



2019 COMPREHENSIVE ANNUAL FINANCIAL REPORT



Uptown 500

Fiscal Year Ended December 31, 2019

VILLAGE OF WHEELING, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
December 31, 2019

Prepared by Finance Department

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VILLAGE OF WHEELING, ILLINOIS
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INTRODUCTORY SECTION

VILLAGE OF WHEELING, ILLINOIS

PRINCIPAL OFFICIALS

DECEMBER 31, 2019

ELECTED OFFICIALS

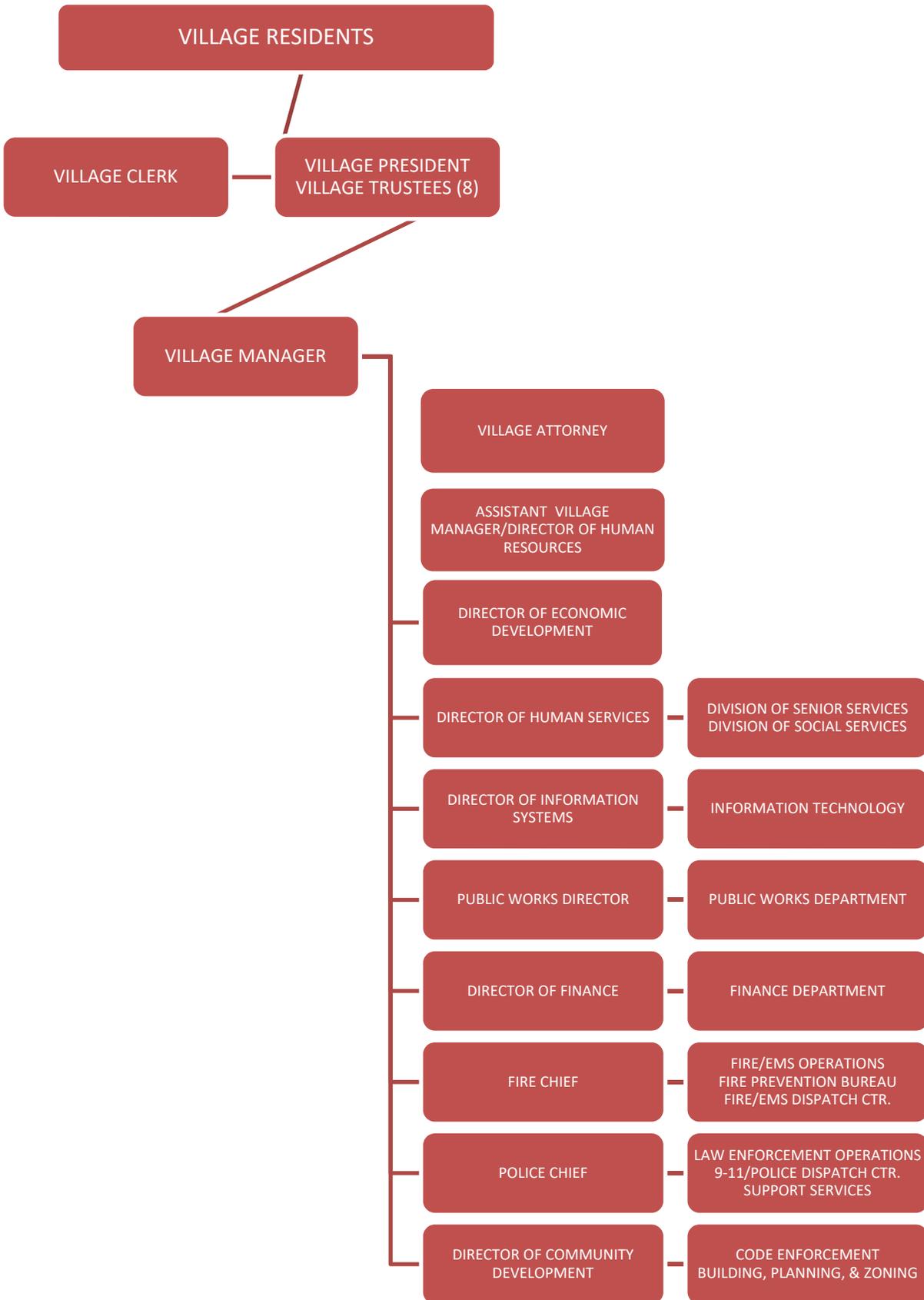
Pat Horcher
Village President

Mary Krueger
Ray Lang
Mary Papantos
James Ruffatto
Joe Vito
David Vogel
Village Trustees

Elaine Simpson
Village Clerk

ADMINISTRATIVE

Jon Sfondilis – Village Manager
Michael Crotty – Asst. Village Manager/Director of Human Resources
Michael Mondschain – Director of Finance
Andrew Jennings – Director of Community Development
James Dunne – Police Chief
Keith Maclsaac – Fire Chief
Mark Janeck – Director of Public Works
Shari Matthews Huizar – Director of Human Services
John Melaniphy III – Economic Development Director
Luca Ursan – Director of Information Technology





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Village of Wheeling
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morrill

Executive Director/CEO



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

June 9, 2020

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, 2019.

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

The financial statements included in this report depict the financial position and changes in financial position presented in conformance with Generally Accepted Accounting Principles (GAAP). Sikich LLP, a firm of licensed certified public accountants, has issued an unmodified (“clean”) opinion on the Village of Wheeling’s financial statements for the year ended December 31, 2019. The independent auditor’s report is located at the front of the financial section of this report.

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

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

Profile of the Village of Wheeling

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

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

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

In addition to its primary and secondary schools, Village residents can take advantage of graduate level courses in business and education taught at National Louis University's campus in Wheeling. William Rainey Harper College – a leading 2-year community college – also serves Wheeling, offering certificate and associate degree programs as well as college transfer programs.

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

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

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

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

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

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

Fiscal Year 2019 General Fund Results

From a financial perspective, FY 2019 produced excellent results for Wheeling for the third consecutive year. The Village finished the year with a surplus in the General Fund that, once again, allowed the Board to fully fund core services while maintaining reserves at prior levels. The surplus created an opportunity for the Village Board, consistent with its financial policy, to use some of the funds for a major capital project and to make additional contributions (in excess of what was actuarially required) to its three pension funds. In general, many sources of revenue related to the economy showed strong gains in FY 2019, but that good news was tempered by concerns about two of Wheeling's largest sources of revenue which were down from the prior year. That continued a trend that has forced the Village to look for new sources of revenue and to rely more heavily on the property tax levy.

Two of the Village's largest sources of revenue – sales and income tax – serve as indicators of the strength of the local economy and are therefore closely monitored by Village staff. In FY 2019, sales tax receipts were up \$29,542 (.32%) compared to FY 2018. That was the first increase in sales tax revenue since FY 2015, after adjusting FY 2016 numbers to exclude two large one-time use tax transactions (an apples-to-apples approach).

The small increase in sales tax revenue is concerning because it reflects a long-term trend of declining sales tax revenue or minimal growth as compared to the prior fiscal year. The Village attributes that, in part, to on-line sales that have negatively impacted the Village's brick-and-mortar retailers. Every purchase made on-line through Amazon, Wal-Mart and similar stores costs Wheeling revenue if it would have been purchased at a retailer in our community.

Adding to this downward pressure is a recently enacted change to state law that has cost the Village more sales tax revenue. Beginning in late FY 2019, the State of Illinois stopped remitting to the Village its one percentage point (1.00%) share of the sales tax rate it collects on airplane fuel sold at Chicago Executive Airport, which will now be used to support airport-related activities. To clarify, the Village continues to collect its own one percentage point (1.00%) home-rule sales tax rate on aviation fuel, but lost the State of Illinois' share, effectively reducing aviation-related sales tax revenue by 50%.

That said, there is hope for an increase in sales tax revenue beginning in FY 2021, when the state's Level the Playing Field Act goes into effect. The Act, which is effective January 1, 2021, stipulates that retailers must collect sales tax purchases on on-line purchases, thereby "leveling the playing field" with brick-and-mortar businesses. The ability to tax on-line sales coupled with the grand opening of several stores, restaurants and a movie theater in Wheeling's Town Center development may help reverse the lack-of-growth trend the Village has experienced in recent years.

While FY 2019 sales tax receipts were disappointing, income tax revenue (the General Fund's third largest source of revenue behind property tax and sales tax) showed positive results in FY 2019. As compared to the prior year, income tax revenue was up \$401,816 (11.14%), due primarily to one unusually large distribution last year. The Illinois Department of Revenue reported that the larger-than-normal distribution from May of last year was due to several growth factors likely attributable to one-time sources, including the stock market's performance and taxpayers' adjustments in their withholdings resulting from the new federal tax law. That said, it's important to note that the other eleven-months of receipts were also up \$162,138 (5.25%) in aggregate, which was encouraging given that income tax revenue had been basically flat since Fiscal Year 2015.

In future years, the Village expects to see an increase in income tax revenue if, as expected, this year's census produces an increase in Wheeling's population. Since the last census, the Village has seen a substantial increase in apartment, condo and townhome units which should lead to more income tax revenue – motor fuel tax, local use tax and cannabis tax receipts will be similarly impacted - because the State distributes it to municipalities on a per-capita basis. Consequently, an increase in Wheeling's population will positively impact revenue for the next 10 years.

Since sales tax revenue has shown little or no growth for several years and income tax revenue, until last year, was also mostly flat, the Village has had to look to other sources of revenue to bridge the gap and offset the impact of predictable increases in expenditures from year-to-year. Other large sources of revenue that have shown growth and are also proxy indicators of the strength of the local economy include the following:

- Investment Income was up \$479,580 (320.05%) due to investment gains resulting from a drop in interest rates. When interest rates drop, the market value of the certificates of deposits the Village owns increases and the Village recognizes additional revenue in the General Fund
- Permit-related revenue (which includes building permits, electrical, plumbing and engineering inspection permits, and plan review fees) were up \$234,771 (25.71%) which was due primarily to revenue from a large apartment development
- Use tax revenue, which is collected by the State of Illinois and remitted to municipalities on a per-capita basis, was up \$164,377 (14.86%) because the state began collecting revenue from on-line sales. More precisely, in 2018, the United States Supreme Court (in the *South Dakota v. Wayfair* decision) ruled that states can collect tax from online retailers who do not have a physical presence in the state. That change, which went into effect in Illinois on October 1, 2018, was the primary reason this source of revenue increased last year
- Hotel/Motel tax was up \$51,685 (4.88%)
- Food & Beverage tax was up \$42,106 (4.54%)
- Video Gaming Tax was up \$36,099 (15.24%)

Many other large sources of revenue showed significant gains this year but for reasons not directly related to changes in the economy. These include the following:

- Property tax revenue (in the General Fund) was up \$427,678 (3.15%) because the Village Board increased the total tax levy by 3.50%
- Telecommunications Tax revenue was down \$71,459 (-6.84%) because fewer people are using landlines
- Ambulance Fee revenue was up \$105,351 (12.52%) because calls for service were greater than anticipated
- IPBC Terminal Reserve Revenue – The Village participates in the Intergovernmental Personnel Benefit Cooperative (IPBC), a public entity risk pool with more than 130 governmental entities established by units of local government in Illinois to administer its health and life insurance programs. When the Village's health insurance claims are less than anticipated for the year, the surplus is transferred to a

terminal reserve account at IPBC that is used to pay for claims in years when the Village has poor claim experience, or in the event the Village were to decide to leave the pool. Since the Village had a good claim year in 2019, the surplus funds were transferred to the terminal reserve account and the Village recognized \$205,571 in General Fund revenue

- Des Plaines Intergovernmental Agreement (IGA) Revenue – The City of Des Plaines pays the Village for providing dispatching its police department related calls for service in two ways: The Village receives Des Plaines' allocation of 911-revenue from the State of Illinois, and the City makes direct payments to Wheeling for the difference between its share of 911-revenue and the balance of what it owes Wheeling per the terms of an IGA. The two sources of revenue are allocated to the General Fund and 911-Fund based on how much 911-revenue the Village receives each year on the City's behalf. Somewhat paradoxically, when the State of Illinois remits less 911-revenue to the Village that belongs to the City, the Village reduces the credit the City receives and recognizes additional revenue in the General Fund. More to the point, when the Village receives less 911-revenue in the 911 Fund, the City must pay more for the dispatching services provided to it and that results in the Village recognizing more dispatching-related revenue (and expenditures) in the General Fund. Since the allocation of 911-revenue from the State of Illinois to municipalities fluctuates from year-to-year and that allocation declined last year, the credit the Village gave to Des Plaines declined as well; the result was that the Village recognized \$193,445 or 53.74% more dispatching-related revenue in the General Fund as compared to 2018
- Other sources of revenue were up \$359,110 (8.27%) in aggregate for reasons that are less meaningful than those described above but were nevertheless a positive development this year

In aggregate, General Fund revenue exceeded the budget by \$2,045,369; with expenditures \$116,353 below budget, the Village ended the year with a General Fund surplus of \$3,170,532 prior to final year end transfers (or \$2,161,722 more than anticipated). As in prior years, that created an opportunity, consistent with the Village's financial policy, to transfer funds to other funds of the Village and make additional contributions to the pension funds. With that policy in mind, in March of 2020, the Board transferred \$1,600,000 of the surplus to the Capital Projects Fund to pay for a fire station replacement project and contributed an additional \$1,000,000 to the Village's three pension funds. The transfer for the fire station project will allow the Village to fund it without issuing debt and the pension fund contributions will reduce each fund's unfunded liability.

In summary, the Village approached the FY 2019 budget process conservatively by finding ways to limit the growth in expenditures while adjusting the property tax levy to offset other sources of revenue – primarily sales and income tax revenue – that, in the last few years, have not increased as much as hoped. The result was a General Fund surplus of \$3,170,532 that was reduced to \$570,532 after the Village Board opted to transfer \$1,600,000 to the Capital Projects Fund to pay for a fire station project and contribute \$1,000,000 to the pension funds. The result was much better than expected given that the Village initially approved a budget with a surplus of \$1,008,810 and can be attributed to stronger than anticipated revenue and lower than expected expenditures.

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

Local Economic Development Activities

During the fiscal year that ended December 31, 2019, the Village issued 1,508 permits for nearly \$109 million worth of construction projects. A list of major projects initiated or under construction in FY 2019 includes the following:

- The Village's boom in development includes the \$110 million Wheeling Town Center (WTC), a transit-oriented mixed-use development adjacent to the Metra station and world-class recreational amenities in Heritage Park. The project, which broke ground in the fall of 2016, includes 100,000-square feet of commercial space. WTC features 301 luxury residential units and a pedestrian-friendly plaza. The anchor tenant, CMX CinéBistro Wheeling, is a modern movie theatre that is connected to CMX Stone Sports Bar - a restaurant and bar located in the lounge of the theatre that is open to the public. In addition, City Works Eatery and Pour House, Starbucks Coffee, Inland Bank, and AT&T opened in 2019. A number of restaurants and a dessert specialty shop are slated to open in 2020, including Eggsperience, Meat & Potato Urban Kitchen, Mia's Cantina, and Arctic Spoon. The Learning Experience, child daycare center, is currently accepting enrollment and also open in 2020.
- Uptown 500 is a \$90-million transit-oriented, mixed-use development featuring a 321-unit luxury apartment building and 10,500-square feet of retail space located at 500 W. Dundee Road. The project broke ground in 2018 and is nearly completed. Uptown 500 will add to the vibrancy of the Wheeling Town Center project situated between the Town Center and the Northgate Crossing projects. The development will contribute to the nearly 1,000 new apartment units within walking distance of the Wheeling Metra station. The leasing team has begun taking reservations for occupancy.
- Wieland Thermal Solutions broke ground in August of 2018 on a \$25 million, 115,000-square foot thermal tube manufacturing facility at 457 Northgate Parkway, immediately north of their related company, Wieland Metals (567 Northgate Parkway). Wieland Metals is a 200-year old company which is headquartered in Ulm, Germany and manufactures semi-finished products in copper and copper alloys. The company has several locations in North America and employs over 700 employees, including 180 in Wheeling.
- The Landing of Wheeling (formally the Whitley of Wheeling), a senior housing project at 60–156 West Dundee Road, completed construction recently. The 102-unit assisted living and memory-support facility encompasses a three-story structure with walking trails, gardens, abundant landscaping, and other amenities. The project was developed by the LaSalle Group and is now taking reservations for occupancy.
- Panattoni Development is constructing a 162,000-square foot spec industrial building at Wolf Road and Dean Avenue adjacent to Chicago Executive Airport. Panattoni broke ground in 2019 and is slated for completion in mid-to-late 2020. The spec industrial development is focused on warehouse, distribution, logistics, and light manufacturing uses.
- London Crossing, a development that will include 55 row homes with approximately 33,000- square feet of commercial/retail space, will add new residences adjacent to London Middle School on Dundee Road. Wingspan Development Group submitted a revised site plan in spring of 2020; construction is projected to break ground in summer or early fall of 2020.
- Hutton Gas Station, 1048 South Milwaukee Avenue, was approved by the Village Board in 2019 and will include a sit-down fast casual restaurant called Cousins Subs. Construction is projected to begin in 2020.

- Hawthorn Aviation completed their new 32,760-square foot Jetlinx Hangar at 1038 South Milwaukee Avenue in 2018. The facility is Hawthorn Aviation's second hangar at Chicago Executive Airport; the first hangar is located in Prospect Heights. A third Jetlinx Hangar is part of two-phase development plan; initial site plans have been submitted to the Village for approval.
- Wolf Crossing is a 39-unit townhouse project being developed by DR Horton at 415 North Wolf Road. Construction on the project began in February 2018, and is being rolled out in phases. A number of completed units are currently under contract.
- The retail market saw new retailers and restaurants open or begin construction in 2019 including Wajo Sushi (in former Sushi Gallery at Riverside Plaza Shopping Plaza), 1900's Barber Parlor (in Lynn Plaza Shopping Center), among others.

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

Long-term Financial Planning and Relevant Financial Policies

The Village's financial policies establish minimum reserve levels for certain funds of the Village. At December 31, 2019, the fund balance in the General Fund totaled \$15,512,799, representing 38.96% of General Fund expenditures (including inter-fund transfers), more than the 25 percent minimum established by the Board. Of this amount, \$13,251,874 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 to help ensure the long-term financial stability of the community. Most notably, 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 2010 to 2019 levies), the levy increased an average of 5.32% per year from \$10.604 million to \$16.853 million, which helped offset predictable increases in the cost of providing core services. In addition, in FY 2010, the Village increased its hotel/motel tax from 5.00% to 6.00% (generating an additional \$120,000 annually to pay for operating costs) and two years later, began allowing businesses to offer video gaming; the revenue from gaming license fees and taxes now generates over \$350,000 annually for the General Fund. In 2013, the Village increased its gas and electric use tax in order to generate an additional \$1,000,000 annually for capital project purposes, and has more recently, has implemented an amusement tax and increases in ambulance fees, and entered into an intergovernmental agreement to provide emergency 911 dispatching services to the City of Des Plaines. Each of these new sources of revenue have helped reduce the Village's reliance on sales tax, income tax and property tax revenue to fund core services.

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

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

Finally, the Village recently revised its debt management policy and created a surplus revenue policy. The former provides guidance to the administration regarding purposes for which debt may be issued, types and amounts of permissible debt and the method of sale that may be used. The latter provides a process by which the Village Board can contribute surplus General Fund revenue to the pension funds in order to reduce the Village's unfunded liabilities and the long-term cost of retirement benefits. In the last five years, the Village has relied on its surplus revenue policy to contribute an additional \$2,900,000 to the Village's three pension funds. Each of these policies is intended to strengthen the Village's overall financial position.

Major Initiatives

During the fiscal year that ended December 31, 2019, the Village completed a number of significant projects including the following:

- The Administrative Services Department finalized negotiations with the Wheeling Firefighters Association for a successor collective bargaining agreement covering represented positions within the Fire Department. Staff also began negotiations with the Metropolitan Alliance of Police, the newly-recognized representative of represented positions within the Police Department, for three separate successor collective bargaining agreements.
- The Finance Department helped negotiate a new five-year intergovernmental agreement with the City of Des Plaines to provide emergency 911 dispatching services to their police department.
- The Human Services Department continued to grow the Social Work Intern program coordinating internships with local, state and private universities to provide superior educational opportunities for students and increase the availability of social services for residents.
- The Community Development Department Oversaw the preparation and adoption of the Wheeling Safe Communities program to establish criteria to improve safety in rental housing.
- The Police Department implemented an upgraded Computerized Automated Dispatch (CAD) system that provided the 9-1-1 Communications center with a more efficient CAD system enhancing dispatch capabilities and allowed networking capabilities with neighboring communications centers.
- The Fire Department continued functional consolidation with the Prospect Heights Fire Protection District which has resulted in combined emergency response procedures, unified incident command, and enhanced emergency operations, and emergency response personnel safety has improved.
- The Public Works Department efficiently managed the Capital Improvement Plan (CIP) to accomplish various projects including street, sidewalk, storm water, sewer, water, HVAC, roof, and other infrastructure improvements. During Fiscal Year 2019, approximately \$16 million was budgeted and \$15 million spent on various projects.

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, 2018. This was the thirty-ninth (39th) 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, 2019. This marked the thirty-third (33rd) consecutive year the Village received that recognition. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document must be judged to be proficient in several categories including policy documentation, financial planning, communication and organization.

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

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

Respectfully submitted,



Jon Sfondilis
Village Manager



Michael B. Mondschain
Finance Director

FINANCIAL SECTION

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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, 2019, 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, 2019, 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 did not audit the financial statements of the Northwest Water Commission (NWWC), which represent 13.22%, 14.84%, and 4.18% of the assets, net position, and revenues of the business-type activities, respectively. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Village's investment in joint venture, is based on the report of the other auditor. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of NWWC were not audited in accordance with *Government Auditing Standards*.

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, 2019, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental, internal service, and fiduciary funds of the Village of Wheeling, Illinois as of December 31, 2019, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

The Village adopted GASB Statement No. 83, *Certain Asset Retirement Obligations*, which established standards for measuring and recognizing liabilities, deferred outflows of resources, and expenses for asset retirement obligations; and modified certain disclosures in the notes to financial statements.

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, supplemental data and the supplemental financial information listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules, supplemental data and supplemental financial information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

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

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, financial statements of the governmental activities, business-type activities, each major fund, the aggregate remaining fund information, and each nonmajor governmental, internal service, and fiduciary funds of the Village as of and for the year ended December 31, 2018, 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 2018 financial statements. The information has been subjected to the auditing procedures applied in the audit of those financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated June 9, 2020 on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois

June 9, 2020

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019

As management of the Village of Wheeling, we offer Management's Discussion and Analysis (MD&A) of the financial activities of the Village for the fiscal year ended December 31, 2019. The MD&A provides a narrative and analysis of the Village of Wheeling's financial activities for the fiscal year and is designed to:

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

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

Financial Highlights

The Village's total net position is \$108,878,753 of which \$53,882,803 is represented by governmental activities and \$54,995,950 is represented by business-type activities. During the fiscal year ended December 31, 2019, the prior year governmental net position of \$50,962,562 increased by \$2,920,241 (5.73%), and business-type activities' net position as compared to the prior year's net position increased by \$1,976,611 (3.73%).

On December 31, 2019, the Village's governmental funds reported combined fund balances of \$38,678,827, an increase of \$1,008,817 (2.68%) in comparison with the prior year. Approximately 32.92% of this amount (\$12,731,026) is available for spending at the Village's discretion (*unassigned fund balance*). Changes in revenues and expenses of both governmental and business-type activities will be reviewed in greater detail under the Current Year Impacts of the Government-Wide Financial Statements section.

At the end of the current fiscal year, unrestricted fund balance (the total of the *committed*, *assigned*, and *unassigned* components of *fund balance*) for the general fund was \$14,940,298, or approximately 41.70% of the general fund's expenditures.

Overview of the Financial Statements

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

Government-wide Financial Statements

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

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

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019

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

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

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

Fund Financial Statements

Fund groups contain related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The fund financial statements allow the demonstration of compliance with finance-related legal requirements. The focus is on major funds, rather than fund types. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

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

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

The Village maintains fourteen (14) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for major funds. The General Fund, Capital Projects Fund, and the Capital Equipment Replacement Fund are considered major governmental funds in 2019. Data from the other 11 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.

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019

Proprietary Funds

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

Proprietary fund financial statements present the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 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 unavailable for support of the Village's programs and are not reflected in the government-wide financial statements. The accounting for fiduciary funds is much like that used for proprietary funds. The Village maintains two pension trust funds. The Police and Firefighters' pension trust funds are used to report resources held in trust for retirees and beneficiaries covered by the Police or Firefighters' pension plans.

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

Notes to the Financial Statements

The notes provide information essential in understanding the data provided in the government-wide and fund financial statements and can be located on pages 20-81 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 82-92 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 93-140 of this report.

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

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

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019

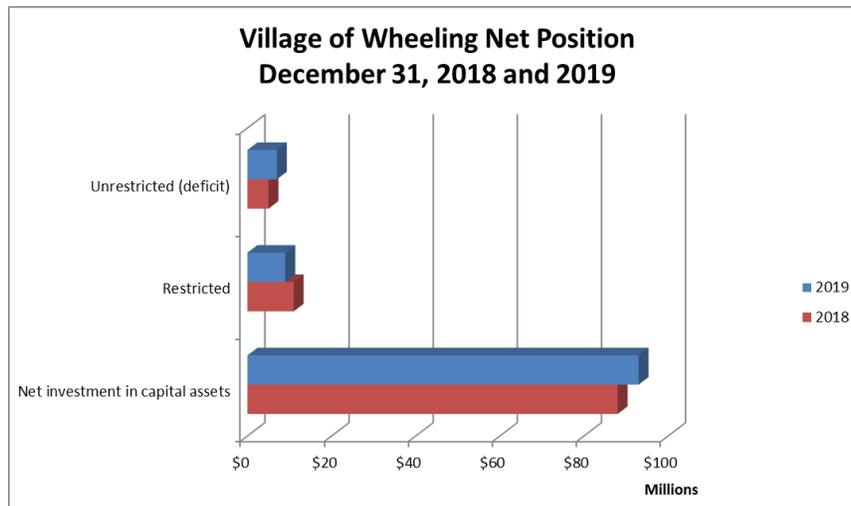
Statement of Net Position

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Village of Wheeling, assets and deferred outflows exceeded liabilities and deferred inflows by \$108,878,753 as of December 31, 2019. A summary of the Village's Statement of Net position is presented below in Table 1.

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

	Governmental Activities		Business-type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Assets						
Current and other assets	\$ 64,049	\$ 62,059	\$ 9,783	\$ 10,035	\$ 73,832	\$ 72,094
Capital assets	90,182	89,754	43,783	41,899	133,965	131,653
Investment in joint venture	44,078	44,948	8,159	7,774	52,237	52,722
Total Assets	198,309	196,761	61,725	59,708	260,034	256,469
Deferred Outflows of Resources						
Pension items	9,265	20,081	339	925	9,604	21,006
OPEB	2,157	148	381	26	2,538	174
Other Deferred Outflows	2,652	2,566	233	8	2,885	2,574
Total Deferred Outflows	14,074	22,795	953	959	15,027	23,754
Total Assets and Deferred Outflows	212,383	219,556	62,678	60,667	275,061	280,223
Liabilities						
Current and other liabilities	6,400	6,087	199	201	6,599	6,288
Long-term liabilities	127,180	142,772	6,812	7,052	133,992	149,824
Total Liabilities	133,580	148,859	7,011	7,253	140,591	156,112
Deferred Inflows of Resources						
Pension Items	7,229	2,848	523	234	7,752	3,082
OPEB	837	911	148	161	985	1,072
Property Tax	16,854	15,975	-	-	16,854	15,975
Total Deferred Inflows	24,920	19,734	671	395	25,591	20,129
Total Liabilities and Deferred Inflows	158,500	168,593	7,682	7,648	166,182	176,241
Net Position						
Net investment						
in capital assets	51,291	48,020	41,660	39,786	92,951	87,806
Restricted	9,200	11,253	-	-	9,200	11,253
Unrestricted (deficit)	(6,608)	(8,310)	13,336	13,233	6,728	4,923
Total net position	\$ 53,883	\$ 50,963	\$ 54,996	\$ 53,019	\$ 108,879	\$ 103,982

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019



Governmental Activities Net Position Summary:

- ◆ Governmental Activities total net position increased \$2,920,241 (5.73%). Cash and investments increased by \$1,219,651 (3.14%) due to solid investment performance and depreciated capital assets increased \$1,323,142 from capital outlay expenses.
- ◆ Governmental Activities net investment in capital assets increased \$3,270,964 (6.81%) due to an increase in capital outlay expenses in 2019.
- ◆ Total restricted net position for economic development decreased \$2,577,836 (32.70%). Significant capital contributions were made by the TIF Funds in 2019 and the Crossroads TIF made surplus distributions as it reached its date of termination. The Village will maintain some funds in reserve to cover future refunds due to assessment appeals or tax objections.
- ◆ Total restricted net position for stormwater improvements increased by \$446,700 (29.74%) because revenue outpaced expenses in the Stormwater Fund; these funds will be allocated to future capital projects.
- ◆ Total unrestricted net position reflected a deficit of (\$6,607,722). Total unrestricted net position increased in 2019 by \$1,701,565 (20.48%). Solid investment performance in the pension funds led to decreases in deferred outflows of resources, reductions in long-term liabilities and increases in deferred inflows of resources.

Business-Type Activities Net Position Summary:

- ◆ Business-Type Activities total net position increased by \$1,976,608 (3.73%) as a result of an increase in current assets and capital contributions of \$1,284,480. The increase in current assets can be attributed to charges for services in excess of expenses for the year.
- ◆ The Business-Type Activities net investment in capital assets increased by \$1,874,583 (4.71%) due to the capitalization of the 2019 watermain program and contributed capital related to Industrial Lane and Wolf Road, less the annual depreciation of Business-Type Activities capital assets and debt payments.
- ◆ Total cash and investments decreased \$411,438 (-7.39%) due to additional funds being added to the advance to the Capital Equipment Replacement Fund (\$201,820) and because the increase in total net position reflects additions to capital assets less annual depreciation of \$1,874,583 (4.71%).
- ◆ Total liabilities and deferred inflows of resources increased by \$34,505 (.45%) as the Village reduced long-term liabilities and the deferred pension liability for IMRF rose by \$289,109.

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019

Statement of Activities

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

Table 2: Condensed Statement of Activities

	Governmental Activities		Business-type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program Revenues:						
Charges for services	\$ 8,590	\$ 7,825	\$ 9,271	\$ 9,429	\$ 17,861	\$ 17,254
Operating grants and contributions	1,922	1,480	-	-	1,922	1,480
Capital grants and contributions	34	1,982	1,284	599	1,318	2,581
General Revenue:						
Property taxes	28,699	27,674	-	-	28,699	27,674
Other taxes	15,729	15,862	-	-	15,729	15,862
Intergovernmental	5,849	5,193	-	-	5,849	5,193
Other	3,202	2,321	295	38	3,497	2,359
Total Revenues	<u>64,025</u>	<u>62,337</u>	<u>10,850</u>	<u>10,066</u>	<u>74,875</u>	<u>72,403</u>
Expenses:						
General government	17,055	17,660	-	-	17,055	17,660
Public safety	31,708	30,986	-	-	31,708	30,986
Highways and streets	9,843	6,120	-	-	9,843	6,120
Airport – joint venture	870	549	-	-	870	549
Interest and fees	2,129	2,324	-	-	2,129	2,324
Water and sewer	-	-	8,373	8,094	8,373	8,094
Total Expenses	<u>61,605</u>	<u>57,639</u>	<u>8,373</u>	<u>8,094</u>	<u>69,978</u>	<u>65,733</u>
Increase (Decrease) in Net Position						
Before Transfers	2,420	4,698	2,477	1,972	4,897	6,670
Transfers	500	524	(500)	(524)	-	-
Change in Net Position	2,920	5,222	1,977	1,448	4,897	6,670
Beginning Net Position	50,963	60,491	53,019	54,326	103,982	114,817
Change in accounting principle	-	(14,750)	-	(2,755)	-	(17,505)
Beginning Net Position, Restated	50,963	45,741	53,019	51,571	103,982	97,312
Ending Net Position	53,883	50,963	54,996	53,019	108,879	103,982

Governmental Statement of Activities Summary:

During the current fiscal year, net position for governmental activities increased \$2,920,241 from the prior year for an ending balance of \$53,882,803.

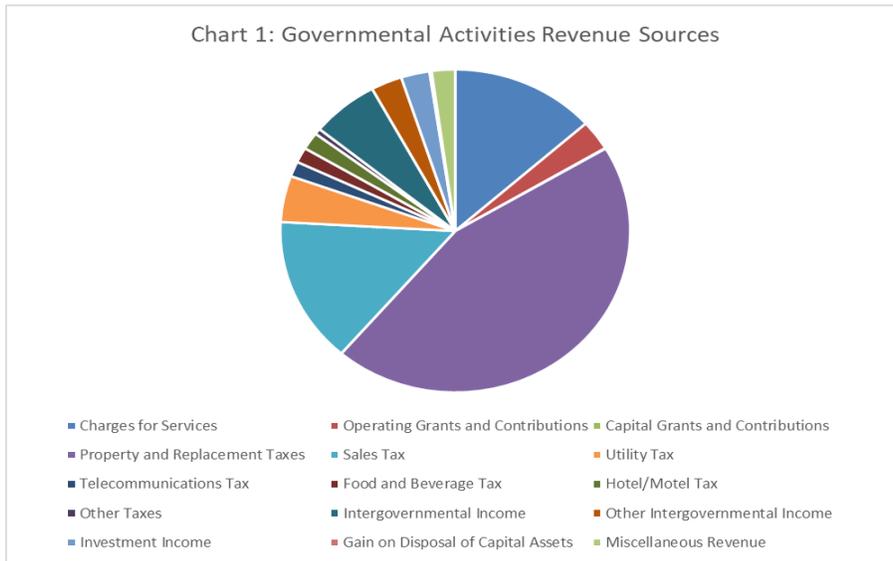
VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS

DECEMBER 31, 2019

Governmental Activities Revenues

For the fiscal year ended December 31, 2019, revenues from governmental activities totaled \$64,025,625, an increase of \$1,687,888 (2.71%). Property taxes totaled \$28,698,969, representing 44.82% of total governmental funds’ revenue; sales and use taxes totaled \$9,342,868 accounting for 14.59% of revenue; charges for services totaled \$8,590,146 representing 13.42% of total governmental activity revenue.

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



- ◆ Property tax revenue increased 1,024,532 (3.70%) from \$27,674,437 in fiscal year 2018 to \$28,698,969. This was primarily due to a 3.50% increase in the Village’s property tax levy, increases to property tax increment generated in the Village’s TIF funds, and continued TIF Surplus declarations.
- ◆ The Village’s equalized assessed valuation (EAV) decreased 1.59% from \$956,907,944 in tax year 2017 to \$941,692,866 in tax year 2018.

<u>Levy Year</u>	<u>EAV</u>
2017	\$ 956,907,944
2018	\$ 941,692,866
Decrease	\$ (15,215,078)
% Decrease	(1.59%)

- ◆ Sales tax revenue increased by 0.32% or \$29,543 for the first time since 2015. The Village was charged \$58,388 in administration fees in 2019.
- ◆ Income tax revenue increased \$401,816 (11.14%) from the prior year. The Illinois Department of Revenue reported that the larger-than-normal distribution from May was due to several growth factors likely attributable to one-time sources, including the stock market’s performance and taxpayers’ adjustments in their withholdings because of new federal tax laws.
- ◆ Telecommunication taxes decreased \$71,459 (-6.84%) from the prior year as residents continued to eliminate their landlines in favor of cell phone use.
- ◆ Capital grants and contributions decreased by \$1,947,969 due to the completion of the federally funded Fox Point Mobile Home Park relocation project in 2018.

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS

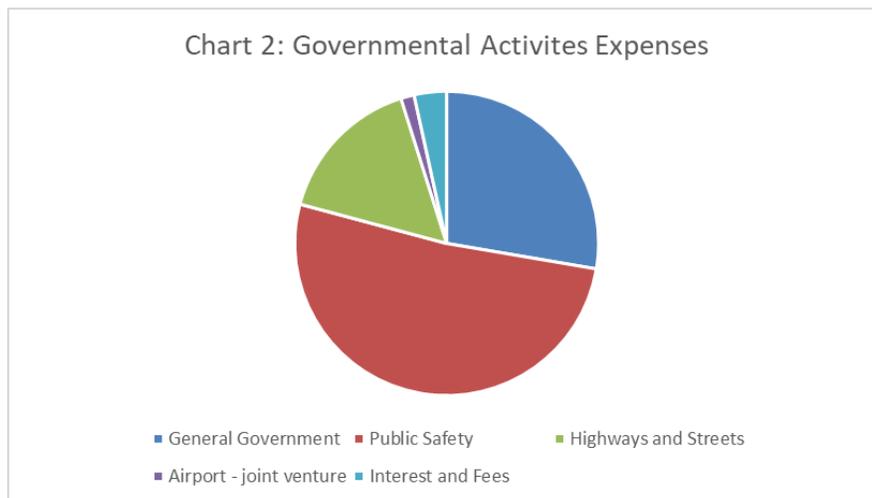
DECEMBER 31, 2019

- ◆ Miscellaneous revenues increased \$354,367 partially due to a reimbursement from AT&T for costs incurred to build an earth retention system near the Wolf Court Diversionary Channel Crossing to protect their ducts.
- ◆ Gain on disposal of capital assets decreased by \$636,769 (-83.44%) due to one-time proceeds associated with the sale of stormwater detention credits and comp storage credits to the Wheeling Town Center and Uptown 500 developments received in 2018.

Governmental Activities Expenses

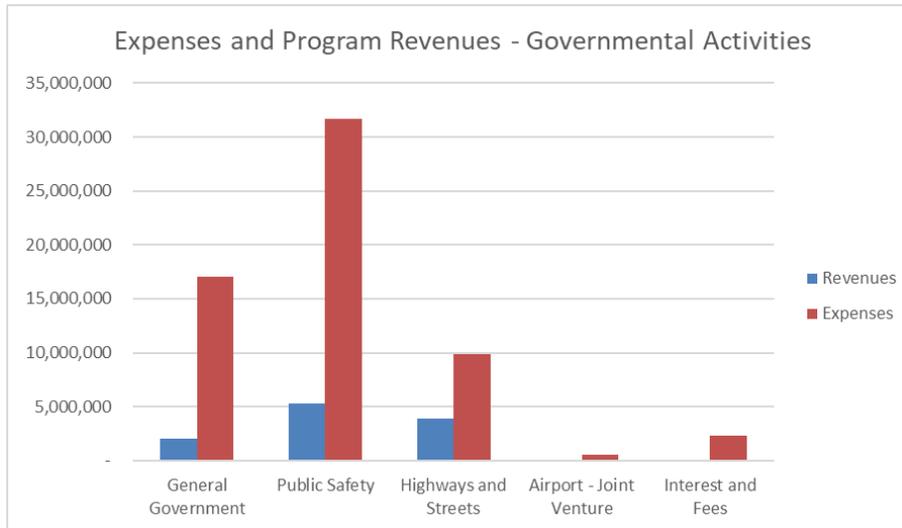
For the fiscal year ended December 31, 2019 expenses from governmental activities totaled \$61,605,212. Public Safety and General Government services accounted for 51.47% and 27.68% of all governmental activities expenses, respectively.

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



- ◆ General government expenses decreased \$605,165 (3.43%) over the prior fiscal year. Additional general government expenses of \$1,863,795 related to the Fox Point mobile home park relocation grant were reflected in the 2018 totals but did not reoccur in 2019. That reduction in costs was offset by increases in other expenditures including costs related to the shared sales tax agreement with Prospect Heights, inspection contracts in the Community Development Department, additional Capital Equipment Replacement Fund purchases and other increases in capital outlay.
- ◆ Public safety expenses increased \$722,529 (2.33%) from the prior fiscal year. The Village contributed an additional \$1,243,004 to public safety pensions compared to the prior year and the Fire Department incurred additional overtime expenses. These costs were offset in part by a smaller increase in police and fire net pension assets (\$2,625,155) than in the previous year (\$3,824,681).
- ◆ Highways and streets expenses increased \$3,722,374 (60.82%) over the prior fiscal year due to an increase in capital outlay expenses.
- ◆ Less money was transferred to the Internal Service Fund this year because the Village has had good claim experience for a number of years. The Fund also saw a decrease in claims expenses in 2019, so a small gain was recognized, and \$164,249 of it was allocated between general government and public safety expenses.

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019



Business-Type Statement of Activities Summary:

During the current fiscal year, net position for business-type activities increased \$1,976,611 (3.73%) over the 2018 net position of \$53,019,339. The net position for business-type activities at the end of 2019 was \$54,995,950.

Business-Type Revenues

- ◆ Business-type charges for services were down \$158,755 (-1.68%) from the previous year. Water consumption in 2019 fell 51.5 million gallons which affects both water and sewer revenue.
- ◆ Business-type capital grants and contributions reflected capital and developer contributions totaling \$1,284,470. The contributions were related to water and sanitary sewer mains at Industrial Lane and Wolf Road expensed in the Southeast II TIF Fund.

Business-Type Expenses

- ◆ Business-type expenses increased \$278,898 (3.45%) from the prior year. This was primarily due to uncapitalized soft costs related to the 2019 watermain program and salary and benefit increases.

FINANCIAL ANALYSIS OF THE VILLAGE FUNDS

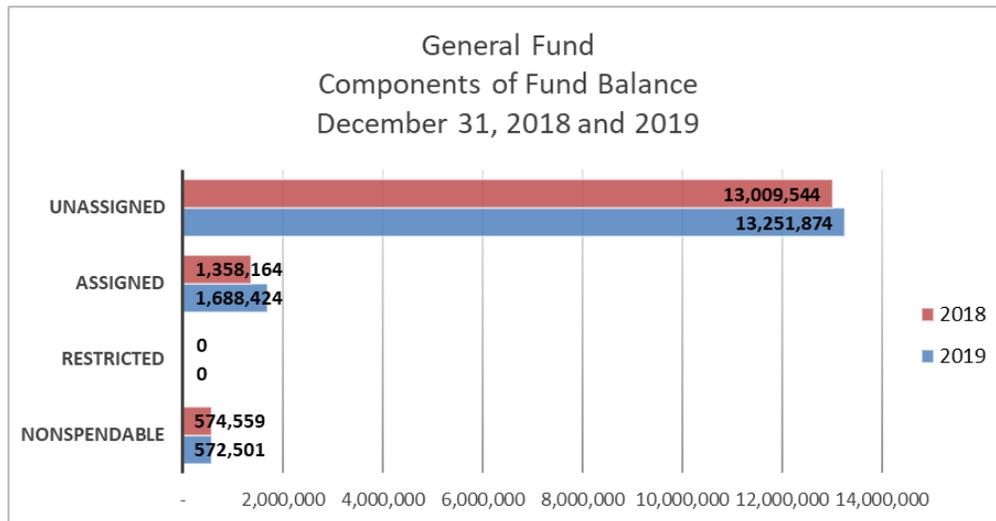
As noted earlier, the Village of Wheeling uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

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

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019

At December 31, 2019, the governmental funds reported a combined fund balance of \$38,678,827, an increase of \$1,008,817 (2.68%) from the beginning of the year. Approximately 32.91% of this amount (\$12,731,026) 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 (\$641,310), 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 (\$9,131,802) or 3) assigned (\$16,174,689) for capital improvements, capital projects, or health insurance expenditures.

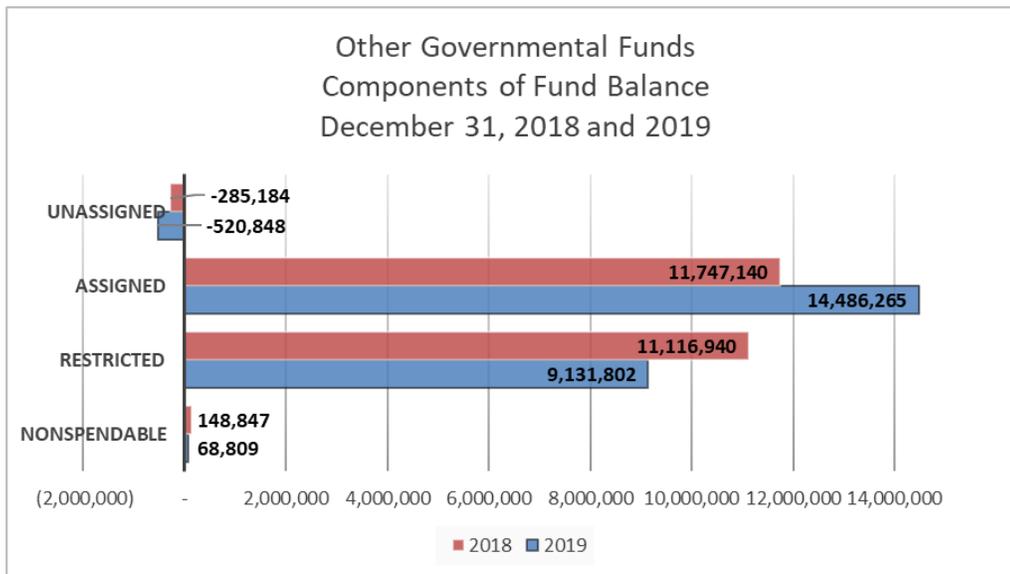


The General Fund is the Village’s primary operating fund and the largest source of day-to-day service delivery. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$13,251,874. The total fund balance in the General Fund increased \$570,532 from \$14,942,267 in fiscal year 2018 to \$15,512,799 in fiscal year 2019. The increase in fund balance would have been \$2,600,000 higher had the Board not decided to transfer those funds to the Capital Projects and Police and Fire Pension Funds to pay for a fire station construction project and to address the Village’s long term liabilities.

As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents approximately 36.99% of total General Fund expenditures, not including other financing sources (uses), while total fund balance represents approximately 43.30% of that same amount. The increase in fund balance is largely due to unexpected revenues including building permit revenue related to the Uptown 500 apartment building and retail development project, higher than expected income and local use tax revenues, and solid investment performance.

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS

DECEMBER 31, 2019



The Village maintains (5) separate capital projects 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 decrease of \$2,813,200 (37.02%) for a total fund balance of \$4,785,885. The decrease was due to capital expenditures for the Diversionary Channel Bridge project in the North Milwaukee/Lake Cook Redevelopment Area Fund and the Industrial Lane road and sewer project in the Southeast TIF #2 Fund. The growth in the Equalized Assessed Value of these districts produced property tax increment totaling \$12,230,365, an increase of \$481,982 (4.10%) compared to 2018.

The Village maintains (3) additional capital projects funds. Two of those funds were major in 2019 – the Capital Equipment Replacement Fund and the Capital Projects Fund. The Capital Equipment Replacement Fund was created to account for the transfers and advances from other funds assigned for the eventual replacement of vehicles and equipment utilized by those funds. The fund balance increased by \$1,003,843 (17.29%) during the current fiscal year to \$6,810,627, primarily because there were fewer acquisitions made than were budgeted. Expenditures were \$1,312,128 under budget; however, those items will be purchased in fiscal year 2020. The Capital Projects Fund was created to fund infrastructure and non-infrastructure needs including public streets, sidewalks, and building improvements. The fund balance increased by \$1,723,094 (28.95%) during the current fiscal year to \$7,675,638, primarily due to a \$1,600,000 transfer from the General Fund to help fund construction of a new fire station.

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. The Village maintains (2) separate proprietary funds, the Waterworks and Sewerage Fund and the Liability Insurance Fund. The Waterworks and Sewerage Fund is an Enterprise Fund. Unrestricted net position of the Waterworks and Sewerage Fund was \$13,335,509, an increase of \$102,028 (0.77%) compared to the prior year. Total net position for the two enterprise funds increased \$1,976,611 (3.73%) from a January 1st net position of \$53,019,339 to \$54,995,950 at December 31, 2019.

The Liability Insurance Fund is an internal service fund. Unrestricted net position of the Liability Insurance Fund increased \$164,249 (4.43%) in 2019 due to a decrease in claim expenses. Total net position accumulated for costs associated with liability insurance was \$3,873,767 at December 31, 2019.

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019

General Fund Budgetary Highlights

Original budget compared to final budget. During the year there was (1) one amendment to increase the original General Fund budgeted appropriation. The amendment distributed surplus revenue (\$1,000,000) among the three defined benefit plans (IMRF, Police Pension, Fire Pension) and transferred \$1,600,000 to the Capital Projects Fund to pay for a fire station construction project.

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

Revenue Source	Budgeted Revenues	Actual Revenues	Difference	% Difference
Sales tax	5,368,800	5,474,666	105,866	1.97%
Telecommunications tax	949,130	973,144	24,014	2.53%
Building permits	300,000	677,922	377,922	125.97%
Income tax	3,855,000	4,007,217	152,217	3.95%
State use tax	1,096,860	1,270,305	173,445	15.81%
Emergency dispatch services	439,076	553,391	114,315	26.04%
Ambulance fees	846,600	946,825	100,225	11.84%
Investment income	374,689	629,424	254,735	67.99%
IPBC terminal reserve revenue	-	205,571	205,571	-

- ◆ Sales tax revenues were 1.97% more than budgeted revenues in 2019. Sales tax were higher than the previous year for the first time since 2015.
- ◆ State use tax revenue was \$173,445 (15.81%) higher than budgeted due to the United States Supreme Court's decision in the South Dakota v. Wayfair decision. The court ruled that states can collect sales tax from online retailers that do not have a physical presence in the state. The ruling impacts online retailers with at least \$100,000 in annual sales or at least 200 transactions.
- ◆ Telecommunications tax was \$24,014 (2.53%) more than expected, but continued decline from prior years as people abandon phone landlines in favor of cellphones.
- ◆ Emergency dispatch services were \$114,315 (26.04%) over budget. A revised intergovernmental agreement with the City of Des Plaines for dispatching services requires the Village to refund to the City dispatch service fees equal to the Des Plaines 911 revenue remitted to Wheeling by the State of Illinois. Due to a decline in those revenues in 2019, an increase in charges for services was realized.
- ◆ Income tax revenues were \$152,217 (3.95%) more than expected. The Illinois Department of Revenue reported that a larger-than-normal distribution from May was due to several growth factors likely attributable to one-time sources, including the stock market's performance and taxpayers' adjustments in their withholdings because of new federal tax laws.
- ◆ Ambulance fees exceeded the budget by \$100,225 (11.84%) because the Village Board increased the Village's ambulance fees following a recommendation from staff in 2018. The higher fees are now consistent with what neighboring communities are charging.
- ◆ Building permit fees came in \$377,922 (125.97%) over budget, because fees related to the Uptown 500 development were not known until after the budget had been produced.

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019

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

Expenditure Type	Budgeted Expenditures	Actual Expenditures	Difference	% Difference
Legal	468,650	398,960	(69,690)	-14.87%
Special Events	220,510	178,627	(41,883)	-18.99%
Community Development	1,521,475	1,655,337	133,862	8.80%
Street Division	884,735	794,251	(90,484)	-10.23%
Forestry	936,546	868,362	(68,184)	-7.28%
Municipal Bbuilding Maintenance	1,037,118	999,421	(37,697)	-3.63%
Police Department	13,216,014	13,086,501	(129,513)	-0.98%
Fire Department	12,040,918	12,218,385	177,467	1.47%

- ◆ The Community Development Department outsourced more inspection services than anticipated in 2019 and incurred one-time post-retirement benefit costs related to retirements.
- ◆ Legal fees for general administrative matters were less than anticipated and those related to labor negotiations were lower than anticipated as negotiations began later than expected.
- ◆ Savings in the Street Division and Forestry Departments were primarily due to reclassified expenditures related to workers' compensation costs paid out of the Liability Insurance Fund.
- ◆ Personnel services costs in the Police Department were lower due primarily to overtime savings produced by tightly managed shift scheduling and downtime between loss and hires during the fiscal year, despite an increase in dispatching salaries applied to the General Fund. Health insurance open enrollment and insurance selections of new hires led to roughly \$80,000 in savings over what was budgeted.
- ◆ Personnel services overages in the Fire Department were primarily due to overtime expenditures related to training and shift coverage for paid-time-off.
- ◆ Expenditures in the Special Events program were under budget because 50th Anniversary Celebration related costs were less than anticipated.

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, 2019 amounted to \$134,532,891. The investment in capital assets includes land, stormwater credits, buildings, equipment, underground distribution and collection systems, infrastructure, and construction work in progress. The Village saw a net increase of capital assets (including additions, developer contributions, and retirements) of \$2,331,214 (1.69%).

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019

Table 3: Capital Assets

	Governmental Activities		Business-type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Land	\$ 21,424,104	\$ 22,459,625	\$567,510	\$567,510	\$21,991,614	\$23,027,135
Intangible assets - stormwater credits	2,144,950	2,144,950	-	-	2,144,950	2,144,950
Land right of way	11,653,126	11,512,484	-	-	11,653,126	11,512,484
Buildings & Improvements	53,504,630	53,335,469	-	-	53,504,630	53,335,469
Vehicles, equipment, & furniture	13,604,662	13,046,263	3,719,633	3,439,996	17,324,295	16,486,259
Infrastructure	36,758,848	33,476,311	-	-	36,758,848	33,476,311
Water System Improvements	-	-	47,377,229	45,516,357	47,377,229	45,516,357
Sewer System Improvements	-	-	20,226,074	19,249,550	20,226,074	19,249,550
Construction in progress	-	-	-	81,012	-	81,012
Total Capital Assets	139,090,320	135,975,102	\$71,890,446	\$68,854,425	210,980,766	204,829,527
Less: Accumulated depreciation	(48,908,120)	(46,221,165)	(27,539,755)	(26,306,685)	(76,447,875)	(72,527,850)
Total	90,182,200	89,753,937	44,350,691	42,547,740	134,532,891	132,301,677

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

- ◆ The Village completed a road widening project of Industrial Lane in 2019 that included adding storm sewer lines and replacing the water and sewer lines. The water and sewer lines were considered a capital contribution from the Southeast II TIF Fund.
- ◆ An eight-inch sanitary sewer pipe extension from Hintz road south along Wolf Road to allow development of vacant parcels on the West side of Wolf Road was completed and considered a capital contribution from the Southeast II TIF Fund.
- ◆ The 2019 watermain project replaced the watermain at Foster Avenue, Palwaukee Drive, and Century Drive. The project included the installation of 4,660 lineal feet of eight-inch and ten-inch pipe and the resurfacing of all three roads.
- ◆ The Village completed construction and installation of a bridge over the diversionary channel located on a 17-acre site near Milwaukee and Lake Cook Roads; the bridge and roadway will provide vehicular and pedestrian access to the vacant site from Wolf Court.
- ◆ The Village sold the property located at 115-119 S. Milwaukee Avenue to GW Property Group, LLC at a price of \$394,435.
- ◆ The Village vacated Kerry Lane, Dean Avenue, Carol Avenue and part of Wolf Road to facilitate construction of a 162,746 square-foot industrial warehouse building. The properties were vacated for a price of \$65,500.
- ◆ The Village continued its' laddered capital equipment replacement program with the purchase of seven (7) police utility interceptors, a rescue boat, a dump truck, servers and other IT equipment, a skid loader, a bobcat mini excavator with trailer, replacement SCBA equipment, and an F-250 pickup truck.

Additional information on the Village's capital assets can be found in Note 4 on pages 32-34 of this report.

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019

Long-term Debt. The Village, as a home-rule community, does not have a legal debt limit. In October 2019, Fitch Ratings affirmed the Village's AA+ bond rating. The Village's AA bond rating with Standard & Poor's was affirmed in August 2018.

	Governmental Activities		Business-type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Bonds and Notes Payable						
General obligation bonds	\$40,925,000	\$45,370,000	\$2,555,000	\$2,705,000	\$43,480,000	\$48,075,000
Tax Increment Revenue Note	5,887,882	6,372,903	-	-	5,887,882	6,372,903
Premium on bonds payable	904,202	1,187,858	58,172	64,745	962,374	1,252,603
Other liabilities						
Asset retirement obligation	-	-	230,000	-	230,000	-
IEPA loan payable	-	-	83,368	-	83,368	-
Vested compensated absences	2,484,313	2,388,083	208,406	134,880	2,692,719	2,522,963
Insurance claims payable	610,745	806,981	-	-	610,745	806,981
Net pension liability - IMRF	4,062,839	8,801,382	716,972	1,553,185	4,779,811	10,354,567
Net pension liability - police pension	25,450,070	29,434,471	-	-	25,450,070	29,434,471
Net pension liability - fire pension	30,078,092	33,712,262	-	-	30,078,092	33,712,262
Other post employment benefits	16,776,306	14,697,762	2,960,525	2,593,723	19,736,831	17,291,485
Total	127,179,449	142,771,702	6,812,443	7,051,533	133,991,892	149,823,235

The Village implemented GASB pronouncement 75 in 2018, which established standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses for postemployment benefits other than pensions. As of December 31, 2019, the OPEB liability increased \$2,445,346 (14.14%), primarily due to interest on the total liability and an assumption change lowering the expected rate of return on OPEB plan investments from 4.10% to 2.75%.

The Village's net pension liability decreased \$13,193,327 (-17.95%) in 2019. Annual changes to the net pension liability can be volatile. The decrease in 2019 can be attributed to solid investment performances in 2019. All three pension funds recorded investment gains over 18% for 2019.

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 \$1,000,000 to be split among the three defined benefit plans at the end of 2019. More information on the Village's defined benefit pension plans can be found in Note 14 on pages 59-80 of this report.

At the end of the current fiscal year, the Village had total bonded debt outstanding of \$43,480,000 which was backed by the full faith and credit of the government. Of the \$43,480,000 debt outstanding, however, only \$29,282,875 is supported by the Village's property tax levy and sales tax revenue. The remaining debt (\$14,197,125) is directly supported by other sources of revenue including gas and electric use tax revenue, water and sewer fees and tax increment financing revenue.

During the current fiscal year, the Village retired \$4,445,000 of general bond principal and \$150,000 of the water and sewer funded debt. The Village has no plans to issue new general obligation debt in the next few years.

VILLAGE OF WHEELING, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2019

Tax Increment Financing (TIF) notes of \$4.0 million and \$2.5 million were issued on December 19, 2018 to reimburse a developer for certain project costs the developer incurred in the Town Center II TIF District. Interest on the notes is 7.45%. During the fiscal year ended December 31, 2019, \$458,674 of interest was accreted. Principal payments of \$943,695 were made on December 1, 2019. As a result of these changes, total tax increment revenue note obligations decreased by \$485,021 in 2019.

Additional information on the Village's long-term debt can be found in Note 5 on pages 34-42 of this report.

Economic factors and next year's budget

The following economic and budgetary factors were considered in developing the 2020 fiscal year budget:

- The unemployment rate for the Village of Wheeling is currently 2.9%, which is near historical lows.
- The Village is closely monitoring how the COVID-19 pandemic is impacting the Village's major sources of revenue, especially those that are directly linked to the performance of the economy. While some sources of revenue are expected to be down 20% to 30% this year as compared to FY 2019, staff believes that the Village's strong reserves should allow it to avoid having to reduce or eliminate core services.
- A 5.50% property tax increase (\$878,637) to fund increases in recurring expenditure obligations.
- The Village will negotiate new contracts with its three police department unions 2020. The Village negotiated a four-year contract with the Fire Union in 2019. The existing contract with the Public Works Union expires on April 30, 2021.
- A 3.08% increase in water rates and sewer rates beginning on January 1, 2020 to offset increases in operating expenses in the Enterprise Funds. The 2020 increase reflects the second year of a five-year period during which the Village will see no increase in the cost of water purchased from the Northwest Water Commission.
- A 9.09% increase in the stormwater fee rate beginning on January 1, 2020, which is necessary to fund future stormwater projects. The additional 25 cents per equivalent runoff unit will generate an \$85,235 for the stormwater management plan on an annual basis.

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, 2019

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 40,107,189	\$ 5,152,704	\$ 45,259,893
Receivables (net, where applicable, of allowance for uncollectibles)			
Property taxes	17,008,916	-	17,008,916
Sales taxes	2,603,438	-	2,603,438
Local use taxes	389,845	-	389,845
Telecommunications tax	244,324	-	244,324
Accounts	1,048,310	1,760,073	2,808,383
Accrued interest	51,077	10,125	61,202
IPBC	1,688,424	137,791	1,826,215
Other	1,479,665	21,244	1,500,909
Prepaid expenses	291,450	125,158	416,608
Inventory	351,377	267,572	618,949
Due from other governments	442,061	83,368	525,429
Advances to other funds	(1,657,722)	1,657,722	-
Capital assets not being depreciated	35,222,180	567,510	35,789,690
Capital assets being depreciated, net of accumulated depreciation	54,960,020	43,783,181	98,743,201
Investment in joint venture	44,078,198	8,158,916	52,237,114
	<hr/>	<hr/>	<hr/>
Total assets	198,308,752	61,725,364	260,034,116
DEFERRED OUTFLOWS OF RESOURCES			
Swap agreement	2,233,278	-	2,233,278
Pension items - Police Pension	3,466,000	-	3,466,000
Pension items - Firefighters' Pension	3,876,212	-	3,876,212
Pension items - IMRF	1,923,079	339,367	2,262,446
Deferred outflows of resources - ARO	-	226,462	226,462
Deferred outflows of resources - OPEB	2,157,142	380,672	2,537,814
Unamortized loss on refunding	418,289	6,290	424,579
	<hr/>	<hr/>	<hr/>
Total deferred outflows of resources	14,074,000	952,791	15,026,791
	<hr/>	<hr/>	<hr/>
Total assets and deferred outflows of resources	212,382,752	62,678,155	275,060,907
LIABILITIES			
Accounts payable	2,091,044	95,847	2,186,891
Accrued payroll	363,741	16,186	379,927
Deposits payable	448,865	55,926	504,791
Unearned revenue	151,821	23,955	175,776
Due to fiduciary funds	975,682	-	975,682
Interest payable	135,727	6,900	142,627
Interest rate swap agreement	2,233,278	-	2,233,278
Long-term liabilities			
Due within one year	7,181,547	422,295	7,603,842
Due in more than one year	119,997,902	6,390,148	126,388,050
	<hr/>	<hr/>	<hr/>
Total liabilities	133,579,607	7,011,257	140,590,864
DEFERRED INFLOWS OF RESOURCES			
Pension items - Police Pension	2,743,352	-	2,743,352
Pension items - Firefighters' Pension	1,521,091	-	1,521,091
Pension items - IMRF	2,965,345	523,296	3,488,641
Deferred inflows of resources - OPEB	836,692	147,652	984,344
Deferred revenue - property taxes	16,853,862	-	16,853,862
	<hr/>	<hr/>	<hr/>
Total deferred inflows of resources	24,920,342	670,948	25,591,290
	<hr/>	<hr/>	<hr/>
Total liabilities and deferred inflows of resources	158,499,949	7,682,205	166,182,154

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

STATEMENT OF NET POSITION (Continued)

December 31, 2019

	Governmental Activities	Business-Type Activities	Total
NET POSITION			
Net investment in capital assets	\$ 51,290,989	\$ 41,660,441	\$ 92,951,430
Restricted for			
Stormwater improvements	1,948,745	-	1,948,745
Highways and streets	1,628,444	-	1,628,444
Public safety	144,211	-	144,211
Economic development	5,306,433	-	5,306,433
Debt service	171,703	-	171,703
Unrestricted	(6,607,722)	13,335,509	6,727,787
TOTAL NET POSITION	\$ 53,882,803	\$ 54,995,950	\$ 108,878,753

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2019

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
FUNCTIONS/PROGRAMS				
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 17,055,085	\$ 2,414,943	\$ -	\$ -
Public safety	31,708,425	5,127,586	667,430	-
Highways and streets	9,842,921	1,047,617	1,254,435	34,315
Airport - joint venture	870,117	-	-	-
Interest and fees	2,128,664	-	-	-
Total governmental activities	61,605,212	8,590,146	1,921,865	34,315
Business-Type Activities				
Water and sewer	8,373,380	9,270,750	-	1,284,470
Total business-type activities	8,373,380	9,270,750	-	1,284,470
TOTAL PRIMARY GOVERNMENT	\$ 69,978,592	\$ 17,860,896	\$ 1,921,865	\$ 1,318,785

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (14,640,142)	\$ -	\$ (14,640,142)
	(25,913,409)	-	(25,913,409)
	(7,506,554)	-	(7,506,554)
	(870,117)	-	(870,117)
	(2,128,664)	-	(2,128,664)
	(51,058,886)	-	(51,058,886)
	-	2,181,840	2,181,840
	-	2,181,840	2,181,840
	(51,058,886)	2,181,840	(48,877,046)
General Revenues			
Taxes			
Property	28,698,969	-	28,698,969
Sales	9,342,868	-	9,342,868
Utility	2,961,736	-	2,961,736
Telecommunications	973,144	-	973,144
Food and beverage	969,570	-	969,570
Hotel/motel	1,110,229	-	1,110,229
Other	371,725	-	371,725
Intergovernmental			
Income	4,007,217	-	4,007,217
Other	1,841,792	-	1,841,792
Investment income	1,689,081	294,599	1,983,680
Gain on disposal of capital assets	126,333	-	126,333
Miscellaneous	1,386,635	-	1,386,635
Transfers in (out)	499,828	(499,828)	-
Total	53,979,127	(205,229)	53,773,898
CHANGE IN NET POSITION	2,920,241	1,976,611	4,896,852
NET POSITION, JANUARY 1	50,962,562	53,019,339	103,981,901
NET POSITION, DECEMBER 31	\$ 53,882,803	\$ 54,995,950	\$ 108,878,753

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

GOVERNMENTAL FUNDS

BALANCE SHEET

December 31, 2019

	General	Capital Equipment Replacement	Capital Projects	Nonmajor Governmental	Total Governmental
ASSETS					
Cash and investments	\$ 11,939,675	\$ 8,394,107	\$ 6,135,598	\$ 9,250,654	\$ 35,720,034
Receivables (net, where applicable, of allowance for uncollectibles)					
Property taxes	14,852,649	-	-	2,156,267	17,008,916
Sales taxes	2,603,438	-	-	-	2,603,438
Local use taxes	389,845	-	-	-	389,845
Telecommunications tax	244,324	-	-	-	244,324
Accounts	-	37,913	22,300	898,203	958,416
Accrued interest	17,799	10,561	7,365	5,635	41,360
IPBC	1,688,424	-	-	-	1,688,424
Other	1,055,749	95,043	328,873	-	1,479,665
Prepaid items	288,858	-	-	1,075	289,933
Inventory	283,643	-	-	67,734	351,377
Due from other funds	954,376	-	1,600,000	376,148	2,930,524
Due from other governments	-	-	-	442,061	442,061
TOTAL ASSETS	\$ 34,318,780	\$ 8,537,624	\$ 8,094,136	\$ 13,197,777	\$ 64,148,317
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 911,698	\$ 69,275	\$ 417,749	\$ 688,551	\$ 2,087,273
Accrued payroll	352,217	-	749	10,775	363,741
Deposits payable	109,665	-	-	339,200	448,865
Unearned revenue	147,960	-	-	3,861	151,821
Due to other funds	1,600,000	-	-	1,330,524	2,930,524
Due to fiduciary funds	975,682	-	-	-	975,682
Advance from other funds	-	1,657,722	-	-	1,657,722
Total liabilities	4,097,222	1,726,997	418,498	2,372,911	8,615,628
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	14,708,759	-	-	2,145,103	16,853,862
Total deferred inflows of resources	14,708,759	-	-	2,145,103	16,853,862
Total liabilities and deferred inflows of resources	18,805,981	1,726,997	418,498	4,518,014	25,469,490

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

GOVERNMENTAL FUNDS

BALANCE SHEET (Continued)

December 31, 2019

	General	Capital Equipment Replacement	Capital Projects	Nonmajor Governmental	Total Governmental
FUND BALANCES					
Nonspendable					
Prepaid items	\$ 288,858	\$ -	\$ -	\$ 1,075	\$ 289,933
Inventory	283,643	-	-	67,734	351,377
Restricted					
Stormwater improvements	-	-	-	1,948,745	1,948,745
Highways and streets	-	-	-	1,560,710	1,560,710
Public safety	-	-	-	144,211	144,211
Economic development	-	-	-	5,306,433	5,306,433
Debt service	-	-	-	171,703	171,703
Assigned					
Health insurance	1,688,424	-	-	-	1,688,424
Capital improvements	-	6,810,627	-	-	6,810,627
Capital projects	-	-	7,675,638	-	7,675,638
Unassigned (deficit), reported in					
Southeast TIF #2 Fund	-	-	-	(520,548)	(520,548)
Emergency Telephone System Fund	-	-	-	(300)	(300)
General Fund	13,251,874	-	-	-	13,251,874
Total fund balances	15,512,799	6,810,627	7,675,638	8,679,763	38,678,827
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
	<u>\$ 34,318,780</u>	<u>\$ 8,537,624</u>	<u>\$ 8,094,136</u>	<u>\$ 13,197,777</u>	<u>\$ 64,148,317</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, 2018

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 38,678,827
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	90,182,200
Investments in joint ventures used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	44,078,198
The loss on refunding of bonds is capitalized and amortized over the life of the bonds on the statement of net position	418,289
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	722,648
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	2,355,121
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	(1,042,266)
Differences between expected and actual experiences, assumption changes, and net difference between projected and actual earnings for the other postemployment benefit plan are recognized as deferred outflows and inflows of resources on the statement of net position	1,320,450
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation bonds	(40,925,000)
Tax increment revenue note	(5,887,882)
Net pension liability - Police Pension	(25,450,070)
Net pension liability - Firefighters' Pension	(30,078,092)
Net pension liability - IMRF	(4,062,839)
Premium on bonds payable	(904,202)
Compensated absences payable	(2,484,313)
Other postemployment benefit liability	(16,776,306)
Accrued interest on long-term liabilities is reported as a liability on the statement of net position	(135,727)
The net position of the Internal Service Fund is included in the governmental activities in the statement of net position	<u>3,873,767</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 53,882,803</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, 2019

	General	Capital Equipment Replacement	Capital Projects	Nonmajor Governmental	Total Governmental
REVENUES					
Taxes	\$ 26,866,755	\$ -	\$ 2,961,736	\$ 14,229,407	\$ 44,057,898
Licenses and permits	1,415,681	-	-	-	1,415,681
Intergovernmental	6,489,755	177,275	34,309	1,868,456	8,569,795
Charges for services	2,683,836	-	-	2,885,777	5,569,613
Fines and forfeits	1,210,589	-	-	-	1,210,589
Investment income	629,424	345,133	203,872	510,652	1,689,081
Miscellaneous	1,024,906	-	53,400	308,329	1,386,635
Total revenues	40,320,946	522,408	3,253,317	19,802,621	63,899,292
EXPENDITURES					
Current					
General government	10,519,305	-	-	-	10,519,305
Public safety	25,304,886	-	-	2,779,976	28,084,862
Highways and streets	-	-	614,438	1,198,990	1,813,428
Capital outlay	-	1,344,586	-	6,259,712	7,604,298
Capital improvements	-	-	1,837,378	6,802,943	8,640,321
Debt service					
Principal	-	-	366,900	5,021,795	5,388,695
Interest and fiscal charges	-	-	46,465	1,814,307	1,860,772
Total expenditures	35,824,191	1,344,586	2,865,181	23,877,723	63,911,681
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,496,755	(822,178)	388,136	(4,075,102)	(12,389)
OTHER FINANCING SOURCES (USES)					
Proceeds on sale of capital assets	61,443	-	65,500	394,435	521,378
Transfers in	-	1,890,475	1,600,000	5,597,173	9,087,648
Transfers (out)	(3,987,666)	(64,454)	(330,542)	(4,205,158)	(8,587,820)
Total other financing sources (uses)	(3,926,223)	1,826,021	1,334,958	1,786,450	1,021,206
NET CHANGE IN FUND BALANCES	570,532	1,003,843	1,723,094	(2,288,652)	1,008,817
FUND BALANCES, JANUARY 1	14,942,267	5,806,784	5,952,544	10,968,415	37,670,010
FUND BALANCES, DECEMBER 31	\$ 15,512,799	\$ 6,810,627	\$ 7,675,638	\$ 8,679,763	\$ 38,678,827

(This statement is continued on the following page.)

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, 2019

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 1,008,817
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	5,015,422
Depreciation expense does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds	(3,546,234)
Proceeds from the disposal of capital assets are recognized in governmental funds but the loss is recognized on the statement of activities	(1,040,925)
The decrease in equity of joint venture is reported on the statement of activities	(870,117)
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	5,388,695
Amortization of premium on bonds is reported as a reduction of interest expense on the statement of activities	283,656
Amortization of the loss on refunding is reported as interest expense on the statement of activities	(107,875)
Accretion of bonds is reported as interest expense on the statement of activities	(458,674)
The decrease of accrued interest payable is shown as an decrease of expense on the statement of activities	15,001
The increase in compensated absences payable is shown as an increase of the statement of activities	(96,230)
The change in the other postemployment benefit liability, deferred outflows and inflows of resources	5,262
The change in the Police Pension Fund net pension liability and deferred outflows/inflows of resources is not a source or use of a financial resource	(1,373,260)
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	(1,251,895)
The change in the Illinois Municipal Retirement Fund net pension liability and deferred outflows/inflows of resources is not a source or use of a financial resource	(215,651)
The change in net position of Internal Service Funds is reported in governmental activities	<u>164,249</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 2,920,241</u></u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

December 31, 2019

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CURRENT ASSETS		
Cash and investments	\$ 5,152,704	\$ 4,387,155
Receivables (net, where applicable, of allowance for uncollectibles)		
Accounts	1,760,073	89,894
Accrued interest	10,125	9,717
IPBC	137,791	-
Other	21,244	-
Due from other governments	83,368	-
Prepaid expenses	125,158	1,517
Inventory	267,572	-
	7,558,035	4,488,283
NONCURRENT ASSETS		
Capital assets		
Assets not being depreciated	567,510	-
Assets being depreciated		
Cost	71,322,936	-
Accumulated depreciation	(27,539,755)	-
	43,783,181	-
Net capital assets being depreciated		
Net capital assets	44,350,691	-
Advances to other funds	1,657,722	-
Investment in joint ventures	8,158,916	-
	54,167,329	-
Total noncurrent assets		
Total assets	61,725,364	4,488,283
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized loss on refunding	6,290	-
Deferred outflows of resources - ARO	226,462	-
Deferred outflows of resources - OPEB	380,672	-
Pension items - IMRF	339,367	-
	952,791	-
Total deferred outflows of resources		
Total assets and deferred outflows of resources	62,678,155	4,488,283

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET POSITION (Continued)

December 31, 2019

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CURRENT LIABILITIES		
Accounts payable	\$ 95,847	\$ 3,771
Accrued payroll	16,186	-
Compensated absences payable	93,783	-
Deposits payable	55,926	-
Unearned revenue	23,955	-
Interest payable	6,900	-
Other postemployment benefit liability	173,512	-
Bonds payable	155,000	-
Claims payable	-	305,373
	621,109	309,144
NONCURRENT LIABILITIES		
Claims payable	-	305,372
General obligation bonds payable (less current portion)	2,458,172	-
Compensated absences payable (less current portion)	114,623	-
Asset retirement obligation (ARO)	230,000	-
IEPA loan payable	83,368	-
Net pension liability - IMRF	716,972	-
Other postemployment benefit liability (less current portion)	2,787,013	-
	6,390,148	305,372
Total liabilities	7,011,257	614,516
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources - OPEB	147,652	-
Pension items - IMRF	523,296	-
	670,948	-
Total liabilities and deferred inflows of resources	7,682,205	614,516
NET POSITION		
Net investment in capital assets	41,660,441	-
Unrestricted	13,335,509	3,873,767
TOTAL NET POSITION	\$ 54,995,950	\$ 3,873,767

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, 2019

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
OPERATING REVENUES		
Charges for services		
Water sales and sewer charges	\$ 8,434,543	\$ -
Connection fees	164,796	-
Meter sales	8,833	-
Liability insurance charges	-	899,900
Other	277,781	-
	<hr/>	<hr/>
Total operating revenues	8,885,953	899,900
OPERATING EXPENSES EXCLUDING DEPRECIATION		
Waterworks division	4,641,424	-
Sewer division	1,803,751	-
Water and sewer capital division	544,272	-
Insurance and claims	-	934,122
	<hr/>	<hr/>
Total operating expenses excluding depreciation	6,989,447	934,122
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	1,896,506	(34,222)
DEPRECIATION	<hr/>	<hr/>
	1,322,617	-
OPERATING INCOME (LOSS)	<hr/>	<hr/>
	573,889	(34,222)
NON-OPERATING REVENUES (EXPENSES)		
Investment income	294,599	198,471
Interest expense and fees	(86,100)	-
Gain on disposal of capital assets	24,784	-
Increase in joint venture	384,797	-
	<hr/>	<hr/>
Total non-operating revenues (expenses)	618,080	198,471
INCOME BEFORE TRANSFERS AND CONTRIBUTIONS	<hr/>	<hr/>
	1,191,969	164,249
TRANSFERS		
Transfers in - Capital Equipment Replacement Fund	64,454	-
Transfers in - Stormwater Fund	205,158	-
Transfers (out) - Debt Service Fund	(769,440)	-
	<hr/>	<hr/>
Total transfers	(499,828)	-
CONTRIBUTIONS		
Capital contributions	1,284,470	-
	<hr/>	<hr/>
Total contributions	1,284,470	-
CHANGE IN NET POSITION	1,976,611	164,249
NET POSITION, JANUARY 1	<hr/>	<hr/>
	53,019,339	3,709,518
NET POSITION, DECEMBER 31	<hr/>	<hr/>
	\$ 54,995,950	\$ 3,873,767

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2019

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 8,953,678	\$ -
Receipts from internal service transactions	-	899,900
Payments to suppliers	(3,755,102)	(1,119,221)
Payments for interfund services	(1,280,610)	-
Payments to employees	(1,866,024)	-
	<u>2,051,942</u>	<u>(219,321)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers in	269,612	-
Transfers (out)	(769,440)	-
Advances to other funds	(201,820)	-
	<u>(701,648)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	(1,821,887)	-
Proceeds from disposal of capital assets	4,051	-
Principal paid on general obligation bonds	(150,000)	-
Interest and fees paid on general obligation bonds	(87,937)	-
	<u>(2,055,773)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale (Purchase) of investment securities	2,000	(653,000)
Interest on investments	129,893	99,654
	<u>131,893</u>	<u>(553,346)</u>
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(573,586)	(772,667)
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>1,802,181</u>	<u>2,166,905</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 1,228,595</u>	<u>\$ 1,394,238</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, 2019

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CASH AND INVESTMENTS		
Cash and cash equivalents	\$ 1,228,595	\$ 1,394,238
Investments	3,924,109	2,992,917
TOTAL CASH AND INVESTMENTS	\$ 5,152,704	\$ 4,387,155
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income (loss)	\$ 573,889	\$ (34,222)
Adjustments to reconcile operating income to net cash from operating activities		
Depreciation	1,322,617	-
Changes in current assets and liabilities		
Accounts receivable	67,027	14,981
IPBC receivable	(28,990)	-
Inventory	5,976	-
Prepaid expenses	1,194	(88)
Accounts payable	(10,659)	(3,756)
Claims and judgments payable	-	(196,236)
Accrued payroll	9,537	-
Net pension liability and deferred outflows of resouces	38,056	-
Compensated absences payable	73,526	-
Other postemployment benefit liability, deferred inflows, and deferred outflows	(929)	-
Deposits payable	(1,715)	-
Unearned revenue	2,413	-
NET CASH FROM OPERATING ACTIVITIES	\$ 2,051,942	\$ (219,321)
NONCASH TRANSACTIONS		
Increase in joint venture	\$ 384,797	\$ -
Capital contribution	1,284,470	-
Grant receivable	83,368	-
IEPA loan payable	(83,368)	-
TOTAL NONCASH TRANSACTIONS	\$ 1,669,267	\$ -

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PENSION TRUST FUNDS

STATEMENT OF FIDUCIARY NET POSITION

December 31, 2019

ASSETS

Cash and short-term investments \$ 1,053,019

Investments at fair value

U.S. Treasury and U.S. agency obligations 26,866,780

State and local obligations 3,837,933

Corporate bonds 7,377,208

Mutual funds 63,965,312

Asset backed securities 60,682

Total investments 102,107,915

Receivables

Accrued interest 246,817

Due from General Fund 975,682

Total receivables 1,222,499

Prepaid items

9,432

Total assets 104,392,865

LIABILITIES

Accounts payable 36,672

Total liabilities 36,672

**NET POSITION RESTRICTED
FOR PENSIONS**

\$ 104,356,193

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, 2019

ADDITIONS

Contributions	
Employer	\$ 5,787,189
Employee	<u>1,067,491</u>
Total contributions	<u>6,854,680</u>

Investment income	
Net depreciation in fair value of investments	13,546,465
Interest	<u>3,032,219</u>

Total investment income	16,578,684
Less investment expenses	<u>105,016</u>
Net investment income	<u>16,473,668</u>

Miscellaneous income	<u>471</u>
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Total additions	<u>23,328,819</u>
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DEDUCTIONS

Benefits and refunds	7,042,584
Administrative expenses	<u>136,438</u>

Total deductions	<u>7,179,022</u>
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NET INCREASE	16,149,797
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**NET POSITION RESTRICTED
FOR PENSIONS**

January 1	<u>88,206,396</u>
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December 31	<u><u>\$ 104,356,193</u></u>
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See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

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 was incorporated in 1894. The Village is a municipal corporation governed by an elected eight-member board. As required by GAAP, these financial statements present the Village (the primary government) and its component units. Management has determined that there are two fiduciary component units that are required to be included in the financial statements of the Village as pension trust funds.

Police Pension Employees Retirement System

The Village's police employees participate in Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's Mayor, one elected by pension beneficiaries and two elected police employees constitute the pension board. The Village is obligated to fund all PPERS costs not funded by PPERS participants based upon actuarial valuations, which creates a financial burden on the Village. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels, which results in the PPERS being fiscally dependent upon the Village. PPERS is reported as a pension trust fund. PPERS does not issue a stand-alone financial report.

Firefighters' Pension Employees Retirement System

The Village's sworn firefighters participate in Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's Mayor, one elected pension beneficiary and two elected fire employees constitute the pension board. The Village is obligated to fund all FPERS costs not funded by FPERS participants based upon actuarial valuations, which creates a financial burden on the Village.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels, which results in the FPERS being fiscally dependent on the Village. FPERS is reported as a pension trust fund. FPERS does not issue a stand-alone financial report.

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.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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

The Village reports the following major governmental funds:

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

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

The Capital Projects Fund is used to account for the municipal gas and electric proceeds. These proceeds are restricted to fund infrastructure and non-infrastructure needs including public streets, sidewalks, and building improvements.

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.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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, related premiums and claims 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.

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

e. Cash and Investments

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

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust funds are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

f. Interfund Receivables/Payables

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Interfund Receivables/Payables (Continued)

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 2019 levy is intended to finance the 2020 fiscal year, the levy has been recorded as a receivable and deferred inflow of resources.

h. Inventories and Prepaid Items/Expenses

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

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

i. Capital Assets

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Capital Assets (Continued)

Asset Class	Capitalization Threshold
Land	\$ 100,000
Building and improvements	50,000
Vehicles, equipment, and furniture	10,000
Infrastructure	100,000
Stormwater management credits	-
Other intangible assets (no definite useful life)	-
Other intangible assets (definite useful life)	20,000

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

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. Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	10-45
Water and sewer distributions system	45-65
Vehicles, equipment, and furniture	5-30
Infrastructure	15-40
Other intangible assets	5-20

j. Compensated Absences

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Compensated Absences (Continued)

To be eligible for SLDPA benefits, the employees must:

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

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

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

k. Long-Term Obligations

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Long-Term Obligations (Continued)

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. Committed fund balance is constrained by formal actions of the Village Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions include ordinances approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Village Manager through the fund balance policy adopted by the Village Board of Trustees. Any residual fund balance of the General Fund is reported as unassigned. Deficit fund balances of other governmental funds are also reported as unassigned.

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Fund Balance/Net Position (Continued)

The Stormwater Fund reports restricted fund balance for capital projects (stormwater management projects) as established by the enabling ordinance.

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

2. DEPOSITS AND INVESTMENTS

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

a. Village Investments

The Village's investment policy authorizes the Village to invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and The Illinois Funds.

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

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

The Village’s investment policy does limit their deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance. Additionally, the Village will not invest in any institution in which the Village’s funds on deposit are in excess of 50% of the institution’s capital stock and surplus.

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

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

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village’s deposits may not be returned to it. The Village’s investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds secured, with the collateral held by the Village, an independent third party, 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, 2019:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater than 10
Negotiable certificates of deposit	\$ 26,440,053	\$ 5,429,978	\$ 21,010,075	\$ -	\$ -
TOTAL	\$ 26,440,053	\$ 5,429,978	\$ 21,010,075	\$ -	\$ -

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

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

Investments (Continued)

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

The Village has the following recurring fair value measurements as of December 31, 2019: the negotiable certificates of deposit are valued using quoted matrix pricing models (Level 2 inputs).

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

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

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. The Illinois Funds are not subject to custodial credit risk.

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

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, 2019:

GOVERNMENTAL ACTIVITIES	
Motor fuel tax	\$ 165,263
Grants	<u>276,798</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 442,061</u>
BUSINESS-TYPE ACTIVITIES	
Loan receivable	<u>\$ 83,368</u>
TOTAL BUSINESS-TYPE ACTIVITIES	<u>\$ 83,368</u>

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

GOVERNMENTAL ACTIVITIES	
Court fines	\$ 28,976
Franchise fees	146,687
Hotel/motel tax	65,935
Food and beverage tax	97,413
Unbilled SWANCC fees	30,452
Video gaming	47,650
SWANCC service charge	27,775
Utility taxes	316,684
Miscellaneous (includes TIF surplus of \$295,081)	<u>718,093</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 1,479,665</u>

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 22,459,625	\$ -	\$ 1,035,521	\$ 21,424,104
Intangible assets - stormwater credits	2,144,950	-	-	2,144,950
Land right of way	11,512,484	140,642	-	<u>11,653,126</u>
Total capital assets not being depreciated	<u>36,117,059</u>	<u>140,642</u>	<u>1,035,521</u>	<u>35,222,180</u>

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

4. CAPITAL ASSETS (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
(Continued)				
Capital assets being depreciated				
Buildings and improvements	\$ 53,335,469	\$ 169,161	\$ -	\$ 53,504,630
Vehicles, equipment, and furniture	13,046,263	1,423,082	864,683	13,604,662
Infrastructure	33,476,311	3,282,537	-	36,758,848
Total capital assets being depreciated	99,858,043	4,874,780	864,683	103,868,140
Less accumulated depreciation for				
Buildings and improvements	16,013,847	1,329,290	-	17,343,137
Vehicles, equipment, and furniture	8,245,851	1,052,455	859,279	8,439,027
Infrastructure	21,961,467	1,164,489	-	23,125,956
Total accumulated depreciation	46,221,165	3,546,234	859,279	48,908,120
Total capital assets being depreciated, net	53,636,878	1,328,546	5,404	54,960,020
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET				
	\$ 89,753,937	\$ 1,469,188	\$ 1,040,925	\$ 90,182,200
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 567,510	\$ -	\$ -	\$ 567,510
Construction in progress	81,012	-	81,012	-
Total capital assets not being depreciated	648,522	-	81,012	567,510
Capital assets being depreciated				
Waterworks	45,516,357	1,947,048	86,176	47,377,229
Sewerage	19,249,550	1,016,765	40,241	20,226,074
Equipment and vehicles	3,439,996	279,637	-	3,719,633
Total capital assets being depreciated	68,205,903	3,243,450	126,417	71,322,936
Less accumulated depreciation for				
Waterworks	15,844,502	834,516	49,306	16,629,712
Sewerage	7,878,297	330,230	40,241	8,168,286
Equipment and vehicles	2,583,886	157,871	-	2,741,757
Total accumulated depreciation	26,306,685	1,322,617	89,547	27,539,755
Total capital assets being depreciated, net	41,899,218	1,920,833	36,870	43,783,181
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET				
	\$ 42,547,740	\$ 1,920,833	\$ 117,882	\$ 44,350,691

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

4. CAPITAL ASSETS (Continued)

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

GOVERNMENTAL ACTIVITIES		
General government		\$ 1,127,659
Public safety		1,029,387
Highways and streets		<u>1,389,188</u>
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES		<u>\$ 3,546,234</u>

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

GOVERNMENTAL ACTIVITIES		
General government		\$ 1,185,156
Highways and streets		2,801,100
Public safety		<u>1,029,166</u>
TOTAL ADDITIONS - GOVERNMENTAL ACTIVITIES		<u>\$ 5,015,422</u>

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, 2019 is as follows:

Issue	Fund Debt Retired By	Purpose	Balances January 1	Accretion/ Additions*	Reductions/ Refunding	Balances December 31	Current
GOVERNMENTAL ACTIVITIES General Obligation Bond Series 2007 (dated November 30, 2007; maturing December 1, 2030; original issue \$10,000,000; interest rates 3.92%; principal payable annually on December 1).	Debt Service	Village Building Projects	\$ 10,000,000	\$ -	\$ -	\$ 10,000,000	\$ -

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

5. LONG-TERM DEBT (Continued)

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

Issue	Fund Debt Retired By	Purpose	Balances January 1	Accretion/ Additions*	Reductions/ Refunding	Balances December 31	Current
GOVERNMENTAL ACTIVITIES (Continued)							
General Obligation 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	\$ 12,760,000	\$ -	\$ 1,815,000	\$ 10,945,000	\$ 2,030,000
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	3,385,000	-	665,000	2,720,000	685,000
General Obligation Sales Tax Refunding Bond Series 2012A (dated April 24, 2012; maturing December 1, 2024; original issue \$3,925,000; interest rates 2.00% to 3.50%; principal payable annually on December 1).	North Milwaukee/ Lake Cook Redevelopment Area	Refunding	2,235,000	-	340,000	1,895,000	355,000
General Obligation Refunding Bond Series 2016 (dated September 6, 2016; maturing December 1, 2022; original issue \$11,355,000; interest rates 5%; principal payable annually on December 1).	North Milwaukee/ Lake Cook Redevelopment Area	Refunding	6,990,000	-	1,625,000	5,365,000	1,705,000
TOTAL			\$ 45,370,000	\$ -	\$ 4,445,000	\$ 40,925,000	\$ 4,775,000

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

5. LONG-TERM DEBT (Continued)

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

Issue	Fund Debt Retired By	Purpose	Balances January 1	Accretion/ Additions*	Reductions/ Refunding	Balances December 31	Current
GOVERNMENTAL ACTIVITIES (Continued)							
Tax Increment Revenue Note Series 2016 (dated December 19, 2016; maturing December 19, 2036; original issue \$6,500,000; interest rate 7.45%; principal payable annually on December 1).	Town Center TIF #2	Reva Redevelopment Project in TIF	\$ 6,372,903	\$ 458,674	\$ 943,695	\$ 5,887,882	\$ -

*\$458,674 is interest accreted to the note balance for the Reva Redevelopment Project.

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

Issue	Fund Debt Retired By	Purpose	Balances January 1	Accretion/ Additions	Reductions/ Refunding	Balances December 31	Current
BUSINESS TYPE ACTIVITIES							
General Obligation Water System Bonds Series 2012B (dated April 24, 2012; maturing December 1, 2032; original issue \$3,500,000; interest rates 3.00% to 3.50%; principal payable annually on December 1).	Waterworks and Sewerage	Water Improvements	\$ 2,705,000	\$ -	\$ 150,000	\$ 2,555,000	\$ 155,000
TOTAL			\$ 2,705,000	\$ -	\$ 150,000	\$ 2,555,000	\$ 155,000

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.”

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

5. LONG-TERM DEBT (Continued)

c. Legal Debt Margin (Continued)

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

d. Debt Service Requirements to Maturity

Year Ending December 31,	General Obligation Bonds					
	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2020	\$ 4,775,000	\$ 1,669,519	\$ 6,444,519	\$ 155,000	\$ 82,800	\$ 237,800
2021	5,110,000	1,465,170	6,575,170	160,000	78,150	238,150
2022	5,450,000	1,246,245	6,696,245	165,000	73,350	238,350
2023	3,700,000	1,011,377	4,711,377	175,000	68,400	243,400
2024	3,325,000	862,517	4,187,517	180,000	63,150	243,150
2025	3,140,000	727,748	3,867,748	185,000	57,750	242,750
2026	3,340,000	604,660	3,944,660	195,000	51,969	246,969
2027	3,530,000	473,732	4,003,732	200,000	45,875	245,875
2028	3,700,000	335,356	4,035,356	210,000	39,375	249,375
2029	3,850,000	190,316	4,040,316	220,000	32,550	252,550
2030	1,005,000	39,396	1,044,396	230,000	24,850	254,850
2031	-	-	-	235,000	16,800	251,800
2032	-	-	-	245,000	8,575	253,575
TOTAL	\$ 40,925,000	\$ 8,626,036	\$ 49,551,036	\$ 2,555,000	\$ 643,594	\$ 3,198,594

e. Changes in Long-Term Liabilities

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

	Balances January 1	Issuances or Accretions	Reductions	Balances December 31	Current Portion
General obligation bonds payable	\$ 45,370,000	\$ -	\$ 4,445,000	\$ 40,925,000	\$ 4,775,000
Tax increment revenue note	6,372,903	458,674	943,695	5,887,882	-
Premium on bonds payable	1,187,858	-	283,656	904,202	-
Compensated absences payable - governmental funds	2,388,083	1,170,867	1,074,637	2,484,313	1,117,941
Insurance claims payable	806,981	554,453	750,689	610,745	305,373
Net pension liability - IMRF	8,801,382	-	4,738,543	4,062,839	-
Net pension liability - Police Pension	29,434,471	-	3,984,401	25,450,070	-
Net pension liability - Firefighters' Pension	33,712,262	-	3,634,170	30,078,092	-
Other postemployment benefit liability	14,697,762	2,078,544	-	16,776,306	983,233
TOTAL GOVERNMENTAL ACTIVITIES	\$ 142,771,702	\$ 4,262,538	\$ 19,854,791	\$ 127,179,449	\$ 7,181,547

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

5. LONG-TERM DEBT (Continued)

e. Changes in Long-Term Liabilities (Continued)

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

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

	Balances January 1	Issuances	Reductions	Balances December 31	Current Portion
General obligation bonds payable	\$ 2,705,000	\$ -	\$ 150,000	\$ 2,555,000	\$ 155,000
Premium on bonds payable	64,745	-	6,573	58,172	-
Asset retirement obligation	-	230,000	-	230,000	-
IEPA loan payable*	-	83,368	-	83,368	-
Compensated absences	134,880	134,222	60,696	208,406	93,783
Net pension liability - IMRF	1,553,185	-	836,213	716,972	-
Other postemployment benefit liability	2,593,723	366,802	-	2,960,525	173,512
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 7,051,533	\$ 814,392	\$ 1,053,482	\$ 6,812,443	\$ 422,295

*The IEPA loan was not fully disbursed as of December 31, 2019. Therefore, the annual installment amount is not available at the time of report issuance.

f. Tax Increment Revenue Notes

The Village, pursuant to a redevelopment agreement dated July 21, 2014, agreed to reimburse a developer (Reva Development Partners, LLC.) for certain project costs the developer has incurred in the Town Center-II TIF District. Two notes were issued December 19, 2016 for a total of \$4,000,000 and \$2,500,000, respectively. Interest on the notes is 7.45%. The notes provide that the payment of principal and interest is due only if tax increment revenues are available for payment of debt service. Therefore, no debt service to maturity schedule is available. During the fiscal year ended December 31, 2019, \$458,674 of interest was accreted. Principal payments of \$943,695 were made during the fiscal year ended December 31, 2019.

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

5. LONG-TERM DEBT (Continued)

g. 2008 Interest Rate Swap

The fair value balances and notional amounts of derivative instruments outstanding at December 31, 2019, and the changes in fair value of such derivative instruments for the year then ended in the 2019 financial statements are as follows:

Governmental Activities	Changes in Fair Value*		Fair Value at December 31, 2019		
	Classification	Amount	Classification	Amount	Notional
Cash flow hedges: pay - fixed interest rate swap	Deferred outflow of resources	\$ 24,545	Fair value of swap (liability)	\$ (730,071)	\$ 20,000,000

*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 swap agreement is related to \$20,000,000 in variable rate General Obligation Bonds Series 2008 that the Village sold on January 15, 2008. The synthetic fixed rate of the swap is 4.33%.

Terms - The bonds and the related swap agreement mature on December 1, 2024 and the swap's notional amount of \$14,360,000 matches the \$14,360,000 variable rate bonds. The swap was entered into on November 7, 2007. At that time, the Village received a \$50,000 payment which was used to pay for costs related to issuing the swap. The Village then sold \$20,000,000 in variable rate General Obligation Bonds Series 2008 on January 15, 2008.

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

Fair value - As of December 31, 2019, the swap had a fair value of \$(730,071). The fair value of the swap is affected by changes in LIBOR relative to November 7, 2007.

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

5. LONG-TERM DEBT (Continued)

g. 2008 Interest Rate Swap (Continued)

Credit risk - The swap's fair value represented the Village's credit exposure to the counterparty as of December 31, 2019. 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 AA- by Fitch Ratings and A+ Standard and Poor's as of December 31, 2019.

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

h. 2009 Interest Rate Swap

The fair value balances and notional amounts of derivative instruments outstanding at December 31, 2019, and the changes in fair value of such derivative instruments for the year then ended in the 2019 financial statements are as follows:

Governmental Activities	Changes in Fair Value*		Fair Value at December 31, 2018		
	Classification	Amount	Classification	Amount	Notional
Cash flow hedges: pay - fixed interest rate swap	Deferred outflow of resources	\$ (217,782)	Fair value of swap (liability)	\$ (1,503,207)	\$ 10,000,000

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

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

5. LONG-TERM DEBT (Continued)

h. 2009 Interest Rate Swap (Continued)

Terms - The swap agreement is effective January 15, 2009 and matures on December 1, 2027 and the swap's notional amount of \$10,000,000 matches the terms of the \$10,000,000 variable rate bonds that the counterparty purchased from the Village on that date. Under the swap, the Village pays the counterparty a fixed payment of 3.92% and receives a variable payment equal to 63.169% of the one-month USD-LIBOR-BBA rate as of the end of each monthly period plus a 0.493% spread. The variable rate for the \$10,000,000 in bank qualified general obligation bonds is exactly equal to the variable rate of the swap.

Fair value - As of December 31, 2019, the swap had a fair value of \$(1,503,207). 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, 2019.

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 AA- by Fitch Ratings and A+ Standard and Poor's as of December 31, 2019.

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. Asset Retirement Obligation

The Village has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various water wells at the end of their estimated useful lives in accordance with federal, state and/or local requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated remaining useful lives of the water wells range from 20 to 65 years.

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

5. LONG-TERM DEBT (Continued)

j. Conduit Debt

On January 15, 2004, the Village (with the City of Prospect Heights) entered into a loan agreement for \$1,237,000 with Banco Popular North America for the purpose of constructing two new hangers and a taxiway at the Chicago Executive Airport (see Note 10c for additional disclosures on the joint venture). These notes are secured solely by the property financed and are payable solely from airport revenues. The Village is not obligated in any manner for the repayment of the notes. Accordingly, the notes are not reported as a liability in the Village's financial statements. As of December 31, 2019, the outstanding balance of the loan was \$434,330.

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, 2019, \$682,163 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, 2019, \$1,361,799 of the Airport Revenue Notes, Series 2010B are outstanding.

6. RISK MANAGEMENT

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

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

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

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

6. RISK MANAGEMENT (Continued)

The General Fund and Waterworks and Sewerage Fund participate and make payments to the Fund based upon estimates of the amounts needed to pay prior and current year claims. Liabilities of the Fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expense regardless of whether allocated to specific claims. Changes in the balances of claims liabilities during the years ended December 31, 2018 and 2019 are as follows:

	2018	2019
UNPAID CLAIMS - BEGINNING OF YEAR	\$ 412,500	\$ 806,981
Incurred claims (including IBNR)	845,432	554,453
Claims payments	(450,951)	(750,689)
UNPAID CLAIMS - END OF YEAR	\$ 806,981	\$ 610,745

Intergovernmental Personnel Benefit Cooperative

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

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

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

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

6. RISK MANAGEMENT (Continued)

Intergovernmental Personnel Benefit Cooperative (Continued)

The HMO plan is also self-insured through a special arrangement. Members of IPBC pay for fixed costs of capitation and administration and then fund for claims not covered under the capitation fee. This plan is fully pooled and the Village is not individually rated based on claims experience. All members of the IPBC pay the same rates based on plan design choices. Approximately 46% of the Village's employees and retirees are HMO participants.

The Village makes payments to IPBC monthly based on its participation in the plan. The rates per individual participant are determined annually based on each member's prior experience within the pool and projected future claims. This rate also includes a provision for the cost of excess insurance purchased by IPBC. The Village 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, 2019 (most recent available) of \$1,826,215. This amount was declared as a dividend to the Village and, therefore, has been recorded as a receivable in the General Fund of \$1,688,424 and the Waterworks and Sewerage Fund of \$137,791 as of December 31, 2019.

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.

7. CONTINGENT LIABILITIES (Continued)

d. Solid Waste Agency of Northern Cook County

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

e. TIF Revenue Notes

WTC, LLC

The Village, pursuant to a redevelopment agreement dated August 4, 2015, has agreed to reimburse the developer (WTC, LLC) for certain project costs the developer has incurred in the Town Center TIF #2 District. The redevelopment agreement also contains a provision providing for the issuance of a tax increment allocation revenue note not to exceed \$8,705,309. The note is payable from and secured by the pledged incremental revenues generated by the project which is located within 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, 2019, the Village had not issued this note.

Uptown 500, LLC

The Village, pursuant to a redevelopment agreement dated May 1, 2018, has agreed to reimburse the developer (Uptown 500, LLC) for certain project costs the developer has incurred in the Town Center TIF #2 District. The redevelopment agreement also contains a provision providing for the issuance of a tax increment allocation revenue notes not to exceed \$6,500,000. The first note (defined as the Residential Note) will be a taxable note in the par amount of \$5,500,000 payable from 85% of the available incremental property taxes. The second note (defined as the Retail Note) will be a taxable note in the par value of \$1,000,000 payable from 15% of the available incremental property taxes. The notes will be payable from and secured by the pledged incremental revenues generated by the project which is located within the Town Center TIF #2 District. Interest on the notes shall accrue at a fixed rate of 7.45%. Interest on the Village notes will begin upon issuance of the certificate of completion and will bear simple interest. Interest on the notes shall not accrue during any dark day period. 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, 2019, the Village had not issued this note.

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

8. TAX ABATEMENTS

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

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

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

For the fiscal year ending December 31, 2019, the Village’s share of the abatement granted to the Class 6b properties amounted to \$439,760.

9. COMMITMENTS

a. Northwest Water Commission

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

<u>Year Ending December 31,</u>	<u>Amount</u>
2020	\$ 1,801,175
2021	1,837,199
2022	1,873,942
2023	1,911,421
2024	1,949,650
2025-2027	6,086,042

These amounts have been calculated using the Village’s current allocation percentage of 17.410%. In future years, this allocation percentage will be subject to change.

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

9. COMMITMENTS (Continued)

a. Northwest Water Commission (Continued)

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

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

b. Solid Waste Agency of Northern Cook County

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

<u>Year Ending</u> <u>December 31,</u>	<u>Amount</u>
2020	\$ 504,175
2021	521,821
2022	540,085
2023	558,988
2024	578,552

These amounts have been calculated using the Village’s allocation percentage of 3.95%. In future years, the allocation percentage will be subject to change.

10. JOINT VENTURES

a. Solid Waste Agency of Northern Cook County

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

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.

10. JOINT VENTURES (Continued)

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

Complete financial statements can be obtained from the Solid Waste Agency of Northern Cook County administrative office at the Village of Wheeling Public Works Building at 77 W. Hintz Road, Wheeling, Illinois 60090 or online at www.swancc.org.

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

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

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

In accordance with the contract, the Village made payments totaling \$486,640 to SWANCC for the year ended December 31, 2019. The payments have been recorded in the General Fund. The Village does not have an equity interest in SWANCC at December 31, 2019.

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.

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

10. JOINT VENTURES (Continued)

b. Northwest Water Commission (Continued)

Description of Joint Venture (Continued)

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

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

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

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

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

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

In accordance with the joint venture agreement, the Village remitted \$1,757,244 to NWWC for the year ended December 31, 2019. The Village has an equity interest in NWWC in the amount of \$8,158,916 as of December 31, 2019.

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

10. JOINT VENTURES (Continued)

c. Chicago Executive Airport

Description of Joint Venture

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

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

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

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

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

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

10. JOINT VENTURES (Continued)

c. Chicago Executive Airport (Continued)

Description of Joint Venture (Continued)

standards for the operations of the airport; approval of any agreements with lessees, businesses, or other parties operating at the CEA; approval of a debt obligation or revenue obligation; approval of the annual budget of CEA and the Board of Directors; and approval of any land acquisition of CEA. All other powers and duties related to CEA are delegated to the Board of Directors as described in an Intergovernmental Agreement between the Village and City of Prospect Heights.

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, 2019, the Village's proportionate share of net position and change in net position were \$44,078,198 and \$(870,117), respectively. The Village's equity share in joint venture is reported separately on the statement of net position within governmental activities.

The Village made no payments to CEA for the year ended December 31, 2019.

11. INDIVIDUAL FUND DISCLOSURES

a. Due From/To Other Funds

Individual fund interfund receivables/payables are as follows:

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	\$ 263,977
General	Nonmajor Governmental	690,399
Capital Projects	General	1,600,000
Nonmajor Governmental	Nonmajor Governmental	376,148
Fiduciary	General	975,682
TOTAL		<u>\$ 3,906,206</u>

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

11. INDIVIDUAL FUND DISCLOSURES (Continued)

a. Due From/To Other Funds (Continued)

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

- \$263,977 due from nonmajor governmental (Grant Fund) to the General Fund to eliminate a deficit cash position. Repayment is expected within one year.
- \$690,399 due from nonmajor governmental (Emergency Telephone System Fund) to the General Fund for dispatching expenditures reimbursed to the General Fund. Payment is expected within one year.
- \$1,600,000 due from the General Fund to the Capital Projects Fund to pay for a capital project. Repayment is expected within one year.
- \$376,148 due from the Nonmajor Governmental (Southeast Redevelopment #2 Fund) to Nonmajor Governmental (Lake Cook/Milwaukee Redevelopment Fund) to eliminate a deficit cash position. Repayment is expected within one year.
- \$975,682 due from the General Fund to fiduciary funds (Police and Firefighters' Pension Funds) related to the Village Board-approved distribution of surplus funds in the General Fund. Payment is expected within one year.

b. Advances From/To Other Funds

Advances from/to other funds at December 31, 2019 consisted of the following:

Receivable Fund	Payable Fund	Amount
Waterworks and Sewerage	Capital Equipment Replacement	\$ 1,657,722
TOTAL		<u>\$ 1,657,722</u>

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

- \$1,657,722 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)

11. INDIVIDUAL FUND DISCLOSURES (Continued)

c. Interfund Transfers

Interfund transfers between funds for the year ended December 31, 2019 were as follows:

	Transfers In	Transfers Out
General		
Capital Equipment Replacement	\$ -	\$ 1,890,475
Capital Projects	-	1,600,000
Nonmajor governmental (North Milwaukee/Lake Cook Redevelopment Area)	-	411,950
Nonmajor governmental (Grant)	-	85,241
Total General	-	<u>3,987,666</u>
Capital Equipment Replacement		
General	1,890,475	-
Waterworks and Sewerage	-	64,454
Total Capital Equipment Replacement	<u>1,890,475</u>	<u>64,454</u>
Capital Projects		
General	1,600,000	-
Nonmajor governmental (Debt Service)	-	330,542
Total Capital Projects	<u>1,600,000</u>	<u>330,542</u>
Waterworks and Sewerage		
Capital Equipment Replacement	64,454	-
Nonmajor governmental (Storm Water)	205,158	-
Nonmajor governmental (Debt Service)	-	769,440
Total Waterworks and Sewerage	<u>269,612</u>	<u>769,440</u>
Nonmajor Governmental		
General	497,191	-
Waterworks and Sewerage	769,440	205,158
Nonmajor governmental (Debt Service)	330,542	-
Nonmajor governmental (Crossroads TIF)	2,000,000	-
Nonmajor governmental (Town Center TIF #2)	-	2,000,000
Nonmajor governmental (North TIF)	2,000,000	-
Nonmajor governmental (Crossroads TIF)	-	2,000,000
Total Nonmajor governmental	<u>5,597,173</u>	<u>4,205,158</u>
TOTAL	<u>\$ 9,357,260</u>	<u>\$ 9,357,260</u>

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

11. INDIVIDUAL FUND DISCLOSURES (Continued)

c. Interfund Transfers (Continued)

The purpose of significant transfers is as follows:

- \$411,950 transferred to the North Milwaukee/Lake Cook Redevelopment Area Fund from the General Fund for payment on applicable bond issues. This transfer will not be repaid.
- \$1,890,475 transferred to the Capital Equipment Replacement Fund from the General Fund for the purchase of equipment. This transfer will not be repaid.
- \$1,600,000 transferred to the Capital Projects Fund from the General Fund to pay for a capital project. This transfer will not be repaid.
- \$2,000,000 transferred to the nonmajor governmental (Town Center TIF #2) from the nonmajor governmental (Crossroads TIF) for the transfer of funds between contiguous TIF Districts. This transfer will not be repaid.
- \$2,000,000 transferred to the nonmajor governmental (Crossroads TIF) from the nonmajor governmental (North TIF) for the transfer of funds between contiguous TIF Districts. This transfer will not be repaid.
- \$330,542 transferred to the nonmajor governmental (Debt Service Fund) from the Capital Projects Fund for principal and interest expense on the 2007 G.O. Bonds. This transfer will not be repaid.
- \$769,440 transferred to the nonmajor governmental (Debt Service Fund) from the Waterworks and Sewerage Fund for principal and interest expense on the 2008 G.O. Bonds. This transfer will not be repaid.
- \$205,158 transferred to Waterworks and Sewerage Fund from the nonmajor governmental (Storm Water Fund) to cover expenditures for the fiscal year. This transfer will not be repaid.

d. Deficit Fund Balances

The following funds reported deficit fund balances at December 31, 2019:

Fund	Deficit Balance
Emergency Telephone System Fund	\$ 300
Southeast TIF #2 Fund	520,548

12. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

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

b. Benefits Provided

The Village provides postemployment health care and life insurance benefits to its retirees and certain disabled employees. To be eligible for benefits, an employee must qualify for retirement under one of the Village's retirement plans. All health care benefits are provided through the Village's health insurance plan with IPBC. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; and prescriptions. Upon a retiree reaching age 65 years, Medicare becomes the primary insurer and the Village's plan becomes secondary. For certain disabled employees who qualify for health insurance benefits under the Public Safety Employee Benefits Act (PSEBA), the Village is required to pay 100% of the cost of basic health insurance for the employee and their dependents for their lifetime.

The Village also provides explicit retiree benefits to the following:

- Police retirees hired prior to August 15, 1981 who have retired prior to August 7, 1995 receive single coverage at no cost.
- All other retirees hired prior to August 15, 1981 receive single coverage at no cost, regardless of when they retired.

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

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Membership

At December 31, 2018 (most recent data available), membership consisted of:

Retirees and beneficiaries currently receiving benefits	93
Terminated employees entitled to benefits but not yet receiving them	-
Duty disabled participants	5
Active employees	<u>221</u>
TOTAL	<u>319</u>
Participating employers	<u>1</u>

d. Total OPEB Liability

The Village's total OPEB liability of \$19,736,831 was measured as of December 31, 2019 and was determined by an actuarial valuation as of December 31, 2018.

e. Actuarial Assumptions and Other Inputs

The total OPEB liability at December 31, 2019, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total OPEB liability was rolled forward by the actuary using updated procedures to December 31, 2019, including updating the discount rate at December 31, 2019, as noted on the following page.

Actuarial cost method	Entry-age normal
Actuarial value of assets	Market value
Salary Increases	3.00%
Discount rate	2.75%
Healthcare cost trend rates	8.00% Initial 4.50% Ultimate

The discount rate was based on The Bond Buyer 20-Bond GO Index, which is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

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

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

f. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT JANUARY 1, 2019	<u>\$ 17,291,485</u>
Changes for the period	
Service cost	285,232
Interest	685,238
Differences between expected and actual experience	(51,768)
Assumption changes*	2,683,389
Benefit payments	<u>(1,156,745)</u>
Net changes	<u>2,445,346</u>
BALANCES AT DECEMBER 31, 2019	<u>\$ 19,736,831</u>

*There were changes in assumptions related to the discount rate.

g. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the Village calculated using the discount rate of 2.75% as well as what the Village total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.75%) or 1 percentage point higher (3.75%) than the current rate:

	1% Decrease (1.75%)	Current Discount Rate (2.75%)	1% Increase (3.75%)
Total OPEB liability	\$ 22,133,874	\$ 19,736,831	\$ 17,717,498

The table below presents the total OPEB liability of the Village calculated using the healthcare rate of 8% as well as what the Village's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (7%) or 1 percentage point higher (9%) than the current rate:

	1% Decrease (7%)	Current Healthcare Rate (8%)	1% Increase (9%)
Total OPEB liability	\$ 17,576,736	\$ 19,736,831	\$ 22,315,657

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

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

- h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2019, the Village recognized OPEB expense of \$1,150,555. At December 31, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 152,472	\$ 46,018
Changes in assumptions	2,385,342	938,326
TOTAL	\$ 2,537,814	\$ 984,344

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Year Ending December 31,	
2020	\$ 180,085
2021	180,085
2022	180,085
2023	180,085
2024	180,085
Thereafter	653,045
TOTAL	\$ 1,553,470

13. OPERATING LEASES

- a. Solid Waste Agency of Northern Cook County

The Village leases Public Works office space to SWANCC. The leases are operating leases with fixed monthly rental payments. The following is a schedule of approximate future minimum rentals under enforceable leases at December 31, 2019:

Year Ending December 31,	Amount
2020	\$ 71,511
2021	42,436

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

14. DEFINED BENEFIT PENSION PLANS

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

The table below is a summary for all pension plans as of and for the year ended December 31, 2019:

	IMRF	Police Pension	Firefighters' Pension	Total
Net pension liability	\$ 4,779,811	\$ 25,450,070	\$ 30,078,092	\$ 60,307,973
Deferred outflows of resources	2,262,446	3,466,000	3,876,212	9,604,658
Deferred inflows of resources	3,488,641	2,743,352	1,521,091	7,753,084
Pension expense	1,256,858	1,373,260	1,251,895	3,882,013

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)

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

At December 31, 2019, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	123
Inactive employees entitled to but not yet receiving benefits	48
Active employees	<u>112</u>
 TOTAL	 <u><u>283</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 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The required employer contribution for the year ended December 31, 2019 was 10.09% of covered payroll.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2019 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, 2019
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	3.35% to 14.25%
Interest rate	7.25%
Cost of living adjustments	3.25%
Asset valuation method	Market value

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). 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 2012). 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 2012). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Discount Rate

The discount rate used to measure the total pension liability at December 31, 2019 was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (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, 2019	\$ 63,714,481	\$ 53,359,914	\$ 10,354,567
Changes for the period			
Service cost	1,032,195	-	1,032,195
Interest	4,548,318	-	4,548,318
Difference between expected and actual experience	637,139	-	637,139
Changes in assumptions	-	-	-
Employer contributions	-	1,003,150	(1,003,150)
Employee contributions	-	452,121	(452,121)
Net investment income	-	9,948,040	(9,948,040)
Benefit payments and refunds	(2,990,318)	(2,990,318)	-
Other (net transfer)	-	389,097	(389,097)
Net changes	3,227,334	8,802,090	(5,574,756)
BALANCES AT DECEMBER 31, 2019	\$ 66,941,815	\$ 62,162,004	\$ 4,779,811

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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

For the year ended December 31, 2019, the Village recognized pension expense of \$1,256,858.

At December 31, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 993,614	\$ 190,814
Changes in assumption	1,111,483	804,534
Net difference between projected and actual earnings on pension plan investments	-	2,493,293
Contributions subsequent to the measurement date	157,349	-
TOTAL	\$ 2,262,446	\$ 3,488,641

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

\$157,349 reported as deferred outflows of resources related to pensions resulting from Village contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	
2020	\$ (499,673)
2021	(484,952)
2022	731,625
2023	(1,130,544)
2024	-
Thereafter	-
TOTAL	\$ (1,383,544)

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the Village calculated using the discount rate of 7.25% as well as what the Village's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 13,594,086	\$ 4,779,811	\$ (2,464,246)

Police Pension Plan

Plan Administration

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

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

Plan Membership

At December 31, 2019, the measurement date, membership consisted of:

Inactive plan members currently receiving benefits	54
Inactive plan members entitled to but not yet receiving benefits	4
Active plan members	<u>57</u>
TOTAL	<u><u>115</u></u>

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive 2.50% of salary for each year of service. The monthly benefit shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% 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 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later.

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. The Village has chosen a policy to fund 100% of the past service costs by 2040. For the year ended December 31, 2019, the Village's contribution was 38.04% of covered payroll.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy

ILCS limits the Police Pension Fund's (the Fund) investments to those allowable by ILCS and require the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund's investment policy authorizes the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment grade corporate bonds, and The 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 modified during the year ended December 31, 2019.

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% to 75%	30.25%	6.20%
Small cap domestic equity	0% to 20%	11.00%	8.00%
International equity	0% to 25%	13.75%	6.90%
Fixed income	0% to 100%	45.00%	1.40%

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 2.40% factor for inflation and investment expense. ILCS limits the Fund's investments in equities, mutual funds, and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

The 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, 2019 are listed in the table on the previous page.

Investment Concentrations

There are no significant investments (other than U.S. agency securities and corporate bonds) in any one organization that represent 5% or more of the Fund's investments.

Investment Rate of Return

For the year ended December 31, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 18.30%. 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, 2019:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 1,847,365	\$ 349,888	\$ 822,812	\$ 674,665	\$ -
U.S. agency obligations	12,688,317	405,566	1,682,431	10,600,320	-
Corporate bonds	4,820,938	651,474	3,646,218	523,246	-
Municipal bonds	1,806,132	101,772	1,470,812	-	233,548
TOTAL	\$ 21,162,752	\$ 1,508,700	\$ 7,622,273	\$ 11,798,231	\$ 233,548

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Interest Rate Risk (Continued)

The Fund has the following recurring fair value measurements as of December 31, 2019: the U.S. agency obligations, municipal bonds, and corporate bonds are valued using quoted matrix pricing models (Level 2 inputs). The U.S. Treasury obligations and mutual funds use Level 1 inputs.

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. The 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.

Custodial Credit Risk

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

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

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability at December 31, 2019 was 7.25%. 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, 2019	\$ 79,385,983	\$ 49,951,512	\$ 29,434,471
Changes for the period			
Service cost	1,069,870	-	1,069,870
Interest	5,621,639	-	5,621,639
Difference between expected and actual experience	230,036	-	230,036
Changes in assumptions	808,749	-	808,749
Changes in benefit terms	394,061	-	394,061
Employer contributions	-	2,562,113	(2,562,113)
Employee contributions	-	552,346	(552,346)
Other contributions	-	-	-
Net investment income	-	9,084,618	(9,084,618)
Benefit payments and refunds	(3,692,258)	(3,692,258)	-
Administrative expense	-	(90,321)	90,321
Net changes	4,432,097	8,416,498	(3,984,401)
BALANCES AT DECEMBER 31, 2019	\$ 83,818,080	\$ 58,368,010	\$ 25,450,070

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Changes in the Net Pension Liability (Continued)

There were changes with respect to actuarial assumptions in the current year related to the high-quality 20 year tax-exempt general obligation bond rate, as well as assumption changes to projected individual pay increases, projected total payroll increases, inflation rate, mortality rates, mortality improvement rates, retirement rates, termination rates, disability rates, and marital assumptions.

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, 2019
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	3.75% to 8.73%
Interest rate	7.25%
Cost of living adjustments	3.00% (Tier 1) 3.00% (Tier 2)
Asset valuation method	Market

The Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data mortality table was used to measure mortality rates.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7.25% 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 (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability	\$ 37,961,249	\$ 25,450,070	\$ 15,340,265

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

For the year ended December 31, 2019, the Village recognized pension expense of \$3,935,373. At December 31, 2019, 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	\$ 924,611	\$ 770,981
Changes in assumptions	2,541,389	403,480
Net difference between projected and actual earnings on pension plan investments	-	1,568,891
TOTAL	\$ 3,466,000	\$ 2,743,352

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.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

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

<u>Year Ending December 31,</u>	
2020	\$ 192,328
2021	7,319
2022	569,396
2023	(587,711)
2024	339,141
Thereafter	<u>202,175</u>
 TOTAL	 <u>\$ 722,648</u>

Firefighters' Pension Plan

Plan Administration

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

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

Plan Membership

At December 31, 2019, the measurement date, membership consisted of:

Inactive plan members currently receiving benefits	52
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	<u>49</u>
 TOTAL	 <u><u>101</u></u>

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Benefits Provided

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

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. 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 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Contributions

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with fewer than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. Contributions are recognized when due pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Firefighters' Pension Plan. The costs of administering the Firefighters' Pension Plan are financed through investment earnings. The Village is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Firefighters' Pension Plan. The Village has chosen a policy to fund 100% of the past service costs by 2040. For the year ended December 31, 2019, the Village's contribution was 51.89% of covered payroll.

Investment Policy

Permitted Deposits and Investments - Statutes and the Firefighters' Pension Fund's (the Fund) investment policy authorize the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment grade corporate bonds, and The 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, 2019.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Investment Policy (Continued)

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

Asset Class	Range	Target	Long-Term Expected Real Rate of Return
Large cap domestic equity	40% to 100%	42%	6.20%
Small cap domestic equity	0% to 40%	12%	8.00%
International equity	0% to 20%	6%	6.90%
Fixed income	0% to 100%	40%	1.40%

The long-term expected real rates of return are net of a 2.50% factor for inflation and investment expense. ILCS limits the Fund's investments in equities, mutual funds, and variable annuities to 65%. Securities in any one company should not exceed 5% 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, 2019 are listed in the table above.

Concentrations

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

Rate of Return

For the year ended December 31, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 19.22%. 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)

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' 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, 2019:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 1,623,272	\$ 100,250	\$ 1,153,514	\$ 369,508	\$ -
U.S. agency obligations	10,707,826	100,840	3,321,754	7,285,232	-
Municipal bonds	2,031,801	-	1,348,381	514,210	169,210
Corporate bonds	2,556,270	150,814	1,352,170	1,053,286	-
Asset backed securities	60,682	121	46,377	14,184	-
TOTAL	\$ 16,979,851	\$ 352,025	\$ 7,222,196	\$ 9,236,420	\$ 169,210

The Fund has the following recurring fair value measurements as of December 31, 2019: the U.S. agency obligations, municipal bonds, corporate bonds, and asset backed securities are valued using quoted matrix pricing models (Level 2 inputs). The U.S. Treasury obligations and mutual funds use Level 1 inputs.

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.

14. 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. The Illinois Funds are rated AAA. The U.S. agency obligations are rated AA+ by Standard and Poor's. The municipal bonds range in rating from AAA to not rated, and the corporate bonds range in rating from AAA to BBB by Standard and Poor's. The asset backed securities are not rated.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. 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 at December 31, 2019 was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2019	\$ 71,967,146	\$ 38,254,884	\$ 33,712,262
Changes for the period			
Service cost	1,273,771	-	1,273,771
Interest	5,096,169	-	5,096,169
Difference between expected and actual experience	(63,092)	-	(63,092)
Changes in assumptions	867,474	-	867,474
Changes in benefit terms	275,133	-	275,133
Employer contributions	-	3,225,076	(3,225,076)
Employee contributions	-	493,291	(493,291)
Other contributions	-	21,854	(21,854)
Net investment income	-	7,389,521	(7,389,521)
Benefit payments and refunds	(3,350,326)	(3,350,326)	-
Administrative expense	-	(46,117)	46,117
Net changes	4,099,129	7,733,299	(3,634,170)
BALANCES AT DECEMBER 31, 2019	\$ 76,066,275	\$ 45,988,183	\$ 30,078,092

There were changes with respect to actuarial assumptions in the current year related to the high-quality 20 year tax-exempt general obligation bond rate, as well as assumption changes to projected individual pay increases, projected total payroll increases, inflation rate, mortality rates, mortality improvement rates, retirement rates, termination rates, disability rates, and marital assumptions.

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Actuarial Assumptions

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

Actuarial valuation date	December 31, 2019
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	3.75% to 13.20%
Interest rate	7.25%
Cost of living adjustments	3.00% (Tier 1) 3.00% (Tier 2)
Asset valuation method	Market

The Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data mortality table was used to measure mortality rates.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7.25% 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 (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability	\$ 44,176,260	\$ 30,078,092	\$ 21,053,167

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

14. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

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

For the year ended December 31, 2019, the Village recognized pension expense of \$1,251,895. At December 31, 2019, 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	\$ 1,120,425	\$ 53,518
Changes in assumption	2,755,787	7,981
Net difference between projected and actual earnings on pension plan investments	-	1,459,592
TOTAL	\$ 3,876,212	\$ 1,521,091

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

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

<u>Year Ending December 31,</u>	
2020	\$ 685,208
2021	623,364
2022	835,729
2023	(314,529)
2024	453,333
Thereafter	72,016
TOTAL	\$ 2,355,121

15. SUBSEQUENT EVENTS

Police and Firefighters' Pension Plans

Beginning around March 2020, the Covid-19 virus has been declared a global pandemic as it continues to spread rapidly. As a result, equity investments of the Police and Firefighter's Pension Plans have experienced significant declines in quoted prices on active markets. Management of the Police and Firefighters' Pension Plans are carefully monitoring the situation and evaluating options during this time. No adjustments have been made to these financial statements as a result of this uncertainty.

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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
REVENUES				
Taxes	\$ 26,717,383	\$ 26,717,383	\$ 26,866,755	\$ 26,284,081
Licenses and permits	899,229	899,229	1,415,681	999,393
Intergovernmental	5,921,830	5,921,830	6,489,755	5,638,643
Charges for services	2,434,075	2,434,075	2,683,836	2,575,785
Fines and forfeits	1,173,008	1,173,008	1,210,589	1,177,897
Investment income	374,689	374,689	629,424	149,844
Miscellaneous	801,806	801,806	1,024,906	974,996
Total revenues	38,322,020	38,322,020	40,320,946	37,800,639
EXPENDITURES				
General government	10,566,796	10,724,145	10,519,305	9,946,665
Public safety	24,414,281	25,256,932	25,304,886	23,546,677
Total expenditures	34,981,077	35,981,077	35,824,191	33,493,342
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,340,943	2,340,943	4,496,755	4,307,297
OTHER FINANCING SOURCES (USES)				
Proceeds on sale of capital assets	15,000	15,000	61,443	43,169
Transfers (out)				
Capital Equipment Replacement Fund	(1,890,475)	(1,890,475)	(1,890,475)	(1,946,810)
Capital Projects Fund	-	(1,600,000)	(1,600,000)	(1,750,000)
Grant Fund	(44,708)	(44,708)	(85,241)	(64,759)
North Milwaukee/Lake Cook Redevelopment Area Fund	(411,950)	(411,950)	(411,950)	(417,000)
Total other financing sources (uses)	(2,332,133)	(3,932,133)	(3,926,223)	(4,135,400)
NET CHANGE IN FUND BALANCE	\$ 1,008,810	\$ (1,591,190)	570,532	171,897
FUND BALANCE, JANUARY 1			14,942,267	14,770,370
FUND BALANCE, DECEMBER 31			\$ 15,512,799	\$ 14,942,267

(See independent auditor's report.)

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

Last Five Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2015	2016	2017	2018	2019
Actuarially determined contribution	\$ 1,206,414	\$ 1,161,365	\$ 1,207,392	\$ 1,122,250	\$ 995,875
Contributions in relation to the actuarially determined contribution	<u>1,206,414</u>	<u>1,161,365</u>	<u>1,207,392</u>	<u>1,122,250</u>	<u>995,875</u>
CONTRIBUTION DEFICIENCY (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Additional voluntary contribution	<u>\$ 19,572</u>	<u>\$ 168,462</u>	<u>\$ 69,833</u>	<u>\$ 62,256</u>	<u>\$ 164,624</u>
Covered payroll	\$ 9,929,330	\$ 9,718,536	\$ 9,896,658	\$ 9,641,319	\$ 9,869,925
Contributions as a percentage of covered payroll	12.15%	11.95%	12.20%	11.64%	10.09%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuation 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 24 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.35% to 14.25% compounded annually, and postretirement benefit increases of 2.50% compounded annually.

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

(See independent auditor's report.)

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

FISCAL YEAR ENDED DECEMBER 31,	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Actuarially determined contribution	\$ 1,256,481	\$ 1,235,774	\$ 1,358,943	\$ 1,385,278	\$ 1,566,013	\$ 1,603,586	\$ 1,768,481	\$ 1,768,316	\$ 1,838,450	\$ 2,120,104
Contribution in relation to the actuarially determined contribution	1,256,481	1,235,774	1,358,943	1,385,278	1,566,013	1,603,586	1,768,481	1,768,316	1,838,450	2,120,104
CONTRIBUTION DEFICIENCY (Excess)	\$ -									
Additional voluntary contribution	\$ 11,803	\$ 60,570	\$ 19,100	\$ 17,820	\$ 126,941	\$ 456,799	\$ 153,811	\$ 231,636	\$ 126,344	\$ 442,009
Covered payroll	\$ 5,301,423	\$ 5,343,159	\$ 5,556,957	\$ 5,591,645	\$ 5,716,640	\$ 5,947,555	\$ 6,535,588	\$ 6,764,334	\$ 6,328,021	\$ 5,573,609
Contributions as a percentage of covered payroll	23.70%	23.13%	24.45%	24.77%	27.39%	26.96%	27.06%	26.14%	29.05%	38.04%

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 23 years; the asset valuation method was at market value; and the significant actuarial assumptions were an investment rate of return of 7.25% annually, projected salary increase assumption of 4.25% to 8.98% compounded annually, and postretirement benefit increases of 3.00% compounded annually.

(See independent auditor's report.)

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

FISCAL YEAR ENDED DECEMBER 31,	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Actuarially determined contribution	\$ 1,100,795	\$ 1,138,155	\$ 1,301,952	\$ 1,460,107	\$ 1,642,356	\$ 1,740,322	\$ 1,936,380	\$ 2,293,581	\$ 2,417,828	\$ 2,682,043
Contribution in relation to the actuarially determined contribution	1,100,795	1,138,155	1,301,952	1,460,107	1,642,356	1,740,322	1,936,380	2,293,581	2,417,828	2,682,043
CONTRIBUTION DEFICIENCY (Excess)	\$ -									
Additional voluntary contribution	\$ 5,692	\$ 56,655	\$ 12,986	\$ 23,943	\$ 208,023	\$ 518,535	\$ 187,236	\$ 306,441	\$ 161,563	\$ 543,033
Covered payroll	\$ 3,593,574	\$ 4,213,548	\$ 4,365,105	\$ 4,442,556	\$ 4,691,421	\$ 4,873,543	\$ 5,519,922	\$ 5,713,119	\$ 5,691,580	\$ 5,168,497
Contributions as a percentage of covered payroll	30.63%	27.01%	29.83%	32.87%	35.01%	35.71%	35.08%	40.15%	42.48%	51.89%

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 23 years; the asset valuation method was at market value; and the significant actuarial assumptions were an investment rate of return of 7.25% annually, projected salary increase assumption of 4.25% to 13.26% compounded annually, and postretirement benefit increases of 3.00% compounded annually.

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

ILLINOIS MUNICIPAL RETIREMENT FUND

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

Last Five Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019
TOTAL PENSION LIABILITY					
Service cost	\$ 1,015,147	\$ 1,078,576	\$ 1,063,964	\$ 977,015	\$ 1,032,195
Interest	3,799,229	4,105,922	4,250,576	4,340,461	4,548,318
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	1,423,041	(830,542)	365,085	447,328	637,139
Changes of assumptions	147,358	(223,543)	(1,841,947)	1,887,567	-
Benefit payments, including refunds of member contributions	(2,068,645)	(2,281,397)	(2,547,081)	(2,644,396)	(2,990,318)
Net change in total pension liability	4,316,130	1,849,016	1,290,597	5,007,975	3,227,334
Total pension liability - beginning	51,250,763	55,566,893	57,415,909	58,706,506	63,714,481
TOTAL PENSION LIABILITY - ENDING	\$ 55,566,893	\$ 57,415,909	\$ 58,706,506	\$ 63,714,481	\$ 66,941,815
PLAN FIDUCIARY NET POSITION					
Contributions - employer	\$ 1,225,986	\$ 1,329,827	\$ 1,277,225	\$ 1,184,506	\$ 1,003,150
Contributions - member	455,716	437,334	452,276	441,860	452,121
Net investment income	234,356	3,206,922	8,659,571	(3,009,329)	9,948,040
Benefit payments, including refunds of member contributions	(2,068,645)	(2,281,397)	(2,547,081)	(2,644,396)	(2,990,318)
Other	(196,861)	460,974	(1,275,242)	951,627	389,097
Net change in plan fiduciary net position	(349,448)	3,153,660	6,566,749	(3,075,732)	8,802,090
Plan fiduciary net position - beginning	47,064,685	46,715,237	49,868,897	56,435,646	53,359,914
PLAN FIDUCIARY NET POSITION - ENDING	\$ 46,715,237	\$ 49,868,897	\$ 56,435,646	\$ 53,359,914	\$ 62,162,004
EMPLOYER'S NET PENSION LIABILITY	\$ 8,851,656	\$ 7,547,012	\$ 2,270,860	\$ 10,354,567	\$ 4,779,811
Plan fiduciary net position as a percentage of the total pension liability	84.07%	86.86%	96.13%	83.75%	92.86%
Covered payroll	\$ 9,929,330	\$ 9,718,536	\$ 9,896,658	\$ 9,641,319	\$ 9,869,925
Employer's net pension liability as a percentage of covered payroll	89.15%	77.66%	22.95%	107.40%	48.43%

2015 - changes in assumptions related to investment rate of return, retirement age, and mortality rates

2016 - changes in assumptions related to retirement age and mortality rates

2017 - changes in assumptions related to inflation rates, salary rates, and mortality rates

2018 - changes in assumptions related to the investment rate of return

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

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

POLICE PENSION FUND

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

Last Six Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018	2019
TOTAL PENSION LIABILITY						
Service cost	\$ 1,167,588	\$ 956,703	\$ 1,044,941	\$ 962,016	\$ 1,034,167	\$ 1,069,870
Interest	4,272,252	4,777,808	4,989,358	5,142,145	5,457,959	5,621,639
Changes of benefit terms	-	-	-	-	-	394,061
Differences between expected and actual experience	307,520	(503,870)	(239,691)	1,320,092	(720,012)	230,036
Changes to actuarial assumptions	3,350,055	177,150	(909,412)	-	2,538,950	808,749
Benefit payments, including refunds of member contributions	(2,204,065)	(2,509,271)	(2,664,977)	(3,031,091)	(3,395,725)	(3,692,258)
Net change in total pension liability	6,893,350	2,898,520	2,220,219	4,393,162	4,915,339	4,432,097
Total pension liability - beginning	58,065,393	64,958,743	67,857,263	70,077,482	74,470,644	79,385,983
TOTAL PENSION LIABILITY - ENDING	\$ 64,958,743	\$ 67,857,263	\$ 70,077,482	\$ 74,470,644	\$ 79,385,983	\$ 83,818,080
PLAN FIDUCIARY NET POSITION						
Contributions - employer	\$ 1,692,954	\$ 2,060,385	\$ 1,922,292	\$ 1,999,952	\$ 1,964,794	\$ 2,562,113
Contributions - member	564,098	604,042	571,932	562,330	561,545	552,346
Contributions - other	-	-	-	134,279	-	-
Net investment income	2,622,222	(216,949)	2,445,984	6,183,757	(2,213,719)	9,084,618
Benefit payments, including refunds of member contributions	(2,204,065)	(2,509,271)	(2,664,977)	(3,031,091)	(3,395,725)	(3,692,258)
Administrative expense	(27,972)	(44,077)	(34,058)	(48,732)	(56,714)	(90,321)
Net change in plan fiduciary net position	2,647,237	(105,870)	2,241,173	5,800,495	(3,139,819)	8,416,498
Plan fiduciary net position - beginning	42,508,296	45,155,533	45,049,663	47,290,836	53,091,331	49,951,512
PLAN FIDUCIARY NET POSITION - ENDING	\$ 45,155,533	\$ 45,049,663	\$ 47,290,836	\$ 53,091,331	\$ 49,951,512	\$ 58,368,010
EMPLOYER'S NET PENSION LIABILITY	\$ 19,803,210	\$ 22,807,600	\$ 22,786,646	\$ 21,379,313	\$ 29,434,471	\$ 25,450,070
Plan fiduciary net position as a percentage of the total pension liability	69.51%	66.39%	67.48%	71.29%	62.92%	69.64%
Covered payroll	\$ 5,716,640	\$ 5,947,555	\$ 6,535,588	\$ 6,764,334	\$ 6,328,021	\$ 5,573,609
Employer's net pension liability as a percentage of covered payroll	346.41%	383.48%	348.65%	316.06%	465.14%	456.62%

2019 changes in assumptions - there were changes with respect to actuarial assumptions in the current year related to the high-quality 20 year tax-exempt general obligation bond rate, as well as assumption changes to projected individual pay increases, projected total payroll increases, inflation rate, mortality rates, mortality improvement rates, retirement rates, termination rates, disability rates, and marital assumptions.

2018 changes in assumptions - there were changes with respect to actuarial assumptions in the current year related to the investment rate of return.

2016 changes in assumptions - 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.

2015 changes in assumptions - 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.

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

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

FIREFIGHTERS' PENSION FUND

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

Last Six Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018	2019
TOTAL PENSION LIABILITY						
Service cost	\$ 1,111,028	\$ 1,009,443	\$ 1,093,332	\$ 1,066,718	\$ 1,146,722	\$ 1,273,771
Interest	3,727,758	4,067,329	4,428,808	4,622,760	4,882,825	5,096,169
Changes of benefit terms	-	-	-	-	-	275,133
Differences between expected and actual experience	(29,931)	1,338,568	37,737	944,749	182,061	(63,092)
Changes to actuarial assumptions	2,438,228	1,202,682	(17,349)	-	2,286,495	867,474
Benefit payments, including refunds of member contributions	(2,692,551)	(2,746,399)	(2,850,197)	(3,062,798)	(3,270,589)	(3,350,326)
Net change in total pension liability	4,554,532	4,871,623	2,692,331	3,571,429	5,227,514	4,099,129
Total pension liability - beginning	51,049,717	55,604,249	60,475,872	63,168,203	66,739,632	71,967,146
TOTAL PENSION LIABILITY - ENDING	\$ 55,604,249	\$ 60,475,872	\$ 63,168,203	\$ 66,739,632	\$ 71,967,146	\$ 76,066,275
PLAN FIDUCIARY NET POSITION						
Contributions - employer	\$ 1,850,379	\$ 2,258,857	\$ 2,123,616	\$ 2,600,022	\$ 2,579,391	\$ 3,225,076
Contributions - member	438,414	578,831	470,922	472,838	478,252	493,291
Contributions - other	-	-	-	20,944	-	21,854
Net investment income	2,376,338	463,608	2,215,038	4,716,583	(1,936,014)	7,389,521
Benefit payments, including refunds of member contributions	(2,692,551)	(2,746,399)	(2,850,197)	(3,062,798)	(3,270,589)	(3,350,326)
Administrative expense	(13,222)	(28,683)	(31,366)	(23,387)	(48,874)	(46,117)
Net change in plan fiduciary net position	1,959,358	526,214	1,928,013	4,724,202	(2,197,834)	7,733,299
Plan fiduciary net position - beginning	31,314,931	33,274,289	33,800,503	35,728,516	40,452,718	38,254,884
PLAN FIDUCIARY NET POSITION - ENDING	\$ 33,274,289	\$ 33,800,503	\$ 35,728,516	\$ 40,452,718	\$ 38,254,884	\$ 45,988,183
EMPLOYER'S NET PENSION LIABILITY	\$ 22,329,960	\$ 26,675,369	\$ 27,439,687	\$ 26,286,914	\$ 33,712,262	\$ 30,078,092
Plan fiduciary net position as a percentage of the total pension liability	59.84%	55.89%	56.56%	60.61%	53.16%	60.46%
Covered payroll	\$ 4,691,421	\$ 4,873,543	\$ 5,519,922	\$ 5,713,119	\$ 5,691,580	\$ 5,168,497
Employer's net pension liability as a percentage of covered payroll	475.97%	547.35%	497.10%	460.11%	592.32%	581.95%

2019 changes in assumption - there were changes with respect to actuarial assumptions in the current year related to the high-quality 20 year tax-exempt general obligation bond rate, as well as assumption changes to projected individual pay increases, projected total payroll increases, inflation rate, mortality rates, mortality improvement rates, retirement rates, termination rates, disability rates, and marital assumptions.

2018 changes in assumption - there were changes with respect to actuarial assumptions in the current year related to the investment rate of return.

2016 changes in assumption - 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.

2015 changes in assumption - 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.

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

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

OTHER POSTRETIREMENT BENEFIT PLAN

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS**

Last Two Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2018	2019
TOTAL OPEB LIABILITY		
Service cost	\$ 302,132	\$ 285,232
Interest	616,405	685,238
Differences between expected and actual experience	196,016	(51,768)
Changes in assumptions	(1,206,294)	2,683,389
Implicit benefit payments	<u>(1,071,060)</u>	<u>(1,156,745)</u>
Net change in total OPEB liability	(1,162,801)	2,445,346
Total OPEB liability - beginning	<u>18,454,286</u>	<u>17,291,485</u>
TOTAL OPEB LIABILITY - ENDING	<u><u>\$ 17,291,485</u></u>	<u><u>\$ 19,736,831</u></u>
Covered payroll	\$ 22,541,034	\$ 23,217,265
Employers total OPEB liability as a percentage of covered payroll	76.71%	85.01%

2019 and 2018 changes in assumptions - related to the discount rate and mortality were made since the previous measurement date.

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

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

POLICE PENSION FUND

SCHEDULE OF INVESTMENT RETURNS

Last Six Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018	2019
Annual money-weighted rate of return, net of investment expense	6.14%	(0.48%)	5.44%	13.09%	(4.18%)	18.30%

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

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

FIREFIGHTERS' PENSION FUND

SCHEDULE OF INVESTMENT RETURNS

Last Six Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018	2019
Annual money-weighted rate of return, net of investment expense	7.10%	1.39%	6.59%	13.16%	(4.79%)	19.22%

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

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2019

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 supplemental appropriations were necessary.

2. INDIVIDUAL FUND DISCLOSURES

The following funds had expenditures in excess of budget:

Fund	Final Budget	Actual
Motor Fuel Tax Fund	\$ 1,153,750	\$ 1,198,990
Grant Fund	325,618	699,256
North Milwaukee/Lake Cook Redevelopment Area Fund	5,352,390	5,855,510
South Milwaukee Redevelopment Area Fund	1,656,822	1,711,187
Southeast TIF #2 Fund	2,713,798	3,055,067

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

MAJOR GOVERNMENTAL FUNDS

General Fund

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

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

Capital Equipment Replacement Fund

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

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.

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

BALANCE SHEET

December 31, 2019

(With Comparative Amounts for December 31, 2018)

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and investments	\$ 11,939,675	\$ 11,793,123
Receivables (net, where applicable, of allowance for uncollectibles)		
Property taxes	14,852,649	13,993,767
Sales taxes	2,603,438	2,527,623
Income taxes/local use taxes	389,845	350,260
Telecommunications tax	244,324	249,647
Accrued interest	17,799	24,946
IPBC	1,688,424	1,358,164
Other	1,055,749	672,361
Prepaid items	288,858	265,268
Inventory	283,643	309,291
Due from other funds	954,376	621,367
TOTAL ASSETS	<u>\$ 34,318,780</u>	<u>\$ 32,165,817</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$ 911,698	\$ 875,711
Accrued payroll	352,217	146,465
Deposits payable	109,665	149,773
Unearned revenue	147,960	145,972
Due to other funds	1,600,000	1,750,000
Due to fiduciary funds	975,682	170,472
Total liabilities	<u>4,097,222</u>	<u>3,238,393</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenues - property taxes	14,708,759	13,985,157
Total deferred inflows of resources	<u>14,708,759</u>	<u>13,985,157</u>
FUND BALANCES		
Nonspendable		
Prepaid items	288,858	265,268
Inventory	283,643	309,291
Assigned		
Health insurance	1,688,424	1,358,164
Unassigned	13,251,874	13,009,544
Total fund balances	<u>15,512,799</u>	<u>14,942,267</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 34,318,780</u>	<u>\$ 32,165,817</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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
TAXES				
Property taxes	\$ 9,183,010	\$ 9,183,010	\$ 9,048,714	\$ 9,189,115
Property taxes - Police Pension Fund	2,120,104	2,120,104	2,182,064	1,888,322
Property taxes - Firefighters' Pension Fund	2,682,043	2,682,043	2,762,474	2,488,137
TIF surplus distribution	494,626	494,626	476,310	373,367
Sales tax	5,368,800	5,368,800	5,474,666	5,442,604
Home rule sales tax	3,870,970	3,870,970	3,868,202	3,870,721
Telecommunications tax	949,130	949,130	973,144	1,044,603
Food and beverage tax	980,110	980,110	969,570	927,464
Hotel/motel tax	1,067,570	1,067,570	1,110,229	1,058,544
Amusement tax	-	-	405	-
Auto rental tax	1,020	1,020	977	1,204
Total taxes	26,717,383	26,717,383	26,866,755	26,284,081
LICENSES AND PERMITS				
Business licenses	92,603	92,603	88,623	91,898
Coin-operated licenses	9,690	9,690	9,024	9,029
Liquor licenses	177,825	177,825	199,158	202,655
Other licenses	176,171	176,171	248,437	178,431
Building permits	300,000	300,000	677,922	431,716
Other permits	142,940	142,940	192,517	85,664
Total licenses and permits	899,229	899,229	1,415,681	999,393
INTERGOVERNMENTAL				
Township taxes	77,331	77,331	79,473	70,709
Personal property replacement tax	161,600	161,600	216,369	174,035
Income tax	3,855,000	3,855,000	4,007,217	3,605,401
State use tax	1,096,860	1,096,860	1,270,305	1,105,928
Grants	-	-	10,513	10,080
Police training	-	-	-	21,915
Fire training	-	-	42,903	17,717
Video gaming tax	253,470	253,470	272,908	236,809
Crossing guard reimbursement	36,593	36,593	33,939	35,780
Emergency dispatch services	439,076	439,076	553,391	359,946
Pull tabs and jar games tax	1,900	1,900	2,737	323
Total intergovernmental	5,921,830	5,921,830	6,489,755	5,638,643
CHARGES FOR SERVICES				
Electrical inspections	65,000	65,000	92,330	85,350
Plumbing inspections	30,000	30,000	56,523	47,098
Engineering inspection fees	200,000	200,000	243,508	300,164

(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, 2019
(With Comparative Actual)

	2019			2018
	Original Budget	Final Budget	Actual	
CHARGES FOR SERVICES (Continued)				
Solid waste service charge	\$ 593,825	\$ 593,825	\$ 598,845	\$ 594,545
SWANCC fees	256,000	256,000	259,571	253,916
Host community fees	100,000	100,000	100,000	100,000
Ambulance fees	846,600	846,600	946,825	841,474
Impounding fees	850	850	1,140	960
Plan review	40,000	40,000	77,758	48,942
Subdivision prefilng fees	1,000	1,000	-	1,339
Planning and zoning fees	10,000	10,000	8,225	13,498
Industrial revenue bond and 6(b) fees	3,800	3,800	7,600	7,600
Duplicating services	1,900	1,900	643	1,753
False alarm fees	10,392	10,392	18,614	12,265
Pavilion senior center	-	-	25	2,561
Monthly permit fee	18,000	18,000	18,185	16,669
Daily parking fee	55,000	55,000	49,989	49,536
Rental income	69,423	69,423	72,687	70,571
Rental income - T-Mobile	31,941	31,941	32,314	31,373
Police liaison reimbursement	98,094	98,094	98,639	96,171
Finger printing fee	1,500	1,500	-	-
CPR training fees	750	750	415	-
Total charges for services	2,434,075	2,434,075	2,683,836	2,575,785
FINES AND FORFEITS				
Court fines	160,541	160,541	122,654	154,301
Local ordinance fines	1,012,467	1,012,467	1,087,935	1,023,596
Total fines and forfeits	1,173,008	1,173,008	1,210,589	1,177,897
INVESTMENT INCOME				
Investment income	374,689	374,689	629,424	149,844
MISCELLANEOUS				
Cable TV franchise fees	390,660	390,660	379,047	385,788
Waste management franchise fees	93,341	93,341	92,907	91,511
AT&T franchise fees	135,839	135,839	127,749	133,485
Other franchise fees	45,741	45,741	80,153	44,867
IPBC terminal reserve revenue	-	-	205,571	135,869
Donations	35,100	35,100	38,000	39,000
Other	101,125	101,125	101,479	144,476
Total miscellaneous	801,806	801,806	1,024,906	974,996
TOTAL REVENUES	\$ 38,322,020	\$ 38,322,020	\$ 40,320,946	\$ 37,800,639

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended December 31, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
GENERAL GOVERNMENT				
Village Manager's office and Board of Trustees	\$ 1,720,184	\$ 1,877,533	\$ 1,886,422	\$ 1,615,173
Finance	1,154,915	1,154,915	1,141,329	1,129,242
Human resources	309,035	309,035	305,640	256,774
Legal	468,650	468,650	398,960	425,059
Special events	220,510	220,510	178,627	191,322
Solid waste system	498,188	498,188	487,609	416,327
Commuter parking system	55,740	55,740	61,225	56,792
Facilities	1,037,118	1,037,118	999,421	1,030,270
Fleet services	720,705	720,705	698,194	718,618
Community development	1,521,475	1,521,475	1,655,337	1,395,693
Senior citizens services	-	-	-	327,869
Social services	408,520	408,520	400,969	204,960
CIP engineering	461,873	461,873	459,929	422,208
Street division	884,735	884,735	794,251	760,937
Public works administration	536,097	536,097	542,378	568,217
Forestry	936,546	936,546	868,362	812,881
Information systems	913,115	913,115	921,262	885,023
Subtotal	11,847,406	12,004,755	11,799,915	11,217,365
Less Waterworks and Sewerage Fund reimbursements	1,280,610	1,280,610	1,280,610	1,270,700
Total general government	10,566,796	10,724,145	10,519,305	9,946,665
PUBLIC SAFETY				
Police department	12,835,965	13,216,014	13,086,501	12,287,696
Fire department	11,578,316	12,040,918	12,218,385	11,258,981
Total public safety	24,414,281	25,256,932	25,304,886	23,546,677
TOTAL EXPENDITURES	\$ 34,981,077	\$ 35,981,077	\$ 35,824,191	\$ 33,493,342

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended December 31, 2019
(With Comparative Actual)

	2019			2018
	Original Budget	Final Budget	Actual	
GENERAL GOVERNMENT				
Village Manager's Office and Board of Trustees				
Personnel services				
Overtime	\$ 500	\$ 500	\$ 597	\$ 251
Salaries	673,680	673,680	706,363	674,522
Longevity	1,600	1,600	1,600	1,600
Training	12,930	12,930	6,940	7,577
Employer contribution	106,830	264,179	266,328	120,093
Sick leave buy back	3,130	3,130	2,931	2,803
Total personnel services	798,670	956,019	984,759	806,846
Contractual services				
Advertising and publishing	3,500	3,500	2,800	2,627
Codification	8,000	8,000	9,203	8,096
Conferences and meetings	9,410	9,410	4,295	5,782
Consulting services	5,000	5,000	-	-
Data processing services	95,275	95,275	88,764	79,129
Energy	15,000	15,000	17,643	17,454
Employee group insurance	89,255	89,255	88,993	86,742
General liability insurance	9,000	9,000	9,000	11,350
Maintenance - office equipment	2,000	2,000	2,141	2,635
Membership dues	113,134	113,134	115,084	111,242
Miscellaneous	25,000	25,000	93,168	37,559
Postage	41,900	41,900	43,473	42,290
Printing and binding	1,000	1,000	175	89
Rental agreements	-	-	-	239
Cellular service	105,980	105,980	91,223	87,913
Telecommunications	230,000	230,000	196,986	186,697
Retiree health insurance	11,870	11,870	11,719	11,630
Duplication services	6,000	6,000	-	-
Miscellaneous contractual services	750	750	3,600	2,165
Total contractual services	772,074	772,074	778,267	693,639
Commodities				
Auto petroleum products	-	-	-	(7)
Books and subscriptions	8,800	8,800	9,228	8,559
Information systems miscellaneous equipment and supplies	5,500	5,500	2,965	3,182
Small tools and equipment	500	500	335	519
Miscellaneous	5,000	5,000	2,132	4,661
Miscellaneous software	17,940	17,940	19,699	17,255
Office supplies	10,000	10,000	9,842	5,369
Awards/decorations	3,700	3,700	3,116	1,627
Business recruitment	98,000	98,000	76,079	73,523
Total commodities	149,440	149,440	123,396	114,688
Total Village Manager's Office and Board of Trustees	1,720,184	1,877,533	1,886,422	1,615,173

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Finance				
Personnel services				
Overtime	\$ 500	\$ 500	\$ 39	\$ 299
Salaries	722,585	722,585	734,201	708,136
Longevity	2,900	2,900	2,900	2,500
Training	1,500	1,500	1,397	1,083
Employer contribution	126,415	126,415	123,631	129,014
Tuition reimbursement	-	-	782	-
Sick leave buy back	3,005	3,005	2,798	2,722
Total personnel services	856,905	856,905	865,748	843,754
Contractual services				
Advertising and publishing	1,150	1,150	995	1,174
Audit	45,345	45,345	46,846	50,676
Conferences and meetings	6,450	6,450	4,538	4,343
Employee group insurance	155,300	155,300	151,146	147,436
General liability insurance	9,000	9,000	9,000	11,350
Bank charges	14,520	14,520	16,133	12,789
Maintenance - office equipment	1,400	1,400	1,232	1,334
Membership dues	1,450	1,450	1,365	874
Actuarial services	14,000	14,000	12,150	11,950
Printing and binding	3,000	3,000	1,776	1,862
Credit card fees	24,000	24,000	11,235	26,371
Miscellaneous contracts	6,145	6,145	5,227	5,063
Total contractual services	281,760	281,760	261,643	275,222
Commodities				
Books and subscriptions	900	900	979	885
Information systems miscellaneous equipment and supplies	10,500	10,500	9,000	5,678
Small tools and equipment	200	200	449	333
Miscellaneous	1,200	1,200	811	811
Office supplies	2,500	2,500	1,744	1,629
Awards/decorations	950	950	955	930
Total commodities	16,250	16,250	13,938	10,266
Capital outlay				
Transfer to CERF	75,000	75,000	75,000	58,600
Less transfer to CERF	(75,000)	(75,000)	(75,000)	(58,600)
Net capital outlay	-	-	-	-
Total finance	1,154,915	1,154,915	1,141,329	1,129,242
Human resources				
Personnel services				
Salaries	172,070	172,070	175,234	165,849
Training	5,750	5,750	617	629
Employer contribution	29,385	29,385	29,711	30,631
Sick leave buy back	625	625	639	621
Total personnel services	207,830	207,830	206,201	197,730

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Human resources (Continued)				
Contractual services				
Advertising and publishing	\$ 2,000	\$ 2,000	\$ 2,238	\$ 1,690
Conferences and meetings	4,700	4,700	3,624	4,329
Consulting services	7,390	7,390	7,381	7,504
Information systems service and maintenance	2,500	2,500	2,500	-
Employee group insurance	22,250	22,250	21,510	21,752
General liability insurance	3,150	3,150	3,150	3,973
Membership dues	1,215	1,215	1,107	1,155
Personnel services	44,750	44,750	33,051	8,160
Miscellaneous contractual services	-	-	4,500	-
Medical exams	10,000	10,000	15,793	6,791
Total contractual services	97,955	97,955	94,854	55,354
Commodities				
Miscellaneous equipment and supplies	1,750	1,750	1,475	420
Miscellaneous software	-	-	1,896	2,396
Awards/decorations	1,500	1,500	1,214	874
Total commodities	3,250	3,250	4,585	3,690
Total human resources	309,035	309,035	305,640	256,774
Legal				
Personnel services				
Local training and meetings	-	-	89	-
Total personnel services	-	-	89	-
Contractual services				
Recording fees	1,000	1,000	641	100
Legal services	466,900	466,900	397,074	424,339
Miscellaneous contractual services	750	750	1,156	620
Total contractual services	468,650	468,650	398,871	425,059
Total legal	468,650	468,650	398,960	425,059
Special events				
Personnel services				
Employer contributions	3,085	3,085	-	-
Overtime	17,550	17,550	19,828	16,434
Total personnel services	20,635	20,635	19,828	16,434
Contractual services				
Rental equipment	3,075	3,075	5,105	-
Programs and activities	138,400	138,400	101,470	90,296
Miscellaneous contractual services	54,600	54,600	45,904	49,370
Total contractual services	196,075	196,075	152,479	139,666

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Special events (Continued)				
Commodities				
Auto petroleum products	\$ -	\$ -	\$ 82	\$ 37
Miscellaneous operating supplies	3,800	3,800	6,238	35,185
Total commodities	3,800	3,800	6,320	35,222
Total special events	220,510	220,510	178,627	191,322
Solid waste system				
Contractual services				
Postage	610	610	566	555
Printing and binding	386	386	403	449
Regional and special agencies assessments	497,192	497,192	486,640	415,323
Total contractual services	498,188	498,188	487,609	416,327
Total solid waste system	498,188	498,188	487,609	416,327
Commuter parking system				
Contractual services				
Energy	15,500	15,500	10,861	13,159
Office equipment maintenance	7,740	7,740	11,045	11,015
Printing and binding	3,500	3,500	3,339	-
Rental agreement	17,500	17,500	25,066	24,991
Credit card fees	5,650	5,650	6,489	5,919
Total contractual services	49,890	49,890	56,800	55,084
Commodities				
Maintenance - building and grounds	5,000	5,000	3,970	1,196
Water and sewer services charges	850	850	455	512
Total commodities	5,850	5,850	4,425	1,708
Total commuter parking system	55,740	55,740	61,225	56,792
Facilities				
Personnel services				
Overtime	16,000	16,000	18,690	14,725
Seasonal help	6,000	6,000	5,268	10,134
Salaries	436,750	436,750	429,271	435,213
Longevity	2,900	2,900	2,900	4,699
Training	2,560	2,560	2,425	1,790
Uniform allowance	3,000	3,000	2,473	2,790
Employer contribution	81,255	81,255	78,498	86,897
SLDPA retiree contribution	-	-	-	29,195
Sick leave annual buy back	690	690	-	-
Total personnel services	549,155	549,155	539,525	585,443

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Facilities (Continued)				
Contractual services				
Information systems service and maintenance agreement	\$ 5,600	\$ 5,600	\$ 354	\$ -
Debris dump charges	200	200	-	-
Employee group insurance	71,795	71,795	78,239	69,769
General liability insurance	23,400	23,400	23,400	29,510
Janitorial services	96,500	96,500	87,800	82,320
Consulting services	4,680	4,680	6,310	-
Maintenance - equipment	11,600	11,600	12,782	11,869
Multiple day training	-	-	-	24
Printing and binding	-	-	-	100
Rental equipment	1,200	1,200	1,018	2,811
Membership dues	40	40	17	99
Miscellaneous contractual services	120,938	120,938	89,529	113,841
Total contractual services	335,953	335,953	299,449	310,343
Commodities				
Auto petroleum products	6,800	6,800	5,149	4,844
Chemicals	4,500	4,500	1,794	2,334
Janitorial supplies	35,000	35,000	34,937	31,468
Vehicle maintenance	13,500	13,500	8,073	10,235
Maintenance - buildings and grounds	50,000	50,000	72,338	48,193
Information systems miscellaneous equipment and supplies	3,500	3,500	2,950	1,816
Minor tools and equipment	7,000	7,000	6,705	6,218
Miscellaneous operating supplies	3,710	3,710	3,355	2,842
Protective clothing	2,000	2,000	1,025	3,416
Water and sewer services charges	26,000	26,000	24,121	23,118
Total commodities	152,010	152,010	160,447	134,484
Capital outlay				
Transfer to CERF	59,985	59,985	59,985	33,300
Less transfer to CERF	(59,985)	(59,985)	(59,985)	(33,300)
Net capital outlay	-	-	-	-
Total facilities	1,037,118	1,037,118	999,421	1,030,270
Fleet services				
Personnel services				
Overtime	5,500	5,500	5,139	3,306
Salaries	483,140	483,140	464,381	474,087
Longevity	3,600	3,600	4,484	3,600
Training	2,200	2,200	1,507	2,033
Uniform allowance	7,800	7,800	6,509	5,931
Employer contribution	85,555	85,555	84,019	92,293
Sick leave buy back	1,265	1,265	1,288	1,256
Total personnel services	589,060	589,060	567,327	582,506

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Fleet services (Continued)				
Contractual services				
Conferences and meetings	\$ 3,000	\$ 3,000	\$ 2,196	\$ 2,331
Consulting services	1,400	1,400	1,836	3,281
Debris dump charges	150	150	148	168
Employee group insurance	75,885	75,885	76,114	74,771
General liability insurance	14,400	14,400	14,400	18,160
Maintenance - office equipment and special equipment	3,795	3,795	3,327	5,973
Membership dues	775	775	762	1,064
Printing and binding	250	250	108	52
Retiree health insurance	6,490	6,490	6,307	6,349
Total contractual services	106,145	106,145	105,198	112,149
Commodities				
Auto petroleum products	2,200	2,200	1,758	2,521
Books and subscriptions	400	400	2,873	346
Chemicals	1,600	1,600	1,490	1,926
Vehicle maintenance	3,500	3,500	3,597	2,550
Minor tools and equipment	5,500	5,500	5,178	4,865
Miscellaneous equipment and supplies	3,500	3,500	2,950	3,453
Miscellaneous operating supplies	7,450	7,450	6,951	6,780
Protective clothing	450	450	321	647
Information systems miscellaneous software	900	900	551	875
Total commodities	25,500	25,500	25,669	23,963
Capital outlay				
Transfer to CERF	15,980	15,980	15,980	5,057
Less transfer to CERF	(15,980)	(15,980)	(15,980)	(5,057)
Net capital outlay	-	-	-	-
Total fleet services	720,705	720,705	698,194	718,618
Community development				
Personnel services				
Overtime	2,500	2,500	55	155
Seasonal help	6,600	6,600	25,041	4,340
Salaries	978,440	978,440	949,655	852,083
Longevity	3,700	3,700	5,335	2,800
Training	1,350	1,350	2,470	911
Uniform allowance	600	600	382	-
Unemployment compensation	-	-	972	-
SLDPA retiree contribution	-	-	28,236	-
Employer contribution	168,380	168,380	160,983	159,811
Sick leave buy back	3,565	3,565	1,393	1,559
Total personnel services	1,165,135	1,165,135	1,174,522	1,021,659

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Community development (Continued)				
Contractual services				
Advertising and publishing	\$ 1,000	\$ 1,000	\$ 1,154	\$ 1,171
Conferences and meetings	2,500	2,500	444	1,006
Consulting services	20,000	20,000	17,628	17,152
Data processing services	13,410	13,410	12,802	13,010
Exterminating services	6,800	6,800	6,505	5,544
Employee group insurance	139,890	139,890	139,828	129,285
General liability insurance	88,200	88,200	88,200	111,230
Maintenance - office equipment	4,900	4,900	3,240	2,350
Membership dues	2,550	2,550	2,421	1,794
Printing and binding	6,500	6,500	6,178	6,381
Credit card fees	8,100	8,100	3,833	12,033
Retiree health insurance	23,590	23,590	23,182	23,800
Duplication services	6,000	6,000	1,951	2,167
Miscellaneous contractual services	-	-	147,731	26,471
Finger printing fees	500	500	763	621
Total contractual services	323,940	323,940	455,860	354,015
Commodities				
Auto petroleum products	6,500	6,500	3,425	4,784
Books and subscriptions	2,100	2,100	1,288	-
Health test supplies	250	250	-	206
Vehicle maintenance	5,300	5,300	2,883	4,708
Information systems miscellaneous equipment and supplies	8,750	8,750	9,365	3,518
Minor tools and equipment	1,250	1,250	449	720
Miscellaneous operating supplies	4,000	4,000	4,209	3,138
Office supplies	3,500	3,500	2,586	2,945
Protective clothing	750	750	750	-
Total commodities	32,400	32,400	24,955	20,019
Total community development	1,521,475	1,521,475	1,655,337	1,395,693
Senior citizens services				
Personnel services				
Overtime	-	-	-	57
Salaries	-	-	-	203,890
Employer contribution	-	-	-	36,433
Unemployment compensation	-	-	-	17,678
Sick leave buy back	-	-	-	218
Total personnel services	-	-	-	258,276
Contractual services				
Energy	-	-	-	722
Employee group insurance	-	-	-	32,262
General liability insurance	-	-	-	3,973
Maintenance - equipment	-	-	-	1,550
Membership dues	-	-	-	273
Postage	-	-	-	3,019
Printing and binding	-	-	-	361
Programs and activities	-	-	-	8,681

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Senior citizens services (Continued)				
Contractual services (Continued)				
Regional and special agency assessments	\$ -	\$ -	\$ -	\$ 258
Rental agreements	-	-	-	12,000
Credit card fees	-	-	-	407
Total contractual services	-	-	-	63,506
Commodities				
Miscellaneous equipment and supplies	-	-	-	3,523
Minor tools and equipment	-	-	-	400
Miscellaneous operating supplies	-	-	-	1,440
Office supplies	-	-	-	724
Total commodities	-	-	-	6,087
Total senior citizen services	-	-	-	327,869
Social services				
Personnel services				
Longevity	1,600	1,600	1,600	1,000
Overtime	1,700	1,700	341	69
Salaries	279,935	279,935	267,133	140,940
Employer contributions	50,240	50,240	48,273	26,714
Sick leave annual buy back	685	685	-	349
Training and meetings	1,200	1,200	578	875
Total personnel services	335,360	335,360	317,925	169,947
Contractual services				
Conferences and meetings	5,050	5,050	1,575	4,478
Employee health insurance	39,365	39,365	43,524	22,758
General liability insurance	3,050	3,050	3,050	-
Maintenance office/special equipment	1,200	1,200	4,184	-
Postage	500	500	150	-
Rental Agreement	4,500	4,500	6,000	-
Credit card fees	500	500	92	-
Programs/activities expense	6,000	6,000	7,566	-
Membership dues	495	495	879	508
Printing and binding	500	500	1,016	-
Contractual services	4,200	4,200	6,325	3,500
Total contractual services	65,360	65,360	74,361	31,244
Commodities				
Auto petrol products	-	-	50	-
Vehicle maintenance	-	-	6	-
Miscellaneous equipment and supplies	3,800	3,800	2,511	2,066
Miscellaneous operating supplies	2,500	2,500	4,169	561
Office supplies	1,500	1,500	1,947	1,142
Total commodities	7,800	7,800	8,683	3,769
Total social services	408,520	408,520	400,969	204,960

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
CIP engineering				
Personnel services				
Overtime	\$ 20,000	\$ 20,000	\$ 23,164	\$ 29,536
Seasonal help	30,000	30,000	29,275	20,188
Salaries	190,525	190,525	195,801	184,658
Longevity	715	715	715	715
Training	750	750	354	360
Employer contribution	38,480	38,480	37,255	38,866
Total personnel services	280,470	280,470	286,564	274,323
Contractual services				
Multiple day training	5,600	5,600	5,721	3,127
Consulting services	10,000	10,000	11,642	5,099
Data processing	35,150	35,150	29,024	5,219
Employee group insurance	37,105	37,105	35,920	33,481
General liability insurance	62,100	62,100	62,100	78,315
Maintenance - office equipment	500	500	148	310
Membership dues	1,588	1,588	1,565	1,402
Printing and binding	1,200	1,200	1,224	952
Duplication services	3,000	3,000	-	3,267
Rental agreements	500	500	500	500
Total contractual services	156,743	156,743	147,844	131,672
Commodities				
Auto petroleum products	3,100	3,100	3,595	3,063
Books and subscriptions	450	450	83	495
Vehicle maintenance	1,800	1,800	1,915	1,350
Information systems software	6,910	6,910	6,844	6,466
Miscellaneous equipment and supplies	7,500	7,500	8,040	-
Minor tools and equipment	1,000	1,000	1,185	1,018
Miscellaneous operating supplies	2,000	2,000	2,002	1,981
Office supplies	900	900	883	883
Protective clothing	1,000	1,000	974	957
Total commodities	24,660	24,660	25,521	16,213
Capital outlay				
Transfer to CERF	24,000	24,000	24,000	-
Less transfer to CERF	(24,000)	(24,000)	(24,000)	-
Total capital outlay	-	-	-	-
Total CIP engineering	461,873	461,873	459,929	422,208
Streets division				
Personnel services				
Overtime	75,000	75,000	66,932	77,946
Seasonal help	6,000	6,000	6,816	2,146
Salaries	358,775	358,775	312,462	306,330
Longevity	3,100	3,100	3,100	2,100
Training	1,230	1,230	1,083	982

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Streets division (Continued)				
Personnel services (Continued)				
Uniform allowance	\$ 2,075	\$ 2,075	\$ 2,166	\$ 2,167
Employer contributions	77,820	77,820	57,323	59,544
Total personnel services	524,000	524,000	449,882	451,215
Contractual services				
Multiple day training	-	-	48	1,233
Service and maintenance agreement	1,350	1,350	1,349	450
Debris dumping charges	2,500	2,500	-	2,500
Energy	1,800	1,800	274	304
Employee health insurance	73,210	73,210	64,973	72,075
General liability insurance	40,950	40,950	40,950	51,643
Miscellaneous contractual service	5,100	5,100	4,780	5,246
Membership dues	165	165	168	161
Rental equipment	500	500	-	-
Retiree health insurance	12,035	12,035	11,807	11,787
Pavement markings	5,000	5,000	2,599	3,900
Street light maintenance	30,000	30,000	24,283	42,801
Total contractual services	172,610	172,610	151,231	192,100
Commodities				
Auto petroleum products	25,000	25,000	24,927	26,461
Books and subscriptions	1,725	1,725	1,625	1,625
Chemicals	8,000	8,000	3,531	1,250
Vehicle maintenance	42,500	42,500	33,916	40,530
Maintenance - building and grounds	17,500	17,500	28,931	(712)
Minor tools and equipment	75,000	75,000	82,237	30,611
Small tools and equipment	6,500	6,500	6,401	6,980
Miscellaneous operating supplies	500	500	431	334
Protective clothing	2,500	2,500	1,705	2,133
Streets signs	7,500	7,500	8,312	7,570
Water and sewer service charges	1,400	1,400	1,122	840
Total commodities	188,125	188,125	193,138	117,622
Capital outlay				
Transfer to CERF	133,540	133,540	133,540	300,184
Less transfer to CERF	(133,540)	(133,540)	(133,540)	(300,184)
Net capital outlay	-	-	-	-
Total streets division	884,735	884,735	794,251	760,937
Public works administration				
Personnel services				
Salaries	352,305	352,305	362,679	370,788
Longevity	600	600	600	-
Training	800	800	295	607
Employer contributions	60,575	60,575	60,681	65,953

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Public works administration (Continued)				
Personnel services (Continued)				
Unemployment compensation	\$ -	\$ -	\$ -	\$ 11,908
Sick leave buy back	595	595	-	592
Total personnel services	414,875	414,875	424,255	449,848
Contractual services				
Conferences and meetings	5,000	5,000	3,432	3,025
Energy	8,300	8,300	10,710	8,350
Employee group insurance	64,200	64,200	62,202	62,813
General liability insurance	15,300	15,300	15,300	19,295
Maintenance - office equipment	1,500	1,500	1,195	1,001
Maintenance - radio equipment	-	-	-	26
Membership dues	430	430	550	471
Medical examinations	3,200	3,200	2,167	1,984
Printing and binding	145	145	141	590
Retiree health insurance	12,340	12,340	12,026	11,987
Miscellaneous contractual services	307	307	487	307
Total contractual services	110,722	110,722	108,210	109,849
Commodities				
Auto petroleum products	1,000	1,000	501	1,601
Vehicle maintenance	550	550	301	360
Information systems miscellaneous equipment and supplies	1,750	1,750	1,475	-
Miscellaneous operating supplies	3,200	3,200	3,639	4,080
Office supplies	4,000	4,000	3,968	2,462
Awards and decorations	-	-	29	17
Total commodities	10,500	10,500	9,913	8,520
Total public works administration	536,097	536,097	542,378	568,217
Forestry				
Personnel services				
Longevity	2,800	2,800	2,800	2,099
Overtime	3,000	3,000	910	1,064
Seasonal help	6,000	6,000	6,816	2,146
Salaries	298,605	298,605	251,560	251,213
Training	1,530	1,530	1,423	1,278
Uniform allowance	2,075	2,075	2,166	2,167
Employer contributions	54,445	54,445	47,049	50,423
Total personnel services	368,455	368,455	312,724	310,390
Contractual services				
Debris dump charges	5,000	5,000	1,350	970
Energy	20,600	20,600	11,855	13,610
Employee health insurance	62,495	62,495	54,491	62,403
General liability insurance	17,550	17,550	17,550	22,133
Multiple day training	700	700	22	24
Landscape maintenance	240,375	240,375	259,091	226,254
Membership dues	790	790	828	1,135

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Forestry (Continued)				
Contractual services (Continued)				
Energy	\$ 97,500	\$ 97,500	\$ 103,787	\$ 93,556
Miscellaneous contractual services	45,831	45,831	36,190	36,789
Total contractual services	490,841	490,841	485,164	456,874
Commodities				
Auto petroleum products	7,500	7,500	4,622	4,884
Chemicals	2,000	2,000	250	-
Books and subscriptions	200	200	173	178
Vehicle maintenance	10,000	10,000	5,615	6,709
Maintenance - building and grounds	32,500	32,500	25,532	9,605
Miscellaneous equipment and supplies	1,750	1,750	1,475	1,726
Small tools and equipment	5,000	5,000	4,081	4,843
Miscellaneous operating supplies	800	800	810	85
Protective clothing	2,500	2,500	1,878	1,894
Water charge	15,000	15,000	26,038	15,693
Total commodities	77,250	77,250	70,474	45,617
Capital outlay				
Transfer to CERF	44,300	44,300	44,300	50,365
Less transfer to CERF	(44,300)	(44,300)	(44,300)	(50,365)
Total capital outlay	-	-	-	-
Total forestry	936,546	936,546	868,362	812,881
Information systems				
Personnel services				
Salaries	441,535	441,535	447,670	435,978
Training	4,000	4,000	3,850	3,175
Longevity	2,000	2,000	2,000	2,000
Employer contribution	77,670	77,670	77,385	81,567
Sick leave buy back	2,635	2,635	1,665	2,615
Total personnel services	527,840	527,840	532,570	525,335
Contractual services				
Information system service and maintenance agreement	205,000	205,000	220,462	190,895
Employee health insurance	70,775	70,775	69,857	69,721
Maintenance - office equipment	2,000	2,000	1,989	854
Multiple day training	2,000	2,000	-	-
Membership dues	300	300	300	300
Total contractual services	280,075	280,075	292,608	261,770
Commodities				
Auto petroleum products	200	200	170	173
Information systems miscellaneous equipment and supplies	37,000	37,000	33,967	31,954
Miscellaneous operating supplies	2,500	2,500	1,910	2,999
Vehicle maintenance	300	300	413	289

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Information systems (Continued)				
Commodities (Continued)				
Office supplies	\$ 200	\$ 200	\$ 90	\$ 66
Miscellaneous software	65,000	65,000	59,534	62,437
Total commodities	105,200	105,200	96,084	97,918
Capital outlay				
Transfer to CERF	437,270	437,270	437,270	424,972
Less transfer to CERF	(437,270)	(437,270)	(437,270)	(424,972)
Net capital outlay	-	-	-	-
Total information systems	913,115	913,115	921,262	885,023
Total general government	11,847,406	12,004,755	11,799,915	11,217,365
Less Waterworks and Sewerage Fund reimbursements	1,280,610	1,280,610	1,280,610	1,270,700
Total general government	10,566,796	10,724,145	10,519,305	9,946,665
PUBLIC SAFETY				
Police department				
Personnel services				
Longevity	34,500	34,500	33,803	40,904
Overtime	362,500	362,500	268,379	285,192
Salaries	7,025,425	7,025,425	6,968,188	6,778,867
Training	47,795	47,795	45,369	50,183
Uniform allowance	86,475	86,475	91,541	64,899
Employer contribution - IMRF	274,710	274,710	256,444	258,848
Employer contribution - Police Pension	2,120,104	2,500,153	2,562,113	1,964,794
College incentive	600	600	600	600
VEMA/PEHP contribution	26,000	26,000	28,098	120,949
Sick leave buy back	32,805	32,805	32,577	36,889
Total personnel services	10,010,914	10,390,963	10,287,112	9,602,125
Contractual services				
Animal impounding	2,500	2,500	2,440	2,450
Conferences and meetings	15,100	15,100	15,060	14,841
Energy	15,000	15,000	12,688	12,069
Employee group insurance	1,041,605	1,041,605	961,467	987,289
General liability insurance	182,700	182,700	182,700	230,405
Information systems software	2,000	2,000	2,374	10,951
Maintenance - office and special equipment	58,622	58,622	49,567	48,197
Membership dues	8,714	8,714	8,788	9,753
Printing and binding	11,200	11,200	9,324	10,965
Prisoner welfare	2,000	2,000	2,111	1,002
Regional and special agency assessments	92,768	92,768	92,704	87,257
Credit card services	1,140	1,140	1,626	1,227
Mobile equipment	-	-	-	9,055
Medical examinations	5,000	5,000	2,649	3,715
Miscellaneous contractual services	85,000	85,000	68,365	71,866
Retiree health insurance	130,830	130,830	110,431	130,209
Total contractual services	1,654,179	1,654,179	1,522,294	1,631,251

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
PUBLIC SAFETY (Continued)				
Police department (Continued)				
Commodities				
Auto petroleum products	\$ 100,000	\$ 100,000	\$ 96,268	\$ 96,461
Books and subscriptions	600	600	379	594
Vehicle maintenance	75,000	75,000	32,743	32,086
Computer supplies	13,500	13,500	14,427	23,666
Small tools and equipment	14,000	14,000	17,638	15,422
Range supplies	24,480	24,480	25,952	9,711
Miscellaneous operating supplies	35,250	35,250	44,375	48,003
Office supplies	8,500	8,500	9,914	8,266
Awards/decorations	1,800	1,800	1,404	1,338
Police DUI fund	-	-	1,925	8,329
Investigative funds	2,000	2,000	1,685	3,223
Total commodities	275,130	275,130	246,710	247,099
Capital outlay				
Transfer to CERF	455,240	455,240	455,240	359,531
Less transfer to CERF	(455,240)	(455,240)	(455,240)	(359,531)
Net capital outlay	-	-	-	-
Dispatch				
Personnel services				
Longevity	1,080	1,080	1,340	804
Overtime	135,000	135,000	212,646	131,397
Salaries	399,856	399,856	488,882	280,112
Uniform allowance	7,600	7,600	6,537	3,534
Local training and meetings	4,000	4,000	2,492	4,866
Employer contribution - IMRF	92,600	92,600	93,911	56,216
Sick leave buy back	680	680	794	2,997
Total personnel services	640,816	640,816	806,602	479,926
Contractual services				
Multiple day training	6,800	6,800	3,490	4,312
Service and maintenance agreements	41,565	41,565	12,889	86,192
Employee health insurance	57,960	57,960	70,548	40,680
Office and special equipment maintenance	36,000	36,000	34,932	19,914
Radio equipment maintenance	78,566	78,566	70,668	63,678
Membership dues	1,515	1,515	1,588	1,448
Regular and special agency assessments	6,200	6,200	4,226	6,118
Retiree health insurance	5,690	5,690	5,483	5,516
Total contractual services	234,296	234,296	203,824	227,858
Commodities				
Books and subscriptions	1,520	1,520	1,520	-
Miscellaneous equipment and supplies	6,500	6,500	7,386	6,461
Small tools and equipment	1,500	1,500	1,515	836
Miscellaneous operating supplies	4,500	4,500	4,512	191
Office supplies	500	500	263	427
Awards and donations	500	500	353	478
Miscellaneous software	5,610	5,610	4,410	2,100
Total commodities	20,630	20,630	19,959	10,493

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
PUBLIC SAFETY (Continued)				
Police department (Continued)				
Dispatch (Continued)				
Capital outlay				
Capital equipment/supplies	\$ -	\$ -	\$ -	\$ 88,944
Transfer to CERF	52,990	52,990	52,990	137,833
Less transfer to CERF	(52,990)	(52,990)	(52,990)	(137,833)
Net capital outlay	-	-	-	88,944
Total dispatch	895,742	895,742	1,030,385	807,221
Total police department	12,835,965	13,216,014	13,086,501	12,287,696
Fire department				
Personnel services				
Longevity	23,800	23,800	23,800	22,800
Overtime	618,452	618,452	850,117	665,922
Salaries	5,569,620	5,569,620	5,575,403	5,434,723
Training	42,585	42,585	41,296	31,912
Uniform allowance	35,700	35,700	20,595	32,707
Retiree contribution	-	-	-	-
Employer contribution - IMRF	136,925	136,925	137,826	132,970
Employer contribution - Firefighters' Pension	2,682,043	3,144,645	3,225,076	2,579,391
Tuition reimbursement	2,000	2,000	-	-
Sick leave buy back	7,635	7,635	7,917	7,330
Total personnel services	9,118,760	9,581,362	9,882,030	8,907,755
Contractual services				
Conferences and meetings	12,100	12,100	5,732	7,069
Fire extinguisher maintenance	3,090	3,090	2,059	810
Energy	5,000	5,000	4,489	4,674
Employee group insurance	1,067,820	1,067,820	1,042,774	1,038,986
General liability insurance	327,600	327,600	327,600	413,140
Maintenance - office equipment	112,728	112,728	88,157	82,241
Maintenance - radio equipment	12,500	12,500	7,801	9,191
Membership dues	2,365	2,365	2,406	1,195
Printing and binding	2,750	2,750	1,489	2,569
Regional and special agency assessments	26,800	26,800	16,630	16,157
Medical examinations	20,850	20,850	17,057	17,928
Finger printing fees	210	210	254	-
Miscellaneous contractual services	-	-	487	307
Retiree health insurance	439,795	439,795	421,490	435,364
Total contractual services	2,033,608	2,033,608	1,938,425	2,029,631
Commodities				
Auto petroleum products	46,000	46,000	39,459	42,430
Books and subscriptions	6,844	6,844	5,049	3,584
Firefighting supplies	134,448	134,448	119,200	106,885
Vehicle maintenance	50,000	50,000	48,769	49,029
Maintenance - building and grounds	87,810	87,810	89,213	29,611
Medical supplies	26,439	26,439	19,714	19,278
Computer supplies	19,710	19,710	22,693	22,436

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
PUBLIC SAFETY (Continued)				
Fire department (Continued)				
Commodities (Continued)				
Miscellaneous operating supplies	\$ 8,415	\$ 8,415	\$ 6,738	\$ 5,702
Small tools and equipment	-	-	900	-
Office supplies	5,000	5,000	5,013	5,517
Protective clothing	41,282	41,282	41,182	37,123
Total commodities	425,948	425,948	397,930	321,595
Capital outlay				
Transfer to CERF	592,170	592,170	592,170	576,968
Less transfer to CERF	(592,170)	(592,170)	(592,170)	(576,968)
Net capital outlay	-	-	-	-
Total fire department	11,578,316	12,040,918	12,218,385	11,258,981
Total public safety	24,414,281	25,256,932	25,304,886	23,546,677
TOTAL EXPENDITURES	\$ 34,981,077	\$ 35,981,077	\$ 35,824,191	\$ 33,493,342

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
REVENUES				
Intergovernmental	\$ -	\$ 177,275	\$ 177,275	\$ 187,275
Investment income	60,000	60,000	345,133	57,973
Miscellaneous	-	-	-	6,206
Total revenues	60,000	237,275	522,408	251,454
EXPENDITURES				
Capital outlay				
Mobile equipment	1,155,000	1,155,000	462,100	585,740
Miscellaneous equipment and supplies	1,203,088	1,203,088	647,760	162,333
Capital software	-	-	900	6,881
Small tools and equipment	298,626	298,626	233,826	143,637
Total expenditures	2,656,714	2,656,714	1,344,586	898,591
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,596,714)	(2,419,439)	(822,178)	(647,137)
OTHER FINANCING SOURCES (USES)				
Transfers in				
General Fund	1,890,475	1,890,475	1,890,475	1,946,810
Waterworks and Sewerage Fund	240,100	240,100	-	-
Liability Insurance Fund	-	-	-	30,121
Transfers (out)				
Waterworks and Sewerage Fund	-	-	(64,454)	(11,043)
Total other financing sources (uses)	2,130,575	2,130,575	1,826,021	1,965,888
NET CHANGE IN FUND BALANCE	\$ (466,139)	\$ (288,864)	1,003,843	1,318,751
FUND BALANCE, JANUARY 1			5,806,784	4,488,033
FUND BALANCE, DECEMBER 31			\$ 6,810,627	\$ 5,806,784

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
REVENUES				
Taxes				
Utility taxes	\$ 2,975,000	\$ 2,975,000	\$ 2,961,736	\$ 3,137,557
Intergovernmental	-	-	34,309	109,403
Investment income	134,015	134,015	203,872	35,587
Miscellaneous	-	-	53,400	-
Total revenues	<u>3,109,015</u>	<u>3,109,015</u>	<u>3,253,317</u>	<u>3,282,547</u>
EXPENDITURES				
Current				
Highways and streets				
Personnel services	195,195	195,195	200,152	195,069
Contractual services	496,945	496,945	414,286	477,607
Capital improvements				
Streetscape improvements	962,375	962,375	333,476	463,208
Pavement improvements	1,629,500	1,629,500	1,277,466	727,547
Building improvements	3,325,000	3,325,000	226,436	182,023
Debt service				
Principal	366,900	366,900	366,900	340,000
Interest	46,308	46,308	46,308	57,367
Fiscal agent fees	400	400	157	157
Total expenditures	<u>7,022,623</u>	<u>7,022,623</u>	<u>2,865,181</u>	<u>2,442,978</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(3,913,608)</u>	<u>(3,913,608)</u>	<u>388,136</u>	<u>839,569</u>
OTHER FINANCING SOURCES (USES)				
Transfers in				
General Fund	-	-	1,600,000	1,750,000
Transfers (out)				
Debt Service Fund	(330,542)	(330,542)	(330,542)	(327,383)
Proceeds on sale of capital assets	-	-	65,500	267,496
Total other financing sources (uses)	<u>(330,542)</u>	<u>(330,542)</u>	<u>1,334,958</u>	<u>1,690,113</u>
NET CHANGE IN FUND BALANCE	<u>\$ (4,244,150)</u>	<u>\$ (4,244,150)</u>	<u>1,723,094</u>	<u>2,529,682</u>
FUND BALANCE, JANUARY 1			<u>5,952,544</u>	<u>3,422,862</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 7,675,638</u></u>	<u><u>\$ 5,952,544</u></u>

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Motor Fuel Tax Fund

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

Foreign Fire Insurance Tax Fund

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

Emergency Telephone System Fund

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

Grant Fund

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

CAPITAL PROJECTS FUNDS

Crossroads Redevelopment Area Fund

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

South Milwaukee Redevelopment Area Fund

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

NONMAJOR GOVERNMENTAL FUNDS (Continued)

CAPITAL PROJECTS FUNDS (Continued)

Town Center TIF #2 Fund

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

North Milwaukee/Lake Cook Redevelopment Area Fund

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

Southeast TIF #2 Fund

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

Stormwater Fund

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

DEBT SERVICE FUND

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

VILLAGE OF WHEELING, ILLINOIS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
December 31, 2019

	Special Revenue			
	Motor Fuel Tax	Foreign Fire Insurance Tax	Emergency Telephone System	Grant
ASSETS				
Cash and investments	\$ 1,413,035	\$ 143,311	\$ -	\$ -
Receivables				
Property taxes	-	-	-	-
Accounts	-	900	694,992	-
Accrued interest	-	-	-	-
Prepaid items	-	775	300	-
Inventory	67,734	-	-	-
Due from other funds	-	-	-	-
Due from other governments	165,263	-	-	276,798
TOTAL ASSETS	\$ 1,646,032	\$ 144,986	\$ 695,292	\$ 276,798
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 13,727	\$ -	\$ 4,893	\$ 2,854
Accrued payroll	-	-	-	9,967
Deposits payable	-	-	-	-
Unearned revenue	3,861	-	-	-
Due to other funds	-	-	690,399	263,977
Total liabilities	17,588	-	695,292	276,798
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Total liabilities and deferred inflows of resources	17,588	-	695,292	276,798
FUND BALANCES				
Nonspendable				
Prepaid items	-	775	300	-
Inventory	67,734	-	-	-
Restricted				
Stormwater improvements	-	-	-	-
Highways and streets	1,560,710	-	-	-
Public safety	-	144,211	-	-
Economic development	-	-	-	-
Debt service	-	-	-	-
Unrestricted (deficit)	-	-	(300)	-
Total fund balances	1,628,444	144,986	-	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 1,646,032	\$ 144,986	\$ 695,292	\$ 276,798

Capital Projects								
Crossroads Redevelopment Area	Town Center TIF #2	North Milwaukee/ Lake Cook Redevelopment Area	South Milwaukee Redevelopment Area	Southeast TIF #2	Stormwater	Debt Service	Total	
\$ 441,950	\$ 1,600,882	\$ 3,354,056	\$ 35,249	\$ -	\$ 2,092,936	\$ 169,235	\$ 9,250,654	
-	8,779	-	-	-	-	2,147,488	2,156,267	
10	10	10	10	10	202,178	83	898,203	
-	1,346	3,375	-	-	914	-	5,635	
-	-	-	-	-	-	-	1,075	
-	-	-	-	-	-	-	67,734	
-	-	376,148	-	-	-	-	376,148	
-	-	-	-	-	-	-	442,061	
\$ 441,960	\$ 1,611,017	\$ 3,733,589	\$ 35,259	\$ 10	\$ 2,296,028	\$ 2,316,806	\$ 13,197,777	
\$ 1,821	\$ 154,247	\$ 357,994	\$ 724	\$ 144,208	\$ 8,083	\$ -	\$ 688,551	
-	202	202	202	202	-	-	10,775	
-	-	-	-	-	339,200	-	339,200	
-	-	-	-	-	-	-	3,861	
-	-	-	-	376,148	-	-	1,330,524	
1,821	154,449	358,196	926	520,558	347,283	-	2,372,911	
-	-	-	-	-	-	2,145,103	2,145,103	
-	-	-	-	-	-	2,145,103	2,145,103	
1,821	154,449	358,196	926	520,558	347,283	2,145,103	4,518,014	
-	-	-	-	-	-	-	1,075	
-	-	-	-	-	-	-	67,734	
-	-	-	-	-	1,948,745	-	1,948,745	
-	-	-	-	-	-	-	1,560,710	
-	-	-	-	-	-	-	144,211	
440,139	1,456,568	3,375,393	34,333	-	-	-	5,306,433	
-	-	-	-	-	-	171,703	171,703	
-	-	-	-	(520,548)	-	-	(520,848)	
440,139	1,456,568	3,375,393	34,333	(520,548)	1,948,745	171,703	8,679,763	
\$ 441,960	\$ 1,611,017	\$ 3,733,589	\$ 35,259	\$ 10	\$ 2,296,028	\$ 2,316,806	\$ 13,197,777	

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, 2019

	Special Revenue			
	Motor Fuel Tax	Foreign Fire Insurance Tax	Emergency Telephone System	Grant
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,254,441	-	-	614,015
Charges for services	-	-	2,013,599	-
Investment income	33,742	-	3,196	-
Miscellaneous	-	72,329	-	-
Total revenues	<u>1,288,183</u>	<u>72,329</u>	<u>2,016,795</u>	<u>614,015</u>
EXPENDITURES				
Current				
Public safety	-	63,925	2,016,795	699,256
Highways and streets	1,198,990	-	-	-
Capital outlay	-	-	-	-
Capital improvements	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>1,198,990</u>	<u>63,925</u>	<u>2,016,795</u>	<u>699,256</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>89,193</u>	<u>8,404</u>	<u>-</u>	<u>(85,241)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	85,241
Transfers (out)	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>85,241</u>
NET CHANGE IN FUND BALANCES	89,193	8,404	-	-
FUND BALANCES, JANUARY 1	<u>1,539,251</u>	<u>136,582</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT), DECEMBER 31	<u>\$ 1,628,444</u>	<u>\$ 144,986</u>	<u>\$ -</u>	<u>\$ -</u>

Capital Projects								
Crossroads Redevelopment Area	Town Center TIF #2	North Milwaukee/ Lake Cook Redevelopment Area	South Milwaukee Redevelopment Area	Southeast TIF #2	Stormwater	Debt Service	Total	
\$ 2,695,124	\$ 1,817,022	\$ 5,196,689	\$ 1,587,614	\$ 933,917	\$ -	\$ 1,999,041	\$ 14,229,407	
-	-	-	-	-	-	-	1,868,456	
-	-	-	-	-	872,178	-	2,885,777	
37,339	90,045	182,701	19,601	35,824	75,468	32,736	510,652	
-	-	236,000	-	-	-	-	308,329	
2,732,463	1,907,067	5,615,390	1,607,215	969,741	947,646	2,031,777	19,802,621	
-	-	-	-	-	-	-	2,779,976	
-	-	-	-	-	-	-	1,198,990	
2,401,575	513,505	1,084,926	1,711,187	252,731	295,788	-	6,259,712	
-	1,970,922	2,029,685	-	2,802,336	-	-	6,802,943	
-	943,695	2,263,100	-	-	-	1,815,000	5,021,795	
-	-	477,799	-	-	-	1,336,508	1,814,307	
2,401,575	3,428,122	5,855,510	1,711,187	3,055,067	295,788	3,151,508	23,877,723	
330,888	(1,521,055)	(240,120)	(103,972)	(2,085,326)	651,858	(1,119,731)	(4,075,102)	
2,000,000	2,000,000	411,950	-	-	-	1,099,982	5,597,173	
(2,000,000)	-	(2,000,000)	-	-	(205,158)	-	(4,205,158)	
394,435	-	-	-	-	-	-	394,435	
394,435	2,000,000	(1,588,050)	-	-	(205,158)	1,099,982	1,786,450	
725,323	478,945	(1,828,170)	(103,972)	(2,085,326)	446,700	(19,749)	(2,288,652)	
(285,184)	977,623	5,203,563	138,305	1,564,778	1,502,045	191,452	10,968,415	
\$ 440,139	\$ 1,456,568	\$ 3,375,393	\$ 34,333	\$ (520,548)	\$ 1,948,745	\$ 171,703	\$ 8,679,763	

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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
REVENUES				
Intergovernmental				
Allotments	\$ 991,558	\$ 991,558	\$ 1,254,435	\$ 994,755
Grants	-	-	6	1,951
Investment income	29,673	29,673	33,742	28,740
Total revenues	<u>1,021,231</u>	<u>1,021,231</u>	<u>1,288,183</u>	<u>1,025,446</u>
EXPENDITURES				
Highways and streets				
Contractual services	102,750	102,750	79,621	87,700
Commodities	51,000	51,000	119,369	90,918
Maintenance and capital improvements	1,000,000	1,000,000	1,000,000	745,232
Total expenditures	<u>1,153,750</u>	<u>1,153,750</u>	<u>1,198,990</u>	<u>923,850</u>
NET CHANGE IN FUND BALANCE	<u>\$ (132,519)</u>	<u>\$ (132,519)</u>	89,193	101,596
FUND BALANCE, JANUARY 1			<u>1,539,251</u>	<u>1,437,655</u>
FUND BALANCE, DECEMBER 31			<u>\$ 1,628,444</u>	<u>\$ 1,539,251</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, 2019

(With Comparative Actual)

	2019			
	Original Budget	Final Budget	Actual	2018
REVENUES				
Investment income	\$ 2,499	\$ 2,499	\$ -	\$ -
Miscellaneous				
Foreign fire insurance	51,000	51,000	72,329	51,066
Total revenues	53,499	53,499	72,329	51,066
EXPENDITURES				
Public safety				
Contractual services	4,300	4,300	16,568	6,914
Commodities	65,000	65,000	47,357	34,037
Total expenditures	69,300	69,300	63,925	40,951
NET CHANGE IN FUND BALANCE	<u>\$ (15,801)</u>	<u>\$ (15,801)</u>	8,404	10,115
FUND BALANCE, JANUARY 1			136,582	126,467
FUND BALANCE, DECEMBER 31			<u>\$ 144,986</u>	<u>\$ 136,582</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

EMERGENCY TELEPHONE SYSTEM FUND

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

For the Year Ended December 31, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
REVENUES				
Charges for services	\$ 2,145,000	\$ 2,145,000	\$ 2,013,599	\$ 2,087,428
Investment income	24,131	24,131	3,196	6,646
Total revenues	2,169,131	2,169,131	2,016,795	2,094,074
EXPENDITURES				
Public safety	2,169,131	2,169,131	2,016,795	2,094,074
Total expenditures	2,169,131	2,169,131	2,016,795	2,094,074
NET CHANGE IN FUND BALANCE	\$ -	\$ -	-	-
FUND BALANCE, JANUARY 1			-	-
FUND BALANCE, DECEMBER 31			\$ -	\$ -

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
PUBLIC SAFETY				
Personnel services				
Salaries	\$ 1,213,919	\$ 1,213,919	\$ 1,153,088	\$ 1,286,780
Longevity	3,420	3,420	3,160	3,696
Employer contributions	218,155	218,155	221,543	258,242
Sick leave annual buy back	2,150	2,150	2,277	-
Uniform allowance	-	-	-	1,101
Total personnel services	<u>1,437,644</u>	<u>1,437,644</u>	<u>1,380,068</u>	<u>1,549,819</u>
Contractual services				
Employee health insurance	183,535	183,535	166,429	186,874
Data processing services	149,769	149,769	99,513	-
Maintenance - equipment	-	-	-	196
Tele-communication services	23,950	23,950	18,261	-
Regional and special agency assessments	374,233	374,233	352,524	357,185
Total contractual services	<u>731,487</u>	<u>731,487</u>	<u>636,727</u>	<u>544,255</u>
TOTAL EXPENDITURES	<u>\$ 2,169,131</u>	<u>\$ 2,169,131</u>	<u>\$ 2,016,795</u>	<u>\$ 2,094,074</u>

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
REVENUES				
Intergovernmental	\$ 280,910	\$ 280,910	\$ 614,015	\$ 2,305,001
Total revenues	280,910.00	280,910	614,015	2,305,001
EXPENDITURES				
General Government				
Contractual services				
Consulting services	-	-	-	135,250
Legal services	-	-	-	676
Relocation/temporary housing	-	-	-	1,364,909
Miscellaneous contractual services	-	-	-	362,960
Public safety				
Personnel services				
Longevity	600	600	600	-
Overtime	88,630	88,630	87,375	68,637
Salaries	135,885	135,885	171,156	145,928
Employer contributions	25,420	25,420	26,816	27,383
Sick leave annual buy back	350	350	-	-
Contractual services				
Miscellaneous contractual services	40,793	40,793	32,934	39,161
Employee health insurance	33,940	33,940	32,953	24,206
Commodities				
Building/grounds maintenance	-	-	-	190,246
Miscellaneous operating supplies	-	-	-	4,883
Miscellaneous equipment and supplies	-	-	224,526	-
Small tools and equipment	-	-	122,896	-
Capital outlay				
Land acquisition	-	-	-	5,521
Total expenditures	325,618	325,618	699,256	2,369,760
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(44,708)	(44,708)	(85,241)	(64,759)
OTHER FINANCING SOURCES (USES)				
Transfers in				
General Fund	44,708	44,708	85,241	64,759
Total other financing sources (uses)	44,708	44,708	85,241	64,759
NET CHANGE IN FUND BALANCE	\$ -	\$ -	-	-
FUND BALANCE, JANUARY 1			-	-
FUND BALANCE, DECEMBER 31			\$ -	\$ -

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

CROSSROADS REDEVELOPMENT AREA FUND

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

For the Year Ended December 31, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 2,847,718	\$ 2,847,718	\$ 2,695,124	\$ 2,898,098
Investment income	763	763	37,339	31,784
Total revenues	<u>2,848,481</u>	<u>2,848,481</u>	<u>2,732,463</u>	<u>2,929,882</u>
EXPENDITURES				
Capital outlay				
Salaries	17,040	17,040	16,515	15,570
Employer contributions	3,023	3,023	2,664	2,698
Consulting services	17,930	17,930	38,006	101,760
Business recruitment	12,025	12,025	12,329	12,301
Surplus distributions	2,303,505	2,303,505	2,332,061	2,691,660
Capital improvements				
Streetscape improvements	50,000	50,000	-	46,000
Total expenditures	<u>2,403,523</u>	<u>2,403,523</u>	<u>2,401,575</u>	<u>2,869,989</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>444,958</u>	<u>444,958</u>	<u>330,888</u>	<u>59,893</u>
OTHER FINANCING SOURCES (USES)				
Transfers in				
North Milwaukee/Lake Cook TIF Fund	2,000,000	2,000,000	2,000,000	-
South Milwaukee Redevelopment Area Fund	-	-	-	1,350,000
Transfers (out)				
Town Center TIF #2 Fund	(2,000,000)	(2,000,000)	(2,000,000)	(1,800,000)
Proceeds from sale of capital assets	-	-	394,435	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>394,435</u>	<u>(450,000)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 444,958</u>	<u>\$ 444,958</u>	<u>725,323</u>	<u>(390,107)</u>
FUND BALANCE (DEFICIT), JANUARY 1			<u>(285,184)</u>	<u>104,923</u>
FUND BALANCE (DEFICIT), DECEMBER 31			<u><u>\$ 440,139</u></u>	<u><u>\$ (285,184)</u></u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

TOWN CENTER TIF #2 FUND

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

For the Year Ended December 31, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 1,310,483	\$ 1,310,483	\$ 1,817,022	\$ 1,293,302
Intergovernmental	-	-	-	1,614
Investment income	34,580	34,580	90,045	26,406
Miscellaneous	-	-	-	-
Total revenues	<u>1,345,063</u>	<u>1,345,063</u>	<u>1,907,067</u>	<u>1,321,322</u>
EXPENDITURES				
Capital outlay				
Salaries	17,040	17,040	16,684	15,570
Employer contributions	3,023	3,023	2,698	2,698
Employee health insurance	4,660	4,660	4,482	4,534
Recording fees	-	-	222	750
Multiple day training	2,050	2,050	1,040	1,087
Consulting services	151,875	151,875	135,433	114,684
Membership dues	-	-	-	85
Business recruitment	12,025	12,025	12,329	12,301
Legal services	25,000	25,000	28,250	80,520
Miscellaneous contractual services	100,000	100,000	312,367	6,287
Capital improvements				
TIF incentive payment	-	-	835,175	129,651
Storm sewer improvements	2,082,500	2,082,500	75,000	1,024,441
Sanitary sewer improvements	1,463,125	1,463,125	836,689	23,247
Sidewalk improvements	-	-	-	74,427
Streetscape improvements	50,000	50,000	6,435	176,279
Waterway improvements	200,000	200,000	217,623	-
Debt service				
Principal	1,582,372	1,582,372	943,695	747,372
Total expenditures	<u>5,693,670</u>	<u>5,693,670</u>	<u>3,428,122</u>	<u>2,413,933</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(4,348,607)</u>	<u>(4,348,607)</u>	<u>(1,521,055)</u>	<u>(1,092,611)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in				
Crossroads Redevelopment Area Fund	2,000,000	2,000,000	2,000,000	1,800,000
Proceeds from sale of capital assets	-	-	-	5
Total other financing sources (uses)	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>1,800,005</u>
NET CHANGE IN FUND BALANCE	<u>\$ (2,348,607)</u>	<u>\$ (2,348,607)</u>	<u>478,945</u>	<u>707,394</u>
FUND BALANCE, JANUARY 1			<u>977,623</u>	<u>270,229</u>
FUND BALANCE, DECEMBER 31			<u>\$ 1,456,568</u>	<u>\$ 977,623</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

NORTH MILWAUKEE/LAKE COOK REDEVELOPMENT AREA FUND

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

For the Year Ended December 31, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 5,174,636	\$ 5,174,636	\$ 5,196,689	\$ 5,165,513
Investment income	108,641	108,641	182,701	96,838
Miscellaneous	-	-	236,000	-
Total revenues	<u>5,283,277</u>	<u>5,283,277</u>	<u>5,615,390</u>	<u>5,262,351</u>
EXPENDITURES				
Capital outlay				
Salaries	17,040	17,040	16,684	15,570
Employer contributions	3,023	3,023	2,698	2,698
Consulting services	1,087,710	1,087,710	1,053,215	74,092
Business recruitment	12,025	12,025	12,329	12,301
Capital improvements				
Streetscape improvements	1,450,000	1,450,000	2,029,719	60,000
Sanitary sewer improvements	-	-	(34)	85,819
Pavement improvements	42,000	42,000	-	-
Debt service				
Principal	2,263,100	2,263,100	2,263,100	2,158,736
Interest	476,692	476,692	476,692	573,033
Fiscal agent fees	800	800	1,107	1,107
Total expenditures	<u>5,352,390</u>	<u>5,352,390</u>	<u>5,855,510</u>	<u>2,983,356</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(69,113)</u>	<u>(69,113)</u>	<u>(240,120)</u>	<u>2,278,995</u>
OTHER FINANCING SOURCES (USES)				
Transfers in				
General Fund	411,950	411,950	411,950	417,000
Transfers (out)				
Crossroads TIF	(2,000,000)	(2,000,000)	(2,000,000)	-
Total other financing sources (uses)	<u>(1,588,050)</u>	<u>(1,588,050)</u>	<u>(1,588,050)</u>	<u>417,000</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,657,163)</u>	<u>\$ (1,657,163)</u>	<u>(1,828,170)</u>	<u>2,695,995</u>
FUND BALANCE, JANUARY 1			<u>5,203,563</u>	<u>2,507,568</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 3,375,393</u></u>	<u><u>\$ 5,203,563</u></u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SOUTH MILWAUKEE REDEVELOPMENT AREA FUND

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

For the Year Ended December 31, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 1,584,497	\$ 1,584,497	\$ 1,587,614	\$ 1,539,045
Investment income	4,122	4,122	19,601	24,234
Total revenues	<u>1,588,619</u>	<u>1,588,619</u>	<u>1,607,215</u>	<u>1,563,279</u>
EXPENDITURES				
Capital outlay				
Salaries	17,040	17,040	16,684	15,570
Employer contributions	3,023	3,023	2,698	2,698
Conferences and meetings	2,050	2,050	1,040	1,087
Consulting services	-	-	363	12,300
Business recruitment	12,025	12,025	12,329	12,301
Employee health insurance	4,660	4,660	4,482	4,534
Membership dues	-	-	-	85
Contractual services	1,613,024	1,613,024	1,636,027	1,213,024
Legal services	5,000	5,000	266	129
Land acquisition	-	-	37,298	-
Total expenditures	<u>1,656,822</u>	<u>1,656,822</u>	<u>1,711,187</u>	<u>1,261,728</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(68,203)</u>	<u>(68,203)</u>	<u>(103,972)</u>	<u>301,551</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)				
Crossroads Redevelopment Area Fund	-	-	-	(1,350,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,350,000)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (68,203)</u>	<u>\$ (68,203)</u>	(103,972)	(1,048,449)
FUND BALANCE, JANUARY 1			<u>138,305</u>	<u>1,186,754</u>
FUND BALANCE, DECEMBER 31			<u>\$ 34,333</u>	<u>\$ 138,305</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SOUTHEAST TIF #2 FUND

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

For the Year Ended December 31, 2019

	2019			2018
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes				
Property taxes	\$ 867,071	\$ 867,071	\$ 933,917	\$ 852,426
Investment income	5,748	5,748	35,824	20,756
Total revenues	872,819	872,819	969,741	873,182
EXPENDITURES				
Capital outlay				
Salaries	17,040	17,040	16,684	15,570
Employer contributions	3,023	3,023	2,698	2,698
Employee health insurance	4,660	4,660	4,482	4,534
Membership dues	-	-	-	85
Multiple day training	2,050	2,050	1,040	1,087
Business recruitment	12,025	12,025	12,329	12,301
Legal services	25,000	25,000	4,364	4,786
Consulting services	200,000	200,000	211,134	35,107
Capital improvements				
Sanitary sewer improvements	750,000	750,000	837,245	-
Water improvements	650,000	650,000	464,150	16,850
Streetscape improvements	1,050,000	1,050,000	1,500,941	-
Total expenditures	2,713,798	2,713,798	3,055,067	93,018
NET CHANGE IN FUND BALANCE	\$ (1,840,979)	\$ (1,840,979)	(2,085,326)	780,164
FUND BALANCE, JANUARY 1			1,564,778	784,614
FUND BALANCE (DEFICIT), DECEMBER 31			<u>\$ (520,548)</u>	<u>\$ 1,564,778</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

STORMWATER FUND

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

For the Year Ended December 31, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
REVENUES				
Charges for services				
Stormwater	\$ 829,942	\$ 829,942	\$ 872,178	\$ 780,531
Investment income	4,696	4,696	75,468	23,053
Miscellaneous	1,995,500	1,995,500	-	-
Total revenues	2,830,138	2,830,138	947,646	803,584
EXPENDITURES				
Capital outlay				
Land acquisition	415,000	415,000	-	-
Storm sewer improvements	1,350,000	1,350,000	200,349	1,089,616
Consulting services	90,000	90,000	81,385	70,745
Engineering and design services	200,000	200,000	14,054	60,567
Total expenditures	2,055,000	2,055,000	295,788	1,220,928
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	775,138	775,138	651,858	(417,344)
OTHER FINANCING SOURCES (USES)				
Transfers (out)				
Waterworks and Sewerage Fund	(205,158)	(205,158)	(205,158)	(187,500)
Proceeds from sale of capital assets	-	-	-	1,028,450
Total other financing sources (uses)	(205,158)	(205,158)	(205,158)	840,950
NET CHANGE IN FUND BALANCE	\$ 569,980	\$ 569,980	446,700	423,606
FUND BALANCE, JANUARY 1			1,502,045	1,078,439
FUND BALANCE, DECEMBER 31			\$ 1,948,745	\$ 1,502,045

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property taxes	\$ 1,990,068	\$ 1,990,068	\$ 1,999,041	\$ 1,987,111
Investment income	12,000	12,000	32,736	23,697
Total revenues	<u>2,002,068</u>	<u>2,002,068</u>	<u>2,031,777</u>	<u>2,010,808</u>
EXPENDITURES				
Debt service				
Principal retirement	1,815,000	1,815,000	1,815,000	1,600,000
Interest	1,336,508	1,336,508	1,336,508	1,405,788
Fiscal agent fees	400	400	-	-
Total expenditures	<u>3,151,908</u>	<u>3,151,908</u>	<u>3,151,508</u>	<u>3,005,788</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,149,840)</u>	<u>(1,149,840)</u>	<u>(1,119,731)</u>	<u>(994,980)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in				
Capital Projects Fund	330,542	330,542	330,542	327,383
Water and Sewerage Fund	769,440	769,440	769,440	722,082
Total other financing sources (uses)	<u>1,099,982</u>	<u>1,099,982</u>	<u>1,099,982</u>	<u>1,049,465</u>
NET CHANGE IN FUND BALANCE	<u>\$ (49,858)</u>	<u>\$ (49,858)</u>	(19,749)	54,485
FUND BALANCE, JANUARY 1			<u>191,452</u>	<u>136,967</u>
FUND BALANCE, DECEMBER 31			<u>\$ 171,703</u>	<u>\$ 191,452</u>

(See independent auditor's report.)

PROPRIETARY FUNDS

ENTERPRISE FUNDS

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

Waterworks and Sewerage Fund

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

INTERNAL SERVICE FUND

Liability Insurance Fund

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

VILLAGE OF WHEELING, ILLINOIS
WATERWORKS AND SEWERAGE FUND
STATEMENT OF NET POSITION

December 31, 2019

	2019	2018
CURRENT ASSETS		
Cash and investments	\$ 5,152,704	\$ 5,564,142
Receivables (net, where applicable, of allowance for uncollectibles)		
Accounts	1,760,073	1,846,580
Accrued interest	10,125	9,563
IPBC	137,791	108,801
Other	21,244	1,764
Due from other governments	83,368	-
Prepaid expenses	125,158	126,352
Inventory	267,572	273,548
	<hr/>	<hr/>
Total current assets	7,558,035	7,930,750
NONCURRENT ASSETS		
Capital assets		
Assets not being depreciated	567,510	648,522
Assets being depreciated		
Cost	71,322,936	68,205,903
Accumulated depreciation	(27,539,755)	(26,306,685)
	<hr/>	<hr/>
Net capital assets being depreciated	43,783,181	41,899,218
	<hr/>	<hr/>
Net capital assets	44,350,691	42,547,740
Advances to other funds	1,657,722	1,455,902
Investment in joint ventures	8,158,916	7,774,119
	<hr/>	<hr/>
Total noncurrent assets	54,167,329	51,777,761
	<hr/>	<hr/>
Total assets	61,725,364	59,708,511
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized loss on refunding	6,290	7,863
Deferred outflows of resources - ARO	226,462	-
Deferred outflows of resources - OPEB	380,672	26,137
Pension items - IMRF	339,367	924,528
	<hr/>	<hr/>
Total deferred outflows of resources	952,791	958,528
	<hr/>	<hr/>
Total assets and deferred outflows of resources	62,678,155	60,667,039

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

STATEMENT OF NET POSITION (Continued)

December 31, 2019

	<u>2019</u>	<u>2018</u>
CURRENT LIABILITIES		
Accounts payable	\$ 95,847	\$ 108,026
Accrued payroll	16,186	6,649
Compensated absences payable	93,783	60,696
Deposits payable	55,926	57,641
Unearned revenue	23,955	21,542
Interest payable	6,900	7,275
Other postemployment benefit liability	173,512	160,659
Bonds payable	155,000	150,000
	<hr/>	<hr/>
Total current liabilities	621,109	572,488
NONCURRENT LIABILITIES		
General obligation bonds payable (less current portion)	2,458,172	2,619,745
Compensated absences payable (less current portion)	114,623	74,184
Asset retirement obligation (ARO)	230,000	-
IEPA loan payable	83,368	-
Net pension liability - IMRF	716,972	1,553,185
Other postemployment benefit liability	2,787,013	2,433,064
	<hr/>	<hr/>
Total noncurrent liabilities	6,390,148	6,680,178
	<hr/>	<hr/>
Total liabilities	7,011,257	7,252,666
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources - OPEB	147,652	160,847
Pension items - IMRF	523,296	234,187
	<hr/>	<hr/>
Total deferred inflows of resources	670,948	395,034
	<hr/>	<hr/>
Total liabilities and deferred inflows of resources	7,682,205	7,647,700
NET POSITION		
Net investment in capital assets	41,660,441	39,785,858
Unrestricted	13,335,509	13,233,481
	<hr/>	<hr/>
TOTAL NET POSITION	<u>\$ 54,995,950</u>	<u>\$ 53,019,339</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, 2019

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services			
Water sales	\$ 7,180,500	\$ 7,180,500	\$ 6,834,675
Sewer charges	1,771,000	1,771,000	1,599,868
Water connection fees	34,500	34,500	61,989
Sewer connection fees	37,500	37,500	102,807
Water meter sales	12,500	12,500	8,833
Other	181,905	181,905	277,781
Total operating revenues	<u>9,217,905</u>	<u>9,217,905</u>	<u>8,885,953</u>
OPERATING EXPENSES EXCLUDING DEPRECIATION			
Waterworks division	4,598,053	4,598,053	4,641,424
Sewerage division	1,832,667	1,832,667	1,803,751
Waterworks and sewerage capital division	2,978,171	2,978,171	2,261,903
Total operating expenses excluding depreciation	<u>9,408,891</u>	<u>9,408,891</u>	<u>8,707,078</u>
OPERATING INCOME (LOSS)	<u>(190,986)</u>	<u>(190,986)</u>	<u>178,875</u>
NON-OPERATING REVENUES (EXPENSES)			
Investment income	154,249	154,249	294,599
Interest expense	(87,700)	(87,700)	(86,100)
Gain on disposal of capital assets	-	-	24,784
Increase in joint venture - Northwest Water Commission	-	-	384,797
Total non-operating revenues (expenses)	<u>66,549</u>	<u>66,549</u>	<u>618,080</u>
INCOME BEFORE TRANSFERS AND CONTRIBUTIONS	<u>(124,437)</u>	<u>(124,437)</u>	<u>796,955</u>
TRANSFERS			
Transfers in			
Stormwater Fund	205,158	205,158	205,158
Capital Equipment Replacement Fund	-	-	64,454
Transfers (out)			
Debt Service Fund	(769,440)	(769,440)	(769,440)
Capital Equipment Replacement Fund	(240,100)	(240,100)	-
Total transfers	<u>(804,382)</u>	<u>(804,382)</u>	<u>(499,828)</u>
CHANGE IN NET POSITION (BUDGETARY BASIS)	<u>\$ (928,819)</u>	<u>\$ (928,819)</u>	<u>297,127</u>
ADJUSTMENTS TO GAAP BASIS			
Capital contributions			1,284,470
Additions to capital assets			1,717,631
Depreciation			<u>(1,322,617)</u>
Total adjustments to GAAP basis			<u>1,679,484</u>
CHANGE IN NET POSITION (GAAP BASIS)			<u>1,976,611</u>
NET POSITION, JANUARY 1			53,019,339
NET POSITION, DECEMBER 31			<u><u>\$ 54,995,950</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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
WATERWORKS DIVISION				
Personnel services				
Overtime	\$ 45,000	\$ 45,000	\$ 56,893	\$ 39,911
Seasonal help	6,000	6,000	4,080	1,480
Salaries	762,650	762,650	759,428	718,748
Longevity	5,500	5,500	5,503	5,850
Training	1,200	1,200	1,043	1,225
Uniform allowance	4,440	4,440	4,488	6,984
Employer contributions	144,620	144,620	138,059	137,195
Sick leave buy back	695	695	707	690
IMRF	-	-	38,056	63,251
OPEB	-	-	(929)	(39,710)
Total personnel services	970,105	970,105	1,007,328	935,624
Contractual services				
Bank charges	47,880	47,880	39,068	46,219
Conference and meetings	2,400	2,400	2,268	2,419
Data processing services	68,858	68,858	68,753	59,482
Debris dump charges	20,000	20,000	22,705	21,060
Energy	100,000	100,000	98,625	83,198
Employee group insurance	149,180	149,180	139,492	137,139
General liability insurance	67,500	67,500	67,500	85,125
Hydrant maintenance	26,000	26,000	20,565	28,030
Landscape maintenance	-	-	-	12,992
Maintenance - office and special equipment	1,950	1,950	2,659	1,494
Membership dues	3,431	3,431	2,669	3,199
Postage	16,219	16,219	15,119	14,810
Printing and binding	13,287	13,287	11,847	12,143
Rental equipment	400	400	-	-
Telemetry equipment maintenance	9,000	9,000	14,908	7,023
Retiree health insurance	9,030	9,030	8,742	10,391
Wells maintenance	20,000	20,000	30,162	24,207
Miscellaneous contractual services	64,125	64,125	91,473	63,657
Total contractual services	619,260	619,260	636,555	612,588
Commodities				
Auto petroleum products	20,000	20,000	20,129	23,431
Chemicals - treatment	3,000	3,000	(1,035)	3,744
Water samples	10,000	10,000	6,209	6,926
Vehicle maintenance	22,000	22,000	30,541	19,993
Building and grounds maintenance	10,000	10,000	8,505	1,255
Minor tools and equipment	6,000	6,000	9,896	4,041
Miscellaneous operating supplies	7,200	7,200	6,903	1,847
Protective clothing	3,500	3,500	2,137	2,561

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
WATERWORKS DIVISION (Continued)				
Commodities (Continued)				
Meters	\$ 40,000	\$ 40,000	\$ 47,336	\$ 42,890
Water main maintenance	45,000	45,000	61,238	23,788
Water storage facilities maintenance	17,500	17,500	23,950	7,976
Total commodities	184,200	184,200	215,809	138,452
Capital outlay				
Transfer to CERF	133,810	133,810	-	-
Subtotal	133,810	133,810	-	-
Less				
Transfer to CERF	(133,810)	(133,810)	-	-
Net capital outlay	-	-	-	-
Other				
General Fund reimbursement	1,024,488	1,024,488	1,024,488	1,016,560
Northwest Water Commission - water charge	1,800,000	1,800,000	1,757,244	1,757,244
Total other	2,824,488	2,824,488	2,781,732	2,773,804
Total operating expenses excluding depreciation - waterworks division	4,598,053	4,598,053	4,641,424	4,460,468
SEWERAGE DIVISION				
Personnel services				
Overtime	12,000	12,000	7,630	9,960
Seasonal help	6,000	6,000	5,093	1,480
Salaries	762,650	762,650	759,427	718,746
Longevity	5,500	5,500	5,503	5,850
Training	3,500	3,500	2,887	2,510
Uniform allowance	4,440	4,440	4,488	2,494
Employer contributions	138,825	138,825	137,959	138,171
Sick leave buy back	695	695	707	690
Total personnel services	933,610	933,610	923,694	879,901
Contractual services				
Conferences and meetings	1,100	1,100	1,250	1,001
Data processing services	47,638	47,638	44,623	50,329
Debris dump charges	14,000	14,000	15,472	13,325
Energy	24,900	24,900	26,420	22,445
Employee health insurance	149,180	149,180	139,501	137,137

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
SEWERAGE DIVISION (Continued)				
Contractual services (Continued)				
General liability insurance	\$ 36,000	\$ 36,000	\$ 36,000	\$ 45,400
Landscape maintenance	40,795	40,795	33,842	52,661
Bank charges	2,520	2,520	3,081	2,229
Maintenance office/special equipment	3,400	3,400	1,614	2,062
Membership dues	3,100	3,100	2,404	2,975
Postage	3,266	3,266	3,207	3,142
Printing and binding	2,686	2,686	2,308	2,494
Tree maintenance	35,000	35,000	33,875	25,000
Telemetry equipment maintenance	6,300	6,300	7,474	3,804
Consulting services	4,000	4,000	4,780	4,280
Retiree health insurance	14,575	14,575	14,215	14,436
Miscellaneous contractual	64,325	64,325	78,776	51,738
Total contractual services	452,785	452,785	448,842	434,458
Commodities				
Auto petroleum products	15,000	15,000	12,096	12,896
Books and subscriptions	1,200	1,200	1,200	1,200
Chemicals	7,000	7,000	6,128	6,939
Vehicle maintenance	24,000	24,000	16,265	30,148
Building and grounds maintenance	750	750	158	-
Minor tools and equipment	6,000	6,000	4,813	5,488
Miscellaneous operating supplies	700	700	886	105
Protective clothing	3,500	3,500	2,253	3,039
Lift stations	25,000	25,000	25,623	13,061
Sewer line maintenance	107,000	107,000	105,671	74,225
Total commodities	190,150	190,150	175,093	147,101
Capital outlay				
Transfer to CERF	106,290	106,290	-	-
Subtotal	106,290	106,290	-	-
Less				
Transfer to CERF	(106,290)	(106,290)	-	-
Net capital outlay	-	-	-	-
Other				
General Fund reimbursement	256,122	256,122	256,122	254,140
Total operating expenses excluding depreciation - sewerage division	1,832,667	1,832,667	1,803,751	1,715,600

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
WATERWORKS AND SEWERAGE CAPITAL DIVISION				
Personnel services				
Salaries	\$ 45,695	\$ 45,695	\$ 46,474	\$ 45,187
Longevity	370	370	370	370
Overtime	-	-	33	77
Employer contributions	8,171	8,171	8,318	8,953
Total personnel services	54,236	54,236	55,195	54,587
Contractual services				
Employee group insurance	9,935	9,935	9,599	9,698
Miscellaneous contractual services	180,000	180,000	34,590	20,110
Consulting services	174,000	174,000	98,110	74,452
Total contractual services	363,935	363,935	142,299	104,260
Capital outlay				
Water improvements	2,075,000	2,075,000	1,624,312	58,664
Sanitary sewer improvements	485,000	485,000	440,097	335,385
Total capital outlay	2,560,000	2,560,000	2,064,409	394,049
Total operating expenses excluding depreciation - waterworks and sewerage capital division	2,978,171	2,978,171	2,261,903	552,896
TOTAL OPERATING EXPENSES EXCLUDING DEPRECIATION	\$ 9,408,891	\$ 9,408,891	\$ 8,707,078	\$ 6,728,964

(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, 2019
(With Comparative Actual)

	2019		Actual	2018
	Original Budget	Final Budget		
OPERATING REVENUES				
Charges for services	\$ 899,900	\$ 899,900	\$ 899,900	\$ 1,135,002
Total operating revenues	899,900	899,900	899,900	1,135,002
OPERATING EXPENSES				
Contractual services				
Consulting services	56,300	56,300	56,500	55,900
Insurance claims administration	65,000	65,000	50,661	32,725
General liability insurance	416,286	416,286	411,771	410,653
Self-insurance claims	700,000	700,000	415,190	771,809
Total operating expenses	1,237,586	1,237,586	934,122	1,271,087
OPERATING INCOME (LOSS)	(337,686)	(337,686)	(34,222)	(136,085)
NON-OPERATING REVENUES (EXPENSES)				
Investment income	87,814	87,814	198,471	48,963
Total non-operating revenues (expenses)	87,814	87,814	198,471	48,963
INCOME BEFORE TRANSFERS	(249,872)	(249,872)	164,249	(87,122)
TRANSFERS				
Transfers (out)				
Capital Equipment Replacement Fund	-	-	-	(30,121)
Total transfers	-	-	-	(30,121)
CHANGE IN NET POSITION	\$ (249,872)	\$ (249,872)	164,249	(117,243)
NET POSITION, JANUARY 1			3,709,518	3,826,761
NET POSITION, DECEMBER 31			\$ 3,873,767	\$ 3,709,518

(See independent auditor's report.)

FIDUCIARY FUNDS

Fiduciary funds are used to account for assets defined as fiduciary activities.

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, 2019

	<u>Police</u> <u>Pension</u>	<u>Firefighters'</u> <u>Pension</u>	<u>Total</u>
ASSETS			
Cash and short-term investments	\$ 686,005	\$ 367,014	\$ 1,053,019
Investments at fair value			
U.S. Treasury and U.S. agency obligations	14,535,682	12,331,098	26,866,780
State and local obligations	1,806,132	2,031,801	3,837,933
Corporate bonds	4,820,938	2,556,270	7,377,208
Mutual funds	35,957,888	28,007,424	63,965,312
Asset backed securities	-	60,682	60,682
Total investments	<u>57,120,640</u>	<u>44,987,275</u>	<u>102,107,915</u>
Receivables			
Accrued interest	141,036	105,781	246,817
Due from General Fund	438,626	537,056	975,682
Total receivables	<u>579,662</u>	<u>642,837</u>	<u>1,222,499</u>
Prepaid items	<u>2,471</u>	<u>6,961</u>	<u>9,432</u>
Total assets	<u>58,388,778</u>	<u>46,004,087</u>	<u>104,392,865</u>
LIABILITIES			
Accounts payable	<u>20,768</u>	<u>15,904</u>	<u>36,672</u>
Total liabilities	<u>20,768</u>	<u>15,904</u>	<u>36,672</u>
NET POSITION RESTRICTED FOR PENSIONS			
	<u>\$ 58,368,010</u>	<u>\$ 45,988,183</u>	<u>\$ 104,356,193</u>

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, 2019

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 2,562,113	\$ 3,225,076	\$ 5,787,189
Employee	552,346	515,145	1,067,491
Total contributions	<u>3,114,459</u>	<u>3,740,221</u>	<u>6,854,680</u>
Investment income			
Net depreciation in fair value of investments	7,398,349	6,148,116	13,546,465
Interest	1,743,323	1,288,896	3,032,219
Total investment income	<u>9,141,672</u>	<u>7,437,012</u>	<u>16,578,684</u>
Less investment expenses	<u>57,054</u>	<u>47,962</u>	<u>105,016</u>
Net investment income	<u>9,084,618</u>	<u>7,389,050</u>	<u>16,473,668</u>
Miscellaneous income	<u>-</u>	<u>471</u>	<u>471</u>
Total additions	<u>12,199,077</u>	<u>11,129,742</u>	<u>23,328,819</u>
DEDUCTIONS			
Benefits and refunds	3,692,258	3,350,326	7,042,584
Administrative expenses	90,321	46,117	136,438
Total deductions	<u>3,782,579</u>	<u>3,396,443</u>	<u>7,179,022</u>
NET INCREASE	8,416,498	7,733,299	16,149,797
NET POSITION RESTRICTED FOR PENSIONS			
January 1	<u>49,951,512</u>	<u>38,254,884</u>	<u>88,206,396</u>
December 31	<u>\$ 58,368,010</u>	<u>\$ 45,988,183</u>	<u>\$ 104,356,193</u>

See accompanying notes to financial statements.

SUPPLEMENTAL DATA

VILLAGE OF WHEELING, ILLINOIS

ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT
 CONSOLIDATED YEAR END FINANCIAL REPORT

For the Year Ended December 31, 2019

CSFA Number	Program Name	State	Federal	Other	Total
494-00-0967	High-Growth Cities Program	\$ 19,358	\$ -	\$ -	\$ 19,358
494-00-1488	Motor Fuel Tax Program	1,179,632	-	-	1,179,632
494-10-0343	State and Community Highway Safety/National Priority Safety Program	-	85,623	-	85,623
494-42-0495	Local Surface Transportation Program	-	34,309	-	34,309
546-00-1474	Victims of Crime Act (VOCA)	-	55,824	-	55,824
546-00-1745	Victims of Crime Act (VOCA)	-	55,581	-	55,581
546-00-1745	NG911 Expense Grant	224,526	-	-	224,526
532-60-0379	USEPA Capitalization Grants for Drinking Water State Revolving Funds	83,368	-	-	83,368
	Other Grant Programs and Activities	-	188,666	-	188,666
	All other costs not allocated	-	-	68,051,705	68,051,705
TOTALS		<u>\$ 1,506,884</u>	<u>\$ 420,003</u>	<u>\$ 68,051,705</u>	<u>\$ 69,978,592</u>

(See independent auditor's report.)

SUPPLEMENTAL FINANCIAL INFORMATION

VILLAGE OF WHEELING, ILLINOIS

GENERAL OBLIGATION BOND SERIES 2007

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS

December 31, 2019

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

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
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>\$ 3,701,068</u>	<u>\$ 13,701,068</u>		<u>\$ 1,850,534</u>		<u>\$ 1,850,534</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL OBLIGATION BOND SERIES 2008

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS

December 31, 2019

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
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>\$ 10,945,000</u>	<u>\$ 1,394,478</u>	<u>\$ 12,339,478</u>		<u>\$ 697,241</u>		<u>\$ 697,237</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL OBLIGATION BOND SERIES 2009

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS

December 31, 2019

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

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			June 1	Interest Due On		
	Principal	Interest	Total		Amount	December 1	Amount
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>\$ 2,590,140</u>	<u>\$ 12,590,140</u>		<u>\$ 1,295,070</u>		<u>\$ 1,295,070</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL OBLIGATION REFUNDING BOND SERIES 2011

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS

December 31, 2019

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
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>\$ 2,720,000</u>	<u>\$ 200,850</u>	<u>\$ 2,920,850</u>		<u>\$ 100,425</u>		<u>\$ 100,425</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL OBLIGATION SALES TAX REFUNDING BOND SERIES 2012A

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS

December 31, 2019

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

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
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>\$ 1,895,000</u>	<u>\$ 194,500</u>	<u>\$ 2,089,500</u>		<u>\$ 97,250</u>		<u>\$ 97,250</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL OBLIGATION WATER SYSTEM BONDS SERIES 2012B

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS

December 31, 2019

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

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Tax Levy			Interest Due On		
	Principal	Interest	Total	June 1	December 1	Amount
2020	\$ 155,000	\$ 82,800	\$ 237,800	2020	\$ 41,400	2020 \$ 41,400
2021	160,000	78,150	238,150	2021	39,075	2021 39,075
2022	165,000	73,350	238,350	2022	36,675	2022 36,675
2023	175,000	68,400	243,400	2023	34,200	2023 34,200
2024	180,000	63,150	243,150	2024	31,575	2024 31,575
2025	185,000	57,750	242,750	2025	28,875	2025 28,875
2026	195,000	51,969	246,969	2026	25,985	2026 25,984
2027	200,000	45,875	245,875	2027	22,938	2027 22,937
2028	210,000	39,375	249,375	2028	19,688	2028 19,687
2029	220,000	32,550	252,550	2029	16,275	2029 16,275
2030	230,000	24,850	254,850	2030	12,425	2030 12,425
2031	235,000	16,800	251,800	2031	8,400	2031 8,400
2032	245,000	8,575	253,575	2032	4,288	2032 4,287
	<u>\$ 2,555,000</u>	<u>\$ 643,594</u>	<u>\$ 3,198,594</u>		<u>\$ 321,799</u>	<u>\$ 321,795</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL OBLIGATION REFUNDING BONDS SERIES 2016

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS

December 31, 2019

Date of Issue	August 22, 2016
Date of Maturity	December 1, 2022
Authorized Issue	\$11,355,000
Interest Rates	5%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Tax Levy			Interest Due On			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2020	\$ 1,705,000	\$ 268,250	\$ 1,973,250	2020	\$ 134,125	2020	\$ 134,125
2021	1,785,000	183,000	1,968,000	2021	91,500	2021	91,500
2022	1,875,000	93,750	1,968,750	2022	46,875	2022	46,875
	<u>\$ 5,365,000</u>	<u>\$ 545,000</u>	<u>\$ 5,910,000</u>		<u>\$ 272,500</u>		<u>\$ 272,500</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF INSURANCE IN FORCE

December 31, 2019

Insured	Description of Coverage	Amount of Coverage	Expiration Date of Policy
Village	Safety National: Comprehensive general liability Law Enforcement liability Auto physical damage Errors and omissions Employee benefits liability	\$2,000,000 per occurrence (\$4,000,000 aggregate), \$100,000 SIR \$2,000,000 per occurrence (\$2,000,000 aggregate), \$100,000 SIR \$2,000,000 per occurrence, \$100,000 deductible \$2,000,000 per occurrence (\$2,000,000 aggregate), \$100,000 SIR \$2,000,000 per occurrence (\$4,000,000 aggregate), \$100,000 SIR	12/30/2020
Village	Property/Auto physical damage limits (CHUBB)	\$84,642,251	12/30/2020
Village	Excess liability (Allied World)	\$6,000,000	12/30/2020
Village	Excess liability (Safety National)	\$8,000,000	12/30/2020
Village	Workers' Compensation (Safety National)	\$550,000 SIR per occurrence (\$650,000 for Public Safety) \$2,000,000 loss limit	12/30/2020
Village	Boiler and machinery (Travelers Insurance)	\$5,000 deductible \$50,000,000 loss limit	12/30/2020
Village	Crime - Employee dishonesty and faithful performance (Hartford Fire Insurance Co. and Hiscox Insurance Co.)	\$25,000 deductible \$5,000,000 loss limit	12/30/2020
Village	Storage tank system (Colony Insurance)	\$5,000 deductible \$1,000,000 loss limit	12/30/2020
Village	Cyber liability (BCS Insurance)	\$10,000 deductible, \$25,000 SIR \$2,000,000 loss limit	12/30/2020
Village	NFIP flood insurance (American Bankers)	\$5,000 deductible \$500,000 per occurrence	12/30/2020

(See independent auditor's report.)

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the 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, 2019, and the related notes to financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated June 9, 2020. 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, 2019, as indicated in the table of contents. Our report includes a reference to other auditors who audited the financial statements of the Northwest Water Commission (NWWC), as described in our report on the Village's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of NWWC were not audited in accordance with *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sikich LLP

Naperville, Illinois
June 9, 2020

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.	152-161
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the sales tax.	162-167
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.	168-171
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.	172-174
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.	175-176

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

VILLAGE OF WHEELING, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 42,799,847	\$ 54,123,693	\$ 97,083,613	\$ 98,280,773
Restricted	28,589,477	10,362,766	14,015,084	15,069,029
Unrestricted (deficit)	(10,132,657)	(7,488,366)	(8,426,292)	(7,851,728)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 61,256,667	\$ 56,998,093	\$ 102,672,405	\$ 105,498,074
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 36,274,317	\$ 36,688,761	\$ 36,367,198	\$ 37,260,014
Unrestricted	63,241,696	62,992,898	17,371,083	16,248,947
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 99,516,013	\$ 99,681,659	\$ 53,738,281	\$ 53,508,961
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 79,074,164	\$ 90,812,454	\$ 133,450,811	\$ 135,540,787
Restricted	28,589,477	10,362,766	14,015,084	15,069,029
Unrestricted (deficit)	53,109,039	55,504,532	8,944,791	8,397,219
TOTAL PRIMARY GOVERNMENT	\$ 160,772,680	\$ 156,679,752	\$ 156,410,686	\$ 159,007,035

*The Village implemented GASB Statement No. 68 during the fiscal year ended December 31, 2015 and GASB Statement No. 75 during the fiscal year ended December 31, 2018, which resulted in a substantial increase in the Village's long-term liabilities as a result of having to recognize the net pension liabilities on the statement of net position. This led to a substantial decrease to the Village's net position.

**In fiscal year ended December 31, 2017, the Village's equity in the airport joint venture was reclassified from governmental activities capital assets and classified separately on the statement of net position. This schedule reflects the changes to net investment in capital assets and unrestricted net position starting with fiscal year 2017.

Data Source

Audited Financial Statements

2014	2015*	2016	2017**	2018*	2019
\$ 98,500,856	\$ 99,844,379	\$ 93,184,516	\$ 47,624,982	\$ 48,020,025	\$ 51,290,989
8,763,227	10,113,487	7,352,884	7,415,677	11,252,824	9,199,536
(5,426,895)	(48,882,632)	(43,224,665)	5,450,134	(8,310,287)	(6,607,722)
<u>\$ 101,837,188</u>	<u>\$ 61,075,234</u>	<u>\$ 57,312,735</u>	<u>\$ 60,490,793</u>	<u>\$ 50,962,562</u>	<u>\$ 53,882,803</u>
\$ 38,135,341	\$ 38,977,362	\$ 39,094,900	\$ 40,064,562	\$ 39,785,858	\$ 41,660,441
14,460,012	13,647,217	13,976,490	14,261,188	13,233,481	13,335,509
<u>\$ 52,595,353</u>	<u>\$ 52,624,579</u>	<u>\$ 53,071,390</u>	<u>\$ 54,325,750</u>	<u>\$ 53,019,339</u>	<u>\$ 54,995,950</u>
\$ 136,636,197	\$ 138,821,741	\$ 132,279,416	\$ 87,689,544	\$ 87,805,883	\$ 92,951,430
8,763,227	10,113,487	7,352,884	7,415,677	11,252,824	9,199,536
9,033,117	(35,235,415)	(29,248,175)	19,711,322	4,923,194	6,727,787
<u>\$ 154,432,541</u>	<u>\$ 113,699,813</u>	<u>\$ 110,384,125</u>	<u>\$ 114,816,543</u>	<u>\$ 103,981,901</u>	<u>\$ 108,878,753</u>

VILLAGE OF WHEELING, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013
EXPENSES				
Governmental Activities				
General government	\$ 14,219,565	\$ 16,233,324	\$ 18,700,252	\$ 14,476,498
Public safety	20,396,013	20,733,943	21,317,828	22,913,151
Highways and streets	2,783,647	4,577,770	2,511,525	3,137,265
Airport - joint venture	-	-	-	-
Interest and fees	3,415,044	3,227,766	3,356,724	3,227,999
Total governmental activities expenses	40,814,269	44,772,803	45,886,329	43,754,913
Business-Type Activities				
Water and sewer	6,912,264	6,817,876	7,875,234	7,871,938
Airport	-	266,654	-	-
Total business-type activities expenses	6,912,264	7,084,530	7,875,234	7,871,938
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 47,726,533	\$ 51,857,333	\$ 53,761,563	\$ 51,626,851
PROGRAM REVENUES				
Governmental Activities				
Charges for services				
General government	\$ 1,852,231	\$ 2,192,808	\$ 2,300,930	\$ 2,041,198
Public safety	1,947,388	1,862,414	1,811,500	1,807,153
Highways and streets	102,417	129,919	129,680	121,004
Operating grants and contributions	1,605,286	1,433,953	1,253,583	1,265,120
Capital grants and contributions	479,199	529,573	280,666	348,823
Total governmental activities program revenues	5,986,521	6,148,667	5,776,359	5,583,298
Business-Type Activities				
Charges for services				
Water and sewer	7,588,069	7,383,748	8,498,891	8,077,300
Airport	902,589	-	-	-
Capital grants and contributions	-	-	220,890	-
Total business-type activities program revenues	8,490,658	7,383,748	8,719,781	8,077,300
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 14,477,179	\$ 13,532,415	\$ 14,496,140	\$ 13,660,598
NET REVENUES (EXPENSES)				
Governmental activities	\$ (34,827,748)	\$ (38,624,136)	\$ (40,109,970)	\$ (38,171,615)
Business-type activities	1,578,394	299,218	844,547	205,362
TOTAL PRIMARY GOVERNMENT NET REVENUES (EXPENSES)	\$ (33,249,354)	\$ (38,324,918)	\$ (39,265,423)	\$ (37,966,253)

	2014	2015*	2016	2017	2018**	2019
\$	17,399,295	\$ 16,160,019	\$ 26,036,703	\$ 20,004,172	\$ 17,660,250	\$ 17,055,085
	24,351,195	27,098,130	28,509,338	28,081,294	30,985,897	31,708,425
	8,265,832	4,739,565	4,792,939	6,218,017	6,120,546	9,842,921
	365,947	360,206	661,580	65,299	549,037	870,117
	3,115,103	2,975,404	2,683,084	2,487,101	2,323,635	2,128,664
	53,497,372	51,333,324	62,683,644	56,855,883	57,639,365	61,605,212
	8,409,712	8,149,116	8,366,057	8,164,288	8,094,482	8,373,380
	-	-	-	-	-	-
	8,409,712	8,149,116	8,366,057	8,164,288	8,094,482	8,373,380
\$	61,907,084	\$ 59,482,440	\$ 71,049,701	\$ 65,020,171	\$ 65,733,847	\$ 69,978,592
\$	2,113,226	\$ 2,660,037	\$ 1,836,481	\$ 2,164,784	\$ 2,064,396	\$ 2,414,943
	2,518,598	3,816,401	3,981,577	4,066,883	4,825,503	5,127,586
	216,834	113,508	750,573	832,300	934,562	1,047,617
	1,468,290	1,136,341	1,195,740	1,165,621	1,480,153	1,921,865
	386,441	1,005,525	108,373	2,335,899	1,982,284	34,315
	6,703,389	8,731,812	7,872,744	10,565,487	11,286,898	10,546,326
	7,958,560	8,657,219	9,030,321	9,728,265	9,429,505	9,270,750
	-	-	-	-	-	-
	-	-	360,932	-	599,233	1,284,470
	7,958,560	8,657,219	9,391,253	9,728,265	10,028,738	10,555,220
\$	14,661,949	\$ 17,389,031	\$ 17,263,997	\$ 20,293,752	\$ 21,315,636	\$ 21,101,546
\$	(46,793,983)	\$ (42,601,512)	\$ (54,810,900)	\$ (46,290,396)	\$ (46,352,467)	\$ (51,058,886)
	(451,152)	508,103	1,025,196	1,563,977	1,934,256	2,181,840
\$	(47,245,135)	\$ (42,093,409)	\$ (53,785,704)	\$ (44,726,419)	\$ (44,418,211)	\$ (48,877,046)

VILLAGE OF WHEELING, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental Activities				
Taxes				
Property	\$ 19,626,799	\$ 19,520,238	\$ 19,022,348	\$ 18,781,294
Sales	7,983,543	8,076,606	8,510,612	9,430,241
Other	5,127,712	5,201,932	5,220,358	6,287,177
Intergovernmental	3,831,811	3,799,369	4,149,329	4,541,061
Investment earnings	557,803	307,641	382,600	108,698
Miscellaneous	617,396	1,144,281	1,452,437	1,360,893
Gain on disposal of capital assets	-	-	19,703	1,152
Transfers	263,937	220,639	433,336	486,768
Total governmental activities	38,009,001	38,270,706	39,190,723	40,997,284
Business-Type Activities				
Investment earnings	114,471	29,945	83,886	40,086
Gain on sale of capital assets	-	57,122	-	12,000
Miscellaneous	-	-	-	-
Transfers	(263,937)	(220,639)	(433,336)	(486,768)
Total business-type activities	(149,466)	(133,572)	(349,450)	(434,682)
TOTAL PRIMARY GOVERNMENT	\$ 37,859,535	\$ 38,137,134	\$ 38,841,273	\$ 40,562,602
CHANGE IN NET POSITION				
Governmental activities	\$ 3,181,253	\$ (353,430)	\$ (919,247)	\$ 2,825,669
Business-type activities	1,428,928	165,646	495,097	(229,320)
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	\$ 4,610,181	\$ (187,784)	\$ (424,150)	\$ 2,596,349

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

**The Village implemented GASB Statement No. 75 during the fiscal year ended December 31, 2018.

Data Source

Audited Financial Statements

	2014	2015*	2016	2017	2018**	2019
\$	20,077,443	\$ 21,897,622	\$ 23,535,987	\$ 25,804,441	\$ 27,674,437	\$ 28,698,969
	9,915,534	10,786,813	10,178,754	9,518,542	9,313,325	9,342,868
	6,678,823	6,575,634	6,487,096	6,387,890	6,548,944	6,386,404
	4,714,309	5,281,649	5,080,815	4,953,602	5,193,205	5,849,009
	30,692	223,774	348,236	289,035	525,558	1,689,081
	1,172,294	1,435,358	1,663,409	2,013,806	1,032,268	1,386,635
	12,867	979,001	676,330	146,979	763,102	126,333
	531,135	572,257	617,349	354,159	523,539	499,828
	<u>43,133,097</u>	<u>47,752,108</u>	<u>48,587,976</u>	<u>49,468,454</u>	<u>51,574,378</u>	<u>53,979,127</u>
	21,347	37,327	38,964	44,542	37,856	294,599
	47,332	18,815	-	-	-	-
	-	-	-	-	-	-
	<u>(531,135)</u>	<u>(572,257)</u>	<u>(617,349)</u>	<u>(354,159)</u>	<u>(523,539)</u>	<u>(499,828)</u>
	<u>(462,456)</u>	<u>(516,115)</u>	<u>(578,385)</u>	<u>(309,617)</u>	<u>(485,683)</u>	<u>(205,229)</u>
\$	<u>42,670,641</u>	<u>\$ 47,235,993</u>	<u>\$ 48,009,591</u>	<u>\$ 49,158,837</u>	<u>\$ 51,088,695</u>	<u>\$ 53,773,898</u>
\$	(3,660,886)	\$ 5,150,596	\$ (6,222,924)	\$ 3,178,058	\$ 5,221,911	\$ 2,920,241
	<u>(913,608)</u>	<u>(8,012)</u>	<u>446,811</u>	<u>1,254,360</u>	<u>1,448,573</u>	<u>1,976,611</u>
\$	<u>(4,574,494)</u>	<u>\$ 5,142,584</u>	<u>\$ (5,776,113)</u>	<u>\$ 4,432,418</u>	<u>\$ 6,670,484</u>	<u>\$ 4,896,852</u>

VILLAGE OF WHEELING, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013
GENERAL FUND				
Nonspendable				
Long-term receivable	\$ -	\$ -	\$ 576,000	\$ -
Prepaid items	340,730	369,478	372,806	281,547
Inventory	264,114	304,889	262,536	265,189
Assigned				
Health insurance	1,252,725	1,463,995	1,703,945	703,552
Subsequent year's budget	-	-	400,000	1,055,804
Unassigned	12,332,962	13,615,841	10,608,389	12,188,455
TOTAL GENERAL FUND	\$ 14,190,531	\$ 15,754,203	\$ 13,923,676	\$ 14,494,547
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable				
Prepaid items	\$ 10,428	\$ 18,932	\$ 27,794	\$ 8,654
Inventory	131,588	152,690	206,004	35,668
Land held for resale	18,336,679	-	-	-
Restricted				
Capital projects	1,549,710	1,624,317	2,400,320	1,774,679
Highways and streets	1,751,968	1,364,232	1,390,892	1,403,952
Public safety	224,502	119,151	345,382	374,390
Economic development	6,673,568	7,187,998	9,238,485	10,866,598
Debt service	53,050	67,068	30,108	39,513
Assigned				
Capital improvements	3,473,088	3,874,974	4,695,811	4,509,086
Capital projects	-	-	-	-
Unassigned, reported in				
Special Revenue Funds	(1,664)	(1,742)	(1,788)	(1,676)
Capital Project Funds	(475,217)	(1,286,092)	(1,105,948)	(1,939,250)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 31,727,700	\$ 13,121,528	\$ 17,227,060	\$ 17,071,614

Data Source

Audited Financial Statements

2014	2015	2016	2017	2018	2019
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
318,023	471,750	211,316	242,193	265,268	288,858
264,960	287,856	278,304	276,659	309,291	283,643
943,530	1,286,311	671,661	1,019,495	1,358,164	1,688,424
753,849	-	-	-	-	-
11,395,024	12,416,569	13,453,786	13,232,023	13,009,544	13,251,874
<u>\$ 13,675,386</u>	<u>\$ 14,462,486</u>	<u>\$ 14,615,067</u>	<u>\$ 14,770,370</u>	<u>\$ 14,942,267</u>	<u>\$ 15,512,799</u>
\$ 5,626	\$ 62,033	\$ 1,130,228	\$ 1,200	\$ 12,963	\$ 1,075
119,575	148,918	225,828	216,739	135,884	67,734
-	-	-	-	-	-
1,314,424	1,979,004	4,000,936	1,078,439	1,502,045	1,948,745
1,357,515	1,133,043	1,123,032	1,220,916	1,403,367	1,560,710
493,396	476,106	576,700	125,692	135,807	144,211
4,843,012	6,403,505	1,522,298	4,853,663	7,884,269	5,306,433
87,571	121,829	129,918	136,967	191,452	171,703
4,907,754	4,389,323	4,880,694	4,488,033	5,806,784	6,810,627
-	872,792	872,792	3,422,862	5,940,356	7,675,638
(1,849)	(2,030)	(190)	-	(285,184)	(520,848)
(273,889)	(643,260)	(456,589)	-	-	-
<u>\$ 12,853,135</u>	<u>\$ 14,941,263</u>	<u>\$ 14,005,647</u>	<u>\$ 15,544,511</u>	<u>\$ 22,727,743</u>	<u>\$ 23,166,028</u>

VILLAGE OF WHEELING, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013
REVENUES				
Taxes	\$ 32,502,099	\$ 32,526,698	\$ 32,474,707	\$ 34,217,612
Licenses and permits	445,774	627,026	536,729	544,271
Intergovernmental	5,916,297	5,762,896	5,683,578	5,866,502
Fines and forfeitures	2,092,093	3,017,946	3,280,116	3,006,290
Charges for services	843,584	732,417	690,272	714,405
Investment income	557,803	307,641	382,600	108,698
Miscellaneous	1,373,935	1,224,110	1,212,054	1,346,382
Total revenues	43,731,585	44,198,734	44,260,056	45,804,160
EXPENDITURES				
General government	9,129,789	8,706,123	10,200,168	9,642,297
Public safety	20,710,039	20,103,256	20,713,189	21,681,228
Highways and streets	1,383,873	1,997,699	1,519,075	1,852,783
Capital outlay	12,180,419	7,409,366	8,322,334	7,084,028
Debt service				
Principal	1,500,000	1,735,000	2,063,150	2,638,982
Interest	3,319,203	3,267,345	3,140,841	2,977,337
Total expenditures	48,223,323	43,218,789	45,958,757	45,876,655
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,491,738)	979,945	(1,698,701)	(72,495)
OTHER FINANCING SOURCES (USES)				
Transfers in	14,524,176	2,987,807	4,460,454	3,154,615
Transfers (out)	(14,260,239)	(2,600,365)	(4,227,118)	(2,667,847)
Bonds issued	-	6,988,943	3,925,000	-
Premium on bonds issued	-	193,198	222,801	-
TIF development note issued	-	-	3,500,000	-
Payment to escrow agent	-	(7,263,149)	(4,037,582)	-
Sale of capital assets	31,335	7,800	19,703	1,152
Total other financing sources (uses)	295,272	314,234	3,863,258	487,920
NET CHANGE IN FUND BALANCES	\$ (4,196,466)	\$ 1,294,179	\$ 2,164,557	\$ 415,425
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	12.07%	11.94%	11.63%	13.08%

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

Data Source

Audited Financial Statements

2014	2015	2016*	2017	2018	2019
\$ 36,373,747	\$ 38,961,036	\$ 39,838,918	\$ 41,344,963	\$ 43,157,133	\$ 44,057,898
550,247	956,338	712,117	1,050,924	999,393	1,415,681
6,958,153	8,216,312	8,188,194	10,248,759	9,238,642	8,569,795
3,235,445	3,167,197	3,421,509	3,601,751	5,443,744	5,569,613
844,161	959,311	994,658	983,565	1,177,897	1,210,589
30,692	223,774	348,236	289,035	525,558	1,689,081
1,300,039	1,574,034	1,663,409	2,013,806	1,032,268	1,386,635
49,292,484	54,058,002	55,167,041	59,532,803	61,574,635	63,899,292
10,553,805	10,997,647	10,748,569	12,209,247	11,810,460	10,519,305
23,270,049	25,254,427	25,520,585	26,606,928	26,182,146	28,084,862
1,928,121	1,730,257	1,344,791	1,375,777	1,596,526	1,813,428
13,218,099	8,482,208	14,290,045	11,806,735	9,639,594	16,244,619
3,022,485	3,491,572	21,765,340	4,161,085	4,846,108	5,388,695
2,881,567	2,777,921	2,923,362	2,191,468	2,037,452	1,860,772
54,874,126	52,734,032	76,592,692	58,351,240	56,112,286	63,911,681
(5,581,642)	1,323,970	(21,425,651)	1,181,563	5,462,349	(12,389)
9,646,088	6,490,141	5,460,897	3,612,915	8,408,155	9,087,648
(9,114,953)	(5,917,884)	(4,843,548)	(3,258,756)	(7,854,495)	(8,587,820)
-	-	11,355,000	-	-	-
-	-	1,493,937	-	-	-
-	-	6,500,000	-	-	-
-	-	-	-	-	-
12,867	979,001	676,330	158,445	1,339,120	521,378
544,002	1,551,258	20,642,616	512,604	1,892,780	1,021,206
\$ (5,037,640)	\$ 2,875,228	\$ (783,035)	\$ 1,694,167	\$ 7,355,129	\$ 1,008,817
11.20%	12.34%	32.97%	11.87%	12.87%	12.31%

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					
2009	\$ 708,601,147	\$ 134,630,472	\$ 502,031,477	\$ 48,235	\$ 1,052,243	\$ 6,028,165	\$ 1,352,391,739	0.770	\$ 4,057,175,217	33.333%
2010	642,546,595	122,080,427	455,233,039	43,707	954,101	5,752,338	1,226,610,207	0.892	3,679,830,621	33.333%
2011	562,378,196	112,456,049	407,022,376	37,187	1,162,024	5,673,483	1,088,729,315	1.004	3,266,187,945	33.333%
2012	506,940,389	107,718,357	376,869,218	37,187	758,102	5,330,444	997,653,697	1.138	2,992,961,091	33.333%
2013	398,703,329	107,440,045	326,039,359	35,715	783,286	5,145,717	838,147,451	1.424	2,514,442,353	33.333%
2014	425,609,608	135,422,155	290,188,352	126,078	917,222	5,135,426	857,398,841	1.517	2,572,196,523	33.333%
2015	415,287,122	132,668,239	282,104,354	48,507	1,106,149	5,068,152	836,282,523	1.729	2,508,847,569	33.333%
2016	494,966,376	138,718,618	300,581,268	143,114	1,221,970	5,419,375	941,050,721	1.613	2,823,152,163	33.333%
2017	494,398,641	140,558,437	315,263,570	143,504	1,009,308	5,534,484	956,907,944	1.666	2,870,723,832	33.333%
2018	486,531,210	135,641,240	312,643,780	147,211	1,062,667	5,666,758	941,692,866	1.752	2,825,078,598	33.333%

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

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

Data Source

Office of the County Clerk

VILLAGE OF WHEELING, ILLINOIS

DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Levy Years

Levy Year	Village Direct Rates							Overlapping Rates									
	General	Bonds and Interest	Police Pension	Fire Pension	Police Protection	Fire Protection	Total Direct Tax Rate	Cook County	Forest Preserve District	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
2009	\$ 0.4776	\$ 0.1123	\$ 0.0957	\$ 0.0838	0.0000	0.0000	\$ 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	0.0000	0.0000	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	0.0000	0.0000	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	0.0000	0.0000	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	0.0000	0.0000	1.4234	0.5600	0.0690	0.0560	0.4170	0.0130	2.7680	0.4440	0.8990	0.5040	4.8410
2014	0.9066	0.2082	0.1926	0.2091	0.0000	0.0000	1.5165	0.5680	0.0690	0.0520	0.4300	0.0130	2.7760	0.4510	0.8900	0.5290	5.4300
2015	1.0585	0.2136	0.2178	0.2385	0.0000	0.0000	1.7284	0.5520	0.0690	0.0550	0.4260	0.0110	2.8810	0.4660	0.9240	0.5340	5.6420
2016	0.9654	0.2028	0.1935	0.2510	0.0000	0.0000	1.6127	0.5330	0.0630	0.0410	0.4060	0.0100	2.5270	0.4160	0.8290	0.4760	4.9660
2017	0.0000	0.2147	0.1979	0.2603	0.4963	0.4963	1.6655	0.4960	0.0620	0.0430	0.4020	0.0100	2.5630	0.4250	0.8420	0.4810	5.0220
2018	1.0044	0.2219	0.1160	0.1467	0.1160	0.1467	1.7517	0.4890	0.0600	0.0430	0.3960	0.0110	2.6690	0.4430	0.8800	0.4930	5.2760

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

Data Source

Office of the County Clerk

VILLAGE OF WHEELING, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Ten Years Ago

Taxpayer	Type of Business	2019			2010		
		Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
Wheeling Hotel Owner	Hotel, Retail Stores	\$ 19,395,728	1	2.06%	\$ 20,691,467	2	1.53%
Linda A Nagle Atty	Woodland Creek Apartments	14,824,841	2	1.57%			
Wal-Mart Stores Inc.	Retail & Wholesale Discount Stores	12,651,505	3	1.34%	17,367,143	4	1.28%
Capstone Realty	Arlington Club/Village Green Apartment	9,195,056	4	0.98%	15,133,633	5	1.12%
Azure Partners LLC	Northgate Crossings	8,811,923	5	0.94%			
Mallard Lake Apartments	Mallard Lake Apartments	8,368,101	6	0.89%			
Pace Suburban Bus Division	Transportation	7,604,182	7	0.81%			
Durable Inc.	Aluminum Foil Products	7,593,810	8	0.81%	10,636,865	7	0.79%
Pactiv Corp.	Food Packaging and Food Service Produ	6,988,872	9	0.74%			
Foxboro Apartments	Apartments	5,967,345	10	0.63%	9,182,316	8	0.68%
Allstate Insurance Co	Real Estate Holdings				21,037,607	1	1.56%
C Cusick USGI INCC	Woodland Creek Apartments				19,966,481	3	1.48%
Shorewood Management	Mallard Lake Apartments				12,554,175	6	0.93%
Whippletree Village	Real Estate Holdings				8,375,194	9	0.62%
DCT Industrial	Industrial				7,846,786	10	0.58%
		<u>\$ 101,401,363</u>		<u>10.77%</u>	<u>\$ 142,791,667</u>		<u>10.57%</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
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%	135,841	12,728,869	98.45%
2015	14,454,024	14,150,917	97.90%	89,854	14,240,771	98.52%
2016	15,177,351	14,791,888	97.46%	27,940	14,819,828	97.64%
2017	15,937,176	15,542,850	97.53%	9,793	15,552,643	97.59%
2018	16,494,282	15,846,080	96.07%	20,365	15,866,445	96.19%

Note: Property in Lake County is reassessed every year at 33% of actual value. Property in Cook County is reassessed every three years at rates that vary depending on type (e.g., residential, commercial, industrial, farm, and railroad).

Data Source

Office of the County Clerk

VILLAGE OF WHEELING, ILLINOIS

MUNICIPAL SALES TAX RECEIPTS BY CATEGORY*

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General merchandise	\$ 1,396,088	\$ 1,173,241	\$ 1,429,594	\$ 1,619,274	\$ 1,650,738	\$ 1,703,500	\$ 1,190,237	\$ 1,108,401	\$ 1,110,694	\$ 1,094,558
Food	479,804	508,014	645,631	688,982	625,942	609,771	1,171,703	1,184,329	680,715	632,517
Drinking and eating places	1,470,517	1,411,629	1,487,579	1,589,800	1,687,115	1,799,139	1,798,929	1,786,666	1,822,061	1,889,243
Apparel	29,283	215,248	22,137	20,350	16,559	13,092	10,850	9,952	9,423	10,361
Furniture & H.H. & Radio	246,815	241,591	263,671	317,622	330,088	403,702	374,919	320,176	242,329	230,130
Lumber, building hardware	547,706	527,913	519,347	649,847	785,897	780,639	778,738	778,701	742,874	544,719
Automotive and filling stations	766,793	860,719	867,975	863,263	1,169,724	1,896,657	1,338,274	615,967	794,716	887,363
Drugs and miscellaneous retail	557,381	561,997	563,940	718,748	713,909	762,072	778,316	890,601	748,606	714,159
Agriculture and all others	1,316,131	1,396,313	1,401,967	1,517,316	1,486,962	1,445,890	1,406,318	1,318,782	1,548,920	1,615,149
Manufacturers	254,128	211,273	251,078	346,973	362,195	380,252	376,390	453,222	462,487	638,673
Lake County	912,563	966,034	1,056,553	1,097,062	1,085,168	990,653	952,351	1,102,288	1,205,390	1,135,315
TOTAL**	\$ 7,977,209	\$ 8,073,972	\$ 8,509,472	\$ 9,429,237	\$ 9,914,297	\$ 10,785,367	\$ 10,177,025	\$ 9,569,085	\$ 9,368,215	\$ 9,392,187
VILLAGE DIRECT SALES TAX RATE	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
VILLAGE HOME RULE SALES TAX RATE***	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

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

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

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

Data Sources

Illinois Department of Revenue
Village records

VILLAGE OF WHEELING, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Fiscal Years

Fiscal Year	Village Home Rule Rate	State, County, and Local Rate	Total Rate
2010	1.00%	8.50%	9.50%
2011	1.00%	8.25%	9.25%
2012	1.00%	8.25%	9.25%
2013	1.00%	8.00%	9.00%
2014	1.00%	8.00%	9.00%
2015	1.00%	8.00%	9.00%
2016	1.00%	9.00%	10.00%
2017	1.00%	9.00%	10.00%
2018	1.00%	9.00%	10.00%
2019	1.00%	9.00%	10.00%

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

Data Sources

Illinois Department of Revenue
Village Records

VILLAGE OF WHEELING, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities					Business-Type Activities			Total Primary Government	Percentage of Actual Taxable Value (1) of Property	Per Capita (2)	Debt Outstanding as a Percentage of Personal Income
	General Obligation Bonds	TIF Revenue Bonds	TIF Revenue Notes	Unamortized Discount	Unamortized Premium	General Obligation Bonds	Unamortized Discount	Unamortized Premium				
2010	\$ 52,790,735	\$ 18,745,000	\$ -	\$ -	\$ -	\$ 1,500,000	\$ -	\$ -	\$ 73,035,735	1.80%	\$ 1,939.96	7.21%
2011	51,653,943	18,300,000	-	28,000	193,198	1,456,057	13,631	36,362	71,681,191	1.95%	1,903.98	7.92%
2012	50,496,768	17,700,000	3,601,944	-	399,900	4,793,232	-	104,182	77,096,026	2.36%	2,047.81	8.28%
2013	48,990,391	16,990,000	3,421,821	-	365,233	4,449,609	-	97,609	74,314,663	2.48%	1,973.93	7.39%
2014	47,292,211	16,210,000	3,105,170	-	330,566	4,107,789	-	91,036	71,136,772	2.83%	1,889.52	6.71%
2015	45,402,274	15,345,000	2,559,796	-	295,901	3,762,726	-	84,463	67,450,160	2.62%	1,791.60	6.35%
2016	53,274,462	-	6,516,139	-	1,755,170	3,410,538	-	77,891	65,034,200	2.59%	1,727.43	6.17%
2017	49,468,736	-	6,644,497	-	1,471,514	3,056,264	-	71,318	60,712,329	2.15%	1,612.63	5.54%
2018	45,370,000	-	6,372,903	-	1,187,858	2,705,000	-	64,745	55,700,506	1.94%	1,479.51	4.79%
2019	40,925,000	-	5,877,882	-	904,202	2,555,000	-	58,172	50,320,256	1.78%	1,336.60	4.15%

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

(1) Assessed value and actual value of taxable property.

(2) See the schedule of Demographic and Economic Information on page 167 for personal income and population data.

Data Source

Village records

VILLAGE OF WHEELING, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Business-Type Activities		Less Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
	General Obligation Bonds*	General Obligation Bonds*	General Obligation Bonds*	General Obligation Bonds*				
2010	\$ 52,790,735	\$ 1,500,000	\$ 53,049	\$ 54,237,686	1.34%	\$ 1,440.65		
2011	51,653,943	1,456,057	67,068	53,042,932	1.44%	1,408.92		
2012	50,496,768	4,793,232	28,654	55,261,346	1.69%	1,467.84		
2013	48,990,390	4,449,609	35,470	53,404,529	1.78%	1,418.52		
2014	47,622,777	4,198,825	87,571	51,734,031	2.06%	1,374.15		
2015	45,698,175	3,847,189	121,829	49,423,535	1.92%	1,312.78		
2016	55,029,632	3,488,429	129,918	58,388,143	2.33%	1,550.90		
2017	50,940,250	3,127,582	136,967	53,930,865	1.91%	1,432.50		
2018	46,557,858	2,769,745	191,452	49,136,151	1.71%	1,305.15		
2019	41,829,202	2,613,172	171,703	44,270,671	1.57%	1,175.91		

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 172 for property value data.

Data Source

Village records

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF LEGAL DEBT MARGIN

December 31, 2019

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, 2019

Governmental Unit	Gross Debt	Percentage Debt Applicable to the Village (1)	The Village's Share of Debt
Village	\$ 47,707,084	100.00%	\$ 47,707,084
Cook County, including Forest Preserve	2,935,666,750	0.59%	17,320,434
Lake County, including Forest Preserve	380,435,000	0.02%	76,087
Metropolitan Water Reclamation District	2,274,859,669	0.60%	13,649,158
Prospect Heights Park District	7,000,790	16.16%	1,131,328
River Trails Park District	8,869,375	0.02%	1,774
Wheeling Park District	12,115,000	87.13%	10,555,800
School District No. 21	64,940,000	46.96%	30,495,824
School District No. 23	8,705,000	16.92%	1,472,886
School District No. 102	17,025,000	0.61%	103,853
High School District No. 125	44,745,000	0.16%	71,592
High School District No. 214	33,010,000	10.92%	3,604,692
Community College District No. 512	103,580,000	4.95%	5,127,210
Community College District No. 532	<u>52,995,000</u>	0.02%	<u>10,599</u>
	<u>5,943,946,584</u>		<u>83,621,237</u>
	<u>\$ 5,991,653,668</u>		<u>\$ 131,328,321</u>

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

Data Source

Office of the County Clerk (Cook and Lake County)

VILLAGE OF WHEELING, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2010	37,648	\$ 1,013,446,512	\$ 26,919	35.6	7,075	8.5%
2011	37,648	904,907,328	24,036	36.1	6,987	8.1%
2012	37,648	931,072,688	24,731	36.1	6,620	7.7%
2013	37,648	1,005,126,304	26,698	36.1	6,681	7.8%
2014	37,648	1,060,280,624	28,163	36.1	6,031	5.9%
2015	37,648	1,062,991,280	28,235	36.3	6,086	4.7%
2016	37,648	1,054,595,776	28,012	36.5	6,350	4.8%
2017	37,648	1,096,498,000	29,125	36.4	6,590	3.9%
2018	37,648	1,161,741,984	30,858	37.4	6,484	3.2%
2019	37,648	1,211,286,752	32,174	37.3	6,100	2.9%

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

Data Source

Village records

VILLAGE OF WHEELING, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Ten Years Ago

Employer	2019			2010		
	Number of Employees	Rank	% of Total Village Population	Number of Employees	Rank	% of Total Village Population
SG360	580	1	1.54%			
Durable Packaging International	500	2	1.33%	500	4	1.30%
Reynolds Consumer Products	314	3	0.83%			
Argon Medical Devices	280	4	0.74%			
Viant	268	5	0.71%			
Block & Company	250	6	0.66%	350	9	0.91%
Village of Wheeling	217	7	0.58%			
Walmart Supercenter	190	8	0.50%			
Greek American Rehabilitation & Care Centre	180	9	0.48%			
Westin Chicago North Shore	130	10	0.35%			
National Louis University				800	1	2.07%
Handi-Foil				500	2	1.30%
Shure, Inc.				500	3	1.30%
Hospital Laundry Services				400	5	1.04%
Chef Solutions				400	6	1.04%
Allstate Printing/Dist. Ctr				360	7	0.93%
Pactiv Corp				350	8	0.91%
Bowe Bell & Howell				300	10	0.78%
TOTAL	<u>2,909</u>		<u>7.72%</u>	<u>4,460</u>		<u>11.58%</u>

Data Source

Village Records

VILLAGE OF WHEELING, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
GENERAL GOVERNMENT										
Management services	7	5	5	5	3	3	3	3	3	3
Human resources	2	2	2	2	2	2	2	2	2	2
Finance	9	8	8	8	8	8	8	8	8	8
Information systems	4	4	4	4	4	4	4	4	4	4
Economic development	-	-	-	-	2	2	2	2	2	2
Human services	5	7	7	6	6	6	6	6	5	4
Community development	13	13	13	14	14	14	12	12	11	11
Engineering	4	2	2	2	2	2	4	4	4	4
PUBLIC SAFETY										
Police										
Officers	66	62	62	62	62	62	62	61	60	60
Civilians	25	21	21	22	23	34	34	34	32	32
Fire										
Firefighters and officers	50	50	50	50	50	50	50	50	50	50
Civilians	4	4	4	3	3	3	3	3	2	2
PUBLIC WORKS										
Administration	5	4	4	4	4	4	4	4	3	3
Capital projects and design	4	4	4	3	2	2	-	-	-	-
Building services	6	6	6	6	6	6	6	6	5	5
Fleet services	5	5	5	5	5	5	5	5	5	5
Forestry	5	5	4	4	4	4	4	4	4	4
Utilities	21	18	18	18	18	18	18	18	18	18
Street maintenance	7	5	5	4	5	5	5	5	5	5
TOTAL	242	225	224	222	223	234	232	231	223	222

Data Source

Village budget office

VILLAGE OF WHEELING, ILLINOIS

OPERATING INDICATORS BY FUNCTION

Last Ten Fiscal Years

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018*	2019
POLICE										
DUI arrests	168	155	110	130	93	96	94	73	103	77
Accidents	1,109	1,198	1,047	1,126	1,218	1,322	1,262	1,259	1,236	1,288
Total tickets	14,133	14,674	14,166	12,051	13,448	16,303	19,618	20,663	26,048	26,731
Total calls	32,389	33,857	34,797	34,186	36,507	41,453	35,550	39,854	17,421	27,096
FIRE										
Number of calls answered	4,271	4,422	4,354	4,534	4,694	4,463	4,629	4,685	4,375	4,272
Inspections	2,047	1,652	1,547	1,342	1,401	1,367	1,281	1,699	1,573	1,533
HIGHWAYS AND STREETS										
Work orders completed	1,821	2,276	2,260	1,750	1,889	1,150	1,157	1,710	1,201	3,075
Sidewalks plowed	668	400	116	386	793	587	247	249	133	325
WATER AND SEWER										
Meter replacements	N/A	N/A	90	545	413	112	69	32	35	33
Customer service calls	1,700	1,939	2,215	2,310	2,270	1,760	945	1,849	2,090	2,338
Sanitary sewer complaints	84	68	127	111	46	50	42	31	20	10
Sanitary sewer cleaned (l.f.)	13,257	14,204	58,000	33,483	34,000	64,000	102,321	88,606	150,498	132,289
Catch basins/inlets cleaned	63	89	107	59	95	191	393	340	622	26

Note: Indicators are not available for the general government function.

*Beginning in 2018, the Wheeling Police Department no longer includes traffic stops, general service calls, or 911 CAD center events in the total calls figure.

Data Source

Village records

VILLAGE OF WHEELING, ILLINOIS

CAPITAL ASSET STATISTICS BY FUNCTION

Last Ten Fiscal Years

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Number of squad cars	41	41	41	42	40	40	38	34	34	34
Fire										
Stations	2	3	3	3	3	3	3	3	3	3
HIGHWAYS AND STREETS										
Streets (miles)	75	75	75	75	75	75	75	75	75	75
WATER										
Water mains (miles)	155	155	155	155	162	162	164	165	165	173
Fire hydrants	1,651	1,709	1,709	1,766	1,766	1,732	1,738	1,744	1,702	1,771
Average daily pumpage (mgd)	4	4	4	4	4	4	4	4	4	3
SEWER										
Sanitary sewers (miles)	87	87	87	89	90	94	95	92	92	92
Storm sewers (miles)	92	92	92	92	92	92	92	92	92	90
BUILDING INSPECTIONS										
Number of permits issued	1,364	1,650	1,501	1,488	1,599	1,305	1,659	1,775	1,679	1,508
CULTURE AND RECREATION										
Number of parks and playgrounds	16	16	16	16	16	16	16	16	16	16
Park area (acres)	270	270	270	270	270	270	270	270	270	270

Data Source

Village records

COMPLIANCE SECTION

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

SIKICH.COM

REPORT OF INDEPENDENT ACCOUNTANT'S ON COMPLIANCE

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

We have examined management's assertion that the Village of Wheeling, Illinois (the Village), complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended December 31, 2019. 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, 2019, is fairly stated in all material respects.

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

Sikich LLP

Naperville, Illinois
June 9, 2020

2020 DISCLOSURE

Relating to

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

CUSIP NUMBER 963099

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

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

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

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

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

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

and

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

For further information please contact:

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

Phone: (847) 459-2600

Email: MMondschain@wheelingil.gov

Email: BSmith@wheelingil.gov

5/26/2020

I. ANNUAL FINANCIAL INFORMATION REPORT UPDATE

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

Calendar Year Ending December 31	Municipal Sales Tax Distributions(2)	Home Rule Sales Tax Distributions	Total	Annual Percent Change + (-)
2010	\$4,622,924	\$3,360,619	\$ 7,983,543	0.52%(3)
2011	4,737,611	3,336,362	8,073,973	1.13%
2012	5,030,987	3,478,485	8,509,472	5.39%
2013	5,588,948	3,840,287	9,429,235	10.81%
2014	5,982,939	3,931,357	9,914,296	5.14%
2015	6,739,449	4,045,919	10,785,367	8.79%
2016	6,252,421	3,924,604	10,177,025	(5.64%)
2017	5,694,714	3,874,370	9,569,085	(5.97%)
2018	5,442,390	3,925,825	9,368,215	(2.10%)
2019	5,474,405	3,917,783	9,392,187	0.26%
Growth from 2010 to 2019				17.64%

- 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 2010 percentage is based on a 2009 sales tax of \$7,941,951.

Sales Tax Receipts by Kind of Business(1) (For the 12 months ended December 31, 2019)

	Amount Returned to the Village(2)	Percent
General Merchandise.....	\$1,094,558	13.3%
Food	632,517	7.7%
Drinking and Eating Places	1,889,243	22.9%
Apparel	10,361	0.1%
Furniture, Household & Radio	230,130	2.8%
Lumber Building and Hardware	544,719	6.6%
Automotive and Filling Stations	887,363	10.7%
Drugs and Misc. Retail	714,159	8.6%
Agriculture and All Other	1,615,149	19.6%
Manufactures	638,673	7.7%
Total.....	<u>\$8,256,872</u>	100.0%

- Notes: (1) Source: State of Illinois, Department of Revenue.
- (2) Includes Municipal Sales Tax returned by the State plus Home Rule Sales Taxes. Does not include Lake County sales taxes to protect the privacy of individual companies. The Lake County portion was \$1,135,315.16.

DIRECT GENERAL OBLIGATION DEBT (see schedules following)

Total General Obligation Bonds	<u>\$43,480,000</u>
Total General Obligation Debt.....	<u>\$43,480,000</u>

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

Calendar Year	Series 2007	Series 2008	Series 2009	Series 2011	Series 2012A	Series 2012B	Series 2016	Total Debt	Cumulative Principal Retired	
	(12/1)	(12/1)	(12/1)	(12/15)	(12/1)	(12/1)	(12/1)		Amount	Percent
2020	\$ 0	\$ 2,030,000	\$ 0	\$ 685,000	\$ 355,000	\$ 155,000	\$ 1,705,000	\$ 4,930,000	\$ 4,930,000	11.34%
2021	0	2,250,000	0	705,000	370,000	160,000	1,785,000	5,270,000	10,200,000	23.46%
2022	0	2,475,000	0	720,000	380,000	165,000	1,875,000	5,615,000	15,815,000	36.37%
2023	0	2,700,000	0	610,000	390,000	175,000	0	3,875,000	19,690,000	45.29%
2024	0	1,490,000	1,435,000	0	400,000	180,000	0	3,505,000	23,195,000	53.35%
2025	0	0	3,140,000	0	0	185,000	0	3,325,000	26,520,000	60.99%
2026	0	0	3,340,000	0	0	195,000	0	3,535,000	30,055,000	69.12%
2027	1,445,000	0	2,085,000	0	0	200,000	0	3,730,000	33,785,000	77.70%
2028	3,700,000	0	0	0	0	210,000	0	3,910,000	37,695,000	86.70%
2029	3,850,000	0	0	0	0	220,000	0	4,070,000	41,765,000	96.06%
2030	1,005,000	0	0	0	0	230,000	0	1,235,000	43,000,000	98.90%
2031	0	0	0	0	0	235,000	0	235,000	43,235,000	99.44%
2032	0	0	0	0	0	245,000	0	245,000	43,480,000	100.00%
Total	\$10,000,000	\$10,945,000	\$10,000,000	\$2,720,000	\$1,895,000	\$2,555,000	\$5,365,000	\$43,480,000		

Note: (1) Source: the Village.

OVERLAPPING DEBT(1)(2)

	Outstanding Debt	Applicable to Village	
		Percent(3)	Amount
Schools:			
School District Number 21	\$ 64,940,000	46.96%	\$30,495,824
School District Number 23	8,705,000	16.92%	1,472,886
School District Number 102	17,025,000	0.61%	103,853
High School District Number 125	44,745,000	0.16%	71,592
High School District Number 214	33,010,000	10.92%	3,604,692
Community College District Number 512	103,580,000	4.95%	5,127,210
Community College District Number 532	52,995,000	0.02%	10,599
Total Schools.....			<u>\$40,886,656</u>
Other:			
Cook County	\$2,803,851,750	0.59%	\$16,542,725
Cook County Forest Preserve District	131,815,000	0.59%	777,709
Lake County	157,790,000	0.02%	31,558
Lake County Forest Preserve District	222,645,000	0.02%	44,529
Metropolitan Water Reclamation District	2,274,859,669	0.60%	13,649,158
Wheeling Park District	12,115,000	87.13%	10,555,800
Prospect Heights Park District	7,000,790	16.16%	1,131,328
River Trails Park District	8,869,375	0.02%	1,774
Total Other			<u>\$42,734,580</u>
Total Schools and Other Overlapping Bonded Debt.....			<u>\$83,621,235</u>

- Notes: (1) Source: Cook and Lake County Clerks.
(2) As of December 31, 2019.
(3) Overlapping debt percentages based on 2018 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, 2018	\$ 941,692,866	100.00%	33.33%	\$25,013.09
Estimated Actual Value, 2018.....	\$2,825,078,598	300.00%	100.00%	\$75,039.27
Total Direct Bonded Debt	\$ 43,480,000	4.62%	1.54%	\$ 1,154.91
Overlapping Bonded Debt(2):				
Schools	\$ 40,886,656	4.34%	1.45%	\$ 1,086.02
Other	42,734,580	4.54%	1.51%	1,135.11
Total Overlapping Bonded Debt.....	<u>\$ 83,621,235</u>	<u>8.88%</u>	<u>2.96%</u>	<u>\$ 2,221.13</u>
Total Direct and Overlapping Bonded Debt(2)	\$ 127,101,235	13.50%	4.50%	\$ 3,376.04

- Notes: (1) Source: Cook and Lake Counties Clerks and the Village.
(2) As of December 31, 2019.

VILLAGE EQUALIZED ASSESSED VALUATION(I)

Property Class	Levy Years				
	2014	2015	2016(2)	2017	2018
Residential.....	\$425,609,608	\$415,287,122	\$494,966,376	\$494,398,641	\$486,531,210
Farm.....	126,078	48,507	143,114	143,504	147,211
Commercial.....	135,422,155	132,668,239	138,718,618	140,558,437	135,641,240
Industrial.....	290,188,352	282,104,354	300,581,268	315,263,570	312,643,780
Railroad.....	917,222	1,106,149	1,221,970	1,009,308	1,062,667
Total.....	\$852,263,415	\$831,214,371	\$935,631,346	\$951,373,460	\$936,026,108
Lake County.....	5,135,426	5,068,152	5,419,375	5,534,484	5,666,758
Total.....	\$857,398,841	\$836,282,523	\$941,050,721	\$956,907,944	\$941,692,866
Percentage Change+(-)....	2.30%(3)	(2.46%)	12.53%	1.69%	(1.59%)

- Notes: (1) Source: Cook and Lake Counties Clerks.
 (2) Triennial reassessment year.
 (3) Percentage change based on 2013 EAV of \$838,147,451.

LARGER TAXPAYERS(I)

Taxpayer Name	Business/Service	2018 EAV(2)
Westin Hotel.....	Hotel.....	\$ 19,395,728
Linda A Nadle Attorney.....	Attorney.....	14,824,841
Wal-Mart Stores.....	Retail Discount Store.....	12,651,505
Capstone Realty Advisors.....	Apartments.....	9,195,056
Azure Partners LLC.....	Real Estate.....	8,811,923
Mallard Lake Apartments.....	Apartments.....	8,368,101
Pace Suburban Bus Div.....	Transportation.....	7,604,182
Durable Packaging International.....	Industrial.....	7,593,810
PACTIV.....	Food Packaging.....	6,988,872
Foxboro Apartments.....	Apartments.....	5,967,345
Total.....		\$101,401,363
Ten Largest Taxpayers as Percent of Village's 2018 EAV (\$941,692,866).....		10.77%

- 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 2018 EAV is the most current available.

TAX LEVIES AND COLLECTIONS(I)

Levy Year	Coll. Year	Taxes Extended	Total Collections(2)	
			Amount	Percent
2014.....	2015.....	\$12,928,836	\$12,728,869	98.45%
2015.....	2016.....	14,454,024	14,240,771	98.52%
2016.....	2017.....	15,177,351	14,819,828	97.64%
2017.....	2018.....	15,937,176	15,552,643	97.59%
2018.....	2019.....	16,494,282	15,866,445	96.19%

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

VILLAGE TAX RATES(1)

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

	Levy Years				
	2014	2015	2016	2017	2018
The Village:					
Corporate	\$ 0.9066	\$ 1.0585	\$ 0.9654	\$ 0.0000	\$0.0000
Bonds and Interest	0.2082	0.2136	0.2028	0.2147	0.2219
Police Pension.....	0.1926	0.2178	0.1935	0.1979	0.2319
Fire Pension	0.2091	0.2385	0.2510	0.2603	0.2934
Fire Protection	0.0000	0.0000	0.0000	0.4963	0.5022
Police Protection	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>	<u>0.4963</u>	<u>0.5022</u>
Total Village Rates(2)	\$ 1.5170	\$ 1.7290	\$ 1.6130	\$ 1.6660	\$ 1.7520

Notes: (1) Source: Cook County Clerk's Office.

(2) The Village is a home rule-unit under the 1970 Illinois Constitution and, as such, has no statutory tax rate limit. The Cook County Clerk rounds the total Village rates.

TYPICAL TAX BILL(1)(2)

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

	Levy Years				
	2014	2015	2016	2017	2018
Cook County	\$ 0.5680	\$ 0.5520	\$ 0.5330	\$ 0.4960	\$ 0.4890
Cook County Forest Preserve District.....	0.0690	0.0690	0.0630	0.0620	0.0600
Metropolitan Water Reclamation District.....	0.4300	0.4260	0.4060	0.4020	0.3960
Northwest Mosquito Abatement District	0.0130	0.0110	0.0100	0.0100	0.0110
Consolidated Elections	0.0000	0.0340	0.0000	0.0310	0.0000
Wheeling Township	0.0520	0.0550	0.0410	0.0430	0.0430
General Assistance	0.0100	0.0100	0.0080	0.0090	0.0090
Road and Bridge	0.0190	0.0200	0.0140	0.0150	0.0160
School District Number 21	5.4300	5.6420	4.9660	5.0220	5.2760
High School District Number 214.....	2.7760	2.8810	2.5270	2.5630	2.6690
Community College District Number 512	0.4510	0.4660	0.4160	0.4250	0.4430
Indian Trails Public Library District.....	0.5290	0.5340	0.4760	0.4810	0.4930
Wheeling Park District	<u>0.8900</u>	<u>0.9240</u>	<u>0.8290</u>	<u>0.8420</u>	<u>0.8800</u>
Total Tax Rates(3).....	\$12.7540	\$13.3530	\$11.9020	\$12.0670	\$12.5370

Notes: (1) Source: Cook County Clerk's Office.

(2) The Village is a home rule-unit under the 1970 Illinois Constitution and, as such, has no statutory tax rate limit. The Cook County Clerk rounds the total Village rates.

(3) Representative tax rates for other government units are from Wheeling Township tax code 38055, which represents the largest tax code of the Village's 2018 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

	2015	2016	2017	2018	2019
ASSETS:					
Cash and Investments	\$ 28,061,638	\$ 29,846,511	\$ 31,879,622	\$ 38,887,538	\$ 40,107,189
Receivables, Net:					
Property Taxes	14,155,427	14,837,953	15,564,682	15,986,089	17,008,916
Sales Taxes	2,936,849	2,759,846	2,545,112	2,527,623	2,603,438
Local Use Taxes.....	0	0	297,951	350,260	389,845
Income Taxes.....	773,045	696,331	0	0	0
Telecommunications Tax.....	349,096	317,745	273,307	249,647	244,324
Accounts	522,602	645,023	867,001	1,478,986	1,048,310
Accrued Interest	45,599	40,488	44,677	58,145	51,077
IPBC.....	1,286,311	671,661	1,019,495	1,358,164	1,688,424
Other	1,161,817	1,274,205	1,239,248	1,096,958	1,479,665
Prepaid Expenses	533,866	1,341,627	243,476	279,660	291,450
Inventory	436,774	504,132	493,398	445,175	351,377
Due from Other Governments.....	151,887	142,922	911,950	796,078	442,061
Advances to Other Funds.....	(863,629)	(1,038,826)	(1,236,508)	(1,455,902)	(1,657,722)
Deferred Charges - Unamortized Loss on Refunding.....	570,278	741,915	634,039	526,164	418,289
Deferred Outflows-Swap Agreement	4,066,825	3,364,990	2,691,062	2,040,040	2,233,278
Deferred Outflows-OPEB.....	0	0	0	148,107	2,157,142
Net Pension Asset.....	11,435,662	9,969,634	9,160,537	20,081,035	9,265,291
Investment in Joint Venture	0	0	45,497,352	44,948,315	44,078,198
Capital Assets Not Being Depreciated	85,551,145	86,170,928	37,571,138	36,117,059	35,222,180
Capital Assets Being Depreciated	<u>56,209,319</u>	<u>52,360,837</u>	<u>54,175,130</u>	<u>53,636,878</u>	<u>54,960,020</u>
Total Assets.....	<u>\$207,384,511</u>	<u>\$204,647,922</u>	<u>\$203,872,669</u>	<u>\$219,556,019</u>	<u>\$212,382,752</u>
LIABILITIES:					
Accounts Payable.....	\$ 1,633,640	\$ 3,892,318	\$ 2,992,560	\$ 2,913,588	\$ 2,091,044
Accrued Payroll	51,921	48,652	59,477	162,185	363,741
Deposits Payable	144,309	124,167	451,865	488,973	448,865
Deferred Revenue	14,813,225	15,347,554	15,564,819	17,048,157	17,842,375
Due to Fiduciary Funds	970,788	306,376	520,548	170,472	975,682
Interest Payable	604,690	176,846	164,542	150,728	135,727
Pension Items.....	0	2,093,365	10,095,665	2,847,612	7,229,788
Interest Rate Swap Agreement.....	4,066,825	3,364,990	2,691,062	2,040,040	2,233,278
Long-Term Liabilities:					
Due Within One Year.....	4,492,374	5,246,126	5,345,220	6,833,528	7,181,547
Due in More Than One Year.....	<u>119,531,505</u>	<u>116,734,793</u>	<u>105,496,118</u>	<u>135,938,174</u>	<u>119,997,902</u>
Total Liabilities.....	<u>\$146,309,277</u>	<u>\$147,335,187</u>	<u>\$143,381,876</u>	<u>\$168,593,457</u>	<u>\$158,499,949</u>
NET POSITION:					
Net Investment in Capital Assets	\$ 99,844,379	\$ 93,184,516	\$ 47,624,982	\$ 48,020,025	\$ 51,290,989
Restricted for:					
Highways and Streets.....	1,133,043	1,123,032	1,220,916	1,539,251	1,628,444
Public Safety	476,106	576,700	125,692	135,807	144,211
Economic Development.....	6,403,505	1,522,298	4,853,663	7,884,269	5,306,433
Capital Projects	1,979,004	4,000,936	1,078,439	1,502,045	1,948,745
Debt Service.....	121,829	129,918	136,967	191,452	171,703
Unrestricted.....	<u>(48,882,632)</u>	<u>(43,224,665)</u>	<u>5,450,134</u>	<u>(8,310,287)</u>	<u>(6,607,722)</u>
TOTAL NET POSITION.....	<u>\$ 61,075,234</u>	<u>\$ 57,312,735</u>	<u>\$ 60,490,793</u>	<u>\$ 50,962,562</u>	<u>\$ 53,882,803</u>

Note: (1) Formerly Statement of Net Assets.

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

Audited as of December 31

	2015	2016	2017	2018	2019
Functions/Programs					
Primary Government(1):					
General Government.....	\$ (13,499,982)	\$ (24,200,222)	\$ (17,839,388)	\$ (15,595,854)	\$ (14,640,142)
Public Safety	(23,097,414)	(24,322,248)	(23,824,695)	(25,637,498)	(25,913,409)
Highways and Streets.....	(2,668,506)	(2,943,766)	(2,073,913)	(2,246,443)	(7,506,554)
Airport-Joint Venture.....	(360,206)	(661,580)	(65,299)	(549,037)	(870,117)
Interest and Fees	(2,975,404)	(2,683,084)	(2,487,101)	(2,323,635)	(2,128,664)
Total Governmental Activities	<u>\$ (42,601,512)</u>	<u>\$ (54,810,900)</u>	<u>\$ (46,290,396)</u>	<u>\$ (46,352,467)</u>	<u>\$ (51,058,886)</u>
General Revenues:					
Taxes:					
Property and Replacement	\$ 21,897,622	\$ 23,535,987	\$ 25,804,441	\$ 27,674,437	\$ 28,698,969
Sales	10,786,813	10,178,754	9,518,542	9,313,325	9,342,868
Utility	2,973,641	2,952,545	2,895,388	3,137,557	2,961,736
Telecommunications.....	1,342,101	1,252,938	1,162,995	1,044,603	973,144
Food and Beverage	911,165	910,343	917,671	927,464	969,570
Hotel/Motel	1,048,308	1,008,332	1,043,545	1,058,544	1,110,229
Income	4,005,867	3,664,807	3,457,938	3,605,401	4,007,217
Other	300,419	362,938	368,291	380,776	371,725
Investment Income	223,774	348,236	289,035	525,558	1,689,081
Gain on Disposal of Capital Assets.....	979,001	676,330	146,979	763,102	126,333
Miscellaneous.....	1,435,358	1,663,409	2,013,806	1,032,268	1,386,635
Other Revenues	1,275,782	1,416,008	1,495,664	1,587,804	1,841,792
Transfers.....	572,257	617,349	354,159	523,539	499,828
Total	<u>\$ 47,752,108</u>	<u>\$ 48,587,976</u>	<u>\$ 49,468,454</u>	<u>\$ 51,574,378</u>	<u>\$ 53,979,127</u>
CHANGE IN NET POSITION.....	<u>\$ 5,150,596</u>	<u>\$ (6,222,924)</u>	<u>\$ 3,178,058</u>	<u>\$ 5,221,911</u>	<u>\$ 2,920,241</u>
Change in Accounting Principle.....	\$(46,709,870)	\$ 0	\$ 0	\$ (14,750,142)	\$ 0
Prior Period Adjustment.....	<u>797,320</u>	<u>2,460,425</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET POSITION, JANUARY 1.....	<u>\$ 55,924,638</u>	<u>\$ 63,535,659</u>	<u>\$ 57,312,735</u>	<u>\$ 60,490,793</u>	<u>\$ 50,962,562</u>
NET POSITION, DECEMBER 31	<u>\$ 61,075,234</u>	<u>\$ 57,312,735</u>	<u>\$ 60,490,793</u>	<u>\$ 50,962,562</u>	<u>\$ 53,882,803</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

	2015	2016	2017	2018	2019
ASSETS:					
Cash and Investments.....	\$ 9,617,721	\$10,229,745	\$10,558,706	\$11,793,123	\$11,939,675
Receivables (Net Where Applicable of Allowances for Uncollectibles):					
Property Taxes.....	12,427,824	12,972,229	13,598,020	13,993,767	14,852,649
Sales Taxes.....	2,936,849	2,759,846	2,545,112	2,527,623	2,603,438
Income Taxes.....	773,045	696,331	0	0	0
Local Use Taxes.....	0	0	297,951	350,260	389,845
Telecommunications Tax.....	349,096	317,745	273,307	249,647	244,324
Accrued Interest.....	20,508	17,941	20,223	24,946	17,799
IPBC.....	1,286,311	671,661	1,019,495	1,358,164	1,688,424
Other.....	875,116	907,623	922,320	672,361	1,055,749
Due from Other Funds.....	87,550	42,783	85,329	621,367	954,376
Inventory.....	287,856	278,304	276,659	309,291	283,643
Prepaid Items.....	471,750	211,316	242,193	265,268	288,858
Total Assets and Other Debits.....	<u>\$29,133,626</u>	<u>\$29,105,524</u>	<u>\$29,839,315</u>	<u>\$32,165,817</u>	<u>\$34,318,780</u>
LIABILITIES:					
Accounts Payable.....	\$ 1,090,796	\$ 1,023,042	\$ 776,947	\$ 875,711	\$ 911,698
Accrued Payroll.....	46,491	40,236	50,290	146,465	352,217
Deposits Payable.....	144,309	124,167	112,665	149,773	109,665
Due to Fiduciary Funds.....	970,788	306,376	520,548	170,472	975,682
Due to Other Funds.....	0	0	0	1,750,000	1,600,000
Deferred Revenue.....	12,418,756	12,996,636	13,608,495	14,131,129	14,856,719
Total Liabilities.....	<u>\$14,671,140</u>	<u>\$14,490,457</u>	<u>\$15,068,945</u>	<u>\$17,223,550</u>	<u>\$18,805,981</u>
FUND BALANCES:					
Nonspendable for Prepaid Items.....	\$ 471,750	\$ 211,316	\$ 242,193	\$ 265,268	\$ 288,858
Nonspendable for Inventory.....	287,856	278,304	276,659	309,291	283,643
Unrestricted - Assigned for Health Insurance.....	1,286,311	671,661	1,019,495	1,358,164	1,688,424
Unrestricted - Unassigned.....	12,416,569	13,453,786	13,232,023	13,009,544	13,251,874
Total Fund Balances.....	<u>\$14,462,486</u>	<u>\$14,615,067</u>	<u>\$14,770,370</u>	<u>\$14,942,267</u>	<u>\$15,512,799</u>
Total Liabilities and Fund Balances.....	<u>\$29,133,626</u>	<u>\$29,105,524</u>	<u>\$29,839,315</u>	<u>\$32,165,817</u>	<u>\$34,318,780</u>

General Fund Revenues, Expenditures and Changes in Fund Balance

	Audited as of December 31				
	2015	2016	2017	2018	2019
REVENUES:					
Taxes	\$25,317,613	\$26,094,987	\$25,944,507	\$26,284,081	\$26,866,755
Licenses and Permits	956,338	712,117	1,050,924	999,393	1,415,681
Intergovernmental	6,761,148	6,715,665	6,578,577	5,638,643	6,489,755
Charges for Services	2,244,662	2,417,037	2,421,787	2,575,785	2,683,836
Fines and Forfeits	959,311	994,658	983,565	1,177,897	1,210,589
Investment Income	97,630	187,160	84,892	149,844	629,424
Miscellaneous	<u>1,305,352</u>	<u>1,142,006</u>	<u>1,339,003</u>	<u>974,996</u>	<u>1,024,906</u>
Total Revenues	<u>\$37,642,054</u>	<u>\$38,263,630</u>	<u>\$38,403,255</u>	<u>\$37,800,639</u>	<u>\$40,320,946</u>
EXPENDITURES:					
General Government	\$10,997,647	\$10,748,569	\$10,871,481	\$ 9,946,665	\$10,519,305
Public Safety	24,391,698	24,749,064	25,031,344	23,546,677	25,304,886
Debt Service	<u>193,283</u>	<u>199,335</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$35,582,628</u>	<u>\$35,696,968</u>	<u>\$35,902,825</u>	<u>\$33,493,342</u>	<u>\$35,824,191</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 2,059,426	\$ 2,566,662	\$ 2,500,430	\$ 4,307,297	\$ 4,496,755
OTHER FINANCING SOURCES (USES):					
Proceeds on Sale of Capital Assets	\$ 57,674	\$ 16,795	\$ 158,445	\$ 43,169	\$ 61,443
Operating Transfers In	0	0	0	0	0
Operating Transfers Out	<u>(1,330,000)</u>	<u>(2,430,876)</u>	<u>(2,503,572)</u>	<u>(4,178,569)</u>	<u>(3,987,666)</u>
Total Other Financing Sources	<u>\$(1,272,326)</u>	<u>\$(2,414,081)</u>	<u>\$(2,345,127)</u>	<u>\$(4,135,400)</u>	<u>\$(3,926,223)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 787,100	\$ 152,581	\$ 155,303	\$ 171,897	\$ 570,532
Beginning Fund Balance	<u>\$13,675,386</u>	<u>\$14,462,486</u>	<u>\$14,615,067</u>	<u>\$14,770,370</u>	<u>\$14,942,267</u>
Ending Fund Balance	<u>\$14,462,486</u>	<u>\$14,615,067</u>	<u>\$14,770,370</u>	<u>\$14,942,267</u>	<u>\$15,512,799</u>

General Fund Budgeted Financial Information

	Budget Twelve Months Ending 12/31/2020
REVENUES:	
Taxes	\$27,376,003
Licenses and Permits	913,091
Intergovernmental	561,875
Charges for Services	4,472,991
Fines and Forfeits	1,194,640
Interest	301,762
Miscellaneous	<u>6,187,910</u>
Total Revenues	<u>\$41,008,272</u>
EXPENDITURES:	
Personnel Services	\$27,740,601
Contractual Services	7,562,582
Commodities	1,669,305
Capital Improvements	0
Other	50,000
Transfers Out	<u>3,263,436</u>
Total Expenditures	<u>\$40,285,924</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 722,348