Firefighters' Pension Plans. Information for IMRF is not available.

c. Annual Pension Costs

Employer contributions have been determined as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial valuation date	December 31, 2012	December 31, 2013	December 31, 2013
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	27 Years, Closed	27 Years, Closed

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

c. Annual Pension Costs (Continued)

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
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 10.0%	1.00%	1.00%

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

		Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual pension cost (APC)	2012	\$ 1,161,724	\$ 1,350,172	\$ 1,295,609
	2013	1,091,383	1,376,184	1,453,552
	2014	1,127,413	1,556,271	1,635,387
Actual contribution	2012	\$ 1,161,724	\$ 1,378,043	\$ 1,314,938
	2013	1,091,383	1,403,098	1,484,050
	2014	1,127,413	1,692,954	1,850,379
Percentage of APC contributed	2012	100.00%	102.1%	101.5%
	2013	100.00%	102.0%	102.1%
	2014	100.00%	108.8%	113.1%
NPO (asset)	2012	\$ -	\$ (354,415)	\$ (255,482)
	2013	-	(381,329)	(285,980)
	2014	-	(517,562)	(500,972)

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

c. Annual Pension Costs (Continued)

The NPO (asset) as of December 31, 2014 has been calculated as follows:

	Police Pension	Firefighters' Pension
Annual required contribution	\$ 1,566,013	\$ 1,642,356
Interest on net pension obligation	(28,600)	(21,449)
Adjustment to annual required contribution	19,308	14,480
Annual pension cost	1,556,721	1,635,387
Contributions made	1,692,954	1,850,379
(Increase) decrease in net pension obligation (asset)	(136,233)	(214,992)
Net pension obligation (asset), beginning of year	(381,329)	(285,980)
NET PENSION OBLIGATION (ASSET), END OF YEAR	\$ (517,562)	\$ (500,972)

d. Funded Status and Funding Progress

The funded status and funding progress of the plans as of December 31, 2014 were as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial accrued liability (AAL)	\$ 28,734,980	\$ 64,958,743	\$ 55,604,249
Actuarial value of plan assets	22,385,608	45,155,533	33,274,289
Unfunded actuarial accrued liability (UAAL)	6,349,372	19,803,210	22,329,960
Funded ratio (actuarial value of plan assets/AAL)	77.9%	69.5%	59.8%
Covered payroll (active plan members)	\$ 8,652,443	\$ 5,716,640	\$ 4,691,421
UAAL as a percentage of covered payroll	73.38%	346.4%	476.0%

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

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, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
REVENUES				
Taxes	\$ 23,415,904	\$ 23,415,904	\$ 23,841,420	\$ 22,956,784
Licenses and permits	534,434	534,434	550,247	544,271
Intergovernmental	4,737,104	4,737,104	4,927,125	4,542,285
Charges for services	2,031,173	2,031,173	2,104,787	1,998,815
Fines and forfeits	699,588	699,588	844,161	714,405
Investment income	142,261	142,261	(76,871)	45,967
Miscellaneous	749,998	749,998	1,098,290	1,153,542
Total revenues	<u>32,310,462</u>	<u>32,310,462</u>	<u>33,289,159</u>	<u>31,956,069</u>
EXPENDITURES				
General government	10,457,436	10,557,436	10,553,805	9,642,297
Public safety	21,616,799	21,820,799	22,268,718	21,029,060
Debt service				
Principal	160,000	160,000	202,900	109,235
Total expenditures	<u>32,234,235</u>	<u>32,538,235</u>	<u>33,025,423</u>	<u>30,780,592</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>76,227</u>	<u>(227,773)</u>	<u>263,736</u>	<u>1,175,477</u>
OTHER FINANCING SOURCES (USES)				
Proceeds on sale of capital assets	10,200	10,200	12,867	1,152
Transfers in				
Grant Fund	-	-	2,500	-
Southeast TIF #2 Fund	-	-	34,000	-
Transfers (out)				
Capital Equipment Replacement Fund	(512,290)	(512,290)	(512,290)	-
Emergency Telephone System Fund	(180,000)	(180,000)	(180,000)	(150,000)
Grant Fund	(43,416)	(43,416)	(33,449)	(35,367)
Town Center TIF Fund	-	-	-	(12,966)
North Milwaukee/Lake Cook Redevelopment Area	(406,525)	(406,525)	(406,525)	(407,425)
Total other financing sources (uses)	<u>(1,132,031)</u>	<u>(1,132,031)</u>	<u>(1,082,897)</u>	<u>(604,606)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,055,804)</u>	<u>\$ (1,359,804)</u>	<u>(819,161)</u>	<u>570,871</u>
FUND BALANCE, JANUARY 1			<u>14,494,547</u>	<u>13,923,676</u>
FUND BALANCE, DECEMBER 31			<u>\$ 13,675,386</u>	<u>\$ 14,494,547</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

ILLINOIS MUNICIPAL RETIREMENT FUND

SCHEDULE OF FUNDING PROGRESS

December 31, 2014

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2009	\$ 20,029,617	\$ 26,248,251	76.3%	\$ 6,218,634	\$ 8,966,495	69.4%
2010	16,240,399	22,895,143	70.9%	6,654,744	8,385,955	79.4%
2011	17,072,808	23,713,448	72.0%	6,640,640	7,889,418	84.2%
2012	18,033,053	24,466,255	73.7%	6,433,202	7,881,435	81.6%
2013	20,118,393	25,695,577	78.3%	5,577,184	8,255,541	67.6%
2014	22,385,608	28,734,980	77.9%	6,349,372	8,652,443	73.4%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

POLICE PENSION FUND

SCHEDULE OF FUNDING PROGRESS

December 31, 2014

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2009	\$ 30,012,693	\$ 40,645,515	73.8%	\$ 10,632,822	\$ 5,323,317	199.7%
2010	33,548,810	45,645,311	73.5%	12,096,501	5,301,423	228.2%
2011	34,426,079	49,030,589	70.2%	14,604,510	5,343,159	273.3%
2012	37,882,210	55,233,258	68.6%	17,351,048	5,556,957	312.2%
2013	42,508,296	58,065,393	73.2%	15,557,097	5,591,645	278.2%
2014	45,155,533	64,958,743	69.5%	19,803,210	5,716,640	346.4%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

FIREFIGHTERS' PENSION FUND

SCHEDULE OF FUNDING PROGRESS

December 31, 2014

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2009	\$ 25,181,994	\$ 35,808,961	70.3%	\$ 10,626,967	\$ 3,986,938	266.5%
2010	27,470,623	39,057,896	70.3%	11,587,273	3,593,574	322.4%
2011	27,186,600	42,887,413	63.4%	15,700,813	4,213,548	372.6%
2012	28,454,211	48,423,831	58.8%	19,969,620	4,365,105	457.5%
2013	31,314,931	51,049,717	61.3%	19,734,786	4,442,556	444.2%
2014	33,274,289	55,604,249	59.8%	22,329,960	4,691,421	476.0%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

OTHER POSTEMPLOYMENT BENEFITS PLAN

SCHEDULE OF FUNDING PROGRESS

December 31, 2014

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age Normal	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2009	\$ -	\$ 15,077,788	0.00%	\$ 15,077,788	\$ 20,099,180	75.02%
2010	N/A	N/A	N/A	N/A	N/A	N/A
2011	-	20,496,888	0.00%	20,496,888	18,675,553	109.75%
2012	N/A	N/A	N/A	N/A	N/A	N/A
2013	-	19,406,394	0.00%	19,406,394	19,370,663	100.18%
2014	N/A	N/A	N/A	N/A	N/A	N/A

N/A - information not available

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

ILLINOIS MUNICIPAL RETIREMENT FUND

SCHEDULE OF EMPLOYER CONTRIBUTIONS

December 31, 2014

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2009	\$ 930,722	\$ 930,722	100.00%
2010	1,085,143	1,085,143	100.00%
2011	1,057,971	1,057,971	100.00%
2012	1,161,724	1,161,724	100.00%
2013	1,091,383	1,091,383	100.00%
2014	1,127,413	1,127,413	100.00%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS
POLICE PENSION FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS

Last Ten Fiscal Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Actuarially determined contribution	\$ 674,900	\$ 750,717	\$ 802,115	\$ 823,526	\$ 853,194	\$ 1,256,481	\$ 1,235,774	\$ 1,358,943	\$ 1,385,278	\$ 1,566,013
Contribution in relation to the actuarially determined contribution	676,900	735,844	802,115	823,000	868,101	1,268,284	1,296,344	1,378,043	1,403,098	1,692,954
CONTRIBUTION DEFICIENCY (Excess)	\$ (2,000)	\$ 14,873	\$ -	\$ 526	\$ (14,907)	\$ (11,803)	\$ (60,570)	\$ (19,100)	\$ (17,820)	\$ (126,941)
Covered-employee payroll	\$ 4,379,930	\$ 4,635,028	\$ 4,878,555	\$ 5,318,433	\$ 5,323,317	\$ 5,301,423	\$ 5,343,159	\$ 5,556,957	\$ 5,591,645	\$ 5,716,640
Contributions as a percentage of covered-employee payroll	15%	16%	16%	15%	16%	24%	24%	25%	25%	30%

The information directly above is formatted to comply with the requirements of GASB Statement No. 67

Year Ended December 31,	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2009	\$ 868,101	\$ 853,194	101.75%
2010	1,268,284	1,256,481	100.94%
2011	1,296,344	1,235,774	104.90%
2012	1,378,043	1,358,943	101.41%
2013	1,403,098	1,385,278	101.29%
2014	1,692,954	1,566,013	108.11%

Notes to the Required Supplementary Information:

This information directly above is presented in accordance with GASB Statement No. 25. The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 28 years; the asset valuation method was at market value; and the significant actuarial assumptions were an investment rate of return of 7.5% annually, projected salary increase assumption of 5.5% compounded annually, and postretirement benefit increases of 3% compounded annually.

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS
FIREFIGHTERS' PENSION FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS

Last Ten Fiscal Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Actuarially determined contribution	\$ 209,657	\$ 324,328	\$ 470,170	\$ 685,160	\$ 747,385	\$ 1,100,795	\$ 1,138,155	\$ 1,301,952	\$ 1,460,107	\$ 1,642,356
Contribution in relation to the actuarially determined contribution	209,676	333,032	470,484	695,926	750,324	1,106,487	1,194,810	1,314,938	1,484,050	1,850,379
CONTRIBUTION DEFICIENCY (Excess)	\$ (19)	\$ (8,704)	\$ (314)	\$ (10,766)	\$ (2,939)	\$ (5,692)	\$ (56,655)	\$ (12,986)	\$ (23,943)	\$ (208,023)
Covered-employee payroll	\$ 3,677,476	\$ 3,802,925	\$ 4,071,386	\$ 4,327,162	\$ 3,986,938	\$ 3,593,574	\$ 4,213,548	\$ 4,365,105	\$ 4,442,556	\$ 4,691,421
Contributions as a percentage of covered-employee payroll	6%	9%	12%	16%	19%	31%	28%	30%	33%	39%

The information directly above is formatted to comply with the requirements of GASB Statement No. 67

Fiscal Year Ended December 31,	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2009	\$ 750,324	\$ 747,385	100.39%
2010	1,106,487	1,100,795	100.52%
2011	1,194,810	1,138,155	104.98%
2012	1,314,938	1,301,952	101.00%
2013	1,484,050	1,460,107	101.64%
2014	1,850,379	1,642,356	112.67%

Notes to the Required Supplementary Information:

This information directly above is presented in accordance with GASB Statement No. 25. The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 28 years; the asset valuation method was at market value; and the significant actuarial assumptions were an investment rate of return of 7.5% annually, projected salary increase assumption of 5.5% compounded annually, and postretirement benefit increases of 3% compounded annually.

(See independent auditor's report.)

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

December 31, 2014

<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2009	\$ 755,540	\$ 946,200	79.85%
2010	755,540	608,031	124.26%
2011	755,540	608,031	124.26%
2012	954,035	916,682	104.07%
2013	924,978	916,682	100.91%
2014	924,978	874,344	105.79%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

POLICE PENSION FUND

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

December 31, 2014

TOTAL PENSION LIABILITY	
Service cost	\$ 1,167,588
Interest	4,272,252
Changes of benefit terms	-
Differences between expected and actual experience	307,520
Changes to mortality assumptions	3,350,055
Benefit payments, including refunds of member contributions	<u>(2,204,065)</u>
Net change in total pension liability	6,893,350
Total pension liability - beginning	<u>58,065,393</u>
TOTAL PENSION LIABILITY - ENDING	<u><u>\$ 64,958,743</u></u>
PLAN FIDUCIARY NET POSITION	
Contributions - employer	\$ 1,692,954
Contributions - member	564,098
Net investment income	2,622,222
Benefit payments, including refunds of member contributions	(2,204,065)
Administrative expense	<u>(27,972)</u>
Net change in plan fiduciary net position	2,647,237
Plan fiduciary net position - beginning	<u>42,508,296</u>
PLAN FIDUCIARY NET POSITION - ENDING	<u><u>\$ 45,155,533</u></u>
EMPLOYER'S NET PENSION LIABILITY	<u><u>\$ 19,803,210</u></u>
Plan fiduciary net position as a percentage of the total pension liability	69.5%
Covered-employee payroll	\$ 5,716,640
Employer's net pension liability as a percentage of covered-employee payroll	346.4%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

FIREFIGHTERS' PENSION FUND

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

December 31, 2014

TOTAL PENSION LIABILITY	
Service cost	\$ 1,111,028
Interest	3,727,758
Changes of benefit terms	-
Differences between expected and actual experience	(29,931)
Changes to mortality assumptions	2,438,228
Benefit payments, including refunds of member contributions	<u>(2,692,551)</u>
Net change in total pension liability	4,554,532
Total pension liability - beginning	<u>51,049,717</u>
TOTAL PENSION LIABILITY - ENDING	<u><u>\$ 55,604,249</u></u>
PLAN FIDUCIARY NET POSITION	
Contributions - employer	\$ 1,850,379
Contributions - member	438,414
Net investment income	2,376,338
Benefit payments, including refunds of member contributions	(2,692,551)
Administrative expense	<u>(13,222)</u>
Net change in plan fiduciary net position	1,959,358
Plan fiduciary net position - beginning	<u>31,314,931</u>
PLAN FIDUCIARY NET POSITION - ENDING	<u><u>\$ 33,274,289</u></u>
EMPLOYER'S NET PENSION LIABILITY	<u><u>\$ 22,329,960</u></u>
Plan fiduciary net position as a percentage of the total pension liability	59.8%
Covered-employee payroll	\$ 4,691,421
Employer's net pension liability as a percentage of covered-employee payroll	476.0%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

POLICE PENSION FUND

SCHEDULE OF INVESTMENT RETURNS

December 31, 2014

	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	6.14%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

FIREFIGHTERS' PENSION FUND

SCHEDULE OF INVESTMENT RETURNS

December 31, 2014

	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	7.10%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2014

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 Town Center TIF and Southeast TIF Funds. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year end.

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

2. INDIVIDUAL FUND DISCLOSURES

The following funds had expenditures in excess of budget:

Fund	Final Budget	Actual
General Fund	\$ 32,538,235	\$ 33,025,423
North Milwaukee/Lake Cook Redevelopment Area Fund	4,731,926	6,214,085
Foreign Fire Insurance Tax Fund	54,000	65,430
Emergency Telephone System Fund	508,987	745,795
Crossroads Redevelopment Area Fund	2,338,309	2,431,160
South Milwaukee Redevelopment Area Fund	2,531,876	3,146,723
Liability Insurance Fund	1,291,925	1,831,760

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

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

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

CAPITAL PROJECTS FUNDS

NORTH MILWAUKEE/LAKE COOK REDEVELOPMENT AREA FUND

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

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, 2014

(With Comparative Amounts for December 31, 2013)

	<u>2014</u>	<u>2013</u>
ASSETS		
Cash and investments	\$ 9,895,556	\$ 10,684,210
Receivables (net where applicable of allowance for uncollectibles)		
Property taxes	11,037,194	10,042,721
Sales taxes	2,555,025	2,553,906
Income taxes	644,481	616,726
Telecommunications tax	354,214	386,569
Accrued interest	19,866	14,353
IPBC	943,530	703,552
Other	793,199	609,128
Prepaid items	318,023	281,547
Inventory	264,960	265,189
Due from other funds	29,213	579,658
TOTAL ASSETS	<u>\$ 26,855,261</u>	<u>\$ 26,737,559</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
LIABILITIES		
Accounts payable	\$ 1,155,209	\$ 1,389,706
Accrued payroll	752,327	594,001
Deposits payable	144,654	115,814
Unearned revenue	135,550	128,355
Due to fiduciary funds	100,721	54,107
Total liabilities	<u>2,288,461</u>	<u>2,281,983</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenues - property taxes	<u>10,891,414</u>	<u>9,961,029</u>
Total deferred inflows of resources	<u>10,891,414</u>	<u>9,961,029</u>
FUND BALANCE		
Nonspendable		
Prepaid items	318,023	281,547
Inventory	264,960	265,189
Assigned		
Health insurance	943,530	703,552
Subsequent year's budget	753,849	1,055,804
Unassigned	<u>11,395,024</u>	<u>12,188,455</u>
Total fund balance	<u>13,675,386</u>	<u>14,494,547</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 26,855,261</u>	<u>\$ 26,737,559</u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL

For the Year Ended December 31, 2014

(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
TAXES				
Property taxes	\$ 6,825,761	\$ 6,825,761	\$ 6,892,160	\$ 7,153,545
Property taxes - Police Pension Fund	1,492,912	1,492,912	1,593,837	1,403,098
Property taxes - Firefighters' Pension Fund	1,642,356	1,642,356	1,751,262	1,484,050
TIF surplus distribution	140,760	140,760	451,292	166,272
Sales tax	5,903,394	5,903,394	5,982,939	5,588,948
Home rule sales tax	3,998,613	3,998,613	3,932,595	3,841,292
Telecommunications tax	1,598,340	1,598,340	1,445,508	1,565,067
Food and beverage tax	848,640	848,640	847,714	816,668
Hotel/motel tax	962,000	962,000	942,103	933,853
Auto rental tax	3,128	3,128	2,010	3,991
Total taxes	23,415,904	23,415,904	23,841,420	22,956,784
LICENSES AND PERMITS				
Business licenses	75,654	75,654	76,186	75,500
Coin-operated licenses	12,490	12,490	11,572	11,707
Liquor licenses	160,000	160,000	170,544	157,801
Other licenses	54,636	54,636	62,347	54,328
Building permits	195,000	195,000	190,188	212,372
Other permits	36,654	36,654	39,410	32,563
Total licenses and permits	534,434	534,434	550,247	544,271
INTERGOVERNMENTAL				
Township property replacement tax	92,296	92,296	80,729	83,827
Personal property replacement tax	196,248	196,248	190,483	185,046
Income tax	3,749,200	3,749,200	3,604,564	3,587,115
State use tax	659,360	659,360	729,178	648,555
Police training	-	-	8,952	-
Fire training	-	-	1,096	1,224
Video gaming tax	40,000	40,000	106,960	34,508
Emergency dispatch services	-	-	202,768	-
Pull tabs and jar games tax	-	-	2,395	2,010
Total intergovernmental	4,737,104	4,737,104	4,927,125	4,542,285
CHARGES FOR SERVICES				
Electrical inspections	65,025	65,025	57,382	67,037
Plumbing inspections	45,441	45,441	25,682	46,099
Erosion control fees	176,154	-	-	-
Engineering inspection fees	-	176,154	232,822	153,696
Solid waste service charge	540,000	540,000	520,600	544,086
SWANCC fees	230,000	230,000	236,383	239,859
Host community fees	100,000	100,000	100,000	100,000
Ambulance fees	510,000	510,000	470,230	496,544
Impounding fees	689	689	890	705

(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, 2014
(With Comparative Actual)

	2014			2013
	Original Budget	Final Budget	Actual	
CHARGES FOR SERVICES (Continued)				
Plan review	\$ 35,453	\$ 35,453	\$ 124,407	\$ 30,780
Subdivision prefilng fees	2,810	2,810	977	2,755
Planning and zoning fees	5,226	5,226	3,438	5,122
Industrial revenue bond and 6(b) fees	1,800	1,800	3,450	1,800
Duplicating services	5,814	5,814	6,847	5,723
False alarm fees	11,521	11,521	10,919	10,895
Pavilion senior center	30,671	30,671	26,481	32,006
Monthly permit fee	28,500	28,500	29,498	26,173
Daily parking fee	51,000	51,000	50,777	49,746
Rental income	6,200	6,200	31,597	6,212
Rental income - T-Mobile	27,012	27,012	27,874	27,062
Police liaison reimbursement	153,593	153,593	139,133	150,581
Finger printing fee	3,264	3,264	4,290	954
CPR training fees	1,000	1,000	1,110	980
Total charges for services	2,031,173	2,031,173	2,104,787	1,998,815
FINES AND FORFEITS				
Court fines	159,426	159,426	142,521	153,951
Local ordinance fines	540,162	540,162	701,640	560,454
Total fines and forfeits	699,588	699,588	844,161	714,405
INVESTMENT INCOME				
Investment income	142,261	142,261	(76,871)	45,967
MISCELLANEOUS				
Cable TV franchise fees	354,552	354,552	358,021	341,267
Waste management franchise fees	88,606	88,606	87,904	86,869
AT&T franchise fees	161,160	161,160	171,893	150,529
Other franchise fees	41,820	41,820	42,151	41,453
IPBC terminal reserve revenue	-	-	233,519	249,954
Donations	30,200	30,200	36,215	31,644
Other	73,660	73,660	168,587	251,826
Total miscellaneous	749,998	749,998	1,098,290	1,153,542
TOTAL REVENUES	\$ 32,310,462	\$ 32,310,462	\$ 33,289,159	\$ 31,956,069

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended December 31, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
GENERAL GOVERNMENT				
Village Manager's office and Board of Trustees	\$ 1,457,450	\$ 1,457,450	\$ 1,582,525	\$ 1,063,051
Finance	1,041,384	1,041,384	1,006,230	1,012,921
Human resources	213,080	213,080	238,794	225,198
Legal	350,450	350,450	369,480	366,522
Special events	68,000	68,000	78,134	45,014
Solid waste system	500,889	500,889	426,567	442,040
Commuter parking system	39,663	39,663	36,370	39,839
Municipal building maintenance	1,012,230	1,012,230	1,066,008	954,875
Municipal vehicle maintenance	644,531	644,531	634,502	606,211
Community development	2,084,073	2,084,073	2,050,583	1,944,583
Senior citizens services	349,881	349,881	341,058	349,557
Social services	302,333	302,333	303,064	305,346
CIP engineering	222,751	222,751	151,023	214,380
Street division	910,456	910,456	957,099	849,173
Public works administration	563,949	563,949	560,788	580,889
Forestry	1,096,505	1,196,505	1,161,581	1,074,893
Information systems	789,208	789,208	779,395	720,675
Subtotal	11,646,833	11,746,833	11,743,201	10,795,167
Less Waterworks and Sewerage Fund reimbursements	1,189,397	1,189,397	1,189,396	1,152,870
Total general government	10,457,436	10,557,436	10,553,805	9,642,297
PUBLIC SAFETY				
Police department	12,303,632	12,405,632	12,648,272	12,040,739
Fire department	9,313,167	9,415,167	9,620,446	8,988,321
Total public safety	21,616,799	21,820,799	22,268,718	21,029,060
DEBT SERVICE				
Principal	160,000	160,000	202,900	109,235
Total public safety	160,000	160,000	202,900	109,235
TOTAL EXPENDITURES	\$ 32,234,235	\$ 32,538,235	\$ 33,025,423	\$ 30,780,592

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended December 31, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
GENERAL GOVERNMENT				
Village Manager's Office and Board of Trustees				
Personnel services				
Overtime	\$ -	\$ -	\$ -	\$ 398
Seasonal help	-	-	431	856
Salaries	519,163	519,163	534,032	492,798
Longevity	1,000	1,000	1,000	600
Training	11,530	11,530	15,275	3,970
Employer contribution	97,051	97,051	97,524	91,058
SLDPA retiree contributions	-	-	-	7
Sick leave buy back	1,937	1,937	1,881	1,788
Total personnel services	630,681	630,681	650,143	591,475
Contractual services				
Advertising and publishing	2,500	2,500	4,227	1,952
Codification	7,000	7,000	5,554	7,364
Conferences and meetings	3,850	3,850	6,822	8,915
Consulting services	4,500	4,500	17,535	59,005
Data processing services	80,000	80,000	79,218	85,027
Energy	32,200	32,200	34,403	20,349
Employee group insurance	52,302	52,302	61,701	48,962
General liability insurance	12,395	12,395	12,395	10,684
Maintenance - office equipment	1,100	1,100	2,651	105
Membership dues	26,230	26,230	25,098	25,060
Miscellaneous	150,000	150,000	116,267	(254,403)
Postage	40,000	40,000	38,707	36,400
Printing and binding	1,350	1,350	1,520	1,214
Rental agreements	2,880	2,880	2,147	2,863
Cellular service	99,660	99,660	84,081	88,020
Telecommunications	205,000	205,000	213,135	216,883
Retiree health insurance	21,552	21,552	19,021	19,413
Duplication services	5,400	5,400	-	2,791
Miscellaneous contractual services	-	-	124,422	8,470
Total contractual services	747,919	747,919	848,904	389,074
Commodities				
Auto petroleum products	-	-	754	-
Books and subscriptions	6,900	6,900	7,592	7,161
Vehicle maintenance	-	-	203	-
Information systems miscellaneous equipment and supplies	-	-	316	1,582
Small tools and equipment	450	450	510	1,452
Miscellaneous	4,000	4,000	4,603	6,620
Office supplies	11,000	11,000	8,620	11,442
Awards/decorations	1,000	1,000	8,801	572
Business recruitment	55,500	55,500	52,079	53,673
Total commodities	78,850	78,850	83,478	82,502
Debt service				
Principal	160,000	160,000	202,900	109,235
Total debt service	160,000	160,000	202,900	109,235
Total Village Manager's Office and Board of Trustees	1,617,450	1,617,450	1,785,425	1,172,286

(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, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Finance				
Personnel services				
Overtime	\$ 500	\$ 500	\$ 410	\$ 298
Salaries	628,465	628,465	611,243	617,587
Longevity	4,800	4,800	4,800	4,200
Training	1,000	1,000	1,397	1,440
Employer contribution	129,361	129,361	123,705	123,177
Unemployment compensation	-	-	2,845	-
Sick leave buy back	3,008	3,008	2,812	3,188
Total personnel services	767,134	767,134	747,212	749,890
Contractual services				
Advertising and publishing	1,150	1,150	1,103	1,103
Audit	42,870	42,870	43,552	38,498
Conferences and meetings	5,725	5,725	4,752	4,917
Consulting services	-	-	12,000	-
Employee group insurance	144,213	144,213	128,661	138,970
General liability insurance	12,395	12,395	12,395	10,684
Bank charges	21,240	21,240	11,807	22,138
Maintenance - office equipment	2,500	2,500	974	2,853
Membership dues	1,290	1,290	1,049	1,045
Actuarial services	6,900	6,900	7,600	5,050
Printing and binding	4,000	4,000	1,657	4,187
Credit card fees	7,680	7,680	10,420	11,631
Retiree health insurance	10,087	10,087	9,744	9,889
Miscellaneous contracts	4,950	4,950	4,896	3,968
Total contractual services	265,000	265,000	250,610	254,933
Commodities				
Books and subscriptions	200	200	-	34
Information systems miscellaneous equipment and supplies	3,500	3,500	3,158	3,567
Small tools and equipment	250	250	28	-
Miscellaneous	1,350	1,350	1,188	1,192
Office supplies	3,000	3,000	3,104	2,375
Awards/decorations	950	950	930	930
Total commodities	9,250	9,250	8,408	8,098
Capital outlay				
Transfer to CERF	879	879	879	-
Less transfer to CERF	(879)	(879)	(879)	-
Net capital outlay	-	-	-	-
Total finance	1,041,384	1,041,384	1,006,230	1,012,921
Human resources				
Personnel services				
Overtime	-	-	-	487
Salaries	128,203	128,203	133,932	134,744
Training	500	500	395	38
Employer contribution	25,717	25,717	26,159	27,299
Sick leave buy back	249	249	-	-
Total personnel services	154,669	154,669	160,486	162,568

(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, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Human resources (Continued)				
Contractual services				
Advertising and publishing	\$ 2,500	\$ 2,500	\$ 1,138	\$ 2,124
Conferences and meetings	3,950	3,950	3,737	3,360
Consulting services	6,400	6,400	6,781	6,681
Employee group insurance	10,503	10,503	16,897	19,103
General liability insurance	4,338	4,338	4,338	3,739
Membership dues	1,170	1,170	1,140	1,148
Personnel services	17,500	17,500	30,991	18,370
Printing and binding	100	100	-	-
Medical exams	10,000	10,000	11,804	6,818
Total contractual services	56,461	56,461	76,826	61,343
Commodities				
Miscellaneous	200	200	25	149
Office supplies	400	400	32	256
Awards/decorations	1,350	1,350	1,425	882
Total commodities	1,950	1,950	1,482	1,287
Total human resources	213,080	213,080	238,794	225,198
Legal				
Contractual services				
Recording fees	1,000	1,000	1,322	500
Legal services	348,600	348,600	367,775	365,752
Miscellaneous contractual services	750	750	383	270
Total contractual services	350,350	350,350	369,480	366,522
Commodities				
Books and subscriptions	100	100	-	-
Total commodities	100	100	-	-
Total legal	350,450	350,450	369,480	366,522
Special events				
Personnel services				
Overtime	-	-	7,115	-
Total personnel services	-	-	7,115	-
Contractual services				
Membership dues	500	500	-	-
Advertising and publishing	-	-	1,002	-
Printing and binding	-	-	1,037	1,824
Miscellaneous contractual services	58,000	58,000	48,363	22,253
Total contractual services	58,500	58,500	50,402	24,077
Commodities				
Miscellaneous operating supplies	9,500	9,500	20,617	20,937
Total commodities	9,500	9,500	20,617	20,937
Total special events	68,000	68,000	78,134	45,014

(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, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Solid waste system				
Contractual services				
Postage	\$ 518	\$ 518	\$ 524	\$ 491
Printing and binding	371	371	330	381
Regional and special agencies assessments	500,000	500,000	425,713	441,168
Total contractual services	500,889	500,889	426,567	442,040
Total solid waste system	500,889	500,889	426,567	442,040
Commuter parking system				
Contractual services				
Energy	17,250	17,250	13,863	15,073
Office equipment maintenance	6,790	6,790	6,349	5,251
Printing and binding	-	-	-	3,492
Rental agreement	9,224	9,224	10,257	9,224
Credit card fees	725	725	777	918
Telecommunications	324	324	-	432
Total contractual services	34,313	34,313	31,246	34,390
Commodities				
Maintenance - building and grounds	5,000	5,000	4,655	5,100
Water and sewer services charges	350	350	469	349
Total commodities	5,350	5,350	5,124	5,449
Total commuter parking system	39,663	39,663	36,370	39,839
Municipal building maintenance				
Personnel services				
Overtime	11,000	11,000	26,865	15,469
Seasonal help	28,000	28,000	21,502	17,730
Salaries	421,885	421,885	427,812	413,316
Longevity	2,800	2,800	2,800	2,200
Training	2,500	2,500	2,238	2,146
Uniform allowance	3,000	3,000	3,340	2,690
Employer contribution	87,819	87,819	95,499	88,325
Sick leave annual buy back	3,757	3,757	1,138	-
Unemployment compensation	-	-	2,800	1,680
Total personnel services	560,761	560,761	583,994	543,556
Contractual services				
Conferences and meetings	-	-	4	31
Information systems service and maintenance agreement	5,989	5,989	8,946	2,634
Debris dump charges	400	400	388	744
Employee group insurance	78,374	78,374	80,570	83,384
General liability insurance	32,227	32,227	32,227	27,778
Janitorial services	155,000	155,000	135,679	132,983
Maintenance - equipment	11,000	11,000	12,470	11,456
Membership dues	165	165	-	165
Rental equipment	-	-	-	4,819
Retiree health insurance	5,044	5,044	4,864	4,937
Miscellaneous contractual services	37,210	37,210	44,551	33,030
Total contractual services	325,409	325,409	319,699	301,961

(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, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Municipal building maintenance (Continued)				
Commodities				
Auto petroleum products	\$ 10,000	\$ 10,000	\$ 9,875	\$ 13,852
Books and subscriptions	300	300	75	389
Chemicals	4,500	4,500	4,951	5,028
Janitorial supplies	25,000	25,000	25,359	25,483
Vehicle maintenance	8,000	8,000	10,584	6,987
Maintenance - buildings and grounds	42,250	42,250	72,573	22,450
Information systems miscellaneous equipment and supplies	3,500	3,500	3,565	1,576
Minor tools and equipment	7,000	7,000	7,829	6,121
Miscellaneous operating supplies	1,710	1,710	1,770	2,461
Office supplies	-	-	-	207
Protective clothing	3,800	3,800	4,195	4,101
Water and sewer services charges	20,000	20,000	21,539	20,703
Total commodities	126,060	126,060	162,315	109,358
Capital outlay				
Transfer to CERF	10,663	10,663	10,663	-
Less transfer to CERF	(10,663)	(10,663)	(10,663)	-
Net capital outlay	-	-	-	-
Total municipal building maintenance	1,012,230	1,012,230	1,066,008	954,875
Municipal vehicle maintenance				
Personnel services				
Overtime	6,000	6,000	5,906	4,804
Salaries	403,444	403,444	398,314	373,275
Longevity	3,300	3,300	3,300	1,800
Training	1,900	1,900	2,471	1,700
Uniform allowance	8,500	8,500	7,161	5,747
Employer contribution	82,164	82,164	87,347	79,405
Sick leave buy back	2,745	2,745	1,138	1,110
Total personnel services	508,053	508,053	505,637	467,841
Contractual services				
Conferences and meetings	3,100	3,100	3,186	1,687
Consulting services	1,200	1,200	1,640	1,291
Debris dump charges	125	125	296	-
Employee group insurance	83,390	83,390	76,082	86,574
General liability insurance	19,832	19,832	19,832	17,094
Maintenance - office equipment and special equipment	2,900	2,900	2,327	3,226
Maintenance - radio equipment	-	-	-	37
Membership dues	731	731	710	658
Printing and binding	300	300	300	195
Retiree health insurance	5,000	5,000	6,519	7,039
Total contractual services	116,578	116,578	110,892	117,801

(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, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Municipal vehicle maintenance (Continued)				
Commodities				
Auto petroleum products	\$ 3,200	\$ 3,200	\$ 3,022	\$ 3,413
Books and subscriptions	450	450	450	319
Chemicals	1,500	1,500	1,667	1,600
Vehicle maintenance	3,500	3,500	3,630	3,958
Minor tools and equipment	5,500	5,500	5,755	4,863
Miscellaneous operating supplies	4,450	4,450	2,133	4,375
Office supplies	-	-	-	538
Protective clothing	400	400	470	985
Information systems miscellaneous software	900	900	846	518
Total commodities	19,900	19,900	17,973	20,569
Capital outlay				
Transfer to CERF	1,893	1,893	1,893	-
Less transfer to CERF	(1,893)	(1,893)	(1,893)	-
Net capital outlay	-	-	-	-
Total municipal vehicle maintenance	644,531	644,531	634,502	606,211
Community development				
Personnel services				
Overtime	1,500	1,500	2,539	1,867
Seasonal help	11,500	11,500	11,348	9,789
Salaries	1,292,026	1,292,026	1,283,845	1,181,908
Longevity	4,150	4,150	4,150	4,150
Training	4,500	4,500	1,990	1,507
Uniform allowance	650	650	863	517
Employer contribution	262,097	262,097	257,637	238,511
Sick leave buy back	2,378	2,378	1,895	1,765
Total personnel services	1,578,801	1,578,801	1,564,267	1,440,014
Contractual services				
Advertising and publishing	2,250	2,250	873	1,548
Conferences and meetings	4,050	4,050	4,098	4,064
Consulting services	25,500	25,500	52,956	28,263
Data processing services	13,590	13,590	12,600	12,600
Exterminating services	6,800	6,800	6,005	9,240
Employee group insurance	236,735	236,735	205,030	202,040
General liability insurance	121,470	121,470	121,470	104,701
Maintenance - office equipment	6,390	6,390	3,549	5,374
Membership dues	3,475	3,475	3,005	2,452
Printing and binding	7,825	7,825	6,395	5,549
Credit card fees	3,500	3,500	4,002	7,125
Retiree health insurance	33,442	33,442	30,278	32,832
Duplication services	6,000	6,000	4,524	4,562
Finger printing fees	3,000	3,000	2,552	2,474
Miscellaneous	500	500	-	36,916
Total contractual services	474,527	474,527	457,337	459,740

(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, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Community development (Continued)				
Commodities				
Auto petroleum products	\$ 10,500	\$ 10,500	\$ 10,983	\$ 11,600
Books and subscriptions	1,620	1,620	1,034	892
Health test supplies	200	200	206	284
Vehicle maintenance	6,000	6,000	4,227	5,450
Information systems miscellaneous equipment and supplies	500	500	115	16,571
Minor tools and equipment	1,600	1,600	1,759	1,081
Miscellaneous operating supplies	6,000	6,000	6,263	5,591
Office supplies	3,525	3,525	3,450	2,732
Protective clothing	800	800	942	628
Total commodities	30,745	30,745	28,979	44,829
Capital outlay				
Transfer to CERF	11,672	11,672	11,672	-
Less transfer to CERF	(11,672)	(11,672)	(11,672)	-
Net capital outlay	-	-	-	-
Total community development	2,084,073	2,084,073	2,050,583	1,944,583
Senior citizens services				
Personnel services				
Overtime	-	-	135	303
Salaries	216,222	216,222	213,018	206,646
Local training and meeting	300	300	-	-
Employer contribution	39,967	39,967	38,721	38,019
Sick leave buy back	182	182	-	-
Total personnel services	256,671	256,671	251,874	244,968
Contractual services				
Conferences and meetings	14,000	14,000	17,433	22,316
Energy	5,175	5,175	5,496	4,892
Employee group insurance	41,822	41,822	40,042	42,597
General liability insurance	4,338	4,338	4,338	3,739
Janitorial services	400	400	-	-
Landscape maintenance	1,700	1,700	1,479	1,343
Maintenance - equipment	4,200	4,200	3,963	4,076
Membership dues	500	500	300	605
Postage	3,200	3,200	2,446	2,991
Printing and binding	700	700	1,108	1,444
Regional and special agency assessments	360	360	178	196
Credit card fees	640	640	76	2,224
Total contractual services	77,035	77,035	76,859	86,423
Commodities				
Books and subscriptions	100	100	156	278
Maintenance - buildings and grounds	11,125	11,125	7,559	6,712
Information systems miscellaneous equipment and supplies	750	750	683	6,854
Minor tools and equipment	400	400	443	263
Miscellaneous operating supplies	1,500	1,500	1,645	2,297
Office supplies	2,300	2,300	1,839	1,762
Total commodities	16,175	16,175	12,325	18,166
Total senior citizen services	349,881	349,881	341,058	349,557

(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, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Social services				
Personnel services				
Longevity	\$ 600	\$ 600	\$ 600	\$ 600
Overtime	1,500	1,500	1,920	4,245
Salaries	209,843	209,843	214,426	208,111
Employer contributions	43,518	43,518	43,067	42,891
Training and meetings	400	400	576	418
Total personnel services	255,861	255,861	260,589	256,265
Contractual services				
Conferences and meetings	4,000	4,000	2,386	3,056
Employee health insurance	33,822	33,822	32,648	33,473
Membership dues	450	450	505	437
Printing and binding	1,500	1,500	598	803
Contractual services	2,500	2,500	2,400	5,120
Total contractual services	42,272	42,272	38,537	42,889
Commodities				
Miscellaneous equipment and supplies	1,850	1,850	2,043	4,354
Miscellaneous operating supplies	1,000	1,000	499	1,289
Office supplies	1,350	1,350	1,396	549
Total commodities	4,200	4,200	3,938	6,192
Total social services	302,333	302,333	303,064	305,346
CIP engineering				
Personnel services				
Overtime	2,000	2,000	3,961	3,400
Seasonal help	18,000	18,000	12,348	13,245
Salaries	2,328	2,328	-	5,440
Longevity	650	650	650	650
Training	500	500	246	622
Employer contribution	47,828	47,828	725	48,697
Sick leave buy back	804	804	-	-
Total personnel services	72,110	72,110	17,930	72,054
Contractual services				
Conferences and meetings	-	-	-	204
Consulting services	9,000	9,000	9,630	13,650
Data processing	3,000	3,000	2,595	2,550
Employee group insurance	21,666	21,666	(34)	27,519
General liability insurance	85,525	85,525	85,525	73,718
Maintenance - office equipment	500	500	393	507
Membership dues	465	465	378	541
Printing and binding	1,100	1,100	1,168	1,100
Recording fees	-	-	-	31
Duplication services	14,000	14,000	14,536	-
Rental agreements	500	500	500	500
Total contractual services	135,756	135,756	114,691	120,320

(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, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
CIP engineering (Continued)				
Commodities				
Auto petroleum products	\$ 4,000	\$ 4,000	\$ 1,687	\$ 2,330
Books and subscriptions	450	450	457	8,858
Vehicle maintenance	2,500	2,500	1,926	860
Information systems software	1,985	1,985	4,049	300
Miscellaneous equipment and supplies	1,750	1,750	1,185	3,163
Minor tools and equipment	500	500	5,677	1,349
Miscellaneous operating supplies	2,000	2,000	1,742	3,141
Office supplies	900	900	902	960
Protective clothing	800	800	777	1,045
Total commodities	14,885	14,885	18,402	22,006
Capital outlay				
Transfer to CERF	7,880	7,880	7,880	-
Less transfer to CERF	(7,880)	(7,880)	(7,880)	-
Total capital outlay	-	-	-	-
Total CIP engineering	222,751	222,751	151,023	214,380
Streets division				
Personnel services				
Overtime	70,000	70,000	134,401	86,289
Seasonal help	40,000	40,000	34,096	24,373
Salaries	327,754	327,754	319,563	316,911
Longevity	1,700	1,700	1,700	1,500
Training	1,500	1,500	1,092	1,169
Uniform allowance	2,500	2,500	3,423	1,864
Employer contributions	68,127	68,127	70,831	72,584
Sick leave annual buy back	1,037	1,037	190	-
Unemployment compensation	-	-	-	2,438
Total personnel services	512,618	512,618	565,296	507,128
Contractual services				
Conferences and conventions	-	-	-	1,286
Consulting services	-	-	-	680
Debris dumping charges	4,050	4,050	5,774	3,914
Energy	3,450	3,450	1,853	3,142
Contractual services (Continued)				
Employee health insurance	77,682	77,682	76,110	74,897
General liability insurance	56,397	56,397	56,397	48,611
Miscellaneous contractual service	5,000	5,000	5,000	-
Membership dues	146	146	161	-
Rental equipment	2,000	2,000	1,122	1,812
Retiree health insurance	18,713	18,713	12,706	17,050
Pavement markings	10,000	10,000	9,761	9,028
Street light maintenance	47,700	47,700	59,980	36,894
Total contractual services	225,138	225,138	228,864	197,314

(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, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Streets division (Continued)				
Commodities				
Auto petroleum products	\$ 35,000	\$ 35,000	\$ 35,507	\$ 38,202
Books and subscriptions	900	900	950	900
Chemicals	16,000	16,000	14,796	18,119
Vehicle maintenance	40,000	40,000	38,615	40,739
Maintenance - building and grounds	24,500	24,500	5,024	(5,387)
Minor tools and equipment	30,000	30,000	45,929	22,591
Small tools and equipment	6,500	6,500	5,868	6,300
Miscellaneous operating supplies	500	500	629	2,125
Office supplies	-	-	-	208
Protective clothing	2,700	2,700	1,476	1,738
Streets signs	15,000	15,000	13,182	5,221
Water and sewer service charges	1,600	1,600	963	475
Total commodities	172,700	172,700	162,939	131,231
Capital outlay				
Streetscape improvements	-	-	-	13,500
Transfer to CERF	82,571	82,571	82,571	-
Less transfer to CERF	(82,571)	(82,571)	(82,571)	-
Net capital outlay	-	-	-	13,500
Total streets division	910,456	910,456	957,099	849,173
Public works administration				
Personnel services				
Salaries	354,005	354,005	358,886	352,173
Training	800	800	705	523
Longevity	1,300	1,300	1,300	3,042
Employer contributions	72,107	72,107	71,124	70,778
SLDPA retiree contributions	-	-	-	16,884
Sick leave buy back	1,834	1,834	1,050	1,738
Total personnel services	430,046	430,046	433,065	445,138
Contractual services				
Conferences and meetings	4,900	4,900	5,724	5,727
Consulting services	-	-	-	680
Energy	12,650	12,650	22,569	10,643
Employee group insurance	69,735	69,735	52,048	56,936
General liability insurance	21,071	21,071	21,071	18,162
Maintenance - office equipment	3,716	3,716	2,613	15,277
Maintenance - radio equipment	800	800	1,403	775
Membership dues	252	252	326	4,937
Medical examinations	7,650	7,650	5,993	5,969
Retiree health insurance	4,257	4,257	5,418	5,498
Miscellaneous contractual services	307	307	307	307
Total contractual services	125,338	125,338	117,472	124,911

(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, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Public works administration (Continued)				
Commodities				
Auto petroleum products	\$ 450	\$ 450	\$ 661	\$ 352
Books and subscriptions	400	400	306	90
Vehicle maintenance	495	495	493	646
Information systems miscellaneous equipment and supplies	-	-	552	4,914
Miscellaneous operating supplies	2,800	2,800	3,147	2,004
Office supplies	4,150	4,150	4,692	2,735
Protective clothing	270	270	378	77
Awards and decorations	-	-	22	22
Total commodities	8,565	8,565	10,251	10,840
Total public works administration	563,949	563,949	560,788	580,889
Forestry				
Personnel services				
Longevity	1,700	1,700	1,700	1,500
Overtime	2,000	2,000	7,000	3,718
Seasonal help	40,000	40,000	32,223	31,229
Salaries	327,754	327,754	319,562	316,864
Training	1,350	1,350	1,207	1,070
Uniform allowance	2,500	2,500	1,895	1,881
Employer contributions	68,127	68,127	73,865	70,160
Sick leave annual buy back	1,037	1,037	190	-
Unemployment compensation	-	-	1,800	6,858
Total personnel services	444,468	444,468	439,442	433,280
Contractual services				
Conferences and meetings	-	-	-	12
Debris dump charges	10,000	10,000	6,323	7,023
Energy	20,700	20,700	18,714	20,558
Employee health insurance	77,682	77,682	76,109	74,896
General liability insurance	24,170	24,170	24,170	20,833
Landscape maintenance	90,000	90,000	88,892	100,789
Membership dues	825	825	870	908
Energy	155,000	155,000	155,008	160,114
Miscellaneous contractual services	145,000	245,000	233,686	85,288
Total contractual services	523,377	623,377	603,772	470,421
Commodities				
Auto petroleum products	11,000	11,000	10,092	13,124
Books and subscriptions	100	100	-	70
Chemicals	1,000	1,000	1,000	-
Vehicle maintenance	10,000	10,000	7,833	7,612
Maintenance - building and grounds	88,000	88,000	78,271	10,009
Miscellaneous equipment and supplies	-	-	353	-
Small tools and equipment	9,000	9,000	9,670	8,906
Miscellaneous operating supplies	560	560	560	864
Office supplies	-	-	-	168
Protective clothing	2,500	2,500	2,696	2,553
Water charge	6,500	6,500	7,892	16,431
Total commodities	128,660	128,660	118,367	59,737

(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, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Forestry (Continued)				
Capital outlay				
Streetscape improvements	\$ -	\$ -	\$ -	\$ 111,455
Transfer to CERF	25,848	25,848	25,848	-
Less transfer to CERF	(25,848)	(25,848)	(25,848)	-
Total capital outlay	-	-	-	111,455
Total forestry	1,096,505	1,196,505	1,161,581	1,074,893
Information systems				
Personnel services				
Salaries	354,355	354,355	356,386	328,544
Training	4,000	4,000	3,927	3,577
Longevity	1,600	1,600	1,600	1,600
Employer contribution	73,183	73,183	72,997	67,187
Sick leave buy back	1,851	1,851	2,006	1,933
Total personnel services	434,989	434,989	436,916	402,841
Contractual services				
Information system service and maintenance agreement	198,500	198,500	187,745	183,717
Employee health insurance	70,994	70,994	67,691	70,583
Maintenance - office equipment	2,000	2,000	1,795	684
Multiple day training	-	-	818	-
Membership dues	100	100	100	100
Total contractual services	271,594	271,594	258,149	255,084
Commodities				
Information systems miscellaneous equipment and supplies	35,000	35,000	38,618	18,969
Miscellaneous operating supplies	2,475	2,475	2,402	1,734
Office supplies	150	150	152	80
Miscellaneous software	45,000	45,000	43,158	41,967
Total commodities	82,625	82,625	84,330	62,750
Capital outlay				
Transfer to CERF	87,125	87,125	87,125	-
Less transfer to CERF	(87,125)	(87,125)	(87,125)	-
Net capital outlay	-	-	-	-
Total information systems	789,208	789,208	779,395	720,675
Total	11,806,833	11,906,833	11,946,101	10,904,402
Less Waterworks and Sewerage Fund reimbursements	1,189,397	1,189,397	1,189,396	1,152,870
Total general government	10,617,436	10,717,436	10,756,705	9,751,532

(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, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
PUBLIC SAFETY				
Police department				
Personnel services				
Longevity	\$ 48,500	\$ 48,500	\$ 50,693	\$ 48,857
Overtime	550,000	550,000	619,312	579,177
Salaries	7,353,622	7,353,622	7,431,879	7,151,859
Training	47,740	47,740	44,015	32,650
Uniform allowance	53,000	53,000	74,797	70,371
Employer contribution - IMRF	395,456	395,456	428,106	392,057
Employer contribution - police pension	1,492,891	1,594,891	1,692,954	1,403,098
College incentive	3,600	3,600	3,400	3,600
Tuition reimbursement	3,240	3,240	818	-
VEMA/PEHP contribution	-	-	79,570	37,632
Sick leave buy back	46,515	46,515	39,812	40,841
Total personnel services	9,994,564	10,096,564	10,465,356	9,760,142
Contractual services				
Animal impounding	4,000	4,000	4,692	4,095
Conferences and meetings	14,000	14,000	9,162	7,115
Energy	9,200	9,200	15,738	9,896
Employee group insurance	1,374,671	1,374,671	1,272,860	1,338,500
General liability insurance	251,616	251,616	251,616	216,881
Information systems software	4,000	4,000	1,426	9,597
Maintenance - office and special equipment	44,021	44,021	37,891	30,464
Membership dues	8,864	8,864	8,476	3,400
Printing and binding	18,200	18,200	16,974	10,901
Prisoner welfare	4,500	4,500	2,737	4,313
Regional and special agency assessments	75,078	75,078	72,748	73,724
Credit card services	480	480	(15)	2,214
Duplication services	-	-	1,721	6,210
Medical examinations	5,000	5,000	5,815	4,807
Miscellaneous contractual services	4,000	4,000	307	1,198
Retiree health insurance	165,603	165,603	156,966	182,912
Total contractual services	1,983,233	1,983,233	1,859,114	1,906,227
Commodities				
Auto petroleum products	153,000	153,000	119,664	146,330
Books and subscriptions	1,800	1,800	2,302	2,297
Vehicle maintenance	60,000	60,000	72,435	76,916
Computer supplies	13,500	13,500	13,011	31,950
Small tools and equipment	18,650	18,650	18,774	22,238
Range supplies	38,235	38,235	38,120	35,370
Miscellaneous operating supplies	28,050	28,050	34,445	37,821
Office supplies	8,300	8,300	8,207	10,206
Awards/decorations	1,800	1,800	1,925	1,259
Police DUI fund	-	-	12,847	8,905
Investigative funds	2,500	2,500	2,072	1,078
Total commodities	325,835	325,835	323,802	374,370
Capital outlay				
Transfer to CERF	120,797	120,797	120,797	-
Less transfer to CERF	(120,797)	(120,797)	(120,797)	-
Net capital outlay	-	-	-	-
Total police department	12,303,632	12,405,632	12,648,272	12,040,739

(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, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
PUBLIC SAFETY (Continued)				
Fire department				
Personnel services				
Longevity	\$ 18,100	\$ 18,100	\$ 18,100	\$ 15,762
Overtime	350,071	350,071	465,252	553,599
Salaries	4,844,008	4,844,008	4,876,687	4,630,805
Training	30,000	30,000	25,481	12,706
Uniform allowance	32,000	32,000	32,562	20,002
Employer contribution - IMRF	124,300	124,300	124,425	123,241
Employer contribution - police pension	1,642,356	1,744,356	1,850,379	1,484,050
College incentive	300	300	300	300
Tuition reimbursement	4,320	4,320	4,426	5,162
VEMA/PEHP contributions	-	-	-	13
Sick leave buy back	5,272	5,272	5,135	3,526
Total personnel services	7,050,727	7,152,727	7,402,747	6,849,166
Contractual services				
Conferences and meetings	5,700	5,700	5,555	3,828
Fire extinguisher maintenance	1,800	1,800	1,811	2,132
Energy	6,900	6,900	8,283	5,725
Employee group insurance	931,652	931,652	911,031	895,075
General liability insurance	451,174	451,174	451,174	388,889
Maintenance - office equipment	62,660	62,660	58,389	48,328
Maintenance - radio equipment	-	-	-	4,965
Membership dues	1,524	1,524	1,314	1,349
Printing and binding	2,100	2,100	2,059	1,030
Regional and special agency assessments	17,000	17,000	16,925	16,124
Medical examinations	15,000	15,000	15,710	14,518
Finger printing fees	35	35	-	189
Miscellaneous contractual services	-	-	307	307
Retiree health insurance	420,561	420,561	409,586	466,963
Total contractual services	1,916,106	1,916,106	1,882,144	1,849,422
Commodities				
Auto petroleum products	60,000	60,000	60,277	68,052
Books and subscriptions	4,000	4,000	3,904	3,523
Firefighting supplies	94,631	94,631	84,424	64,909
Vehicle maintenance	78,850	78,850	80,733	46,714
Maintenance - building and grounds	13,000	13,000	12,589	20,862
Medical supplies	19,450	19,450	17,265	20,078
Computer supplies	34,460	34,460	34,508	24,616
Miscellaneous operating supplies	7,000	7,000	7,457	7,138
Office supplies	5,750	5,750	5,523	5,064
Protective clothing	29,193	29,193	28,875	28,777
Total commodities	346,334	346,334	335,555	289,733
Capital outlay				
Transfer to CERF	162,962	162,962	162,962	-
Less transfer to CERF	(162,962)	(162,962)	(162,962)	-
Net capital outlay	-	-	-	-
Total fire department	9,313,167	9,415,167	9,620,446	8,988,321
Total public safety	21,616,799	21,820,799	22,268,718	21,029,060
TOTAL EXPENDITURES	\$ 32,234,235	\$ 32,538,235	\$ 33,025,423	\$ 30,780,592

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

NORTH MILWAUKEE/LAKE COOK REDEVELOPMENT AREA FUND

BALANCE SHEET

December 31, 2014

(With Comparative Totals for December 31, 2013)

	<u>2014</u>	<u>2013</u>
ASSETS		
Cash and investments	\$ 3,273,718	\$ 3,206,270
Receivables (net where applicable of allowance for uncollectibles)		
Property taxes	58,542	20,634
Other	130	-
Prepays	178	-
	<hr/>	<hr/>
TOTAL ASSETS	\$ 3,332,568	\$ 3,226,904
	<hr/> <hr/>	<hr/> <hr/>
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$ 12,016	\$ 140,208
Accrued payroll	610	820
Due to other funds	-	556,000
Advance to other funds	2,668,000	-
	<hr/>	<hr/>
Total liabilities	2,680,626	697,028
	<hr/>	<hr/>
FUND BALANCES		
Nonspendable		
Prepaid items	178	-
Restricted		
Economic development	651,764	2,529,876
	<hr/>	<hr/>
Total fund balances	651,942	2,529,876
	<hr/>	<hr/>
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,332,568	\$ 3,226,904
	<hr/> <hr/>	<hr/> <hr/>

See accompanying notes to financial statements.

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, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 3,605,699	\$ 3,605,699	\$ 3,928,974	\$ 3,539,486
Investment income	33,265	33,265	652	776
Total revenues	3,638,964	3,638,964	3,929,626	3,540,262
EXPENDITURES				
Capital outlay				
Salaries	16,019	16,019	15,969	15,054
Employer contributions	3,313	3,313	3,225	3,084
Consulting services	42,244	42,244	76,548	40,248
Business recruitment	5,300	5,300	7,752	5,438
Local training and meeting	-	-	154	-
Miscellaneous operating supplies	-	-	-	24,405
Capital improvements				
Streetscape improvements	95,000	95,000	829,771	-
Water improvements	814,000	814,000	39,607	-
TIF incentive	1,225,000	1,225,000	2,709,561	1,315,397
Debt service				
Principal	1,340,050	1,340,050	1,340,050	1,259,433
Interest	1,185,920	1,185,920	1,185,919	1,244,697
Fiscal agent fees	5,080	5,080	5,529	5,381
Total expenditures	4,731,926	4,731,926	6,214,085	3,913,137
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,092,962)	(1,092,962)	(2,284,459)	(372,875)
OTHER FINANCING SOURCES (USES)				
Transfers in				
General Fund	406,525	406,525	406,525	407,425
Debt Service Fund	-	-	-	1,576
Total other financing sources (uses)	406,525	406,525	406,525	409,001
NET CHANGE IN FUND BALANCE	\$ (686,437)	\$ (686,437)	(1,877,934)	36,126
FUND BALANCE, JANUARY 1			2,529,876	2,493,750
FUND BALANCE, DECEMBER 31			\$ 651,942	\$ 2,529,876

(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, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
REVENUES				
Investment income	\$ 44,319	\$ 44,319	\$ 35,180	\$ 29,868
Total revenues	44,319	44,319	35,180	29,868
EXPENDITURES				
Capital outlay				
Mobile equipment	1,007,000	1,007,000	190,738	214,780
Office equipment	-	-	-	8,100
Special equipment	46,250	46,250	3,885	2,303
Small tools and equipment	-	-	12,175	10,640
Capital equipment and supplies	-	-	20,554	-
Capital software	-	-	-	60,939
Total expenditures	1,053,250	1,053,250	227,352	296,762
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,008,931)	(1,008,931)	(192,172)	(266,894)
OTHER FINANCING SOURCES (USES)				
Transfers in				
General Fund	512,290	512,290	512,290	-
Waterworks and Sewerage Fund	98,521	98,521	-	-
Emergency Telephone System Fund	85,259	85,259	85,259	85,424
Transfers (out)				
Waterworks and Sewerage Fund	-	-	(6,709)	(5,255)
Total other financing sources (uses)	696,070	696,070	590,840	80,169
NET CHANGE IN FUND BALANCE	\$ (312,861)	\$ (312,861)	398,668	(186,725)
FUND BALANCE, JANUARY 1			4,509,086	4,695,811
FUND BALANCE, DECEMBER 31			<u>\$ 4,907,754</u>	<u>\$ 4,509,086</u>

(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.

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.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

CAPITAL PROJECTS FUNDS (Continued)

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.

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.

Town Center TIF #2 Fund

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

Southeast TIF #2 Fund

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

Capital Projects Fund

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

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, 2014

	Special Revenue			
	Motor Fuel Tax	Foreign Fire Insurance Tax	Emergency Telephone System	Grant
ASSETS				
Cash and investments	\$ 1,506,026	\$ 116,792	\$ 316,987	\$ 100
Receivables				
Property taxes	-	-	-	-
Accounts	-	-	89,850	-
Accrued interest	201	-	-	-
Other	-	-	-	-
Prepaid items	-	655	2,232	1,849
Inventory	119,575	-	-	-
Due from other governments	94,806	-	-	42,496
Advance to other funds	-	-	-	-
TOTAL ASSETS	\$ 1,720,608	\$ 117,447	\$ 409,069	\$ 44,445
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 243,518	\$ -	\$ 30,233	\$ 3,880
Accrued payroll	-	-	-	9,548
Unearned revenue	-	-	-	1,804
Due to other funds	-	-	-	29,213
Advance from other funds	-	-	-	-
Total liabilities	243,518	-	30,233	44,445
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Total liabilities and deferred inflows of resources	243,518	-	30,233	44,445
FUND BALANCES				
Nonspendable				
Prepaid items	-	655	2,232	1,849
Inventory	119,575	-	-	-
Restricted				
Capital projects	-	-	-	-
Highways and streets	1,357,515	-	-	-
Public safety	-	116,792	376,604	-
Economic development	-	-	-	-
Debt service	-	-	-	-
Unassigned (deficit)	-	-	-	(1,849)
Total fund balances	1,477,090	117,447	378,836	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 1,720,608	\$ 117,447	\$ 409,069	\$ 44,445

Capital Projects									
Town Center TIF	Crossroads Redevelopment Area	South Milwaukee Redevelopment Area	Southeast TIF	Town Center TIF #2	Southeast TIF #2	Capital Projects	Debt Service	Total	
\$ -	\$ 563,400	\$ 713,251	\$ -	\$ 329	\$ 11	\$ 2,005,514	\$ 76,968	\$ 5,299,378	
-	-	-	-	-	-	-	1,710,872	1,710,872	
-	-	-	-	11,919	-	99,030	-	200,799	
-	424	1,501	-	-	-	6,744	-	8,870	
-	-	-	-	-	-	325,546	-	325,546	
-	178	178	-	178	178	-	-	5,448	
-	-	-	-	-	-	-	-	119,575	
-	-	-	-	-	-	-	-	137,302	
-	2,922,200	-	-	-	-	-	-	2,922,200	
\$ -	\$ 3,486,202	\$ 714,930	\$ -	\$ 12,426	\$ 189	\$ 2,436,834	\$ 1,787,840	\$ 10,729,990	
\$ -	\$ 973	\$ 7,335	\$ -	\$ 30,662	\$ 66	\$ 189,721	\$ -	\$ 506,388	
-	610	610	-	610	610	-	-	11,988	
-	-	-	-	-	-	932,689	-	934,493	
-	-	-	-	-	-	-	-	29,213	
-	-	-	-	144,000	110,200	-	-	254,200	
-	1,583	7,945	-	175,272	110,876	1,122,410	-	1,736,282	
-	-	-	-	-	-	-	1,700,269	1,700,269	
-	-	-	-	-	-	-	1,700,269	1,700,269	
-	1,583	7,945	-	175,272	110,876	1,122,410	1,700,269	3,436,551	
-	178	178	-	178	178	-	-	5,448	
-	-	-	-	-	-	-	-	119,575	
-	-	-	-	-	-	1,314,424	-	1,314,424	
-	-	-	-	-	-	-	-	1,357,515	
-	-	-	-	-	-	-	-	493,396	
-	3,484,441	706,807	-	-	-	-	-	4,191,248	
-	-	-	-	-	-	-	87,571	87,571	
-	-	-	-	(163,024)	(110,865)	-	-	(275,738)	
-	3,484,619	706,985	-	(162,846)	(110,687)	1,314,424	87,571	7,293,439	
\$ -	\$ 3,486,202	\$ 714,930	\$ -	\$ 12,426	\$ 189	\$ 2,436,834	\$ 1,787,840	\$ 10,729,990	

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS

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

For the Year Ended December 31, 2014

	Special Revenue			
	Motor Fuel Tax	Foreign Fire Insurance Tax	Emergency Telephone System	Grant
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,299,093	-	413,692	159,157
Charges for services	-	-	226,982	-
Investment income	2,219	32	863	-
Miscellaneous	-	57,052	132,778	-
Total revenues	1,301,312	57,084	774,315	159,157
EXPENDITURES				
Current				
Public safety	-	65,430	745,795	190,106
Highways and streets	1,263,842	-	-	-
Capital outlay	-	-	-	-
Capital improvements	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	1,263,842	65,430	745,795	190,106
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	37,470	(8,346)	28,520	(30,949)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	180,000	33,449
Transfers (out)	-	-	(85,259)	(2,500)
Total other financing sources (uses)	-	-	94,741	30,949
NET CHANGE IN FUND BALANCES	37,470	(8,346)	123,261	-
FUND BALANCES (DEFICIT), JANUARY 1	1,439,620	125,793	255,575	-
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 1,477,090	\$ 117,447	\$ 378,836	\$ -

Capital Projects								
Town Center TIF	Crossroads Redevelopment Area	South Milwaukee Redevelopment Area	Southeast TIF	Town Center TIF #2	Southeast TIF #2	Capital Projects	Debt Service	Total
\$ -	\$ 2,531,213	\$ 1,291,454	\$ -	\$ -	\$ -	\$ 3,143,435	\$ 1,637,251	\$ 8,603,353
-	-	-	-	-	-	159,086	-	2,031,028
-	-	-	-	-	-	903,676	-	1,130,658
-	13,982	37,174	-	-	4	15,369	2,088	71,731
-	-	-	-	11,919	-	-	-	201,749
-	2,545,195	1,328,628	-	11,919	4	4,221,566	1,639,339	12,038,519
-	-	-	-	-	-	-	-	1,001,331
-	-	-	-	-	-	664,279	-	1,928,121
-	2,039,863	3,146,723	501,808	158,381	76,691	129,410	-	6,052,876
14,630	49,891	-	-	16,384	-	3,174,379	-	3,255,284
-	341,406	-	-	-	-	298,129	840,000	1,479,535
-	-	-	-	-	-	90,905	1,599,214	1,690,119
14,630	2,431,160	3,146,723	501,808	174,765	76,691	4,357,102	2,439,214	15,407,266
(14,630)	114,035	(1,818,095)	(501,808)	(162,846)	(76,687)	(135,536)	(799,875)	(3,368,747)
14,630	6,419,668	1,109,834	-	-	-	-	847,933	8,605,514
-	(1,109,834)	(6,419,668)	-	-	(34,000)	(324,719)	-	(7,975,980)
14,630	5,309,834	(5,309,834)	-	-	(34,000)	(324,719)	847,933	629,534
-	5,423,869	(7,127,929)	(501,808)	(162,846)	(110,687)	(460,255)	48,058	(2,739,213)
-	(1,939,250)	7,834,914	501,808	-	-	1,774,679	39,513	10,032,652
\$ -	\$ 3,484,619	\$ 706,985	\$ -	\$ (162,846)	\$ (110,687)	\$ 1,314,424	\$ 87,571	\$ 7,293,439

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

MOTOR FUEL TAX FUND

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

For the Year Ended December 31, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
REVENUES				
Intergovernmental				
Allotments	\$ 1,125,222	\$ 1,125,222	\$ 1,299,085	\$ 1,120,170
Grants	-	-	8	7,500
Investment income	18,297	18,297	2,219	2,911
Total revenues	<u>1,143,519</u>	<u>1,143,519</u>	<u>1,301,312</u>	<u>1,130,581</u>
EXPENDITURES				
Highways and streets				
Contractual services	170,250	170,250	123,576	120,462
Commodities	174,000	174,000	102,759	302,568
Maintenance and capital improvements	973,000	973,000	1,037,507	864,827
Total expenditures	<u>1,317,250</u>	<u>1,317,250</u>	<u>1,263,842</u>	<u>1,287,857</u>
NET CHANGE IN FUND BALANCE	<u>\$ (173,731)</u>	<u>\$ (173,731)</u>	37,470	(157,276)
FUND BALANCE, JANUARY 1			<u>1,439,620</u>	<u>1,596,896</u>
FUND BALANCE, DECEMBER 31			<u>\$ 1,477,090</u>	<u>\$ 1,439,620</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

FOREIGN FIRE INSURANCE TAX FUND

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

For the Year Ended December 31, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
REVENUES				
Investment income	\$ -	\$ -	\$ 32	\$ 198
Miscellaneous				
Foreign fire insurance	54,000	54,000	57,052	54,296
Total revenues	54,000	54,000	57,084	54,494
EXPENDITURES				
Public safety				
Contractual services	-	-	4,202	26,292
Commodities	54,000	54,000	61,228	12,661
Total expenditures	54,000	54,000	65,430	38,953
NET CHANGE IN FUND BALANCE	\$ -	\$ -	(8,346)	15,541
FUND BALANCE, JANUARY 1			125,793	110,252
FUND BALANCE, DECEMBER 31			\$ 117,447	\$ 125,793

(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, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
REVENUES				
Charges for services	\$ 230,000	\$ 230,000	\$ 226,982	\$ 228,957
Investment income	2,290	2,290	863	371
Intergovernmental	-	-	413,692	-
Miscellaneous				
Telephone surcharges	140,000	140,000	132,778	134,657
Total revenues	372,290	372,290	774,315	363,985
EXPENDITURES				
Public safety	508,987	508,987	745,795	434,122
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	(136,697)	(136,697)	28,520	(70,137)
OTHER FINANCING SOURCES (USES)				
Transfers in				
General Fund	180,000	180,000	180,000	150,000
Transfers (out)				
Capital Equipment Replacement Fund	(85,259)	(85,259)	(85,259)	(85,424)
Total other financing sources (uses)	94,741	94,741	94,741	64,576
NET CHANGE IN FUND BALANCE				
	\$ (41,956)	\$ (41,956)	123,261	(5,561)
FUND BALANCE, JANUARY 1				
			255,575	261,136
FUND BALANCE, DECEMBER 31				
			\$ 378,836	\$ 255,575

(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, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
PUBLIC SAFETY				
Personnel services				
Training	\$ 2,000	\$ 2,000	\$ 379	\$ 1,165
Contractual services				
Conferences and meetings	2,100	2,100	1,818	1,730
Data processing services	67,639	67,639	129,466	47,438
Maintenance - equipment	67,160	67,160	42,037	44,917
Membership dues	250	250	229	222
Regional and special agency assessments	343,415	343,415	330,017	317,963
Total contractual services	480,564	480,564	503,567	412,270
Commodities				
Books and subscriptions				
Information systems miscellaneous equipment and supplies	623	623	727	673
Miscellaneous operating supplies	22,000	22,000	210,420	16,338
Miscellaneous software	800	800	1,123	676
Total commodities	3,000	3,000	29,579	3,000
Total commodities	26,423	26,423	241,849	20,687
Capital outlay				
Transfer to CERF	85,259	85,259	85,259	85,424
Less transfer to CERF	(85,259)	(85,259)	(85,259)	(85,424)
Net capital outlay	-	-	-	-
TOTAL EXPENDITURES	\$ 508,987	\$ 508,987	\$ 745,795	\$ 434,122

(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, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
REVENUES				
Intergovernmental	\$ 130,655	\$ 130,655	\$ 159,157	\$ 143,726
Total revenues	130,655	130,655	159,157	143,726
EXPENDITURES				
Public safety				
Personnel services				
Overtime	39,680	39,680	45,005	40,888
Salaries	77,877	77,877	83,028	78,418
Employer contributions	16,022	16,022	15,560	16,037
Conferences and meetings	-	-	170	-
Contractual services				
Employee health insurance	21,495	21,495	20,461	21,343
Miscellaneous contractual services	33,963	33,963	23,584	22,161
Commodities				
Miscellaneous operating supplies	-	-	1,746	(254)
Investigative funds	2,860	2,860	552	500
Total expenditures	191,897	191,897	190,106	179,093
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(61,242)	(61,242)	(30,949)	(35,367)
OTHER FINANCING SOURCES (USES)				
Transfers in				
General Fund	43,416	43,416	33,449	35,367
Transfers (out)				
General Fund	-	-	(2,500)	-
Total other financing sources (uses)	43,416	43,416	30,949	35,367
NET CHANGE IN FUND BALANCE	\$ (17,826)	\$ (17,826)	-	-
FUND BALANCE, JANUARY 1			-	-
FUND BALANCE, DECEMBER 31			\$ -	\$ -

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

CROSSROADS REDEVELOPMENT AREA FUND

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

For the Year Ended December 31, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 2,507,241	\$ 2,507,241	\$ 2,531,213	\$ 2,372,438
Investment income	-	-	13,982	7,148
Miscellaneous	-	-	-	3,887
Total revenues	2,507,241	2,507,241	2,545,195	2,383,473
EXPENDITURES				
Capital outlay				
Salaries	16,019	16,019	15,969	15,054
Local training and meeting	-	-	154	-
Employee contributions	3,313	3,313	3,225	3,084
Consulting services	23,464	23,464	32,772	11,317
Business recruitment	5,660	5,660	7,847	8,368
Land acquisition	-	-	16,815	546,634
Building maintenance	-	-	48	-
Surplus distributions	1,805,214	1,805,214	1,920,753	1,656,809
TIF incentive payments	-	-	42,280	120,450
Capital improvements				
Streetscape improvements	164,000	164,000	49,891	15,186
Debt service				
Principal	320,639	320,639	341,406	313,371
Total expenditures	2,338,309	2,338,309	2,431,160	2,690,273
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	168,932	168,932	114,035	(306,800)
OTHER FINANCING SOURCES (USES)				
Transfers in				
South Milwaukee Redevelopment Area Fund	-	-	6,419,668	-
Transfers (out)				
South Milwaukee Redevelopment Area Fund	-	(1,109,834)	(1,109,834)	(1,109,834)
Total other financing sources (uses)	-	(1,109,834)	5,309,834	(1,109,834)
NET CHANGE IN FUND BALANCE	<u>\$ 168,932</u>	<u>\$ (940,902)</u>	5,423,869	(1,416,634)
FUND BALANCE (DEFICIT), JANUARY 1			(1,939,250)	(522,616)
FUND BALANCE (DEFICIT), DECEMBER 31			<u>\$ 3,484,619</u>	<u>\$ (1,939,250)</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SOUTH MILWAUKEE REDEVELOPMENT AREA FUND

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

For the Year Ended December 31, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 1,610,324	\$ 1,610,324	\$ 1,291,454	\$ 1,633,388
Investment income	101,985	101,985	37,174	16,706
Total revenues	1,712,309	1,712,309	1,328,628	1,650,094
EXPENDITURES				
Capital outlay				
Salaries	16,019	16,019	15,969	15,054
Local training and meeting	-	-	154	-
Employer contributions	3,313	3,313	3,225	3,084
Conferences and meetings	60	60	2,064	742
Consulting services	-	-	29,497	2,780
Business recruitment	5,300	5,300	7,546	5,356
Employee health insurance	2,184	2,184	1,948	2,150
Membership dues	-	-	170	170
Contractual services	-	2,500,000	3,085,587	-
Legal services	5,000	5,000	563	4,678
Total expenditures	31,876	2,531,876	3,146,723	34,014
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,680,433	(819,567)	(1,818,095)	1,616,080
OTHER FINANCING SOURCES (USES)				
Transfers in				
Crossroads Redevelopment Area Fund	-	-	1,109,834	-
Transfers (out)				
Crossroads Redevelopment Area Fund	-	(6,419,668)	(6,419,668)	-
Total other financing sources (uses)	-	(6,419,668)	(5,309,834)	-
NET CHANGE IN FUND BALANCE	\$ 1,680,433	\$ (7,239,235)	(7,127,929)	1,616,080
FUND BALANCE, JANUARY 1			7,834,914	6,218,834
FUND BALANCE, DECEMBER 31			\$ 706,985	\$ 7,834,914

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

TOWN CENTER TIF #2 FUND

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

For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual
REVENUES			
Miscellaneous	\$ -	\$ -	\$ 11,919
Total revenues	-	-	11,919
EXPENDITURES			
Capital outlay			
Salaries	16,019	16,019	16,649
Local training and meeting	-	-	154
Employer contributions	3,313	3,313	3,366
Employee health insurance	2,184	2,184	1,948
Advertising and publishing	-	-	2,363
Multiple day training	60	60	-
Consulting services	13,400	13,400	70,788
Membership dues	-	-	170
Business recruitment	5,660	5,660	3,000
Legal services	50,000	50,000	59,943
Land acquisition	500,000	500,000	-
Capital improvements			
Storm sewer improvements	-	-	16,384
Streetscape improvements	528,800	528,800	-
Total expenditures	1,119,436	1,119,436	174,765
NET CHANGE IN FUND BALANCE	<u>\$ (1,119,436)</u>	<u>\$ (1,119,436)</u>	(162,846)
FUND BALANCE (DEFICIT), JANUARY 1			-
FUND BALANCE (DEFICIT), DECEMBER 31			<u><u>\$ (162,846)</u></u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SOUTHEAST TIF FUND #2

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

For the Year Ended December 31, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
REVENUES			
Investment income	\$ -	\$ -	\$ 4
Total revenues	-	-	4
EXPENDITURES			
Capital outlay			
Salaries	16,019	16,019	16,648
Local training and meeting	-	-	154
Employer contributions	3,313	3,313	3,366
Employee health insurance	2,184	2,184	1,948
Membership dues	-	-	170
Multiple day training	60	60	-
Business recruitment	5,300	5,300	3,000
Printing and binding	-	-	2,321
Legal services	50,000	50,000	26,841
Consulting services	-	-	22,243
Capital improvements			
Streetscape improvements	50,000	50,000	-
Water improvements	272,000	272,000	-
Total expenditures	398,876	398,876	76,691
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(398,876)	(398,876)	(76,687)
OTHER FINANCING SOURCES (USES)			
Transfers (out)			
General Fund	-	-	(34,000)
Total other financing sources (uses)	-	-	(34,000)
NET CHANGE IN FUND BALANCE	<u>\$ (398,876)</u>	<u>\$ (398,876)</u>	(110,687)
FUND BALANCE, JANUARY 1			-
FUND BALANCE (DEFICIT), DECEMBER 31			<u><u>\$ (110,687)</u></u>

(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, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
REVENUES				
Taxes				
Utility taxes	\$ 2,731,000	\$ 2,731,000	\$ 3,143,435	\$ 2,686,499
Intergovernmental	-	-	159,086	52,821
Investment income	26,759	26,759	15,369	7,350
Miscellaneous	676,328	676,328	903,676	778,518
Total revenues	<u>3,434,087</u>	<u>3,434,087</u>	<u>4,221,566</u>	<u>3,525,188</u>
EXPENDITURES				
Current				
Highways and streets				
Personnel services	164,379	164,379	145,961	160,369
Contractual services	721,000	721,000	518,318	404,557
Capital outlay				
Equipment	108,000	108,000	129,410	35,473
Capital improvements				
Storm sewer improvements	1,415,000	1,415,000	1,097,104	14,982
Streetscape improvements	681,000	681,000	251,673	167,880
Bridge improvements	425,500	425,500	31,900	143,936
Pavement improvements	1,226,500	1,226,500	1,232,649	1,973,502
Waterway improvements	-	-	-	2,911
Building improvements	-	-	561,053	1,296
Debt service				
Principal	298,129	298,129	298,129	286,943
Interest	90,611	90,611	90,611	98,774
Fiscal agent fees	400	400	294	206
Total expenditures	<u>5,130,519</u>	<u>5,130,519</u>	<u>4,357,102</u>	<u>3,290,829</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,696,432)</u>	<u>(1,696,432)</u>	<u>(135,536)</u>	<u>234,359</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)				
Town Center TIF Fund	-	-	(14,630)	-
Debt Service Fund	(310,089)	(310,089)	(310,089)	(860,000)
Total other financing sources (uses)	<u>(310,089)</u>	<u>(310,089)</u>	<u>(324,719)</u>	<u>(860,000)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (2,006,521)</u>	<u>\$ (2,006,521)</u>	<u>(460,255)</u>	<u>(625,641)</u>
FUND BALANCE, JANUARY 1			<u>1,774,679</u>	<u>2,400,320</u>
FUND BALANCE, DECEMBER 31			<u>\$ 1,314,424</u>	<u>\$ 1,774,679</u>

(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, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 1,590,972	\$ 1,590,972	\$ 1,637,251	\$ 956,627
Investment income	-	-	2,088	610
Total revenues	1,590,972	1,590,972	1,639,339	957,237
EXPENDITURES				
Debt service				
Principal retirement	840,000	840,000	840,000	670,000
Interest	1,598,907	1,598,907	1,598,725	1,627,911
Fiscal agent fees	400	400	489	368
Total expenditures	2,439,307	2,439,307	2,439,214	2,298,279
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(848,335)	(848,335)	(799,875)	(1,341,042)
OTHER FINANCING SOURCES (USES)				
Transfers in				
Capital Projects Fund	310,089	310,089	310,089	860,000
Water and Sewerage Fund	537,844	537,844	537,844	492,023
Transfers (out)				
North Milwaukee/Lake Cook Redevelopment Area Fund	-	-	-	(1,576)
Total other financing sources (uses)	847,933	847,933	847,933	1,350,447
NET CHANGE IN FUND BALANCE	\$ (402)	\$ (402)	48,058	9,405
FUND BALANCE, JANUARY 1			39,513	30,108
FUND BALANCE, DECEMBER 31			<u>\$ 87,571</u>	<u>\$ 39,513</u>

(See independent auditor's report.)

MAJOR PROPRIETARY FUNDS

ENTERPRISE FUNDS

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

Waterworks and Sewerage Fund

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

INTERNAL SERVICE FUND

Liability Insurance Fund

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

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

STATEMENT OF NET POSITION

December 31, 2014

(With Comparative Amounts for December 31, 2013)

	<u>2014</u>	<u>2013</u>
CURRENT ASSETS		
Cash and investments	\$ 4,864,822	\$ 7,807,456
Receivables (net where applicable of allowance for uncollectibles)		
Accounts	1,759,308	1,830,196
Accrued interest	4,505	2,079
IPBC	71,500	48,490
Other	365	1,141
Prepaid expenses	135,940	129,485
Inventory	216,403	206,445
	<hr/>	<hr/>
Total current assets	7,052,843	10,025,292
NONCURRENT ASSETS		
Capital assets		
Assets not being depreciated	567,510	4,464,249
Assets being depreciated		
Cost	63,147,751	56,862,236
Accumulated depreciation	(21,395,249)	(20,419,711)
	<hr/>	<hr/>
Net capital assets being depreciated	41,752,502	36,442,525
	<hr/>	<hr/>
Net capital assets	42,320,012	40,906,774
Advances to other funds	976,867	1,062,514
Investment in joint ventures	6,990,359	7,098,124
	<hr/>	<hr/>
Total noncurrent assets	50,287,238	49,067,412
	<hr/>	<hr/>
Total assets	57,340,081	59,092,704
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized loss on refunding	14,154	15,727
	<hr/>	<hr/>
Total deferred outflows of resources	14,154	15,727
	<hr/>	<hr/>
Total assets and deferred outflows of resources	57,354,235	59,108,431

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

STATEMENT OF NET POSITION (Continued)

December 31, 2014

(With Comparative Amounts for December 31, 2013)

	<u>2014</u>	<u>2013</u>
CURRENT LIABILITIES		
Accounts payable	\$ 239,196	\$ 689,573
Accrued payroll	74,744	62,751
Compensated absences payable	70,109	81,464
Deposits payable	46,821	64,771
Unearned revenue	31,213	37,526
Interest payable	9,505	9,994
Bonds payable	345,063	341,821
	<hr/>	<hr/>
Total current liabilities	816,651	1,287,900
	<hr/>	<hr/>
NONCURRENT LIABILITIES		
General obligation bonds payable (less current portion)	3,853,762	4,205,397
Compensated absences payable (less current portion)	85,688	99,567
Other postemployment benefit obligation	2,781	6,606
	<hr/>	<hr/>
Total noncurrent liabilities	3,942,231	4,311,570
	<hr/>	<hr/>
Total liabilities	4,758,882	5,599,470
	<hr/>	<hr/>
NET POSITION		
Net investment in capital assets	38,135,341	37,260,014
Unrestricted	14,460,012	16,248,947
	<hr/>	<hr/>
TOTAL NET POSITION	<u>\$ 52,595,353</u>	<u>\$ 53,508,961</u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

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

For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services			
Water sales	\$ 6,657,420	\$ 6,657,420	\$ 6,276,502
Sewer charges	1,648,200	1,648,200	1,448,477
Water connection fees	32,397	32,397	19,645
Sewer connection fees	40,000	40,000	16,543
Water meter sales	10,000	10,000	21,314
Other	128,087	128,087	283,844
	<u>8,516,104</u>	<u>8,516,104</u>	<u>8,066,325</u>
OPERATING EXPENSES EXCLUDING DEPRECIATION			
Waterworks division	4,246,276	4,246,276	4,275,444
Sewerage division	1,660,250	1,660,250	1,636,186
Waterworks and sewerage capital division	3,857,775	3,857,775	3,557,222
	<u>9,764,301</u>	<u>9,764,301</u>	<u>9,468,852</u>
Total operating expenses excluding depreciation	<u>9,764,301</u>	<u>9,764,301</u>	<u>9,468,852</u>
OPERATING INCOME (LOSS)	<u>(1,248,197)</u>	<u>(1,248,197)</u>	<u>(1,402,527)</u>
NON-OPERATING REVENUES (EXPENSES)			
Investment income	98,303	98,303	21,347
Interest expense	(130,094)	(130,094)	(124,608)
Gain on disposal of capital assets	-	-	47,332
Joint venture - Northwest Water Commission	-	-	(107,765)
	<u>(31,791)</u>	<u>(31,791)</u>	<u>(163,694)</u>
Total non-operating revenues (expenses)	<u>(31,791)</u>	<u>(31,791)</u>	<u>(163,694)</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(1,279,988)</u>	<u>(1,279,988)</u>	<u>(1,566,221)</u>
TRANSFERS			
Capital Equipment Replacement Fund	-	-	6,709
Debt Service Fund	(537,844)	(537,844)	(537,844)
Capital Equipment Replacement Fund	(98,521)	(98,521)	-
	<u>(636,365)</u>	<u>(636,365)</u>	<u>(531,135)</u>
Total transfers in (out)	<u>(636,365)</u>	<u>(636,365)</u>	<u>(531,135)</u>
CHANGE IN NET POSITION (BUDGETARY BASIS)	<u>\$ (1,916,353)</u>	<u>\$ (1,916,353)</u>	<u>(2,097,356)</u>
ADJUSTMENTS TO GAAP BASIS			
Additions to capital assets			2,395,096
Depreciation			<u>(1,211,348)</u>
			<u>1,183,748</u>
Total adjustments to GAAP basis			<u>1,183,748</u>
CHANGE IN NET POSITION (GAAP BASIS)			(913,608)
NET POSITION, JANUARY 1			<u>53,508,961</u>
NET POSITION, DECEMBER 31			<u><u>\$ 52,595,353</u></u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
WATERWORKS DIVISION				
Personnel services				
Overtime	\$ 50,000	\$ 50,000	\$ 68,779	\$ 74,778
Seasonal help	22,000	22,000	17,993	19,826
Salaries	644,141	644,141	651,296	642,128
Longevity	6,400	6,400	6,400	3,950
Training	2,000	2,000	1,688	2,410
Uniform allowance	4,500	4,500	5,133	5,554
Employer contributions	134,519	134,519	145,941	148,761
Unemployment compensation	-	-	-	1,584
Sick leave buy back	2,890	2,890	589	362
OPEB	-	-	(3,825)	(585)
Total personnel services	866,450	866,450	893,994	898,768
Contractual services				
Bank charges	20,400	20,400	17,707	22,788
Conference and meetings	1,500	1,500	1,623	1,208
Consulting services	-	-	-	1,420
Data processing services	40,770	40,770	40,025	43,612
Debris dump charges	20,000	20,000	14,938	21,408
Energy	115,000	115,000	79,783	83,276
Employee group insurance	132,480	132,480	133,448	126,293
General liability insurance	92,962	92,962	92,962	97,078
Hydrant maintenance	30,000	30,000	26,516	30,000
Landscape maintenance	12,000	12,000	8,883	12,103
Maintenance - office and special equipment	1,946	1,946	859	914
Membership dues	2,991	2,991	2,662	449
Postage	13,807	13,807	14,020	13,081
Printing and binding	10,650	10,650	9,113	10,880
Rental equipment	750	750	838	37
Telemetry equipment maintenance	7,500	7,500	5,879	10,596
Retiree health insurance	10,503	10,503	10,145	10,296
Wells maintenance	17,500	17,500	17,534	14,431
Miscellaneous contractual services	45,170	45,170	34,756	167
Total contractual services	575,929	575,929	511,691	500,037
Commodities				
Auto petroleum products	32,000	32,000	33,929	36,575
Books and subscriptions	100	100	97	100
Chemicals - treatment	9,000	9,000	2,857	4,212
Water samples	11,350	11,350	15,878	10,405
Vehicle maintenance	22,000	22,000	20,282	24,309
Building and grounds maintenance	15,000	15,000	14,083	17,163
Minor tools and equipment	7,000	7,000	5,408	6,378
Miscellaneous operating supplies	610	610	353	6,163
Office supplies	-	-	-	415
Protective clothing	3,500	3,500	2,954	2,630
Meters	21,820	21,820	1,994	104,593
Water main maintenance	60,000	60,000	92,763	70,048
Water storage facilities maintenance	20,000	20,000	22,233	33,144
Total commodities	202,380	202,380	212,831	316,135

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

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

For the Year Ended December 31, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
WATERWORKS DIVISION (Continued)				
Capital outlay				
Miscellaneous equipment	\$ -	\$ -	\$ 13,323	\$ -
Transfer to CERF	61,201	61,201	-	-
Subtotal	61,201	61,201	13,323	-
Less				
Transfer to CERF	(61,201)	(61,201)	-	-
Net capital outlay	-	-	13,323	-
Other				
General Fund reimbursement	951,517	951,517	951,517	922,296
Northwest Water Commission - water charge	1,650,000	1,650,000	1,692,088	1,649,643
Total other	2,601,517	2,601,517	2,643,605	2,571,939
Total operating expenses excluding depreciation - waterworks division	4,246,276	4,246,276	4,275,444	4,286,879
SEWERAGE DIVISION				
Personnel services				
Overtime	30,000	30,000	13,250	55,890
Seasonal help	20,000	20,000	17,430	15,506
Salaries	644,141	644,141	645,190	642,096
Longevity	6,400	6,400	6,400	3,950
Training	1,500	1,500	1,234	1,241
Uniform allowance	4,000	4,000	3,917	4,257
Employer contributions	134,519	134,519	140,959	147,724
Unemployment compensation	-	-	-	603
Sick leave buy back	2,890	2,890	589	362
Total personnel services	843,450	843,450	828,969	871,629
Contractual services				
Conferences and meetings	-	-	13	23
Consulting services	-	-	-	680
Data processing services	40,770	40,770	40,025	43,612
Debris dump charges	12,000	12,000	7,738	12,638
Energy	23,000	23,000	17,904	18,784
Employee health insurance	132,480	132,480	133,445	126,290
General liability insurance	49,580	49,580	49,580	51,775
Landscape maintenance	48,106	48,106	42,978	57,444
Bank charges	3,000	3,000	1,613	2,953
Maintenance office/special equipment	3,946	3,946	1,592	1,296
Membership dues	2,600	2,600	2,343	-
Postage	2,934	2,934	2,967	2,780
Printing and binding	2,106	2,106	1,872	2,159
Rental equipment	-	-	-	750
Tree maintenance	30,000	30,000	30,000	30,000
Telemetry equipment maintenance	7,000	7,000	7,654	8,091
Retiree health insurance	11,049	11,049	10,843	10,886
Miscellaneous contractual	45,000	45,000	34,498	2,500
Total contractual services	413,571	413,571	385,065	372,661

(This schedule is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

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

For the Year Ended December 31, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
SEWERAGE DIVISION (Continued)				
Commodities				
Auto petroleum products	\$ 23,000	\$ 23,000	\$ 19,018	\$ 28,264
Books and subscriptions	1,150	1,150	900	1,150
Chemicals	6,000	6,000	3,484	7,089
Vehicle maintenance	23,000	23,000	23,706	23,846
Building and grounds maintenance	1,000	1,000	267	1,610
Minor tools and equipment	6,500	6,500	6,314	6,156
Miscellaneous operating supplies	1,700	1,700	245	2,713
Office supplies	-	-	-	372
Protective clothing	3,000	3,000	3,543	1,950
Lift stations	25,000	25,000	40,034	24,885
Sewer line maintenance	75,000	75,000	73,439	71,848
Total commodities	165,350	165,350	170,950	169,883
Capital outlay				
Miscellaneous equipment	-	-	13,323	-
Transfer to CERF	37,320	37,320	-	-
Subtotal	37,320	37,320	13,323	-
Less				
Transfer to CERF	(37,320)	(37,320)	-	-
Net capital outlay	-	-	13,323	-
Other				
General Fund reimbursement	237,879	237,879	237,879	230,574
Total operating expenses excluding depreciation - sewerage division	1,660,250	1,660,250	1,636,186	1,644,747
WATERWORKS AND SEWERAGE CAPITAL DIVISION				
Personnel services				
Salaries	63,925	63,925	47,379	62,366
Employee health insurance	-	-	7,507	-
Employer contributions	-	-	9,040	-
Total personnel services	63,925	63,925	63,926	62,366
Contractual services				
Consulting services	-	-	5,378	2,692
Miscellaneous contractual services	20,000	20,000	18,710	140
Consulting services	111,000	111,000	200,309	124,616
Total contractual services	131,000	131,000	224,397	127,448
Capital outlay				
Water improvements	3,267,850	3,267,850	2,841,096	320,870
Sanitary sewer improvements	395,000	395,000	427,803	271,657
Total capital outlay	3,662,850	3,662,850	3,268,899	592,527
Total operating expenses excluding depreciation - sewerage division	3,857,775	3,857,775	3,557,222	782,341
TOTAL OPERATING EXPENSES EXCLUDING DEPRECIATION	\$ 9,764,301	\$ 9,764,301	\$ 9,468,852	\$ 6,713,967

(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, 2014
(With Comparative Actual)

	2014		Actual	2013
	Original Budget	Final Budget		
OPERATING REVENUES				
Charges for services	\$ 1,239,489	\$ 1,239,489	\$ 1,239,490	\$ 1,094,366
OPERATING EXPENSES				
Contractual services				
Consulting services	55,015	55,015	54,000	54,515
Insurance claims administration	85,000	85,000	85,448	85,877
General liability insurance	301,910	301,910	317,222	297,731
Self-insurance claims	850,000	850,000	1,375,090	681,998
Total operating expenses	1,291,925	1,291,925	1,831,760	1,120,121
OPERATING INCOME (LOSS)	(52,436)	(52,436)	(592,270)	(25,755)
NON-OPERATING REVENUES				
Investment income	14,393	14,393	18,680	6,930
Total non-operating revenues	14,393	14,393	18,680	6,930
INCOME (LOSS) BEFORE TRANSFERS	(38,043)	(38,043)	(573,590)	(18,825)
CHANGE IN NET POSITION	\$ (38,043)	\$ (38,043)	(573,590)	(18,825)
NET POSITION, JANUARY 1			1,539,144	1,557,969
NET POSITION, DECEMBER 31			\$ 965,554	\$ 1,539,144

(See independent auditor's report.)

FIDUCIARY FUNDS

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

PENSION TRUST FUNDS

Police Pension Fund

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

Firefighters' Pension Fund

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

VILLAGE OF WHEELING, ILLINOIS

PENSION TRUST FUNDS

COMBINING STATEMENT OF NET POSITION

December 31, 2014

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and short-term investments	\$ 1,217,926	\$ 214,770	\$ 1,432,696
Investments at fair value			
U.S. Government and agency obligations	8,917,300	8,414,760	17,332,060
State and local obligations	2,428,535	1,905,550	4,334,085
Corporate bonds	8,210,992	3,589,542	11,800,534
Mutual funds	17,715,480	18,990,771	36,706,251
Equities	6,371,089	21,772	6,392,861
Total investments	43,643,396	32,922,395	76,565,791
Receivables			
Accrued interest	253,593	98,845	352,438
Due from General Fund	47,577	53,144	100,721
Total receivables	301,170	151,989	453,159
Prepaid items	1,648	-	1,648
Total assets	45,164,140	33,289,154	78,453,294
LIABILITIES			
Accounts payable	8,607	14,865	23,472
Total liabilities	8,607	14,865	23,472
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	\$ 45,155,533	\$ 33,274,289	\$ 78,429,822

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PENSION TRUST FUNDS

COMBINING STATEMENT OF CHANGES IN PLAN NET POSITION

For the Year Ended December 31, 2014

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 1,692,954	\$ 1,850,379	\$ 3,543,333
Employee	564,098	438,414	1,002,512
Total contributions	2,257,052	2,288,793	4,545,845
Investment income			
Net appreciation in fair value of investments	752,469	994,591	1,747,060
Interest	1,966,030	1,441,028	3,407,058
Total investment income	2,718,499	2,435,619	5,154,118
Less investment expenses	96,277	59,281	155,558
Net investment income	2,622,222	2,376,338	4,998,560
Total additions	4,879,274	4,665,131	9,544,405
DEDUCTIONS			
Benefits and refunds	2,204,065	2,692,551	4,896,616
Administrative expenses	27,972	13,222	41,194
Total deductions	2,232,037	2,705,773	4,937,810
NET INCREASE	2,647,237	1,959,358	4,606,595
NET POSITION HELD IN TRUST FOR PENSION BENEFITS			
January 1	42,508,296	31,314,931	73,823,227
December 31	\$ 45,155,533	\$ 33,274,289	\$ 78,429,822

See accompanying notes to financial statements.

SUPPLEMENTAL FINANCIAL INFORMATION

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2014

Date of Issue	August 25, 2005
Date of Maturity	January 1, 2025
Authorized Issue	\$19,000,000
Interest Rates	6%
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	Total	January 1	Amount	July 1	Amount
2015	\$ 865,000	\$ 946,650	\$ 1,811,650	2015	\$ 486,300	2015	\$ 460,350
2016	970,000	891,600	1,861,600	2016	460,350	2016	431,250
2017	1,060,000	830,700	1,890,700	2017	431,250	2017	399,450
2018	1,185,000	763,350	1,948,350	2018	399,450	2018	363,900
2019	1,295,000	688,950	1,983,950	2019	363,900	2019	325,050
2020	1,410,000	607,800	2,017,800	2020	325,050	2020	282,750
2021	1,545,000	519,150	2,064,150	2021	282,750	2021	236,400
2022	1,690,000	422,100	2,112,100	2022	236,400	2022	185,700
2023	1,830,000	316,500	2,146,500	2023	185,700	2023	130,800
2024	2,050,000	200,100	2,250,100	2024	130,800	2024	69,300
2025	2,310,000	69,300	2,379,300	2025	69,300	2025	-
	<u>\$ 16,210,000</u>	<u>\$ 6,256,200</u>	<u>\$ 22,466,200</u>		<u>\$ 3,371,250</u>		<u>\$ 2,884,950</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2014

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	Total	June 1	Amount	December 1	Amount
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>\$ 5,661,068</u>	<u>\$ 15,661,068</u>		<u>\$ 2,830,534</u>		<u>\$ 2,830,534</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2014

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

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			June 1	Interest Due On		
	Principal	Interest	Total		Amount	December 1	Amount
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>\$ 17,980,000</u>	<u>\$ 4,764,301</u>	<u>\$ 22,744,301</u>		<u>\$ 2,382,153</u>		<u>\$ 2,382,148</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2014

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

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2014	\$ -	\$ 392,000	\$ 392,000	2015	\$ 196,000	2015	\$ 196,000
2015	-	392,000	392,000	2016	196,000	2016	196,000
2016	-	392,000	392,000	2017	196,000	2017	196,000
2017	-	392,000	392,000	2018	196,000	2018	196,000
2018	-	392,000	392,000	2019	196,000	2019	196,000
2019	-	392,000	392,000	2020	196,000	2020	196,000
2020	-	392,000	392,000	2021	196,000	2021	196,000
2021	-	392,000	392,000	2022	196,000	2022	196,000
2022	-	392,000	392,000	2023	196,000	2023	196,000
2023	1,435,000	392,000	1,827,000	2024	196,000	2024	196,000
2024	3,140,000	335,748	3,475,748	2025	167,874	2025	167,874
2025	3,340,000	212,660	3,552,660	2026	106,330	2026	106,330
2026	2,085,000	81,732	2,166,732	2027	40,866	2027	40,866
	<u>\$ 10,000,000</u>	<u>\$ 4,550,140</u>	<u>\$ 14,550,140</u>		<u>\$ 2,275,070</u>		<u>\$ 2,275,070</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2014

Date of Issue	October 3, 2011
Date of Maturity	December 15, 2023
Authorized Issue	\$8,445,000
Interest Rates	2% to 3%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Total	June 15	Amount	December 15	Amount
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>\$ 6,655,000</u>	<u>\$ 907,000</u>	<u>\$ 7,562,000</u>		<u>\$ 453,500</u>		<u>\$ 453,500</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, 2014

Date of Issue	April 24, 2012
Date of Maturity	December 1, 2024
Authorized Issue	\$3,925,000
Interest Rates	2.0% to 3.5%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			June 1	Interest Due On		
	Principal	Interest	Total		Amount	December 1	Amount
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>\$ 3,515,000</u>	<u>\$ 642,200</u>	<u>\$ 4,157,200</u>		<u>\$ 321,101</u>		<u>\$ 321,099</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, 2014

Date of Issue	April 24, 2012
Date of Maturity	December 1, 2032
Authorized Issue	\$3,500,000
Interest Rates	3.0% to 3.5%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Tax Levy			Interest Due On			
	Principal	Interest	Total	June 1	December 1	Amount	
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>\$ 3,250,000</u>	<u>\$ 1,121,494</u>	<u>\$ 4,371,494</u>		<u>\$ 560,749</u>		<u>\$ 560,745</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF INSURANCE IN FORCE

December 31, 2014

Insured	Description of Coverage	Amount of Coverage	Expiration Date of Policy
Village	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	12/31/2015
Village	Property/Auto Physical Damage Limits (Federal Insurance Company)	\$122,296,562	12/31/2015
Village	Excess Liability (Argonaut and Torus Insurance)	\$15,000,000 (\$16,000,000 aggregate)	12/31/2015
Village	Workers Compensation (Safety National)	\$550,000 SIR per occurrence (\$650,000 for Police Officers) Statutory loss limit per occurrence	12/31/2015
Village	Crime - Employee Dishonesty (Hartford Fire Insurance Co.)	\$25,000 deductible \$5,000,000 loss limit	12/31/2015
Village	Boiler and Machinery (Travelers Insurance)	\$5,000 deductible \$50,000,000 loss limit	12/31/2015
Village	Storage Tank System	\$5,000 deductible	12/31/2015
Village	(Colony Insurance)	\$1,000,000 loss limit	

(See independent auditor's report.)

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	141-150
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the sales tax.	151-156
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.	157-160
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.	161-163
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.	164-165

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

	<u>2005</u>	<u>2006</u>	<u>2007</u>
GOVERNMENTAL ACTIVITIES			
Net investment in capital assets	\$ 34,964,527	\$ 38,279,976	\$ 30,177,350
Restricted	22,930,347	20,192,016	29,617,995
Unrestricted	(11,793,666)	(9,996,054)	(6,423,488)
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 46,101,208</u>	<u>\$ 48,475,938</u>	<u>\$ 53,371,857</u>
BUSINESS-TYPE ACTIVITIES			
Net investment in capital assets	\$ 33,371,623	\$ 35,710,919	\$ 36,808,647
Restricted	-	-	-
Unrestricted	57,635,307	59,865,026	64,732,651
TOTAL BUSINESS-TYPE ACTIVITIES	<u>\$ 91,006,930</u>	<u>\$ 95,575,945</u>	<u>\$ 101,541,298</u>
PRIMARY GOVERNMENT			
Net investment in capital assets	\$ 68,336,150	\$ 73,990,895	\$ 66,985,997
Restricted	22,930,347	20,192,016	29,617,995
Unrestricted	45,841,641	49,868,972	58,309,163
TOTAL PRIMARY GOVERNMENT	<u>\$ 137,108,138</u>	<u>\$ 144,051,883</u>	<u>\$ 154,913,155</u>

Note

In fiscal year 2012, the Village's equity in the airport joint venture was reclassified from business-type activities to governmental activities.

Data Source

Audited Financial Statements

	2008	2009	2010	2011	2012	2013	2014
\$	44,583,426	\$ 44,689,081	\$ 42,799,847	\$ 54,123,693	\$ 97,083,613	\$ 98,280,773	\$ 98,500,856
	37,126,903	36,584,679	28,589,477	10,362,766	14,015,084	15,069,029	8,763,227
	(25,182,170)	(23,198,346)	(10,132,657)	(7,488,366)	(8,426,292)	(7,851,728)	(5,426,895)
\$	56,528,159	\$ 58,075,414	\$ 61,256,667	\$ 56,998,093	\$ 102,672,405	\$ 105,498,074	\$ 101,837,188
\$	37,418,818	\$ 37,148,779	\$ 36,274,317	\$ 36,688,761	\$ 36,367,198	\$ 37,260,014	\$ 38,135,341
	-	-	-	-	-	-	-
	61,423,064	60,938,306	63,241,696	62,992,898	17,371,083	16,248,947	14,460,012
\$	98,841,882	\$ 98,087,085	\$ 99,516,013	\$ 99,681,659	\$ 53,738,281	\$ 53,508,961	\$ 52,595,353
\$	82,002,244	\$ 81,837,860	\$ 79,074,164	\$ 90,812,454	\$ 130,271,459	\$ 135,540,787	\$ 136,636,197
	37,126,903	36,584,679	28,589,477	10,362,766	14,015,084	15,069,029	8,763,227
	36,240,894	37,739,960	53,109,039	55,504,532	12,124,143	8,397,219	9,033,117
\$	155,370,041	\$ 156,162,499	\$ 160,772,680	\$ 156,679,752	\$ 156,410,686	\$ 159,007,035	\$ 154,432,541

VILLAGE OF WHEELING, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

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

2008	2009	2010	2011	2012	2013	2014
\$ 17,784,959	\$ 14,122,513	\$ 14,219,565	\$ 16,233,324	\$ 18,700,252	\$ 14,476,498	\$ 17,399,295
19,716,414	19,885,699	20,396,013	20,733,943	21,317,828	22,913,151	24,351,195
1,842,576	5,476,091	2,783,647	4,577,770	2,511,525	3,137,265	8,265,832
-	-	-	-	-	-	365,947
2,998,209	3,462,955	3,415,044	3,227,766	3,356,724	3,227,999	3,115,103
42,342,158	42,947,258	40,814,269	44,772,803	45,886,329	43,754,913	53,497,372
7,373,555	7,067,551	6,912,264	6,817,876	7,875,234	7,871,938	8,409,712
3,444,406	799,270	-	266,654	-	-	-
10,817,961	7,866,821	6,912,264	7,084,530	7,875,234	7,871,938	8,409,712
\$ 53,160,119	\$ 50,814,079	\$ 47,726,533	\$ 51,857,333	\$ 53,761,563	\$ 51,626,851	\$ 61,907,084
\$ 1,738,155	\$ 1,758,207	\$ 1,852,231	\$ 2,192,808	\$ 2,300,930	\$ 2,041,198	\$ 2,113,226
1,809,901	2,166,029	1,947,388	1,862,414	1,811,500	1,807,153	2,518,598
112,644	103,395	102,417	129,919	129,680	121,004	216,834
1,047,865	1,065,374	1,605,286	1,433,953	1,253,583	1,265,120	1,468,290
523,889	1,451,630	479,199	529,573	534,653	348,823	386,441
5,232,454	6,544,635	5,986,521	6,148,667	6,030,346	5,583,298	6,703,389
7,734,607	6,975,799	7,588,069	7,383,748	8,498,891	8,077,300	7,958,560
-	-	902,589	-	-	-	-
32,680	-	-	-	220,890	-	-
7,767,287	6,975,799	8,490,658	7,383,748	8,719,781	8,077,300	7,958,560
\$ 12,999,741	\$ 13,520,434	\$ 14,477,179	\$ 13,532,415	\$ 14,750,127	\$ 13,660,598	\$ 14,661,949
\$ (37,109,704)	\$ (36,402,623)	\$ (34,827,748)	\$ (38,624,136)	\$ (40,109,970)	\$ (38,171,615)	\$ (46,793,983)
(3,050,674)	(891,022)	1,578,394	299,218	844,547	205,362	(451,152)
\$ (40,160,378)	\$ (37,293,645)	\$ (33,249,354)	\$ (38,324,918)	\$ (39,265,423)	\$ (37,966,253)	\$ (47,245,135)

VILLAGE OF WHEELING, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

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

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

Data Source

Audited Financial Statements

2008	2009	2010	2011	2012	2013	2014
\$ 18,240,322	\$ 20,053,651	\$ 19,626,799	\$ 19,520,238	\$ 19,022,348	\$ 18,781,294	\$ 20,077,443
9,536,539	7,941,951	7,983,543	8,076,606	8,510,612	9,430,241	9,915,534
10,029,935	5,079,052	5,127,712	5,201,932	5,220,358	6,287,177	6,678,823
-	3,869,328	3,831,811	3,799,369	4,149,329	4,541,061	4,714,309
1,972,157	714,969	557,803	307,641	382,600	108,698	30,692
487,053	295,113	617,396	1,144,281	1,198,450	1,360,893	1,172,294
-	-	-	-	-	-	-
-	-	-	-	19,703	1,152	12,867
-	(4,186)	263,937	220,639	433,336	486,768	531,135
40,266,006	37,949,878	38,009,001	38,270,706	38,936,736	40,997,284	43,133,097
341,378	114,527	114,471	29,945	83,886	40,086	21,347
-	-	-	57,122	-	12,000	47,332
-	-	-	-	-	-	-
9,880	17,512	-	-	-	-	-
-	-	-	-	-	-	-
-	4,186	(263,937)	(220,639)	(433,336)	(486,768)	(531,135)
351,258	136,225	(149,466)	(133,572)	(349,450)	(434,682)	(462,456)
\$ 40,617,264	\$ 38,086,103	\$ 37,859,535	\$ 38,137,134	\$ 38,587,286	\$ 40,562,602	\$ 42,670,641
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 3,156,302	\$ 1,547,255	\$ 3,181,253	\$ (353,430)	\$ (919,247)	\$ 2,825,669	\$ (3,660,886)
(2,699,416)	(754,797)	1,428,928	165,646	495,097	(229,320)	(913,608)
\$ 456,886	\$ 792,458	\$ 4,610,181	\$ (187,784)	\$ (424,150)	\$ 2,596,349	\$ (4,574,494)

VILLAGE OF WHEELING, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

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

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

Data Source

Audited Financial Statements

	2008	2009	2010*	2011	2012	2013	2014
\$	-	\$ -	\$ -	\$ -	\$ 576,000	\$ -	\$ -
	-	-	340,730	369,478	372,806	281,547	318,023
	-	-	264,114	304,889	262,536	265,189	264,960
	-	-	1,252,725	1,463,995	1,703,945	703,552	943,530
	-	-	-	-	400,000	1,055,804	753,849
	-	-	12,332,962	13,615,841	10,608,389	12,188,455	11,395,024
	7,208,103	545,940	-	-	-	-	-
	10,823,755	14,913,216	-	-	-	-	-
\$	18,031,858	\$ 15,459,156	\$ 14,190,531	\$ 15,754,203	\$ 13,923,676	\$ 14,494,547	\$ 13,675,386
\$	-	\$ -	\$ 10,428	\$ 18,932	\$ 27,794	\$ 8,654	\$ 5,626
	-	-	131,588	152,690	206,004	35,668	119,575
	-	-	18,336,679	-	-	-	-
	-	-	1,549,710	1,624,317	2,400,320	1,774,679	1,314,424
	-	-	1,751,968	1,364,232	1,390,892	1,403,952	1,357,515
	-	-	224,502	119,151	345,382	374,390	493,396
	-	-	6,673,568	7,187,998	9,238,485	10,866,598	4,843,012
	-	-	53,050	67,068	30,108	39,513	87,571
	-	-	3,473,088	3,874,974	4,695,811	4,509,086	4,907,754
	-	-	(1,664)	(1,742)	(1,788)	(1,676)	(1,849)
	-	-	(475,217)	(1,286,092)	(1,105,948)	(1,939,250)	(273,889)
	37,130,548	36,735,159	-	-	-	-	-
	(1,371)	(1,532)	-	-	-	-	-
	(2,604,191)	(2,078,086)	-	-	-	-	-
\$	34,524,986	\$ 34,655,541	\$ 31,727,700	\$ 13,121,528	\$ 17,227,060	\$ 17,071,614	\$ 12,853,135

VILLAGE OF WHEELING, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

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

Data Source

Audited Financial Statements

	2008	2009	2010	2011	2012	2013	2014
\$	33,081,075	\$ 32,855,735	\$ 32,502,099	\$ 32,526,698	\$ 32,474,707	\$ 34,217,612	\$ 36,373,747
	452,055	438,417	445,774	627,026	536,729	544,271	550,247
	6,075,977	6,386,331	5,916,297	5,762,896	5,683,578	5,866,502	6,958,153
	2,107,271	2,013,155	2,092,093	3,017,946	3,280,116	3,006,290	3,235,445
	606,984	1,068,433	843,584	732,417	690,272	714,405	844,161
	1,972,157	714,969	557,803	307,641	382,600	108,698	30,692
	1,202,941	1,021,659	1,373,935	1,224,110	1,212,054	1,346,382	1,300,039
	45,498,460	44,498,699	43,731,585	44,198,734	44,260,056	45,804,160	49,292,484
	11,413,172	10,379,637	9,129,789	8,706,123	10,200,168	9,642,297	10,553,805
	19,478,287	19,336,413	20,710,039	20,103,256	20,713,189	21,681,228	23,270,049
	1,377,369	2,610,475	1,383,873	1,997,699	1,519,075	1,852,783	1,928,121
	28,828,056	19,722,483	12,180,419	7,409,366	8,322,334	7,084,028	13,218,099
	1,485,000	1,570,000	1,500,000	1,735,000	2,063,150	2,638,982	3,022,485
	2,969,421	3,346,722	3,319,203	3,267,345	3,140,841	2,977,337	2,881,567
	65,551,305	56,965,730	48,223,323	43,218,789	45,958,757	45,876,655	54,874,126
	(20,052,845)	(12,467,031)	(4,491,738)	979,945	(1,698,701)	(72,495)	(5,581,642)
	1,703,588	3,315,179	14,524,176	2,987,807	4,460,454	3,154,615	9,646,088
	(1,703,588)	(3,319,365)	(14,260,239)	(2,600,365)	(4,227,118)	(2,667,847)	(9,114,953)
	20,000,000	10,000,000	-	6,988,943	3,925,000	-	-
	-	-	-	193,198	222,801	-	-
	-	-	-	-	-	-	-
	-	-	-	-	3,500,000	-	-
	-	-	-	(7,263,149)	(4,037,582)	-	-
	-	-	-	-	-	-	-
	83,973	29,070	31,335	7,800	19,703	1,152	12,867
	20,083,973	10,024,884	295,272	314,234	3,863,258	487,920	544,002
	-	-	-	-	-	-	-
\$	31,128	\$ (2,442,147)	\$ (4,196,466)	\$ 1,294,179	\$ 2,164,557	\$ 415,425	\$ (5,037,640)
	10.66%	11.66%	12.07%	11.94%	11.63%	13.08%	11.20%

VILLAGE OF WHEELING, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Cook County					Lake County Total Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
	Residential Property	Commercial Property	Industrial Property	Farm Property	Railroad Property					
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	642,546,595	122,080,427	455,233,039	43,707	954,101	5,752,338	1,226,610,207	0.892	3,679,830,621	33.333%
2011	562,378,196	112,456,049	407,022,376	37,187	1,162,024	5,673,483	1,088,729,315	1.004	3,266,187,945	33.333%
2012	506,940,389	107,718,357	376,869,218	37,187	758,102	5,330,444	997,653,697	1.138	2,992,961,091	33.333%
2013	398,703,329	107,440,045	326,039,359	35,715	783,286	5,145,717	838,147,451	1.424	2,514,442,353	33.333%

Note: Property in Lake County is reassessed every year at 33% of actual value.

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

Data Source

Office of the County Clerk

VILLAGE OF WHEELING, ILLINOIS

DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Levy Years

Levy Year	Village Direct Rates					Overlapping Rates										
	General	Bonds and Interest	Police Pension	Fire Pension	Total Direct Tax Rate	Cook County	Forest Preserve District	T.B. Sanitarium	Wheeling Township	Water Reclamation District	Northwest Mosquito Abatement	High School District 214	Harper College District 512	Wheeling Park District	Indian Trails Public Library	Wheeling C C School District 21
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	0.4960	0.3080	3.1610
2009	0.4776	0.1123	0.0957	0.0838	0.7694	0.3940	0.0490	-	0.0390	0.2610	0.0080	1.6360	0.2580	0.4900	0.3070	3.2090
2010	0.6533	0.0386	0.1038	0.0956	0.8913	0.4230	0.0510	-	0.0430	0.2740	0.0090	1.8390	0.2950	0.5710	0.3470	3.6580
2011	0.7154	0.0398	0.1271	0.1217	1.0040	0.4620	0.0580	-	0.0480	0.3200	0.0100	2.0670	0.3340	0.6540	0.3930	4.1640
2012	0.7444	0.0996	0.1430	0.1507	1.1377	0.5310	0.0630	-	0.0520	0.3700	0.0110	2.3240	0.3730	0.7380	0.4630	4.5560
2013	0.8388	0.1993	0.1835	0.2018	1.4240	0.5600	0.0690	-	0.0560	0.4170	0.0130	2.7680	0.4440	0.8990	0.5040	4.8410

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

Data Source

Office of the County Clerk

VILLAGE OF WHEELING, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	Type of Business	2014			2005		
		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	\$ 17,775,310	1	2.12%			
Wal-Mart Stores Inc.	Retail & Wholesale Discount Stores	14,691,337	2	1.75%	\$ 19,880,725	1	1.70%
C Cusick USGI INCC	Woodland Creek Apartments	11,513,569	3	1.37%	18,222,445	2	1.56%
Allstate Insurance Co	Real Estate Holdings	7,760,112	4	0.93%	17,230,620	3	1.48%
Capstone Realty	Arlington Club/Village Green Apartments	7,373,399	5	0.88%	14,803,391	4	1.27%
Shorewood Management	Mallard Lake Apartments	7,296,867	6	0.87%	12,124,515	5	1.04%
Durable Inc	Industrial	6,948,070	7	0.83%	8,985,070	7	0.77%
Wheeling SC LLC	Retail Landlord	5,650,627	8	0.67%			
Cabot Property	Real Estate Holdings	4,891,603	9	0.58%			
Pactiv Corp.	Aluminum Foil Products	4,781,507	10	0.57%			
Foxboro Apartments	Real Property				10,362,361	6	0.89%
N Mutual Life Ins	VIP Apartments				8,478,814	8	0.73%
Valerie Laborivitch	Westin Hotel Properties				8,170,923	9	0.70%
D & D Management	Commercial Buildings				8,034,763	10	0.69%
		<u>\$ 88,682,401</u>		<u>10.57%</u>	<u>\$ 126,293,627</u>		<u>10.83%</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
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%	131,373	10,764,912	98.48%
2011	10,930,632	10,565,589	96.66%	24,816	10,590,405	96.89%
2012	11,350,882	10,905,320	96.07%	85,071	10,990,391	96.82%
2013	11,930,382	11,636,039	97.53%	78,154	11,714,193	98.19%

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	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General merchandise	\$ 1,419,580	\$ 1,342,665	\$ 1,486,056	\$ 1,481,144	\$ 1,427,529	\$ 1,402,253	\$ 1,396,088	\$ 1,173,241	\$ 1,429,594	\$ 1,619,274
Food	551,967	549,085	590,675	538,346	565,923	492,894	479,897	508,014	651,499	693,488
Drinking and eating places	974,036	1,066,168	1,295,391	1,778,178	1,684,245	1,425,186	1,559,847	1,504,497	1,596,618	1,698,376
Apparel	12,497	14,730	16,800	18,619	21,337	21,972	29,283	215,248	22,137	20,350
Furniture & H.H. & Radio	344,420	354,842	515,529	542,113	478,916	234,314	352,717	241,592	365,085	317,622
Lumber, building hardware	232,135	394,147	550,604	711,156	714,022	582,744	547,706	527,913	519,347	649,847
Automobile and filling stations	585,422	649,795	2,063,177	1,322,485	823,683	738,858	766,793	860,719	867,975	863,263
Drugs and miscellaneous retail	555,071	661,554	666,211	670,955	687,225	553,660	560,097	566,369	571,162	720,737
Agriculture and all others	1,551,711	1,661,990	1,868,295	2,211,457	2,061,432	1,459,648	1,328,013	1,420,029	1,420,378	1,742,475
Manufacturers	687,605	672,161	833,893	649,508	521,939	440,853	417,144	211,382	251,196	356,265
TOTAL**	\$ 6,914,444	\$ 7,367,137	\$ 9,886,631	\$ 9,923,961	\$ 8,986,251	\$ 7,352,382	\$ 7,437,585	\$ 7,229,004	\$ 7,694,991	\$ 8,681,695
VILLAGE DIRECT SALES TAX RATE	1.00%									
VILLAGE HOME RULE SALES TAX RATE***	0.75%	0.75%	1.00%							

Note: 2014 information was not available at the time this report was prepared.

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

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

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

Data Source

Illinois Department of Revenue
 Village records

VILLAGE OF WHEELING, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Fiscal Years

Fiscal Year	Village Home Rule Rate	State, County and Local Rate	Total Rate
2005	0.75%	7.75%	8.50%
2006	1.00%	7.75%	8.75%
2007	1.00%	7.75%	8.75%
2008	1.00%	9.00%	10.00%
2009	1.00%	9.00%	10.00%
2010	1.00%	8.50%	9.50%
2011	1.00%	8.25%	9.25%
2012	1.00%	8.25%	9.25%
2013	1.00%	8.00%	9.00%
2014	1.00%	8.00%	9.00%

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

Data Source

Illinois Department of Revenue
Village Records

VILLAGE OF WHEELING, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities			Business-Type Activities	Total Primary Government	Percentage of Actual Taxable Value (1) of Property	Per Capita (2)	Debt Outstanding as a Percentage of Personal Income
	General Obligation Bonds	TIF Revenue Bonds	TIF Revenue Notes	General Obligation Bonds				
2005	\$ 20,412,308	\$ 19,000,000	\$ -	\$ 3,235,000	\$ 42,647,308	1.29%	\$ 1,106.14	4.43%
2006	18,582,906	19,000,000	-	2,830,000	40,412,906	1.15%	1,048.19	4.19%
2007	26,930,533	19,000,000	-	2,420,000	48,350,533	1.38%	1,254.07	5.02%
2008	45,499,078	19,000,000	-	2,020,000	66,519,078	1.66%	1,725.30	6.42%
2009	53,982,768	19,000,000	-	1,625,000	74,607,768	1.81%	1,935.10	7.17%
2010	52,790,735	18,745,000	-	1,500,000	73,035,735	1.80%	1,939.96	7.21%
2011	51,653,943	18,300,000	-	1,456,057	71,410,000	1.94%	1,896.78	7.89%
2012	50,496,768	17,700,000	3,601,944	4,793,232	76,591,944	2.34%	2,034.42	8.23%
2013	48,990,391	16,990,000	3,421,821	4,449,609	73,851,821	2.47%	1,961.64	7.35%
2014	47,292,211	16,210,000	3,105,170	4,107,789	70,715,170	2.81%	1,878.32	6.67%

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 163 for personal income and population data.

Data Source

Village records

VILLAGE OF WHEELING, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	Governmental Activities General Obligation Bonds*	Business-Type Activities General Obligation Bonds*	Less Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2005	\$ 18,582,906	\$ 3,235,000	\$ 41,094	\$ 21,776,812	0.66%	\$ 564.82
2006	26,930,533	2,830,000	90,537	29,669,996	0.85%	769.55
2007	26,930,533	2,420,000	89,145	29,261,388	0.84%	758.95
2008	45,499,078	2,020,000	67,083	47,451,995	1.18%	1,230.76
2009	53,982,768	1,625,000	24,550	55,583,218	1.35%	1,441.66
2010	52,790,735	1,500,000	53,049	54,237,686	1.34%	1,440.65
2011	51,653,943	1,456,057	67,068	53,042,932	1.44%	1,408.92
2012	50,496,768	4,793,232	28,654	55,261,346	1.69%	1,467.84
2013	48,990,390	4,449,609	35,470	53,404,529	1.78%	1,418.52
2014	47,292,211	4,107,789	87,571	51,312,429	2.04%	1,362.95

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 153 for property value data.

Data Source

Village records

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF LEGAL DEBT MARGIN

December 31, 2014

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, 2014

Governmental Unit	Gross Debt	Percentage Debt Applicable to the Village (1)	The Village's Share of Debt
Village	\$ 66,607,381	100.00%	\$ 66,607,381
Cook County, including Forest Preserve	3,639,370,000	0.66%	24,019,842
Lake County, including Forest Preserve	377,910,000	0.02%	75,582
Metropolitan Water Reclamation District	2,642,374,005	0.67%	17,703,906
Prospect Heights Park District	8,277,550	15.90%	1,316,130
River Trails Park District	7,675,000	0.02%	1,535
Wheeling Park District	12,195,000	88.09%	10,742,576
School District No. 21	40,805,000	47.90%	19,545,595
School District No. 23	9,940,000	17.30%	1,719,620
School District No. 102	4,045,000	0.58%	23,461
High School District No. 125	17,735,000	0.17%	30,150
High School District No. 214	42,800,000	11.21%	4,797,880
Community College District No. 512	166,045,000	5.00%	8,302,250
Community College District No. 532	76,910,000	0.02%	15,382
	<u>7,046,081,555</u>		<u>88,293,909</u>
	<u>\$ 7,112,688,936</u>		<u>\$ 154,901,290</u>

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

Data Source

Office of the County Clerk

VILLAGE OF WHEELING, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
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	1,039,866,905	26,971	36.2	6,295	8.5%
2010	37,648	1,013,446,512	26,919	35.6	7,075	8.5%
2011	37,648	904,907,328	24,036	36.1	6,987	8.1%
2012	37,648	931,072,688	24,731	36.1	6,620	7.7%
2013	37,648	1,005,126,304	26,698	36.1	6,681	7.8%
2014	37,648	1,060,280,624	28,163	36.1	6,031	5.9%

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

Data Source

Village records

VILLAGE OF WHEELING, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2014			2005		
	Number of Employees	Rank	% of Total Village Population	Number of Employees	Rank	% of Total Village Population
Durable Inc	752	1	2.00%	600	1	1.49%
Pamarco Global Graphics	625	2	1.66%			
Handi-Foil Corp.	550	3	1.46%	250	10	0.62%
Healthcare Laundry Systems	530	4	1.41%			
Chinn Enterprises	353	5	0.94%	375	7	0.93%
Argon Medical	333	6	0.88%			
SG360	290	7	0.77%	300	8	0.74%
Village of Wheeling	229	8	0.61%			
Industrial Motion Control, Inc	225	9	0.60%			
The Greek American Rehabilitation	210	10	0.56%			
School District 21				491	2	1.22%
Allstate Printing/Dist. Ctr				450	3	1.12%
Pactive Corp.				440	4	1.09%
Hospital Laundry Services				400	5	0.99%
Wal-Mart/Sams				379	6	0.94%
Solo Cup Company				300	8	0.74%
TNT Holland Motor Express, Inc.				300	8	0.74%
Accellent Endoscopy Whl				270	9	0.67%
North American Signal Company				250	10	0.62%
Valspar Corp.				250	10	0.62%
TOTAL	<u>4,097</u>		<u>10.89%</u>	<u>5,055</u>		<u>12.53%</u>

Data Source

Village Records

VILLAGE OF WHEELING, ILLINOIS
FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
GENERAL GOVERNMENT										
Management Services	4	5	5	6	6	6	5	5	5	3
Human Resources	2	2	2	2	2	2	2	2	2	2
Finance	11	11	12	10	9	8	8	8	8	8
Information Systems	-	-	-	3	4	4	3	4	4	4
Economic Development	2	-	-	-	-	-	-	-	-	2
Human Services	3	4	4	4	5	5	6	6	6	6
Community Development	18	18	18	17	15	13	13	13	13	13
Engineering	-	-	-	4	4	2	2	2	2	2
PUBLIC SAFETY										
Police										
Officers	65	66	66	68	65	62	62	62	62	62
Civilians	27	27	27	28	25	22	21	21	23	23
Fire										
Firefighters and Officers	54	56	56	57	48	48	50	50	50	50
Civilians	2	2	2	4	5	4	3	4	4	3
PUBLIC WORKS										
Administration	4	4	4	4	5	4	4	4	4	4
Capital Projects and Design	13	13	13	9	4	4	4	4	3	2
Building Services	12	12	12	6	6	6	5	6	6	6
Fleet Services	-	6	6	5	5	4	5	5	5	5
Forestry	-	-	-	4	4	3	4	4	4	5
Utilities	21	21	21	21	21	18	17	18	18	18
Street Maintenance	10	10	10	9	9	7	5	5	4	5
	248	257	258	261	242	222	219	223	223	223

Data Source

Village budget office

VILLAGE OF WHEELING, ILLINOIS

OPERATING INDICATORS BY FUNCTION

Last Ten Fiscal Years

Function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
POLICE										
DUI arrests	203	189	221	244	246	168	155	110	130	93
Accidents	1,763	1,678	1,606	1,522	1,297	1,109	1,198	1,047	1,126	1,218
Total tickets	18,545	17,208	16,699	14,219	17,018	14,133	14,674	14,166	12,051	13,448
Total calls	25,708	29,216	39,233	34,244	32,770	32,389	33,857	34,797	34,186	36,489
FIRE										
Number of calls answered	3,782	3,794	4,120	4,475	4,302	4,271	4,422	4,354	4,534	4,694
Inspections	2,123	2,665	2,623	2,319	2,162	2,047	1,652	1,547	1,342	1,401
HIGHWAYS AND STREETS										
Work orders completed	1,566	1,744	1,989	1,902	1,740	1,821	2,276	2,260	1,750	1,889
Sidewalks plowed	518	186	619	722	668	668	400	116	386	793
WATER AND SEWER										
Meter replacements	177	N/A	N/A	N/A	N/A	N/A	N/A	90	545	413
Customer service calls	1,300	1,380	1,320	2,500	1,600	1,700	1,939	2,215	2,310	2,270
Sanitary sewer complaints	68	106	106	63	78	84	68	127	111	46
Sanitary sewer cleaned (l.f.)	35,721	42,600	35,290	26,835	16,092	13,257	14,204	58,000	33,483	34,000
Catch basins/inlets cleaned	105	172	172	106	45	63	89	107	59	95

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	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Number of squad cars	33	33	33	40	40	41	41	41	42	40
Fire										
Stations	2	2	2	2	2	2	3	3	3	3
HIGHWAYS AND STREETS										
Streets (miles)	65	65	65	75	75	75	75	75	75	75
WATER										
Water mains (miles)	138	138	138	148	148	155	155	155	155	162
Fire hydrants	1,568	1,620	1,631	1,635	1,635	1,651	1,709	1,709	1,766	1,766
Average daily pumpage (mgd)	5	5	5	5	5	4	4	4	4	4
SEWER										
Sanitary sewers (miles)	77	77	77	83	83	87	87	87	89	90
Storm sewers (miles)	68	68	68	72	72	72	72	72	72	72
BUILDING INSPECTIONS										
Number of permits issued	1,327	1,369	1,151	1,426	1,348	1,364	1,650	1,501	1,488	1,599
CULTURE AND RECREATION										
Number of parks and playgrounds	16	16	16	16	16	16	16	16	16	16
Park area (acres)	270	270	270	270	270	270	270	270	270	270

Data Source

Village records



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

630.566.8400 // www.sikich.com

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

REPORT OF INDEPENDENT ACCOUNTANT'S ON COMPLIANCE

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

We have examined management's assertion that the Village of Wheeling, Illinois (the Village), complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended December 31, 2014. As discussed in that representation letter, management is responsible for the Village's compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Village's compliance based on our examination.

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

In our opinion, management's assertion that the Village of Wheeling, Illinois complied with the aforementioned requirements for the year ended December 31, 2014, is fairly stated in all material respects.

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

A handwritten signature in black ink that reads 'Sikich LLP'.

Naperville, Illinois
May 4, 2015

2015 DISCLOSURE

Relating to

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

CUSIP NUMBER 963099

\$10,000,000 General Obligation Corporate Purpose Bonds, Series 2007

\$20,000,000 General Obligation Corporate Purpose Bonds, Series 2008

\$10,000,000 General Obligation Corporate Purpose Bonds, Series 2009

\$8,445,000 General Obligation Refunding Bonds, Series 2011

\$3,925,000 General Obligation Sales Tax Refunding Bonds, Series 2012A

and

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

For further information please contact:

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

Phone: (847) 459-2600

Fax: (847) 459-9692

5/20/15

I. ANNUAL FINANCIAL INFORMATION REPORT UPDATE

Retailers' Occupation, Service Occupation and Use Tax

DEBT INFORMATION

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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 + (-)
2005	\$5,023,863	\$2,778,315	\$ 7,802,178	3.08%(3)
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	5,438,339	4,098,140	9,536,479	(10.24%)
2009	4,625,774	3,316,177	7,941,951	(16.72%)
2010	4,622,924	3,360,619	7,983,543	0.52%
2011	4,737,611	3,336,362	8,073,973	1.13%
2012	5,030,987	3,478,485	8,509,472	5.39%
2013	5,588,948	3,840,287	9,429,235	10.81%
2014	5,982,939	3,931,357	9,914,296	5.14%
Growth from 2005 to 2014				27.07%

- 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 2005 percentage is based on a 2004 sales tax of \$7,569,403.

DIRECT GENERAL OBLIGATION DEBT (see schedules following)

Total General Obligation Bonds	<u>\$51,400,000</u>
Total General Obligation Debt	<u>\$51,400,000</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	\$15,345,000

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

(As of May 14, 2015)

Calendar Year	Series 2007	Series 2008	Series 2009	Series 2011	Series 2012A	Series 2012B	Total Debt	Cumulative Principal Retired	
								Amount	Percent
2015	\$ 0	\$ 1,015,000	\$ 0	\$ 785,000	\$ 305,000	\$ 130,000	\$ 2,235,000	\$ 2,235,000	4.35%
2016	0	1,205,000	0	825,000	315,000	135,000	2,480,000	4,715,000	9.17%
2017	0	1,400,000	0	825,000	325,000	140,000	2,690,000	7,405,000	14.41%
2018	0	1,600,000	0	835,000	335,000	140,000	2,910,000	10,315,000	20.07%
2019	0	1,815,000	0	665,000	340,000	150,000	2,970,000	13,285,000	25.85%
2020	0	2,030,000	0	685,000	355,000	155,000	3,225,000	16,510,000	32.12%
2021	0	2,250,000	0	705,000	370,000	160,000	3,485,000	19,995,000	38.90%
2022	0	2,475,000	0	720,000	380,000	165,000	3,740,000	23,735,000	46.18%
2023	0	2,700,000	0	610,000	390,000	175,000	3,875,000	27,610,000	53.72%
2024	0	1,490,000	1,435,000	0	400,000	180,000	3,505,000	31,115,000	60.54%
2025	0	0	3,140,000	0	0	185,000	3,325,000	34,440,000	67.00%
2026	0	0	3,340,000	0	0	195,000	3,535,000	37,975,000	73.88%
2027	1,445,000	0	2,085,000	0	0	200,000	3,730,000	41,705,000	81.14%
2028	3,700,000	0	0	0	0	210,000	3,910,000	45,615,000	88.75%
2029	3,850,000	0	0	0	0	220,000	4,070,000	49,685,000	96.66%
2030	1,005,000	0	0	0	0	230,000	1,235,000	50,920,000	99.07%
2031	0	0	0	0	0	235,000	235,000	51,155,000	99.52%
2032	0	0	0	0	0	245,000	245,000	51,400,000	100.00%
Total	\$10,000,000	\$17,980,000	\$10,000,000	\$6,655,000	\$3,515,000	\$3,250,000	\$51,400,000		

Note: (1) Source: the Village.

OVERLAPPING DEBT (1)(2)

	Outstanding Debt	Applicable to Village	
		Percent(3)	Amount
Schools:			
School District Number 21	\$40,805,000	47.90%	\$19,545,595
School District Number 23	9,940,000	17.30%	1,719,620
School District Number 102	4,045,000	0.58%	23,461
High School District Number 125	17,735,000	0.17%	30,150
High School District Number 214	42,800,000	11.21%	4,797,880
Community College District Number 512	166,045,000	5.00%	8,302,250
Community College District Number 532	76,910,000	0.02%	<u>15,382</u>
Total Schools			\$34,434,338
Other:			
Cook County	\$3,466,835,000	0.66%	\$22,881,111
Cook County Forest Preserve District	172,535,000	0.66%	1,138,731
Lake County	103,460,000	0.02%	20,692
Lake County Forest Preserve District	274,450,000	0.02%	54,890
Metropolitan Water Reclamation District	2,642,374,005	0.67%	17,703,906
Wheeling Park District	12,195,000	88.09%	10,742,576
Prospect Heights Park District	8,277,550	15.90%	1,316,130
River Trails Park District	7,675,000	0.02%	<u>1,535</u>
Total Other			<u>\$53,859,571</u>
Total Schools and Other Overlapping Bonded Debt			\$88,293,908

- Notes: (1) Source: Cook and Lake County Clerks.
(2) As of December 31, 2014.
(3) Overlapping debt percentages based on 2013 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, 2013	\$ 838,147,451	100.00%	33.33%	\$22,262.74
Estimated Actual Value, 2013	\$2,514,442,353	300.00%	100.00%	\$66,788.21
Total Direct Bonded Debt	\$ 51,400,000	6.13%	2.04%	\$ 1,365.28
Overlapping Bonded Debt (2):				
Schools	\$ 34,434,338	4.11%	1.37%	\$ 914.64
Other	<u>53,859,571</u>	6.43%	2.14%	<u>1,430.61</u>
Total Overlapping Bonded Debt	<u>\$ 88,293,909</u>	10.53%	3.51%	<u>\$ 2,345.25</u>
Total Direct and Overlapping Bonded Debt	\$ 139,693,909	16.67%	5.56%	\$ 3,710.53

- Notes: (1) Source: Cook and Lake Counties Clerks.
(2) As of December 31, 2014.

VILLAGE EQUALIZED ASSESSED VALUATION(I)

Property Class	Levy Years				
	2009	2010(2)	2011	2012	2013(2)
Residential	\$ 708,601,147	\$ 625,503,040	\$ 562,378,196	\$506,940,389	\$398,703,329
Farm.....	48,235	37,187	37,187	37,187	35,715
Commercial.....	134,630,472	126,633,405	112,456,049	107,718,357	107,440,045
Industrial	502,031,477	467,430,769	407,022,376	376,869,218	326,039,359
Railroad.....	<u>1,052,243</u>	<u>1,253,590</u>	<u>1,162,024</u>	<u>758,102</u>	<u>783,286</u>
Total	\$1,346,363,574	\$1,220,857,991	\$1,083,055,832	\$992,323,253	\$833,001,734
Lake County.....	<u>6,028,165</u>	<u>5,752,338</u>	<u>5,673,483</u>	<u>5,330,444</u>	<u>5,145,717</u>
Total	\$1,352,391,739	\$1,226,610,329	\$1,088,729,315	\$997,653,697	\$838,147,451
Percent Change +/-	(1.49%)(3)	(9.30%)	(11.24%)	(8.37%)	(15.99%)

- Notes: (1) Source: Cook County Clerk.
 (2) Triennial reassessment year.
 (3) Percentage change based on 2008 EAV of \$1,372,861,554.

LARGER TAXPAYERS(I)

Taxpayer Name	Business/Service	2013 EAV(2)
Westin Hotel.....	Hotel	\$17,775,310
Wal-Mart Stores	Retail Discount Store.....	14,691,337
Woodland Creek Assoc.....	Apartments	11,513,569
Allstate Insurance Co.	Insurance	7,760,112
Capstone Realty Advisors.....	Apartments	7,373,399
Shorewood Management	Mallard Lake Apartments.....	7,296,867
Durable Packaging International.....	Industrial	6,948,070
Wheeling SC LLC.....	Real Estate	5,650,627
Cabot Prop. Inc.	Real Estate	4,891,603
Pactiv	Food Packaging.....	<u>4,781,507</u>
Total		\$88,682,401
Ten Largest Taxpayers as Percent of Village's 2013 EAV (\$838,147,451)		10.58%

- 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 2013 EAV is the most current available.

TAX LEVIES AND COLLECTIONS(I)

Levy Year	Coll. Year	Taxes Extended	Total Collections(2)	
			Amount	Percent
2009.....	2010	\$10,406,485	\$10,117,915	97.23%
2010.....	2011	10,931,390	10,764,912	98.48%
2011.....	2012	10,930,632	10,590,405	96.89%
2012.....	2013	11,350,882	10,990,391	96.82%
2013.....	2014	11,930,382	11,714,193	98.19%

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

VILLAGE TAX RATES(1)

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

	Levy Years				
	2009	2010	2011	2012	2013
The Village:					
Corporate	\$0.4776	\$0.6533	\$0.7154	\$0.7444	\$0.8388
Bonds and Interest	0.1123	0.0386	0.0398	0.0996	0.1993
Police Pension	0.0957	0.1038	0.1271	0.1430	0.1835
Fire Pension	<u>0.0838</u>	<u>0.0956</u>	<u>0.1217</u>	<u>0.1507</u>	<u>0.2018</u>
Total Village Rates(2).....	\$0.7700	\$0.8920	\$1.0040	\$1.1380	\$1.4240

- 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				
	2009	2010	2011	2012	2013
Cook County	\$0.3940	\$0.4230	\$0.4620	\$ 0.5310	\$ 0.5600
Cook County Forest Preserve District.....	0.0490	0.0510	0.0580	0.0630	0.0690
Metropolitan Water Reclamation District.....	0.2610	0.2740	0.3200	0.3700	0.4170
Northwest Mosquito Abatement District.....	0.0080	0.0090	0.0100	0.0110	0.0130
Consolidated Elections.....	0.0210	0.0000	0.0250	0.0000	0.0310
Wheeling Township.....	0.0390	0.0430	0.0480	0.0520	0.0560
General Assistance.....	0.0090	0.0050	0.0090	0.0090	0.0100
Road and Bridge	0.0120	0.0140	0.0150	0.0160	0.0190
School District Number 21	3.2090	3.6580	4.1640	4.5560	4.8410
High School District Number 214	1.6360	1.8390	2.0670	2.3240	2.7680
Community College District Number 512.....	0.2580	0.2950	0.3340	0.3730	0.4440
Indian Trails Public Library District.....	0.3070	0.3470	0.3930	0.4630	0.5040
Wheeling Park District.....	<u>0.4900</u>	<u>0.5710</u>	<u>0.6540</u>	<u>0.7380</u>	<u>0.8990</u>
Total Tax Rates(3)	\$7.4630	\$8.4210	\$9.5630	\$10.6440	\$12.0550

- 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 59% of the Village's 2013 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				
	2010	2011	2012	2013	Preliminary 2014
ASSETS:					
Cash and Investments	\$ 26,117,808	\$ 29,275,817	\$ 32,738,649	\$ 33,643,222	\$27,105,062
Receivables, Net:					
Property Taxes	12,979,611	10,994,497	11,100,581	11,677,826	12,806,608
Sales Taxes	2,106,135	2,168,497	2,277,453	2,553,906	2,555,025
Income Taxes	1,268,105	1,035,178	917,393	616,726	644,481
Telecommunications Tax	108,042	414,076	407,710	386,569	354,214
Accounts	110,443	90,176	127,427	97,481	200,799
Accrued Interest	45,636	52,205	46,856	42,035	44,598
IPBC	1,252,725	1,463,995	1,703,945	703,552	943,530
Other	748,908	858,043	802,455	975,542	1,120,770
Prepaid Expenses	359,121	388,493	402,507	290,284	323,845
Inventory	395,702	457,579	468,540	300,857	384,535
Due from Other Governments	252,839	265,557	101,100	129,748	137,302
Land Held for Resale	18,336,679	0	0	0	0
Advances to Other Funds	(703,737)	(848,657)	(1,002,614)	(1,062,514)	(976,867)
Deferred Charges - Unamortized Loss on Refunding	700,820	779,948	774,114	706,169	638,224
Deferred Outflows-Swap Agreement	3,464,821	5,922,709	5,928,027	3,641,777	4,353,866
Net Pension Asset	433,348	562,697	609,897	667,309	1,018,534
Capital Assets Not Being Depreciated	30,215,042	38,900,113	84,576,995	85,412,131	85,046,184
Capital Assets Being Depreciated	<u>56,850,175</u>	<u>58,940,940</u>	<u>58,952,072</u>	<u>58,303,260</u>	<u>57,467,789</u>
Total Assets	\$155,042,223	\$151,721,863	\$200,933,107	\$199,085,880	\$194,168,499
LIABILITIES:					
Accounts Payable	\$ 2,303,978	\$ 1,971,973	\$ 3,131,884	\$ 1,789,685	\$ 1,786,608
Accrued Payroll	426,640	414,931	477,197	603,103	764,925
Deposits Payable	78,632	103,103	104,379	115,814	144,654
Deferred Revenue	12,231,650	12,498,670	12,176,607	13,294,812	13,661,726
Due to Fiduciary Funds	280,986	84,043	56,528	54,107	100,721
Interest Payable	691,678	721,412	684,245	659,146	631,748
Interest Rate Swap Agreement	3,464,821	5,922,709	5,928,027	3,641,777	4,353,866
Long-Term Liabilities:					
Due Within One Year	3,101,846	3,382,942	3,825,539	4,159,726	4,601,468
Due in More Than One Year	<u>71,505,325</u>	<u>69,623,987</u>	<u>71,876,296</u>	<u>69,269,636</u>	<u>66,285,595</u>
Total Liabilities	\$ 94,085,556	\$ 94,723,770	\$ 98,260,702	\$ 93,587,806	\$ 92,331,311
NET POSITION:					
Investment in Capital Assets, Net of Related Debt	\$ 42,799,847	\$ 54,123,693	\$ 97,083,613	\$ 98,280,773	\$ 98,500,856
Restricted for:					
Highways and Streets	1,751,968	1,364,232	1,390,892	1,403,952	1,357,515
Public Safety	224,502	119,151	955,279	984,287	1,160,705
Economic Development	25,010,247	7,187,998	9,238,485	10,866,598	4,843,012
Capital Projects	1,549,710	1,624,317	2,400,320	1,774,679	1,314,424
Debt Service	53,050	67,068	30,108	39,513	87,571
Unrestricted	<u>(10,132,657)</u>	<u>(7,488,366)</u>	<u>(8,426,292)</u>	<u>(7,851,728)</u>	<u>(5,426,895)</u>
TOTAL NET POSITION	<u>\$ 61,256,667</u>	<u>\$ 56,998,093</u>	<u>\$102,672,405</u>	<u>\$105,498,074</u>	<u>\$101,837,188</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				
	2010	2011	2012	2013	Preliminary 2014
Primary Government(1):					
General Government.....	\$(12,299,703)	\$(13,738,860)	\$(16,381,052)	\$ (12,416,729)	\$ (15,040,151)
Public Safety	(18,053,425)	(18,647,832)	(19,186,504)	(20,979,619)	(21,681,963)
Highways and Streets	(1,059,576)	(3,009,678)	(1,185,690)	(1,835,770)	(6,590,819)
Airport-Joint Venture	0	0	0	288,502	(365,947)
Interest and Fees	<u>(3,415,044)</u>	<u>(3,227,766)</u>	<u>(3,356,724)</u>	<u>(3,227,999)</u>	<u>(3,115,103)</u>
Total Governmental Activities	<u>\$(34,827,748)</u>	<u>\$(38,624,136)</u>	<u>\$(40,109,970)</u>	<u>\$ (38,171,615)</u>	<u>\$ (46,793,983)</u>
General Revenues:					
Taxes:					
Property and Replacement	\$ 19,626,799	\$ 19,520,238	\$ 19,022,348	\$ 18,781,294	\$ 20,077,443
Sales	7,983,543	8,076,606	8,510,612	9,430,241	9,915,534
Utility	1,863,505	1,871,180	1,799,567	2,686,499	3,143,435
Telecommunications	1,769,146	1,733,726	1,702,077	1,565,067	1,445,508
Food and Beverage.....	762,197	757,431	783,361	816,668	847,714
Hotel/Motel	756,112	817,218	899,759	933,853	942,103
Income	3,034,361	2,988,314	3,308,032	3,587,115	3,604,564
Other	774,202	833,432	876,891	1,239,036	1,409,808
Investment Income.....	557,803	307,641	382,600	108,698	30,692
Gain on Disposal of Capital Assets.....	0	0	19,703	1,152	12,867
Miscellaneous	617,396	1,144,281	1,198,450	1,360,893	1,172,294
Increase in Equity in Joint Venture.....	0	0	253,987	0	0
Transfers	<u>263,937</u>	<u>220,639</u>	<u>433,336</u>	<u>486,768</u>	<u>531,135</u>
Total	<u>\$ 38,009,001</u>	<u>\$ 38,270,706</u>	<u>\$ 39,190,723</u>	<u>\$ 40,997,284</u>	<u>\$ 43,133,097</u>
CHANGE IN NET POSITION	<u>\$ 3,181,253</u>	<u>\$ (353,430)</u>	<u>\$ (919,247)</u>	<u>\$ 2,825,669</u>	<u>\$ (3,660,886)</u>
Prior Period Adjustment	<u>\$ 0</u>	<u>\$ (3,905,144)</u>	<u>\$ 46,593,559</u>	<u>\$ 0</u>	<u>\$ 0</u>
NET POSITION, JANUARY 1	<u>\$ 58,075,414</u>	<u>\$ 61,256,667</u>	<u>\$ 56,998,093</u>	<u>\$102,672,405</u>	<u>\$105,498,074</u>
NET POSITION, DECEMBER 31	<u>\$ 61,256,667</u>	<u>\$ 56,998,093</u>	<u>\$102,672,405</u>	<u>\$105,498,074</u>	<u>\$101,837,188</u>

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

General Fund - Balance Sheet

Audited as of Audited as of December 31

	2010	2011	2012	2013	Preliminary 2014
ASSETS:					
Cash and Investments	\$ 5,565,168	\$ 9,117,094	\$ 8,883,099	\$10,684,210	\$ 9,895,556
Receivables (Net Where Applicable of Allowances for Uncollectibles):					
Property Taxes	11,182,844	10,372,249	10,129,462	10,042,721	11,037,194
Sales Taxes	2,106,135	2,168,497	2,277,453	2,553,906	2,555,025
Income Taxes	1,268,105	1,035,178	917,393	616,726	644,481
Telecommunications Tax	408,042	414,076	407,710	386,569	354,214
Accrued Interest	20,301	22,873	17,600	14,353	19,866
IPBC	1,252,725	1,463,995	1,703,945	703,552	943,530
Other	534,694	685,594	626,952	609,128	793,199
Due from Other Governments	69,000	116,441	0	0	0
Due from Other Funds	2,965,226	1,393,233	195,059	579,658	29,213
Advance to Other Funds	0	0	576,000	0	0
Inventory	264,114	304,889	262,536	265,189	264,960
Prepaid Items	340,730	369,478	372,806	281,547	318,023
Total Assets and Other Debits	<u>\$25,977,084</u>	<u>\$27,463,597</u>	<u>\$26,370,015</u>	<u>\$26,737,559</u>	<u>\$26,855,261</u>
LIABILITIES:					
Accounts Payable	\$ 743,274	\$ 797,269	\$ 1,628,638	\$ 1,389,706	\$ 1,155,209
Accrued Payroll	419,526	404,288	473,328	594,001	752,327
Deposits Payable	78,632	103,103	104,379	115,814	144,654
Due to Fiduciary Funds	280,986	84,043	56,528	54,107	100,721
Deferred Revenue	10,264,135	10,320,691	10,183,466	10,089,384	11,026,964
Total Liabilities	<u>\$11,786,553</u>	<u>\$11,709,394</u>	<u>\$12,446,339</u>	<u>\$12,243,012</u>	<u>\$13,179,875</u>
FUND BALANCES:					
Nonspendable for Prepaid Items	\$ 340,730	\$ 369,478	\$ 372,806	\$ 281,547	\$ 318,023
Nonspendable for Inventory	264,114	304,889	262,536	265,189	264,960
Nonspendable for Long-Term Receivables	0	0	576,000	0	0
Unrestricted - Assigned for Subsequent Year's Budget	0	0	0	1,055,804	943,530
Unrestricted - Assigned for Health Insurance	1,252,725	1,463,995	1,703,945	703,552	753,849
Unrestricted - Unassigned	12,332,962	13,615,841	11,008,389	12,188,455	11,395,024
Total Fund Balances	<u>\$14,190,531</u>	<u>\$15,754,203</u>	<u>\$13,923,676</u>	<u>\$14,494,547</u>	<u>\$13,675,386</u>
Total Liabilities and Fund Balances	<u>\$25,977,084</u>	<u>\$27,463,597</u>	<u>\$26,370,015</u>	<u>\$26,737,559</u>	<u>\$26,855,261</u>

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

	Audited as of Audited as of December 31				
	2010	2011	2012	2013	Preliminary 2014
REVENUES:					
Taxes	\$20,230,707	\$21,921,158	\$22,268,871	\$22,956,784	\$23,841,420
Licenses and Permits	445,774	627,026	536,729	544,271	550,247
Intergovernmental	4,164,085	4,085,025	4,290,418	4,542,285	4,927,125
Charges for Services	1,831,489	2,082,179	2,287,031	1,998,815	2,104,787
Fines and Forfeits	843,584	732,417	690,272	714,405	844,161
Investment Income	180,049	116,184	148,338	45,967	(76,871)
Miscellaneous	736,164	1,076,792	893,608	1,153,542	1,098,290
Total Revenues	<u>\$28,431,852</u>	<u>\$30,640,781</u>	<u>\$31,115,267</u>	<u>\$31,956,069</u>	<u>\$33,289,159</u>
EXPENDITURES:					
General Government	\$ 9,129,789	\$ 8,706,123	\$10,200,168	\$ 9,642,297	\$10,553,805
Public Safety	19,666,478	19,396,617	20,028,984	21,029,060	22,268,718
Debt Service	<u>0</u>	<u>0</u>	<u>15,526</u>	<u>109,235</u>	<u>202,900</u>
Total Expenditures	<u>\$28,796,267</u>	<u>\$28,102,740</u>	<u>\$30,244,678</u>	<u>\$30,780,592</u>	<u>\$33,025,423</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (364,415)	\$ 2,538,041	\$ 870,589	\$ 1,175,477	\$ 263,736
Other Financing Sources:					
Proceeds on Sale of Capital Assets	\$ 31,335	\$ 7,800	\$ 19,703	\$ 1,152	\$ 12,867
Operating Transfers In	0	0	53,440	0	36,500
Operating Transfers Out	<u>(935,545)</u>	<u>(982,169)</u>	<u>(2,774,259)</u>	<u>(605,758)</u>	<u>(1,132,264)</u>
Total Other Financing Sources	\$ (904,210)	\$ (974,369)	\$(2,701,116)	\$ (604,606)	\$(1,082,897)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (1,268,625)	\$ 1,563,672	\$ (1,830,527)	\$ 570,871	\$ (819,161)
Beginning Fund Balance	<u>\$15,459,156</u>	<u>\$14,190,531</u>	<u>\$15,754,203</u>	<u>\$13,923,676</u>	<u>\$14,494,547</u>
Ending Fund Balance	<u>\$14,190,531</u>	<u>\$15,754,203</u>	<u>\$13,923,676</u>	<u>\$14,494,547</u>	<u>\$13,675,386</u>

**General Fund
Budgeted Financial Information**

	Budget Twelve Months Ending 12/31/2015
REVENUES:	
Taxes	\$21,061,005
Licenses and Permits	1,053,835
Intergovernmental	4,874,149
Charges for Services	4,579,419
Fines and Forfeits	747,852
Interest	132,752
Miscellaneous	<u>4,376,263</u>
Total Revenues	<u>\$36,825,275</u>
EXPENDITURES:	
Personnel Services	\$25,447,065
Contractual Services	8,923,969
Commodities	1,524,503
Capital Improvements	8,500
Other	355,000
Transfers Out	<u>1,320,087</u>
Total Expenditures	<u>\$37,579,124</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (753,849)