

Village of Wheeling, IL



Comprehensive Annual Financial Report

Fiscal Year Ended
December 31, 2015



VILLAGE OF WHEELING, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
December 31, 2015

Prepared by Finance Department

Michael B. Mondschain
Director of Finance

Brian Smith
Assistant Director of Finance

VILLAGE OF WHEELING, ILLINOIS
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INTRODUCTORY SECTION

VILLAGE OF WHEELING, ILLINOIS

PRINCIPAL OFFICIALS

DECEMBER 31, 2015

ELECTED OFFICIALS

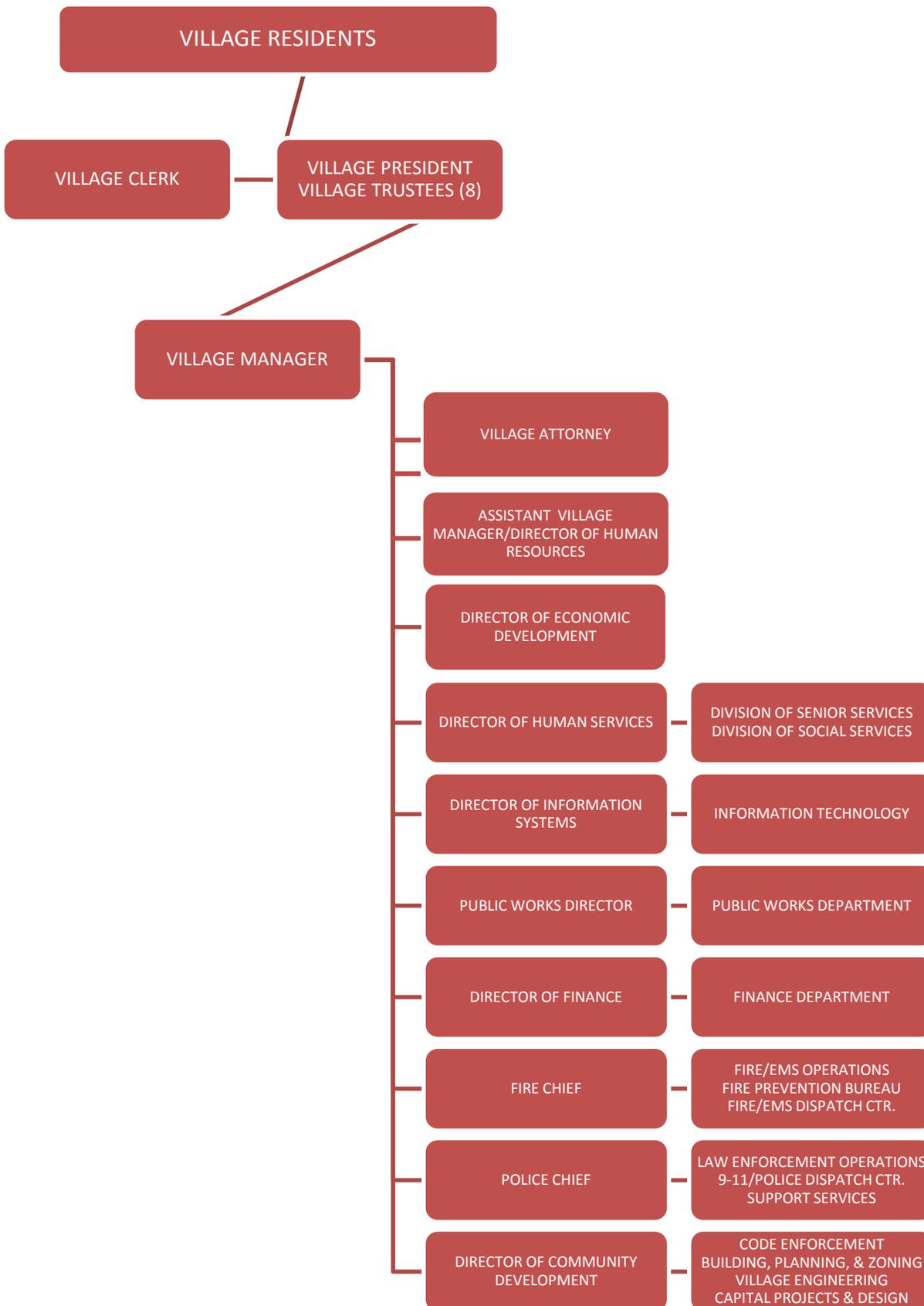
Dean Argiris
Village President

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





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
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Presented to

**Village of Wheeling
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO



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

June 13, 2016

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, 2015.

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.

The financial statements included in this report depict the financial position and changes in financial position presented in conformance with Generally Accepted Accounting Principles (GAAP). Sikich LLP, a firm of licensed certified public accountants, has issued an unmodified (“clean”) opinion on the Village of Wheeling’s financial statements for the year ended December 31, 2015. The independent auditor’s report is located at the front of the financial section of this report.

The financial statements have been prepared in accordance with Statement No. 34 (Basic Financial Statements - and Management’s Discussion and Analysis - for State and Local Governments) of the Governmental Accounting Standards Board (GASB). The GASB is an organization that establishes accounting and financial reporting standards for state and local governments in the United States. Sikich LLP provides, with reasonable assurance that the financial statements are free of material misstatement. The audit process includes examination, on a test basis, of evidence supporting the amounts and disclosures reported in the financial statements. The independent auditors also assess the accounting principles used and include their report as the first component of the financial section of this Comprehensive Annual Financial Report.

The Village has adopted and implemented GASB Statements No. 68 (Financial Reporting for Pension Plans). The new standard provides additional transparency and accountability with respect to the Village’s pension plans.

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

Profile of the Village of Wheeling

The Village of Wheeling, incorporated in 1894, is located in the Chicago, Illinois metropolitan area just 27 miles northwest of downtown Chicago. It currently occupies 8.6 square miles and serves a population of 37,648. Wheeling has easy access to both air and ground transportation providing several convenient ways to get anywhere in the Chicago metropolitan area or the world. Ground transportation can be accessed through the Tri-State Tollway (I-294), the METRA north central passenger line, or PACE, the suburban bus division of the Regional Transportation Authority. Interstate 294 runs along the eastern edge of the Village, connecting Wheeling with Chicago and Milwaukee (70 miles). Just two miles to the west is Route 53, a freeway that leads to I-290 and I-355, offering easy access to the South and West suburbs, Rockford and beyond. Air transportation is available through O'Hare International Airport, located just seven miles from Wheeling, and Chicago Executive Airport, situated partly in the Village of Wheeling and the City of Prospect Heights. Wheeling and Prospect Height's municipal airport is the third busiest in Illinois and is home to many corporate jets and private planes.

In addition to an excellent transportation network, Wheeling is an outstanding community in which to live and work. The Village has an ideal mix of residential and multi-family housing, excellent schools and park district facilities, and some of the Chicago area's best known restaurants. Milwaukee Avenue is the site of Wheeling's famous "Restaurant Row", home to restaurants featuring Italian, Japanese, Chinese and American cuisine. Six major hospitals are nearby, giving residents several options to meet their medical needs. Wheeling High School has received state and national recognition for its Science, Technology, Engineering and Math (STEM) program. The school was recently ranked as the 41st best high school in the State of Illinois (and 1,031 nationally) by US News and World Report and has consistently exceeded 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

From a financial perspective, FY 2015 produced strong results for the Village of Wheeling. 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. Sales tax receipts were up \$871,279 (8.79%) compared to FY 2014; however, the increase was due to \$986,785 in one-time use tax transactions that are not expected to reoccur. If not for these one-time transactions, sales tax revenue would have increased by \$196,427 (2.05%) when compared to adjusted FY 2014 receipts (i.e. adjusted for a one-time use tax transaction that occurred that year). Similarly, income tax revenue was much stronger than expected with receipts increasing by \$401,303 (11.13%) compared to the prior year.

General Fund revenue increased overall by \$4,352,895 or 13.08% (excluding other financing sources) as a result of the previously mentioned increases in sales and income tax, and, other sources of income that serve as proxy indicators of the strength of the local economy including the following:

- Building Permit revenue was up \$369,084 (+194.1%)
- Video Gaming Tax was up \$71,477 (+66.8%)
- State Use Tax was up \$114,517 (+15.7%)
- Hotel/Motel tax was up \$106,205 (+11.3%)

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

- Property tax revenue was up \$757,913 (+7.4%)
- Dispatching Agreement revenue was up \$1,265,875 (624.3%)*

*2015 was the first full year of the Village's agreement with the City of Des Plaines

The increase in revenue was enough to outpace the increase in expenditures which grew by \$2,557,205 or 7.74% (excluding interfund transfers). The growth in expenditures was largely attributable to increases in salaries and benefits - including the cost of eleven (11) new police department employees who were hired as part of the Village's Intergovernmental Agreement (IGA) with the City of Des Plaines - and significant increases in pension costs. The IGA requires the Village to provide emergency police dispatching services to the City and reduces the overall cost of that program for both communities.

The Village approached the FY 2015 budget process conservatively, by not adding new positions (excluding those hired as a result of the 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 result was a General Fund surplus of \$1,787,100 that was reduced to \$787,100 after the Village Board opted to use \$1,000,000 of the surplus to make additional contributions to the pension funds in order to address Wheeling's unfunded liabilities. The result was much better than expected given that the Village initially approved a budget with a deficit of \$753,849. Village departments, which have been working hard to conserve limited resources, spent less than what was allocated to them, in a continued effort to preserve limited resources.

The results of FYE 2015 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 downturn 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 had 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 was an unsustainable trend that the Village Board reversed in recent years by reducing expenditures and finding new sources of revenue.

Despite the past few years of economic constraint, Wheeling's position as a dynamic business and industrial center continues to strengthen. The Village is home to over 850 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 35% are in the manufacturing sector and nearly 20% are in the wholesale and retail sectors. In 2015, Wheeling retail sales increased nearly 13% to more than \$675 million (from \$598 million in 2014). At the same time, hotel occupancy was over 72%.

According to the Illinois Department of Employment Security, Wheeling's unemployment rate has remained relatively stable over the last ten years, hovering around 4.7% for the past year, lower than the state's average rate of 5.9%.

Progress continues on major developments, catalyzing interest in further opportunities in Wheeling. The Village issued permits for nearly \$70 million worth of construction projects in 2015, a \$29 million increase over 2014. The following projects were initiated or completed in FY 2015:

- Work continued on the Wheeling Town Center project, a \$100 million transit-oriented mixed-use development adjacent to the Metra station. The master-planned project will feature approximately 300 luxury apartment units and 100,000 square feet of retail space anchored by a first-run movie and dinner theater as well as signature restaurants, fast-casual restaurants, specialty stores, and possibly second-floor office space. Several tenants signed letters of intent to join the project including Flix Brewhouse Theater, Terra Fiamma Restaurant, Starbucks Coffee Company, Subway, Dunkin' Donuts, T-Mobile, Red Mango Frozen Yogurt & Smoothies, and Noodles & Company, among others. The project is anticipated to break ground later this year.
- Currently under construction, Northgate Crossing is a transit-oriented 288-unit luxury apartment development located at 250 Northgate Parkway. Northgate Crossing 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 in line with the community's Town Center master plan, which calls for a concentration of multi-family housing along with mixed-use commercial and residential development in proximity to the Wheeling Metra Station. It's expected to be completed by fall 2016.
- Last April, the LaSalle Group broke ground to begin development of 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 situated adjacent to the Shir Hadash synagogue. The LaSalle Group has entered into a shared parking agreement with the synagogue to accommodate the needs of residents and their families. The development will include walking trails, gardens, abundant landscaping, and other amenities. The project is expected to open in the fall of 2016.
- In early 2015, Wheeling celebrated the transformation of Heritage Park into a regional athletic and recreation destination. 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 now serves as a regional attraction for residents and visitors to the community, and provides storm water storage which will facilitate future development.

With these major projects underway, Wheeling is positioned for a productive year ahead.

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, 2015, the fund balance in the General Fund totaled \$14,462,486, representing nearly 41% of general fund expenditures (excluding inter-fund transfers), more than the 25 percent minimum established by the Board. Of this amount, \$12,416,569 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 2006 to 2015 levies), the levy has increased an average of 5.27% per year from \$8.82 million to \$14.0 million. In FY 2010, the Village increased its hotel/motel tax from 5% to 6% (generating an additional \$120,000 annually to pay for operating costs), and increased its gas and electric use tax (in 2013) in order to generate an additional \$1,000,000 annually for capital project purposes.

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

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

Finally, the Village recently revised its debt management policy and created a surplus revenue policy. The former provides guidance to the administration regarding purposes for which debt may be issued, types and amounts of permissible debt and the method of sale that may be used. The latter provides a process by which the Village Board can contribute surplus General Fund revenue to the pension funds in order to reduce the Village's unfunded liabilities and the long-term cost of retirement benefits. Each of these policies are intended to strengthen the Village's overall financial position.

Major initiatives

During the fiscal year that ended December 31, 2015, the Village completed a number of significant projects, including the following:

- The Administrative Services Department assisted with recruitment of over 40 new businesses opening to the public in 2015, including Salata and Stella's Place in Lexington Commons, Dunkin' Donuts at Prairie Crossings, Purple Sprout Café in Riverside Plaza, and Creekside Medical Center in Creekside Plaza. The department also coordinated multi-agency efforts to recruit Richelieu Foods to occupy a vacant 115,000-square-foot industrial facility at 120 West Palatine Road and incentivized the occupancy of approximately 600,000 square feet of vacant industrial space through the judicious use of Cook County Class 6b property tax abatements.
- The Finance Department implemented the GASB 68 pronouncement on Pension Fund Reporting and prepared for the implementation of the Village's new stormwater utility fee.
- The Community Development Department continued expansion of the information entered into the GIS System allowing for updates to Village base maps and mapping of the storm sewer and water distribution systems, while also assisting surveyors, engineers, planners and floodplain managers in locating elevations throughout the Village.
- The Human Services Department, as part of a joint effort involving the Village of Wheeling and the Wheeling Park District, initiated a process to create a plan to potentially integrate Senior Service Division programs and services with the Wheeling Park District Community Recreation Center.
- The Police Department was reaccredited by the Commission on Accreditation for Law Enforcement Agencies (CALEA), the eighth time the department has received this recognition.

- The Fire Department developed specifications and negotiated a successful contract with Rosenbauer America for the purchase of one new Engine and one new Ladder Tower Truck. Both vehicles were expected to be completed and delivered to the Village in the first quarter of 2016.
- The Public Works Department received federal funding (80% federal, 20% local) for the Dundee Road Lighting Project (Phase I). This project, supervised by the Village, consisted of the installation of seventy-five (75) street lights from Northgate Parkway to Milwaukee Avenue.

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, 2014. This was the thirty-fifth (35th) 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, 2015. This marked the twenty-ninth (29th) 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



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, 2015, 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, 2015, 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, 2015, 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, 2015, 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

As discussed in Note 14 to the financial statements, the Village adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27*, which established standards for measuring and recognizing liabilities, deferred inflows and outflows of resources, and expenses; and 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 basic financial statements.

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

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, financial statements of the governmental activities, business-type activities, each major fund, the aggregate remaining fund information, and each nonmajor governmental, internal service, and fiduciary funds of the Village of Wheeling, Illinois as of and for the year ended December 31, 2014, 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 2014 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 cursive script that reads "Silich LLP".

Naperville, Illinois
June 13, 2016

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2015

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, 2015. We encourage readers to consider the information presented here in conjunction with the financial statements.

FINANCIAL HIGHLIGHTS

The Village's adoption of GASB pronouncement 68, which established standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses for defined-benefit plans, required change in accounting principle adjustments of \$46,709,870 (to record the Police, Fire and IMRF net pension liabilities) in the governmental activities net position and \$627,912 in business-type net position (to record the IMRF net pension liability).

The Village's total net position is \$113,699,813, of which \$61,075,234 is represented by governmental activities and \$52,624,579 is represented by business-type activities. During the 12 months ended December 31, 2015, the prior year restated governmental net position of \$55,924,638 increased by \$5,150,596, or 9.2%, and business-type activities' prior year restated net position of \$52,632,591 decreased by \$8,012.

On December 31, 2015, the Village's governmental funds reported combined fund balances of \$29,403,749, an increase of \$2,875,228 in comparison with the prior year. Approximately 40% of this amount (\$11,771,279) is available for spending at the Village's discretion (*unassigned fund balance*). Changes in revenues and expenses of both governmental and business-type activities will be reviewed in greater detail under the Current Year Impacts of the Government-Wide Financial Statements section.

At the end of the current fiscal year, unrestricted fund balance (the total of the *committed*, *assigned*, and *unassigned* components of *fund balance*) for the general fund was \$13,702,880, or approximately 39% 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, 2015

Both government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities reflect the Village's basic services, including general government, public safety, highways and streets, airport – joint venture, and interest and fees. The business-type activities of the Village include a Water and Sewer operation.

The government-wide financial statements can be found on pages 4-7 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 thirteen (13) 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, but there were no other major funds in 2015. 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 8-12 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 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.

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2015

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 20-77 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 78-89 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 90-136 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.

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 and deferred outflows exceeded liabilities and deferred inflows by \$113,699,813 as of December 31, 2015. A summary of the Village's Statement of Net position is presented below in Table 1.

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2015

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

	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Assets						
Current and other assets	\$ 49,551	\$ 46,663	\$ 7,660	\$ 8,030	\$ 57,211	\$ 54,693
Capital assets	141,761	142,514	42,812	42,320	184,573	184,834
Investment in joint venture	-	-	6,966	6,990	6,966	6,990
Total Assets	191,312	189,177	57,438	57,340	248,750	246,517
Deferred Outflows of Resources						
Pension items	11,436	-	813	-	12,249	-
Other Deferred Outflows	4,637	4,992	13	14	4,650	5,006
Total Deferred Outflows	16,073	4,992	826	14	16,899	5,006
Total Assets and Deferred Outflows	207,385	194,169	58,264	57,354	265,649	251,523
Liabilities						
Current and other liabilities	7,851	8,853	300	402	8,151	9,255
Long-term liabilities	124,024	70,887	5,339	4,357	129,363	75,244
Total Liabilities	131,875	79,740	5,639	4,759	137,514	84,499
Deferred Inflows of Resources						
Pension Items	435	-	-	-	435	-
Property Tax	14,000	12,592	-	-	14,000	12,592
Total Deferred Inflows	14,435	12,592	-	-	14,435	12,592
Total Liabilities and Deferred Inflows	146,310	92,332	5,639	4,759	151,949	97,091
Net Position						
Net investment						
in capital assets	99,845	98,501	38,977	38,135	138,822	136,636
Restricted	10,113	8,763	-	-	10,113	8,763
Unrestricted (deficit)	(48,883)	(5,427)	13,647	14,460	(35,236)	9,033
Total net position	\$ 61,075	\$101,837	\$ 52,624	\$ 52,595	\$ 113,699	\$ 154,432

The largest portion of the Village's net position, \$138,821,741, 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 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 2015, the airport reported total non-depreciated assets of \$46,224,231 (i.e. the Village's proportionate share), a decrease of \$360,206 from last year.

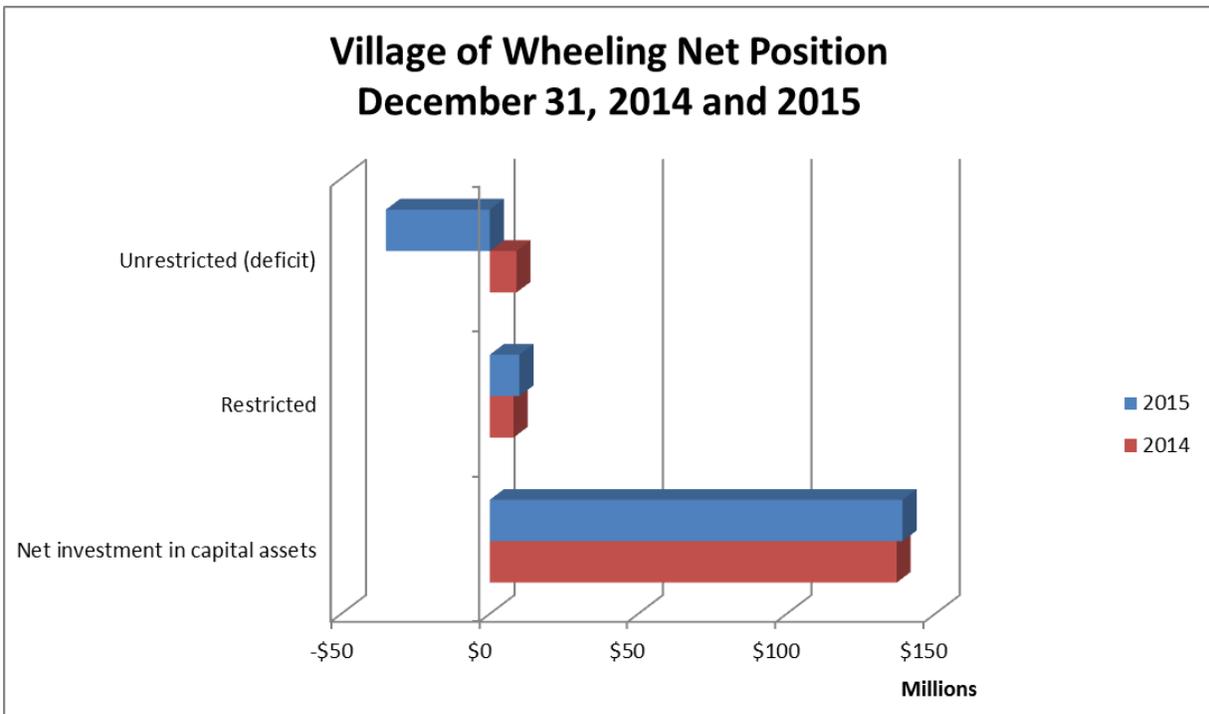
VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2015

An additional portion of the Village's net position, \$10,113,487, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, (-\$35,235,415), may be used to meet the government's ongoing obligation to citizens and creditors. This year, that number represents a deficit caused by the change in accounting principle described earlier.

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 increased by \$43,455,737 during the fiscal year, mainly as a result of the implementation of GASB Statement No 68.



The Village's total net position increased \$5,142,584 during the current fiscal year. The reasons for the overall increase 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, 2015

Table 2: Condensed Statement of Activities

	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program Revenues:						
Charges for services	\$ 6,590	\$ 4,849	\$ 8,657	\$ 7,958	\$ 15,247	\$ 12,807
Operating grants and contributions	1,136	1,468	-	-	1,136	1,468
Capital grants and contributions	1,006	386	-	-	1,006	386
General Revenue:						
Property taxes	21,898	20,077	-	-	21,898	20,077
Other taxes	17,362	16,594	-	-	17,362	16,594
Intergovernmental	5,282	4,714	-	-	5,282	4,714
Other	2,638	1,216	56	69	2,694	1,285
Total Revenues	55,912	49,304	8,713	8,027	64,625	57,331
Expenses:						
General government	16,160	17,398	-	-	16,160	17,398
Public safety	27,098	24,351	-	-	27,098	24,351
Highways and streets	4,740	8,266	-	-	4,740	8,266
Airport – joint venture	360	366	-	-	360	366
Interest and fees	2,975	3,115	-	-	2,975	3,115
Water and sewer	-	-	8,149	8,410	8,149	8,410
Total Expenses	51,333	53,496	8,149	8,410	59,482	61,906
Increase (Decrease) in Net Position Before Transfers	4,579	(4,192)	564	(383)	5,143	(4,575)
Transfers	572	531	(572)	(531)	-	-
Change in Net Position	5,151	(3,661)	(8)	(914)	5,143	(4,575)
Beginning Net Position	101,837	105,498	52,595	53,509	154,432	159,007
Change in accounting principle	(46,710)	-	(628)	-	(47,338)	-
Prior period adjustment	797	-	665	-	1,462	-
Beginning Net Position, Restated	55,924	105,498	52,632	53,509	108,556	159,007
Ending Net Position	61,075	101,837	52,624	52,595	113,699	154,432

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2015

Governmental Activities

During the current fiscal year, net position for governmental activities increased \$5,150,596 from the prior fiscal year for an ending balance of \$61,075,234.

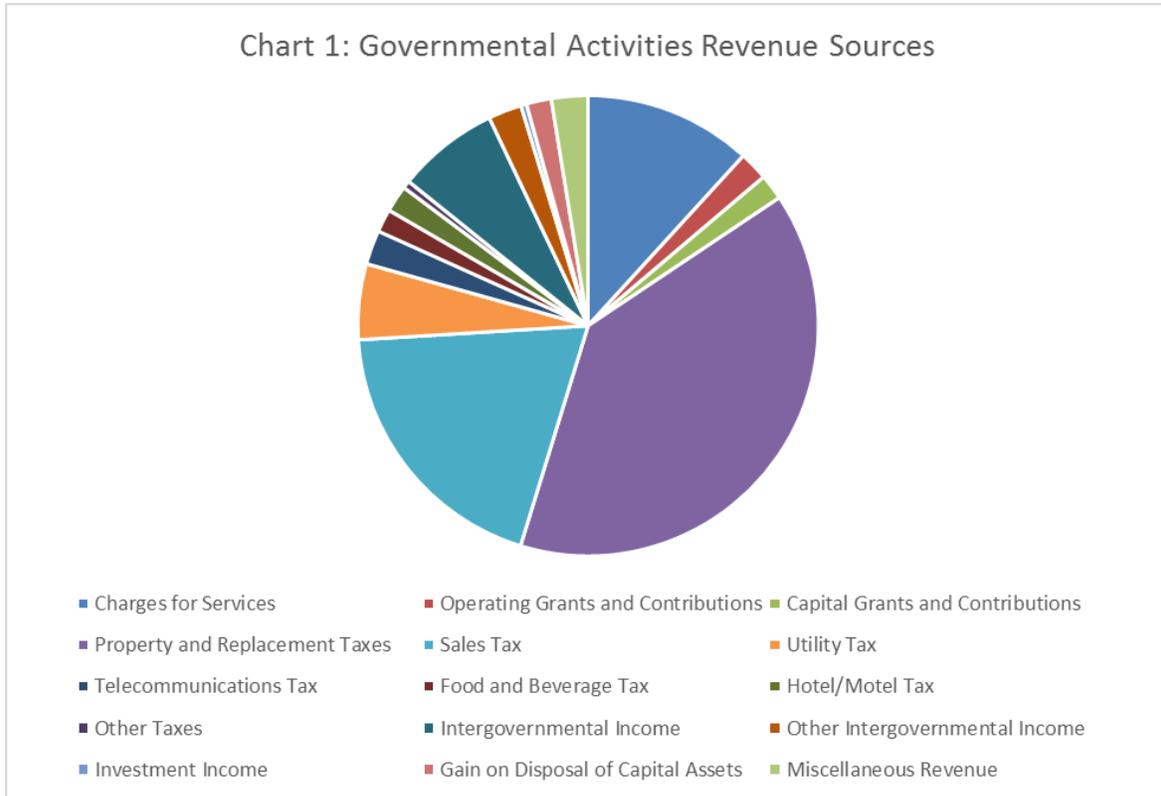
Current Year Impacts

- ◆ Property taxes increased 9.1% or \$1,820,179 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 8.8% or \$871,279 over the prior year.
- ◆ Utility taxes decreased 5.4% or \$169,794 over the prior year due to a mild winter.
- ◆ Telecommunication taxes decreased by 7.15% and are expected to continue to drop in the future as taxpayers eliminate their landlines.
- ◆ Intergovernmental revenue increased 12% or \$567,340 in fiscal year 2015 due to income tax and local use tax increases.
- ◆ Charges for services increased 35.9% or \$1,741,288 over the prior fiscal year due primarily to revenue from an intergovernmental agreement with the City of Des Plaines for emergency dispatching services and building permit fees related to the Northgate Crossings apartment project.
- ◆ General government expenses decreased 7.1% or \$1,239,276 over the prior fiscal year due to a reduction in Internal Service Fund expenditures and Capital Outlay expenditures.
- ◆ Public safety expenses increased 11.3% or \$2,746,935 over the prior fiscal year due to additional employer contributions to the police and fire pension fund and additional dispatching salaries.
- ◆ Highways and streets expenses decreased 42.7% or \$3,526,267 over the prior fiscal year due to decreases in capital outlay and capital improvements and TIF incentive payments.

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2015

Revenues

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



For the fiscal year ended December 31, 2015, revenues from governmental activities totaled \$55,911,663. Property taxes totaled \$21,897,622, representing 39.16% of total governmental funds’ revenue. Sales and use taxes account for 19.29% of revenue and charges for services represent 11.79% of total governmental activity revenue.

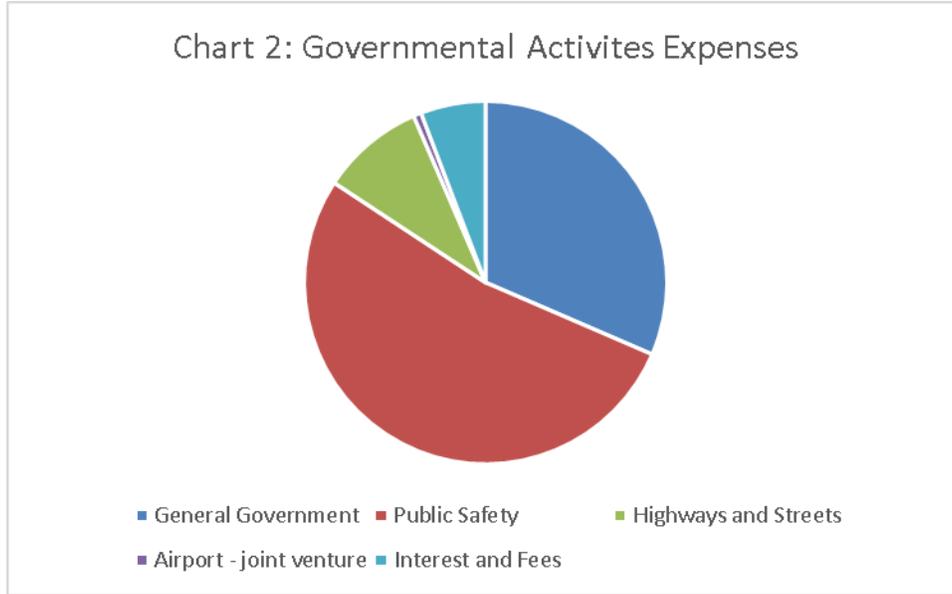
Property tax revenue increased from \$20,077,443 in fiscal year 2014 to \$21,897,622 in fiscal year 2015, an increase of \$1,820,179 or 9.1%. The Village experienced a 2.3% increase in its equalized assessed valuation (EAV) from \$838,147,451 in tax year 2013 to \$857,398,841 in tax year 2014.

<u>Levy Year</u>	<u>EAV</u>
2013	\$ 838,147,451
2014	\$ 857,398,841
Increase	\$ 19,251,390
% Increase	2.3%

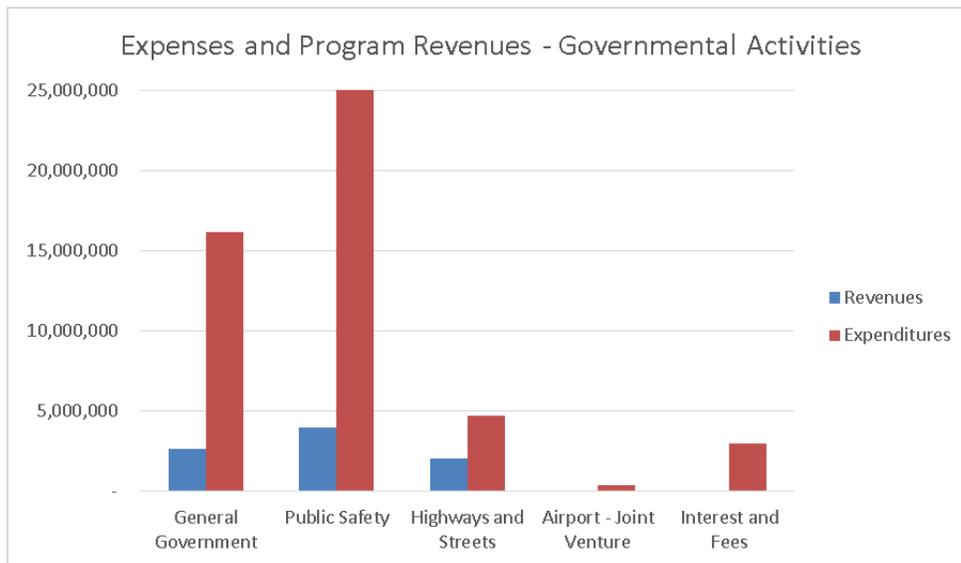
VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2015

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, 2015 expenses from governmental activities totaled \$51,333,324. Public Safety and General Government services account for 52.79% and 31.5% of all governmental activities expenses, respectively.



VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2015

Business-Type Activities

During the current fiscal year, net position for business-type activities decreased \$8,012 from the prior fiscal year for an ending balance of \$52,624,579.

Current Year Impacts

- ◆ Operating revenues were more than operating expenditures, including depreciation of \$1.3 million, by \$649,522.
- ◆ Water consumption increased 3.12% over the prior year, with water and sewer charges increasing \$668,707 or 8.7%.
- ◆ Connection fees increased \$64,430 or 178% over the prior year due to the Northgate Crossings development.
- ◆ Expenses relating to operation of water and wastewater departments decreased \$317,971 from the prior year due to completion of the water meter replacement program in the prior year.

Financial Analysis of the Village Funds

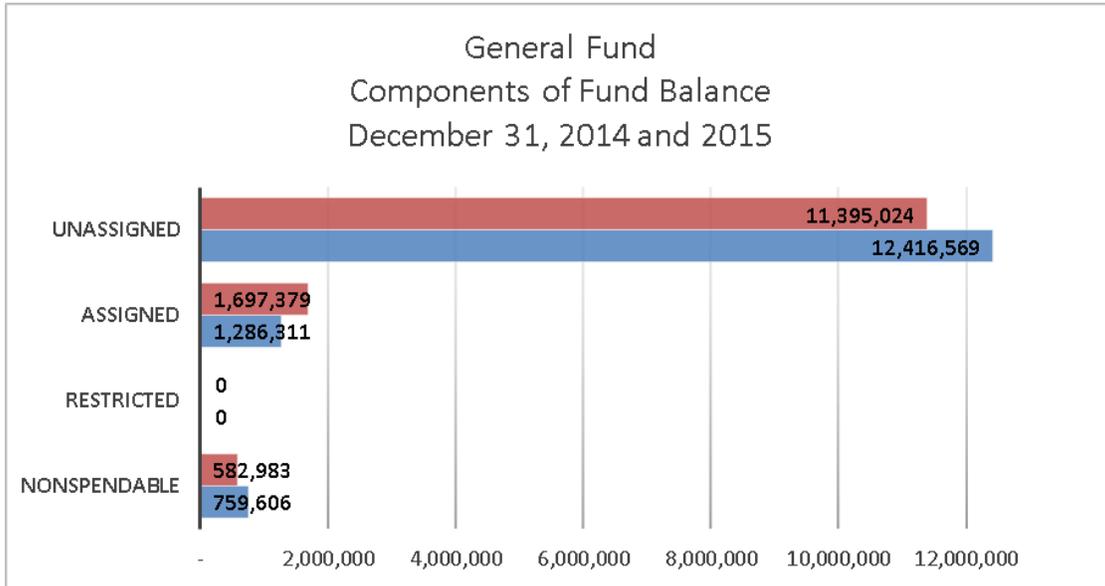
As noted earlier, the Village of Wheeling uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

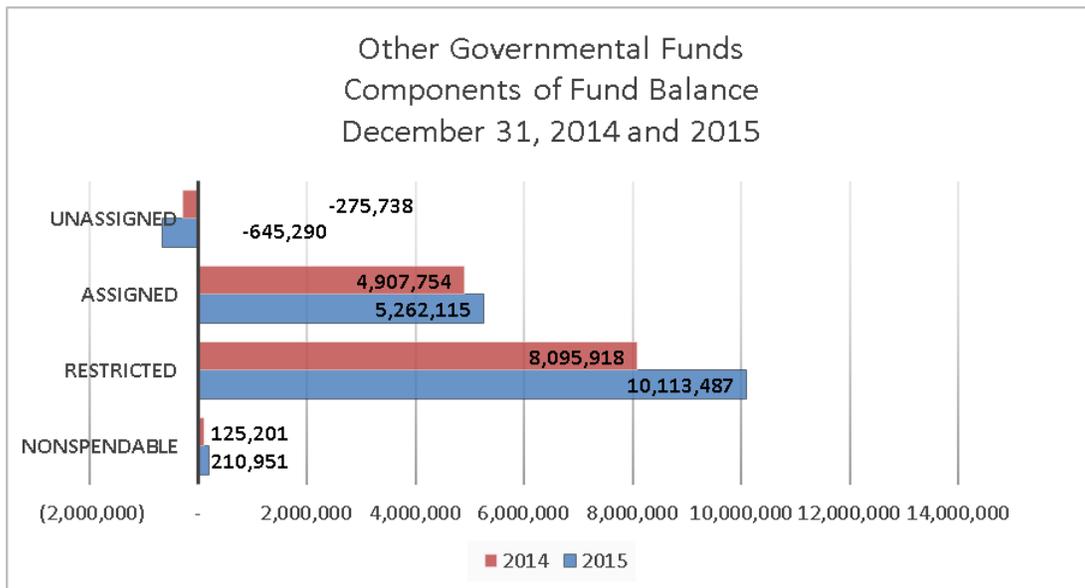
The focus of the Village's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's 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, 2015, the governmental funds reported a combined fund balance of \$29,403,749, which is almost an 11% increase from the beginning of the year of \$26,528,521. Approximately 40% of this amount (\$11,771,279) 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 (\$970,557), 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 (\$10,113,487) or 3) assigned (\$6,548,426) 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, 2015



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 \$12,416,569. The total fund balance in the General Fund increased from \$13,675,386 in fiscal year 2014 to \$14,462,486 or 5.76% in fiscal year 2015. 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 34.9% of total General Fund expenditures, while total fund balance represents approximately 40.64% of that same amount. The increase in fund balance is largely due to one-time sales tax revenue distributions, unanticipated revenue, and income tax revenue which was higher than expected.



VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2015

All other governmental funds were considered non-major in 2015. The Village maintains (5) separate funds created to account for the revenues and expenditures related to the Village's Tax Increment Financing (TIF) redevelopment areas. The (5) separate funds combined for a net increase of \$1,191,976 for a total fund balance of \$5,761,990. The growth in the Equalized Assessed Value of these districts resulted in revenue from property tax increment that came in over budget by \$1,225,924.

The Village maintains (2) two additional Capital Projects Funds, including a Capital Equipment Replacement Fund. The sale of the senior center and fewer streetscape improvement expenditures than budgeted led to a net increase in fund balance of \$1,538,990. Expenditures exceeded revenue in the CERF Fund due to the need to purchase a new fire engine and a fire truck, and other vehicle replacements. The fund produced a net decrease in fund balance of \$518,431, reducing fund balance to \$4,389,323.

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 \$13,647,217. The proprietary funds' total net position decreased by \$8,012, or 0.02%, from a restated January 1st net position of \$52,632,591 to \$52,624,579 at December 31, 2015.

General Fund Budgetary Highlights

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

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

Revenue Source	Budgeted Revenues	Actual Revenues	Difference	% Difference
Sales Tax	5,944,148	6,739,449	795,301	13.38%
Income Tax	3,756,480	4,005,867	249,387	6.64%
Local Use Tax	734,865	843,696	108,831	14.81%
Video Gaming Tax	97,000	178,437	81,437	83.96%
Hotel Motel Tax	947,856	1,048,308	100,452	10.60%
Red Light Violations	250,000	417,117	167,117	66.85%
Telecommunication Tax	1,456,000	1,342,101	(113,899)	-7.82%
Building Permits	647,331	559,272	(88,059)	-13.60%
	13,833,680	15,134,247	1,300,567	9.40%

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2015

Income tax came in more than 6% higher than budgeted and local use tax was almost 15% over budget as the economy continued to improve. Four separate one-time sales tax distributions during the year led to \$795,301 in revenue over what was budgeted in 2015.

Telecommunication tax has seen a steady decrease over the past three fiscal years. Staff believes this trend will continue as landline use continues to decline.

Video Gaming participation from Wheeling businesses continues to exceed what the Village originally anticipated. The Village's 11 participating establishments operate a total 48 machines that collected over \$3.5 million in 2015, netting the Village \$178,437.

The installation of new high resolution cameras allowed for closer inspection of red light violations and increased revenue. More than 8,700 tickets were issued in 2015, an increase of over 25% compared to 2014.

The most significant differences between budgeted expenditures were as follows:

Expenditure Type	Budgeted Expenditures	Actual Expenditures	Difference	% Difference
Fire department	10,151,809	10,368,348	216,539	2.13%
Police department	12,139,885	11,942,552	(197,333)	-1.63%
Dispatching	2,204,913	2,080,798	(124,115)	-5.63%
Community Development	2,139,842	1,956,598	(183,244)	-8.56%
CIP engineering	255,934	147,438	(108,496)	-42.39%
	<u>26,892,383</u>	<u>26,495,734</u>	<u>(396,649)</u>	<u>-1.47%</u>

Personnel services in the Fire Department and Public Works Administration Division were primarily due to overtime expenditures related to an injury and retirement.

Savings in the Community Development department, Finance Department, and the CIP engineering Department were due to vacancies that reduced overall salary and benefit expenditures.

Overtime and health insurance expenditures in the Police Department and Dispatching Division were less than budgeted leading to savings in personnel services. The Police department reduced overtime mid-year through scheduling changes.

In addition, low fuel prices also produced significant savings in Public Works Departments and the Police Department.

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2015

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, 2015 amounts to \$184,572,434. 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 decrease of capital assets (including additions, developer contributions, and retirements) of \$904,088.

Table 3: Capital Assets

	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Land	\$ 26,816,837	\$ 26,837,555	\$567,510	\$567,510	\$27,384,347	\$27,405,065
Land right of way	11,624,192	11,624,192	-	-	11,624,192	11,624,192
Airport(joint venture)	46,224,231	46,584,437	-	-	46,224,231	46,584,437
Buildings & Improvements	57,381,185	58,117,574	-	-	57,381,185	58,117,574
Vehicles, equipment, & furniture	9,502,933	9,695,361	2,929,872	2,808,176	12,432,805	12,503,537
Infrastructure	30,218,626	28,647,671	-	-	30,218,626	28,647,671
Water System Improvements	-	-	43,579,125	42,812,314	43,579,125	42,812,314
Sewer System Improvements	-	-	18,280,570	18,169,798	18,280,570	18,169,798
Construction in progress	885,885	-	-	-	885,885	-
Total Capital Assets	182,653,889	181,506,790	\$65,357,077	\$64,357,798	248,010,966	245,864,588
Less: Accumulated depreciation	(40,893,425)	(38,992,817)	(22,545,107)	(21,395,249)	(63,438,532)	(60,388,066)
Total	141,760,464	142,513,973	42,811,970	42,962,549	184,572,434	185,476,522

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

- ◆ Acceptance of sanitary sewer infrastructure which was necessary when the State of Illinois dissolved the Old Town Sanitary District. In accordance with GASB Statement 69, this was recorded as a prior period adjustment for a change in the reporting entity.
- ◆ Completion of the 2015 Watermain Project, which reconstructed watermain on Sherwood, Glendale, 5th & 6th streets.
- ◆ Completion of the Jeffery Avenue Bridge construction.
- ◆ Completion of the reconstruction of Springview Court, Buxton Court, and Heather Court.
- ◆ Improvements to the Mercantile Court storm water infrastructure.
- ◆ Sale of the Senior Center building, located at 199 First Street, for \$872,792.
- ◆ Completion of most of the work necessary to manufacture a new fire truck and a fire engine. These vehicles will be completed in fiscal year 2016.
- ◆ Purchase of 5 police vehicles and 4 public works vehicles totaling \$521,681.
- ◆ Retirement of 24 vehicles as part of a revised CERF Policy that will reduce the total number of vehicles in the fleet by handing down vehicles from the Public Safety Departments to other departments.

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

VILLAGE OF WHEELING, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

DECEMBER 31, 2015

Long-term Debt. The Village, under its home rule authority, does not have a legal debt limit. In December 2015, Fitch Ratings affirmed the Village's AA+ bond rating. In their report, Fitch indicated that the affirmed rating reflects, "The Village's stable financial operations and substantial level of 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 AA bond rating with Standard & Poor's was also affirmed in December 2015. In their report, Standard & Poor's indicated that their rating reflects the Village's, "strong management, with "good" financial policies and practices under our financial management assessment methodology." However, they also noted that the Village has "...a large pension and other postemployment benefit (OPEB) obligation and the lack of a plan to sufficiently address the obligation."

The Village's net pension liability increased \$12,015,377 (25.9%) in 2015. Annual changes to the net pension liability can be volatile. The increases in 2015 can be attributed to a change in assumptions and lower than expected investment returns. The Village Board did not pass a formal funding policy with the adoption of GASB pronouncement 68, instead opting to pass a General Fund surplus policy that requires the Village Board to consider contributing General Fund surpluses to the three defined benefit plans. The Village Board approved a surplus distribution of \$1 million to the three defined benefit plans at the end of 2015.

At the end of the current fiscal year, the Village had total bonded debt outstanding of \$64,510,000. Of this amount, \$49,165,000 comprises debt backed by the full faith and credit of the government and \$15,345,000 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 \$2,559,796 related to a tax increment revenue note, issued for economic development purposes.

The Village's total general obligation bond related debt decreased by \$2,235,000 (4.4%) from 2014.

During the current fiscal year, the Village retired \$1,889,937 of general bond principal and \$345,063 of the water and sewer funded debt. The Village also retired \$865,000 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 \$736,635 of note principal and accrued \$191,261 of interest payable, which resulted in a net decrease of \$545,374.

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2015

	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Bonds and Notes Payable						
General obligation bonds	\$45,402,274	\$47,292,211	\$3,762,726	\$4,107,789	\$49,165,000	\$51,400,000
TIF revenue bonds	15,345,000	16,210,000	-	-	15,345,000	16,210,000
Tax Increment Revenue Note	2,559,796	3,105,170	-	-	2,559,796	3,105,170
Premium on bonds payable	295,901	330,567	84,463	91,036	380,364	421,603
Other liabilities						
Vested compensated absences	2,233,641	2,224,297	157,744	155,797	2,391,385	2,380,094
Insurance claims payable	778,848	1,691,193	-	-	778,848	1,691,193
Net pension liability - IMRF	7,523,908	3,558,166	1,327,748	627,912	8,851,656	4,186,078
Net pension liability - police pension	22,807,600	19,803,210	-	-	22,807,600	19,803,210
Net pension liability - fire pension	26,675,369	22,329,960	-	-	26,675,369	22,329,960
Other post employment benefits	401,542	33,625	6,081	2,781	407,623	36,406
Total	124,023,879	116,578,399	5,338,762	4,985,315	129,362,641	121,563,714

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

Economic factors and next year's budget

The following economic and budgetary factors were considered in developing the 2016 fiscal year budget.

- The unemployment rate for the Village of Wheeling is currently 4.7%, which is a decrease from the rate of 5.9% a year ago and the lowest rate since 2008.
- A 3.00% increase in water rates and sewer rates beginning on January 1, 2016 in an effort to cover operating expenses in the Enterprise Funds.
- The addition of a new capital projects fund (stormwater fund) and stormwater fee beginning January 1, 2016. The stormwater fee will be a \$2 per month for residential properties and \$2 per Equivalent Runoff Unit per month for nonresidential properties. The fees will be used to fund future stormwater projects.
- The Village was awarded a \$4 million CDBG Grant to assist with the relocation of the Fox Point Mobile Home Park, which will begin in fiscal year 2016.
- A property tax increase of \$1,408,317 to fund increases in recurring expenditure obligations.
- The Village assigned fund balance of \$872,792 for future senior center capital expenditures.
- The Village will begin negotiating new contracts with 4 separate unions in fiscal year 2016.
- A full contribution in the scheduled transfer to the Capital Equipment Replacement Fund.
- Anticipated increases in health insurance premiums, as well as pension and other employee benefit costs.
- The Village of Wheeling continues to be self-insured for losses from errors and omissions, liability, and workers' compensation.

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, 2015

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 28,061,638	\$ 4,465,193	\$ 32,526,831
Receivables (net where applicable of allowance for uncollectibles)			
Property taxes	14,155,427	9,712	14,165,139
Sales taxes	2,936,849	-	2,936,849
Income taxes	773,045	-	773,045
Telecommunications tax	349,096	-	349,096
Accounts	522,602	1,830,480	2,353,082
Accrued interest	45,599	3,896	49,495
IPBC	1,286,311	98,557	1,384,868
Other	1,161,817	526	1,162,343
Prepaid expenses	533,866	141,295	675,161
Inventory	436,774	246,801	683,575
Due from other governments	151,887	-	151,887
Advances to other funds	(863,629)	863,629	-
Capital assets not being depreciated	85,551,145	567,510	86,118,655
Capital assets being depreciated, net of accumulated depreciation	56,209,319	42,244,460	98,453,779
Investment in joint venture	-	6,965,532	6,965,532
Total assets	191,311,746	57,437,591	248,749,337
DEFERRED OUTFLOWS OF RESOURCES			
Swap agreement	4,066,825	-	4,066,825
Pension items - police pension	3,019,921	-	3,019,921
Pension items - firefighters' pension	3,805,859	-	3,805,859
Pension items - IMRF	4,609,882	813,509	5,423,391
Unamortized loss on refunding	570,278	12,581	582,859
Total deferred outflows of resources	16,072,765	826,090	16,898,855
Total assets and deferred outflows of resources	207,384,511	58,263,681	265,648,192
LIABILITIES			
Accounts payable	1,633,640	194,820	1,828,460
Accrued payroll	51,921	1,142	53,063
Deposits payable	144,309	53,856	198,165
Unearned revenue	378,473	41,523	419,996
Due to fiduciary funds	970,788	-	970,788
Interest payable	604,690	8,999	613,689
Interest rate swap agreement	4,066,825	-	4,066,825
Long-term liabilities			
Due within one year	4,492,374	423,173	4,915,547
Due in more than one year	119,531,505	4,915,589	124,447,094
Total liabilities	131,874,525	5,639,102	137,513,627
DEFERRED INFLOWS OF RESOURCES			
Pension items - police pension	434,752	-	434,752
Deferred revenue - property taxes	14,000,000	-	14,000,000
Total deferred inflows of resources	14,434,752	-	14,434,752
Total liabilities and deferred inflows of resources	146,309,277	5,639,102	151,948,379

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

STATEMENT OF NET POSITION (Continued)

December 31, 2015

	Governmental Activities	Business-Type Activities	Total
NET POSITION			
Net investment in capital assets	\$ 99,844,379	\$ 38,977,362	\$ 138,821,741
Restricted for			
Capital projects	1,979,004	-	1,979,004
Highways and streets	1,133,043	-	1,133,043
Public safety	476,106	-	476,106
Economic development	6,403,505	-	6,403,505
Debt service	121,829	-	121,829
Unrestricted (deficit)	(48,882,632)	13,647,217	(35,235,415)
TOTAL NET POSITION	\$ 61,075,234	\$ 52,624,579	\$ 113,699,813

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2015

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
FUNCTIONS/PROGRAMS				
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 16,160,019	\$ 2,660,037	\$ -	\$ -
Public safety	27,098,130	3,816,401	184,315	-
Highways and streets	4,739,565	113,508	952,026	1,005,525
Airport - joint venture	360,206	-	-	-
Interest and fees	2,975,404	-	-	-
Total governmental activities	51,333,324	6,589,946	1,136,341	1,005,525
Business-Type Activities				
Water and sewer	8,149,116	8,657,219	-	-
Total business-type activities	8,149,116	8,657,219	-	-
TOTAL PRIMARY GOVERNMENT	\$ 59,482,440	\$ 15,247,165	\$ 1,136,341	\$ 1,005,525

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (13,499,982)	\$ -	\$ (13,499,982)
	(23,097,414)	-	(23,097,414)
	(2,668,506)	-	(2,668,506)
	(360,206)	-	(360,206)
	(2,975,404)	-	(2,975,404)
	(42,601,512)	-	(42,601,512)
	-	508,103	508,103
	-	508,103	508,103
	(42,601,512)	508,103	(42,093,409)
General Revenues			
Taxes			
Property	21,897,622	-	21,897,622
Sales	10,786,813	-	10,786,813
Utility	2,973,641	-	2,973,641
Telecommunications	1,342,101	-	1,342,101
Food and beverage	911,165	-	911,165
Hotel/motel	1,048,308	-	1,048,308
Other	300,419	-	300,419
Intergovernmental			
Income	4,005,867	-	4,005,867
Other	1,275,782	-	1,275,782
Investment income	223,774	37,327	261,101
Gain on disposal of capital assets	979,001	18,815	997,816
Miscellaneous	1,435,358	-	1,435,358
Transfers	572,257	(572,257)	-
Total	47,752,108	(516,115)	47,235,993
CHANGE IN NET POSITION	5,150,596	(8,012)	5,142,584
NET POSITION, JANUARY 1	101,837,188	52,595,353	154,432,541
Change in accounting principle	(46,709,870)	(627,912)	(47,337,782)
Prior period adjustment	797,320	665,150	1,462,470
NET POSITION, JANUARY 1, RESTATED	55,924,638	52,632,591	108,557,229
NET POSITION, DECEMBER 31	\$ 61,075,234	\$ 52,624,579	\$ 113,699,813

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

GOVERNMENTAL FUNDS

BALANCE SHEET

December 31, 2015

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and investments	\$ 9,617,721	\$ 15,799,109	\$ 25,416,830
Receivables (net where applicable of allowance for uncollectibles)			
Property taxes	12,427,824	1,727,603	14,155,427
Sales taxes	2,936,849	-	2,936,849
Income taxes	773,045	-	773,045
Telecommunications tax	349,096	-	349,096
Accounts	-	202,578	202,578
Accrued interest	20,508	21,510	42,018
IPBC	1,286,311	-	1,286,311
Other	875,116	286,701	1,161,817
Prepaid items	471,750	62,033	533,783
Inventory	287,856	148,918	436,774
Due from other funds	87,550	2,555,235	2,642,785
Due from other governments	-	151,887	151,887
TOTAL ASSETS	<u>\$ 29,133,626</u>	<u>\$ 20,955,574</u>	<u>\$ 50,089,200</u>

	General	Nonmajor Governmental Funds	Total Governmental Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 1,090,796	\$ 542,750	\$ 1,633,546
Accrued payroll	46,491	5,430	51,921
Deposits payable	144,309	-	144,309
Unearned revenue	119,976	258,497	378,473
Due to other funds	-	2,642,785	2,642,785
Due to fiduciary funds	970,788	-	970,788
Advance from other funds	-	863,629	863,629
Total liabilities	<u>2,372,360</u>	<u>4,313,091</u>	<u>6,685,451</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	<u>12,298,780</u>	<u>1,701,220</u>	<u>14,000,000</u>
Total deferred inflows of resources	<u>12,298,780</u>	<u>1,701,220</u>	<u>14,000,000</u>
Total liabilities and deferred inflows of resources	<u>14,671,140</u>	<u>6,014,311</u>	<u>20,685,451</u>
FUND BALANCES			
Nonspendable			
Prepaid items	471,750	62,033	533,783
Inventory	287,856	148,918	436,774
Restricted			
Capital projects	-	1,979,004	1,979,004
Highways and streets	-	1,133,043	1,133,043
Public safety	-	476,106	476,106
Economic development	-	6,403,505	6,403,505
Debt service	-	121,829	121,829
Assigned			
Health insurance	1,286,311	-	1,286,311
Capital improvements	-	4,389,323	4,389,323
Senior Center	-	872,792	872,792
Unassigned, reported in			
General Fund	12,416,569	-	12,416,569
Special Revenue Funds	-	(2,030)	(2,030)
Capital Projects Funds	-	(643,260)	(643,260)
Total fund balances	<u>14,462,486</u>	<u>14,941,263</u>	<u>29,403,749</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 29,133,626</u>	<u>\$ 20,955,574</u>	<u>\$ 50,089,200</u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2015

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 29,403,749
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	141,760,464
The loss on refunding of bonds is capitalized and amortized over the life of the bonds on the statement of net position	570,278
Differences between expected and actual experiences, assumption changes, and net difference between projected and actual earnings for the Police Pension Fund are recognized as deferred outflows and inflows of resources on the statement of net position	2,585,169
Differences between expected and actual experiences, assumption changes, and net difference between projected and actual earnings for the Firefighters' Pension Fund are recognized as deferred outflows and inflows of resources on the statement of net position	3,805,859
Differences between expected and actual experiences, assumption changes, and net difference between projected and actual earnings for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position	4,609,882
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation bonds	(45,402,274)
Tax increment revenue bonds	(15,345,000)
Tax increment revenue note	(2,559,796)
Net pension liability - police pension	(22,807,600)
Net pension liability - firefighters' pension	(26,675,369)
Net pension liability - IMRF	(7,523,908)
Premium on bonds payable	(295,901)
Compensated absences payable	(2,233,641)
Other postemployment benefit obligation	(401,542)
Accrued interest on long-term liabilities is reported as a liability on the statement of net position	(604,690)
The net position of the Internal Service Fund is included in the governmental activities in the statement of net position	<u>2,189,554</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 61,075,234</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, 2015

	General	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	\$ 25,317,613	\$ 13,643,423	\$ 38,961,036
Licenses and permits	956,338	-	956,338
Intergovernmental	6,761,148	1,455,164	8,216,312
Charges for services	2,244,662	922,535	3,167,197
Fines and forfeits	959,311	-	959,311
Investment income	97,630	126,144	223,774
Miscellaneous	1,305,352	268,682	1,574,034
Total revenues	37,642,054	16,415,948	54,058,002
EXPENDITURES			
Current			
General government	10,997,647	-	10,997,647
Public safety	24,391,698	862,729	25,254,427
Highways and streets	-	1,730,257	1,730,257
Capital outlay	-	4,544,038	4,544,038
Capital improvements	-	3,938,170	3,938,170
Debt service			
Principal	193,283	3,298,289	3,491,572
Interest and fiscal charges	-	2,777,921	2,777,921
Total expenditures	35,582,628	17,151,404	52,734,032
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,059,426	(735,456)	1,323,970
OTHER FINANCING SOURCES (USES)			
Proceeds on sale of capital assets	57,674	921,327	979,001
Transfers in	-	6,490,141	6,490,141
Transfers (out)	(1,330,000)	(4,587,884)	(5,917,884)
Total other financing sources (uses)	(1,272,326)	2,823,584	1,551,258
NET CHANGE IN FUND BALANCES	787,100	2,088,128	2,875,228
FUND BALANCES, JANUARY 1	13,675,386	12,853,135	26,528,521
FUND BALANCES, DECEMBER 31	\$ 14,462,486	\$ 14,941,263	\$ 29,403,749

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, 2015

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 2,875,228
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized on the statement of net position and depreciated on the statement of activities	1,915,484
Depreciation expense does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds	(2,942,636)
Proceeds from the disposal of capital assets are recognized in governmental funds but the gain (loss) is recognized on the statement of activities	(240,811)
The decrease in equity of joint venture is reported on the statement of activities	(360,206)
Contribution of capital assets are reported only in the statement of activities	874,660
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	3,491,572
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	(67,946)
Accretion of bonds is reported as interest expense on the statement of activities	(191,261)
The increase of accrued interest payable is shown as an increase of expense on the statement of activities	27,058
The increase in compensated absences payable is shown as an increase of the statement of activities	(9,344)
The change in the other postemployment benefit obligation	(367,917)
The change in the Police Pension Fund net pension liability and deferred outflows/inflows of resources is not a source or use of financial resources	(419,221)
The change in the Firefighters' Pension Fund net pension liability and deferred outflows of resources is not a source or use of a financial resource	(539,550)
The change in the Illinois Municipal Retirement Fund net pension liability and deferred outflows of resources is not a source or use of a financial resource	644,140
The change in net position of internal service funds is reported in governmental activities	<u>426,680</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 5,150,596</u></u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

December 31, 2015

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CURRENT ASSETS		
Cash and investments	\$ 4,465,193	\$ 2,644,808
Receivables (net where applicable of allowance for uncollectibles)		
Accounts	1,830,480	320,024
Taxes	9,712	-
Accrued interest	3,896	3,581
IPBC	98,557	-
Other	526	-
Prepaid expenses	141,295	83
Inventory	246,801	-
Total current assets	<u>6,796,460</u>	<u>2,968,496</u>
NONCURRENT ASSETS		
Capital assets		
Assets not being depreciated	<u>567,510</u>	-
Assets being depreciated		
Cost	64,789,567	-
Accumulated depreciation	<u>(22,545,107)</u>	-
Net capital assets being depreciated	<u>42,244,460</u>	-
Net capital assets	42,811,970	-
Advances to other funds	863,629	-
Investment in joint ventures	<u>6,965,532</u>	-
Total noncurrent assets	<u>50,641,131</u>	-
Total assets	<u>57,437,591</u>	<u>2,968,496</u>
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized loss on refunding	12,581	-
Pension items - IMRF	<u>813,509</u>	-
Total deferred outflows of resources	<u>826,090</u>	-
Total assets and deferred outflows of resources	<u>58,263,681</u>	<u>2,968,496</u>

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET POSITION (Continued)

December 31, 2015

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CURRENT LIABILITIES		
Accounts payable	\$ 194,820	\$ 94
Accrued payroll	1,142	-
Compensated absences payable	70,985	-
Deposits payable	53,856	-
Unearned revenue	41,523	-
Interest payable	8,999	-
Bonds payable	352,188	-
Claims payable	-	389,424
	<hr/>	<hr/>
Total current liabilities	723,513	389,518
NONCURRENT LIABILITIES		
Claims payable	-	389,424
General obligation bonds payable (less current portion)	3,495,001	-
Compensated absences payable (less current portion)	86,759	-
Net pension liability - IMRF	1,327,748	-
Other postemployment benefit obligation	6,081	-
	<hr/>	<hr/>
Total noncurrent liabilities	4,915,589	389,424
	<hr/>	<hr/>
Total liabilities	5,639,102	778,942
NET POSITION		
Net investment in capital assets	38,977,362	-
Unrestricted	13,647,217	2,189,554
	<hr/>	<hr/>
TOTAL NET POSITION	\$ 52,624,579	\$ 2,189,554

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, 2015

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
OPERATING REVENUES		
Charges for services		
Water sales and sewer charges	\$ 8,393,686	\$ -
Connection fees	100,618	-
Meter sales	40,578	-
Liability insurance charges	-	1,508,423
Other	147,164	19,710
	<hr/>	<hr/>
Total operating revenues	8,682,046	1,528,133
OPERATING EXPENSES EXCLUDING DEPRECIATION		
Waterworks division	4,273,644	-
Sewer division	1,678,035	-
Water and sewer capital division	804,106	-
Insurance and claims	-	1,127,835
	<hr/>	<hr/>
Total operating expenses excluding depreciation	6,755,785	1,127,835
OPERATING INCOME BEFORE DEPRECIATION	1,926,261	400,298
DEPRECIATION	1,276,739	-
OPERATING INCOME	<hr/>	<hr/>
	649,522	400,298
NON-OPERATING REVENUES (EXPENSES)		
Investment income	37,327	26,382
Interest expense and fees	(116,592)	-
Gain on disposal of capital assets	18,815	-
Increase (decrease) in joint venture	(24,827)	-
	<hr/>	<hr/>
Total non-operating revenues (expenses)	(85,277)	26,382
INCOME BEFORE TRANSFERS	<hr/>	<hr/>
	564,245	426,680
TRANSFERS		
Capital Equipment Replacement Fund	10,643	-
Debt Service Fund	(582,900)	-
	<hr/>	<hr/>
Total transfers	(572,257)	-
CHANGE IN NET POSITION	<hr/>	<hr/>
	(8,012)	426,680
NET POSITION, JANUARY 1	52,595,353	965,554
Change in accounting principle	(627,912)	-
Prior period adjustment	665,150	797,320
	<hr/>	<hr/>
NET POSITION, JANUARY 1, RESTATED	52,632,591	1,762,874
NET POSITION, DECEMBER 31	<hr/>	<hr/>
	\$ 52,624,579	\$ 2,189,554

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2015

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 8,619,607	\$ -
Receipts from internal service transactions	-	1,508,423
Receipts of miscellaneous revenue	-	19,710
Payments to suppliers	(3,815,170)	(1,570,842)
Payments for interfund services	(1,237,488)	-
Payments to employees	(1,878,056)	-
Net cash from operating activities	<u>1,688,893</u>	<u>(42,709)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Receipts from other governments	24,291	-
Transfers in	10,643	-
Transfers (out)	(582,900)	-
Advances to other funds	113,238	-
Net cash from noncapital financing activities	<u>(434,728)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	(1,243,384)	-
Proceeds from disposal of capital assets	18,815	-
Principal paid on general obligation bonds	(345,063)	-
Interest and fees paid on general obligation bonds	(122,098)	-
Net cash from capital and related financing activities	<u>(1,691,730)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of investment securities	541,077	-
Interest on investments	53,206	34,672
Net cash from investing activities	<u>594,283</u>	<u>34,672</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	156,718	(8,037)
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>1,045,705</u>	<u>369,598</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u><u>\$ 1,202,423</u></u>	<u><u>\$ 361,561</u></u>

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS (Continued)

For the Year Ended December 31, 2015

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CASH AND INVESTMENTS		
Cash and cash equivalents	\$ 1,202,423	\$ 361,561
Investments	3,262,770	2,283,247
TOTAL CASH AND INVESTMENTS	\$ 4,465,193	\$ 2,644,808
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income	\$ 649,522	\$ 400,298
Adjustments to reconcile operating income to net cash from operating activities		
Depreciation	1,276,739	-
Changes in current assets and liabilities		
Accounts receivable	(69,897)	(140,616)
IPBC receivable	(27,057)	-
Inventory	(30,398)	-
Prepaid expenses	(5,280)	113
Accounts payable	69,834	(8,070)
Claims and judgments payable	-	(294,434)
Accrued payroll	(73,602)	-
Net pension liability and deferred outflows of resources	(113,673)	-
Compensated absences payable	1,947	-
Other postemployment benefit obligation	3,300	-
Deposits payable	7,035	-
Unearned revenue	423	-
NET CASH FROM OPERATING ACTIVITIES	\$ 1,688,893	\$ (42,709)
NONCASH TRANSACTIONS		
Increase (decrease) in joint venture	\$ (24,827)	-
TOTAL NONCASH TRANSACTIONS	\$ (24,827)	-

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PENSION TRUST FUNDS

STATEMENT OF FIDUCIARY NET POSITION

December 31, 2015

ASSETS

Cash and short-term investments	<u>\$ 2,318,074</u>
Investments at fair value	
U.S. Treasury and agency obligations	16,968,464
State and local obligations	4,413,480
Corporate bonds	11,121,346
Mutual funds	36,859,464
Equities	<u>5,947,506</u>
Total investments	<u>75,310,260</u>
Receivables	
Accrued interest	271,308
Due from General Fund	<u>970,788</u>
Total receivables	<u>1,242,096</u>
Prepaid items	<u>2,443</u>
Total assets	<u>78,872,873</u>

LIABILITIES

Accounts payable	<u>22,707</u>
Total liabilities	<u>22,707</u>

**NET POSITION RESTRICTED
FOR PENSIONS**

\$ 78,850,166

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, 2015

ADDITIONS

Contributions	
Employer	\$ 4,319,242
Employee	<u>1,182,873</u>
Total contributions	<u>5,502,115</u>
Investment income	
Net appreciation (depreciation) in fair value of investments	(2,864,683)
Interest	<u>3,255,719</u>
Total investment income	391,036
Less investment expenses	<u>144,377</u>
Net investment income	<u>246,659</u>
Total additions	<u>5,748,774</u>

DEDUCTIONS

Benefits and refunds	5,255,670
Administrative expenses	<u>72,760</u>
Total deductions	<u>5,328,430</u>

NET INCREASE 420,344

NET POSITION RESTRICTED FOR PENSIONS

January 1	<u>78,429,822</u>
December 31	<u><u>\$ 78,850,166</u></u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

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 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.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

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.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Cash and Investments

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

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

f. Interfund Receivables/Payables

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

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

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

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

g. Property Taxes

Property taxes are levied in December of each year on all taxable real property in the Village and attach as an enforceable lien on the property as of the preceding January 1. Tax bills are prepared by the County and are payable in two installments on or about March 1 (Cook County) and June 1 (Lake County) and on or about August 1 (Cook County) and September 1 (Lake County). The County Collector collects such taxes and remits them periodically. A reduction for collection losses, based on historical collection experience, has been provided to reduce the taxes receivable to the estimated amounts to be collected. Since the 2015 levy is intended to finance the 2016 fiscal year, the levy has been recorded as a receivable and deferred inflow of resources.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Inventories and Prepaid Items/Expenses

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

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

i. Capital Assets

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

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Compensated Absences

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

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

To be eligible for SLDPA benefits, the employees must:

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

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Long-Term Obligations

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

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

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

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 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. Deficit fund balances of other governmental funds are also reported as unassigned.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Fund Balance/Net Position (Continued)

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

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

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

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, 2015:

Investment Type	Fair Value	Investment Maturities in Years			
		Less Than 1	1-5	6-10	Greater than 10
Negotiable certificates of deposit	\$ 20,219,470	\$ 4,772,507	\$ 15,446,963	\$ -	\$ -
TOTAL	\$ 20,219,470	\$ 4,772,507	\$ 15,446,963	\$ -	\$ -

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

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

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

Investments (Continued)

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

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

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

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

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (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, 2015, 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.

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

3. RECEIVABLES

The following receivables are included in due from other governments on the statement of net position at December 31, 2015:

GOVERNMENTAL ACTIVITIES		
Motor fuel tax	\$	84,968
Grants		66,919
		<u>151,887</u>
TOTAL GOVERNMENTAL ACTIVITIES	\$	<u>151,887</u>

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

GOVERNMENTAL ACTIVITIES		
Court fines	\$	21,408
Franchise fees		150,690
Hotel/motel tax		57,658
Food and beverage tax		104,123
Unbilled SWANCC fees		27,823
TIF surplus		232,668
SWANCC service charge		24,656
Utility taxes		286,701
Miscellaneous		256,090
		<u>1,161,817</u>
TOTAL GOVERNMENTAL ACTIVITIES	\$	<u>1,161,817</u>

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2015 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 26,837,555	\$ -	\$ 20,718	\$ 26,816,837
Land right of way	11,624,192	-	-	11,624,192
Airport (joint venture)	46,584,437	-	360,206	46,224,231
Construction in progress	-	885,885	-	885,885
Total capital assets not being depreciated	<u>85,046,184</u>	<u>885,885</u>	<u>380,924</u>	<u>85,551,145</u>
Capital assets being depreciated				
Buildings and improvements	58,117,574	-	736,389	57,381,185
Vehicles, equipment, and furniture	9,695,361	291,178	483,606	9,502,933
Infrastructure	28,647,671	1,613,081	42,126	30,218,626
Total capital assets being depreciated	<u>96,460,606</u>	<u>1,904,259</u>	<u>1,262,121</u>	<u>97,102,744</u>
Less accumulated depreciation for				
Buildings and improvements	12,226,909	1,446,599	516,296	13,157,212
Vehicles, equipment, and furniture	8,172,871	488,691	483,606	8,177,956
Infrastructure	18,593,037	1,007,346	42,126	19,558,257
Total accumulated depreciation	<u>38,992,817</u>	<u>2,942,636</u>	<u>1,042,028</u>	<u>40,893,425</u>
Total capital assets being depreciated, net	<u>57,467,789</u>	<u>(1,038,377)</u>	<u>220,093</u>	<u>56,209,319</u>
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	<u>\$ 142,513,973</u>	<u>\$ (152,492)</u>	<u>\$ 601,017</u>	<u>\$ 141,760,464</u>

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

4. CAPITAL ASSETS (Continued)

	Beginning Balances, Restated*	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 567,510	\$ -	\$ -	\$ 567,510
Total capital assets not being depreciated	567,510	-	-	567,510
Capital assets being depreciated				
Waterworks	42,812,314	766,811	-	43,579,125
Sewerage	18,169,798	110,772	-	18,280,570
Equipment and vehicles	2,808,176	248,577	126,881	2,929,872
Total capital assets being depreciated	63,790,288	1,126,160	126,881	64,789,567
Less accumulated depreciation for				
Waterworks	12,592,749	804,254	-	13,397,003
Sewerage	6,660,032	314,077	-	6,974,109
Equipment and vehicles	2,142,468	158,408	126,881	2,173,995
Total accumulated depreciation	21,395,249	1,276,739	126,881	22,545,107
Total capital assets being depreciated, net	42,395,039	(150,579)	-	42,244,460
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	\$ 42,962,549	\$ (150,579)	\$ -	\$ 42,811,970

*The Village restated capital assets in accordance with GASB Statement No. 69 as part of a government combination in which a portion of the Old Town Sanitary District's assets, liabilities, and net position were combined into the Village's Waterworks and Sewerage Fund. See Note 15 for further explanation.

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

GOVERNMENTAL ACTIVITIES	
General government	\$ 1,188,486
Public safety	588,851
Highways and streets	1,165,299
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	\$ 2,942,636

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

GOVERNMENTAL ACTIVITIES	
Public safety	\$ 1,014,372
Highways and streets	901,112
Developer contributed capital asset	874,660
TOTAL ADDITIONS - GOVERNMENTAL ACTIVITIES	\$ 2,790,144

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, 2015 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	17,980,000	-	1,015,000	16,965,000	1,205,000
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 Redevelopment Area	Refunding	5,797,211	-	569,937	5,227,274	607,812

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	\$ 3,515,000	\$ -	\$ 305,000	\$ 3,210,000	\$ 315,000
TOTAL			\$ 47,292,211	\$ -	\$ 1,889,937	\$ 45,402,274	\$ 2,127,812
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	\$ 16,210,000	\$ -	\$ 865,000	\$ 15,345,000	\$ 970,000
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	\$ 3,105,170	\$ 191,261	\$ 736,635	\$ 2,559,796	\$ -
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	\$ 857,789	\$ -	\$ 215,063	\$ 642,726	\$ 217,188
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	3,250,000	-	130,000	3,120,000	135,000
TOTAL			\$ 4,107,789	\$ -	\$ 345,063	\$ 3,762,726	\$ 352,188

* \$191,261 is interest accreted 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
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	4,168,424	351,264	96,200	447,464
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	\$ 45,402,274	\$ 14,653,779	\$ 60,056,053	\$ 3,762,726	\$ 1,045,316	\$ 4,808,042

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
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	\$ 15,345,000	\$ 5,309,550	\$ 20,654,550

e. Changes in Long-Term Liabilities

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

	Balances January 1, Restated	Issuances or Accretions	Reductions	Balances December 31	Current Portion
General obligation bonds payable	\$ 47,292,211	\$ -	\$ 1,889,937	\$ 45,402,274	\$ 2,127,812
Tax increment revenue bonds payable	16,210,000	-	865,000	15,345,000	970,000
Tax increment revenue note	3,105,170	191,261	736,635	2,559,796	-
Premium on bonds payable	330,567	-	34,666	295,901	-
Compensated absences payable - governmental funds	2,224,297	1,010,278	1,000,934	2,233,641	1,005,138
Insurance claims payable	1,073,284	287,030	581,466	778,848	389,424
Net pension liability - IMRF	3,558,166	3,965,742	-	7,523,908	-
Net pension liability - police pension	19,803,210	3,004,390	-	22,807,600	-
Net pension liability - firefighters' pension	22,329,960	4,345,409	-	26,675,369	-
Net other postemployment benefit obligation	33,625	367,917	-	401,542	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 115,960,490	\$ 13,172,027	\$ 5,108,638	\$ 124,023,879	\$ 4,492,374

As discussed in Note 15, beginning balances were restated to correct the opening balance for insurance claims payable and to record the opening net pension liability amounts for the Illinois Municipal Retirement Fund and Police and Firefighters' Pension Funds.

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

5. LONG-TERM DEBT (Continued)

e. Changes in Long-Term Liabilities (Continued)

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

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

	Balances January 1, Restated	Issuances	Reductions	Balances December 31	Current Portion
General obligation bonds payable	\$ 4,107,789	\$ -	\$ 345,063	\$ 3,762,726	\$ 352,188
Premium on bonds payable	91,036	-	6,573	84,463	-
Compensated absences	155,797	72,056	70,109	157,744	70,985
Net pension liability - IMRF	627,912	699,836	-	1,327,748	-
Net other postemployment benefit obligation	2,781	3,300	-	6,081	-
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 4,985,315	\$ 775,192	\$ 421,745	\$ 5,338,762	\$ 423,173

As discussed in Note 15, beginning balances were restated to record the opening net pension liability amounts for the Illinois Municipal Retirement Fund.

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, 2015, \$191,261 of interest was accreted and principal payments against the note of \$736,635 were paid.

g. 2008 Interest Rate Swap

The fair value balances and notional amounts of derivative instruments outstanding at December 31, 2015, and the changes in fair value of such derivative instruments for the year then ended in the 2015 financial statements are as follows:

Governmental Activities	Changes in Fair Value*		Fair Value at December 31, 2015		
	Classification	Amount	Classification	Amount	Notional
Cash flow hedges: Pay - fixed interest rate swap	Deferred Outflow of Resources	\$252,638	Fair Value of Swap (Liability)	\$(1,994,231)	\$17,980,000

5. LONG-TERM DEBT (Continued)

g. 2008 Interest Rate Swap (Continued)

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

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

Terms - The bonds and the related swap agreement mature on December 1, 2024 and the swap's notional amount of \$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, 2015, the swap had a fair value of \$(1,994,231). 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, 2015. 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 as of December 31, 2015.

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

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

5. LONG-TERM DEBT (Continued)

h. 2009 Interest Rate Swap

The fair value balances and notional amounts of derivative instruments outstanding at December 31, 2015, and the changes in fair value of such derivative instruments for the year then ended in the 2015 financial statements are as follows:

Governmental Activities	Changes in Fair Value*		Fair Value at December 31, 2015		
	Classification	Amount	Classification	Amount	Notional
Cash flow hedges: Pay - fixed interest rate swap	Deferred Outflow of Resources	\$ 34,403	Fair Value of Swap (Liability)	\$(2,072,594)	\$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, 2015, the swap had a fair value of \$(2,072,594). 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, 2015.

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

5. LONG-TERM DEBT (Continued)

h. 2009 Interest Rate Swap (Continued)

Should the counterparty to this transaction fail to perform according to the terms of the swap contract, the Village faced a maximum possible loss equivalent to the swap's fair value. The swap counterparty was rated A by Fitch Ratings and Standard and Poor's as of December 31, 2015.

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

i. Conduit Debt

On January 15, 2004, the Village (with the City of Prospect Heights) entered into a loan agreement for \$1,237,000 with Banco Popular North America for the purpose of constructing two new hangers and taxiway at the Chicago Executive Airport (see Note 9c for additional disclosures on the joint venture). These notes are secured solely by the property financed and are payable solely from airport revenues. The Village is not obligated in any manner for the repayment of the notes. Accordingly, the notes are not reported as a liability in the Village's financial statements. As of December 31, 2015, the outstanding balance of the loan was \$715,770.

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, 2015, \$1,322,195 of the Airport Revenue Notes, Series 2010A are outstanding.

On April 19, 2010, the Village issued \$2,300,000 Airport Revenue Notes, Series 2010B. These notes are secured solely by the property financed and are payable solely from the payments received on the underlying mortgage loans on the property. The Village is not obligated in any manner for the repayment of the notes. Accordingly, these notes are not reported as a liability in the Village's financial statements. As of December 31, 2015, \$1,729,815 of the Airport Revenue Notes, Series 2010B are outstanding.

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

6. RISK MANAGEMENT

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

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

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

The General Fund and Waterworks and Sewerage Fund participate and make payments to the Fund based upon estimates of the amounts needed to pay prior and current year claims. Liabilities of the Fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expense regardless of whether allocated to specific claims. Changes in the balances of claims liabilities during the years ended December 31, 2015 and 2014 are as follows:

	2015*	2014
UNPAID CLAIMS - BEGINNING OF YEAR, RESTATED	\$ 1,073,684	\$ 1,392,408
Incurred claims (including IBNR)	838,429	1,370,212
Claims payments	(1,133,265)	(1,071,427)
UNPAID CLAIMS - END OF YEAR	<u>\$ 778,848</u>	<u>\$ 1,691,193</u>

*As discussed in Note 15, opening balances were restated to correctly record claims amounts based on the Village's self-insured retention levels.

6. RISK MANAGEMENT (Continued)

Intergovernmental Personnel Benefit Cooperative (IPBC)

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

IPBC acts as an administrative agency to receive, process, and pay such claims as may come within the benefit program of each member. Through IPBC, the Village offers both a PPO plan and an HMO plan.

For those employees enrolled in the PPO plan, the Village is responsible for the first \$35,000 in claims for each individual employee participant every claim year. The members of IPBC share claims (for each individual employee) between \$35,000 and \$125,000.

IPBC maintains stop-loss insurance to cover claims in excess of \$125,000. Approximately 52% of the Village's employees and retirees are PPO participants.

The HMO plan is also self-insured through a special arrangement. Members of IPBC pay for fixed costs of capitation and administration and then fund for claims not covered under the capitation fee. This plan is fully pooled and the Village is not individually rated based on claims experience. All members of the IPBC pay the same rates based on plan design choices. Approximately 48% 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 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, 2015 (most recent available) of \$1,384,868. This amount was declared as a dividend to the Village and, therefore, has been recorded as a receivable in the General Fund of \$1,286,311 and the Waterworks and Sewerage Fund of \$98,557 as of December 31, 2015.

7. CONTINGENT LIABILITIES

a. Litigation

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

b. Grants

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

c. Northwest Water Commission

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

d. Solid Waste Agency of Northern Cook County

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

e. TIF Revenue Notes

REVA Development Partners, LLC

The Village, pursuant to a redevelopment agreement dated July 21, 2015, 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, 2015, the Village had not issued these notes.

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

7. CONTINGENT LIABILITIES (Continued)

e. TIF Revenue Notes (Continued)

WTC, LLC

The Village, pursuant to a redevelopment agreement dated August 4, 2015, has agreed to reimburse the developer (WTC, LLC) for certain project costs the developer has incurred in the Town Center TIF #2 District. The redevelopment agreement also contains a provision providing for the issuance of 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, 2015, the Village had not issued this note.

8. COMMITMENTS

a. Northwest Water Commission

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

<u>Fiscal Year Ending December 31,</u>	<u>Amount</u>
2016	\$ 1,697,821
2017	1,731,777
2018	1,766,413
2019	1,801,741
2020	1,837,776
2021-2023	5,736,818

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.

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

8. COMMITMENTS (Continued)

b. Solid Waste Agency of Northern Cook County

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

<u>Fiscal Year Ending December 31,</u>	<u>Amount</u>
2016	\$ 480,052
2017	496,853
2018	514,243
2019	532,242
2020	550,870

These amounts have been calculated using the Village's allocation percentage of 3.52%. In future years, the allocation percentage will be subject to change.

9. JOINT VENTURES

a. Solid Waste Agency of Northern Cook County

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

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.

9. JOINT VENTURES (Continued)

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

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 \$414,367 to SWANCC for the year ended December 31, 2015. The payments have been recorded in the General Fund. The Village does not have an equity interest in SWANCC at December 31, 2015.

b. Northwest Water Commission

Description of Joint Venture

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

NWWC is governed by a Board of Commissioners which 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.

9. JOINT VENTURES (Continued)

b. Northwest Water Commission (Continued)

Description of Joint Venture (Continued)

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 \$1,697,197 to NWWC for the year ended December 31, 2015. The Village has an equity interest in NWWC in the amount of \$6,965,532 as of December 31, 2015.

c. Chicago Executive Airport

Description of Joint Venture

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

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

9. JOINT VENTURES (Continued)

c. Chicago Executive Airport (Continued)

Description of Joint Venture (Continued)

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

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

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

CEA is managed by a Board of Directors, which consists of seven members, three from each member municipality and a chairman of the board selected and appointed by the joint decision of the Village President of the Village and the Mayor of the City of Prospect Heights. Each Director has an equal vote. The officers of the CEA are appointed by the Board of Directors. The member municipalities have specific powers reserved to them including appointment of the Chairman and Members of the Board of Directors; approval of the Airport Layout Plan submitted to the Federal Aviation Administration and State of Illinois rules, regulations, and minimum 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 (Continued)

Summary of Financial Information of Joint Venture

Summary of financial position as of April 30, 2015, the most recent information available:

ASSETS	
Current assets	\$ 3,184,720
Capital assets	92,032,199
Construction in progress	<u>2,163,171</u>
Total assets	<u>97,380,090</u>
LIABILITIES	
Current liabilities	924,465
Long-term liabilities	<u>4,007,163</u>
Total liabilities	<u>4,931,628</u>
NET POSITION	<u><u>\$ 92,448,462</u></u>

Summary of revenues, expenses, and changes in net position for the year ended April 30, 2015:

Total revenues	\$ 3,951,630
Total expenses	<u>5,748,692</u>
Net income (loss) before capital contributions	(1,797,062)
Capital contributions	<u>1,221,412</u>
Change in net position	(575,650)
Net position	
May 1, 2014 (Restated)	<u>93,024,112</u>
April 30, 2015	<u><u>\$ 92,448,462</u></u>

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

At April 30, 2015, the Village's proportionate share of net position and change in net position were \$46,224,231 and \$(287,825), 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, 2015.

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	\$ 87,550
Fiduciary	General	970,788
Nonmajor Governmental	Nonmajor Governmental	<u>2,555,235</u>
TOTAL		<u><u>\$ 3,613,573</u></u>

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

- \$87,550 due from nonmajor governmental (Grant Fund) to the General Fund to eliminate a deficit cash position. Repayment is expected within one year.
- \$970,788 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.
- \$2,555,235 due from nonmajor governmental funds (Crossroads Redevelopment Area Fund, South Milwaukee Redevelopment Area Fund, and North Milwaukee/Lake Cook Redevelopment Area Fund) to the Town Center TIF #2 Fund to eliminate a deficit cash position. Repayment is expected within one year.

b. Advances From/To Other Funds

Advances from/to other funds at December 31, 2015 consisted of the following:

Receivable Fund	Payable Fund	Amount
Waterworks and Sewerage	Capital Equipment Replacement	<u>\$ 863,629</u>
TOTAL		<u><u>\$ 863,629</u></u>

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

- \$863,629 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, 2015 were as follows:

	Transfers In	Transfers Out
General		
Nonmajor governmental (North Milwaukee/Lake Cook Redevelopment Area)	\$ -	\$ 410,625
Nonmajor governmental (Capital Equipment Replacement)	-	650,380
Nonmajor governmental (Grant)	-	58,995
Nonmajor governmental (Emergency Telephone System)	-	210,000
Total General	-	1,330,000
Nonmajor governmental		
General	1,330,000	-
Waterworks and Sewerage	582,900	10,643
Nonmajor governmental	4,577,241	4,577,241
Total nonmajor governmental	6,490,141	4,587,884
Waterworks and Sewerage		
Nonmajor governmental (Capital Equipment Replacement)	10,643	-
Nonmajor governmental (Debt Service)	-	582,900
Total Waterworks and Sewerage	10,643	582,900
TOTAL	\$ 6,500,784	\$ 6,500,784

The purpose of significant transfers is as follows:

- \$410,625 transferred to the nonmajor governmental (North Milwaukee/Lake Cook Redevelopment Area Fund) from the General Fund for payment on applicable bond issues. This transfer will not be repaid.
- \$650,380 transferred to the nonmajor governmental (Capital Equipment Replacement Fund) from the General Fund for the purchase of equipment. This transfer will not be repaid.
- \$210,000 transferred to the nonmajor governmental (Emergency Telephone System Fund) from the General Fund to cover expenditures for the fiscal year. This transfer will not be repaid.
- \$82,874 transferred to the nonmajor governmental (Capital Equipment Replacement Fund) from the nonmajor governmental (Emergency Telephone System Fund) for the purchase of equipment. This transfer will not be repaid.

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

10. INDIVIDUAL FUND DISCLOSURES (Continued)

c. Interfund Transfers (Continued)

- \$4,200,000 transferred to the nonmajor governmental (Town Center TIF #2 Fund) from the nonmajor governmental (Crossroads Redevelopment Area Fund) to fund tax increment financing eligible projects. This transfer will not be repaid.
- \$294,367 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.
- \$582,900 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, 2015, the Crossroads Redevelopment Area Fund had a deficit fund balance of \$642,911.

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.

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

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Membership

At December 31, 2015, membership consisted of:

Retirees and beneficiaries currently receiving benefits	89
Terminated employees entitled to benefits but not yet receiving them	-
Duty disabled participants	4
Active employees	<u>232</u>
TOTAL	<u><u>325</u></u>
Participating employers	<u><u>1</u></u>

d. Funding Policy

The Village negotiates the contribution percentages between the Village and employees through the union contracts and personnel policy. Retirees contribute their share of the actuarially determined premium to the plan and the Village contributes the remainder to cover the cost of providing the benefits to the retirees. For the fiscal year ended December 31, 2015, retirees contributed \$349,692 and the Village contributed \$912,039. 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 2015 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
2013	\$ 917,309	\$ 924,978	100.84%	\$ 86,464
2014	874,921	924,978	105.72%	36,406
2015	1,283,256	912,039	71.07%	407,623

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

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

The net OPEB obligation (NOPEBO) as December 31, 2015 was calculated as follows:

Annual required contribution	\$ 1,283,824
Interest on net OPEB obligation	1,457
Adjustment to annual required contribution	<u>(2,025)</u>
Annual OPEB cost	1,283,256
Contributions made	<u>(912,039)</u>
Increase (decrease) in net OPEB obligation	371,217
Net OPEB obligation, beginning of year	<u>36,406</u>
NET OPEB OBLIGATION, END OF YEAR	<u>\$ 407,623</u>

Funded Status and Funding Progress. The funded status of the plan as of December 31, 2015 was as follows:

Actuarial accrued liability (AAL)	\$ 18,407,753
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	18,407,753
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$ 20,035,265
UAAL as a percentage of covered payroll	91.88%

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

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

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

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

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

In the December 31, 2015 actuarial valuation, 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 5% after seven years. Both rates include a 2.5% inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a 30-year open basis.

12. OPERATING LEASES

a. Solid Waste Agency of Northern Cook County

The Village leases Public Works office space to SWANCC. The leases are operating leases with fixed monthly rental payments. The following is a schedule of approximate future minimum rentals under enforceable leases at December 31, 2015.

Fiscal Year Ending December 31,	Amount
2016	\$ 63,537
2017	65,443
2018	67,406
2019	67,928

12. OPERATING LEASES (Continued)

b. Mutual Aid Box Alarm System

The Village leases office space to Mutual Aid Box Alarm System (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, 2015.

Fiscal Year Ending December 31,	Amount
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.

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

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

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

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

At December 31, 2015, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	98
Inactive employees entitled to but not yet receiving benefits	49
Active employees	<u>121</u>
 TOTAL	 <u><u>268</u></u>

Benefits Provided

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

Contributions

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, 2015 was 12.15% of covered payroll.

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2015
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	3.50%
Salary increases	3.75% to 14.50%
Interest rate	7.50%
Cost of living adjustments	3.50%
Asset valuation method	Market value

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

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability 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 IMRF's fiduciary net position was not projected to be available to make all projected future benefit payments of current plan members.

Therefore, the long-term expected rate of return on pension plan investments of 7.50% was blended with the index rate of 3.57% for tax exempt general obligation bonds rated AA or better at December 31, 2015 to arrive at a discount rate of 7.47% used to determine the total pension liability.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2015	\$ 51,250,763	\$ 47,064,685	\$ 4,186,078
Changes for the period			
Service cost	1,015,147	-	1,015,147
Interest	3,799,229	-	3,799,229
Difference between expected and actual experience	1,423,041	-	1,423,041
Changes in assumptions	147,358	-	147,358
Employer contributions	-	1,225,986	(1,225,986)
Employee contributions	-	455,716	(455,716)
Net investment income	-	234,356	(234,356)
Benefit payments and refunds	(2,068,645)	(2,068,645)	-
Other (net transfer)	-	(196,861)	196,861
Net changes	4,316,130	(349,448)	4,665,578
BALANCES AT DECEMBER 31, 2015	\$ 55,566,893	\$ 46,715,237	\$ 8,851,656

Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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

For the year ended December 31, 2015, the Village recognized pension expense of \$468,174.

At December 31, 2015, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Difference between expected and actual experience	\$ 1,288,425	\$ -
Changes in assumption	1,143,094	-
Net difference between projected and actual earnings on pension plan investments	<u>2,991,871</u>	<u>-</u>
TOTAL	<u>\$ 5,423,390</u>	<u>\$ -</u>

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

<u>Period Ending December 31,</u>	
2016	\$ 1,413,838
2017	1,413,838
2018	1,413,840
2019	1,091,755
2020	90,119
Thereafter	<u>-</u>
TOTAL	<u>\$ 5,423,390</u>

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (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 net pension liability of the Village calculated using the discount rate of 7.47% 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 (6.47%) or 1 percentage point higher (8.47%) than the current rate:

	1% Decrease (6.47%)	Current Discount Rate (7.47%)	1% Increase (8.47%)
Net pension liability	\$ 16,880,949	\$ 8,851,656	\$ 2,290,002

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.

Plan Membership

At December 31, 2015, the measurement date, membership consisted of:

Inactive plan members currently receiving benefits	43
Inactive plan members entitled to but not yet receiving benefits	1
Active plan members	<u>62</u>
TOTAL	<u><u>106</u></u>

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5% 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).

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

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Contributions (Continued)

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, 2015, the Village's contribution was 34.64% 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, 2015.

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%	11.00%	9.8%
International Equity	0-25%	13.75%	4.1%
Fixed Income	0-100%	45.00%	3.0%

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

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, 2015 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.

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, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (0.48%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

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, 2015:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater than 10
U.S. agency obligations	\$ 7,862,758	\$ 308,560	\$ 5,249,867	\$ 2,304,331	\$ -
Municipal bonds	2,174,075	231,328	1,557,003	385,744	-
Corporate bonds	7,963,676	457,403	5,435,346	2,070,927	-
TOTAL	\$ 18,000,509	\$ 997,291	\$ 12,242,216	\$ 4,761,002	\$ -

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

Credit Risk

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

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.

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Custodial Credit Risk (Continued)

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

Discount Rate

The discount rate used to measure the total pension liability was 7.5%. 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.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2015	\$ 64,958,743	\$ 45,155,533	\$ 19,803,210
Changes for the period			
Service cost	956,703	-	956,703
Interest	4,777,808	-	4,777,808
Difference between expected and actual experience	(503,870)	-	(503,870)
Changes in assumptions	177,150	-	177,150
Employer contributions	-	2,060,385	(2,060,385)
Employee contributions	-	604,042	(604,042)
Net investment income	-	(216,949)	216,949
Benefit payments and refunds	(2,509,271)	(2,509,271)	-
Administrative expense	-	(44,077)	44,077
Net changes	2,898,520	(105,870)	3,004,390
BALANCES AT DECEMBER 31, 2015	\$ 67,857,263	\$ 45,049,663	\$ 22,807,600

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Changes in Net Pension Liability (Continued)

There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, disability rates, turnover rates, and retirement rates.

Actuarial Assumptions

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

Actuarial valuation date	December 31, 2015
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	3.00%
Salary increases	4.25% to 9.28%
Interest rate	7.50%
Cost of living adjustments	3.00% (Tier 1) 2.00% (Tier 2)
Asset valuation method	Market

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

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7.5% 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	\$ 32,998,290	\$ 22,807,600	\$ 14,495,447

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

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

For the year ended December 31, 2015, the Village recognized pension expense of \$2,479,606. At December 31, 2015, the Village reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 434,752
Changes in assumptions	152,849	-
Net difference between projected and actual earnings on pension plan investments	2,867,072	-
TOTAL	\$ 3,019,921	\$ 434,752

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

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

<u>Period Ending December 31,</u>	
2016	\$ 671,952
2017	671,952
2018	671,952
2019	671,948
2020	(44,817)
Thereafter	(57,818)
TOTAL	\$ 2,585,169

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan

Plan Administration

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

The plan is governed by a five-member Board of Trustees. Two members of the Board 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, 2015, the measurement date, membership consisted of:

Inactive plan members currently receiving benefits	50
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	<u>50</u>
TOTAL	<u><u>100</u></u>

Benefits Provided

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

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

The annual benefit shall be increased by 2.5% 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.

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Benefits Provided (Continued)

The monthly benefit shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% 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.

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, 2015, the Village's contribution was 46.35% of covered payroll.

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

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, 2015.

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

Asset Class	Range	Target	Long-Term Expected Real Rate of Return
Large Cap Domestic Equity	40-100%	38.5%	7.1%
Small Cap Domestic Equity	0-40%	11.0%	9.2%
International Equity	0-20%	5.5%	7.3%
Fixed Income	0-100%	45.0%	2.3%

The long-term expected real rates of return are net of a 3.05% 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 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, 2015 are listed in the table above.

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Concentrations

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

Rate of Return

For the year ended December 31, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.39%. 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, 2015:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 1,906,203	\$ 51,211	\$ 1,174,958	\$ 680,034	\$ -
U.S. agency obligations	7,199,503	-	1,901,782	5,163,261	134,460
Municipal bonds	2,239,405	-	1,395,239	518,124	326,042
Corporate bonds	3,157,670	326,209	2,251,101	580,360	-
TOTAL	\$ 14,502,781	\$ 377,420	\$ 6,723,080	\$ 6,941,779	\$ 460,502

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

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.

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)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2015	\$ 55,604,249	\$ 33,274,289	\$ 22,329,960
Changes for the period			
Service cost	1,009,443	-	1,009,443
Interest	4,067,329	-	4,067,329
Difference between expected and actual experience	1,338,568	-	1,338,568
Changes in assumptions	1,202,682	-	1,202,682
Employer contributions	-	2,258,857	(2,258,857)
Employee contributions	-	578,831	(578,831)
Net investment income	-	463,608	(463,608)
Benefit payments and refunds	(2,746,399)	(2,746,399)	-
Administrative expense	-	(28,683)	28,683
Net changes	4,871,623	526,214	4,345,409
BALANCES AT DECEMBER 31, 2015	\$ 60,475,872	\$ 33,800,503	\$ 26,675,369

There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, disability rates, turnover rates, and retirement rates.

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

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 using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2015
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	3.00%
Salary increases	4.25% to 13.26%
Interest rate	7.50%
Cost of living adjustments	3.00% (Tier 1) 2.00% (Tier 2)
Asset valuation method	Market

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

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7.5% 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	\$ 35,337,105	\$ 26,675,369	\$ 19,583,910

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

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

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

For the year ended December 31, 2015, the Village recognized pension expense of \$2,798,407. At December 31, 2015, the Village reported deferred outflows of resources and deferred inflows of resources related to the firefighters' pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,158,410	\$ -
Changes in assumption	1,040,813	-
Net difference between projected and actual earnings on pension plan investments	1,606,636	-
TOTAL	\$ 3,805,859	\$ -

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

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

<u>Period Ending December 31,</u>	
2016	\$ 743,687
2017	743,687
2018	743,687
2019	743,683
2020	342,027
Thereafter	489,088
TOTAL	\$ 3,805,859

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

14. CHANGE IN ACCOUNTING PRINCIPLE

	Increase (Decrease)
CHANGE IN ACCOUNTING PRINCIPLE - GOVERNMENTAL ACTIVITIES	
Change in accounting principle	
To write-off the Police and Firefighters' Pension Plan net pension assets	\$ (1,018,534)
To record the Firefighters' Pension Plan net pension liability	(22,329,960)
To record the Police Pension Plan net pension liability	(19,803,210)
To record the IMRF net pension liability	(3,558,166)
TOTAL CHANGE IN ACCOUNTING PRINCIPLE - GOVERNMENTAL ACTIVITIES	\$ (46,709,870)
CHANGE IN ACCOUNTING PRINCIPLE - BUSINESS-TYPE ACTIVITIES	
To record the IMRF net pension liability	\$ (627,912)
TOTAL CHANGE IN ACCOUNTING PRINCIPLE - BUSINESS-TYPE ACTIVITIES	\$ (627,912)

With the implementation of GASB Statement No. 68, the Village is required to retroactively record the net pension liability and write-off any net pension assets.

15. PRIOR PERIOD ADJUSTMENTS

During fiscal year 2015, the Village was part of a government combination in which a portion (23%) of the assets, liabilities, and net position of the Old Town Sanitary District (the District) were combined into the Village's Waterworks and Sewerage Fund. In accordance with GASB Statement No. 69, the Village recorded a prior period adjustment to record the opening balances (as of April 30, 2015, the most recent audited financial statements for the District) of the District's assets (including capital assets of \$642,537), liabilities, and fund balance (\$22,613).

During fiscal year 2015, the Village performed a comprehensive review of its claims payable amounts and any associated recoveries receivable. As a result, the Village recorded a prior period adjustment of \$797,320 to correct the opening net position for the Liability Insurance Fund.

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, 2015
(With Comparative Actual)

	2015			2014
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes	\$ 24,407,498	\$ 24,407,498	\$ 25,317,613	\$ 23,841,420
Licenses and permits	1,053,839	1,053,839	956,338	550,247
Intergovernmental	6,342,992	6,342,992	6,761,148	4,927,125
Charges for services	2,147,166	2,147,166	2,244,662	2,104,787
Fines and forfeits	747,852	747,852	959,311	844,161
Investment income	135,284	135,284	97,630	(76,871)
Miscellaneous	748,056	748,056	1,305,352	1,098,290
Total revenues	35,582,687	35,582,687	37,642,054	33,289,159
EXPENDITURES				
General government	11,182,739	11,309,942	10,997,647	10,553,805
Public safety	23,623,810	24,496,607	24,391,698	22,268,718
Debt service				
Principal	215,000	215,000	193,283	202,900
Total expenditures	35,021,549	36,021,549	35,582,628	33,025,423
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	561,138	(438,862)	2,059,426	263,736
OTHER FINANCING SOURCES (USES)				
Proceeds on sale of capital assets	5,100	5,100	57,674	12,867
Transfers in				
Grant Fund	-	-	-	2,500
Southeast TIF #2 Fund	-	-	-	34,000
Transfers (out)				
Capital Equipment Replacement Fund	(650,380)	(650,380)	(650,380)	(512,290)
Emergency Telephone System Fund	(210,000)	(210,000)	(210,000)	(180,000)
Grant Fund	(49,082)	(49,082)	(58,995)	(33,449)
North Milwaukee/Lake Cook Redevelopment Area Fund	(410,625)	(410,625)	(410,625)	(406,525)
Total other financing sources (uses)	(1,314,987)	(1,314,987)	(1,272,326)	(1,082,897)
NET CHANGE IN FUND BALANCE	\$ (753,849)	\$ (1,753,849)	787,100	(819,161)
FUND BALANCE, JANUARY 1			13,675,386	14,494,547
FUND BALANCE, DECEMBER 31			<u>\$ 14,462,486</u>	<u>\$ 13,675,386</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

OTHER POSTEMPLOYMENT BENEFITS PLAN

SCHEDULE OF FUNDING PROGRESS

December 31, 2015

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)
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
2015	\$ -	\$ 18,407,753	0.00%	\$ 18,407,753	\$ 20,035,265	91.88%

N/A - information not available

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

December 31, 2015

	<u>2015</u>
Actuarially determined contribution	\$ 1,225,986
Contributions in relation to the actuarially determined contribution	<u>1,225,986</u>
CONTRIBUTION DEFICIENCY (Excess)	<u>\$ -</u>
Covered-employee payroll	\$ 9,929,330
Contributions as a percentage of covered-employee payroll	12.35%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of December 31, 2013. 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 five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.5% annually, projected salary increases assumption of 4.4% to 16.0% compounded annually, and postretirement benefit increases of 3.0% compounded annually.

(See independent auditor's report.)

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Actuarially determined contribution	\$ 750,717	\$ 802,115	\$ 823,526	\$ 853,194	\$ 1,256,481	\$ 1,235,774	\$ 1,358,943	\$ 1,385,278	\$ 1,566,013	\$ 1,603,586
Contribution in relation to the actuarially determined contribution	735,844	802,115	823,000	868,101	1,268,284	1,296,344	1,378,043	1,403,098	1,692,954	2,060,385
CONTRIBUTION DEFICIENCY (Excess)	\$ 14,873	\$ -	\$ 526	\$ (14,907)	\$ (11,803)	\$ (60,570)	\$ (19,100)	\$ (17,820)	\$ (126,941)	\$ (456,799)
Covered-employee payroll	\$ 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	\$ 5,947,555
Contributions as a percentage of covered-employee payroll	16%	16%	15%	16%	24%	24%	25%	25%	30%	35%

Notes to the Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 27 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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Actuarially determined contribution	\$ 324,328	\$ 470,170	\$ 685,160	\$ 747,385	\$ 1,100,795	\$ 1,138,155	\$ 1,301,952	\$ 1,460,107	\$ 1,642,356	\$ 1,740,322
Contribution in relation to the actuarially determined contribution	333,032	470,484	695,926	750,324	1,106,487	1,194,810	1,314,938	1,484,050	1,850,379	2,258,857
CONTRIBUTION DEFICIENCY (Excess)	\$ (8,704)	\$ (314)	\$ (10,766)	\$ (2,939)	\$ (5,692)	\$ (56,655)	\$ (12,986)	\$ (23,943)	\$ (208,023)	\$ (518,535)
Covered-employee payroll	\$ 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	\$ 4,873,543
Contributions as a percentage of covered-employee payroll	9%	12%	16%	19%	31%	28%	30%	33%	39%	46%

Notes to the Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 27 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, 2015

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
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%
2015	912,039	1,283,824	71.04%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

ILLINOIS MUNICIPAL RETIREMENT FUND

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

December 31, 2015

	<u>2015</u>
TOTAL PENSION LIABILITY	
Service cost	\$ 1,015,147
Interest	3,799,229
Changes of benefit terms	-
Differences between expected and actual experience	1,423,041
Changes of assumptions	147,358
Benefit payments, including refunds of member contributions	<u>(2,068,645)</u>
Net change in total pension liability	4,316,130
Total pension liability - beginning	<u>51,250,763</u>
TOTAL PENSION LIABILITY - ENDING	<u><u>\$ 55,566,893</u></u>
PLAN FIDUCIARY NET POSITION	
Contributions - employer	\$ 1,225,986
Contributions - member	455,716
Net investment income	234,356
Benefit payments, including refunds of member contributions	(2,068,645)
Other	<u>(196,861)</u>
Net change in plan fiduciary net position	(349,448)
Plan fiduciary net position - beginning	<u>47,064,685</u>
PLAN FIDUCIARY NET POSITION - ENDING	<u><u>\$ 46,715,237</u></u>
EMPLOYER'S NET PENSION LIABILITY	<u><u>\$ 8,851,656</u></u>
Plan fiduciary net position as a percentage of the total pension liability	84.1%
Covered-employee payroll	\$ 9,929,330
Employer's net pension liability as a percentage of covered-employee payroll	89.1%

Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

(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, 2015

	2014	2015
TOTAL PENSION LIABILITY		
Service cost	\$ 1,167,588	\$ 956,703
Interest	4,272,252	4,777,808
Changes of benefit terms	-	-
Differences between expected and actual experience	307,520	(503,870)
Changes to actuarial assumptions*	3,350,055	177,150
Benefit payments, including refunds of member contributions	(2,204,065)	(2,509,271)
	6,893,350	2,898,520
Net change in total pension liability	6,893,350	2,898,520
Total pension liability - beginning	58,065,393	64,958,743
TOTAL PENSION LIABILITY - ENDING	\$ 64,958,743	\$ 67,857,263
PLAN FIDUCIARY NET POSITION		
Contributions - employer	\$ 1,692,954	\$ 2,060,385
Contributions - member	564,098	604,042
Net investment income	2,622,222	(216,949)
Benefit payments, including refunds of member contributions	(2,204,065)	(2,509,271)
Administrative expense	(27,972)	(44,077)
	2,647,237	(105,870)
Net change in plan fiduciary net position	2,647,237	(105,870)
Plan fiduciary net position - beginning	42,508,296	45,155,533
PLAN FIDUCIARY NET POSITION - ENDING	\$ 45,155,533	\$ 45,049,663
EMPLOYER'S NET PENSION LIABILITY	\$ 19,803,210	\$ 22,807,600
Plan fiduciary net position as a percentage of the total pension liability	69.5%	66.4%
Covered-employee payroll	\$ 5,716,640	\$ 5,947,555
Employer's net pension liability as a percentage of covered-employee payroll	346.4%	383.5%

*There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, disability rates, turnover rates and retirement rates.

(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, 2015

	2014	2015
TOTAL PENSION LIABILITY		
Service cost	\$ 1,111,028	\$ 1,009,443
Interest	3,727,758	4,067,329
Changes of benefit terms	-	-
Differences between expected and actual experience	(29,931)	1,338,568
Changes to actuarial assumptions*	2,438,228	1,202,682
Benefit payments, including refunds of member contributions	(2,692,551)	(2,746,399)
Net change in total pension liability	4,554,532	4,871,623
Total pension liability - beginning	51,049,717	55,604,249
TOTAL PENSION LIABILITY - ENDING	\$ 55,604,249	\$ 60,475,872
PLAN FIDUCIARY NET POSITION		
Contributions - employer	\$ 1,850,379	\$ 2,258,857
Contributions - member	438,414	578,831
Net investment income	2,376,338	463,608
Benefit payments, including refunds of member contributions	(2,692,551)	(2,746,399)
Administrative expense	(13,222)	(28,683)
Net change in plan fiduciary net position	1,959,358	526,214
Plan fiduciary net position - beginning	31,314,931	33,274,289
PLAN FIDUCIARY NET POSITION - ENDING	\$ 33,274,289	\$ 33,800,503
EMPLOYER'S NET PENSION LIABILITY	\$ 22,329,960	\$ 26,675,369
Plan fiduciary net position as a percentage of the total pension liability	59.8%	55.9%
Covered-employee payroll	\$ 4,691,421	\$ 4,873,543
Employer's net pension liability as a percentage of covered-employee payroll	476.0%	547.4%

*There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, disability rates, turnover rates and retirement rates.

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

POLICE PENSION FUND

SCHEDULE OF INVESTMENT RETURNS

December 31, 2015

	<u>2014</u>	<u>2015</u>
Annual money-weighted rate of return, net of investment expense	6.14%	(0.48%)

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

FIREFIGHTERS' PENSION FUND

SCHEDULE OF INVESTMENT RETURNS

December 31, 2015

	<u>2014</u>	<u>2015</u>
Annual money-weighted rate of return, net of investment expense	7.10%	1.39%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2015

1. BUDGETARY INFORMATION

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

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

2. INDIVIDUAL FUND DISCLOSURES

The following funds had expenditures in excess of budget:

Fund	Final Budget	Actual
Grant Fund	\$ 208,316	\$ 232,453
Crossroads Redevelopment Area Fund	2,336,481	2,657,472
Town Center TIF #2 Fund	291,301	369,117

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

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

BALANCE SHEET

December 31, 2015

(With Comparative Amounts for December 31, 2014)

	<u>2015</u>	<u>2014</u>
ASSETS		
Cash and investments	\$ 9,617,721	\$ 9,895,556
Receivables (net where applicable of allowance for uncollectibles)		
Property taxes	12,427,824	11,037,194
Sales taxes	2,936,849	2,555,025
Income taxes	773,045	644,481
Telecommunications tax	349,096	354,214
Accrued interest	20,508	19,866
IPBC	1,286,311	943,530
Other	875,116	793,199
Prepaid items	471,750	318,023
Inventory	287,856	264,960
Due from other funds	87,550	29,213
TOTAL ASSETS	<u>\$ 29,133,626</u>	<u>\$ 26,855,261</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$ 1,090,796	\$ 1,155,209
Accrued payroll	46,491	752,327
Deposits payable	144,309	144,654
Unearned revenue	119,976	135,550
Due to fiduciary funds	970,788	100,721
Total liabilities	<u>2,372,360</u>	<u>2,288,461</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenues - property taxes	<u>12,298,780</u>	<u>10,891,414</u>
Total deferred inflows of resources	<u>12,298,780</u>	<u>10,891,414</u>
FUND BALANCES		
Nonspendable		
Prepaid items	471,750	318,023
Inventory	287,856	264,960
Assigned		
Health insurance	1,286,311	943,530
Subsequent year's budget	-	753,849
Unassigned	<u>12,416,569</u>	<u>11,395,024</u>
Total fund balances	<u>14,462,486</u>	<u>13,675,386</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 29,133,626</u>	<u>\$ 26,855,261</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, 2015
(With Comparative Actual)

	2015			2014
	Original Budget	Final Budget	Actual	
TAXES				
Property taxes	\$ 7,546,931	\$ 7,546,931	\$ 7,548,728	\$ 6,892,160
Property taxes - Police Pension Fund	1,603,586	1,603,586	1,648,553	1,593,837
Property taxes - Firefighters' Pension Fund	1,740,897	1,740,897	1,797,892	1,751,262
TIF surplus distribution	210,000	210,000	232,668	451,292
Sales tax	5,944,148	5,944,148	6,739,449	5,982,939
Home rule sales tax	4,090,320	4,090,320	4,047,364	3,932,595
Telecommunications tax	1,456,000	1,456,000	1,342,101	1,445,508
Food and beverage tax	865,750	865,750	911,165	847,714
Hotel/motel tax	947,856	947,856	1,048,308	942,103
Auto rental tax	2,010	2,010	1,385	2,010
Total taxes	24,407,498	24,407,498	25,317,613	23,841,420
LICENSES AND PERMITS				
Business licenses	84,415	84,415	80,978	76,186
Coin-operated licenses	12,359	12,359	10,443	11,572
Liquor licenses	168,500	168,500	164,794	170,544
Other licenses	98,811	98,811	101,848	62,347
Building permits	647,331	647,331	559,272	190,188
Other permits	42,423	42,423	39,003	39,410
Total licenses and permits	1,053,839	1,053,839	956,338	550,247
INTERGOVERNMENTAL				
Township taxes	94,141	94,141	70,923	80,729
Personal property replacement tax	190,263	190,263	179,696	190,483
Income tax	3,756,480	3,756,480	4,005,867	3,604,564
State use tax	734,865	734,865	843,696	729,178
Police training	-	-	9,660	8,952
Fire training	-	-	1,197	1,096
Video gaming tax	97,000	97,000	178,437	106,960
Emergency dispatch services	1,468,843	1,468,843	1,468,643	202,768
Pull tabs and jar games tax	1,400.00	1,400.00	3,029	2,395
Total intergovernmental	6,342,992	6,342,992	6,761,148	4,927,125
CHARGES FOR SERVICES				
Electrical inspections	66,000	66,000	91,714	57,382
Plumbing inspections	33,000	33,000	51,238	25,682
Engineering inspection fees	180,000	180,000	192,820	232,822
Solid waste service charge	540,000	540,000	577,220	520,600
SWANCC fees	230,000	230,000	246,522	236,383
Host community fees	100,000	100,000	100,000	100,000
Ambulance fees	570,000	570,000	586,985	470,230
Impounding fees	702	702	800	890

(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, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
CHARGES FOR SERVICES (Continued)				
Plan review	\$ 37,561	\$ 37,561	\$ 21,185	\$ 124,407
Subdivision prefilng fees	1,375	1,375	1,195	977
Planning and zoning fees	4,510	4,510	6,539	3,438
Industrial revenue bond and 6(b) fees	2,500	2,500	7,600	3,450
Duplicating services	6,630	6,630	5,373	6,847
False alarm fees	11,751	11,751	13,544	10,919
Pavilion senior center	28,365	28,365	26,158	26,481
Monthly permit fee	28,500	28,500	26,528	29,498
Daily parking fee	49,500	49,500	51,888	50,777
Rental income	67,884	67,884	67,886	31,597
Rental income - T-Mobile	27,012	27,012	28,710	27,874
Police liaison reimbursement	156,664	156,664	138,011	139,133
Finger printing fee	4,080	4,080	2,226	4,290
CPR training fees	1,132	1,132	520	1,110
Total charges for services	2,147,166	2,147,166	2,244,662	2,104,787
FINES AND FORFEITS				
Court fines	145,371	145,371	146,932	142,521
Local ordinance fines	602,481	602,481	812,379	701,640
Total fines and forfeits	747,852	747,852	959,311	844,161
INVESTMENT INCOME				
Investment income	135,284	135,284	97,630	(76,871)
MISCELLANEOUS				
Cable TV franchise fees	362,299	362,299	366,433	358,021
Waste management franchise fees	89,662	89,662	88,893	87,904
AT&T franchise fees	170,789	170,789	179,356	171,893
Other franchise fees	42,840	42,840	42,584	42,151
IPBC terminal reserve revenue	-	-	319,265	233,519
Donations	100	100	58,502	36,215
Other	82,366	82,366	250,319	168,587
Total miscellaneous	748,056	748,056	1,305,352	1,098,290
TOTAL REVENUES	\$ 35,582,687	\$ 35,582,687	\$ 37,642,054	\$ 33,289,159

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended December 31, 2015
(With Comparative Actual)

	2015			2014
	Original Budget	Final Budget	Actual	
GENERAL GOVERNMENT				
Village Manager's office and Board of Trustees	\$ 1,694,604	\$ 1,821,807	\$ 1,835,897	\$ 1,582,525
Finance	1,016,504	1,016,504	954,219	1,006,230
Human resources	249,331	249,331	216,042	238,794
Legal	384,850	384,850	498,099	369,480
Special events	68,000	68,000	112,798	78,134
Solid waste system	504,503	504,503	415,262	426,567
Commuter parking system	43,297	43,297	44,323	36,370
Municipal building maintenance	1,102,973	1,102,973	1,086,159	1,066,008
Municipal vehicle maintenance	674,226	674,226	674,835	634,502
Community development	2,139,842	2,139,842	1,956,598	2,050,583
Senior citizens services	361,248	361,248	389,018	341,058
Social services	304,110	304,110	301,845	303,064
CIP engineering	255,934	255,934	147,440	151,023
Street division	945,794	945,794	888,739	957,099
Public works administration	585,849	585,849	660,552	560,788
Forestry	1,288,568	1,288,568	1,247,544	1,161,581
Information systems	800,594	800,594	805,765	779,395
Subtotal	12,420,227	12,547,430	12,235,135	11,743,201
Less Waterworks and Sewerage Fund reimbursements	1,237,488	1,237,488	1,237,488	1,189,396
Total general government	11,182,739	11,309,942	10,997,647	10,553,805
PUBLIC SAFETY				
Police department	13,932,966	14,344,798	14,023,350	12,648,272
Fire department	9,690,844	10,151,809	10,368,348	9,620,446
Total public safety	23,623,810	24,496,607	24,391,698	22,268,718
DEBT SERVICE				
Principal	215,000	215,000	193,283	202,900
Total debt service	215,000	215,000	193,283	202,900
TOTAL EXPENDITURES	\$ 35,021,549	\$ 36,021,549	\$ 35,582,628	\$ 33,025,423

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended December 31, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
GENERAL GOVERNMENT				
Village Manager's Office and Board of Trustees				
Personnel services				
Overtime	\$ -	\$ -	\$ 60	\$ -
Seasonal help	7,000	7,000	5,670	431
Salaries	536,841	536,841	582,645	534,032
Longevity	1,000	1,000	1,000	1,000
Training	15,500	15,500	16,212	15,275
Employer contribution	96,205	223,408	227,418	97,524
Sick leave buy back	2,036	2,036	2,256	1,881
Total personnel services	658,582	785,785	835,261	650,143
Contractual services				
Advertising and publishing	3,500	3,500	3,503	4,227
Codification	7,500	7,500	7,473	5,554
Conferences and meetings	3,350	3,350	7,535	6,822
Consulting services	5,000	5,000	5,000	17,535
Data processing services	120,000	120,000	87,408	79,218
Energy	36,750	36,750	15,225	34,403
Employee group insurance	64,666	64,666	67,594	61,701
General liability insurance	15,084	15,084	15,084	12,395
Maintenance - office equipment	1,200	1,200	1,953	2,651
Membership dues	142,175	142,175	143,336	25,098
Miscellaneous	140,000	140,000	134,748	116,267
Postage	41,900	41,900	43,567	38,707
Printing and binding	1,000	1,000	564	1,520
Regular and special agency assessment	2,500	2,500	-	-
Rental agreements	2,880	2,880	3,578	2,147
Cellular service	95,260	95,260	96,955	84,081
Telecommunications	228,900	228,900	226,734	213,135
Retiree health insurance	21,192	21,192	19,192	19,021
Duplication services	6,000	6,000	-	-
Miscellaneous contractual services	-	-	3,380	124,422
Total contractual services	938,857	938,857	882,829	848,904
Commodities				
Auto petroleum products	-	-	1,381	754
Books and subscriptions	7,920	7,920	7,781	7,592
Vehicle maintenance	-	-	461	203
Information systems miscellaneous equipment and supplies	4,150	4,150	4,203	316
Small tools and equipment	500	500	442	510
Miscellaneous	4,000	4,000	6,698	4,603
Office supplies	11,000	11,000	9,352	8,620
Awards/decorations	1,000	1,000	2,193	8,801
Business recruitment	68,595	68,595	85,296	52,079
Total commodities	97,165	97,165	117,807	83,478
Total Village Manager's Office and Board of Trustees	1,694,604	1,821,807	1,835,897	1,582,525

(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, 2015
(With Comparative Actual)

	2015			2014
	Original Budget	Final Budget	Actual	
GENERAL GOVERNMENT (Continued)				
Finance				
Personnel services				
Overtime	\$ 500	\$ 500	\$ 296	\$ 410
Salaries	628,501	628,501	599,601	611,243
Longevity	3,800	3,800	3,800	4,800
Training	1,200	1,200	2,310	1,397
Employer contribution	123,568	123,568	110,141	123,705
Unemployment compensation	-	-	5,778	2,845
Sick leave buy back	2,878	2,878	2,897	2,812
Total personnel services	760,447	760,447	724,823	747,212
Contractual services				
Advertising and publishing	1,150	1,150	1,118	1,103
Audit	42,900	42,900	34,385	43,552
Conferences and meetings	6,575	6,575	2,835	4,752
Consulting services	-	-	-	12,000
Employee group insurance	135,894	135,894	116,010	128,661
General liability insurance	15,084	15,084	15,084	12,395
Bank charges	11,880	11,880	11,631	11,807
Maintenance - office equipment	1,250	1,250	1,120	974
Membership dues	1,050	1,050	1,049	1,049
Actuarial services	7,600	7,600	6,050	7,600
Printing and binding	2,000	2,000	4,250	1,657
Credit card fees	8,700	8,700	11,803	10,420
Retiree health insurance	9,934	9,934	9,915	9,744
Miscellaneous contracts	5,320	5,320	5,922	4,896
Total contractual services	249,337	249,337	221,172	250,610
Commodities				
Books and subscriptions	200	200	60	-
Information systems miscellaneous equipment and supplies	1,750	1,750	3,573	3,158
Small tools and equipment	200	200	95	28
Miscellaneous	1,120	1,120	1,103	1,188
Office supplies	2,500	2,500	2,463	3,104
Awards/decorations	950	950	930	930
Total commodities	6,720	6,720	8,224	8,408
Capital outlay				
Transfer to CERF	6,897	6,897	6,897	879
Less transfer to CERF	(6,897)	(6,897)	(6,897)	(879)
Net capital outlay	-	-	-	-
Total finance	1,016,504	1,016,504	954,219	1,006,230

(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, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Human resources				
Personnel services				
Salaries	\$ 138,954	\$ 138,954	\$ 141,571	\$ 133,932
Training	800	800	469	395
Employer contribution	26,699	26,699	26,249	26,159
Sick leave buy back	259	259	281	-
Total personnel services	166,712	166,712	168,570	160,486
Contractual services				
Advertising and publishing	2,500	2,500	1,782	1,138
Conferences and meetings	3,950	3,950	3,264	3,737
Consulting services	6,700	6,700	5,660	6,781
Employee group insurance	19,120	19,120	19,211	16,897
General liability insurance	5,279	5,279	5,279	4,338
Membership dues	1,170	1,170	1,160	1,140
Personnel services	31,500	31,500	2,913	30,991
Printing and binding	100	100	-	-
Medical exams	10,000	10,000	6,403	11,804
Total contractual services	80,319	80,319	45,672	76,826
Commodities				
Miscellaneous	200	200	32	25
Miscellaneous equipment and supplies	500	500	445	-
Office supplies	300	300	-	32
Awards/decorations	1,300	1,300	1,323	1,425
Total commodities	2,300	2,300	1,800	1,482
Total human resources	249,331	249,331	216,042	238,794
Legal				
Contractual services				
Recording fees	1,000	1,000	1,926	1,322
Legal services	383,000	383,000	486,639	367,775
Miscellaneous contractual services	750	750	9,534	383
Total contractual services	384,750	384,750	498,099	369,480
Commodities				
Books and subscriptions	100	100	-	-
Total commodities	100	100	-	-
Total legal	384,850	384,850	498,099	369,480
Special events				
Personnel services				
Overtime	-	-	9,990	7,115
Total personnel services	-	-	9,990	7,115

(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, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Special events (Continued)				
Contractual services				
Membership dues	\$ 500	\$ 500	\$ -	\$ -
Advertising and publishing	-	-	3,383	1,002
Rental equipment	7,000	7,000	5,870	-
Programs and activities	51,000	51,000	72,394	-
Printing and binding	-	-	78	1,037
Miscellaneous contractual services	-	-	-	48,363
Total contractual services	58,500	58,500	81,725	50,402
Commodities				
Miscellaneous operating supplies	9,500	9,500	21,083	20,617
Total commodities	9,500	9,500	21,083	20,617
Total special events	68,000	68,000	112,798	78,134
Solid waste system				
Contractual services				
Postage	505	505	591	524
Printing and binding	326	326	304	330
Regional and special agencies assessments	503,672	503,672	414,367	425,713
Total contractual services	504,503	504,503	415,262	426,567
Total solid waste system	504,503	504,503	415,262	426,567
Commuter parking system				
Contractual services				
Energy	16,275	16,275	13,687	13,863
Office equipment maintenance	6,880	6,880	9,195	6,349
Printing and binding	3,500	3,500	3,005	-
Rental agreement	10,260	10,260	11,414	10,257
Credit card fees	600	600	1,042	777
Telecommunications	432	432	-	-
Total contractual services	37,947	37,947	38,343	31,246
Commodities				
Maintenance - building and grounds	5,000	5,000	5,372	4,655
Water and sewer services charges	350	350	608	469
Total commodities	5,350	5,350	5,980	5,124
Total commuter parking system	43,297	43,297	44,323	36,370

(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, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Municipal building maintenance				
Personnel services				
Overtime	\$ 16,000	\$ 16,000	\$ 15,168	\$ 26,865
Seasonal help	12,000	12,000	12,574	21,502
Salaries	437,839	437,839	446,245	427,812
Longevity	3,400	3,400	3,400	2,800
Training	2,590	2,590	2,594	2,238
Uniform allowance	3,000	3,000	2,492	3,340
Employer contribution	87,359	87,359	91,652	95,499
Sick leave annual buy back	1,076	1,076	1,169	1,138
Unemployment compensation	-	-	-	2,800
Total personnel services	563,264	563,264	575,294	583,994
Contractual services				
Conferences and meetings	-	-	-	4
Information systems service and maintenance agreement	25,989	25,989	16,945	8,946
Debris dump charges	200	200	385	388
Employee group insurance	80,254	80,254	76,789	80,570
General liability insurance	39,219	39,219	39,219	32,227
Janitorial services	160,000	160,000	133,523	135,679
Maintenance - equipment	14,220	14,220	14,667	12,470
Rental equipment	1,000	1,000	-	-
Retiree health insurance	4,967	4,967	4,949	4,864
Miscellaneous contractual services	81,650	81,650	69,559	44,551
Total contractual services	407,499	407,499	356,036	319,699
Commodities				
Auto petroleum products	11,000	11,000	9,266	9,875
Books and subscriptions	-	-	-	75
Chemicals	6,000	6,000	7,293	4,951
Janitorial supplies	26,000	26,000	30,526	25,359
Vehicle maintenance	13,500	13,500	15,874	10,584
Maintenance - buildings and grounds	45,000	45,000	54,856	72,573
Information systems miscellaneous equipment and supplies	-	-	-	3,565
Minor tools and equipment	7,000	7,000	5,443	7,829
Miscellaneous operating supplies	1,710	1,710	1,548	1,770
Protective clothing	2,000	2,000	1,403	4,195
Water and sewer services charges	20,000	20,000	28,620	21,539
Total commodities	132,210	132,210	154,829	162,315
Capital outlay				
Transfer to CERF	9,800	9,800	9,800	10,663
Less transfer to CERF	(9,800)	(9,800)	(9,800)	(10,663)
Net capital outlay	-	-	-	-
Total municipal building maintenance	1,102,973	1,102,973	1,086,159	1,066,008

(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, 2015
(With Comparative Actual)

	2015			2014
	Original Budget	Final Budget	Actual	
GENERAL GOVERNMENT (Continued)				
Municipal vehicle maintenance				
Personnel services				
Overtime	\$ 6,000	\$ 6,000	\$ 3,384	\$ 5,906
Salaries	425,089	425,089	433,057	398,314
Longevity	3,300	3,300	3,300	3,300
Training	2,170	2,170	3,220	2,471
Uniform allowance	8,700	8,700	7,198	7,161
Employer contribution	82,999	82,999	86,641	87,347
Sick leave buy back	1,076	1,076	-	1,138
Total personnel services	529,334	529,334	536,800	505,637
Contractual services				
Conferences and meetings	3,650	3,650	2,627	3,186
Consulting services	1,200	1,200	1,065	1,640
Debris dump charges	150	150	(164)	296
Employee group insurance	78,297	78,297	73,145	76,082
General liability insurance	24,135	24,135	24,135	19,832
Maintenance - office equipment and special equipment	2,900	2,900	4,149	2,327
Membership dues	750	750	669	710
Printing and binding	300	300	220	300
Retiree health insurance	5,060	5,060	6,213	6,519
Total contractual services	116,442	116,442	112,059	110,892
Commodities				
Auto petroleum products	3,200	3,200	2,880	3,022
Books and subscriptions	500	500	165	450
Chemicals	1,500	1,500	1,623	1,667
Vehicle maintenance	3,500	3,500	2,630	3,630
Minor tools and equipment	5,500	5,500	5,854	5,755
Miscellaneous equipment and supplies	3,500	3,500	3,516	-
Miscellaneous operating supplies	9,450	9,450	7,232	2,133
Protective clothing	400	400	1,327	470
Information systems miscellaneous software	900	900	749	846
Total commodities	28,450	28,450	25,976	17,973
Capital outlay				
Transfer to CERF	2,868	2,868	2,868	1,893
Less transfer to CERF	(2,868)	(2,868)	(2,868)	(1,893)
Net capital outlay	-	-	-	-
Total municipal vehicle maintenance	674,226	674,226	674,835	634,502

(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, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Community development				
Personnel services				
Overtime	\$ 2,000	\$ 2,000	\$ 1,165	\$ 2,539
Seasonal help	13,500	13,500	13,167	11,348
Salaries	1,342,261	1,342,261	1,233,372	1,283,845
Longevity	4,150	4,150	4,150	4,150
Training	3,300	3,300	1,385	1,990
Uniform allowance	650	650	545	863
Unemployment compensation	-	-	16,456	-
Employer contribution	260,861	260,861	233,763	257,637
Sick leave buy back	3,205	3,205	974	1,895
Total personnel services	1,629,927	1,629,927	1,504,977	1,564,267
Contractual services				
Advertising and publishing	2,000	2,000	398	873
Conferences and meetings	4,000	4,000	710	4,098
Consulting services	25,500	25,500	12,024	52,956
Data processing services	13,590	13,590	12,632	12,600
Exterminating services	6,800	6,800	6,110	6,005
Employee group insurance	208,252	208,252	189,530	205,030
General liability insurance	147,826	147,826	147,826	121,470
Maintenance - office equipment	6,000	6,000	3,359	3,549
Membership dues	3,475	3,475	2,546	3,005
Printing and binding	7,500	7,500	5,445	6,395
Credit card fees	3,500	3,500	2,057	4,002
Retiree health insurance	27,097	27,097	26,851	30,278
Duplication services	6,000	6,000	2,344	4,524
Finger printing fees	3,000	3,000	2,459	2,552
Miscellaneous	500	500	-	-
Total contractual services	465,040	465,040	414,291	457,337
Commodities				
Auto petroleum products	11,000	11,000	6,252	10,983
Books and subscriptions	1,700	1,700	1,965	1,034
Health test supplies	250	250	39	206
Vehicle maintenance	6,000	6,000	3,922	4,227
Information systems miscellaneous equipment and supplies	14,000	14,000	14,252	115
Minor tools and equipment	1,600	1,600	1,133	1,759
Miscellaneous operating supplies	6,000	6,000	5,700	6,263
Office supplies	3,525	3,525	3,298	3,450
Protective clothing	800	800	769	942
Total commodities	44,875	44,875	37,330	28,979

(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, 2015
(With Comparative Actual)

	2015			2014
	Original Budget	Final Budget	Actual	
GENERAL GOVERNMENT (Continued)				
Community development (Continued)				
Capital outlay				
Transfer to CERF	\$ 11,508	\$ 11,508	\$ 11,508	\$ 11,672
Less transfer to CERF	(11,508)	(11,508)	(11,508)	(11,672)
Net capital outlay	-	-	-	-
Total community development	2,139,842	2,139,842	1,956,598	2,050,583
Senior citizens services				
Personnel services				
Overtime	-	-	-	135
Salaries	225,492	225,492	230,656	213,018
Local training and meeting	300	300	-	-
Employer contribution	40,501	40,501	40,416	38,721
Sick leave buy back	382	382	-	-
Total personnel services	266,675	266,675	271,072	251,874
Contractual services				
Conferences and meetings	250	250	142	17,433
Consulting services	-	-	26,539	-
Energy	6,300	6,300	4,883	5,496
Employee group insurance	41,019	41,019	40,531	40,042
General liability insurance	5,279	5,279	5,279	4,338
Janitorial services	400	400	-	-
Landscape maintenance	1,700	1,700	1,487	1,479
Maintenance - equipment	4,200	4,200	4,052	3,963
Membership dues	500	500	300	300
Postage	3,000	3,000	2,421	2,446
Printing and binding	700	700	667	1,108
Programs and activities	14,950	14,950	21,521	-
Regional and special agency assessments	250	250	323	178
Credit card fees	600	600	827	76
Total contractual services	79,148	79,148	108,972	76,859
Commodities				
Books and subscriptions	100	100	156	156
Maintenance - buildings and grounds	11,125	11,125	5,139	7,559
Information systems miscellaneous equipment and supplies	-	-	-	683
Minor tools and equipment	400	400	478	443
Miscellaneous operating supplies	1,500	1,500	1,424	1,645
Office supplies	2,300	2,300	1,777	1,839
Total commodities	15,425	15,425	8,974	12,325
Total senior citizen services	361,248	361,248	389,018	341,058

(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, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Social services				
Personnel services				
Longevity	\$ 600	\$ 600	\$ 600	\$ 600
Overtime	1,200	1,200	843	1,920
Salaries	216,746	216,746	220,693	214,426
Employer contributions	43,033	43,033	42,200	43,067
Sick leave annual buy back	299	299	-	-
Training and meetings	400	400	204	576
Total personnel services	262,278	262,278	264,540	260,589
Contractual services				
Conferences and meetings	3,000	3,000	2,597	2,386
Employee health insurance	33,202	33,202	32,962	32,648
Membership dues	430	430	795	505
Printing and binding	850	850	95	598
Contractual services	2,500	2,500	-	2,400
Total contractual services	39,982	39,982	36,449	38,537
Commodities				
Miscellaneous equipment and supplies	400	400	-	2,043
Miscellaneous operating supplies	700	700	468	499
Office supplies	750	750	388	1,396
Total commodities	1,850	1,850	856	3,938
Total social services	304,110	304,110	301,845	303,064
CIP engineering				
Personnel services				
Overtime	2,000	2,000	-	3,961
Seasonal help	18,000	18,000	-	12,348
Longevity	650	650	-	650
Training	500	500	439	246
Employer contribution	41,259	41,259	-	725
Total personnel services	62,409	62,409	439	17,930
Contractual services				
Consulting services	9,000	9,000	8,522	9,630
Data processing	3,500	3,500	2,625	2,595
Employee group insurance	47,254	47,254	-	(34)
General liability insurance	104,081	104,081	104,081	85,525
Maintenance - office equipment	500	500	482	393
Membership dues	490	490	96	378
Printing and binding	1,100	1,100	1,200	1,168
Duplication services	14,000	14,000	13,625	14,536
Rental agreements	500	500	500	500
Total contractual services	180,425	180,425	131,131	114,691

(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, 2015
(With Comparative Actual)

	2015			2014
	Original Budget	Final Budget	Actual	
GENERAL GOVERNMENT (Continued)				
CIP engineering (Continued)				
Commodities				
Auto petroleum products	\$ 1,000	\$ 1,000	\$ 2,910	\$ 1,687
Books and subscriptions	450	450	434	457
Vehicle maintenance	750	750	861	1,926
Information systems software	2,950	2,950	3,010	4,049
Miscellaneous equipment and supplies	3,250	3,250	3,882	1,185
Minor tools and equipment	1,000	1,000	1,157	5,677
Miscellaneous operating supplies	2,000	2,000	1,904	1,742
Office supplies	900	900	948	902
Protective clothing	800	800	764	777
Total commodities	13,100	13,100	15,870	18,402
Capital outlay				
Transfer to CERF	5,102	5,102	5,102	7,880
Less transfer to CERF	(5,102)	(5,102)	(5,102)	(7,880)
Total capital outlay	-	-	-	-
Total CIP engineering	255,934	255,934	147,440	151,023
Streets division				
Personnel services				
Overtime	80,000	80,000	101,693	134,401
Seasonal help	48,000	48,000	31,075	34,096
Salaries	338,378	338,378	341,340	319,563
Longevity	1,700	1,700	1,700	1,700
Training	1,215	1,215	1,318	1,092
Uniform allowance	2,500	2,500	2,177	3,423
Employer contributions	67,332	67,332	72,535	70,831
Sick leave annual buy back	179	179	195	190
Total personnel services	539,304	539,304	552,033	565,296
Contractual services				
Debris dumping charges	6,000	6,000	-	5,774
Energy	3,780	3,780	479	1,853
Employee health insurance	79,590	79,590	78,930	76,110
General liability insurance	68,633	68,633	68,633	56,397
Miscellaneous contractual service	8,000	8,000	10,930	5,000
Membership dues	165	165	150	161
Rental equipment	2,000	2,000	-	1,122
Retiree health insurance	12,822	12,822	12,382	12,706
Pavement markings	10,000	10,000	9,332	9,761
Street light maintenance	40,000	40,000	29,981	59,980
Total contractual services	230,990	230,990	210,817	228,864

(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, 2015
(With Comparative Actual)

	2015			2014
	Original Budget	Final Budget	Actual	
GENERAL GOVERNMENT (Continued)				
Streets division (Continued)				
Commodities				
Auto petroleum products	\$ 36,000	\$ 36,000	\$ 22,671	\$ 35,507
Books and subscriptions	900	900	900	950
Chemicals	16,000	16,000	12,196	14,796
Vehicle maintenance	43,000	43,000	45,081	38,615
Maintenance - building and grounds	22,500	22,500	(7,360)	5,024
Minor tools and equipment	30,000	30,000	22,773	45,929
Small tools and equipment	6,500	6,500	9,128	5,868
Miscellaneous operating supplies	500	500	259	629
Miscellaneous equipment and supplies	1,750	1,750	2,381	-
Protective clothing	2,500	2,500	1,851	1,476
Special equipment	4,250	4,250	4,518	-
Streets signs	10,000	10,000	10,538	13,182
Water and sewer service charges	1,600	1,600	953	963
Total commodities	175,500	175,500	125,889	162,939
Capital outlay				
Transfer to CERF	95,343	95,343	95,343	82,571
Less transfer to CERF	(95,343)	(95,343)	(95,343)	(82,571)
Net capital outlay	-	-	-	-
Total streets division	945,794	945,794	888,739	957,099
Public works administration				
Personnel services				
Salaries	366,378	366,378	421,340	358,886
Training	800	800	1,120	705
Longevity	1,300	1,300	1,899	1,300
Employer contributions	71,463	71,463	95,505	71,124
SLDPA retiree contributions	-	-	21,498	-
Sick leave buy back	1,488	1,488	-	1,050
Total personnel services	441,429	441,429	541,362	433,065
Contractual services				
Conferences and meetings	4,900	4,900	4,332	5,724
Energy	37,800	37,800	6,427	22,569
Employee group insurance	54,472	54,472	55,757	52,048
General liability insurance	25,643	25,643	25,643	21,071
Maintenance - office equipment	2,449	2,449	1,959	2,613
Maintenance - radio equipment	400	400	409	1,403
Membership dues	323	323	299	326
Medical examinations	3,345	3,345	2,421	5,993
Printing and binding	-	-	286	-
Retiree health insurance	5,516	5,516	10,939	5,418
Miscellaneous contractual services	307	307	307	307
Total contractual services	135,155	135,155	108,779	117,472

(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, 2015
(With Comparative Actual)

	2015			2014
	Original Budget	Final Budget	Actual	
GENERAL GOVERNMENT (Continued)				
Public works administration (Continued)				
Commodities				
Auto petroleum products	\$ 450	\$ 450	\$ 767	\$ 661
Books and subscriptions	200	200	-	306
Vehicle maintenance	495	495	129	493
Information systems miscellaneous equipment and supplies	1,750	1,750	1,866	552
Miscellaneous operating supplies	2,100	2,100	2,855	3,147
Office supplies	4,000	4,000	4,024	4,692
Protective clothing	270	270	455	378
Awards and decorations	-	-	315	22
Total commodities	9,265	9,265	10,411	10,251
Total public works administration	585,849	585,849	660,552	560,788
Forestry				
Personnel services				
Longevity	1,700	1,700	1,700	1,700
Overtime	2,500	2,500	1,889	7,000
Seasonal help	48,000	48,000	13,269	32,223
Salaries	338,378	338,378	341,338	319,562
Training	1,350	1,350	1,581	1,207
Uniform allowance	2,000	2,000	1,479	1,895
Employer contributions	67,332	67,332	70,067	73,865
Sick leave annual buy back	179	179	195	190
Unemployment compensation	-	-	-	1,800
Total personnel services	461,439	461,439	431,518	439,442
Contractual services				
Debris dump charges	6,000	6,000	8,195	6,323
Energy	21,000	21,000	16,494	18,714
Employee health insurance	79,590	79,590	78,929	76,109
General liability insurance	29,414	29,414	29,414	24,170
Service and maintenance agreement	5,250	5,250	5,250	-
Landscape maintenance	99,000	99,000	106,525	88,892
Membership dues	825	825	785	870
Energy	151,000	151,000	164,805	155,008
Miscellaneous contractual services	300,000	300,000	277,359	233,686
Total contractual services	692,079	692,079	687,756	603,772
Commodities				
Auto petroleum products	12,000	12,000	6,970	10,092
Chemicals	2,000	2,000	-	1,000
Vehicle maintenance	10,000	10,000	6,986	7,833
Maintenance - building and grounds	88,000	88,000	84,678	78,271
Miscellaneous equipment and supplies	-	-	-	353
Small tools and equipment	9,000	9,000	9,125	9,670

(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, 2015
(With Comparative Actual)

	2015			2014
	Original Budget	Final Budget	Actual	
GENERAL GOVERNMENT (Continued)				
Forestry (Continued)				
Commodities (Continued)				
Miscellaneous operating supplies	\$ 800	\$ 800	\$ 479	\$ 560
Protective clothing	2,500	2,500	1,996	2,696
Special equipment	4,250	4,250	4,518	-
Water charge	6,500	6,500	13,518	7,892
Total commodities	135,050	135,050	128,270	118,367
Capital outlay				
Transfer to CERF	28,181	28,181	28,181	25,848
Less transfer to CERF	(28,181)	(28,181)	(28,181)	(25,848)
Total capital outlay	-	-	-	-
Total forestry	1,288,568	1,288,568	1,247,544	1,161,581
Information systems				
Personnel services				
Salaries	369,639	369,639	375,817	356,386
Training	4,000	4,000	3,995	3,927
Longevity	1,600	1,600	1,600	1,600
Employer contribution	73,141	73,141	72,559	72,997
Seasonal help	4,320	4,320	-	-
Sick leave buy back	2,180	2,180	2,071	2,006
Total personnel services	454,880	454,880	456,042	436,916
Contractual services				
Information system service and maintenance agreement	200,500	200,500	219,185	187,745
Employee health insurance	69,364	69,364	67,516	67,691
Maintenance - office equipment	2,750	2,750	282	1,795
Multiple day training	-	-	-	818
Membership dues	100	100	250	100
Total contractual services	272,714	272,714	287,233	258,149
Commodities				
Information systems miscellaneous equipment and supplies	25,000	25,000	33,002	38,618
Miscellaneous operating supplies	2,750	2,750	1,380	2,402
Office supplies	250	250	-	152
Miscellaneous software	45,000	45,000	28,108	43,158
Total commodities	73,000	73,000	62,490	84,330

(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, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Information systems (Continued)				
Capital outlay				
Transfer to CERF	\$ 97,988	\$ 97,988	\$ 97,988	\$ 87,125
Less transfer to CERF	(97,988)	(97,988)	(97,988)	(87,125)
Net capital outlay	-	-	-	-
Total information systems	800,594	800,594	805,765	779,395
Total	12,420,227	12,547,430	12,235,135	11,743,201
Less Waterworks and Sewerage Fund reimbursements	1,237,488	1,237,488	1,237,488	1,189,396
Total general government	11,182,739	11,309,942	10,997,647	10,553,805
PUBLIC SAFETY				
Police department				
Personnel services				
Longevity	44,100	44,100	45,090	50,693
Overtime	535,462	535,462	433,555	619,312
Salaries	6,845,386	6,845,386	6,855,910	7,431,879
Training	45,868	45,868	35,120	44,015
Uniform allowance	55,000	55,000	53,538	74,797
Employer contribution - IMRF	268,362	268,362	269,812	428,106
Employer contribution - police pension	1,603,586	2,015,418	2,060,385	1,692,954
College incentive	3,000	3,000	2,708	3,400
Tuition reimbursement	3,000	3,000	4,000	818
VEMA/PEHP contribution	22,983	22,983	68,175	79,570
Sick leave buy back	39,405	39,405	38,453	39,812
Total personnel services	9,466,152	9,877,984	9,866,746	10,465,356
Contractual services				
Animal impounding	4,000	4,000	3,795	4,692
Conferences and meetings	18,132	18,132	19,927	9,162
Energy	16,100	16,100	10,220	15,738
Employee group insurance	1,216,076	1,216,076	1,124,746	1,272,860
General liability insurance	306,210	306,210	306,210	251,616
Information systems software	4,000	4,000	3,883	1,426
Maintenance - office and special equipment	37,463	37,463	29,525	37,891
Membership dues	8,859	8,859	9,390	8,476
Printing and binding	18,400	18,400	10,065	16,974
Prisoner welfare	4,500	4,500	3,839	2,737
Regional and special agency assessments	77,096	77,096	68,716	72,748
Credit card services	480	480	620	(15)
Duplication services	-	-	-	1,721
Medical examinations	7,200	7,200	3,638	5,815
Miscellaneous contractual services	2,500	2,500	2,794	307
Retiree health insurance	143,575	143,575	144,065	156,966
Total contractual services	1,864,591	1,864,591	1,741,433	1,859,114

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
PUBLIC SAFETY (Continued)				
Police department (Continued)				
Commodities				
Auto petroleum products	\$ 153,000	\$ 153,000	\$ 90,213	\$ 119,664
Books and subscriptions	1,800	1,800	1,709	2,302
Vehicle maintenance	69,000	69,000	56,660	72,435
Computer supplies	50,500	50,500	46,058	13,011
Small tools and equipment	35,107	35,107	47,022	18,774
Range supplies	37,253	37,253	39,420	38,120
Miscellaneous operating supplies	38,550	38,550	38,002	34,445
Office supplies	8,800	8,800	9,052	8,207
Awards/decorations	1,800	1,800	1,382	1,925
Police DUI fund	-	-	3,375	12,847
Investigative funds	1,500	1,500	1,480	2,072
Total commodities	397,310	397,310	334,373	323,802
Capital outlay				
Transfer to CERF	155,904	155,904	155,904	120,797
Less transfer to CERF	(155,904)	(155,904)	(155,904)	(120,797)
Net capital outlay	-	-	-	-
Dispatch				
Personnel services				
Longevity	3,200	3,200	3,200	-
Overtime	252,852	252,852	254,697	-
Salaries	1,347,517	1,347,517	1,335,699	-
Uniform allowance	7,500	7,500	6,933	-
Employer contribution - IMRF	267,356	267,356	303,001	-
Employee health insurance	324,410	324,410	170,625	-
Retiree health insurance	-	-	4,949	-
Sick leave buy back	2,078	2,078	1,694	-
Total personnel services	2,204,913	2,204,913	2,080,798	-
Total police department	13,932,966	14,344,798	14,023,350	12,648,272
Fire department				
Personnel services				
Longevity	20,300	20,300	20,300	18,100
Overtime	317,049	317,049	478,195	465,252
Salaries	5,023,347	5,023,347	5,071,389	4,876,687
Training	35,000	35,000	22,061	25,481
Uniform allowance	32,000	32,000	34,732	32,562
Employer contribution - IMRF	123,149	123,149	128,428	124,425
Employer contribution - police pension	1,740,322	2,201,287	2,258,857	1,850,379
College incentive	300	300	300	300
Tuition reimbursement	6,850	6,850	1,503	4,426
Sick leave buy back	5,413	5,413	8,364	5,135
Total personnel services	7,303,730	7,764,695	8,024,129	7,402,747

(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, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
PUBLIC SAFETY (Continued)				
Fire department (Continued)				
Contractual services				
Conferences and meetings	\$ 8,000	\$ 8,000	\$ 5,243	\$ 5,555
Fire extinguisher maintenance	2,490	2,490	2,757	1,811
Energy	10,500	10,500	4,376	8,283
Employee group insurance	935,213	935,213	938,063	911,031
General liability insurance	549,067	549,067	549,067	451,174
Maintenance - office equipment	60,025	60,025	56,107	58,389
Membership dues	1,560	1,560	1,314	1,314
Printing and binding	2,100	2,100	1,660	2,059
Regional and special agency assessments	18,200	18,200	16,825	16,925
Medical examinations	18,800	18,800	17,439	15,710
Finger printing fees	-	-	30	-
Miscellaneous contractual services	-	-	307	307
Retiree health insurance	399,326	399,326	403,271	409,586
Total contractual services	2,005,281	2,005,281	1,996,459	1,882,144
Commodities				
Auto petroleum products	61,000	61,000	41,403	60,277
Books and subscriptions	3,871	3,871	3,605	3,904
Firefighting supplies	101,175	101,175	95,640	84,424
Vehicle maintenance	77,000	77,000	76,993	80,733
Maintenance - building and grounds	37,105	37,105	41,552	12,589
Medical supplies	26,402	26,402	17,429	17,265
Computer supplies	32,365	32,365	32,480	34,508
Small tools and equipment	-	-	45	-
Miscellaneous operating supplies	8,150	8,150	4,152	7,457
Office supplies	5,750	5,750	5,483	5,523
Protective clothing	29,015	29,015	28,978	28,875
Total commodities	381,833	381,833	347,760	335,555
Capital outlay				
Transfer to CERF	236,789	236,789	236,789	162,962
Less transfer to CERF	(236,789)	(236,789)	(236,789)	(162,962)
Net capital outlay	-	-	-	-
Total fire department	9,690,844	10,151,809	10,368,348	9,620,446
Total public safety	23,623,810	24,496,607	24,391,698	22,268,718
DEBT SERVICE				
Debt service				
Principal	215,000	215,000	193,283	202,900
Total debt service	215,000	215,000	193,283	202,900
TOTAL EXPENDITURES	\$ 35,021,549	\$ 36,021,549	\$ 35,582,628	\$ 33,025,423

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Motor Fuel Tax Fund

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

Foreign Fire Insurance Tax Fund

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

Emergency Telephone System Fund

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

Grant Fund

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

CAPITAL PROJECTS FUNDS

Crossroads Redevelopment Area Fund

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

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.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

CAPITAL PROJECTS FUNDS (Continued)

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.

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.

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, 2015

	<u>Special Revenue</u>				
	<u>Motor Fuel Tax</u>	<u>Foreign Fire Insurance Tax</u>	<u>Emergency Telephone System</u>	<u>Grant</u>	<u>Crossroads Redevelopment Area</u>
ASSETS					
Cash and investments	\$ 1,153,217	\$ 126,496	\$ 277,320	\$ 30,766	\$ 564,259
Receivables					
Property taxes	-	-	-	-	18,589
Accounts	-	-	93,176	-	-
Accrued interest	-	-	-	-	589
Other	-	-	-	-	-
Prepaid items	-	775	55,865	2,030	349
Inventory	148,918	-	-	-	-
Due from other funds	-	-	-	-	-
Due from other governments	84,968	-	-	66,919	-
TOTAL ASSETS	\$ 1,387,103	\$ 127,271	\$ 426,361	\$ 99,715	\$ 583,786
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 105,142	\$ -	\$ 20,886	\$ 4,599	\$ 26,697
Accrued payroll	-	-	-	5,430	-
Unearned revenue	-	-	-	2,136	-
Due to other funds	-	-	-	87,550	1,200,000
Advance from other funds	-	-	-	-	-
Total liabilities	105,142	-	20,886	99,715	1,226,697
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Total liabilities and deferred inflows of resources	105,142	-	20,886	99,715	1,226,697
FUND BALANCES					
Nonspendable					
Prepaid items	-	775	55,865	2,030	349
Inventory	148,918	-	-	-	-
Restricted					
Capital projects	-	-	-	-	-
Highways and streets	1,133,043	-	-	-	-
Public safety	-	126,496	349,610	-	-
Economic development	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned					
Capital improvements	-	-	-	-	-
Senior Center	-	-	-	-	-
Unassigned (deficit)	-	-	-	(2,030)	(643,260)
Total fund balances (deficit)	1,281,961	127,271	405,475	-	(642,911)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 1,387,103	\$ 127,271	\$ 426,361	\$ 99,715	\$ 583,786

Capital Projects								
North Milwaukee/ Lake Cook Redevelopment Area	Capital Equipment Replacement	South Milwaukee Redevelopment Area	Town Center TIF #2	Southeast TIF #2	Capital Projects	Debt Service	Total	
\$ 3,454,495	\$ 5,331,622	\$ 545,189	\$ 1,322,073	\$ 17,316	\$ 2,861,596	\$ 114,760	\$ 15,799,109	
-	-	459	266	-	-	1,708,289	1,727,603	
-	-	-	-	-	109,402	-	202,578	
-	12,813	1,500	-	-	6,608	-	21,510	
-	-	-	-	-	286,701	-	286,701	
349	-	349	349	349	1,618	-	62,033	
-	-	-	-	-	-	-	148,918	
-	-	-	2,555,235	-	-	-	2,555,235	
-	-	-	-	-	-	-	151,887	
<u>\$ 3,454,844</u>	<u>\$ 5,344,435</u>	<u>\$ 547,497</u>	<u>\$ 3,877,923</u>	<u>\$ 17,665</u>	<u>\$ 3,265,925</u>	<u>\$ 1,823,049</u>	<u>\$ 20,955,574</u>	
\$ 31,088	\$ 91,483	\$ 8,259	\$ 95,737	\$ 2,709	\$ 156,150	\$ -	\$ 542,750	
-	-	-	-	-	-	-	5,430	
-	-	-	-	-	256,361	-	258,497	
1,200,000	-	155,235	-	-	-	-	2,642,785	
-	863,629	-	-	-	-	-	863,629	
<u>1,231,088</u>	<u>955,112</u>	<u>163,494</u>	<u>95,737</u>	<u>2,709</u>	<u>412,511</u>	<u>-</u>	<u>4,313,091</u>	
-	-	-	-	-	-	1,701,220	1,701,220	
-	-	-	-	-	-	1,701,220	1,701,220	
<u>1,231,088</u>	<u>955,112</u>	<u>163,494</u>	<u>95,737</u>	<u>2,709</u>	<u>412,511</u>	<u>1,701,220</u>	<u>6,014,311</u>	
349	-	349	349	349	1,618	-	62,033	
-	-	-	-	-	-	-	148,918	
-	-	-	-	-	1,979,004	-	1,979,004	
-	-	-	-	-	-	-	1,133,043	
-	-	-	-	-	-	-	476,106	
2,223,407	-	383,654	3,781,837	14,607	-	-	6,403,505	
-	-	-	-	-	-	121,829	121,829	
-	4,389,323	-	-	-	-	-	4,389,323	
-	-	-	-	-	872,792	-	872,792	
-	-	-	-	-	-	-	(645,290)	
<u>2,223,756</u>	<u>4,389,323</u>	<u>384,003</u>	<u>3,782,186</u>	<u>14,956</u>	<u>2,853,414</u>	<u>121,829</u>	<u>14,941,263</u>	
<u>\$ 3,454,844</u>	<u>\$ 5,344,435</u>	<u>\$ 547,497</u>	<u>\$ 3,877,923</u>	<u>\$ 17,665</u>	<u>\$ 3,265,925</u>	<u>\$ 1,823,049</u>	<u>\$ 20,955,574</u>	

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS

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

For the Year Ended December 31, 2015

	Special Revenue				
	Motor Fuel Tax	Foreign Fire Insurance Tax	Emergency Telephone System	Grant	Crossroads Redevelopment Area
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 2,724,734
Intergovernmental	952,106	-	98,815	173,458	-
Charges for services	-	-	246,206	-	-
Investment income	1,284	-	936	-	5,208
Miscellaneous	-	64,547	129,109	-	-
Total revenues	<u>953,390</u>	<u>64,547</u>	<u>475,066</u>	<u>173,458</u>	<u>2,729,942</u>
EXPENDITURES					
Current					
Public safety	-	54,723	575,553	232,453	-
Highways and streets	1,148,519	-	-	-	-
Capital outlay	-	-	-	-	2,080,983
Capital improvements	-	-	-	-	33,136
Debt service					
Principal	-	-	-	-	543,353
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>1,148,519</u>	<u>54,723</u>	<u>575,553</u>	<u>232,453</u>	<u>2,657,472</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(195,129)</u>	<u>9,824</u>	<u>(100,487)</u>	<u>(58,995)</u>	<u>72,470</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	210,000	58,995	-
Transfers (out)	-	-	(82,874)	-	(4,200,000)
Proceeds from sale of capital assets	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>127,126</u>	<u>58,995</u>	<u>(4,200,000)</u>
NET CHANGE IN FUND BALANCES	<u>(195,129)</u>	<u>9,824</u>	<u>26,639</u>	<u>-</u>	<u>(4,127,530)</u>
FUND BALANCES (DEFICIT), JANUARY 1	<u>1,477,090</u>	<u>117,447</u>	<u>378,836</u>	<u>-</u>	<u>3,484,619</u>
FUND BALANCES (DEFICIT), DECEMBER 31	<u>\$ 1,281,961</u>	<u>\$ 127,271</u>	<u>\$ 405,475</u>	<u>\$ -</u>	<u>\$ (642,911)</u>

Capital Projects							
North Milwaukee/ Lake Cook Redevelopment Area	Capital Equipment Replacement	South Milwaukee Redevelopment Area	Town Center TIF #2	Southeast TIF #2	Capital Projects	Debt Service	Total
\$ 4,650,758	\$ -	\$ 1,359,386	\$ 36,525	\$ 164,682	\$ 2,973,641	\$ 1,733,697	\$ 13,643,423
-	100,000	-	-	-	130,785	-	1,455,164
-	-	-	-	-	676,329	-	922,535
2,466	65,143	14,666	2,611	30	32,944	856	126,144
-	-	-	75,013	13	-	-	268,682
4,653,224	165,143	1,374,052	114,149	164,725	3,813,699	1,734,553	16,415,948
-	-	-	-	-	-	-	862,729
-	-	-	-	-	581,738	-	1,730,257
108,319	1,406,185	724,544	184,925	39,082	-	-	4,544,038
816,962	-	972,490	184,192	-	1,931,390	-	3,938,170
1,434,143	-	-	-	-	305,793	1,015,000	3,298,289
1,132,611	-	-	-	-	82,748	1,562,562	2,777,921
3,492,035	1,406,185	1,697,034	369,117	39,082	2,901,669	2,577,562	17,151,404
1,161,189	(1,241,042)	(322,982)	(254,968)	125,643	912,030	(843,009)	(735,456)
410,625	733,254	-	4,200,000	-	-	877,267	6,490,141
-	(10,643)	-	-	-	(294,367)	-	(4,587,884)
-	-	-	-	-	921,327	-	921,327
410,625	722,611	-	4,200,000	-	626,960	877,267	2,823,584
1,571,814	(518,431)	(322,982)	3,945,032	125,643	1,538,990	34,258	2,088,128
651,942	4,907,754	706,985	(162,846)	(110,687)	1,314,424	87,571	12,853,135
\$ 2,223,756	\$ 4,389,323	\$ 384,003	\$ 3,782,186	\$ 14,956	\$ 2,853,414	\$ 121,829	\$ 14,941,263

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, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
REVENUES				
Intergovernmental				
Allotments	\$ 935,363	\$ 935,363	\$ 952,026	\$ 1,299,085
Grants	-	-	80	8
Investment income	15,460	15,460	1,284	2,219
Total revenues	<u>950,823</u>	<u>950,823</u>	<u>953,390</u>	<u>1,301,312</u>
EXPENDITURES				
Highways and streets				
Contractual services	132,750	132,750	109,747	123,576
Commodities	193,000	193,000	142,959	102,759
Maintenance and capital improvements	1,000,000	1,000,000	895,813	1,037,507
Total expenditures	<u>1,325,750</u>	<u>1,325,750</u>	<u>1,148,519</u>	<u>1,263,842</u>
NET CHANGE IN FUND BALANCE	<u>\$ (374,927)</u>	<u>\$ (374,927)</u>	(195,129)	37,470
FUND BALANCE, JANUARY 1			<u>1,477,090</u>	<u>1,439,620</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 1,281,961</u></u>	<u><u>\$ 1,477,090</u></u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

FOREIGN FIRE INSURANCE TAX FUND

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

For the Year Ended December 31, 2015
(With Comparative Actual)

	2015			2014
	Original Budget	Final Budget	Actual	
REVENUES				
Investment income	\$ -	\$ -	\$ -	\$ 32
Miscellaneous				
Foreign fire insurance	62,000	62,000	64,547	57,052
Total revenues	62,000	62,000	64,547	57,084
EXPENDITURES				
Public safety				
Contractual services	1,700	1,700	7,988	4,202
Commodities	54,000	54,000	46,735	61,228
Total expenditures	55,700	55,700	54,723	65,430
NET CHANGE IN FUND BALANCE	\$ 6,300	\$ 6,300	9,824	(8,346)
FUND BALANCE, JANUARY 1			117,447	125,793
FUND BALANCE, DECEMBER 31			\$ 127,271	\$ 117,447

(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, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
REVENUES				
Charges for services	\$ 230,000	\$ 230,000	\$ 246,206	\$ 226,982
Investment income	1,792	1,792	936	863
Intergovernmental	98,815	98,815	98,815	413,692
Miscellaneous				
Telephone surcharges	115,000	115,000	129,109	132,778
Total revenues	445,607	445,607	475,066	774,315
EXPENDITURES				
Public safety	578,365	578,365	575,553	745,795
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	(132,758)	(132,758)	(100,487)	28,520
OTHER FINANCING SOURCES (USES)				
Transfers in				
General Fund	210,000	210,000	210,000	180,000
Transfers (out)				
Capital Equipment Replacement Fund	(82,874)	(82,874)	(82,874)	(85,259)
Total other financing sources (uses)	127,126	127,126	127,126	94,741
NET CHANGE IN FUND BALANCE				
	\$ (5,632)	\$ (5,632)	26,639	123,261
FUND BALANCE, JANUARY 1				
			378,836	255,575
FUND BALANCE, DECEMBER 31				
			\$ 405,475	\$ 378,836

(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, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
PUBLIC SAFETY				
Personnel services				
Training	\$ 6,000	\$ 6,000	\$ 5,082	\$ 379
Contractual services				
Conferences and meetings	5,500	5,500	2,696	1,818
Data processing services	89,174	89,174	162,960	129,466
Maintenance - equipment	73,215	73,215	45,011	42,037
Membership dues	437	437	229	229
Regional and special agency assessments	346,239	346,239	320,266	330,017
Total contractual services	514,565	514,565	531,162	503,567
Commodities				
Books and subscriptions				
Information systems miscellaneous	1,500	1,500	793	727
Equipment and supplies	32,500	32,500	20,165	210,420
Small tools and equipment	15,300	15,300	15,913	-
Miscellaneous operating supplies	2,000	2,000	80	1,123
Office supplies	1,000	1,000	105	-
Awards and decorations	500	500	346	-
Miscellaneous software	5,000	5,000	1,907	29,579
Total commodities	57,800	57,800	39,309	241,849
Capital outlay				
Transfer to CERF	82,874	82,874	82,874	85,259
Less transfer to CERF	(82,874)	(82,874)	(82,874)	(85,259)
Net capital outlay	-	-	-	-
TOTAL EXPENDITURES	\$ 578,365	\$ 578,365	\$ 575,553	\$ 745,795

(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, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
REVENUES				
Intergovernmental	\$ 77,958	\$ 77,958	\$ 173,458	\$ 159,157
Total revenues	77,958	77,958	173,458	159,157
EXPENDITURES				
Public safety				
Personnel services				
Overtime	50,280	50,280	69,534	45,005
Salaries	90,108	90,108	88,585	83,028
Employer contributions	15,931	15,931	16,820	15,560
Conferences and meetings	-	-	-	170
Contractual services				
Employee health insurance	21,001	21,001	20,424	20,461
Miscellaneous contractual services	30,996	30,996	35,900	23,584
Commodities				
Miscellaneous equipment and supplies	-	-	699	-
Miscellaneous operating supplies	-	-	491	1,746
Investigative funds	-	-	-	552
Total expenditures	208,316	208,316	232,453	190,106
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(130,358)	(130,358)	(58,995)	(30,949)
OTHER FINANCING SOURCES (USES)				
Transfers in				
General Fund	49,082	49,082	58,995	33,449
Transfers (out)				
General Fund	-	-	-	(2,500)
Total other financing sources (uses)	49,082	49,082	58,995	30,949
NET CHANGE IN FUND BALANCE	\$ (81,276)	\$ (81,276)	-	-
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, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 2,571,768	\$ 2,571,768	\$ 2,724,734	\$ 2,531,213
Investment income	53,040	53,040	5,208	13,982
Total revenues	2,624,808	2,624,808	2,729,942	2,545,195
EXPENDITURES				
Capital outlay				
Salaries	16,558	16,558	16,792	15,969
Local training and meeting	-	-	228	154
Employee contributions	3,278	3,278	3,252	3,225
Consulting services	23,430	23,430	(700)	32,772
Business recruitment	8,845	8,845	7,587	7,847
Land acquisition	-	-	-	16,815
Building maintenance	-	-	-	48
Surplus distributions	1,851,673	1,851,673	2,053,824	1,920,753
TIF incentive payments	-	-	-	42,280
Capital improvements				
Streetscape improvements	81,050	81,050	33,136	49,891
Debt service				
Principal	351,647	351,647	543,353	341,406
Total expenditures	2,336,481	2,336,481	2,657,472	2,431,160
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	288,327	288,327	72,470	114,035
OTHER FINANCING SOURCES (USES)				
Transfers in				
South Milwaukee Redevelopment Area Fund	-	-	-	6,419,668
Transfers (out)				
South Milwaukee Redevelopment Area Fund	(4,200,000)	(4,200,000)	(4,200,000)	(1,109,834)
Total other financing sources (uses)	(4,200,000)	(4,200,000)	(4,200,000)	5,309,834
NET CHANGE IN FUND BALANCE	\$ (3,911,673)	\$ (3,911,673)	(4,127,530)	5,423,869
FUND BALANCE (DEFICIT), JANUARY 1			3,484,619	(1,939,250)
FUND BALANCE (DEFICIT), DECEMBER 31			\$ (642,911)	\$ 3,484,619

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

NORTH MILWAUKEE/LAKE COOK REDEVELOPMENT AREA FUND

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

For the Year Ended December 31, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 3,921,371	\$ 3,921,371	\$ 4,650,758	\$ 3,928,974
Investment income	8,243	8,243	2,466	652
Total revenues	3,929,614	3,929,614	4,653,224	3,929,626
EXPENDITURES				
Capital outlay				
Salaries	16,558	16,558	16,792	15,969
Employer contributions	3,278	3,278	3,252	3,225
Consulting services	69,710	69,710	80,780	76,548
Business recruitment	8,845	8,845	7,117	7,752
Local training and meeting	-	-	378	154
Capital improvements				
Streetscape improvements	1,050,000	1,050,000	304,159	829,771
Water improvements	20,000	20,000	-	39,607
TIF incentive	507,452	507,452	512,803	2,709,561
Debt service				
Principal	1,434,144	1,434,144	1,434,143	1,340,050
Interest	1,127,171	1,127,171	1,127,170	1,185,919
Fiscal agent fees	5,200	5,200	5,441	5,529
Total expenditures	4,242,358	4,242,358	3,492,035	6,214,085
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(312,744)	(312,744)	1,161,189	(2,284,459)
OTHER FINANCING SOURCES (USES)				
Transfers in				
General Fund	410,625	410,625	410,625	406,525
Total other financing sources (uses)	410,625	410,625	410,625	406,525
NET CHANGE IN FUND BALANCE	\$ 97,881	\$ 97,881	1,571,814	(1,877,934)
FUND BALANCE, JANUARY 1			651,942	2,529,876
FUND BALANCE, DECEMBER 31			\$ 2,223,756	\$ 651,942

(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, 2015
(With Comparative Actual)

	2015			2014
	Original Budget	Final Budget	Actual	
REVENUES				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
Investment income	38,765	38,765	65,143	35,180
Total revenues	138,765	138,765	165,143	35,180
EXPENDITURES				
Capital outlay				
Mobile equipment	1,082,000	1,082,000	1,172,354	190,738
Miscellaneous equipment and supplies	100,000	100,000	86,739	-
Miscellaneous equipment	185,000	185,000	-	-
Office equipment	-	-	22,657	-
Special equipment	356,244	356,244	11,088	3,885
Small tools and equipment	50,000	50,000	-	12,175
Capital equipment and supplies	-	-	113,347	20,554
Total expenditures	1,773,244	1,773,244	1,406,185	227,352
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,634,479)	(1,634,479)	(1,241,042)	(192,172)
OTHER FINANCING SOURCES (USES)				
Transfers in				
General Fund	650,380	650,380	650,380	512,290
Waterworks and Sewerage Fund	115,659	115,659	-	-
Emergency Telephone System Fund	82,874	82,874	82,874	85,259
Transfers (out)				
Waterworks and Sewerage Fund	-	-	(10,643)	(6,709)
Total other financing sources (uses)	848,913	848,913	722,611	590,840
NET CHANGE IN FUND BALANCE	\$ (785,566)	\$ (785,566)	(518,431)	398,668
FUND BALANCE, JANUARY 1			4,907,754	4,509,086
FUND BALANCE, DECEMBER 31			\$ 4,389,323	\$ 4,907,754

(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, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 1,217,022	\$ 1,217,022	\$ 1,359,386	\$ 1,291,454
Investment income	9,263	9,263	14,666	37,174
Total revenues	1,226,285	1,226,285	1,374,052	1,328,628
EXPENDITURES				
Capital outlay				
Salaries	16,558	16,558	16,792	15,969
Local training and meeting	-	-	228	154
Employer contributions	3,278	3,278	3,251	3,225
Conferences and meetings	60	60	957	2,064
Consulting services	100,000	100,000	46,643	29,497
Business recruitment	8,845	8,845	7,587	7,546
Employee health insurance	2,150	2,150	2,162	1,948
Membership dues	-	-	85	170
Contractual services	547,660	547,660	643,000	3,085,587
Legal services	5,000	5,000	3,839	563
Capital improvements				
Streetscape improvements	1,140,000	1,140,000	972,490	-
Total expenditures	1,823,551	1,823,551	1,697,034	3,146,723
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(597,266)	(597,266)	(322,982)	(1,818,095)
OTHER FINANCING SOURCES (USES)				
Transfers in				
Crossroads Redevelopment Area Fund	-	-	-	1,109,834
Transfers (out)				
Crossroads Redevelopment Area Fund	-	-	-	(6,419,668)
Total other financing sources (uses)	-	-	-	(5,309,834)
NET CHANGE IN FUND BALANCE	\$ (597,266)	\$ (597,266)	(322,982)	(7,127,929)
FUND BALANCE, JANUARY 1			706,985	7,834,914
FUND BALANCE, DECEMBER 31			\$ 384,003	\$ 706,985

(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, 2015

	2015		Actual	2014
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ -	\$ -	\$ 36,525	\$ -
Investment income	-	-	2,611	-
Miscellaneous	-	-	75,013	11,919
Total revenues	-	-	114,149	11,919
EXPENDITURES				
Capital outlay				
Salaries	16,558	16,558	16,792	16,649
Local training and meeting	-	-	153	154
Employer contributions	3,278	3,278	3,252	3,366
Employee health insurance	2,150	2,150	2,162	1,948
Advertising and publishing	-	-	-	2,363
Multiple day training	60	60	970	-
Consulting services	30,000	30,000	116,529	70,788
Membership dues	-	-	85	170
Business recruitment	8,845	8,845	7,587	3,000
Legal services	50,000	50,000	36,103	59,943
Engineering and design services	-	-	792	-
Miscellaneous contractual services	-	-	500	-
Capital improvements				
Storm sewer improvements	-	-	-	16,384
Streetscape improvements	180,410	180,410	184,192	-
Total expenditures	291,301	291,301	369,117	174,765
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(291,301)	(291,301)	(254,968)	(162,846)
OTHER FINANCING SOURCES (USES)				
Transfers in				
Crossroads Redevelopment Area Fund	4,200,000	4,200,000	4,200,000	-
Total other financing sources (uses)	4,200,000	4,200,000	4,200,000	-
NET CHANGE IN FUND BALANCE	\$ 3,908,699	\$ 3,908,699	3,945,032	(162,846)
FUND BALANCE (DEFICIT), JANUARY 1			(162,846)	-
FUND BALANCE (DEFICIT), DECEMBER 31			\$ 3,782,186	\$ (162,846)

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SOUTHEAST TIF #2 FUND

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

For the Year Ended December 31, 2015

	2015		Actual	2014
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ -	\$ -	\$ 164,682	\$ -
Investment income	-	-	30	4
Miscellaneous	-	-	13	-
Total revenues	-	-	164,725	4
EXPENDITURES				
Capital outlay				
Salaries	16,558	16,558	16,792	16,648
Local training and meeting	-	-	153	154
Employer contributions	3,278	3,278	3,252	3,366
Employee health insurance	2,150	2,150	2,162	1,948
Membership dues	-	-	85	170
Multiple day training	60	60	850	-
Business recruitment	8,845	8,845	7,587	3,000
Printing and binding	-	-	-	2,321
Legal services	25,000	25,000	68	26,841
Consulting services	72,000	72,000	8,133	22,243
Capital improvements				
Streetscape improvements	50,000	50,000	-	-
Sanitary sewer improvements	90,000	90,000	-	-
Water improvements	160,000	160,000	-	-
Total expenditures	427,891	427,891	39,082	76,691
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(427,891)	(427,891)	125,643	(76,687)
OTHER FINANCING SOURCES (USES)				
Transfers (out)				
General Fund	-	-	-	(34,000)
Total other financing sources (uses)	-	-	-	(34,000)
NET CHANGE IN FUND BALANCE	\$ (427,891)	\$ (427,891)	125,643	(110,687)
FUND BALANCE (DEFICIT), JANUARY 1			(110,687)	-
FUND BALANCE (DEFICIT), DECEMBER 31			\$ 14,956	\$ (110,687)

(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, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
REVENUES				
Taxes				
Utility taxes	\$ 2,731,000	\$ 2,731,000	\$ 2,973,641	\$ 3,143,435
Intergovernmental	108,000	108,000	130,785	159,086
Investment income	5,396	5,396	32,944	15,369
Miscellaneous	920,328	920,328	676,329	903,676
Total revenues	<u>3,764,724</u>	<u>3,764,724</u>	<u>3,813,699</u>	<u>4,221,566</u>
EXPENDITURES				
Current				
Highways and streets				
Personnel services	168,489	168,489	134,384	145,961
Contractual services	424,440	424,440	447,354	518,318
Capital outlay				
Equipment	-	-	-	129,410
Capital improvements				
Storm sewer improvements	140,000	140,000	284,650	1,097,104
Streetscape improvements	454,800	454,800	163,682	251,673
Bridge improvements	200,000	200,000	218,664	31,900
Pavement improvements	1,338,450	1,338,450	1,264,394	1,232,649
Building improvements	-	-	-	561,053
Debt service				
Principal	305,794	305,794	305,793	298,129
Interest	82,590	82,590	82,590	90,611
Fiscal agent fees	400	400	158	294
Total expenditures	<u>3,114,963</u>	<u>3,114,963</u>	<u>2,901,669</u>	<u>4,357,102</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>649,761</u>	<u>649,761</u>	<u>912,030</u>	<u>(135,536)</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)				
Town Center TIF Fund	-	-	-	(14,630)
Debt Service Fund	(294,367)	(294,367)	(294,367)	(310,089)
Proceeds on sale of capital assets	-	-	921,327	-
Total other financing sources (uses)	<u>(294,367)</u>	<u>(294,367)</u>	<u>626,960</u>	<u>(324,719)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 355,394</u>	<u>\$ 355,394</u>	<u>1,538,990</u>	<u>(460,255)</u>
FUND BALANCE, JANUARY 1			<u>1,314,424</u>	<u>1,774,679</u>
FUND BALANCE, DECEMBER 31			<u>\$ 2,853,414</u>	<u>\$ 1,314,424</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, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 1,700,268	\$ 1,700,268	\$ 1,733,697	\$ 1,637,251
Investment income	-	-	856	2,088
Total revenues	1,700,268	1,700,268	1,734,553	1,639,339
EXPENDITURES				
Debt service				
Principal retirement	1,015,000	1,015,000	1,015,000	840,000
Interest	1,562,535	1,562,535	1,562,562	1,598,725
Fiscal agent fees	400	400	-	489
Total expenditures	2,577,935	2,577,935	2,577,562	2,439,214
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(877,667)	(877,667)	(843,009)	(799,875)
OTHER FINANCING SOURCES (USES)				
Transfers in				
Capital Projects Fund	294,367	294,367	294,367	310,089
Water and Sewerage Fund	582,900	582,900	582,900	537,844
Total other financing sources (uses)	877,267	877,267	877,267	847,933
NET CHANGE IN FUND BALANCE	\$ (400)	\$ (400)	34,258	48,058
FUND BALANCE, JANUARY 1			87,571	39,513
FUND BALANCE, DECEMBER 31			<u>\$ 121,829</u>	<u>\$ 87,571</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, 2015

	<u>2015</u>	<u>2014</u>
CURRENT ASSETS		
Cash and investments	\$ 4,465,193	\$ 4,864,822
Receivables (net where applicable of allowance for uncollectibles)		
Accounts	1,830,480	1,759,308
Taxes	9,712	-
Accrued interest	3,896	4,505
IPBC	98,557	71,500
Other	526	365
Prepaid expenses	141,295	135,940
Inventory	246,801	216,403
	<u>6,796,460</u>	<u>7,052,843</u>
NONCURRENT ASSETS		
Capital assets		
Assets not being depreciated	<u>567,510</u>	<u>567,510</u>
Assets being depreciated		
Cost	64,789,567	63,147,751
Accumulated depreciation	<u>(22,545,107)</u>	<u>(21,395,249)</u>
	<u>42,244,460</u>	<u>41,752,502</u>
Net capital assets being depreciated		
	42,811,970	42,320,012
Advances to other funds	863,629	976,867
Investment in joint ventures	<u>6,965,532</u>	<u>6,990,359</u>
	<u>50,641,131</u>	<u>50,287,238</u>
Total noncurrent assets		
	<u>57,437,591</u>	<u>57,340,081</u>
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized loss on refunding	12,581	14,154
Pension items - IMRF	<u>813,509</u>	<u>-</u>
	<u>826,090</u>	<u>14,154</u>
Total deferred outflows of resources		
	<u>58,263,681</u>	<u>57,354,235</u>
Total assets and deferred outflows of resources		

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

STATEMENT OF NET POSITION (Continued)

December 31, 2015

	<u>2015</u>	<u>2014</u>
CURRENT LIABILITIES		
Accounts payable	\$ 194,820	\$ 239,196
Accrued payroll	1,142	74,744
Compensated absences payable	70,985	70,109
Deposits payable	53,856	46,821
Unearned revenue	41,523	31,213
Interest payable	8,999	9,505
Bonds payable	352,188	345,063
	<hr/>	
Total current liabilities	723,513	816,651
	<hr/>	
NONCURRENT LIABILITIES		
General obligation bonds payable (less current portion)	3,495,001	3,853,762
Compensated absences payable (less current portion)	86,759	85,688
Net pension liability - IMRF	1,327,748	-
Other postemployment benefit obligation	6,081	2,781
	<hr/>	
Total noncurrent liabilities	4,915,589	3,942,231
	<hr/>	
Total liabilities	5,639,102	4,758,882
	<hr/>	
NET POSITION		
Net investment in capital assets	38,977,362	38,135,341
Unrestricted	13,647,217	14,460,012
	<hr/>	
TOTAL NET POSITION	<u>\$ 52,624,579</u>	<u>\$ 52,595,353</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, 2015

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services			
Water sales	\$ 6,557,432	\$ 6,557,432	\$ 6,805,677
Sewer charges	1,624,000	1,624,000	1,588,009
Water connection fees	42,422	42,422	33,050
Sewer connection fees	49,736	49,736	67,568
Water meter sales	38,675	38,675	40,578
Other	132,951	132,951	147,164
Total operating revenues	<u>8,445,216</u>	<u>8,445,216</u>	<u>8,682,046</u>
OPERATING EXPENSES EXCLUDING DEPRECIATION			
Waterworks division	4,389,375	4,389,375	4,487,998
Sewerage division	1,744,335	1,744,335	1,712,258
Waterworks and sewerage capital division	3,802,665	3,802,665	1,681,689
Total operating expenses excluding depreciation	<u>9,936,375</u>	<u>9,936,375</u>	<u>7,881,945</u>
OPERATING INCOME (LOSS)	<u>(1,491,159)</u>	<u>(1,491,159)</u>	<u>800,101</u>
NON-OPERATING REVENUES (EXPENSES)			
Investment income	64,296	64,296	37,327
Interest expense	(122,266)	(122,266)	(116,592)
Gain on disposal of capital assets	-	-	18,815
Joint venture - Northwest Water Commission	-	-	(24,827)
Total non-operating revenues (expenses)	<u>(57,970)</u>	<u>(57,970)</u>	<u>(85,277)</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(1,549,129)</u>	<u>(1,549,129)</u>	<u>714,824</u>
TRANSFERS			
Capital Equipment Replacement Fund	-	-	10,643
Debt Service Fund	(582,900)	(582,900)	(582,900)
Capital Equipment Replacement Fund	(115,659)	(115,659)	-
Total transfers	<u>(698,559)</u>	<u>(698,559)</u>	<u>(572,257)</u>
CHANGE IN NET POSITION (BUDGETARY BASIS)	<u>\$ (2,247,688)</u>	<u>\$ (2,247,688)</u>	<u>142,567</u>
ADJUSTMENTS TO GAAP BASIS			
Additions to capital assets			1,126,160
Depreciation			<u>(1,276,739)</u>
Total adjustments to GAAP basis			<u>(150,579)</u>
CHANGE IN NET POSITION (GAAP BASIS)			<u>(8,012)</u>
NET POSITION, JANUARY 1			52,595,353
Change in accounting principle			(627,912)
Prior period adjustment			<u>665,150</u>
NET POSITION, JANUARY 1, RESTATED			<u>52,632,591</u>
NET POSITION, DECEMBER 31			<u><u>\$ 52,624,579</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, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
WATERWORKS DIVISION				
Personnel services				
Overtime	\$ 55,000	\$ 55,000	\$ 36,417	\$ 68,779
Seasonal help	22,000	22,000	16,295	17,993
Salaries	669,353	669,353	683,633	651,296
Longevity	6,400	6,400	6,400	6,400
Training	1,275	1,275	1,411	1,688
Uniform allowance	4,500	4,500	4,563	5,133
Employer contributions	133,786	133,786	143,606	145,941
Sick leave buy back	1,058	1,058	642	589
OPEB	-	-	(110,372)	(3,825)
Total personnel services	893,372	893,372	782,595	893,994
Contractual services				
Bank charges	18,000	18,000	23,727	17,707
Conference and meetings	1,420	1,420	1,933	1,623
Data processing services	55,000	55,000	65,176	40,025
Debris dump charges	20,000	20,000	14,763	14,938
Energy	99,750	99,750	93,383	79,783
Employee group insurance	139,279	139,279	132,213	133,448
General liability insurance	113,132	113,132	113,132	92,962
Hydrant maintenance	30,000	30,000	25,729	26,516
Landscape maintenance	12,000	12,000	8,488	8,883
Maintenance - office and special equipment	1,625	1,625	2,389	859
Membership dues	3,194	3,194	3,101	2,662
Postage	13,470	13,470	15,748	14,020
Printing and binding	9,450	9,450	9,100	9,113
Rental equipment	400	400	-	838
Telemetry equipment maintenance	7,500	7,500	7,874	5,879
Retiree health insurance	10,343	10,343	10,323	10,145
Wells maintenance	17,500	17,500	23,544	17,534
Miscellaneous contractual services	57,150	57,150	61,689	34,756
Total contractual services	609,213	609,213	612,312	511,691
Commodities				
Auto petroleum products	33,000	33,000	23,038	33,929
Books and subscriptions	-	-	1,100	97
Chemicals - treatment	7,000	7,000	5,024	2,857
Water samples	11,400	11,400	12,145	15,878
Vehicle maintenance	22,000	22,000	22,076	20,282
Building and grounds maintenance	15,000	15,000	9,716	14,083
Minor tools and equipment	6,000	6,000	7,335	5,408
Miscellaneous operating supplies	3,900	3,900	4,345	353
Office supplies	-	-	168	-
Protective clothing	3,000	3,000	2,656	2,954

(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, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
WATERWORKS DIVISION (Continued)				
Commodities (Continued)				
Meters	\$ 45,500	\$ 45,500	\$ 44,266	\$ 1,994
Water main maintenance	80,000	80,000	27,210	92,763
Water storage facilities maintenance	20,000	20,000	21,472	22,233
Total commodities	246,800	246,800	180,551	212,831
Capital outlay				
Miscellaneous equipment	-	-	225,353	13,323
Transfer to CERF	69,824	69,824	-	-
Subtotal	69,824	69,824	225,353	13,323
Less				
Transfer to CERF	(69,824)	(69,824)	-	-
Net capital outlay	-	-	225,353	13,323
Other				
General Fund reimbursement	989,990	989,990	989,990	951,517
Northwest Water Commission - water charge	1,650,000	1,650,000	1,697,197	1,692,088
Total other	2,639,990	2,639,990	2,687,187	2,643,605
Total operating expenses excluding depreciation - waterworks division	4,389,375	4,389,375	4,487,998	4,275,444
SEWERAGE DIVISION				
Personnel services				
Overtime	25,000	25,000	9,495	13,250
Seasonal help	20,000	20,000	16,445	17,430
Salaries	669,353	669,353	682,562	645,190
Longevity	6,400	6,400	6,400	6,400
Training	1,575	1,575	1,610	1,234
Uniform allowance	4,500	4,500	3,719	3,917
Employer contributions	133,786	133,786	143,838	140,959
Unemployment compensation	-	-	3,822	-
Sick leave buy back	1,058	1,058	642	589
Total personnel services	861,672	861,672	868,533	828,969
Contractual services				
Conferences and meetings	1,075	1,075	741	13
Data processing services	45,000	45,000	44,037	40,025
Debris dump charges	14,000	14,000	1,811	7,738
Energy	19,950	19,950	19,024	17,904
Employee health insurance	139,279	139,279	132,210	133,445

(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, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
SEWERAGE DIVISION (Continued)				
Contractual services (Continued)				
General liability insurance	\$ 60,337	\$ 60,337	\$ 60,337	\$ 49,580
Landscape maintenance	60,100	60,100	45,119	42,978
Bank charges	1,800	1,800	1,942	1,613
Maintenance office/special equipment	2,625	2,625	4,165	1,592
Membership dues	2,789	2,789	2,789	2,343
Postage	2,860	2,860	3,346	2,967
Printing and binding	1,851	1,851	1,725	1,872
Rental equipment	9,000	9,000	-	-
Tree maintenance	30,000	30,000	30,000	30,000
Telemetry equipment maintenance	7,000	7,000	6,868	7,654
Retiree health insurance	10,849	10,849	10,674	10,843
Miscellaneous contractual	59,000	59,000	67,203	34,498
Total contractual services	467,515	467,515	431,991	385,065
Commodities				
Auto petroleum products	25,000	25,000	13,297	19,018
Books and subscriptions	900	900	-	900
Chemicals	5,000	5,000	4,426	3,484
Vehicle maintenance	31,000	31,000	23,363	23,706
Building and grounds maintenance	750	750	558	267
Minor tools and equipment	6,000	6,000	6,365	6,314
Miscellaneous operating supplies	1,000	1,000	1,323	245
Protective clothing	3,000	3,000	2,743	3,543
Lift stations	30,000	30,000	11,853	40,034
Sewer line maintenance	65,000	65,000	56,332	73,439
Total commodities	167,650	167,650	120,260	170,950
Capital outlay				
Miscellaneous equipment	-	-	43,976	13,323
Transfer to CERF	45,835	45,835	-	-
Subtotal	45,835	45,835	43,976	13,323
Less				
Transfer to CERF	(45,835)	(45,835)	-	-
Net capital outlay	-	-	43,976	13,323
Other				
General Fund reimbursement	247,498	247,498	247,498	237,879
Total operating expenses excluding depreciation - sewerage division	1,744,335	1,744,335	1,712,258	1,636,186

(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, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
WATERWORKS AND SEWERAGE CAPITAL DIVISION				
Personnel services				
Salaries	\$ 58,165	\$ 58,165	\$ 29,965	\$ 47,379
Longevity	-	-	182	-
Overtime	-	-	2,403	-
Seasonal help	-	-	5,035	-
Employer contributions	-	-	7,318	9,040
Total personnel services	58,165	58,165	44,903	56,419
Contractual services				
Employee group insurance	-	-	7,554	7,507
Miscellaneous contractual services	-	-	1,500	18,710
Consulting services	123,000	123,000	66,508	205,687
Total contractual services	123,000	123,000	75,562	231,904
Capital outlay				
Water improvements	1,943,500	1,943,500	1,113,884	2,841,096
Sanitary sewer improvements	1,678,000	1,678,000	447,340	427,803
Total capital outlay	3,621,500	3,621,500	1,561,224	3,268,899
Total operating expenses excluding depreciation - waterworks and sewerage capital division	3,802,665	3,802,665	1,681,689	3,557,222
TOTAL OPERATING EXPENSES EXCLUDING DEPRECIATION	\$ 9,936,375	\$ 9,936,375	\$ 7,881,945	\$ 9,468,852

(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, 2015
(With Comparative Actual)

	2015		Actual	2014
	Original Budget	Final Budget		
OPERATING REVENUES				
Charges for services	\$ 1,508,423	\$ 1,508,423	\$ 1,508,423	\$ 1,239,490
Miscellaneous	-	-	19,710	-
Total operating revenues	1,508,423	1,508,423	1,528,133	1,239,490
OPERATING EXPENSES				
Contractual services				
Consulting services	54,500	54,500	54,370	54,000
Insurance claims administration	95,000	95,000	87,316	85,448
General liability insurance	357,926	357,926	372,521	317,222
Self-insurance claims	901,000	901,000	613,628	1,375,090
Total operating expenses	1,408,426	1,408,426	1,127,835	1,831,760
OPERATING INCOME (LOSS)	99,997	99,997	400,298	(592,270)
NON-OPERATING REVENUES				
Investment income	13,723	13,723	26,382	18,680
Total non-operating revenues	13,723	13,723	26,382	18,680
CHANGE IN NET POSITION	\$ 113,720	\$ 113,720	426,680	(573,590)
NET POSITION, JANUARY 1			965,554	1,539,144
Prior period adjustment			797,320	-
NET POSITION, JANUARY 1, RESTATED			1,762,874	1,539,144
NET POSITION, DECEMBER 31			\$ 2,189,554	\$ 965,554

(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, 2015

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and short-term investments	\$ 2,137,581	\$ 180,493	\$ 2,318,074
Investments at fair value			
U.S. Treasury and agency obligations	7,862,758	9,105,706	16,968,464
State and local obligations	2,174,075	2,239,405	4,413,480
Corporate bonds	7,963,676	3,157,670	11,121,346
Mutual funds	18,355,228	18,504,236	36,859,464
Equities	5,929,119	18,387	5,947,506
Total investments	42,284,856	33,025,404	75,310,260
Receivables			
Accrued interest	174,112	97,196	271,308
Due from General Fund	458,621	512,167	970,788
Total receivables	632,733	609,363	1,242,096
Prepaid items	2,443	-	2,443
Total assets	45,057,613	33,815,260	78,872,873
LIABILITIES			
Accounts payable	7,950	14,757	22,707
Total liabilities	7,950	14,757	22,707
NET POSITION RESTRICTED FOR PENSIONS	\$ 45,049,663	\$ 33,800,503	\$ 78,850,166

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, 2015

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 2,060,385	\$ 2,258,857	\$ 4,319,242
Employee	604,042	578,831	1,182,873
Total contributions	<u>2,664,427</u>	<u>2,837,688</u>	<u>5,502,115</u>
Investment income			
Net appreciation (depreciation) in fair value of investments	(2,088,118)	(776,565)	(2,864,683)
Interest	1,965,169	1,290,550	3,255,719
Total investment income	<u>(122,949)</u>	<u>513,985</u>	<u>391,036</u>
Less investment expenses	94,000	50,377	144,377
Net investment income	<u>(216,949)</u>	<u>463,608</u>	<u>246,659</u>
Total additions	<u>2,447,478</u>	<u>3,301,296</u>	<u>5,748,774</u>
DEDUCTIONS			
Benefits and refunds	2,509,271	2,746,399	5,255,670
Administrative expenses	44,077	28,683	72,760
Total deductions	<u>2,553,348</u>	<u>2,775,082</u>	<u>5,328,430</u>
NET INCREASE (DECREASE)	(105,870)	526,214	420,344
NET POSITION RESTRICTED FOR PENSIONS			
January 1	<u>45,155,533</u>	<u>33,274,289</u>	<u>78,429,822</u>
December 31	<u>\$ 45,049,663</u>	<u>\$ 33,800,503</u>	<u>\$ 78,850,166</u>

See accompanying notes to financial statements.

SUPPLEMENTAL FINANCIAL INFORMATION

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2015

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	Principal	Interest	Total	Interest Due On			
				January 1	Amount	July 1	Amount
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>\$ 15,345,000</u>	<u>\$ 5,309,550</u>	<u>\$ 20,654,550</u>		<u>\$ 2,884,950</u>		<u>\$ 2,424,600</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2015

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

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			June 1	Interest Due On		
	Principal	Interest	Total		Amount	December 1	Amount
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>\$ 5,269,068</u>	<u>\$ 15,269,068</u>		<u>\$ 2,634,534</u>		<u>\$ 2,634,534</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2015

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
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>\$ 16,965,000</u>	<u>\$ 3,985,767</u>	<u>\$ 20,950,767</u>		<u>\$ 1,992,886</u>		<u>\$ 1,992,881</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2015

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
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>\$ 4,158,140</u>	<u>\$ 14,158,140</u>		<u>\$ 2,079,070</u>		<u>\$ 2,079,070</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

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

December 31, 2015

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
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>\$ 5,870,000</u>	<u>\$ 731,700</u>	<u>\$ 6,601,700</u>		<u>\$ 365,850</u>		<u>\$ 365,850</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, 2015

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

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
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>\$ 3,210,000</u>	<u>\$ 536,575</u>	<u>\$ 3,746,575</u>		<u>\$ 268,288</u>		<u>\$ 268,287</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, 2015

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
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>\$ 3,120,000</u>	<u>\$ 1,017,844</u>	<u>\$ 4,137,844</u>		<u>\$ 508,924</u>	<u>\$ 508,920</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF INSURANCE IN FORCE

December 31, 2015

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)	\$10,000,000 per occurrence (\$10,000,000 aggregate), \$100,000 SIR \$10,000,000 per occurrence (\$10,000,000 aggregate), \$100,000 SIR \$10,000,000 per occurrence (\$10,000,000 aggregate), \$100,000 SIR \$10,000,000 per occurrence (\$10,000,000 aggregate), \$100,000 SIR \$5,000,000 per occurrence, \$25,000 deductible	12/31/2016
Village	Property/Auto Physical Damage Limits (CHUBB)	\$87,818,012	12/31/2016
Village	Excess Liability (Torus Insurance)	\$5,000,000 (\$16,000,000 aggregate)	12/31/2016
Village	Workers' Compensation (Safety National)	\$550,000 SIR per occurrence (\$650,000 for Police Officers) Statutory loss limit per occurrence	12/31/2016
Village	Crime - Employee Dishonesty (Hartford Fire Insurance Co.)	\$25,000 deductible \$5,000,000 loss limit	12/31/2016
Village	Boiler and Machinery (Travelers Insurance)	\$5,000 deductible \$50,000,000 loss limit	12/31/2016
Village	Storage Tank System (Colony Insurance)	\$5,000 deductible \$1,000,000 loss limit	12/31/2016
Village	Cyber Liability (Lloyd's Insurance)	\$10,000 deductible \$2,000,000 loss limit	12/31/2016

(See independent auditor's report.)

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	145-154
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the sales tax.	155-160
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.	161-164
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.	165-167
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.	168-169

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

	2006	2007	2008	2009
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 38,279,976	\$ 30,177,350	\$ 44,583,426	\$ 44,689,081
Restricted	20,192,016	29,617,995	37,126,903	36,584,679
Unrestricted (deficit)	(9,996,054)	(6,423,488)	(25,182,170)	(23,198,346)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 48,475,938	\$ 53,371,857	\$ 56,528,159	\$ 58,075,414
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 35,710,919	\$ 36,808,647	\$ 37,418,818	\$ 37,148,779
Restricted	-	-	-	-
Unrestricted	59,865,026	64,732,651	61,423,064	60,938,306
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 95,575,945	\$ 101,541,298	\$ 98,841,882	\$ 98,087,085
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 73,990,895	\$ 66,985,997	\$ 82,002,244	\$ 81,837,860
Restricted	20,192,016	29,617,995	37,126,903	36,584,679
Unrestricted (deficit)	49,868,972	58,309,163	36,240,894	37,739,960
TOTAL PRIMARY GOVERNMENT	\$ 144,051,883	\$ 154,913,155	\$ 155,370,041	\$ 156,162,499

Note

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

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

2010	2011	2012	2013	2014	2015*
\$ 42,799,847	\$ 54,123,693	\$ 97,083,613	\$ 98,280,773	\$ 98,500,856	\$ 99,844,379
28,589,477	10,362,766	14,015,084	15,069,029	8,763,227	10,113,487
(10,132,657)	(7,488,366)	(8,426,292)	(7,851,728)	(5,426,895)	(48,882,632)
<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>	<u>\$ 61,075,234</u>
\$ 36,274,317	\$ 36,688,761	\$ 36,367,198	\$ 37,260,014	\$ 38,135,341	\$ 38,977,362
-	-	-	-	-	-
63,241,696	62,992,898	17,371,083	16,248,947	14,460,012	13,647,217
<u>\$ 99,516,013</u>	<u>\$ 99,681,659</u>	<u>\$ 53,738,281</u>	<u>\$ 53,508,961</u>	<u>\$ 52,595,353</u>	<u>\$ 52,624,579</u>
\$ 79,074,164	\$ 90,812,454	\$ 133,450,811	\$ 135,540,787	\$ 136,636,197	\$ 138,821,741
28,589,477	10,362,766	14,015,084	15,069,029	8,763,227	10,113,487
53,109,039	55,504,532	8,944,791	8,397,219	9,033,117	(35,235,415)
<u>\$ 160,772,680</u>	<u>\$ 156,679,752</u>	<u>\$ 156,410,686</u>	<u>\$ 159,007,035</u>	<u>\$ 154,432,541</u>	<u>\$ 113,699,813</u>

VILLAGE OF WHEELING, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

	2006	2007	2008	2009
EXPENSES				
Governmental Activities				
General government	\$ 16,646,480	\$ 12,984,438	\$ 17,784,959	\$ 14,122,513
Public safety	17,420,259	18,526,167	19,716,414	19,885,699
Highways and streets	3,371,315	5,412,538	1,842,576	5,476,091
Airport - joint venture	-	-	-	-
Interest and fees	1,986,097	1,919,098	2,998,209	3,462,955
Total governmental activities expenses	<u>39,424,151</u>	<u>38,842,241</u>	<u>42,342,158</u>	<u>42,947,258</u>
Business-Type Activities				
Water and sewer	6,265,342	7,612,327	7,373,555	7,067,551
Airport	-	-	3,444,406	799,270
Total business-type activities expenses	<u>6,265,342</u>	<u>7,612,327</u>	<u>10,817,961</u>	<u>7,866,821</u>
TOTAL PRIMARY GOVERNMENT EXPENSES	<u><u>\$ 45,689,493</u></u>	<u><u>\$ 46,454,568</u></u>	<u><u>\$ 53,160,119</u></u>	<u><u>\$ 50,814,079</u></u>
PROGRAM REVENUES				
Governmental Activities				
Charges for services				
General government	\$ 2,372,907	\$ 1,924,264	\$ 1,738,155	\$ 1,758,207
Public safety	1,315,490	1,434,628	1,809,901	2,166,029
Highways and streets	378,991	109,808	112,644	103,395
Operating grants and contributions	1,140,286	1,165,713	1,047,865	1,065,374
Capital grants and contributions	523,929	389,243	523,889	1,451,630
Total governmental activities program revenues	<u>5,731,603</u>	<u>5,023,656</u>	<u>5,232,454</u>	<u>6,544,635</u>
Business-Type Activities				
Charges for services				
Water and sewer	7,883,699	7,861,160	7,734,607	6,975,799
Airport	1,779,395	5,227,834	-	-
Capital grants and contributions	-	-	32,680	-
Total business-type activities program revenues	<u>9,663,094</u>	<u>13,088,994</u>	<u>7,767,287</u>	<u>6,975,799</u>
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	<u><u>\$ 15,394,697</u></u>	<u><u>\$ 18,112,650</u></u>	<u><u>\$ 12,999,741</u></u>	<u><u>\$ 13,520,434</u></u>
NET REVENUES (EXPENSES)				
Governmental activities	\$ (33,692,548)	\$ (33,818,585)	\$ (37,109,704)	\$ (36,402,623)
Business-type activities	3,397,752	5,476,667	(3,050,674)	(891,022)
TOTAL PRIMARY GOVERNMENT NET REVENUES (EXPENSES)	<u><u>\$ (30,294,796)</u></u>	<u><u>\$ (28,341,918)</u></u>	<u><u>\$ (40,160,378)</u></u>	<u><u>\$ (37,293,645)</u></u>

2010	2011	2012	2013	2014	2015*
\$ 14,219,565	\$ 16,233,324	\$ 18,700,252	\$ 14,476,498	\$ 17,399,295	\$ 16,160,019
20,396,013	20,733,943	21,317,828	22,913,151	24,351,195	27,098,130
2,783,647	4,577,770	2,511,525	3,137,265	8,265,832	4,739,565
-	-	-	-	365,947	360,206
3,415,044	3,227,766	3,356,724	3,227,999	3,115,103	2,975,404
40,814,269	44,772,803	45,886,329	43,754,913	53,497,372	51,333,324
6,912,264	6,817,876	7,875,234	7,871,938	8,409,712	8,149,116
-	266,654	-	-	-	-
6,912,264	7,084,530	7,875,234	7,871,938	8,409,712	8,149,116
\$ 47,726,533	\$ 51,857,333	\$ 53,761,563	\$ 51,626,851	\$ 61,907,084	\$ 59,482,440
\$ 1,852,231	\$ 2,192,808	\$ 2,300,930	\$ 2,041,198	\$ 2,113,226	\$ 2,660,037
1,947,388	1,862,414	1,811,500	1,807,153	2,518,598	3,816,401
102,417	129,919	129,680	121,004	216,834	113,508
1,605,286	1,433,953	1,253,583	1,265,120	1,468,290	1,136,341
479,199	529,573	280,666	348,823	386,441	1,005,525
5,986,521	6,148,667	5,776,359	5,583,298	6,703,389	8,731,812
7,588,069	7,383,748	8,498,891	8,077,300	7,958,560	8,657,219
902,589	-	-	-	-	-
-	-	220,890	-	-	-
8,490,658	7,383,748	8,719,781	8,077,300	7,958,560	8,657,219
\$ 14,477,179	\$ 13,532,415	\$ 14,496,140	\$ 13,660,598	\$ 14,661,949	\$ 17,389,031
\$ (34,827,748)	\$ (38,624,136)	\$ (40,109,970)	\$ (38,171,615)	\$ (46,793,983)	\$ (42,601,512)
1,578,394	299,218	844,547	205,362	(451,152)	508,103
\$ (33,249,354)	\$ (38,324,918)	\$ (39,265,423)	\$ (37,966,253)	\$ (47,245,135)	\$ (42,093,409)

VILLAGE OF WHEELING, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental Activities				
Taxes				
Property	\$ 14,028,604	\$ 14,534,879	\$ 18,240,322	\$ 20,053,651
Sales	10,395,445	10,654,354	9,536,539	7,941,951
Other	8,395,952	9,881,950	10,029,935	5,079,052
Intergovernmental**	-	-	-	3,869,328
Investment earnings	1,502,072	1,654,636	1,972,157	714,969
Miscellaneous	590,224	292,951	487,053	295,113
Contributions	1,228,782	-	-	-
Gain on disposal of capital assets	-	-	-	-
Transfers	-	-	-	(4,186)
Total governmental activities	36,141,079	37,018,770	40,266,006	37,949,878
Business-Type Activities				
Investment earnings	309,791	343,833	341,378	114,527
Gain on sale of capital assets	-	-	-	-
Income from joint venture	-	-	-	-
Miscellaneous	-	-	9,880	17,512
Contributions	-	-	-	-
Transfers	861,472	-	-	4,186
Total business-type activities	1,171,263	343,833	351,258	136,225
TOTAL PRIMARY GOVERNMENT	\$ 37,312,342	\$ 37,362,603	\$ 40,617,264	\$ 38,086,103
SPECIAL ITEM - GOVERNMENTAL ACTIVITIES	\$ -	\$ 1,695,734	\$ -	\$ -
SPECIAL ITEM - BUSINESS-TYPE ACTIVITIES	\$ -	\$ 144,853	\$ -	\$ -
CHANGE IN NET POSITION				
Governmental activities	\$ 2,448,531	\$ 4,895,919	\$ 3,156,302	\$ 1,547,255
Business-type activities	4,569,015	5,965,353	(2,699,416)	(754,797)
TOTAL PRIMARY GOVERNMENT	\$ 7,017,546	\$ 10,861,272	\$ 456,886	\$ 792,458
CHANGE IN NET POSITION	\$ 7,017,546	\$ 10,861,272	\$ 456,886	\$ 792,458

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

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

Data Source

Audited Financial Statements

2010	2011	2012	2013	2014	2015*
\$ 19,626,799	\$ 19,520,238	\$ 19,022,348	\$ 18,781,294	\$ 20,077,443	\$ 21,897,622
7,983,543	8,076,606	8,510,612	9,430,241	9,915,534	10,786,813
5,127,712	5,201,932	5,220,358	6,287,177	6,678,823	6,575,634
3,831,811	3,799,369	4,149,329	4,541,061	4,714,309	5,281,649
557,803	307,641	382,600	108,698	30,692	223,774
617,396	1,144,281	1,452,437	1,360,893	1,172,294	1,435,358
-	-	-	-	-	-
-	-	19,703	1,152	12,867	979,001
263,937	220,639	433,336	486,768	531,135	572,257
38,009,001	38,270,706	39,190,723	40,997,284	43,133,097	47,752,108
114,471	29,945	83,886	40,086	21,347	37,327
-	57,122	-	12,000	47,332	18,815
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(263,937)	(220,639)	(433,336)	(486,768)	(531,135)	(572,257)
(149,466)	(133,572)	(349,450)	(434,682)	(462,456)	(516,115)
\$ 37,859,535	\$ 38,137,134	\$ 38,841,273	\$ 40,562,602	\$ 42,670,641	\$ 47,235,993
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 3,181,253	\$ (353,430)	\$ (919,247)	\$ 2,825,669	\$ (3,660,886)	\$ 5,150,596
1,428,928	165,646	495,097	(229,320)	(913,608)	(8,012)
\$ 4,610,181	\$ (187,784)	\$ (424,150)	\$ 2,596,349	\$ (4,574,494)	\$ 5,142,584

VILLAGE OF WHEELING, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	2006	2007	2008	2009
GENERAL FUND				
Nonspendable				
Long-term receivable	\$ -	\$ -	\$ -	\$ -
Prepaid items	-	-	-	-
Inventory	-	-	-	-
Assigned				
Health insurance	-	-	-	-
Subsequent year's budget	-	-	-	-
Unassigned	-	-	-	-
Reserved	770,103	1,922,853	7,208,103	545,940
Unreserved	15,452,128	18,339,434	10,823,755	14,913,216
TOTAL GENERAL FUND	\$ 16,222,231	\$ 20,262,287	\$ 18,031,858	\$ 15,459,156
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	-	-	-	-
Senior Center	-	-	-	-
Unassigned, reported in				
Special Revenue Funds	-	-	-	-
Capital Project Funds	-	-	-	-
Reserved	20,193,276	29,618,534	37,130,548	36,735,159
Unreserved, reported in				
Special Revenue Funds	(1,260)	(2,035)	(1,371)	(1,532)
Capital Project Funds	3,823,167	2,646,930	(2,604,191)	(2,078,086)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 24,015,183	\$ 32,263,429	\$ 34,524,986	\$ 34,655,541

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

Data Source

Audited Financial Statements

2010*	2011	2012	2013	2014	2015
\$ -	\$ -	\$ 576,000	\$ -	\$ -	\$ -
340,730	369,478	372,806	281,547	318,023	471,750
264,114	304,889	262,536	265,189	264,960	287,856
1,252,725	1,463,995	1,703,945	703,552	943,530	1,286,311
-	-	400,000	1,055,804	753,849	-
12,332,962	13,615,841	10,608,389	12,188,455	11,395,024	12,416,569
-	-	-	-	-	-
-	-	-	-	-	-
<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>	<u>\$ 14,462,486</u>
\$ 10,428	\$ 18,932	\$ 27,794	\$ 8,654	\$ 5,626	\$ 62,033
131,588	152,690	206,004	35,668	119,575	148,918
18,336,679	-	-	-	-	-
1,549,710	1,624,317	2,400,320	1,774,679	1,314,424	1,979,004
1,751,968	1,364,232	1,390,892	1,403,952	1,357,515	1,133,043
224,502	119,151	345,382	374,390	493,396	476,106
6,673,568	7,187,998	9,238,485	10,866,598	4,843,012	6,403,505
53,050	67,068	30,108	39,513	87,571	121,829
3,473,088	3,874,974	4,695,811	4,509,086	4,907,754	4,389,323
-	-	-	-	-	872,792
(1,664)	(1,742)	(1,788)	(1,676)	(1,849)	(2,030)
(475,217)	(1,286,092)	(1,105,948)	(1,939,250)	(273,889)	(643,260)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 31,727,700</u>	<u>\$ 13,121,528</u>	<u>\$ 17,227,060</u>	<u>\$ 17,071,614</u>	<u>\$ 12,853,135</u>	<u>\$ 14,941,263</u>

VILLAGE OF WHEELING, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	2006	2007	2008	2009
REVENUES				
Taxes	\$ 28,855,592	\$ 30,654,347	\$ 33,081,075	\$ 32,855,735
Licenses and permits	913,665	494,548	452,055	438,417
Intergovernmental	5,460,811	5,704,821	6,075,977	6,386,331
Fines and forfeitures	2,308,620	2,179,819	2,107,271	2,013,155
Charges for services	377,745	351,839	606,984	1,068,433
Investment income	1,502,072	1,654,636	1,972,157	714,969
Miscellaneous	1,225,395	1,002,416	1,202,941	1,021,659
Total revenues	40,643,900	42,042,426	45,498,460	44,498,699
EXPENDITURES				
General government	9,501,709	10,020,189	11,413,172	10,379,637
Public safety	16,954,892	18,282,302	19,478,287	19,336,413
Highways and streets	2,227,587	3,327,986	1,377,369	2,610,475
Capital outlay	8,328,521	6,347,338	28,828,056	19,722,483
Debt service				
Principal	1,880,000	1,705,000	1,485,000	1,570,000
Interest	1,721,895	1,842,556	2,969,421	3,346,722
Total expenditures	40,614,604	41,525,371	65,551,305	56,965,730
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	29,296	517,055	(20,052,845)	(12,467,031)
OTHER FINANCING SOURCES (USES)				
Transfers in	3,720,499	1,385,960	1,703,588	3,315,179
Transfers (out)	(4,090,499)	(1,385,960)	(1,703,588)	(3,319,365)
Bonds issued	-	10,000,000	20,000,000	10,000,000
Premium on bonds issued	-	-	-	-
Discount on bonds issued	-	-	-	-
TIF development note issued	-	-	-	-
Payment to escrow agent	-	-	-	-
Loss on disposal of land held for resale	(578,212)	(38,530)	-	-
Sale of capital assets	31,293	114,043	83,973	29,070
Total other financing sources (uses)	(916,919)	10,075,513	20,083,973	10,024,884
SPECIAL ITEM	-	1,695,734	-	-
NET CHANGE IN FUND BALANCES	\$ (887,623)	\$ 12,288,302	\$ 31,128	\$ (2,442,147)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	11.16%	10.08%	10.66%	11.66%

Data Source

Audited Financial Statements

	2010	2011	2012	2013	2014	2015
\$	32,502,099	\$ 32,526,698	\$ 32,474,707	\$ 34,217,612	\$ 36,373,747	\$ 38,961,036
	445,774	627,026	536,729	544,271	550,247	956,338
	5,916,297	5,762,896	5,683,578	5,866,502	6,958,153	8,216,312
	2,092,093	3,017,946	3,280,116	3,006,290	3,235,445	3,167,197
	843,584	732,417	690,272	714,405	844,161	959,311
	557,803	307,641	382,600	108,698	30,692	223,774
	1,373,935	1,224,110	1,212,054	1,346,382	1,300,039	1,574,034
	43,731,585	44,198,734	44,260,056	45,804,160	49,292,484	54,058,002
	9,129,789	8,706,123	10,200,168	9,642,297	10,553,805	10,997,647
	20,710,039	20,103,256	20,713,189	21,681,228	23,270,049	25,254,427
	1,383,873	1,997,699	1,519,075	1,852,783	1,928,121	1,730,257
	12,180,419	7,409,366	8,322,334	7,084,028	13,218,099	8,482,208
	1,500,000	1,735,000	2,063,150	2,638,982	3,022,485	3,491,572
	3,319,203	3,267,345	3,140,841	2,977,337	2,881,567	2,777,921
	48,223,323	43,218,789	45,958,757	45,876,655	54,874,126	52,734,032
	(4,491,738)	979,945	(1,698,701)	(72,495)	(5,581,642)	1,323,970
	14,524,176	2,987,807	4,460,454	3,154,615	9,646,088	6,490,141
	(14,260,239)	(2,600,365)	(4,227,118)	(2,667,847)	(9,114,953)	(5,917,884)
	-	6,988,943	3,925,000	-	-	-
	-	193,198	222,801	-	-	-
	-	-	-	-	-	-
	-	-	3,500,000	-	-	-
	-	(7,263,149)	(4,037,582)	-	-	-
	-	-	-	-	-	-
	31,335	7,800	19,703	1,152	12,867	979,001
	295,272	314,234	3,863,258	487,920	544,002	1,551,258
	-	-	-	-	-	-
\$	(4,196,466)	\$ 1,294,179	\$ 2,164,557	\$ 415,425	\$ (5,037,640)	\$ 2,875,228
	12.07%	11.94%	11.63%	13.08%	11.20%	12.34%

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					
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%
2014	425,609,608	135,422,155	290,188,352	126,078	917,222	5,135,426	857,398,841	1.517	2,572,196,523	33.333%

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

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

Data Source

Office of the County Clerk

VILLAGE OF WHEELING, ILLINOIS

DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Levy Years

Levy Year	Village Direct Rates					Total Direct Tax Rate	Overlapping Rates									
	General	Bonds and Interest	Police Pension	Fire Pension	Cook County		Forest Preserve District	T.B. Sanitarium	Wheeling Township	Water Reclamation District	Northwest Mosquito Abatement	High School District 214	Harper College District 512	Wheeling Park District	Indian Trails Public Library	Wheeling C C School District 21
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
2014	0.9066	0.2082	0.1926	0.2091	1.5170	0.5680	0.0690	-	0.0520	0.4300	0.0130	2.7760	0.4510	0.8900	0.5290	5.4300

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	2015			2006		
		Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
Wheeling Hotel Owner	Hotel, Retail Stores	\$ 18,066,191	1	2.11%			
Wal-Mart Stores Inc.	Retail & Wholesale Discount Stores	15,040,119	2	1.75%	\$ 19,767,370	1	1.69%
Linda A Nagle Atty	Woodland Creek Apartments	11,786,909	3	1.37%	16,592,844	2	1.42%
Allstate Insurance Co	Real Estate Holdings	7,944,342	4	0.93%	13,908,188	3	1.19%
Capstone Realty	Arlington Club/Village Green Apartments	7,548,449	5	0.88%	13,542,627	4	1.16%
Mallard Lake Apartments	Mallard Lake Apartments	7,471,571	6	0.87%	11,091,905	7	0.95%
Durable Inc	Industrial	7,113,431	7	0.83%	12,175,996	5	1.04%
Wheeling SC LLC	Retail Landlord	5,859,204	8	0.68%			
Liberty Property Trust	Real Estate Holdings	5,494,622	9	0.64%			
Pactiv Corp.	Aluminum Foil Products	5,007,733	10	0.58%	11,697,273	6	1.00%
MIDCO Wheeling LLC	Retail Stores, Restaurants				9,608,877	8	0.82%
Foxboro Apartments	Real Property				9,479,817	9	0.81%
Valspar Corporation	Enterprise Paint				6,742,498	10	0.58%
		<u>\$ 91,332,571</u>		<u>10.64%</u>	<u>\$ 124,607,395</u>		<u>10.66%</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
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%
2014	12,928,836	12,593,028	97.40%	135,842	12,728,870	98.45%

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	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General merchandise	\$ 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	\$ 1,650,738
Food	549,085	590,675	538,346	565,923	492,894	479,897	508,014	651,499	693,488	630,552
Drinking and eating places	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	1,797,242
Apparel	14,730	16,800	18,619	21,337	21,972	29,283	215,248	22,137	20,350	16,559
Furniture & H.H. & Radio	354,842	515,529	542,113	478,916	234,314	352,717	241,592	365,085	317,622	426,930
Lumber, building hardware	394,147	550,604	711,156	714,022	582,744	547,706	527,913	519,347	649,847	785,897
Automobile and filling stations	649,795	2,063,177	1,322,485	823,683	738,858	766,793	860,719	867,975	863,263	1,470,336
Drugs and miscellaneous retail	661,554	666,211	670,955	687,225	553,660	560,097	566,369	571,162	720,737	717,922
Agriculture and all others	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	1,504,723
Manufacturers	672,161	833,893	649,508	521,939	440,853	417,144	211,382	251,196	356,265	362,195
TOTAL**	\$ 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	\$ 9,363,094
VILLAGE DIRECT SALES TAX RATE	1.00%									
VILLAGE HOME RULE SALES TAX RATE***	0.75%	1.00%								

Note: 2015 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
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%
2015	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	Unamortized Discount	Unamortized Premium	General Obligation Bonds	Unamortized Discount	Unamortized Premium				
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	-	28,000	193,198	1,456,057	13,631	36,362	71,681,191	1.95%	1,903.98	7.92%
2012	50,496,768	17,700,000	3,601,944	-	399,900	4,793,232	-	104,182	77,096,026	2.36%	2,047.81	8.28%
2013	48,990,391	16,990,000	3,421,821	-	365,233	4,449,609	-	97,609	74,314,663	2.48%	1,973.93	7.39%
2014	47,292,211	16,210,000	3,105,170	-	330,566	4,107,789	-	91,036	71,136,772	2.83%	1,889.52	6.71%
2015	45,402,274	15,345,000	2,559,796	-	295,901	3,762,726	-	84,463	67,450,160	2.62%	1,791.60	6.35%

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 165 for personal income and population data.

Data Source

Village records

VILLAGE OF WHEELING, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	Governmental	Business-Type	Less Amounts		Percentage of Estimated Actual Taxable Value of Property	Per Capita
	Activities	Activities	Available in Debt			
	General	General	Service Fund			
	Obligation	Obligation			Total	
	Bonds*	Bonds*				
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
2015	45,698,175	3,847,189	121,829	49,423,535	1.92%	1,312.78

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 155 for property value data.

Data Source

Village records

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF LEGAL DEBT MARGIN

December 31, 2015

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, 2015

Governmental Unit	Gross Debt	Percentage Debt Applicable to the Village (1)	The Village's Share of Debt
Village	\$ 63,602,971	100.00%	\$ 63,602,971
Cook County, including Forest Preserve	3,519,420,000	0.66%	23,228,172
Lake County, including Forest Preserve	481,240,000	0.02%	96,248
Metropolitan Water Reclamation District	2,447,818,419	0.68%	16,645,165
Prospect Heights Park District	8,125,910	16.13%	1,310,709
River Trails Park District	7,285,000	0.02%	1,457
Wheeling Park District	10,395,000	87.12%	9,056,124
School District No. 21	36,040,000	48.19%	17,367,676
School District No. 23	9,180,000	17.33%	1,590,894
School District No. 102	3,780,000	0.65%	24,570
High School District No. 125	14,355,000	0.17%	24,404
High School District No. 214	41,305,000	11.28%	4,659,204
Community College District No. 512	158,810,000	5.06%	8,035,786
Community College District No. 532	72,220,000	0.02%	14,444
	<u>6,809,974,329</u>		<u>82,054,853</u>
	<u>\$ 6,873,577,300</u>		<u>\$ 145,657,824</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
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%
2015	37,648	1,062,991,280	28,235	36.3	6,086	4.7%

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	2015			2006		
	Number of Employees	Rank	% of Total Village Population	Number of Employees	Rank	% of Total Village Population
SG360	940	1	2.50%	300	8	0.78%
Durable Inc	752	2	2.00%	450	2	1.17%
Pamarco Global Graphics	625	3	1.66%	300	8	0.78%
Reynolds Consumer Products	600	4	1.59%			
Healthcare Laundry Systems	550	5	1.46%	525	1	1.36%
Crothall Laundry Services	450	6	1.20%			
Accellent	425	7	1.13%			
Bob Chinn's Crabhouse	375	8	1.00%	350	4	0.91%
Argon Medical	330	9	0.88%			
Bowe Bell & Howell Information Systems	300	10	0.80%			
School District 21				330	6	0.86%
Pactive Corp.				440	3	1.14%
Wal-Mart/Sams				335	5	0.87%
Block & Company				320	7	0.83%
Allstate Printing/Dist. Ctr				300	8	0.78%
TNT Holland Motor Express, Inc.				300	8	0.78%
Valspar Corp.				280	9	0.73%
Wheeling High School				275	10	0.71%
TOTAL	<u>5,347</u>		<u>14.22%</u>	<u>4,505</u>		<u>11.70%</u>

Data Source

Village Records

VILLAGE OF WHEELING, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
GENERAL GOVERNMENT										
Management services	5	5	6	7	7	5	5	5	3	3
Human resources	2	2	2	2	2	2	2	2	2	2
Finance	11	12	10	9	9	8	8	8	8	8
Information systems	-	-	3	4	4	4	4	4	4	4
Economic development	-	-	-	-	-	-	-	-	2	2
Human services	4	4	4	4	5	7	7	6	6	6
Community development	18	18	17	18	13	13	13	14	14	14
Engineering	-	-	4	4	4	2	2	2	2	2
PUBLIC SAFETY										
Police										
Officers	66	66	68	68	66	62	62	62	62	62
Civilians	27	27	28	28	25	21	21	22	23	34
Fire										
Firefighters and officers	56	56	57	57	50	50	50	50	50	50
Civilians	2	2	4	4	4	4	4	3	3	3
PUBLIC WORKS										
Administration	4	4	4	4	5	4	4	4	4	4
Capital projects and design	13	13	9	9	4	4	4	3	2	2
Building services	6	6	6	6	6	6	6	6	6	6
Fleet services	6	6	5	5	5	5	5	5	5	5
Forestry	-	-	-	4	5	5	4	4	4	4
Utilities	21	21	21	21	21	18	18	18	18	18
Street maintenance	10	10	13	9	7	5	5	4	5	5
	251	252	261	263	242	225	224	222	223	234

Data Source

Village budget office

VILLAGE OF WHEELING, ILLINOIS

OPERATING INDICATORS BY FUNCTION

Last Ten Fiscal Years

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
POLICE										
DUI arrests	189	221	244	246	168	155	110	130	93	96
Accidents	1,678	1,606	1,522	1,297	1,109	1,198	1,047	1,126	1,218	1,322
Total tickets	17,208	16,699	14,219	17,018	14,133	14,674	14,166	12,051	13,448	16,303
Total calls	29,216	39,233	34,244	32,770	32,389	33,857	34,797	34,186	36,489	41,454
FIRE										
Number of calls answered	3,794	4,120	4,475	4,302	4,271	4,422	4,354	4,534	4,694	4,463
Inspections	2,665	2,623	2,319	2,162	2,047	1,652	1,547	1,342	1,401	1,367
HIGHWAYS AND STREETS										
Work orders completed	1,744	1,989	1,902	1,740	1,821	2,276	2,260	1,750	1,889	1,150
Sidewalks plowed	186	619	722	668	668	400	116	386	793	587
WATER AND SEWER										
Meter replacements	N/A	N/A	N/A	N/A	N/A	N/A	90	545	413	112
Customer service calls	1,380	1,320	2,500	1,600	1,700	1,939	2,215	2,310	2,270	1,760
Sanitary sewer complaints	106	106	63	78	84	68	127	111	46	50
Sanitary sewer cleaned (l.f.)	42,600	35,290	26,835	16,092	13,257	14,204	58,000	33,483	34,000	64,000
Catch basins/inlets cleaned	172	172	106	45	63	89	107	59	95	191

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	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Number of squad cars	33	33	40	40	41	41	41	42	40	40
Fire										
Stations	2	2	2	2	2	3	3	3	3	3
HIGHWAYS AND STREETS										
Streets (miles)	65	65	75	75	75	75	75	75	75	75
WATER										
Water mains (miles)	138	138	148	148	155	155	155	155	162	162
Fire hydrants	1,620	1,631	1,635	1,635	1,651	1,709	1,709	1,766	1,766	1,732
Average daily pumpage (mgd)	5	5	5	5	4	4	4	4	4	4
SEWER										
Sanitary sewers (miles)	77	77	83	83	87	87	87	89	90	94
Storm sewers (miles)	68	68	72	72	72	72	72	72	72	112
BUILDING INSPECTIONS										
Number of permits issued	1,369	1,151	1,426	1,348	1,364	1,650	1,501	1,488	1,599	1,305
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

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, 2015. 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, 2015, 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 cursive script that reads 'Sikich LLP'.

Naperville, Illinois
June 13, 2016

2016 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

6/7/16

I. ANNUAL FINANCIAL INFORMATION REPORT UPDATE

Retailers' Occupation, Service Occupation and Use Tax

DEBT INFORMATION

Village General Obligation Bonded Debt

Overlapping Bonded Debt

Statement of Bonded Indebtedness

PROPERTY ASSESSMENT AND TAX INFORMATION

Village Equalized Assessed Valuation

Larger Taxpayers

Tax Levies and Collections

Village Tax Rates

Typical Tax Bill

FINANCIAL INFORMATION

Statement of Net Position – Governmental Assets

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

General Fund – Balance Sheet

General Fund – Revenues, Expenditures and Changes in Fund Balance

General Fund – Budget and Interim Financial Information

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

Calendar Year Ending December 31	Municipal Sales Tax Distributions(2)	Home Rule Sales Tax Distributions	Total	Annual Percent Change + (-)
2006	\$6,548,443	\$3,878,195	\$10,426,638	33.64%(3)
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%
2015	6,739,449	4,045,919	10,785,367	8.79%
Growth from 2006 to 2015				3.44%

- 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 2006 percentage is based on a 2005 sales tax of \$7,802,178.

DIRECT GENERAL OBLIGATION DEBT (see schedules following)

Total General Obligation Bonds	<u>\$49,165,000</u>
Total General Obligation Debt	<u>\$49,165,000</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 11, 2016)

Calendar Year	Series 2007	Series 2008	Series 2009	Series 2011	Series 2012A	Series 2012B	Total Debt	Cumulative Principal Retired	
								Amount	Percent
2016	\$ 0	\$ 1,205,000	\$ 0	\$ 825,000	\$ 315,000	\$ 135,000	\$ 2,480,000	\$ 2,480,000	5.04%
2017	0	1,400,000	0	825,000	325,000	140,000	2,690,000	5,170,000	10.52%
2018	0	1,600,000	0	835,000	335,000	140,000	2,910,000	8,080,000	16.43%
2019	0	1,815,000	0	665,000	340,000	150,000	2,970,000	11,050,000	22.48%
2020	0	2,030,000	0	685,000	355,000	155,000	3,225,000	14,275,000	29.03%
2021	0	2,250,000	0	705,000	370,000	160,000	3,485,000	17,760,000	36.12%
2022	0	2,475,000	0	720,000	380,000	165,000	3,740,000	21,500,000	43.73%
2023	0	2,700,000	0	610,000	390,000	175,000	3,875,000	25,375,000	51.61%
2024	0	1,490,000	1,435,000	0	400,000	180,000	3,505,000	28,880,000	58.74%
2025	0	0	3,140,000	0	0	185,000	3,325,000	32,205,000	65.50%
2026	0	0	3,340,000	0	0	195,000	3,535,000	35,740,000	72.69%
2027	1,445,000	0	2,085,000	0	0	200,000	3,730,000	39,470,000	80.28%
2028	3,700,000	0	0	0	0	210,000	3,910,000	43,380,000	88.23%
2029	3,850,000	0	0	0	0	220,000	4,070,000	47,450,000	96.51%
2030	1,005,000	0	0	0	0	230,000	1,235,000	48,685,000	99.02%
2031	0	0	0	0	0	235,000	235,000	48,920,000	99.50%
2032	0	0	0	0	0	245,000	245,000	49,165,000	100.00%
Total	\$10,000,000	\$16,965,000	\$10,000,000	\$5,870,000	\$3,210,000	\$3,120,000	\$49,165,000		

Note: (1) Source: the Village.

OVERLAPPING DEBT(1)(2)

	Outstanding Debt	Applicable to Village	
		Percent(3)	Amount
Schools:			
School District Number 21	\$ 36,040,000	48.19%	\$17,367,676
School District Number 23	9,180,000	17.33%	1,590,894
School District Number 102	3,780,000	0.65%	24,570
High School District Number 125	14,355,000	0.17%	24,404
High School District Number 214	41,305,000	11.28%	4,659,204
Community College District Number 512	158,810,000	5.06%	8,035,786
Community College District Number 532	72,220,000	0.02%	14,444
Total Schools			<u>\$31,716,978</u>
Other:			
Cook County	\$3,361,910,000	0.66%	\$22,188,606
Cook County Forest Preserve District	157,510,000	0.66%	1,039,566
Lake County	190,325,000	0.02%	38,065
Lake County Forest Preserve District	290,915,000	0.02%	58,183
Metropolitan Water Reclamation District	2,447,818,419	0.68%	16,645,165
Wheeling Park District	10,395,000	87.12%	9,056,124
Prospect Heights Park District	8,125,910	16.13%	1,310,709
River Trails Park District	7,285,000	0.02%	1,457
Total Other			<u>\$50,337,876</u>
Total Schools and Other Overlapping Bonded Debt			<u>\$82,054,853</u>

- Notes: (1) Source: Cook and Lake County Clerks.
(2) As of December 31, 2015.
(3) Overlapping debt percentages based on 2014 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, 2014	\$ 857,398,841	100.00%	33.33%	\$22,774.09
Estimated Actual Value, 2014	\$2,572,196,523	300.00%	100.00%	\$68,322.26
Total Direct Bonded Debt	\$ 49,165,000	5.73%	1.91%	\$ 1,305.91
Overlapping Bonded Debt(2):				
Schools	\$ 31,716,978	3.70%	1.23%	\$ 842.46
Other	50,337,876	5.87%	1.96%	1,337.07
Total Overlapping Bonded Debt	<u>\$ 82,054,854</u>	<u>9.57%</u>	<u>3.19%</u>	<u>\$ 2,179.53</u>
Total Direct and Overlapping Bonded Debt	\$ 131,219,854	15.30%	5.10%	\$ 3,485.44

- Notes: (1) Source: Cook and Lake Counties Clerks.
(2) As of December 31, 2015.

VILLAGE EQUALIZED ASSESSED VALUATION(I)

Property Class	Levy Years				
	2010(2)	2011	2012	2013(2)	2014
Residential	\$ 625,503,040	\$ 562,378,196	\$506,940,389	\$398,703,329	\$425,609,608
Farm.....	37,187	37,187	37,187	35,715	126,078
Commercial.....	126,633,405	112,456,049	107,718,357	107,440,045	135,422,155
Industrial	467,430,769	407,022,376	376,869,218	326,039,359	290,188,352
Railroad.....	<u>1,253,590</u>	<u>1,162,024</u>	<u>758,102</u>	<u>783,286</u>	<u>917,222</u>
Total	\$1,220,857,991	\$1,083,055,832	\$992,323,253	\$833,001,734	\$852,263,415
Lake County.....	<u>5,752,338</u>	<u>5,673,483</u>	<u>5,330,444</u>	<u>5,145,717</u>	<u>5,135,426</u>
Total	\$1,226,610,329	\$1,088,729,315	\$997,653,697	\$838,147,451	\$857,398,841
Percent Change +/-	(9.30%)(3)	(11.24%)	(8.37%)	(15.99%)	2.30%

- Notes: (1) Source: Cook County Clerk.
 (2) Triennial reassessment year.
 (3) Percentage change based on 2009 EAV of \$1,352,391,739.

LARGER TAXPAYERS(I)

Taxpayer Name	Business/Service	2014 EAV(2)
Westin Hotel.....	Hotel	\$18,066,191
Wal-Mart Stores	Retail Discount Store.....	15,040,119
Woodland Creek Assoc.....	Apartments	11,786,909
Allstate Insurance Co.	Insurance	7,944,342
Capstone Realty Advisors.....	Apartments	7,548,449
Shorewood Management	Mallard Lake Apartments.....	7,471,571
Durable Packaging International	Industrial	7,113,431
Pactiv	Food Packaging.....	5,859,204
Foxboro Apartments.....	Apartments	5,494,622
Liberty Property Trust.....	Real Estate	<u>5,007,733</u>
Total		\$91,332,570
Ten Largest Taxpayers as Percent of Village's 2014 EAV (\$857,398,841)		10.65%

- 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 2014 EAV is the most current available.

TAX LEVIES AND COLLECTIONS(I)

Levy Year	Coll. Year	Taxes Extended	Total Collections(2)	
			Amount	Percent
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%
2014.....	2015	12,928,836	12,728,870	98.45%

- 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				
	2010	2011	2012	2013	2014
The Village:					
Corporate	\$0.6533	\$0.7154	\$0.7444	\$0.8388	\$0.9066
Bonds and Interest	0.0386	0.0398	0.0996	0.1993	0.2082
Police Pension	0.1038	0.1271	0.1430	0.1835	0.1926
Fire Pension	<u>0.0956</u>	<u>0.1217</u>	<u>0.1507</u>	<u>0.2018</u>	<u>0.2091</u>
Total Village Rates(2).....	\$0.8920	\$1.0040	\$1.1380	\$1.4240	\$1.5170

- 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				
	2010	2011	2012	2013	2014
Cook County	\$0.4230	\$0.4620	\$ 0.5310	\$ 0.5600	\$ 0.5680
Cook County Forest Preserve District.....	0.0510	0.0580	0.0630	0.0690	0.0690
Metropolitan Water Reclamation District.....	0.2740	0.3200	0.3700	0.4170	0.4300
Northwest Mosquito Abatement District.....	0.0090	0.0100	0.0110	0.0130	0.0130
Consolidated Elections.....	0.0000	0.0250	0.0000	0.0310	0.0000
Wheeling Township.....	0.0430	0.0480	0.0520	0.0560	0.0520
General Assistance.....	0.0050	0.0090	0.0090	0.0100	0.0100
Road and Bridge	0.0140	0.0150	0.0160	0.0190	0.0190
School District Number 21	3.6580	4.1640	4.5560	4.8410	5.4300
High School District Number 214	1.8390	2.0670	2.3240	2.7680	2.7760
Community College District Number 512.....	0.2950	0.3340	0.3730	0.4440	0.4510
Indian Trails Public Library District.....	0.3470	0.3930	0.4630	0.5040	0.5290
Wheeling Park District.....	<u>0.5710</u>	<u>0.6540</u>	<u>0.7380</u>	<u>0.8990</u>	<u>0.8900</u>
Total Tax Rates(3)	\$8.4210	\$9.5630	\$10.6440	\$12.0550	\$12.7540

- Notes: (1) Source: Cook County Clerk. Rates shown are for Cook County only.
 (2) The Village is a home rule-unit under the 1970 Illinois Constitution and, as such, has no statutory tax rate limit.
 (3) Representative tax rates for other government units are from Wheeling Township tax code 38055, which represents 51% of the Village's 2014 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				
	2011	2012	2013	2014	2015
ASSETS:					
Cash and Investments	\$ 29,275,817	\$ 32,738,649	\$ 33,643,222	\$ 27,105,062	\$ 28,061,638
Receivables, Net:					
Property Taxes	10,994,497	11,100,581	11,677,826	12,806,608	14,155,427
Sales Taxes	2,168,497	2,277,453	2,553,906	2,555,025	2,936,849
Income Taxes.....	1,035,178	917,393	616,726	644,481	773,045
Telecommunications Tax	414,076	407,710	386,569	354,214	349,096
Accounts	90,176	127,427	97,481	200,799	522,602
Accrued Interest	52,205	46,856	42,035	44,598	45,599
IPBC	1,463,995	1,703,945	703,552	943,530	1,286,311
Other	858,043	802,455	975,542	1,120,770	1,161,817
Prepaid Expenses	388,493	402,507	290,284	323,845	533,866
Inventory	457,579	468,540	300,857	384,535	436,774
Due from Other Governments.....	265,557	101,100	129,748	137,302	151,887
Advances to Other Funds	(848,657)	(1,002,614)	(1,062,514)	(976,867)	(863,629)
Deferred Charges - Unamortized Loss on Refunding	779,948	774,114	706,169	638,224	570,278
Deferred Outflows-Swap Agreement	5,922,709	5,928,027	3,641,777	4,353,866	4,066,825
Net Pension Asset.....	562,697	609,897	667,309	1,018,534	11,435,662
Capital Assets Not Being Depreciated	38,900,113	84,576,995	85,412,131	85,046,184	85,551,145
Capital Assets Being Depreciated.....	<u>58,940,940</u>	<u>58,952,072</u>	<u>58,303,260</u>	<u>57,467,789</u>	<u>56,209,319</u>
Total Assets	<u>\$151,721,863</u>	<u>\$200,933,107</u>	<u>\$199,085,880</u>	<u>\$194,168,499</u>	<u>\$207,384,511</u>
LIABILITIES:					
Accounts Payable	\$ 1,971,973	\$ 3,131,884	\$ 1,789,685	\$ 1,786,608	\$ 1,633,640
Accrued Payroll	414,931	477,197	603,103	764,925	51,921
Deposits Payable	103,103	104,379	115,814	144,654	144,309
Deferred Revenue	12,498,670	12,176,607	13,294,812	13,661,726	14,813,225
Due to Fiduciary Funds	84,043	56,528	54,107	100,721	970,788
Interest Payable	721,412	684,245	659,146	631,748	604,690
Interest Rate Swap Agreement	5,922,709	5,928,027	3,641,777	4,353,866	4,066,825
Long-Term Liabilities:					
Due Within One Year	3,382,942	3,825,539	4,159,726	4,601,468	4,492,374
Due in More Than One Year	<u>69,623,987</u>	<u>71,876,296</u>	<u>69,269,636</u>	<u>66,285,595</u>	<u>119,531,505</u>
Total Liabilities	<u>\$ 94,723,770</u>	<u>\$ 98,260,702</u>	<u>\$ 93,587,806</u>	<u>\$ 92,331,311</u>	<u>\$146,309,277</u>
NET POSITION:					
Investment in Capital Assets, Net of Related Debt	\$ 54,123,693	\$ 97,083,613	\$ 98,280,773	\$ 98,500,856	\$ 99,844,379
Restricted for:					
Highways and Streets	1,364,232	1,390,892	1,403,952	1,357,515	1,133,043
Public Safety	119,151	955,279	984,287	1,160,705	476,106
Economic Development	7,187,998	9,238,485	10,866,598	4,843,012	6,403,505
Capital Projects	1,624,317	2,400,320	1,774,679	1,314,424	1,979,004
Debt Service.....	67,068	30,108	39,513	87,571	121,829
Unrestricted.....	<u>(7,488,366)</u>	<u>(8,426,292)</u>	<u>(7,851,728)</u>	<u>(5,426,895)</u>	<u>(48,882,632)</u>
TOTAL NET POSITION	<u>\$ 56,998,093</u>	<u>\$102,672,405</u>	<u>\$105,498,074</u>	<u>\$101,837,188</u>	<u>\$ 61,075,234</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				
	2011	2012	2013	2014	2015
Primary Government(1):					
General Government.....	\$(13,738,860)	\$(16,381,052)	\$ (12,416,729)	\$ (15,040,151)	\$ (13,499,982)
Public Safety	(18,647,832)	(19,186,504)	(20,979,619)	(21,681,963)	(23,097,414)
Highways and Streets	(3,009,678)	(1,185,690)	(1,835,770)	(6,590,819)	(2,668,506)
Airport-Joint Venture	0	0	288,502	(365,947)	(360,206)
Interest and Fees	<u>(3,227,766)</u>	<u>(3,356,724)</u>	<u>(3,227,999)</u>	<u>(3,115,103)</u>	<u>(2,975,404)</u>
Total Governmental Activities	<u>\$ (38,624,136)</u>	<u>\$ (40,109,970)</u>	<u>\$ (38,171,615)</u>	<u>\$ (46,793,983)</u>	<u>\$ (42,601,512)</u>
General Revenues:					
Taxes:					
Property and Replacement	\$ 19,520,238	\$ 19,022,348	\$ 18,781,294	\$ 20,077,443	\$ 21,897,622
Sales	8,076,606	8,510,612	9,430,241	9,915,534	10,786,813
Utility	1,871,180	1,799,567	2,686,499	3,143,435	2,973,641
Telecommunications	1,733,726	1,702,077	1,565,067	1,445,508	1,342,101
Food and Beverage.....	757,431	783,361	816,668	847,714	911,165
Hotel/Motel	817,218	899,759	933,853	942,103	1,048,308
Income	2,988,314	3,308,032	3,587,115	3,604,564	4,005,867
Other	833,432	876,891	1,239,036	1,409,808	1,576,201
Investment Income.....	307,641	382,600	108,698	30,692	223,774
Gain on Disposal of Capital Assets.....	0	19,703	1,152	12,867	979,001
Miscellaneous	1,144,281	1,198,450	1,360,893	1,172,294	1,435,358
Increase in Equity in Joint Venture.....	0	253,987	0	0	0
Transfers	<u>220,639</u>	<u>433,336</u>	<u>486,768</u>	<u>531,135</u>	<u>572,257</u>
Total	<u>\$ 38,270,706</u>	<u>\$ 39,190,723</u>	<u>\$ 40,997,284</u>	<u>\$ 43,133,097</u>	<u>\$ 47,752,108</u>
CHANGE IN NET POSITION	<u>\$ (353,430)</u>	<u>\$ (919,247)</u>	<u>\$ 2,825,669</u>	<u>\$ (3,660,886)</u>	<u>\$ 5,150,596</u>
Change in Accounting Principle	\$ 0	\$ 0	\$ 0	\$ 0	\$(46,709,870)
Prior Period Adjustment	<u>(3,905,144)</u>	<u>46,593,559</u>	<u>0</u>	<u>0</u>	<u>797,320</u>
NET POSITION, JANUARY 1	<u>\$ 61,256,667</u>	<u>\$ 56,998,093</u>	<u>\$102,672,405</u>	<u>\$105,498,074</u>	<u>\$ 55,924,638</u>
NET POSITION, DECEMBER 31	<u>\$ 56,998,093</u>	<u>\$102,672,405</u>	<u>\$105,498,074</u>	<u>\$101,837,188</u>	<u>\$ 61,075,234</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

	2011	2012	20132	2014	2015
ASSETS:					
Cash and Investments	\$ 9,117,094	\$ 8,883,099	\$10,684,210	\$ 9,895,556	\$ 9,617,721
Receivables (Net Where Applicable of Allowances for Uncollectibles):					
Property Taxes	10,372,249	10,129,462	10,042,721	11,037,194	12,427,824
Sales Taxes	2,168,497	2,277,453	2,553,906	2,555,025	2,936,849
Income Taxes	1,035,178	917,393	616,726	644,481	773,045
Telecommunications Tax	414,076	407,710	386,569	354,214	349,096
Accrued Interest	22,873	17,600	14,353	19,866	20,508
IPBC	1,463,995	1,703,945	703,552	943,530	1,286,311
Other	685,594	626,952	609,128	793,199	875,116
Due from Other Governments	116,441	0	0	0	0
Due from Other Funds	1,393,233	195,059	579,658	29,213	87,550
Advance to Other Funds	0	576,000	0	0	0
Inventory	304,889	262,536	265,189	264,960	287,856
Prepaid Items	<u>369,478</u>	<u>372,806</u>	<u>281,547</u>	<u>318,023</u>	<u>471,750</u>
Total Assets and Other Debits	<u>\$27,463,597</u>	<u>\$26,370,015</u>	<u>\$26,737,559</u>	<u>\$26,855,261</u>	<u>\$29,133,626</u>
LIABILITIES:					
Accounts Payable	\$ 797,269	\$ 1,628,638	\$ 1,389,706	\$ 1,155,209	\$ 1,090,796
Accrued Payroll	404,288	473,328	594,001	752,327	46,491
Deposits Payable	103,103	104,379	115,814	144,654	144,309
Due to Fiduciary Funds	84,043	56,528	54,107	100,721	970,788
Deferred Revenue	<u>10,320,691</u>	<u>10,183,466</u>	<u>10,089,384</u>	<u>11,026,964</u>	<u>12,418,756</u>
Total Liabilities	<u>\$11,709,394</u>	<u>\$12,446,339</u>	<u>\$12,243,012</u>	<u>\$13,179,875</u>	<u>\$14,671,140</u>
FUND BALANCES:					
Nonspendable for Prepaid Items	\$ 369,478	\$ 372,806	\$ 281,547	\$ 318,023	\$ 471,750
Nonspendable for Inventory	304,889	262,536	265,189	264,960	287,856
Nonspendable for Long-Term Receivables	0	576,000	0	0	0
Unrestricted - Assigned for Subsequent Year's Budget	0	0	1,055,804	943,530	0
Unrestricted - Assigned for Health Insurance	1,463,995	1,703,945	703,552	753,849	1,286,311
Unrestricted - Unassigned	<u>13,615,841</u>	<u>11,008,389</u>	<u>12,188,455</u>	<u>11,395,024</u>	<u>12,416,569</u>
Total Fund Balances	<u>\$15,754,203</u>	<u>\$13,923,676</u>	<u>\$14,494,547</u>	<u>\$13,675,386</u>	<u>\$14,462,486</u>
Total Liabilities and Fund Balances	<u>\$27,463,597</u>	<u>\$26,370,015</u>	<u>\$26,737,559</u>	<u>\$26,855,261</u>	<u>\$29,133,626</u>

General Fund Revenues, Expenditures and Changes In Fund Balance

	Audited as of Audited as of December 31				
	2011	2012	2013	2014	2015
REVENUES:					
Taxes	\$21,921,158	\$22,268,871	\$22,956,784	\$23,841,420	\$25,317,613
Licenses and Permits	627,026	536,729	544,271	550,247	956,338
Intergovernmental	4,085,025	4,290,418	4,542,285	4,927,125	6,761,148
Charges for Services	2,082,179	2,287,031	1,998,815	2,104,787	2,244,662
Fines and Forfeits	732,417	690,272	714,405	844,161	959,311
Investment Income	116,184	148,338	45,967	(76,871)	97,630
Miscellaneous	<u>1,076,792</u>	<u>893,608</u>	<u>1,153,542</u>	<u>1,098,290</u>	<u>1,305,352</u>
Total Revenues	\$30,640,781	\$31,115,267	\$31,956,069	\$33,289,159	\$37,642,054
EXPENDITURES:					
General Government	\$ 8,706,123	\$10,200,168	\$ 9,642,297	\$10,553,805	\$10,997,647
Public Safety	19,396,617	20,028,984	21,029,060	22,268,718	24,391,698
Debt Service	<u>0</u>	<u>15,526</u>	<u>109,235</u>	<u>202,900</u>	<u>193,283</u>
Total Expenditures	\$28,102,740	\$30,244,678	\$30,780,592	\$33,025,423	\$35,582,628
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 2,538,041	\$ 870,589	\$ 1,175,477	\$ 263,736	\$ 2,059,426
Other Financing Sources:					
Proceeds on Sale of Capital Assets	\$ 7,800	\$ 19,703	\$ 1,152	\$ 12,867	\$ 57,674
Operating Transfers In	0	53,440	0	36,500	0
Operating Transfers Out	<u>(982,169)</u>	<u>(2,774,259)</u>	<u>(605,758)</u>	<u>(1,132,264)</u>	<u>(1,330,000)</u>
Total Other Financing Sources	\$ (974,369)	\$(2,701,116)	\$ (604,606)	\$(1,082,897)	\$(1,272,326)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 1,563,672	\$ (1,830,527)	\$ 570,871	\$ (819,161)	\$ 787,100
Beginning 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>
Ending Fund Balance	<u>\$15,754,203</u>	<u>\$13,923,676</u>	<u>\$14,494,547</u>	<u>\$13,675,386</u>	<u>\$14,462,486</u>

General Fund Budgeted Financial Information

	Budget Twelve Months Ending <u>12/31/2016</u>
REVENUES:	
Taxes	\$26,061,857
Licenses and Permits	734,097
Intergovernmental	1,315,675
Charges for Services	4,729,098
Fines and Forfeits	902,577
Interest	141,415
Miscellaneous	<u>4,951,578</u>
Total Revenues	\$38,836,297
EXPENDITURES:	
Personnel Services	\$26,269,919
Contractual Services	8,333,638
Commodities	1,446,323
Capital Improvements	16,500
Other	342,500
Transfers Out	<u>2,427,417</u>
Total Expenditures	\$38,836,297
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 0