

VILLAGE OF WILMETTE, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015

**VILLAGE OF WILMETTE,
ILLINOIS**

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015**

Prepared by Department of Finance

Melinda Molloy, Director of Finance/Village Treasurer

Robert Amoruso, CPA, Accountant

Margaret Boyich, CPA, Accountant

Michael Braiman, Assistant Village Manager

VILLAGE OF WILMETTE, ILLINOIS

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INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Village of Wilmette including the list of principal officials, the organizational structure, the letter of transmittal and certificate of achievement for excellence in financial reporting.

VILLAGE OF WILMETTE, ILLINOIS

**Principal Officials
December 31, 2015**

LEGISLATIVE

VILLAGE BOARD OF TRUSTEES

Robert T. Bielinski – President

Carol Ducommun – Trustee

Senta Plunkett – Trustee

Cameron Krueger – Trustee

Daniel E. Sullivan, Jr. – Trustee

Ted McKenna – Trustee

Julie Wolf – Trustee

ADMINISTRATIVE

Timothy J. Frenzer, Village Manager

Michael Braiman, Assistant Village Manager

FINANCE DEPARTMENT

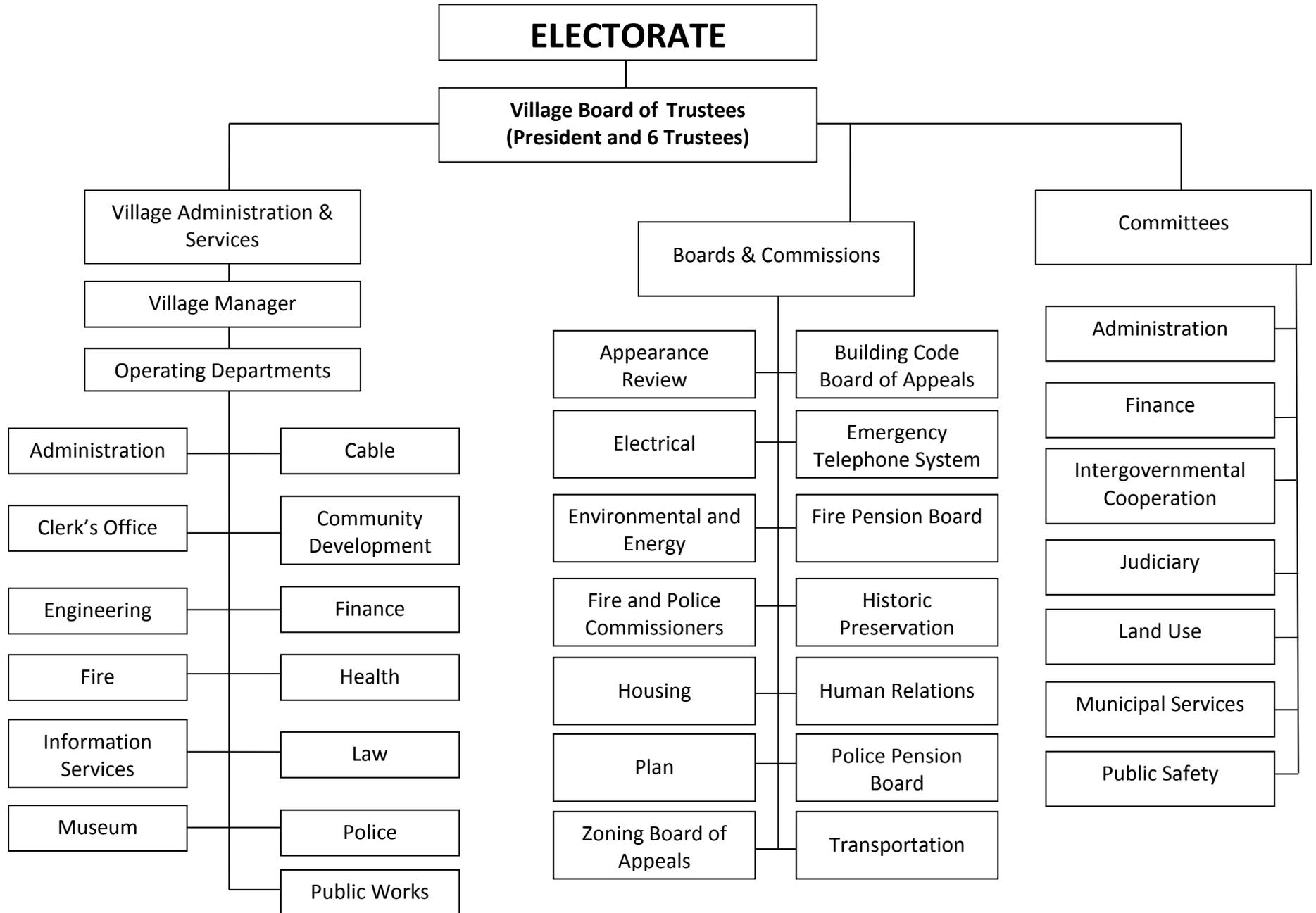
Melinda Molloy, Finance Director/Village Treasurer

Blythe Trilling, Assistant Finance Director

Robert Amoruso, Accountant

Margaret Boyich, Accountant

VILLAGE OF WILMETTE ORGANIZATIONAL STRUCTURE





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WILMETTE, ILLINOIS 60091-0040

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May 12, 2016

President and Board of Trustees
and Citizens of the Village of Wilmette, Illinois

The Comprehensive Annual Financial Report (CAFR) for the Village of Wilmette, Illinois, for the year ended December 31, 2015 is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that the Village issue an annual report on its financial position and activity presented in conformance with generally accepted accounting principles (GAAP), and that an independent firm of certified public accountants audit this report in accordance with generally accepted auditing standards. Although formally addressed to the elected officials and citizens of Wilmette, this financial report has numerous other users. Foremost among these other users are the bondholders of the Village, financial institutions, credit rating agencies, educational institutions, and other governmental entities.

The Finance Department has prepared the report. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the Village. We believe the information, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position of the Village and the results of its operations as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the Village's financial affairs have been included.

The CAFR is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, the Village's organizational chart and a list of principal officials. The financial section includes the basic financial statements and the combining and individual fund financial statements and schedules, as well as the auditor's report on the financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multiyear basis.

The Reporting Entity and its Services

The Village of Wilmette, incorporated in 1872, is located approximately 16 miles from downtown Chicago in New Trier Township. It is one of eight Chicago suburban communities north of Chicago fronting on Lake Michigan and collectively referred to as the "North Shore." The Village operates under the council/manager form of government with a legislative body consisting of the Village President and Board of six Trustees, all elected on an at-large basis to overlapping four-year terms. The Village Manager is responsible for the day-to-day operation

of the Village. The Village occupies a land area of 5.1 square miles and has a population of 27,087 per the 2010 census. The Village is a home rule municipality as defined by the Illinois constitution. Additional demographic information may be found in the statistical section of this report.

The Village provides a full range of governmental services, which include:

Police Protection	Fire Protection
Emergency Medical Services	Water Production and Distribution
Sewer Service	Street and Parkway Maintenance
Street Lighting	Refuse Disposal and Recycling
Forestry	Commuter and Retail Parking
Planning, Building and Zoning	Economic Development
Public Health	Historical Museum
Cable TV Productions	Wilwork (youth employment referral service)

The reporting entity of the Village of Wilmette is comprised of all funds of the primary government (i.e. the Village of Wilmette as legally defined) and its pension trust funds: the Wilmette Police Pension Fund and Wilmette Firefighters Pension Fund. These funds were determined to be pension trust funds due to their fiduciary and fiscal relationships with the Village as their sole purpose is to provide retirement benefits to the Village's sworn police officers and firefighters. There are no legally separate entities that qualify as component units of the Village.

Accounting System and Budgetary Control

The accounts of the Village are organized on the basis of funds, and the operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Revenues are allocated to and accounted for in individual funds based upon the purpose for which they are to be expended and the means by which spending activities are controlled. The accounting records for general governmental operations are maintained on the modified accrual basis, with revenues being recorded when available and measurable and expenditures being recorded when materials or services are received and the liability incurred. Accounting records for the Village's enterprise funds, internal service funds, agency funds, and pension trust funds are maintained on the accrual basis of accounting.

Management of the Village is responsible for establishing and maintaining a system of internal accounting controls. This system should ensure that: (1) the assets of the Village are protected from loss, theft or misuse; and (2) adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

Additionally, there are budgetary controls in place to ensure compliance with legal provisions embodied in the annual appropriation ordinance approved by the Village Board of Trustees.

Expenditures may not exceed appropriated amounts at the individual fund level. The Village also maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

Factors Affecting Financial Condition

Economic Outlook. The Village has long been known as one of the most prestigious residential areas in Chicagoland. Per the U.S. Census Bureau 5-year estimated survey, the median household income for the Village was over \$126,400. This compares to approximately \$54,800 for Cook County and \$57,200 for the State of Illinois. Wilmette ranks as the wealthiest community in the State of Illinois among communities with populations over 25,000. Unemployment has never been as serious as has been the case nationally or statewide. The rate for the Village was 4.1% at the end of 2015 which is below the State's unemployment rate of 5.9%.

Locally, the national economic downturn has had its most significant impact on real estate activity. The tax base for the Village shrank approximately 38% from 2009. Since 2010 however, real estate transfer as well as home remodeling activity has been growing in the Village. Revenue from transfer taxes has increased 107% in 2015 compared to 2009. Additionally, permit revenue was up 129% compared to 2009.

While primarily a residential community, the Village has an established business base made up of eight business areas, highlighted by the downtown area known as Village Center, Plaza del Lago, and Eden's Plaza. Eden's Plaza, the Village's largest taxpayer, was entirely redeveloped in 1994-1995. The primary anchor store, Carson Pirie Scott & Company, was completely refurbished. The remainder of the shopping center was demolished and rebuilt with several new anchor stores, including Bed, Bath & Beyond, Carson Furniture Gallery and The Fresh Market grocery store. The loss of the Crate & Barrel store at Plaza del Lago and a Borders bookstore at Eden's Plaza in 2011 were replaced by a CVS Pharmacy and a Walgreen's Pharmacy in 2012.

Rising pension costs have become problematic throughout the nation. The Village is covered by three defined-benefit pension plans that cover all qualifying employees. These include two locally managed funds: the Police Pension Fund (covering sworn police officers) and the Firefighters Pension Fund (covering sworn members of the Fire Department); and one statewide fund: the Illinois Municipal Retirement Fund (IMRF), which covers all other qualified public employees. The benefits of all three of these pension plans are governed by state law and may only be amended through acts of the Illinois General Assembly. The Village continues to fund future benefit obligations based on conservative actuarial assumptions and methods designed to meet, if not exceed, state requirements. The combined actuarial value of assets for the two locally managed funds increased 3.6% to \$86,308,180 during the year.

The Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pension Plans*, was implemented in FY 2015. The statement has had a material impact on the Village's Government-wide financial statements. The primary objective of GASB 68 was to improve reporting by state and local governments for pensions.

The statement establishes new standards for measuring and recognizing liabilities and expenditures, as well as, expanding note disclosures and other information about the Village's pensions.

State legislation is a continuing concern. The State of Illinois' budget problems (much of which is pension related) could trickle down to local agencies through legislative actions that could reduce municipal revenues.

Long-Term Financial Planning. The Village's budget process for all of the operating funds includes cash flow projections for two years beyond the budget under consideration including capital budgets for the "spending down" of bond proceeds. The Village utilizes a Ten Year Capital Improvements Program to address major capital and infrastructure improvements as well as new and replacement equipment in excess of \$10,000. The financing source for these items is projected in conjunction with the future expenditure. This information is used to ensure sufficient cash flow for a project that will be financed in the operating budget or to determine if additional debt will be necessary for a project that is to be included in the capital budget.

Major Initiatives

In responding to the nation's economic recession, the Village Board and the Village staff have endeavored to reduce costs and refocus Village government on its core municipal functions. 2015 was the fourth consecutive year that the Village was able to improve its net revenue picture from the budget and use its conservative projections to its advantage, enabling it to fund critically needed capital items supporting its core responsibilities with proven, not merely projected, positive revenue. To that end, the Village was able to fund the replacement of aging entry doors at the Village Hall and a critical server upgrade to facilitate the implementation of important customer service initiatives in 2016. In all, the Village was able to supplement the General Fund Reserve and add an additional 17% to the reserve balance.

While surpluses in the past few years have enabled the Village to address some of its most urgent capital needs in the short term, the Village's capital investment lagged. To address capital needs on a more consistent basis, the Village Board unanimously voted to increase the Home Rule Sales Tax from 0.25% to 1.00%, effective January 1, 2015. With the majority of the new revenues earmarked for critical Village infrastructure programs, and critical police, fire and public works vehicles and equipment, the Village will have a reliable, recurring revenue source dedicated to capital improvements.

Development Initiatives

Village Center - In 2011 two properties were purchased by the Village toward redevelopment in the Village Center district. A Master Plan of the Village Center was completed and the Village intends to re-sell these properties for development in line with this Plan.

On November 13, 2015, the Village closed on the sale of 611 Green Bay Road to M&R Development. Under the terms of the sale, the Village sold the property for \$3.1 million.

M&R will be constructing a five-story luxury apartment development, with retail and amenity spaces on the first floor. The development will have approximately 75 residences and over 6,300 square feet of first floor commercial retail space. Construction is anticipated to begin in Summer/Fall 2016. The remaining property the Village purchased continues to remain leased and occupied in 2015.

Marriott Residence Inn - The Village's first hotel broke ground in 2013 and opened in May 2014. The 2015 occupancy levels, based on first full year of operation, were 18% better than projected.

Capital Improvements - With the economic declines noted previously, capital spending has been reduced in recent years. Grants and the spending down of existing bond proceeds provided nearly all of the capital spending for governmental activities in 2011 and 2012. In 2013 a new \$1 million issuance funded the reconstruction of eight alleys, the bulk of which was completed in 2013 and almost all of the remaining proceeds were utilized to complete the alley program in 2014. There were no new general fund bond financed projects in 2015.

Street Resurfacing Program -In 2015, \$2.3 million was allocated to resurface 1.38 miles of street, as well as curb, and sidewalk projects throughout the town. These improvements were funded from a State grant, the State-shared motor fuel tax, and dedicated operating revenues in the General Fund (a portion of the vehicle license revenues, the increased home rule sales tax, a local fuel tax and a pavement degradation fee).

Equipment replacements and upgrades - Remaining proceeds from the 2010 bond issue were spent in 2015 as part of the alley reconstruction program. A number of other capital projects were completed in 2015 including: Police Squad Car Replacement (5 cars), Police Department Camera Improvements, and Public Works Small Dump Trucks (2 trucks).

Sewer improvements - In July of 2013, the Village Board determined to embark on an aggressive \$24 million sewer improvement program. Over \$8.4 million worth of work was completed in 2014 and an additional \$13 million by the end of 2015. The program is scheduled to be completed in Spring 2016. The improvements are funded by bond issues, the first of which occurred in October 2013 and the second in November of 2014. In 2013, the Village Board approved an Ordinance increasing the sewer rate by forty cents in 2014 and by forty cents in 2015 to pay the debt service associated with this program.

Water improvements - The Village continues discussions with potential new wholesale customers. In 2014, the Villages of Wilmette and Glenview agreed to extend the wholesale water contract for 30 years (from 2020 to 2050). As part of the extension, Glenview will begin purchasing Wilmette water in 2020 to supply North Maine Utilities. The addition of North Maine will increase Wilmette's wholesale delivery by approximately 20%, without requiring any improvements to the Wilmette Water Plant or distribution system. It is anticipated that North Maine will provide additional net wholesale revenue of approximately \$1 million. The Village also continued discussions with the Village of Kenilworth for wholesale water supply and anticipates initiating wholesale water service to Kenilworth before the end of 2016.

Independent Audit

Illinois Municipal Auditing Law requires an annual audit of the Village by independent certified public accountants selected by the Village Board of Trustees. This audit requirement has been complied with, and the Board selected the accounting firm of Lauterbach and Amen, LLP. The auditors' report on the basic financial statements, the combining and individual fund schedules as well as the information listed as supplemental is included in the financial section of this report.

Awards

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 for the year ended December 31, 2014. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

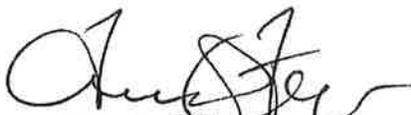
In order to be awarded a Certificate of Achievement, the Village published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for 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 are submitting it to the GFOA to determine its eligibility for another certificate.

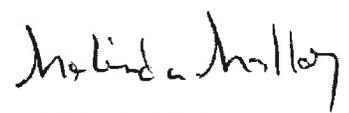
The Village was awarded the Distinguished Budget Presentation Award by the GFOA for its 2015 budget document. This was the seventeenth consecutive year that the Village has achieved this honor. In order to receive the Distinguished Budget Presentation Award the document must meet specific criteria as an operations guide, a policy document, a financial plan and a communications device. This award is also valid for a one-year period. The fiscal year 2016 Budget has been submitted to the GFOA to determine its eligibility for another award.

Acknowledgments

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department. I would also like to thank the President and Trustees of the Village Board for their support in planning and conducting the financial operations of the Village in a responsible and progressive manner. Finally, I would like to express my appreciation to the firm of Lauterbach and Amen, LLP for their professionalism and expertise in their assistance in the preparation of this report.

Respectfully submitted,


Timothy J. Frenzer
Village Manager


Melinda Molloy
Finance Director



Government Finance Officers Association

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

Presented to

**Village of Wilmette
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO

FINANCIAL SECTION

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Statements and Schedules

INDEPENDENT AUDITORS' REPORT



INDEPENDENT AUDITORS' REPORT

May 12, 2016

The Honorable Village President
Members of the Board of Trustees and Village Manager
Village of Wilmette, 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 Wilmette, Illinois, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of 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 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 Wilmette, Illinois, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents and budgetary information reported in the required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not 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 of Wilmette, Illinois', basic financial statements. The introductory section, combining and individual fund financial statements and budgetary comparison schedules, supplemental schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual fund financial statements and budgetary comparison schedules and supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 combining and individual fund financial statements and budgetary comparison schedules and supplemental schedules are fairly stated, in all material respects, in relation to the basic 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.


LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF WILMETTE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2015

This section of the Village of Wilmette's (the "Village") Comprehensive Annual Financial Report (CAFR) presents Management's Discussion and Analysis (MD&A) of the Village's financial activities during the fiscal year ended December 31, 2015. It is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the subsequent years' challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the Transmittal Letter (beginning on page iii) and the Village's financial statements. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

FINANCIAL HIGHLIGHTS

- The Village's total net position was \$34,127, a decrease of \$38,422 (53%) from the prior fiscal year. The governmental net position decreased by \$40,321 (188%). The business-type net position increased by \$1,899 (4%).
- Village-wide revenues were \$53,171, of which \$39,731 were generated by governmental activities and \$13,440 were generated by business-type activities.
- Village-wide expenses were \$59,217, of which \$48,776 were incurred by governmental activities and \$10,441 were incurred by business-type activities.
- Governmental Fund balances increased \$1,134 to \$11,882. Of this amount \$9,392 (79%) was unassigned fund balance available for spending at the Village's discretion.
- Governmental Fund revenues were \$39,731, an increase of \$1,763 from fiscal year 2014. Governmental Fund expenditures were \$48,776, an increase of \$12,243 from fiscal year 2014.
- Enterprise Fund net position increased \$1,899 to \$53,009. Of this amount \$6,853 (13%) was unassigned fund balance available for spending at the Village's discretion.
- Enterprise Fund operating revenues were \$13,440, an increase of \$1,195 from the prior fiscal year. Enterprise Fund operating expenditures were \$10,441, a decrease of \$157 from the prior fiscal year.

OVERVIEW OF THE ANNUAL REPORT

The MD&A is intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements are comprised of three components: 1) the government-wide financial statements, 2) the fund financial statements, and 3) the notes to the financial statements. The Village is not accountable for any outside organizations and therefore, no adjustments were made to blend financial information from other legally separate entities into this report. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The Government-Wide Financial Statements (see pages 3-6) are designed to emulate the private sector in that all governmental and business-type activities are consolidated into columns that total the Village as a whole. Such a presentation allows for a broad overview of the Village's finances. The Governmental Activities reflect the Village's basic services, including public safety (police and fire), streets and sanitation, other public works, public health, community development and general government. Property taxes, shared State sales taxes, home-rule sales taxes, local utility taxes, shared State income taxes, and local real estate transfer taxes finance the majority of these activities. The Business-Type Activities reflect private sector-type operations (Water Fund, Sewer Fund and Parking Meter Fund), where the fee for service typically covers all or most of the cost of operation, including depreciation. Fiduciary activities, such as employee pension plans, are not available to fund Village programs and therefore are not included in the government-wide statements.

The Village's annual report includes two government-wide financial statements. These statements provide long-term information about the Village's overall financial status. Financial reporting at this level uses accounting similar to full accrual accounting used in the private sector. Inter-fund activity is eliminated and the cost of assets with long service life is spread out over future years so that capital expenditures are amortized (through depreciation) when benefits are realized.

Historically, a government's largest group of assets (infrastructure – roads, bridges, storm sewers, etc.) have neither been reported nor depreciated in the governmental financial statements. GASB Statement No. 34 requires that these assets be valued and reported within the Governmental column of the Government-Wide Statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally-established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The Village has chosen to depreciate assets over their useful life. If a road project is considered a recurring cost that does not extend the road's original life or expand its capacity, the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

The first government-wide statement is the Statement of Net Position. This statement presents information about all of the Village's assets/deferred outflows and liabilities/deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether or not the financial position of the Village is improving or deteriorating. Additionally, one would need to evaluate non-financial factors, such as the condition of the Village's infrastructure, the satisfaction of the residents and other information beyond the scope of this report to make a more complete assessment of the overall health of the Village.

The second government-wide statement is the Statement of Activities. This statement presents information about all of the Village's revenues and expenses, also on the full accrual basis, with the emphasis on measuring net revenue or expense of each of the Village's activities. This is intended to summarize and simplify the user's analysis of the cost of various government services and/or subsidy to various business-type activities. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless to the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave). The Statement of Activities explains in detail the change in net position for the year.

Fund Financial Statements

The Fund Financial Statements report the Village's operations in more detail than the Government-wide statement and focus primarily on the short-term activities of the Village's General Fund and other Major Funds. The Fund Financial Statements measure only current revenues and expenditures, current assets, liabilities and fund balances; they exclude capital assets, long-term debt and other long-term amounts. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Fund Financial Statement allows the demonstration of sources and uses and/or budgeting compliance associated therewith. Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. The Governmental Funds presentation (see pages 7-11) is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. The focus of governmental funds is narrower than that of the Government-Wide Financial Statements. Both the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate the comparison between governmental funds and governmental activities. The Governmental Funds Total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected. The flow of current financial resources reflects bond proceeds and interfund transfers as other financing sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation eliminates these transactions and incorporates the capital assets and long-term obligations (bond and others) into the Governmental Activities column (in the Government-Wide Statements).

The Village maintains four individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, the Capital Projects Fund (for the 2013 and 2014 General Obligation Bond Issues) and General Debt Service Fund, which are considered to be major funds. The financial data from non-major funds are combined into a single aggregated presentation. The Village's Motor Fuel Tax Fund is its only non-major governmental fund in 2015.

Proprietary Funds. The Village maintains two different types of proprietary funds. **Enterprise Funds** are used to report the same functions presented in Business-Type Activities in the Government-Wide Financial Statements. **Internal Service Funds** are an accounting device used to accumulate and allocate costs internally among the Village's various functions. The Village uses internal service funds to account for vehicle repair and maintenance and to account for employee fringe benefit expenses (e.g. employer expense for health insurance and pension plan contributions). As Internal Service Funds serve governmental rather than business-type functions, they have been included within Governmental Activities in the Government-Wide Financial Statements.

Proprietary Fund Financial Statements (see pages 12-16) provide the same type of information as the Government-Wide Financial Statements, only in more detail. The Water and Sewer Funds are considered to be major funds of the Village and are presented in separate columns in the Fund Financial Statements. Currently, the Parking Meter Fund is the only non-major enterprise fund. The Internal Service Funds are combined in a single, aggregate presentation in the Proprietary Fund Financial Statements. Individual fund data for non-major enterprise and internal service funds are presented elsewhere in this report.

Fiduciary Funds. Fiduciary Funds are used to account for resources held for the benefit of parties outside of the government (see pages 17-18). Fiduciary funds are not reflected in the government-wide financial statements because these assets are restricted in purpose and do not represent discretionary assets of the government. The Village maintains two types of fiduciary funds: two pension trust funds (Police Pension Fund and Firefighters Pension Fund) and one agency fund (Foreign Fire Insurance Tax Fund).

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial Statements. The Notes to the Financial Statements can be found on pages 19-70 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information including budgetary basis schedules (with reconciliations to GAAP basis information) and the Village's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 71-79 of this report.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Statement of Net Position

Net position may serve over time as a useful indicator of a government's financial position. This analysis focuses on the net position and year-to-year changes in net position of the Village as a whole. As shown in Table 1, the Village's total assets/deferred outflows exceed liabilities/deferred inflows by \$34,127 as of December 31, 2015. New for 2015, the Village

Village of Wilmette, Illinois
Management's Discussion and Analysis, (Continued)

implemented the provisions of GASB Statement No. 68 related to the reporting of the Village's IMRF, Police and Firefighter Pension Plans. The provisions of the statement require that the Village report on the face of the balance sheet the net pension liabilities related to the three pension plans, which are \$7,304, \$22,641, and \$29,116, respectively. The provisions of the Statement also provide for the recording of items called deferred outflows (future expenses) and deferred inflows (future revenues) related to the pension plans. At December 31, 2015, the Village has offset the total net pension liabilities of \$59,061 with deferred outflows of \$14,694 and deferred inflows of \$99. The net result of the transactions for GASB 68 is an overall net liability of \$44,466 related to the Village's pension obligations for IMRF, Police and Fire. The impact of the implementation of GASB 68 for FY 2015 explains in large part why the overall net position decreased \$38,422, or 53%, from \$72,549 in FY 2014. The following table reflects the condensed Statement of Net Position. For more detailed information see the Statement of Net Position (pages 3-4).

Table 1: Statement of Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Assets						
Current/Other Assets	\$ 32,115	\$ 33,388	\$ 11,233	\$ 26,326	\$ 43,348	\$ 59,714
Capital Assets	47,144	47,695	99,608	86,901	146,752	134,596
Total Assets	\$ 79,259	\$ 81,083	\$ 110,841	\$ 113,227	\$ 190,100	\$ 194,310
Deferred Outflows	\$ 15,895	\$ -	\$ -	\$ -	\$ 15,895	\$ -
Total Assets/Deferred Outflows	\$ 95,154	\$ 81,083	\$ 110,841	\$ 113,227	\$ 205,995	\$ 194,310
Liabilities						
Current Liabilities	\$ 6,800	\$ 24,139	\$ 5,738	\$ 6,739	\$ 12,538	\$ 30,878
Noncurrent Liabilities	90,531	35,505	52,037	55,378	142,568	90,883
Total Liabilities	\$ 97,331	\$ 59,644	\$ 57,775	\$ 62,117	\$ 155,106	\$ 121,761
Deferred Inflows	\$ 16,705	\$ -	\$ 57		\$ 16,762	\$ -
Total Liabilities/ Deferred Inflows	\$ 114,036	\$ 59,644	\$ 57,832	\$ 62,117	\$ 171,868	\$ 121,761
Net Position:						
Net Investment in Capital Assets	\$ 17,262	\$ 15,800	\$ 46,156	\$ 44,837	\$ 63,418	\$ 60,637
Restricted	636	750	-	-	636	750
Unrestricted	(36,780)	4,889	6,853	6,273	(29,927)	11,162
Total Net position	\$ (18,882)	\$ 21,439	\$ 53,009	\$ 51,110	\$ 34,127	\$ 72,549

Current assets within the governmental activities increased \$3,733 primarily as a result of an increase in cash. The increase in cash was driven by additional revenues attributed to an improved local economy, planned growth in the property tax levy as well as the sale of 611 Green Bay Road. The sale also resulted in a decrease in other assets of \$3,675. As a result of the implementation of GABS 68, an item for deferred outflows related to Pensions was added for \$14,694.

Current assets within the business-type activities decreased \$15,093 mainly reflecting spend down of the Sewer Fund \$24 million multi-year sewer improvement program bond proceeds.

Total liabilities for governmental activities increased \$54,393 from the prior fiscal year mainly due to the implementation of GASB 68 and the addition net pension liabilities which added \$59,061 to noncurrent liabilities. Total liabilities for business type activities decreased \$4,285 from the prior fiscal year mainly due to the pay down of long-term debt and a decrease in accounts payables as the sewer improvement program nears completion.

The largest portion of the Village's net position, \$63,418, is its investment in capital assets (e.g. land, infrastructure, buildings, machinery & equipment), less any related debt outstanding that was used to acquire those assets. The Village uses these capital assets to provide services to citizens and thus these assets are not available for future spending. Although the Village's investment in its capital assets is shown net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the Village's net position, \$636, represents resources held for specific purposes. A portion is from the Motor Fuel Tax Fund that is restricted for roadway improvements, and a portion is for seized and forfeited assets resulting from Police actions.

The unrestricted portion of the Village's net position may be used to meet the Village's ongoing obligations to citizens and creditors. Due to the implementation of GASB 68 and the recording of net pension liability, the unrestricted net position was (\$29,927).

At the end of fiscal year 2015, the Village is able to report positive balances in all categories of net position, for the government as a whole, except for unrestricted, due to the implementation of GASB 68 and the recording of the net pension liability.

Statement of Activities

As noted before, the Statement of Activities presents information showing how the Village's net position changed during the most recent fiscal year. Table 2 provides details on changes in net position for both 2015 and 2014 broken out by governmental activities and business-type activities. The net position of the Village's governmental activities decreased to (\$18,882) in 2015 compared to \$21,439 in 2014. The implementation of GASB 68 resulted in a negative \$32,376 restatement of the governmental activities net position. The net position of business-type activities increased by \$1,899 to \$53,009 in 2015.

Table 2: Statement of Activities

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Revenues						
Program Revenues						
Charges for Services	\$ 7,989	\$ 7,972	\$ 13,157	\$ 12,078	\$ 21,146	\$ 20,050
Grants / Contributions	970	1,569	101	53	1,071	1,622
General Revenues						
Property Taxes	15,859	15,356	-	-	15,859	15,356
Sales Taxes	5,736	4,248	-	-	5,736	4,248
Income Taxes	2,882	2,594	-	-	2,882	2,594
Utility Taxes	2,265	2,344	-	-	2,265	2,344
Other Taxes	2,436	2,288	-	-	2,436	2,288
Other General Revenues	1,594	1,597	182	114	1,776	1,711
Total Revenues	\$ 39,731	\$ 37,968	\$ 13,440	\$ 12,245	\$ 53,171	\$ 50,213
Expenses						
General Government	\$ 4,345	\$ 3,432	\$ -	\$ -	\$ 4,345	\$ 3,432
Public Safety	28,126	19,307	-	-	28,126	19,307
Streets and Sanitation	10,265	8,953	-	-	10,265	8,953
Other Public Works	1,861	1,592	-	-	1,861	1,592
Public Health	247	250	-	-	247	250
Community Development	2,673	1,678	-	-	2,673	1,678
Interest	1,259	1,321	-	-	1,259	1,321
Water	-	-	6,118	6,230	6,118	6,230
Sewer	-	-	3,790	3,526	3,790	3,526
Parking	-	-	533	528	533	528
Total Expenses	\$ 48,776	\$ 36,533	\$ 10,441	\$ 10,284	\$ 59,217	\$ 46,817
Change in Net Position						
Before Transfers	(9,045)	1,435	2,999	1,961	(6,046)	3,396
Transfers	1,100	1,000	(1,100)	(1,000)	-	-
Change in Net Position	(7,945)	2,435	1,899	961	(6,046)	3,396
Net Position January 1	21,439	19,004	51,110	50,149	72,549	69,153
Restatement - GASB 68	(32,376)	-	-	-	(32,376)	-
Net Position December 31	\$ (18,882)	\$ 21,439	\$ 53,009	\$ 51,110	\$ 34,127	\$ 72,549

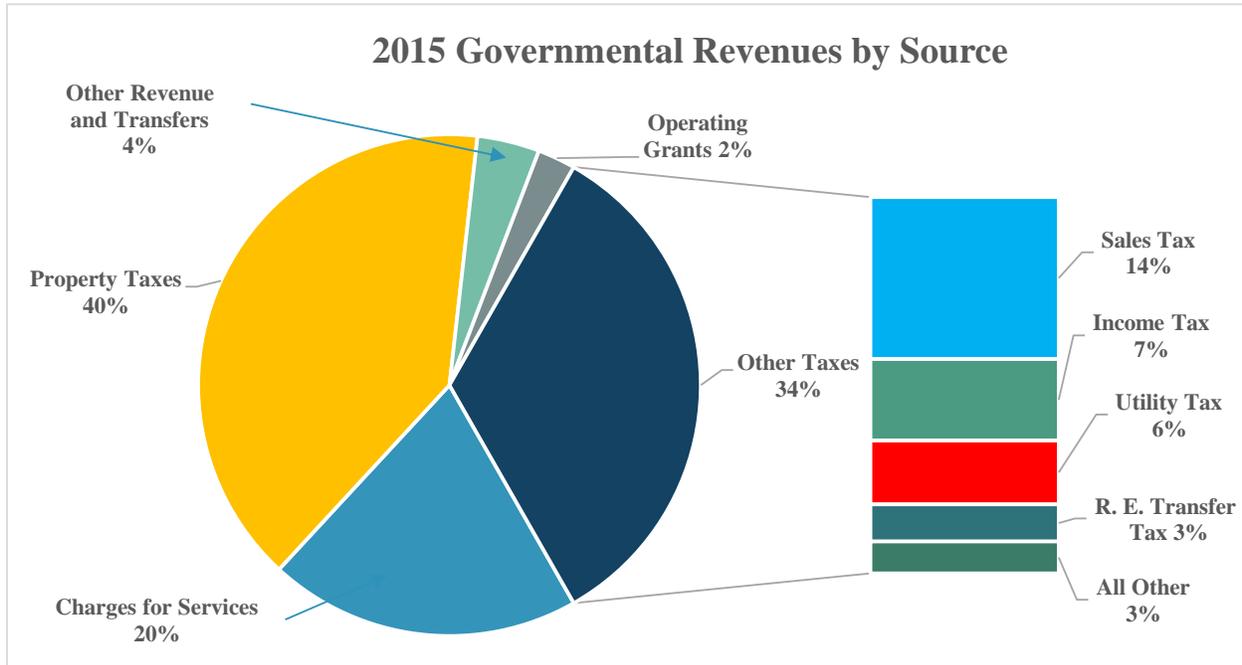
Governmental Activities - Revenues

Total governmental activities revenues amounted to \$39,731 for 2015, an increase of \$1,763 or 4.6% over 2014.

Program revenues in aggregate were down \$582 when comparing 2015 to 2014. Program revenues from grants and contributions decreased \$599. Because grants often occur irregularly, this revenue fluctuates widely from year to year as the comparison of 2015 to 2014 demonstrates. The Village did receive \$130 from the Metropolitan Water Reclamation District for green alley work, \$44 from Wilmette Open Lands and \$10 from Wilmette Harbor Rotary Club Foundation for work at Elmwood Dunes, \$20 from IRMA for the purchase of two ambulance power cots, and \$18 from the State Fire Marshal to reimburse for fire training. Revenues received from governmental service charges were relatively flat compared to 2014.

General revenues in aggregate are up \$2,345 from 2014. General revenues from property taxes increased, \$503 or 3.3% in 2015. The growth in property tax revenues was expected as the Village's 2014 tax levy included a 3.35% increase. General revenues from all other taxes and revenues increased, \$1,842 or 14.1%, in 2015. The increase in other taxes were primarily due to the following: an increase in the Home Rule sales tax rate from 0.25% to 1%, \$1,488; robust income tax collections, \$288; and the first full year collection of a hotel occupancy tax, \$154. All are indications of an improving economy. Utility tax receipts decreased slightly from 2014 due to mild weather conditions.

The following graph depicts the major governmental revenue sources of the Village. The composition of the Village's 2015 governmental activities revenues is similar to the prior year. The graph highlights the importance of property taxes to fund governmental activities.



Governmental Activities - Expense

Total governmental activities expenses amounted to \$48,776 for 2015, an increase of \$12,243 or 33.5% over 2014.

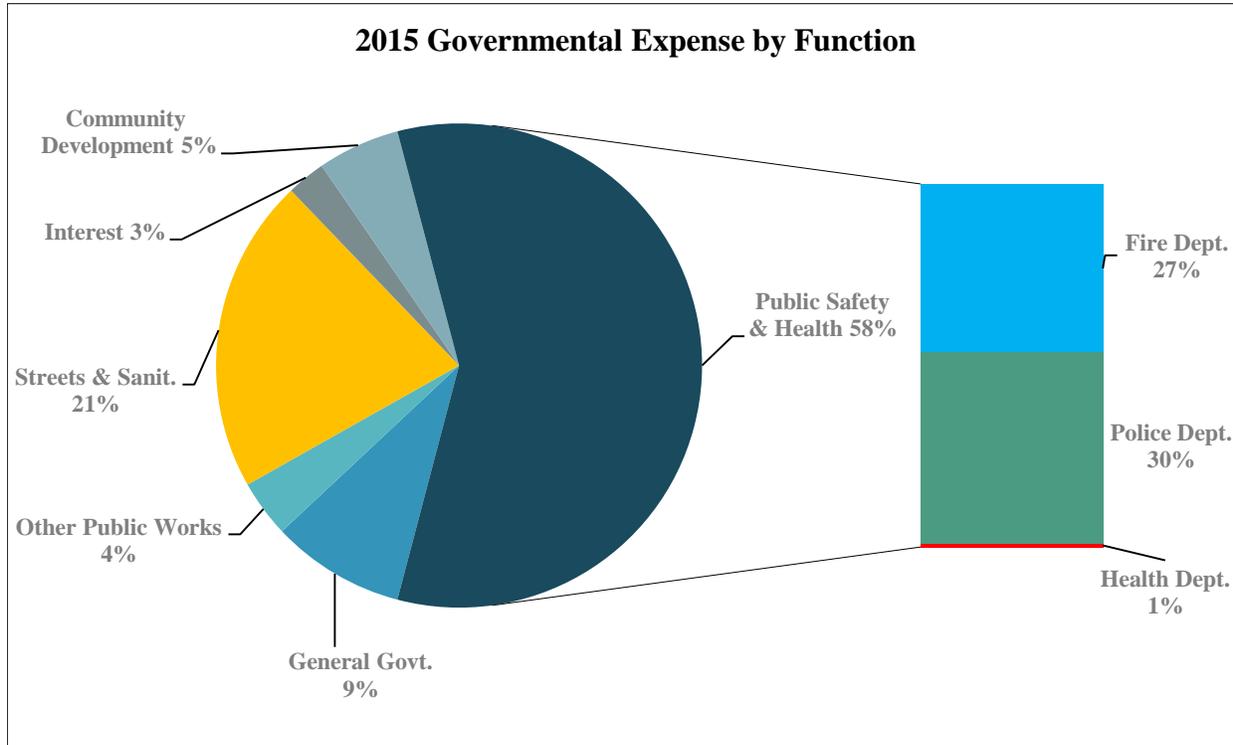
General Government expenses grew \$913 or 26.6% from 2014. Most of the increase, \$598 is related to the implementation of GASB 68. Approximately \$175 of the increase was for legal fees associated with Fire union interest arbitration, code revision work and various other litigation.

Public Safety expenses grew \$8,819 or 45.7% from 2014. Notably, \$8,539 is related to the impact of the implementation of GASB 68.

Streets and Sanitation expenses increased \$1,312 or 14.7% from 2014. Almost all the increase, \$1,195, is related to the implementation of GASB 68.

Community Development expenses increased \$995 or 59.3% from 2014. A portion of the increase, \$359 is related to the impact of the implementation of GASB 68. Another portion, \$101, can be attributed to the first full year payment of the Home Rule Hotel Tax Incentive Payment associated with the new Hotel-Motel Occupancy tax. Land held for Resale increased \$549 for the expense related to the sale of 611 Green Bay Road.

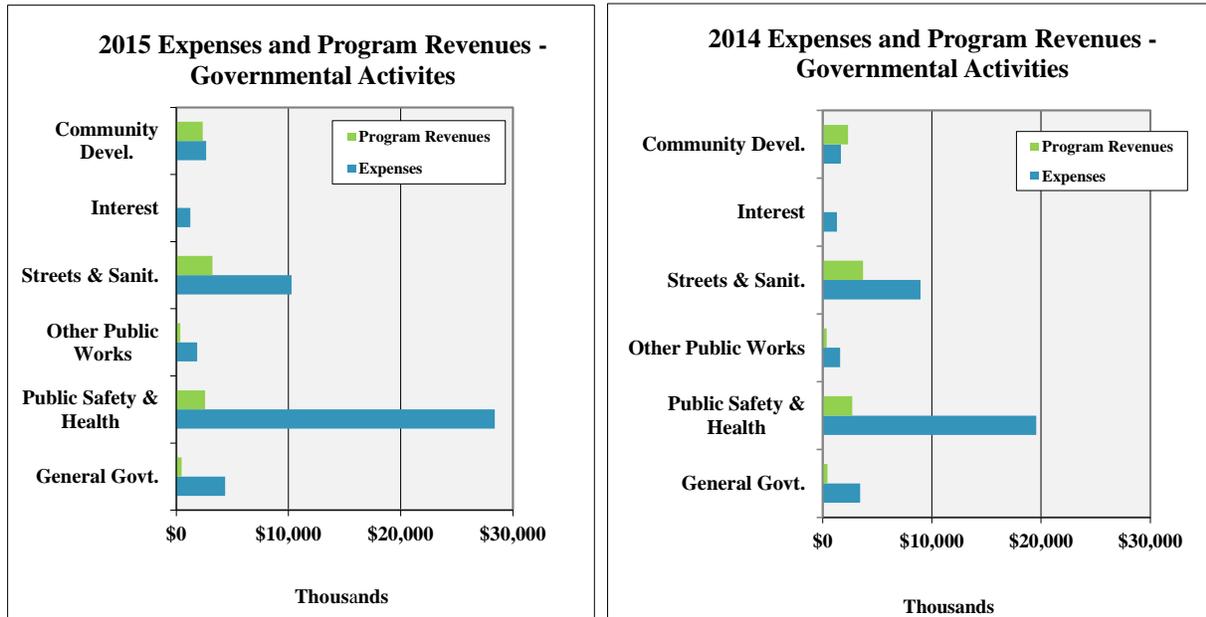
The following graph depicts the major governmental expense by function of the Village. The composition of the Village's 2015 governmental activities expenses is similar to 2014. The graph highlights the importance of public safety and street & sanitation services provided to Village residents.



Governmental Activities – By Program

The next two graphs provide a visual of how governmental revenues and expenses match up for each of the years 2015 and 2014. For governmental activities, program revenues covered

approximately 18% of expenses. This is a slight decrease from 2014 and is indicative of the impact of GASB 68. Community Development revenues are almost sufficient to match the related program expenses. All of the other programs categories are substantially subsidized by general revenues-consistent with prior years.



Business-Type Activities

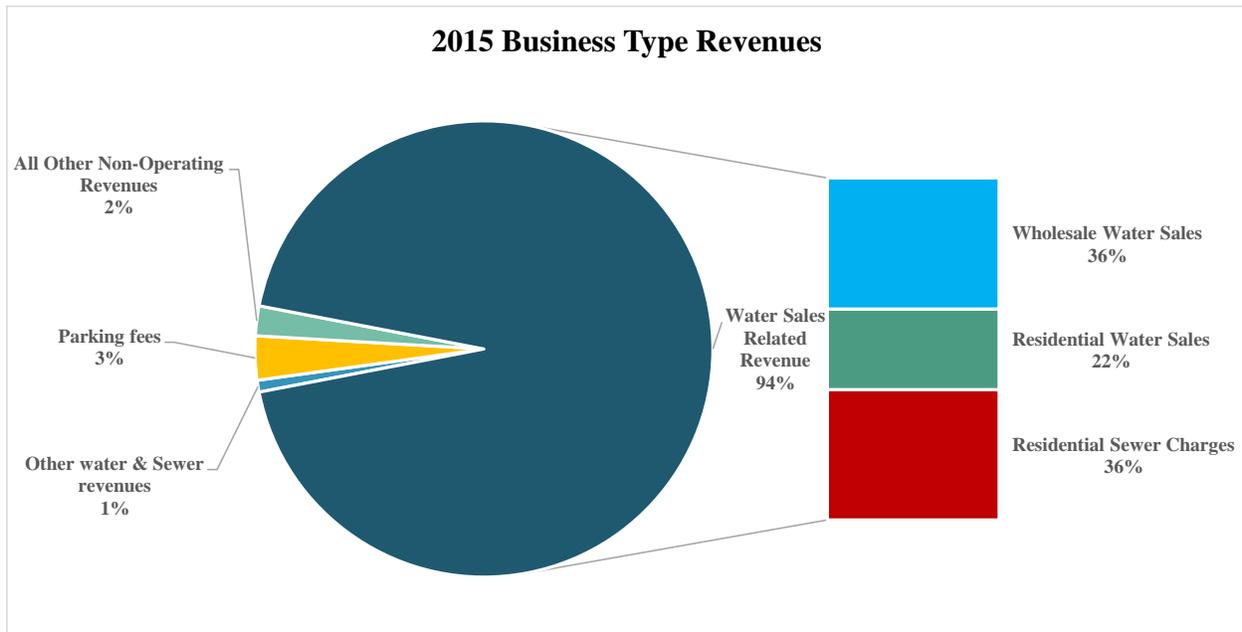
As noted previously, the business-type activities reflect private sector-type operations, where the fee for service typically covers all or most of the cost of operation, including depreciation. For the Village that applies to the Water Fund, and Sewer Fund but not the Parking Meter Fund.

Business-Type Activities – Revenues

Total business-type activities revenues amounted to \$13,440 for 2015, an increase of \$1,195 or 9.8% compared to 2014.

Program revenues are nearly all from service charges related to the sales of water and sewer. A small percentage is from parking related revenues. These service charges increased by \$1,079 or 8.9% from 2014. A portion of the increase, \$416, is from wholesale water collections due to a rate increase. A residential sewer rate increase in 2015 also resulted in an increase in revenues of \$493.

The following graph depicts the major business-type revenue sources of the Village. The composition of the Village’s 2015 business-type activities revenues is similar to 2014.



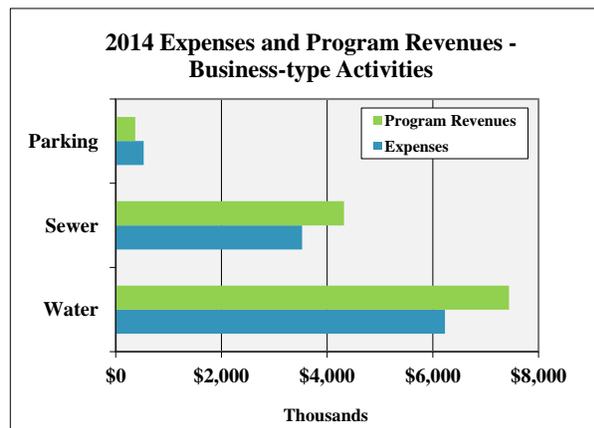
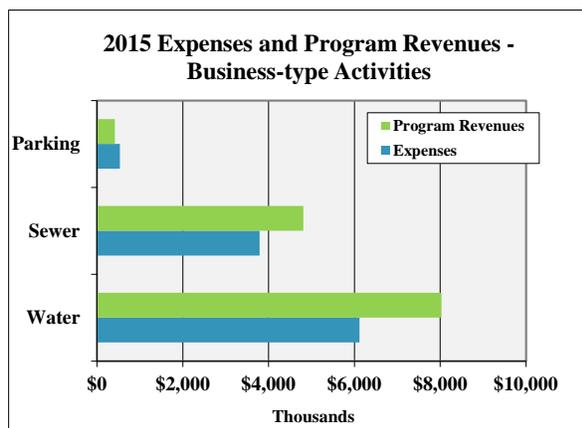
Business Type Activities – Expenses

Total business-type activities expenses amounted to \$10,441 for 2015, an increase of \$157 or 1.5% from 2014.

Expenses for the Water Fund, year over year, are down slightly \$112 or 1.8%. The Sewer Fund expenses increased \$264 or 7.5% from 2014. The increase is mainly attributable to the additional bond interest expense from recent issuances to fund the \$24 million sewer improvement program.

Business Type Activities – Programs

The next two graphs provide a visual of how business-type revenues and expenses match up for each of the years 2015 and 2014. As expected, program revenues exceed expenses in the Water and Sewer Funds. The Parking Meter Fund generally operates very close to “break-even.”



FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

As noted earlier, the Village 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. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The Village's governmental funds reported combining fund balances of \$11,882, which is \$1,134, or 11%, higher than last year's total of \$10,748. Of the total, \$9,392 or approximately 79%, of the fund balance is unassigned fund balance.

General Fund

The General Fund is the primary operating fund of the Village. At year-end, unassigned fund balance was \$9,392, which is 84% of the total fund balance of the fund. As a measure of the General Fund's liquidity, it is useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents approximately 26% of total General Fund expenditures. The total fund balance in the fund increased by \$1,277, or 13%.

Other Major Funds

The Village's other major governmental funds include the Debt Service Fund and the Series 2013 and 2014 General Obligation Bonds Capital Projects Fund. The Debt Service Fund is used to account for the periodic payment of principal and interest on general long-term debt. This fund had a fund balance at year-end of \$34, which is an increase from last year of \$1, or 2%. Over the past several years, the Debt Service Fund has been adversely impacted by property tax refunds. To help correct a structural funding issue, the Board agreed to transfer \$30 from the General Fund. Additionally, the tax levy loss in collection amount for the Debt Service Fund has been increased. The Capital Projects Fund accounts for financial resources used for the acquisition or construction of major capital facilities. This fund had a fund balance at year-end of \$0, which is a decrease of \$70, or 100%. Spend down of remaining proceeds was expected as capital projects were completed.

Non-major Fund

The Motor Fuel Tax Fund is the only non-major governmental fund. This fund accounts for the operation and maintenance of street and storm water programs and capital projects authorized by the Illinois Department of Transportation. Financing is provided by the Village's share of the State motor fuel tax. The fund balance at year-end was \$611, which is a decrease of \$74, or 11% from last year. The decrease is mainly attributable to the planned spend down of fund balance.

Proprietary Funds

The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The Village reports the Water Fund and the Sewer Fund as major proprietary funds. These two funds are enterprise funds. The Village has one non-major proprietary fund, the Parking Meter Fund, which is also an enterprise fund.

Village of Wilmette, Illinois
Management's Discussion and Analysis, (Continued)

The Village's wholesale water rate is set by contract and is recalculated every other year. The residential water and sewer rates are determined by the Village Board of Trustees. The commuter parking rates are also set by the Village Trustees in conjunction with the Union Pacific railroad and the Chicago Transit Authority (CTA). If activity volumes were similar from year to year, the expectation would be that revenue would grow in line with rate changes.

The rates in effect for 2015 and 2014 are shown as follows:

	<u>2015</u>	<u>2014</u>	<u>% Change</u>
Wholesale Water Rate	\$ 1.331 / ccf	\$ 1.220 / ccf	9.1%
Residential Water Rate	\$ 2.49 / ccf	\$ 2.49 / ccf	0.0%
Residential Sewer Rate	\$ 4.24 / ccf	\$ 3.84 / ccf	10.4%
METRA Commuter Parking Rates	\$ 2.00 per day	\$ 2.00 per day	0.0%
CTA Commuter Parking Rates	\$ 4.00 per day	\$ 4.00 per day	0.0%

The Water Fund reflects all revenue and expense related to supplying water to the residents of Wilmette as well as to the Village of Glenview and to the Illinois American Water Company. The intent of the Fund is that it not only be self-supporting but also achieve a surplus to help support general operations and services of the Village. The Fund experienced an income gain before capital contributions and transfers of \$1,972 which is \$708 more than last year. The unrestricted net position increased slightly to \$2,315. Environmental factors impact the amount of water required by the system each year.

The Sewer Fund reflects all the revenue and expense related to supplying sewer services to the residents of Wilmette. The intent of the Fund is that it is self-supporting. The Fund experienced an increase in net position of \$1,040 which is due mainly from a rate increase. The unrestricted net position increased 8% from last year to \$3,756.

The Parking Meter Fund had a year-end Net Position of \$4,406 which is a decrease of \$113 from last year. The decrease was mainly driven by \$127 in recognized depreciation.

The Internal Service Funds are combined in a single, aggregate presentation in the Proprietary Fund Financial Statements and reflect the goods and services provided by an activity to other departments on a cost-reimbursement basis. The Village has five internal service funds, the Municipal Garage Fund, the Employee Insurance Fund, the Workers' Compensation Fund the Section 105 sick leave Fund, and the Illinois Municipal Retirement Fund.

General Fund Budgetary Highlights

The Village adopts an annual appropriation ordinance for all of its funds. No supplemental appropriation ordinance was adopted for the 2015 Budget.

Table 3: General Fund Budgetary Highlights - I

	Original and Final Budget	Actual GAAP Basis
Revenues	\$ 33,601	\$ 35,758
Expenditures	<u>35,316</u>	<u>35,551</u>
Excess (Deficiency) of Revenues over Expenditures	(1,715)	207
Other Financing Sources (Uses):		
Transfers in	1,100	1,100
Transfers out	<u>(64)</u>	<u>(30)</u>
Net Changes in Fund Balance	<u>\$ (679)</u>	<u>\$ 1,277</u>

The principal goal in setting the 2015 budget was to maintain service levels and keep fund operating reserves stable. While the above table would indicate a \$679 reduction, the use of escrowed monies and anticipated expenditure savings were expected to produce a balanced budget. In particular, the above table includes \$359 of GAAP expenditures for prior year encumbrances which coupled with the planned use of \$218 of escrowed funds for road resurfacing work along with savings of contingency expenditures brings the budget into balance. Ultimately, improved 2015 revenues resulted in the \$1,277 increase in the General Fund balance. An improving economy boosted sales tax, income tax, real estate transfer tax, permit fees and charges for services which in total performed better than budgeted by \$1,755. Investment earnings from the IRMA excess surplus reserve, which are not budgeted, were \$224 of the positive variance. Contingency savings of \$176, negotiated refuse savings of \$78 and \$34 less of the budgeted debt service transfer were offset by \$571 in additional land held for resale holding costs. The holding costs were related to the loss on the sale of 611 Green Bay Road.

CAPITAL ASSETS

The Village's capital assets for its Government and Business-Type Activities at December 31, 2015 total \$146,752. This includes land, buildings, infrastructure, equipment and construction in progress. This amount represents an increase of \$12,707 (reflecting additions, disposals and depreciation). Detailed information regarding the change in capital assets for Government and Business-Type Activities is included in the Notes to the Financial Statements on pages 38-39.

The Governmental Activities net investment in capital assets increased from last year by \$1,462. The increase consists of capital additions of \$3,111 and debt repayment of \$2,213 netted with depreciation of \$3,662 and a change in unamortized bond discounts and unexpended bond proceeds of \$200.

Business-Type Activities net investment in capital assets increased by \$1,319. The increase consists of capital additions of \$14,877 and additional debt repayment of \$2,773 which were netted against unexpended bond proceeds of \$14,161 and depreciation of \$2,169. Net capital assets increased in the Sewer Fund with asset additions of \$14,368. Note that the additions were primarily financed from existing debt and new IEPA Loan debt. Water capital additions totaled \$509. The Parking Meter Fund had no change.

DEBT OUTSTANDING

The Village has seven general obligation (G.O.) bond issues and seven EPA loans outstanding. The following table summarizes the Village's long-term debt outstanding (excluding unamortized bond discount and loss on refunding and compensated absences).

Table 5: Bonded and Similar Indebtedness

	Outstanding at Dec 31, 2014	Issued in 2015	Retired in 2015	Outstanding at Dec 31, 2015
General Obligation Bonds \$	87,695	-	(4,825)	82,870
E.P.A. Loans	3,429	-	(176)	3,253
State Loans	225	-	(13)	212
Totals	91,349	-	(5,014)	86,335
Governmental Activities	33,295	-	(2,213)	31,082
Business-Type Activities	58,054	-	(2,801)	55,253
Totals	91,349	-	(5,014)	86,335

No new G.O. debt was incurred in 2015. The debt retirements noted above were the required amounts per the amortization schedules for the debt issuances.

The Village, under its home rule authority, does not have a legal debt limit. The Village's Aaa bond rating was reaffirmed by Moody's Investors Service in 2014 citing the Village's well-managed financial operations, moderate debt burden and high property values. The Village will continue to attempt to secure EPA loans due to their favorable terms and will also pursue grants whenever possible. Additional information of the Village's long-term debt can be found in the Notes to the Financial Statements on pages 40-50.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Village's elected and appointed officials considered many factors when setting the 2016 budget, tax rates, and fees that will be charged for its governmental and business type activities. While 2015 actuals showed signs of an improving economy, most economists refer to current economic improvement as restrained when compared with past deep recession recovery cycles. Additionally, there are concerns that the State of Illinois budget problems (much of which is pension related) may trickle down to local agencies through legislative actions that could reduce revenues received from the State. With these factors in mind, the Village took a conservative approach with revenue projections, with a few exceptions, and estimated little or no growth in revenue from the estimated actuals for 2015 at the time the Budget was formulated.

The Fiscal Year 2016 Budget as adopted by the Village Board assumes no reductions in state shared revenues or property tax levels. That being said, staff has diligently prepared for the possibility of these reductions, and contingency plans are in place to get the Village through FY 2016 should the need arise.

- While wages account for more than 30% of Village spending across all funds, wage growth across all funds in the FY 2016 Budget will be only 1.29%.
- The FY 2016 Budget, after four consecutive years of no increases, provides for an approximate 5% increase in the residential water rate; this rate increase is necessary to work towards the goals identified in the Water Rate Policy Statement as recommended by the Village Board Finance Committee.
- Following two consecutive years of sewer rate increases to fund a \$24 million program for major sewer projects intended to improve sewer performance in the Village's separate sewer area (west of Ridge Road), there will be no increase to the sewer fee in 2016. The Village Board is now reviewing the results of a storm water study to address overland flooding issues on the west side of the community. Any new sewer projects will require additional revenue, whether through the sewer fee or a new source.
- The FY 2016 Budget calls for the smallest percentage increase in the property tax levy in 18 years – since 1997 – an increase of 3.34%. This will mark an unprecedented seven consecutive years of gradually smaller rates of increase in the property tax levy. The estimated annual impact of this increase in the Village's share of the property tax on the average homeowner is approximately a \$51 – less than \$1 per week. This is less than one half of one percent of the average total property tax bill, noting that the Village's share of the residents' property tax bill is only about 11-12% of the total.

With revenues stabilizing, and the majority of revenues returning to pre-recession levels (real estate transfer tax and utility taxes still lag behind pre-recession levels), staff worked closely with the Village Board Finance Committee throughout 2015 to create a Capital Equipment Replacement Fund (CERF). As part of the 2016 Budget, a portion of non-recurring revenues and surplus funds will be transferred to the CERF to fund critical police, fire and public works vehicles and equipment. Further, the Village Board adopted a Water Rate Policy Statement as recommended by the Finance Committee that clearly articulates the Village's goals for the long-term maintenance of its water mains and water plant. Importantly, the improved revenue picture finally enables the Village to allocate resources to technology programs which will provide enhanced customer service and efficiencies. An IT Strategic Plan was crafted during the course of 2015 and the plan will serve as the basis for improving the Village's technology functions moving forward.

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 Melinda Molloy, Finance Director, Village of Wilmette, 1200 Wilmette Avenue, Wilmette, Illinois 60091.

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Proprietary Funds

Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

VILLAGE OF WILMETTE, ILLINOIS

Statement of Net Position

December 31, 2015

See Following Page

VILLAGE OF WILMETTE, ILLINOIS

Statement of Net Position

December 31, 2015

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 10,176,656	5,849,221	16,025,877
Receivables - Net	17,482,148	1,559,215	19,041,363
Due from Other Governments	2,317,044	-	2,317,044
Internal Balances	780	(780)	-
Inventories/Prepays	69,624	71,665	141,289
Deposits	1,309,135	-	1,309,135
Restricted Assets - Cash and Investments	130,003	3,754,029	3,884,032
Total Current Assets	<u>31,485,390</u>	<u>11,233,350</u>	<u>42,718,740</u>
Noncurrent Assets			
Capital Assets			
Nondepreciable Capital Assets	2,188,806	18,662,922	20,851,728
Depreciable Capital Assets	86,308,935	121,069,011	207,377,946
Depreciation	(41,353,751)	(40,123,886)	(81,477,637)
	<u>47,143,990</u>	<u>99,608,047</u>	<u>146,752,037</u>
Other Assets			
Land Held for Resale	630,000	-	630,000
Total Noncurrent Assets	<u>47,773,990</u>	<u>99,608,047</u>	<u>147,382,037</u>
Total Assets	<u>79,259,380</u>	<u>110,841,397</u>	<u>190,100,777</u>
DEFERRED OUTFLOWS OF RESOURCES			
Loss on Refunding	1,200,140	-	1,200,140
Deferred Items - IMRF	5,246,625	-	5,246,625
Deferred Items - Police Pension	3,890,061	-	3,890,061
Deferred Items - Firefighters' Pension	5,557,769	-	5,557,769
Total Deferred Outflows of Resources	<u>15,894,595</u>	<u>-</u>	<u>15,894,595</u>
Total Assets and Deferred Outflows of Resources	<u>95,153,975</u>	<u>110,841,397</u>	<u>205,995,372</u>

The accompanying notes to the financial statements are an integral part of this statement.

	Governmental Activities	Business-Type Activities	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 1,842,168	2,249,258	4,091,426
Accrued Wages and Benefits	88,074	4,692	92,766
Accrued Interest Payable	87,754	166,689	254,443
Deposits Payable	546,350	3,935	550,285
Other Payables	1,142,325	250	1,142,575
Compensated Absences Payable	696,185	42,260	738,445
Current Portion of Long-Term Debt	2,397,500	3,270,867	5,668,367
Total Current Liabilities	<u>6,800,356</u>	<u>5,737,951</u>	<u>12,538,307</u>
Noncurrent Liabilities			
Compensated Absences Payable	2,784,742	169,040	2,953,782
Net Pension Liability	59,060,905	-	59,060,905
IEPA Loans Payable	-	3,071,692	3,071,692
Notes Payable	200,000	-	200,000
General Obligation Bonds Payable - Net	28,485,000	48,796,000	77,281,000
Total Noncurrent Liabilities	<u>90,530,647</u>	<u>52,036,732</u>	<u>142,567,379</u>
Total Liabilities	<u>97,331,003</u>	<u>57,774,683</u>	<u>155,105,686</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	16,606,304	-	16,606,304
Gain on Refunding	-	57,500	57,500
Deferred Items - Police Pension	99,208	-	99,208
Total Deferred Inflows of Resources	<u>16,705,512</u>	<u>57,500</u>	<u>16,763,012</u>
Total Liabilities and Deferred Inflows of Resources	<u>114,036,515</u>	<u>57,832,183</u>	<u>171,868,698</u>
NET POSITION			
Net Investment in Capital Assets	17,261,630	46,156,060	63,417,690
Restricted - Police Seizures	107,367	-	107,367
Restricted - Highways and Streets	528,998	-	528,998
Unrestricted (Deficit)	<u>(36,780,535)</u>	<u>6,853,154</u>	<u>(29,927,381)</u>
Total Net Position	<u>(18,882,540)</u>	<u>53,009,214</u>	<u>34,126,674</u>

The accompanying notes to the financial statements are an integral part of this statement.

VILLAGE OF WILMETTE, ILLINOIS

Statement of Activities

For the Fiscal Year Ended December 31, 2015

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
General Government	\$ 4,345,131	468,820	-	-
Public Safety	28,126,119	2,375,151	98,630	-
Streets and Sanitation	10,265,216	2,547,578	670,207	-
Other Public Works	1,861,330	153,549	201,316	-
Public Health	246,680	95,546	-	-
Community Development	2,672,551	2,347,760	-	-
Interest on Long-Term Debt	1,259,047	-	-	-
Total Governmental Activities	48,776,074	7,988,404	970,153	-
Business-Type Activities				
Water	6,117,781	7,926,936	-	101,403
Sewer	3,790,454	4,810,735	-	-
Parking	532,640	419,424	-	-
Total Business-Type Activities	10,440,875	13,157,095	-	101,403
	59,216,949	21,145,499	970,153	101,403

General Revenues

Taxes

Property Taxes

Sales Taxes

State Income Taxes

Utility Taxes

Real Estate Transfer

Other Taxes

Investment Earnings

Miscellaneous

Transfers - Internal Activity

Change in Net Position

Net Position - Beginning as Restated

Net Position - Ending

The notes to the financial statements are an integral part of this statement.

Net (Expenses)/Revenue		
Governmental Activities	Business-Type Activities	Totals
(3,876,311)	-	(3,876,311)
(25,652,338)	-	(25,652,338)
(7,047,431)	-	(7,047,431)
(1,506,465)	-	(1,506,465)
(151,134)	-	(151,134)
(324,791)	-	(324,791)
(1,259,047)	-	(1,259,047)
(39,817,517)	-	(39,817,517)
-	1,910,558	1,910,558
-	1,020,281	1,020,281
-	(113,216)	(113,216)
-	2,817,623	2,817,623
(39,817,517)	2,817,623	(36,999,894)
15,859,278	-	15,859,278
5,735,448	-	5,735,448
2,882,144	-	2,882,144
2,265,314	-	2,265,314
1,311,792	-	1,311,792
1,123,928	-	1,123,928
242,722	34,134	276,856
1,351,366	147,687	1,499,053
1,100,000	(1,100,000)	-
31,871,992	(918,179)	30,953,813
(7,945,525)	1,899,444	(6,046,081)
(10,937,015)	51,109,770	40,172,755
(18,882,540)	53,009,214	34,126,674

The notes to the financial statements are an integral part of this statement.

VILLAGE OF WILMETTE, ILLINOIS

Balance Sheet - Governmental Funds

December 31, 2015

	General	Debt Service	Series 2013 and 2014 General Obligation Bonds	<u>Nonmajor</u> Motor Fuel Tax	Totals
ASSETS					
Cash and Investments	\$ 8,027,469	13,779	-	1,034,167	9,075,415
Receivables - Net of Allowances					
Property Taxes	13,298,447	3,402,894	-	-	16,701,341
Other Taxes	141,423	-	-	-	141,423
Accounts	639,384	-	-	-	639,384
Due from Other Governments	2,255,911	-	-	61,133	2,317,044
Due from Other Funds	780	-	-	-	780
Prepays	69,624	-	-	-	69,624
Deposits	1,309,135	-	-	-	1,309,135
Restricted Assets - Cash and Investments	105,929	-	24,074	-	130,003
Land Held for Resale	630,000	-	-	-	630,000
Total Assets	26,478,102	3,416,673	24,074	1,095,300	31,014,149

The notes to the financial statements are an integral part of this statement.

	General	Debt Service	Series 2013 and 2014 General Obligation Bonds	Nonmajor Motor Fuel Tax	Totals
LIABILITIES					
Accounts Payable	\$ 1,317,524	-	24,074	484,578	1,826,176
Accrued Wages and Benefits	88,074	-	-	-	88,074
Deposits Payable	533,577	-	-	-	533,577
Other Prepayments	77,820	-	-	-	77,820
Total Liabilities	2,016,995	-	24,074	484,578	2,525,647
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	13,223,231	3,383,073	-	-	16,606,304
Total Liabilities and Deferred Inflows of Resources	15,240,226	3,383,073	24,074	484,578	19,131,951
FUND BALANCE					
Nonspendable	1,378,759	-	-	-	1,378,759
Restricted	107,367	33,600	-	528,998	669,965
Assigned	359,773	-	-	81,724	441,497
Unassigned	9,391,977	-	-	-	9,391,977
Total Fund Balances	11,237,876	33,600	-	610,722	11,882,198
Total Liabilities, Deferred Inflows of Resources and Fund Balances	26,478,102	3,416,673	24,074	1,095,300	31,014,149

The notes to the financial statements are an integral part of this statement.

VILLAGE OF WILMETTE, ILLINOIS

**Reconciliation of Total Governmental Fund Balance to the
Statement of Net Position - Governmental Activities**

December 31, 2015

Total Governmental Fund Balances	\$ 11,882,198
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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 funds.	47,143,990
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Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Change in Deferred Items - IMRF	5,246,625
Change in Deferred Items - Police Pension	3,790,853
Change in Deferred Items - Firefighters' Pension	5,557,769

Internal service funds are used by the Village to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the Statement of Net Position.	7,971
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Net Pension Liability	(59,060,905)
Current Portion - General Obligation Bonds Payable	(2,385,000)
Compensated Absences Payable	(3,480,927)
General Obligation Bonds Payable - Net	(27,284,860)
State Fire Truck Loan Payable	(212,500)
Accrued Interest Payable	(87,754)

Net Position of Governmental Activities	<u>(18,882,540)</u>
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The notes to the financial statements are an integral part of this statement.

VILLAGE OF WILMETTE, ILLINOIS

**Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended December 31, 2015**

	General	Debt Service	Series 2013 and 2014 General Obligation Bonds	Nonmajor Motor Fuel Tax	Totals
Revenues					
Taxes	\$ 25,871,942	3,305,962	-	-	29,177,904
Licenses, Permits and Fees	4,313,554	-	-	-	4,313,554
Intergovernmental	307,945	-	-	662,207	970,152
Charges for Services	3,342,773	-	-	-	3,342,773
Fines and Forfeitures	332,078	-	-	-	332,078
Investment Earnings	238,531	-	174	1,946	240,651
Miscellaneous	1,351,366	-	-	-	1,351,366
Total Revenues	35,758,189	3,305,962	174	664,153	39,728,478
Expenditures					
Current					
General Government	3,588,764	-	-	-	3,588,764
Public Safety	19,749,081	-	-	-	19,749,081
Streets and Sanitation	6,352,641	-	-	-	6,352,641
Other Public Works	3,085,813	-	-	-	3,085,813
Public Health	249,180	-	-	-	249,180
Community Development	2,307,447	-	-	-	2,307,447
Capital Outlay	205,773	-	69,812	738,276	1,013,861
Debt Service					
Principal Retirement	12,500	2,200,000	-	-	2,212,500
Interest and Fiscal Charges	-	1,135,435	-	-	1,135,435
Total Expenditures	35,551,199	3,335,435	69,812	738,276	39,694,722
Excess (Deficiency) of Revenues Over (Under) Expenditures	206,990	(29,473)	(69,638)	(74,123)	33,756
Other Financing Sources (Uses)					
Transfers In	1,100,000	30,000	-	-	1,130,000
Transfers Out	(30,000)	-	-	-	(30,000)
	1,070,000	30,000	-	-	1,100,000
Net Change in Fund Balances	1,276,990	527	(69,638)	(74,123)	1,133,756
Fund Balances - Beginning	9,960,886	33,073	69,638	684,845	10,748,442
Fund Balances - Ending	11,237,876	33,600	-	610,722	11,882,198

The notes to the financial statements are an integral part of this statement.

VILLAGE OF WILMETTE, ILLINOIS

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities - Governmental Activities**

For the Fiscal Year Ended December 31, 2015

Net Change in Fund Balances - Total Governmental Funds \$ 1,133,756

Amounts reported for governmental activities in the Statement of Activities
are different because:

Governmental funds report capital outlays as expenditures. However, in the
Statement of Activities the cost of those assets is allocated over their estimated
useful lives and reported as depreciation expense.

Capital Outlays	3,110,618
Depreciation Expense	(3,661,913)

The net effect of deferred outflows (inflows) of resources related
to the pensions not reported in the funds.

Change in Deferred Items - IMRF	1,086,250
Change in Deferred Items - Police Pension	260,076
Change in Deferred Items - Firefighters' Pension	1,801,773

Internal service funds are used by the Village to charge the costs of
insurance to individual funds. The net revenue of certain activities
of internal service funds is reported with governmental activities.

(224,547)

The issuance of long-term debt provides current financial resources to
governmental funds, while the repayment of the principal on long-term
debt consumes the current financial resources of the governmental funds.

Decrease to Compensated Absences Payable	298,473
(Increase) to Net Pension Liability	(13,838,899)
Retirement of Debt	2,212,500
Amortization of Loss on Refunding	(130,414)

Changes to accrued interest on long-term debt in the Statement of Activities
does not require the use of current financial resources and, therefore, are not
reported as expenditures in the governmental funds.

6,802

Changes in Net Position of Governmental Activities

(7,945,525)

The notes to the financial statements are an integral part of this statement.

VILLAGE OF WILMETTE, ILLINOIS

**Statement of Fund Net Position - Proprietary Funds
December 31, 2015**

See Following Page

VILLAGE OF WILMETTE, ILLINOIS

Statement of Fund Net Position - Proprietary Funds

December 31, 2015

	Business-Type Activities			Totals	Governmental
	Water	Sewer	Nonmajor Parking Meter		Activities Internal Service
ASSETS					
Current Assets					
Cash and Investments	\$ 1,774,098	3,261,544	813,579	5,849,221	1,101,241
Restricted Assets					
Cash and Investments	239,691	3,514,338	-	3,754,029	-
Receivables - Net of Allowances					
Accounts	814,552	744,663	-	1,559,215	-
Inventory	71,433	-	-	71,433	-
Prepays	232	-	-	232	-
Total Current Assets	<u>2,900,006</u>	<u>7,520,545</u>	<u>813,579</u>	<u>11,234,130</u>	<u>1,101,241</u>
Noncurrent Assets					
Nondepreciable Capital Assets	560,834	17,442,984	659,104	18,662,922	-
Depreciable Capital Assets	51,068,809	65,028,308	4,971,894	121,069,011	-
Depreciation	(20,719,896)	(17,397,281)	(2,006,709)	(40,123,886)	-
Total Noncurrent Assets	<u>30,909,747</u>	<u>65,074,011</u>	<u>3,624,289</u>	<u>99,608,047</u>	<u>-</u>
Total Assets	<u>33,809,753</u>	<u>72,594,556</u>	<u>4,437,868</u>	<u>110,842,177</u>	<u>1,101,241</u>

The notes to the financial statements are an integral part of this statement.

	Business-Type Activities				Governmental
	Water	Sewer	Nonmajor	Totals	Activities
			Parking Meter		Internal Service
LIABILITIES					
Current Liabilities					
Accounts Payable	\$ 120,970	2,096,923	31,365	2,249,258	15,992
Accrued Wages and Benefits	4,219	473	-	4,692	-
Accrued Interest Payable	44,774	121,915	-	166,689	-
Due to Other Funds	660	120	-	780	-
Deposits Payable	3,935	-	-	3,935	12,773
Retiree Benefits Payable	-	-	-	-	1,064,505
Other Prepayments	-	-	250	250	-
Compensated Absences Payable	34,190	8,070	-	42,260	-
General Obligation Bonds Payable	1,340,000	1,750,000	-	3,090,000	-
IEPA Loans Payable	-	180,867	-	180,867	-
Total Current Liabilities	1,548,748	4,158,368	31,615	5,738,731	1,093,270
Noncurrent Liabilities					
Compensated Absences Payable	136,760	32,280	-	169,040	-
General Obligation Bonds Payable - Net	14,235,000	34,561,000	-	48,796,000	-
IEPA Loans Payable	-	3,071,692	-	3,071,692	-
Total Noncurrent Liabilities	14,371,760	37,664,972	-	52,036,732	-
Total Liabilities	15,920,508	41,823,340	31,615	57,775,463	1,093,270
DEFERRED INFLOWS OF RESOURCES					
Gain on Refunding	57,500	-	-	57,500	-
Total Liabilities and Deferred Inflows of Resources	15,978,008	41,823,340	31,615	57,832,963	1,093,270
NET POSITION					
Net Investment in Capital Assets	15,516,938	27,014,833	3,624,289	46,156,060	-
Unrestricted	2,314,807	3,756,383	781,964	6,853,154	7,971
Total Net Position	17,831,745	30,771,216	4,406,253	53,009,214	7,971

The notes to the financial statements are an integral part of this statement.

VILLAGE OF WILMETTE, ILLINOIS

**Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds
For the Fiscal Year Ended December 31, 2015**

	Business-Type Activities - Enterprise Funds			Totals	Governmental
	Water	Sewer	Nonmajor Parking Meter		Activities Internal Service
Operating Revenues					
Charges for Services	\$ 7,926,936	4,810,735	419,424	13,157,095	-
Interfund Services	-	-	-	-	6,515,104
Total Operating Revenues	7,926,936	4,810,735	419,424	13,157,095	6,515,104
Operating Expenses					
Administration	713,185	-	-	713,185	-
Operations	3,840,746	1,338,461	405,941	5,585,148	6,741,722
Depreciation	1,023,896	1,018,746	126,699	2,169,341	-
Total Operating Expenses	5,577,827	2,357,207	532,640	8,467,674	6,741,722
Operating Income (Loss)	2,349,109	2,453,528	(113,216)	4,689,421	(226,618)
Nonoperating Revenues (Expenses)					
Investment Earnings	14,786	19,348	-	34,134	2,071
Disposal of Capital Assets	147,687	-	-	147,687	-
Interest Expense	(539,954)	(1,433,247)	-	(1,973,201)	-
	(377,481)	(1,413,899)	-	(1,791,380)	2,071
Income (Loss) Before Capital Contributions and Transfers	1,971,628	1,039,629	(113,216)	2,898,041	(224,547)
Capital Contributions	101,403	-	-	101,403	-
Transfers Out	(1,100,000)	-	-	(1,100,000)	-
Change in Net Position	973,031	1,039,629	(113,216)	1,899,444	(224,547)
Net Position - Beginning	16,858,714	29,731,587	4,519,469	51,109,770	232,518
Net Position - Ending	17,831,745	30,771,216	4,406,253	53,009,214	7,971

The notes to the financial statements are an integral part of this statement.

VILLAGE OF WILMETTE, ILLINOIS

**Statement of Cash Flows - Proprietary Funds
For the Fiscal Year Ended December 31, 2015**

See Following Page

VILLAGE OF WILMETTE, ILLINOIS

**Statement of Cash Flows - Proprietary Funds
For the Fiscal Year Ended December 31, 2015**

	<u>Water</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 7,894,195
Receipts from Interfund Services	-
Payments to Employees	(2,248,241)
Payments to Suppliers	<u>(2,724,100)</u>
	<u>2,921,854</u>
Cash Flows from Non-Capital Financing Activities	
Transfers Out	(1,100,000)
Change in Interfund Activity	47,218
	<u>(1,052,782)</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(407,736)
Disposal of Capital Assets	147,687
Principal Paid on Debt	(1,170,000)
Interest Paid on Debt	<u>(539,954)</u>
	<u>(1,970,003)</u>
Cash Flows from Investing Activities	
Interest Received	<u>14,786</u>
Net Change in Cash and Cash Equivalents	(86,145)
Cash and Cash Equivalents - Beginning	<u>2,099,934</u>
Cash and Cash Equivalents - Ending	<u><u>2,013,789</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities.	
Operating Income (Loss)	<u>2,349,109</u>
Adjustments to Reconcile Operating Income to Net Income to Net Cash	
Provided by (Used in) Operating Activities:	
Depreciation Expense	1,023,896
(Increase) Decrease in Current Assets	(32,741)
Increase (Decrease) in Current Liabilities	<u>(418,410)</u>
Net Cash Provided by Operating Activities	<u><u>2,921,854</u></u>
Noncash Capital and Related Financing Activities	
Capital Contributions	<u><u>101,403</u></u>

The notes to the financial statements are an integral part of this statement.

Business-Type Activities - Enterprise Funds			Governmental
	Nonmajor		Activities
Sewer	Parking Meter	Totals	Internal Service
4,857,946	422,673	13,174,814	-
-	-	-	6,528,034
(497,762)	(123,608)	(2,869,611)	(672,902)
(1,900,755)	(287,052)	(4,911,907)	(5,834,678)
2,459,429	12,013	5,393,296	20,454
-	-	(1,100,000)	-
-	-	47,218	-
-	-	(1,052,782)	-
(14,367,646)	-	(14,775,382)	-
-	-	147,687	-
(1,631,129)	-	(2,801,129)	-
(1,433,247)	-	(1,973,201)	-
(17,432,022)	-	(19,402,025)	-
19,348	-	34,134	2,071
(14,953,245)	12,013	(15,027,377)	22,525
21,729,127	801,566	24,630,627	1,078,716
6,775,882	813,579	9,603,250	1,101,241
2,453,528	(113,216)	4,689,421	(226,618)
1,018,746	126,699	2,169,341	-
47,211	3,249	17,719	12,930
(1,060,056)	(4,719)	(1,483,185)	234,142
2,459,429	12,013	5,393,296	20,454
-	-	101,403	-

The notes to the financial statements are an integral part of this statement.

VILLAGE OF WILMETTE, ILLINOIS

Statement of Fiduciary Net Position

December 31, 2015

	Pension Trust	Agency
ASSETS		
Cash and Cash Equivalents	\$ 3,665,248	635,781
Investments		
U.S. Government and Agency Securities	15,551,950	-
Mutual Funds	38,325,219	-
Corporate Bonds	9,483,725	-
Common Stock	13,364,435	-
Receivables		
Accrued Interest	<u>205,632</u>	<u>-</u>
Total Assets	<u>80,596,209</u>	<u>635,781</u>
LIABILITIES		
Accounts Payable	20,522	-
Deposits Payable	<u>-</u>	<u>635,781</u>
Total Liabilities	<u>20,522</u>	<u>635,781</u>
NET POSITION		
Net Position Restricted for Pensions	<u>80,575,687</u>	

The notes to the financial statements are an integral part of this statement.

VILLAGE OF WILMETTE, ILLINOIS

Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended December 31, 2015

	<u>Pension Trust</u>
Additions	
Contributions - Employer	\$ 4,059,100
Contributions - Plan Members	867,816
Total Contributions	<u>4,926,916</u>
Other Income	<u>25</u>
Investment Income	
Investment Earnings	4,072,379
Net Change in Fair Value	<u>(5,602,131)</u>
	(1,529,752)
Less Investment Expenses	<u>(166,988)</u>
Net Investment Income	<u>(1,696,740)</u>
Total Additions	<u>3,230,201</u>
Deductions	
Administration	79,115
Benefits and Refunds	<u>5,938,343</u>
Total Deductions	<u>6,017,458</u>
Change in Fiduciary Net Position	(2,787,257)
Net Position Restricted for Pensions	
Beginning	<u>83,362,944</u>
Ending	<u><u>80,575,687</u></u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Wilmette, Illinois (Village) was incorporated in 1872. The Village is a municipal corporation governed by an elected mayor and six-member Board of Trustees. The Village's major operations include police and fire protection, highway and street maintenance and reconstruction, building code enforcement, public improvements, economic development, planning and zoning, water, sewer and parking meter services and general administrative services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Wilmette
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In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 61, "the Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Village. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

Police Pension Employees Retirement System

The Village's sworn police employees participate in the 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 pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. 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. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary Village because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the PPERS.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

REPORTING ENTITY – Continued

Firefighters' Pension Employees Retirement System

The Village's sworn firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a five-member pension board, with two members appointed by the Village President, two elected from active participants of the Fund, and one elected from the retired members of the Fund. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining FPERS costs based upon actuarial valuations. 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. Although it is legally separate from the Village, the FPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's sworn firefighters. The FPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the FPERS.

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Village's police and safety, highway and street maintenance and reconstruction, building code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The Village's waterworks and sewerage and parking activities are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide Statements – Continued

The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, community development, public safety, public works, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges for services, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which 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.

The net costs (by function or business-type activity) are normally covered by general revenue (property, sales and use taxes, certain intergovernmental revenues, permits and charges for services, etc.).

The Village allocates indirect costs to other funds for personnel who perform administrative services for those funds, along with other indirect costs deemed necessary for their operations, but are paid for through the General Fund.

This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net position resulting from the current year's activities.

Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Village:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Village:

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

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains one nonmajor special revenue fund, the Motor Fuel Tax Fund. The Motor Fuel Tax Fund accounts for the revenues and expenditures for the operation and maintenance of street and storm water programs and capital projects authorized by the Illinois Department of Transportation. Financing is provided by the Village's share of State gasoline taxes.

Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Village maintains one major debt service fund, which accounts for the accumulation of monies for the payment of the following bond issues: \$11,735,000 of Series 2007 General Obligation Refunding and Improvements, \$1,590,000 of Series 2009 General Obligation Improvements, \$23,280,000 of Series 2010 General Obligation Refunding and Improvements, \$1,000,000 of Series 2013 General Obligation, and \$150,000 of Series 2014 General Obligation.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements

December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains one major capital projects fund, 2013 and 2014 General Obligation Bonds Fund, which is used to account for revenues and expenditures for road resurfacing, alley and other infrastructure improvements, public works facility improvements and large equipment replacements.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Village:

Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity is (a) financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges, or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains two major proprietary funds, the Water Fund and the Sewer Fund, which accounts 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, financing and related debt service, billing and collections. The Village also maintains one nonmajor enterprise fund, the Parking Meter Fund, which accounts for all activity necessary for provision of parking in the Village, including, but not limited to, administration, operations, maintenance, financing and related debt service, billing and collections.

Internal service funds are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the District on a cost-reimbursement basis. The Village maintains five internal service funds, the Municipal Garage Fund, the Employee Insurance Fund, the Workers' Compensation Fund, the Illinois Municipal Retirement Fund, and the Section 105 Sick Leave Fund.

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity by the Village for others and therefore are not available to support Village programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Fiduciary Funds – Continued

Pension trust funds are used to account for assets held in a trustee capacity by the Village for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village’s police force. The Firefighters’ Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village’s Fire Department.

Agency funds are used to account for assets held by the Village in a purely custodial capacity. The Village maintains one agency fund, the Fire Insurance Tax Fund, which is used to account for foreign fire insurance tax receipts held on behalf of retiring Village firefighters to be applied to their retiree health insurance premiums.

The Village’s fiduciary fund is presented in the fiduciary fund financial statements by type (pension trust). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the Village, this fund is not incorporated into the government-wide statements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

All proprietary and pension trust funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net position. Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, franchise taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary, pension trust and agency funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Village’s enterprise funds are charges to customers for sales and services.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements

December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, and cash with fiscal agent. For the purpose of the proprietary funds “Statement of Cash Flows,” cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less. Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, income taxes, utility taxes and grants. Business-type activities report utility charges as their major receivables.

Prepays/Inventories – Land Held for Resale

Prepays/inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids/inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements.

Restricted Assets

Certain proceeds of enterprise fund revenue bonds and capital projects fund general obligation bonds, as well as certain resources set aside for this repayment, are classified as restricted assets on the financial statements because their use is limited by applicable bond covenants. See the note on long-term debt for additional disclosures.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Capital Assets

Capital assets purchased or acquired with an original cost of \$10,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. Infrastructure such as streets, storm sewers and bridges are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs. Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated fair market value on the date donated.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings	75 Years
Improvements Other Than Buildings	20 Years
Water System Improvements	20 - 100 Years
Sewer System Improvements	25 - 75 Years
Storm Water Pump Stations	25 - 50 Years
Machinery, Equipment and Vehicles	3 - 20 Years
Parking Facilities/Improvements	10 - 40 Years
Infrastructure	20 Years

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements

December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Capital Assets – Continued

GASB Statement No. 34 requires the Village to report and depreciate new infrastructure assets effective with the beginning of the 2004 fiscal year. Infrastructure assets include roads, sidewalks, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are the largest asset class of the Village. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The retroactive reporting of infrastructure was subject to an extended implementation period; the Village elected to implement retroactive infrastructure reporting during the 2004 fiscal year.

Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types 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 type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, 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 debt service expenditures.

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an outflow or resources (expense)/inflow of resources (revenue) until that future time.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted – All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

All departments of the Village submit requests for appropriation to the Village’s 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 fiscal year.

Annual appropriated budgets are adopted for the general, special revenue, debt service, capital projects, enterprise, internal service, and pension trust funds. All annual appropriations lapse at fiscal year end.

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 be amended only by the governing body. Expenditures may not legally exceed budgeted appropriations at the fund level.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had excess of actual expenditures/expenses over budget, exclusive of depreciation, at year end:

Fund	Excess
General	\$ 234,899
Series 2013 and 2014 General Obligation Bonds	9,999
Workers' Compensation	3,353
Section 105 Sick Leave	270,618

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." In addition, 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.

The deposits and investments of the Pension Funds are held separately from those of other Village funds. Statutes authorize the Pension Fund to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Funds Market Fund (Formerly known as IPTIP, Illinois Public Treasurer's Investment Pool), or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies; and separate accounts of life insurance companies and mutual funds, the mutual funds must meet specific restrictions, provided the investment in separate accounts and mutual funds does not exceed ten percent of the Pension Fund's plan net position; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase. Pension Funds with plan net position of \$2.5 million or more

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements

December 31, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

may invest up to forty-five percent of plan net position in separate accounts of life insurance companies and mutual funds. Pension Funds with plan net position of at least \$5 million that have appointed an investment advisor, may through that investment advisor invest up to forty-five percent of the plan net position in common and preferred stocks that meet specific restrictions. In addition, pension funds with plan net position of at least \$10 million that have appointed an investment advisor, may invest up to fifty percent of its net position in common and preferred stocks and mutual funds that meet specific restrictions effective July 1, 2011 and up to fifty-five percent effective July 1, 2012.

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

Village Credit Risk, Custodial Credit Risk, and Concentration Risk

Deposits. At year-end the carrying amount of the Village's deposits for governmental and business-type activities totaled \$19,909,823 and the bank balances totaled \$20,503,033. At year-end the Village also has \$86 invested in the Illinois Funds.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities.

The Village's investment policy states the "portfolio shall remain sufficiently liquid to enable the Village to meet all operating requirements which may be reasonably anticipated." The Village's investment in the Illinois Funds has an average maturity of less than one year.

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's policy states "the Village shall diversify its investments to avoid incurring unreasonable risks regarding specific security types and/or individual financial institutions. At December 31, 2015, the Village has no investment in any single issuer over 5% of total cash and investments.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village Credit Risk, Custodial Credit Risk, and Concentration Risk – Continued

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village helps limit its exposure to credit risk by investing in securities issued by agencies of the United States Government that are implicitly guaranteed by the United States Government. The Village's investment policy limits authorized investments to the following:

- Bonds, notes, certificates of indebtedness, treasury bills, or other securities which are guaranteed by the full faith and credit of the United States of America.
- Interest bearing savings accounts, interest bearing certificates of deposit or interest bearing time deposits, or any investment constituting direct obligations of any institution as authorized by the Village Board
- Illinois Funds
- Illinois Metropolitan Investment Fund

The Village's investment policy also prescribes to the "prudent person" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as possible income to be derived. At December 31, 2015, the Village's investments in the Illinois Funds are AAAM rated by Standard & Poor's.

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. At December 31, 2015, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The Village's investment policy further limits the custodial credit risk for deposits as follows: The Village requires that its primary depository pledge collateral for all deposits in excess of \$250,000. This collateral is to be held by the Village or by a third party in the Village's name and may not be released or modified without Village approval. The value of the collateral shall be determined by the Village or by the third party custodian. The necessary amount (ranging from 102% to 115% of excess FDIC insured deposits) of collateral is determined under the Village's custodial agreement with its depository bank.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At December 31, 2015, the Village's investment in the Illinois Funds is not subject to custodial credit risk.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Credit Risk, Custodial Credit Risk, and Concentration Risk

Deposits. At year-end the carrying amount of the Police Pension Fund's deposits totaled \$1,741,915 and the bank balances totaled \$1,785,741.

Investments. At year-end the Fund has the following investments and maturities:

Investment Type	Fair Value	Investment Maturities - in Years			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Obligations	\$ 6,741,618	2,333,244	1,782,388	1,436,776	1,189,210
U.S Agency Obligations	1,037,763	-	902,524	91,264	43,975
Corporate Bonds	4,769,840	658,798	2,338,841	745,004	1,027,197
Totals	12,549,221	2,992,042	5,023,753	2,273,044	2,260,382

Interest Rate Risk. The Fund's investment policy limits exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities. The investment policy does not limit the maximum maturity length of investments.

Credit Risk. The Fund's investment policy helps limit exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The investments in securities of the U.S. agencies were all rated triple A by Standard & Poor's. The Fund's investment in Corporate Bonds are rated BBB to AA by Standard & Poor's. The investments in common stock and mutual funds are not rated.

Custodial Credit Risk – Deposits. The Fund's investment policy does not limit custodial credit risk for deposits. At December 31, 2015, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance.

Custodial Credit Risk – Investments. The Fund's investment policy does not limit custodial credit risk for investments. At December 31, 2015, the U.S. Government Securities are categorized as insured, registered, or held by the Fund or its agent in the Fund's name.

Concentration of Credit Risk. At December 31, 2015, the Pension Fund has over 5% of net plan position available for retirement benefits (other than U.S. Government guaranteed obligations) invested in Vanguard Institute Index Fund totaling \$10,896,712. The Fund also has \$6,655,928 invested in common stock and \$19,053,938 invested in mutual funds at year-end.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Credit Risk, Custodial Credit Risk, and Concentration Risk – Continued

Concentration of Credit Risk – Continued. The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equities	42.00%	8.00%
International Equities	20.00%	8.10%
Bonds	35.00%	2.60%
Hedge Funds	0.00%	N/A
Private Real Estate	3.00%	7.00%
Cash and Cash Equivalents	0.00%	N/A

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2015 are summarized in the table above.

Rate of Return

For the year ended December 31, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (2.00)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Firefighters' Pension Credit Risk, Custodial Credit Risk, and Concentration Risk

Deposits. At year-end the carrying amount of the Firefighters' Pension Fund's deposits totaled \$1,923,333 and the bank balances totaled \$2,601,367.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Credit Risk, Custodial Credit Risk, and Concentration Risk – Continued

Investments. At year-end the Fund has the following investments and maturities:

Investment Type	Fair Value	Investment Maturities - in Years			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Obligations	\$ 6,739,331	2,129,846	2,073,022	1,437,175	1,099,288
U.S. Agency Obligations	1,033,238	-	902,314	86,950	43,974
Corporate Bonds	4,713,885	658,798	2,338,841	745,004	971,242
Totals	12,486,454	2,788,644	5,314,177	2,269,129	2,114,504

Interest Rate Risk. The Fund's investment policy limits exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities. The investment policy does not limit the maximum maturity length of investments.

Credit Risk. The Fund's investment policy helps limit exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The investments in securities of the U.S. agencies were all rated triple A by Standard & Poor's. The Fund's investment in Corporate Bonds are rated BBB to AA+ by Standard & Poor's. The investments in common stock and mutual funds are not rated.

Custodial Credit Risk – Deposits. The Fund's investment policy does not limit custodial credit risk for deposits. At December 31, 2015, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance.

Custodial Credit Risk – Investments. The Fund's investment policy does not limit custodial credit risk for investments. At December 31, 2015, the U.S. Government Securities are categorized as insured, registered, or held by the Fund or its agent in the Fund's name.

Concentration of Credit Risk. At December 31, 2015, the Pension Fund has over 5% of net plan position available for retirement benefits (other than U.S. Government guaranteed obligations) invested in Vanguard Institute Index Fund totaling \$10,805,176. The Fund also has \$6,708,507 invested in common stock and \$19,271,281 invested in mutual funds at year-end.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Credit Risk, Custodial Credit Risk, and Concentration Risk – Continued

Concentration of Credit Risk – Continued. The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equities	42.00%	8.00%
International Equities	20.00%	8.10%
Bonds	35.00%	2.60%
Hedge Funds	0.00%	N/A
Private Real Estate	3.00%	7.00%
Cash and Cash Equivalents	0.00%	N/A

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2015 are summarized in the table above.

Rate of Return

For the year ended December 31, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (2.09)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

PROPERTY TAXES

Property taxes for 2015 attach as an enforceable lien on January 1, 2015, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about March 1, 2016, and September 1, 2016. The County collects such taxes and remits them periodically. Since the 2015 levy is intended to finance the 2016 fiscal year, the levy has been recorded as receivable and deferred revenue.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund Balances

The composition of interfund balances as of the date of this report, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Water	General	\$ 660
Sewer	General	<u>120</u>
		<u>780</u>

Interfund balances are in anticipation of receipts.

Interfund Transfers

Interfund transfers for the year consisted of the following:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
General	Water	\$ 1,100,000
Debt Service	General	<u>30,000</u>
		<u>1,130,000</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 1,838,262	-	-	1,838,262
Construction in Progress	411,927	23,552	84,935	350,544
	<u>2,250,189</u>	<u>23,552</u>	<u>84,935</u>	<u>2,188,806</u>
Depreciable Capital Assets				
Buildings	19,769,762	201,232	59,000	19,911,994
Improvements Other Than Buildings	52,596,754	2,005,717	-	54,602,471
Motor Equipment	8,063,646	833,832	464,448	8,433,030
Office Furniture and Equipment	882,884	39,200	-	922,084
Other Equipment	2,347,336	92,020	-	2,439,356
	<u>83,660,382</u>	<u>3,172,001</u>	<u>523,448</u>	<u>86,308,935</u>
Less Accumulated Depreciation				
Buildings	5,663,340	502,812	59,000	6,107,152
Improvements Other Than Buildings	24,927,092	2,494,108	-	27,421,200
Motor Equipment	5,720,853	415,600	464,448	5,672,005
Office Furniture and Equipment	520,669	65,263	-	585,932
Other Equipment	1,383,332	184,130	-	1,567,462
	<u>38,215,286</u>	<u>3,661,913</u>	<u>523,448</u>	<u>41,353,751</u>
Total Depreciable Capital Assets	<u>45,445,096</u>	<u>(489,912)</u>	<u>-</u>	<u>44,955,184</u>
Total Capital Assets	<u><u>47,695,285</u></u>	<u><u>(466,360)</u></u>	<u><u>84,935</u></u>	<u><u>47,143,990</u></u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 165,444
Streets and Sanitation	2,979,509
Public Safety - Police	231,642
Public Safety - Fire	<u>285,318</u>
	<u><u>3,661,913</u></u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 832,453	-	-	832,453
Landscaping	60,231	-	-	60,231
Construction in Progress	8,508,955	13,735,943	4,474,660	17,770,238
	<u>9,401,639</u>	<u>13,735,943</u>	<u>4,474,660</u>	<u>18,662,922</u>
Depreciable Capital Assets				
Water System Improvements	29,823,959	59,395	-	29,883,354
Sewer System Improvements	56,403,205	5,088,805	-	61,492,010
Storm Water Pump Stations	2,001,674	-	-	2,001,674
Buildings	12,856,345	47,704	-	12,904,049
Machinery, Equipment, and Vehicles	9,708,217	419,598	288,589	9,839,226
Parking Facilities/Improvements	4,948,698	-	-	4,948,698
	<u>115,742,098</u>	<u>5,615,502</u>	<u>288,589</u>	<u>121,069,011</u>
Less Accumulated Depreciation				
Water System Improvements	9,418,089	488,730	-	9,906,819
Sewer System Improvements	14,701,491	913,470	-	15,614,961
Storm Water Pump Stations	1,082,096	37,190	-	1,119,286
Buildings	5,536,127	296,543	-	5,832,670
Machinery, Equipment, and Vehicles	5,637,350	308,570	288,589	5,657,331
Parking Facilities/Improvements	1,867,981	124,838	-	1,992,819
	<u>38,243,134</u>	<u>2,169,341</u>	<u>288,589</u>	<u>40,123,886</u>
Total Depreciable Capital Assets	<u>77,498,964</u>	<u>3,446,161</u>	<u>-</u>	<u>80,945,125</u>
Total Capital Assets	<u>86,900,603</u>	<u>17,182,104</u>	<u>4,474,660</u>	<u>99,608,047</u>

Depreciation expense was charged to business-type activities as follows:

Water	\$ 1,023,896
Sewer	1,018,746
Parking Meter	<u>126,699</u>
	<u><u>2,169,341</u></u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

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. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$19,850,000 General Obligation Refunding Bonds of 2007, due in annual installments of \$320,000 to \$3,475,000 plus interest at 4.00% to 4.25% through December 1, 2021.	Debt Service	\$ 7,710,000	-	1,655,000	6,055,000
	Sewer	2,155,000	-	125,000	2,030,000
	Water	5,135,000	-	80,000	5,055,000
\$9,010,000 General Obligation Refunding Bonds of 2009, due in annual installments of \$375,000 to \$960,000 plus interest at 2.00% to 3.65% through December 1, 2023.	Debt Service	985,000	-	130,000	855,000
	Sewer	975,000	-	130,000	845,000
	Water	3,300,000	-	700,000	2,600,000
\$25,895,000 General Obligation Refunding Bonds of 2010, due in annual installments of \$190,000 to \$4,430,000 plus interest at 2.00% to 4.00% through December 1, 2026.	Debt Service	23,280,000	-	205,000	23,075,000
	Sewer	1,485,000	-	-	1,485,000
	Water	1,130,000	-	-	1,130,000
\$13,605,000 General Obligation Refunding Bonds of 2011, due in annual installments of \$740,000 to \$2,305,000 plus interest at 2.00% to 3.00% through December 1, 2023.	Sewer	7,185,000	-	645,000	6,540,000
	Water	4,175,000	-	125,000	4,050,000

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Bonds – Continued

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$9,920,000 General Obligation Bonds of 2013, due in annual installments of \$55,000 to \$1,00,000 plus interest at 2.00% to 4.35% through December 1, 2037.	Debt Service	\$ 945,000	-	60,000	885,000
	Sewer	8,920,000	-	-	8,920,000
\$20,315,000 General Obligation Bonds of 2014, due in annual installments of \$100,000 to \$1,850,000 plus interest at 3.00% to 4.00% through December 1, 2043.	Debt Service	150,000	-	150,000	-
	Sewer	17,160,000	-	555,000	16,605,000
	Water	3,005,000	-	265,000	2,740,000
		<u>87,695,000</u>	<u>-</u>	<u>4,825,000</u>	<u>82,870,000</u>

IEPA Revenue Bonds

The Village has entered into an agreement with the IEPA to provide low interest financing for Sewerage improvements. IEPA revenue bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Revenue Bonds of 2006, due in annual installments of \$8,437 to \$27,333 plus interest of 2.500% through September 13, 2026.	Sewer	\$ 287,161	-	20,796	266,365
IEPA Revenue Bonds of 2007, due in annual installments of \$26,641 to \$39,769 plus interest at 2.500% through October 21, 2027.	Sewer	457,450	-	30,248	427,202

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

IEPA Revenue Bonds – Continued

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Revenue Bonds of 2010, due in annual installments of \$8,822 at 0.00% interest through April 7, 2030.	Sewer	\$ 136,740	-	8,822	127,918
IEPA Revenue Bonds of 2011, due in annual installments of \$42,888 at 1.25% interest through July 18, 2031.	Sewer	654,988	-	34,808	620,180
IEPA Revenue Bonds of 2012, due in annual installments of \$47,414 at 2.295% interest through August 5, 2032.	Sewer	695,919	-	31,623	664,296
IEPA Revenue Bonds of 2013, due in semi annual installments of \$17,634 at 1.930% interest through December 1, 2033.	Sewer	555,064	-	24,675	530,389
IEPA Revenue Bonds of 2014, due in semi annual installments of \$19,563 at 1.995% interest through December 3, 2034.	Sewer	641,366	-	25,157	616,209
		3,428,688	-	176,129	3,252,559

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Installment Contracts/Notes Payable

In June 2013, the Village received formal notification from the Office of the State Fire Marshal and the Illinois Finance Authority that the Village had been approved for a \$250,000 interest free loan for the purchase of a fire truck. The loan is from the Fire Trust Revolving Loan Program and is to be paid back in equal installments over 20 years. The Village is using the loan to help defray the cost of the purchase of a new Emergency One Fire Pumping Apparatus to replace an approximately 25 year old pumper. As of December 31, 2015, the loan outstanding balance is \$212,500. Installment contracts/notes payable currently outstanding are governmental and are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$250,000 Installment Contract of 2012 - due in annual installments of \$12,500 through November 1, 2032.	General	\$ 225,000	-	12,500	212,500

Long-Term Liability Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances as Restated	Additions/ Transfers	Deductions/ Transfers	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 3,779,400	43,900	342,373	3,480,927	696,185
Net Pension Liability					
Police Pension Fund	18,221,852	4,419,214	-	22,641,066	-
Firefighters' Pension Fund	23,173,345	5,942,315	-	29,115,660	-
Illinois Municipal Retirement Fund	3,826,809	3,477,370	-	7,304,179	-
General Obligation Bonds Payable	33,070,000	-	2,200,000	30,870,000	2,385,000
Installment Contracts/ Notes Payable	225,000	-	12,500	212,500	12,500
	<u>82,296,406</u>	<u>13,882,799</u>	<u>2,554,873</u>	<u>93,624,332</u>	<u>3,093,685</u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity – Continued

Type of Debt	Beginning Balances	Additions/ Transfers	Deductions/ Transfers	Ending Balances	Amounts Due within One Year
Business-Type Activities					
Compensated Absences	\$ 210,500	4,900	4,100	211,300	42,260
General Obligation Bonds Payable	54,625,000	-	2,625,000	52,000,000	3,090,000
Unamortized					
Bond Discounts	(171,000)	-	(57,000)	(114,000)	-
IEPA Loans Payable	3,428,688	-	176,129	3,252,559	180,867
	<u>58,093,188</u>	<u>4,900</u>	<u>2,748,229</u>	<u>55,349,859</u>	<u>3,313,127</u>

For governmental activities, the General Fund makes payments on the compensated absences, the net pension liability, the net other post-employment benefit obligation, and the installment contracts/notes payable. The Debt Service Fund makes payments on the general obligation bonds payable.

For the business-type activities compensated absences are retired by the Water and Sewer Funds. The Sewer Fund makes payments on the IEPA loans payable. The Water and Sewer Funds make payments on the general obligation bonds payable.

Legal Debt Margin

Article VII, Section 6(k) of the 1970 Illinois Constitution governs the computation of legal debt margin. “The General Assembly may limit by law the amount and require referendum approval of debt to the incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts.” To date the Illinois General Assembly has set no limits for home rule municipalities. The Village is a home rule municipality.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	Governmental Activities			
	General Obligation Bonds Payable		Installment Contracts/ Notes Payable	
	Principal	Interest	Principal	Interest
2016	\$ 2,385,000	1,053,048	12,500	-
2017	2,555,000	965,800	12,500	-
2018	2,675,000	866,117	12,500	-
2019	2,780,000	762,884	12,500	-
2020	2,885,000	679,772	12,500	-
2021	2,985,000	593,349	12,500	-
2022	3,120,000	503,587	12,500	-
2023	3,315,000	410,311	12,500	-
2024	3,370,000	303,099	12,500	-
2025	3,095,000	189,624	12,500	-
2026	1,550,000	66,526	12,500	-
2027	75,000	5,200	12,500	-
2028	80,000	2,800	12,500	-
2029	-	-	12,500	-
2030	-	-	12,500	-
2031	-	-	12,500	-
2032	-	-	12,500	-
Totals	30,870,000	6,402,117	212,500	-

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity – Continued

Fiscal Year	Business-Type Activities			
	General Obligation Bonds Payable		IEPA Loans Payable	
	Principal	Interest	Principal	Interest
2016	\$ 3,090,000	1,814,587	180,867	61,993
2017	3,565,000	1,721,099	184,403	58,458
2018	3,665,000	1,606,824	188,011	54,850
2019	3,785,000	1,487,255	191,701	51,162
2020	3,560,000	1,360,868	195,467	47,394
2021	3,620,000	1,238,797	199,313	43,548
2022	3,310,000	1,117,372	203,247	39,614
2023	2,460,000	1,013,646	207,263	35,597
2024	1,730,000	934,498	211,367	31,493
2025	605,000	878,359	215,560	27,298
2026	600,000	860,210	219,844	23,016
2027	605,000	841,711	195,252	18,814
2028	605,000	822,550	158,189	15,330
2029	1,000,000	801,876	160,985	12,534
2030	1,050,000	768,125	159,422	9,685
2031	1,100,000	730,937	157,919	6,778
2032	1,100,000	691,437	117,861	3,948
2033	1,200,000	651,187	67,340	1,738
2034	1,250,000	606,687	38,548	578
2035	1,300,000	560,437	-	-
2036	1,350,000	508,063	-	-
2037	1,400,000	452,875	-	-
2038	1,500,000	394,375	-	-
2039	1,550,000	338,125	-	-
2040	1,650,000	280,000	-	-
2041	1,700,000	214,000	-	-
2042	1,800,000	146,000	-	-
2043	1,850,000	74,000	-	-
Totals	52,000,000	22,915,900	3,252,559	543,828

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Advance Refunding

General Obligation Bonds of 2007

On September 1, 2007, the Village passed an ordinance providing for the issuance of \$19,850,000 General Obligation Refunding and Improvements Bond Series 2007 and the levy and collection of a direct annual tax for the payment of principal and interest on the bonds. The bonds were issued for sewer and water improvements and in order to refund the General Obligation Refunding Bond Series of 2000, issued by the Village and outstanding in the aggregate principal amount of \$7,300,000.

This advance refunding was undertaken to reduce principal and interest payments by a total of \$761,639 from 2007 through 2021 and to obtain an economic gain (the difference between the present value of the debt service payments of the refunded and refunding bonds) of \$568,492.

Proceeds in the amount of \$7,406,974 from the refunding bonds were used to execute the escrow agreement. The long-term debt for the General Obligation Refunding Bond Series 2000 is recorded in the non-current liabilities of the governmental activities and in the Water and Sewer Funds.

General Obligation Bonds of 2009

On October 27, 2009, the Village passed an ordinance providing for the issuance of \$9,010,000 General Obligation Refunding and Improvements Bond Series 2009 and the levy and collection of a direct annual tax for the payment of principal and interest on the bonds. The bonds were issued to complete the Sheridan Road reconstruction project and for a current refunding of the General Obligation Refunding Bond Series of 1999, issued by the Village and outstanding in the aggregate principal amount of \$4,750,000.

This current refunding was undertaken to extend debt service by seven years to improve cash flow in the Water Fund. From 2010 through the new 2023 maturity additional debt service of \$405,119 will be paid. In spite of the additional debt service, there is a net present value savings of \$276,655.

Proceeds in the amount of \$5,870,137 from the refunding bonds were used to execute the escrow agreement. The long-term debt for the General Obligation Refunding Bond Series 2009 is recorded in the non-current liabilities of the governmental activities and in the Water and Sewer Funds.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Advance Refunding – Continued

General Obligation Bonds of 2010

On November 30, 2010, the Village passed an ordinance providing for the issuance of \$23,280,000 General Obligation Refunding and Improvements Bond Series 2010 and the levy and collection of a direct annual tax for the payment of principal and interest on the bonds. The bonds were issued to complete various street resurfacing and alley improvements and for a current refunding of the General Obligation Refunding Bond Series of 2002, issued by the Village and outstanding in the aggregate principal amount of \$18,075,000.

This current refunding was undertaken to benefit from a reduced interest rate and therefore improving the overall cost of debt. From 2011 through the new 2024 maturity additional debt service of \$1,863,274 will be paid. In spite of the additional debt service, there is a net present value savings of \$326,645.

Proceeds in the amount of \$21,788,540 from the refunding bonds were used to execute the escrow agreement. The long-term debt for the General Obligation Refunding Bond Series 2010 is recorded in the non-current liabilities of the governmental activities and in the Water and Sewer Funds.

General Obligation Bonds of 2011

On December 1, 2011, the Village passed an ordinance providing for the issuance of \$13,605,000 General Obligation Refunding Bond Series 2011 and the levy and collection of a direct annual tax for the payment of principal and interest on the bonds. \$6,375,000 of the bonds were issued for an advance refunding of the Water Fund and Sewer Fund portions of the General Obligation Bond Series 2002 and \$7,230,000 were issued for a current refunding of IEPA Revenue Bonds of 1993, 1995, 1996 and 1997, issued by the Village and outstanding in the aggregate principal amount of \$11,262,794.

The advance refunding portion was undertaken to benefit from a reduced interest rate and therefore improving the overall cost of the debt. From 2013 through 2023 total debt service for this portion of the bond issue will be reduced by \$969,878 reflecting net present value savings of \$850,600. Proceeds in the amount of \$6,378,904 were used to execute the escrow agreement for the advance refunding.

The current refunding portion was undertaken to lengthen the overall maturities of the four IEPA Loans and to benefit from lower interest rates. From 2013 through 2023 total debt service for this portion of the bond issue will increase by \$812,066 but still reflecting net present value savings of \$32,500. The restructuring of this debt in this manner will provide \$3.6 million in cash flow savings through 2016.

The long-term debt for the General Obligation Refunding Bond Series 2011 is recorded in the non-current liabilities in the Water and Sewer Funds.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Advance Refunding – Continued

General Obligation Bonds of 2014

On October 7 2014, the Village passed an ordinance providing for the issuance of \$20,315,000 General Obligation Bond Series 2014 and the levy and collection of a direct annual tax for the payment of principal and interest on the bonds. The bonds were issued for capital improvements and for a current refunding of the General Obligation Refunding Bond Series of 2004, issued by the Village and outstanding in the aggregate principal amount of \$6,630,000.

This current refunding was undertaken to benefit from a reduced interest rate and therefore improving the overall cost of debt. From 2015 through the new 2020 maturity there is a reduction in debt service of \$327,514. There is a net present value savings of \$317,628.

Proceeds in the amount of \$5,018,077 from the refunding bonds were used to execute the escrow agreement. The long-term debt for the General Obligation Refunding Bond Series 2014 is recorded in the non-current liabilities of the governmental activities and in the Water and Sewer Funds.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of December 31, 2015:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 47,143,990
Plus:	
Loss on Refunding	1,200,140
Less Capital Related Debt:	
General Obligation Bonds Payable	(30,870,000)
Installment Contracts/Notes Payable	<u>(212,500)</u>
Net Investment in Capital Assets	<u>17,261,630</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	99,608,047
Plus Unspent Bond Proceeds	1,744,072
Less Capital Related Debt:	
Net General Obligation Bonds Payable	(51,886,000)
IEPA Loans Payable	(3,252,559)
Gain on Refunding	<u>(57,500)</u>
Net Investment in Capital Assets	<u>46,156,060</u>

NET POSITION RESTATEMENT

Net position was restated due to the implementation of GASB Statement No. 68. The following is a summary of the net position as originally reported and as restated:

<u>Net Position</u>	<u>As Reported</u>	<u>As Restated</u>	<u>(Decrease)</u>
Governmental Activities	\$ 21,438,799	(10,937,015)	(32,375,814)

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Debt Service	Nonmajor	Totals
Fund Balances				
Nonspendable				
Prepays	\$ 69,624	-	-	69,624
IRMA Insurance Deposit	1,309,135	-	-	1,309,135
	<u>1,378,759</u>	-	-	<u>1,378,759</u>
Restricted				
Police Seizures	107,367	-	-	107,367
Debt Service	-	33,600	-	33,600
Motor Fuel Tax	-	-	528,998	528,998
	<u>107,367</u>	<u>33,600</u>	<u>528,998</u>	<u>669,965</u>
Assigned				
Affordable Housing	-	-	-	-
Road Maintenance	167,567	-	-	167,567
Capital Outlay	192,206	-	-	192,206
Motor Fuel Tax	-	-	81,724	81,724
	<u>359,773</u>	-	<u>81,724</u>	<u>441,497</u>
Unassigned	<u>9,391,977</u>	-	-	<u>9,391,977</u>
Total Fund Balances	<u>11,237,876</u>	<u>33,600</u>	<u>610,722</u>	<u>11,882,198</u>

In the governmental funds financial statements, the Village considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Village first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS – Continued

Assigned Fund Balance. The Village reports assigned fund balance in the General Fund, a major fund, and in the Motor Fuel Tax Fund, a nonmajor fund. The Village's Board, through the fund balance policy, has given authority to management (Village Manager) to assign funds in the General Fund as listed above based on approved management and Board expenditures as determined through the annual budget process.

Minimum Fund Balance Policy. The Village's policy is cash flow based. It states that the General Fund should maintain a minimum fund balance equal to double the projected difference of expenditures in excess of revenues in the first two months of the following year. In practice this is about 15% of annual General Fund expenditures. When actual fund balance exceeds 25% of projected annual expenditures, such excess balances may be transferred to the capital projects fund. For the Motor Fuel Tax Fund, the minimum fund balance should equal two months' worth of revenue.

Although the Village has reported land held for resale of \$630,000 in the General Fund at year-end, the Village also secured a line of credit related to the purchase of the land which it has not exercised at December 31, 2015. Due to the fact that the Village can exercise the line of credit at any time and immediately replenish the cash in the General Fund used to purchase the land, the land held for resale is not reported as nonspendable fund balance at December 31, 2015.

NOTE 4 – OTHER INFORMATION

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 to employees; and natural disasters. These risks are provided for through participation in the Intergovernmental Risk Management Agency and the North Suburban Employee Benefit Cooperative. Premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2015

NOTE 4 – OTHER INFORMATION – Continued

RISK MANAGEMENT – Continued

Intergovernmental Risk Management Agency (IRMA)

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperation Statute to pool its risk management needs. The agency administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration /litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$1,000 of each occurrence for years prior to 2004 and \$2,500 for each occurrence in 2004 and subsequent years. Beginning in 2005, members were given the option to assume higher deductibles. IRMA has a mix of self-insurance and commercial insurance at various amounts about that level. Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of the Agency beyond its representation on the Board of Directors. Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits.

North Suburban Employee Benefit Cooperative (NSEBC)

The Village participates in the North Suburban Employee Benefit Cooperative (NSEBC). NSEBC is a public entity risk pool established by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical, dental, and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain other governmental, quasigovernmental, and nonprofit public service entities.

NSEBC acts as an administrative agency to receive, process, and pay such claims as may come within the benefit program of each member.

Management consists of a Board of Directors comprised of one appointed representative from each member. The Village does not exercise any control over the activities of NSEBC beyond its representation on the Board of Directors.

For the year ended December 31, 2015, NSEBC had a total equity of \$3,077,173. The Village's total payments for the year ended December 31, 2015 were \$1,793,478.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2015

NOTE 4 – OTHER INFORMATION – Continued

CONTINGENT LIABILITIES

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 attorneys, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

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, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit 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 a single-employer pension plan. A separate report is not issued for the Police Pension Plan and Firefighters' Pension Plan. IMRF also issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

Plan Administration. All employees (other than those covered by the Police and Firefighters' Pension Plan) hired in positions that need 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.

Benefits Provided. IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date.)

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. IMRF provides two tiers of pension benefits. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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 employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Plan Membership. As of December 31, 2015, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	149
Inactive Plan Members Entitled to but not yet Receiving Benefits	70
Active Plan Members	<u>120</u>
Total	<u><u>339</u></u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Contributions. As set by statute, the Village’s Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village’s annual contribution rate for calendar year 2015 was 11.49% of covered payroll.

Net Pension Liability. The Village’s net pension liability was measured as of December 31, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2015, using the following actuarial methods and assumptions:

Actuarial Valuation Date	12/31/2015
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.50%
Salary Increases	4.40% to 16.00%
Cost of Living Adjustments	3.00%
Inflation	3.00%

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Discount Rate

A Single Discount Rate of 7.48% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.57%, and the resulting single discount rate is 7.48%.

Discount Rate Sensitivity

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.48%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.48%)	Current Discount Rate (7.48%)	1% Increase (8.48%)
Net Pension Liability	\$ 15,215,559	7,304,179	790,010

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2014	\$ 60,369,011	56,542,202	3,826,809
Changes for the Year:			
Service Cost	1,001,981	-	1,001,981
Interest on the Total Pension Liability	4,446,817	-	4,446,817
Difference Between Expected and Actual Experience of the Total Pension Liability	12,304	-	12,304
Changes of Assumptions	72,972	-	72,972
Contributions - Employer	-	1,072,680	(1,072,680)
Contributions - Employees	-	420,111	(420,111)
Net Investment Income	-	278,943	(278,943)
Benefit Payments, including Refunds of Employee Contributions	(2,999,904)	(2,999,904)	-
Other (Net Transfer)	-	284,970	(284,970)
Net Changes	2,534,170	(943,200)	3,477,370
Balances at December 31, 2015	62,903,181	55,599,002	7,304,179

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement – Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2015, the Village recognized pension expense of \$2,391,120. At December 31, 2015, the Village reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 622,509	-	622,509
Change in Assumptions	1,032,922	-	1,032,922
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	3,591,194	-	3,591,194
Total Deferred Amounts Related to IMRF	<u>5,246,625</u>	-	<u>5,246,625</u>

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

Fiscal Year	Net Deferred Outflows of Resources
2016	\$ 1,842,238
2017	1,669,797
2018	951,410
2019	783,180
2020	-
Thereafter	-
Total	<u>5,246,625</u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan

Plan Descriptions

Plan Administration. The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum 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 Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active police employees.

Plan Membership. At December 31, 2015, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	44
Inactive Plan Members Entitled to but not yet Receiving Benefits	1
Active Plan Members	<u>44</u>
Total	<u><u>89</u></u>

Benefits Provided. The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent 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 a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 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 officer salary for the pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent 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. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent of ½ of the change in the Consumer Price Index for the preceding calendar year.

Contributions. Covered employees are required 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. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended December 31, 2015, the Village’s contribution was 40.20% of covered payroll.

Significant Investments. At year end, the Pension Plan has investments (other than U.S. Government and U.S. Government-guaranteed obligations) in any one organization that represent 5 percent or more of net position available for benefits as follows.

Investment	Amount
Vanguard Institue Index	\$ 10,896,712

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of December 31, 2015, using the following actuarial methods and assumptions:

Actuarial Valuation Date	12/31/2015
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	5.50%
Cost of Living Adjustments	2.50%
Inflation	2.50%

Mortality rates were based on the RP-2000 Combined Healthy Morality Table with a Blue Collar Adjustment, projected to 2013.

Discount Rate

The discount rate used to measure the total pension liability 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 Village contributions will be made at rates equal to the difference between the 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 project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 30,931,552	22,641,066	15,780,938

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2014	\$ 59,622,808	41,400,956	18,221,852
Changes for the Year:			
Service Cost	1,076,377	-	1,076,377
Interest on the Total Pension Liability	4,304,465	-	4,304,465
Difference Between Expected and Actual			
Experience of the Total Pension Liability	115,649	-	115,649
Changes of Assumptions	271,061	-	271,061
Contributions - Employer	-	1,763,100	(1,763,100)
Contributions - Employees	-	439,929	(439,929)
Net Investment Income	-	(827,422)	827,422
Benefit Payments, including Refunds			
of Employee Contributions	(2,654,506)	(2,654,506)	-
Other (Net Transfer)	-	(27,269)	27,269
Net Changes	3,113,046	(1,306,168)	4,419,214
Balances at December 31, 2015	62,735,854	40,094,788	22,641,066

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2015, the Village recognized pension expense of \$4,159,138. At December 31, 2015, the Village reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 92,520	99,208	191,728
Change in Assumptions	216,848	-	216,848
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	3,580,693	-	3,580,693
Total Deferred Amounts Related to Police Pension	<u>3,890,061</u>	<u>99,208</u>	<u>3,989,269</u>

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

Fiscal Year	Net Deferred Outflows of Resources
2016	\$ -
2017	983,728
2018	983,728
2019	983,728
2020	839,669
Thereafter	<u>198,416</u>
Total	<u>3,989,269</u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters’ Pension Plan

Plan Descriptions

Plan Administration. The Firefighters’ Pension Plan is a single-employer defined benefit pension plan that covers all sworn firefighter personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active fire employees.

Plan Membership. At December 31, 2015, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	56
Inactive Plan Members Entitled to but not yet Receiving Benefits	1
Active Plan Members	<u>46</u>
Total	<u><u>103</u></u>

Benefits Provided. The following is a summary of the Firefighters’ Pension Plan as provided for in Illinois State Statutes.

The Firefighters’ Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent 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 a reduced benefit. The monthly benefit of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3percent compounded annually thereafter.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 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 the pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent 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 police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or ½ of the change in the Consumer Price Index for the preceding calendar year.

Contributions. Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with 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. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended December 31, 2015, the Village's contribution was 51.42 of covered payroll.

Significant Investments. At year end, the Pension Plan has investments (other than U.S. Government and U.S. Government-guaranteed obligations) in any one organization that represent 5 percent or more of net position available for benefits as follows.

Investment	Amount
Vanguard Institute Index	\$ 10,805,176

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements

December 31, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of December 31, 2015, using the following actuarial methods and assumptions:

Actuarial Valuation Date	12/31/2015
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	5.50%
Cost of Living Adjustments	2.50%
Inflation	2.50%

Mortality rates were based on the RP-2000 Combined Healthy Morality Table with a Blue Collar Adjustment, projected to 2013.

Discount Rate

The discount rate used to measure the total pension liability 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 Village contributions will be made at rates equal to the difference between the 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 project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters’ Pension Plan – Continued

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 37,797,478	29,115,660	21,897,868

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2014	\$ 65,135,333	41,961,988	23,173,345
Changes for the Year:			
Service Cost	1,354,485	-	1,354,485
Interest on the Total Pension Liability	4,701,473	-	4,701,473
Difference Between Expected and Actual Experience of the Total Pension Liability	1,365,723	-	1,365,723
Changes of Assumptions	323,382	-	323,382
Contributions - Employer	-	2,296,000	(2,296,000)
Contributions - Employees	-	427,887	(427,887)
Net Investment Income	-	(869,293)	869,293
Benefit Payments, including Refunds of Employee Contributions	(3,283,837)	(3,283,837)	-
Other (Net Transfer)	-	(51,846)	51,846
Net Changes	4,461,226	(1,481,089)	5,942,315
Balances at December 31, 2015	69,596,559	40,480,899	29,115,660

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2015**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters’ Pension Plan – Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2015, the Village recognized pension expense of \$4,140,542. At December 31, 2015, the Village reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 1,641,670	-	1,641,670
Change in Assumptions	258,704	-	258,704
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	3,657,395	-	3,657,395
Total Deferred Amounts Related to Firefighters' Pension	<u>5,557,769</u>	-	<u>5,557,769</u>

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

Fiscal Year	Net Deferred Outflows of Resources
2016	\$ -
2017	1,480,692
2018	1,480,692
2019	1,480,692
2020	1,115,693
Thereafter	<u>-</u>
Total	<u>5,557,769</u>

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2015

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

The Village has evaluated its current potential other post-employment benefits liability. Former employees who choose to retain their rights to health insurance through the Village are required to pay 100% of the current premium. Although the Village has former employees who have chosen to stay in the Village's health insurance plan, but they pay 100 percent of the premiums; therefore, the implicit subsidy to calculate in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions* is immaterial. Additionally, the Village had no former employees for which the Village was providing an explicit subsidy and no current employees with agreements for future explicit subsidies upon retirement. Therefore, the Village has not recorded any post-employment benefit liability as of December 31, 2015.

SUBSEQUENT EVENT

In late April of 2016, the Illinois Department of Revenue (IDOR) provided notice to local governments that there was a misallocation of Personal Property Replacement Taxes (PPRT). This misallocation has resulted in an estimated \$168 million that was over paid to local governments. The dollar amount specifically related to the Village is \$32,429, and has been recorded as a liability as of December 31, 2015.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Employer Contributions
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund

- Schedule of Changes in the Employer's Net Pension Liability
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund

- Schedule of Investment Returns
 - Police Pension Fund
 - Firefighters' Pension Fund

- Budgetary Comparison Schedule
 - General Fund

Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

VILLAGE OF WILMETTE, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information

Schedule of Employer Contributions

December 31, 2015

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2015	\$ 1,072,680	\$ 1,072,680	\$ -	\$ 9,335,774	11.49%

Notes to the Required Supplementary Information:

Actuarial Valuation Date	December 31, 2015
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	28 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	3.0%
Salary Increases	4.4% - 16.0%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP-2000 Combined Healthy Mortality Table

Note: The information presented above is formatted to comply with the requirement of GASB Statement No. 67.

VILLAGE OF WILMETTE, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Employer Contributions
December 31, 2015**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2014	\$ 1,775,948	\$ 1,800,000	\$ 24,052	\$ 4,263,576	42.22%
2015	1,763,100	1,763,100	-	4,385,426	40.20%

Notes to the Required Supplementary Information:

Actuarial Valuation Date	December 31, 2014
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	26 Years
Asset Valuation Method	3-Year Smoothed Market
Inflation	2.50%
Salary Increases	5.50%
Investment Rate of Return	7.25%
Retirement Age	50-70
Mortality	RP-2000 Combined Healthy Mortality Table with a Blue Collar Adjustment, Projected to 2013.

Note: The information presented above is formatted to comply with the requirement of GASB Statement No. 67.

VILLAGE OF WILMETTE, ILLINOIS

Firefighters' Pension Fund

**Required Supplementary Information
Schedule of Employer Contributions
December 31, 2015**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2014	\$ 2,177,181	\$ 2,200,000	\$ 22,819	\$ 4,333,254	50.77%
2015	2,295,995	2,296,000	5	4,464,767	51.42%

Notes to the Required Supplementary Information:

Actuarial Valuation Date	December 31, 2014
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	26 Years
Asset Valuation Method	3-Year Smoothed Market
Inflation	2.50%
Salary Increases	5.50%
Investment Rate of Return	7.25%
Retirement Age	50-70
Mortality	RP-2000 Combined Healthy Mortality Table with a Blue Collar Adjustment, Projected to 2013.

Note: The information presented above is formatted to comply with the requirement of GASB Statement No. 67.

VILLAGE OF WILMETTE, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information Schedule of Changes in the Employer's Net Pension Liability December 31, 2015

	<u>2015</u>
Total Pension Liability	
Service Cost	\$ 1,001,981
Interest	4,446,817
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	12,304
Change of Assumptions	72,972
Benefit Payments, Including Refunds of Member Contributions	<u>(2,999,904)</u>
Net Change in Total Pension Liability	2,534,170
Total Pension Liability - Beginning	<u>60,369,011</u>
Total Pension Liability - Ending	<u><u>62,903,181</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 1,072,680
Contributions - Members	420,111
Net Investment Income	278,943
Benefit Payments, Including Refunds of Member Contributions	(2,999,904)
Administrative Expense	<u>284,970</u>
Net Change in Plan Fiduciary Net Position	(943,200)
Plan Net Position - Beginning	<u>56,542,202</u>
Plan Net Position - Ending	<u><u>55,599,002</u></u>
Employers Net Pension Liability	<u><u>\$ 7,304,179</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.39%
Covered-Employee Payroll	\$ 9,335,774
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	78.24%

VILLAGE OF WILMETTE, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
December 31, 2015**

	2014	2015
Total Pension Liability		
Service Cost	\$ 1,028,254	1,076,377
Interest	4,128,751	4,304,465
Differences Between Expected and Actual Experience	(165,348)	115,649
Change in Assumptions	-	271,061
Benefit Payments, Including Refunds of Member Contributions	(2,577,760)	(2,654,506)
Net Change in Total Pension Liability	2,413,897	3,113,046
Total Pension Liability - Beginning	57,208,911	59,622,808
Total Pension Liability - Ending	59,622,808	62,735,854
Plan Fiduciary Net Position		
Contributions - Employer	\$ 1,800,000	1,763,100
Contributions - Members	423,565	439,929
Net Investment Income	1,985,708	(827,422)
Benefit Payments, Including Refunds of Member Contributions	(2,577,761)	(2,654,506)
Administrative Expense	(24,963)	(27,269)
Net Change in Plan Fiduciary Net Position	1,606,549	(1,306,168)
Plan Net Position - Beginning	39,794,407	41,400,956
Plan Net Position - Ending	41,400,956	40,094,788
Employers Net Pension Liability	\$ 18,221,852	22,641,066
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.44%	63.91%
Covered-Employee Payroll	\$ 4,263,576	\$ 4,385,426
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	427.38%	516.28%

VILLAGE OF WILMETTE, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information

Schedule of Changes in the Employer's Net Pension Liability

December 31, 2015

	2014	2015
Total Pension Liability		
Service Cost	\$ 1,353,552	1,354,485
Interest	4,447,479	4,701,473
Differences Between Expected and Actual Experience	915,150	1,365,723
Change in Assumptions	-	323,382
Benefit Payments, Including Refunds of Member Contributions	(3,143,670)	(3,283,837)
	<u>3,572,511</u>	<u>4,461,226</u>
Net Change in Total Pension Liability	3,572,511	4,461,226
Total Pension Liability - Beginning	61,562,822	65,135,333
	<u>65,135,333</u>	<u>69,596,559</u>
Total Pension Liability - Ending	65,135,333	69,596,559
Plan Fiduciary Net Position		
Contributions - Employer	\$ 2,200,000	2,296,000
Contributions - Members	404,901	427,887
Net Investment Income	2,008,758	(869,293)
Benefit Payments, Including Refunds of Member Contributions	(3,143,670)	(3,283,837)
Administrative Expense	(67,965)	(51,846)
	<u>1,402,024</u>	<u>(1,481,089)</u>
Net Change in Plan Fiduciary Net Position	1,402,024	(1,481,089)
Plan Net Position - Beginning	40,559,964	41,961,988
	<u>41,961,988</u>	<u>40,480,899</u>
Plan Net Position - Ending	41,961,988	40,480,899
Employers Net Pension Liability	\$ 23,173,345	29,115,660
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	64.42%	58.17%
Covered-Employee Payroll	\$ 4,333,254	4,464,767
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	534.78%	652.12%

VILLAGE OF WILMETTE, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Investment Returns
December 31, 2015**

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2014	5.01%
2015	(2.00)%

VILLAGE OF WILMETTE, ILLINOIS

Firefighters' Pension Fund

**Required Supplementary Information
Schedule of Investment Returns
December 31, 2015**

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2014	4.99%
2015	(2.09)%

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Required Supplementary Information

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Revenues		
Taxes	\$ 24,690,000	25,871,942
Licenses, Permits and Fees	3,839,300	4,313,554
Intergovernmental	386,000	307,945
Charges for Services	3,206,460	3,342,773
Fines and Forfeitures	353,700	332,078
Investment Earnings	15,000	238,531
Miscellaneous	1,110,700	1,351,366
Total Revenues	33,601,160	35,758,189
Expenditures		
General Government	3,582,900	3,588,764
Public Safety	19,586,495	19,749,081
Streets and Sanitation	6,716,716	6,352,641
Other Public Works	3,272,780	3,085,813
Public Health	255,535	249,180
Community Development	1,724,309	2,307,447
Capital Outlay	165,065	205,773
Debt Service		
Principal Retirement	12,500	12,500
Total Expenditures	35,316,300	35,551,199
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,715,140)	206,990
Other Financing Sources (Uses)		
Transfers In	1,100,000	1,100,000
Transfers Out	(64,000)	(30,000)
	1,036,000	1,070,000
Net Change in Fund Balance	(679,140)	1,276,990
Fund Balance - Beginning		9,960,886
Fund Balance - Ending		11,237,876

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
- Budgetary Comparison Schedule – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Major Enterprise Funds
- Budgetary Comparison Schedules – Nonmajor Enterprise Funds
- Combining Statements – Internal Service Funds
- Budgetary Comparison Schedules – Internal Service Funds
- Combining Statements – Pension Trust Funds
- Budgetary Comparison Schedules – Pension Trust Funds
- Combining Statement of Changes in Assets and Liabilities – Agency Fund

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

The General Fund, a major fund, accounts for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

To account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditure for specified purposes.

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account funds received from the State of Illinois Motor Fuel Tax to be used for operating and maintaining local streets and roads.

DEBT SERVICE FUND

Debt Service Funds are created to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

CAPITAL PROJECTS FUND

Capital Projects Funds are created to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by Proprietary and Trust Funds.

Series 2013 and 2014 General Obligation Bonds Fund

The Series 2013 and 2014 General Obligation Bonds Fund is used to account for revenue and expenditures for road resurfacing, alley and other infrastructure improvements, Public Works facility improvements and large equipment replacements.

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

ENTERPRISE FUNDS – Continued

Water Fund

The Water Fund is used to account for the provision of water 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 and maintenance, financing and related debt service, billing and collection.

Sewer Fund

The Water Fund is used to account for the provision of the sewer system 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 and maintenance, financing and related debt service, billing and collection.

Parking Meter Fund

The Parking Meter Fund is used to account for the provision of parking 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 and maintenance, financing and related debt service, billing and collection.

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies other governmental unit, or to other governmental units, on a cost-reimbursement basis.

Municipal Garage Fund

The Municipal Garage Fund is used to account for the activity necessary to operate and maintain the Village's automotive fleet. User departments are charged a proportionate share determined by the number and types of vehicles in each department.

Employee Insurance Fund

The Employee Insurance Fund is used to for account employer provided health and life insurance, employer flexible benefit contributions, and unemployment compensation. User departments are charged the expense incurred on behalf of their employees.

Workers' Compensation Fund

The Workers' Compensation Fund is used to account for employer workers' compensation expense. User departments are charged a proportionate share of this expense determined by the employees in each department.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

INTERNAL SERVICE FUNDS – Continued

Illinois Municipal Retirement Fund

The Illinois Municipal Retirement Fund is used to account for employer Social Security and Medicare contributions as well as employer pension contributions to the Illinois Municipal Retirement Fund (the statewide pension plan for the Village's full-time employees other than sworn police and fire personnel.) User departments are charged a proportionate share of this expense determined by the employees in each department.

Section 105 Sick Leave Fund

The Section 105 Sick Leave Fund is used to account for employer Section 105 sick leave expense. User departments are charged a proportionate share of this expense determined by the employees in each department.

TRUST AND AGENCY FUNDS

PENSION TRUST FUNDS

Police Pension Fund

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the police force at appropriate amounts and times in the future. The fund does not account for the administrative costs of the system, which are borne by the General Fund. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

Firefighters' Pension Fund

The Firefighters' Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees in the firefighting service at appropriate amounts and times in the future. The fund does not account for the administrative costs of the system, which are borne by the General Fund. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

AGENCY FUND

Fire Insurance Tax Fund

The Fire Insurance Tax Fund is used to account for foreign fire insurance tax receipts held on behalf of retiring Village firefighters' to be applied to their retiree health insurance premiums.

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Taxes		
Property Taxes	\$ 12,503,700	12,553,316
Municipal Sales Tax	3,408,100	3,661,837
Municipal Sales Tax - Home Rule	1,608,600	2,073,611
State Income Tax	2,512,600	2,882,144
Real Estate Transfer Tax	1,201,000	1,311,792
Utility Tax	2,339,000	2,265,314
E-911 Surcharge	218,300	214,356
Wireless 911 Tax	195,900	197,896
Personal Property Replacement Tax	255,300	249,503
Hotel Tax	372,500	386,425
Fuel Use Tax	75,000	75,748
Total Taxes	24,690,000	25,871,942
Licenses, Permits and Fees		
Licenses		
Animal	1,500	1,590
Business	250,000	251,004
Vehicle	1,440,000	1,489,724
Taxi	19,100	10,125
Liquor Licenses	78,000	90,885
Permits		
Building	1,342,200	1,587,681
Demolition	51,500	92,956
Electric	67,000	91,178
Plumbing	46,400	56,159
Right-of Way	19,600	20,834
Other	123,500	122,564
Fees		
Plan Review	78,300	90,754
Pavement Degradation Fee	36,100	52,907
Inspections	252,400	322,747
Filing	23,700	25,781
Permit Penalties	10,000	6,665
Total Licenses, Permits, and Fees	3,839,300	4,313,554

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Intergovernmental		
Police Grants	\$ 20,000	60,256
Fire Grants	10,000	38,373
State Grant - Skokie / Hibbard Improvements	223,000	16,984
State Grant - Locust Rd. Improvements	133,000	-
Elmwood Avenue Right-of-way Grants	-	54,332
Urban Forest Reforestation Grant	-	8,000
MWRDGC Grant - Green Alley Improvements	-	130,000
Total Intergovernmental	386,000	307,945
Charges for Services		
Refuse Collection Charges	2,403,900	2,422,306
Refuse Collection Charges - unbilled	-	2,000
Sales of Yard Waste Bags	105,000	88,321
Ambulance Transport Charges	405,400	470,453
Fire Alarms	4,000	2,475
Burglar Alarms	20,000	20,905
Elevator Inspections	15,000	24,903
Sanitarian Services	66,900	86,310
Computer Aided Dispatch Services	500	2,234
Damage to Village Property	30,000	34,950
Shore Line Place Services	20,300	21,735
Fairfield Court Services	60,000	72,381
French Market Services	2,100	2,175
Engineering & Consulting Reimbursements	-	4,004
Park District Personnel Reimbursements	58,000	44,869
School & Park District Ethernet Reimbursements	6,560	6,564
Other Police Service Charges	600	700
Health Department Charges	8,200	9,236
Legal Fee Reimbursements - 611 Greenbay	-	22,548
Other Professional Services Reimbursements	-	3,704
Total Charges for Services	3,206,460	3,342,773

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Fines and Forfeitures		
Court Fines	\$ 90,000	52,603
Vehicle License and Parking	260,000	275,609
Animal and Impounding Fees	3,700	3,866
Total Fines and Forfeitures	353,700	332,078
Investment Earnings		
Interest	15,000	14,609
I.R.M.A. Excess Surplus Investment Earnings	-	223,922
Total Investment Earnings	15,000	238,531
Miscellaneous		
Rental Income		
Wilmette Park District	55,000	54,314
Cellular Antennae Leases	232,500	358,473
Depot Nuevo	34,200	48,887
1225 Central	31,200	31,200
3545 Lake Avenue	2,400	2,400
Sale of General Capital Assets	20,000	20,139
Cable TV Franchise Fees	535,000	553,003
Cable PEG Fees	28,500	42,541
Commercial Waste Collection Franchise Fees	67,900	90,498
Interest Payments from Property Tax Collections	1,000	255
Other	21,000	28,758
Contributions for Affordable Housing	40,000	-
Donations	-	15,744
Insurance Reimbursements	-	3,049
Police Seizures	20,000	51,533
Section 125 Plan Liability Write-offs	-	2,203
Housing Assistance Program Lien Collections	-	16,804
Contribution from Wilmette Historical Society	22,000	31,565
Total Miscellaneous	1,110,700	1,351,366
Total Revenues	33,601,160	35,758,189

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
General Government		
Legislative		
Memberships	\$ 18,510	17,384
Annual Audit	10,700	11,700
Incidentals	2,000	1,839
Total Legislative	<u>31,210</u>	<u>30,923</u>
General Administration		
Salaries - Regular	433,250	434,534
Employee Benefits	137,010	137,058
Memberships	4,685	4,687
Professional Services	6,115	7,205
Community Notification System	4,500	3,981
Lease/Purchase - Copier	8,650	7,565
Pre-employment Exams	4,000	6,657
Office Supplies	3,000	2,183
Incidentals	1,500	1,964
Training	8,720	15,233
Personnel Training	500	55
Employee Recognition Program	8,200	9,593
Newsletters	14,000	13,575
Publishing Legal Notices	2,000	669
Classified Advertisements	3,500	5,365
Total General Administration	<u>639,630</u>	<u>650,324</u>

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
General Government - Continued		
Information Services		
Salaries - Regular	\$ 249,725	250,242
Employee Benefits	87,990	86,826
Memberships	250	250
Professional Services	4,650	3,486
Network Security Audit	7,500	8,310
Contractual Hardware Support	7,465	6,231
Contractual Software Support	121,030	125,485
PC Software Subscription	38,925	33,362
Contractual Internet Expenditures	4,050	5,259
Computer Communications	29,000	31,574
Computer Parts	11,000	16,948
Computer Software	2,000	161
Office Supplies	500	455
Automotive	5,300	5,139
Incidentals	200	45
Training	9,950	3,387
Motor Equipment	12,000	12,000
Office Furniture and Equipment	26,100	43,032
Total Information Services	<u>617,635</u>	<u>632,192</u>
Finance Department		
Salaries - Regular	704,800	667,671
Salaries - Overtime	-	305
Employee Benefits	209,230	208,477
Memberships	1,500	1,372
Professional Services	30,000	26,799
Lease/Purchase - Copier	16,000	18,024
Bank Charges	44,500	44,345
Postage - General Office	35,000	32,901
Contractual Services	18,000	17,460
Maintenance of Office Equipment	2,800	2,782
Telephone - Office Service	35,500	34,107
Telephone - Maintenance	5,500	5,659

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
General Government - Continued		
Finance Department - Continued		
Telephone - Cellular Service	\$ 22,000	25,739
Telephone - Long Distance	200	26
Office Supplies	17,800	18,710
Supplies Other than Office	9,600	8,719
Incidentals	200	105
Training	3,000	2,286
Publishing Legal Notices	2,000	986
Total Finance Department	1,157,630	1,116,473
Law Department		
Memberships	1,285	1,377
Code Revision service	4,000	12,676
Special Attorney Fees	100,000	211,073
Contractual Corporation Counsel Services	208,200	211,140
Corp. Counsel Services - 611 Greenbay Rd.	-	12,508
Supplies - Legal	750	213
Incidentals	150	-
Litigation Costs	5,000	40,849
Total Law Department	319,385	489,836
Boards and Commissions		
Incidentals	500	-
Housing Commission	43,000	73,538
Historic Preservation Commission	1,600	572
Human Relations Commission	3,200	1,088
Bicycle Task Force	2,000	1,800
Total Boards and Commissions	50,300	76,998
Historical Museum		
Salaries - Regular	115,850	125,995
Employee Benefits	25,860	26,349
Total Historical Museum	141,710	152,344

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
General Government - Continued		
Cable Programming Services		
Salaries - Regular	\$ 93,900	85,331
Salaries - Other	-	12
Employee Benefits	33,005	31,523
Memberships	190	185
Contractual Website Services	4,000	3,960
Maintenance - Office Equipment	2,000	3,677
Hi-Speed Ethernet Service	14,500	16,096
Supplies - Office	450	155
Supplies - Video	2,500	1,637
Incidentals	400	-
Training	600	-
Office Space Rent	13,200	12,100
Total Cable Programming Services	164,745	154,676
Insurance		
General Liability and Property Insurance		
Fixed Premiums	175,000	123,511
Village Use of IRMA Excess Surplus Reserve	-	55,240
Deductible Payments	30,000	26,883
Total Insurance	205,000	205,634
Contingencies		
Regular	225,000	73,922
Atrium Condo Resales	25,000	-
Total Contingencies	250,000	73,922
Total General Government	3,577,245	3,583,322
NonGAAP Activity		
Plus Prior Year Encumbrances	13,965	13,752
Less Current Year Encumbrances	(8,310)	(8,310)
Total General Government	3,582,900	3,588,764

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Public Safety		
Fire and Police Commission		
Salaries - Regular	\$ 42,000	41,835
Employee Benefits	15,150	14,782
Professional Services	47,500	41,851
Total Fire and Police Commission	104,650	98,468
Police		
General Operations		
Salaries - Regular	4,538,075	4,481,872
Salaries - Overtime	298,175	328,142
Salaries - Overtime - Grant Funded	21,900	-
Employee Benefits	2,673,195	2,618,186
Memberships	965	1,375
Professional Services	-	90
Physical Exams	15,000	8,746
Contractual Animal Observation	18,000	16,722
Maintenance - Equipment	22,750	54,765
Maintenance - Radios	19,350	15,243
Uniforms	39,825	35,251
Range Supplies	6,500	6,468
Supplies Other than Office	13,350	14,119
Community Relations Materials	2,000	2,066
Automotive	267,400	259,247
Incidentals	6,000	6,035
Training	28,900	22,527
Police Seizure Expense	20,000	9,177
Crime Lab Contributions	39,500	38,755
NIPAS Contribution	4,850	4,580
Major Crimes Task Force	4,300	4,100
NIPSTA Contribution	8,140	7,304
Motor Equipment	181,500	171,148
Other Equipment	-	42,203
Total General Operations	8,229,675	8,148,121

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Public Safety - Continued		
Police - Continued		
General Services		
Salaries - Regular	\$ 491,675	486,138
Salaries - Overtime	300	729
Employee Benefits	182,950	177,980
Memberships	500	426
Professional Services	14,675	15,573
Lease/Purchase - Copier	6,100	5,876
Maintenance - Office Equipment	500	128
Reaccreditation Fees	7,000	6,492
L.E.A.D.S./P.I.M.S. Program	3,600	3,000
Professional Services - Police Grant Work	12,000	-
Towing - Contractual	800	215
Computer Communications	3,450	2,891
Uniforms	300	-
Office Supplies	8,000	8,550
Supplies Other than Office	2,000	694
Incidentals	300	66
Training	1,200	480
Care of Prisoners	1,500	2,930
Total General Services	<u>736,850</u>	<u>712,168</u>
Public Safety Communications		
Salaries - Regular	686,550	675,759
Salaries - Overtime	64,000	37,359
Employee Benefits	259,695	246,214
Memberships	160	92
Contractual Regional Fire Dispatch	191,300	195,706
Contractual Software Support - C.A.D.	55,075	91,270
Software - 911 System	-	6,964
Maintenance - Office Equipment	5,600	5,580

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Public Safety - Continued		
Police - Continued		
Public Safety Communications - Continued		
Maintenance - E-911 System	\$ 61,050	57,785
Maintenance - NORCOM Network	87,250	77,574
IWIN Program	9,000	8,489
Computer Communications	8,340	6,337
Uniforms	3,000	3,412
Incidentals	200	77
Training	2,300	1,810
Total Public Safety Communications	1,433,520	1,414,428
School Crossing Protection		
Salaries - Regular	229,600	232,419
Employee Benefits	21,310	21,877
Uniforms	1,000	1,543
Supplies Other than Office	500	-
Total School Crossing Protection	252,410	255,839
Total Police	10,652,455	10,530,556
Emergency Fire and Medical Services		
Salaries - Regular	4,562,850	4,629,434
Salaries - Overtime	297,000	323,039
Salaries - Off-Duty Response	21,325	8,534
Employee Benefits	3,128,175	3,324,295
Memberships	3,730	2,943
Lease/Purchase - Copier	5,000	4,160
Physical Exams	16,190	15,296
Maintenance - Equipment	6,400	5,183
Maintenance - Radios	1,450	1,421
Maintenance - Breathing Equipment	5,000	5,579

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Public Safety - Continued		
Emergency Fire and Medical Services - Continued		
Maintenance - Telemetry Equipment	\$ 750	535
Maintenance - Special Rescue Equipment	8,100	7,130
Reaccreditation Fees	1,250	1,270
Computer Communications	24,150	20,653
Uniforms	24,300	26,799
Protective Clothing	23,000	30,300
Supplies - Fire Hose	9,500	9,461
Supplies - Medical	9,700	10,626
Supplies - Emergency Equipment	7,600	7,355
Supplies - Office	2,000	1,924
Supplies - Other than Office	7,500	7,460
Materials - Public Education Programming	4,500	4,257
Automotive	290,000	281,164
Incidentals	850	677
Training	41,700	54,730
NIPSTA Contribution	8,325	7,470
MABAS Contribution	5,500	5,275
Rent - Commonwealth Edison	575	575
Motor Equipment	37,000	46,168
Other Equipment	-	375
Total Emergency Fire and Medical Services	8,553,420	8,844,088
 Total Public Safety	 19,310,525	 19,473,112
 NonGAAP Activity		
Plus Prior Year Encumbrances	275,970	275,969
 Total Public Safety	 19,586,495	 19,749,081

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Streets and Sanitation		
Streets Department		
Salaries - Regular	\$ 1,007,925	916,728
Salaries - Overtime	82,725	95,242
Employee Benefits	369,295	323,259
Memberships	1,625	1,745
Professional Services	400	-
Lease/Purchase - Copier	5,000	4,524
Contractual Services	52,060	38,322
Contractual Snow Removal	73,110	73,104
Maintenance - Office Equipment	475	-
J.U.L.I.E. Expenditures	6,515	6,512
Landscaping and Maintenance of Public Right of Way	29,500	25,736
Lease Leaf Packers	110,685	105,709
Leaf Disposal	123,600	99,977
Uniforms	6,070	4,597
Supplies - Miscellaneous Tools and Equipment	3,125	1,479
Supplies - Office	3,800	2,697
Supplies - Other than Office	1,000	733
Materials - Traffic Signs	49,880	51,553
Materials - Salt	296,745	252,207
Materials - Street Repair and Landscaping	28,200	28,673
Automotive	522,900	506,873
Incidentals	1,000	927
Training	9,245	3,762
NIPSTA Contribution	1,500	1,500
Motor Equipment	170,000	157,130
Other Equipment	12,500	10,232
Total Streets Department	<u>2,968,880</u>	<u>2,713,221</u>

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Streets and Sanitation - Continued		
Refuse Collection and Disposal		
Contractual Refuse Collection	\$ 1,026,660	1,003,133
Recycling Collection	798,110	777,688
Landfill Tipping Fees	510,000	483,523
Contractual Yard Waste Collection	218,035	210,656
Yard Waste Disposal	31,000	31,458
Prescription Drug Disposal	-	590
Yard Waste Supplies	2,550	1,938
Promotional and Educational	600	-
Total Refuse Collection and Disposal	2,586,955	2,508,986
 Maintenance of Trees		
Salaries - Regular	271,875	271,593
Salaries - Overtime	7,930	3,297
Employee Benefits	115,150	114,790
Contractual Services	2,000	958
Tree Planting Program	20,000	21,849
Contractual Tree Pruning	203,570	197,283
Emerald Ash Borer - Tree Removals	103,000	102,675
Uniforms	1,250	1,204
Materials	2,100	1,799
Automotive	27,900	27,077
Training	1,100	1,507
Total Maintenance of Trees	755,875	744,032
 Street Lighting		
Salaries - Regular	116,575	105,038
Salaries - Overtime	5,800	9,378
Employee Benefits	49,780	40,802
Contractual Services	4,100	-
Maintenance & Disposal of Transformers	700	1,466
Uniforms	1,390	1,044
Street Light Pole Painting	25,000	24,983
Supplies	23,700	18,622

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Streets and Sanitation - Continued		
Street Lighting - Continued		
Supplies - Light Poles and Parts	\$ 25,000	17,787
Commonwealth Edison Leased Lighting	20,000	21,840
Street Light Power - Village System	73,000	86,454
Automotive	21,300	20,651
Training	370	46
Total Street Lighting	<u>366,715</u>	<u>348,111</u>
Total Streets and Sanitation	6,678,425	6,314,350
NonGAAP Activity		
Plus Prior Year Encumbrances	<u>38,291</u>	<u>38,291</u>
Total Streets and Sanitation	<u><u>6,716,716</u></u>	<u><u>6,352,641</u></u>
Other Public Works		
Village Engineer		
Salaries - Regular	431,925	341,721
Salaries - Overtime	500	-
Employee Benefits	155,835	119,821
Memberships	1,485	1,090
Professional Services	22,500	229,648
Plan Review Services	55,000	74,725
Plan Review Services -- Non-Operating	68,000	-
Maintenance - Office Equipment	1,600	1,292
Maintenance - Traffic Signals	50,200	81,688
Sidewalk Replacement Program	55,000	53,401
Curb Replacement Program	10,000	9,941
Street and Alley Maintenance Program	515,000	839,750
Pavement Marking Program	40,000	43,170
Brick Street Maintenance	50,000	49,960
Brick Street Renovations	240,000	294,319
Crack Sealing Program	10,000	9,999
Traffic Calming	-	26,441
Street Resurfacing Program	344,000	132,853

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Other Public Works - Continued		
Village Engineer - Continued		
Skokie / Hibbard Road Improvements	\$ 223,000	16,984
Locust Road Improvements	230,000	6,568
Supplies - Office	1,300	1,175
Supplies - Other than Office	2,300	2,127
Automotive	9,300	9,022
Incidentals	2,400	2,876
Training	4,400	3,294
Total Village Engineer	2,523,745	2,351,865
Building and Grounds		
Salaries - Regular	202,675	196,248
Salaries - Overtime	9,575	8,852
Employee Benefits	76,260	82,238
Memberships	400	301
Contractual Services	111,690	61,663
Contractual Custodial Services	74,000	69,744
Heating and Cooling System Repairs	60,000	55,018
Uniforms	1,000	1,065
Supplies - Building	39,400	49,271
Supplies - Grounds	2,500	1,462
Supplies - Printing	6,000	7,498
Building and Furniture Repairs	62,500	73,022
Heating - Gas	30,000	29,578
Automotive	10,600	10,298
Training	250	-
Building Improvements	190,000	215,535
Total Building and Grounds	876,850	861,793
Total Other Public Works	3,400,595	3,213,658
NonGAAP Activity		
Plus Prior Year Encumbrances	54,131	54,101
Less Current Year Encumbrances	(181,946)	(181,946)
Total Other Public Works	3,272,780	3,085,813

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Public Health		
Salaries - Regular	\$ 173,325	173,314
Employee Benefits	63,420	61,767
Memberships	390	395
Lab Services - Contractual	1,300	611
Maintenance - Office Equipment	200	15
Supplies - Laboratory	7,000	4,536
Supplies - Office	300	239
Automotive	6,700	6,471
Incidentals	700	592
Training	1,000	85
C.P.R. Program	1,200	1,155
	<u>255,535</u>	<u>249,180</u>
Total Public Health		
Community Development		
Community Development		
Salaries - Regular	813,750	815,406
Salaries - Overtime	500	-
Employee Benefits	260,045	262,486
Memberships	2,985	2,813
Professional Services	4,550	7,045
Digital Records Conversion	3,000	4,411
Contractual Planning & Inspection Services	86,000	85,984
Contractual Planning & Inspection Services - Non-Operating	30,000	541
Contractual Elevator Inspection Services	8,000	17,070
Maintenance - Office Equipment	1,000	-
Supplies - Office	2,500	1,934
Supplies - Other than Office	1,450	1,354
Automotive	12,000	11,619
Incidentals	400	582
Training	2,100	470
Publishing Legal Notices	4,000	1,486
	<u>1,232,280</u>	<u>1,213,201</u>
Total Community Development		

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Community Development - Continued		
Business Development		
Salaries - Regular	\$ 51,200	51,193
Employee Benefits	16,295	14,798
Memberships	1,375	1,390
Business Promotion Activities	74,150	70,307
Incidentals	500	579
Depot Nuevo Property Taxes	-	25,379
Hotel Tax Rebate	286,500	297,161
Land Held for Resale - Holding Costs	60,000	631,430
Total Business Development	<u>490,020</u>	<u>1,092,237</u>
Total Community Development	1,722,300	2,305,438
Plus NonGAAP Activity		
Plus Prior Year Encumbrances	3,959	3,959
Less Current Year Encumbrances	<u>(1,950)</u>	<u>(1,950)</u>
Total Community Development	<u>1,724,309</u>	<u>2,307,447</u>
Capital Outlay		
Elmwood Avenue Right-of-Way Improvements	-	67,786
Plan Review Services -- 611 Greenbay Rd.	-	13,704
Total Capital Outlay	-	81,490
Plus NonGAAP Activity		
Plus Prior Year Encumbrances	<u>165,065</u>	<u>124,283</u>
Total Capital Outlay	<u>165,065</u>	<u>205,773</u>
Debt Service		
Fire Truck Loan Principal Retirement	<u>12,500</u>	<u>12,500</u>
Total Expenditures	<u>35,316,300</u>	<u>35,551,199</u>

VILLAGE OF WILMETTE, ILLINOIS

Debt Service Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2015

	Original and Final Budget	Actual
Revenues		
Taxes		
Property Taxes	\$ 3,294,800	3,305,962
Expenditures		
Debt Service		
Principal Retirement	2,205,000	2,200,000
Interest and Fiscal Charges	1,254,000	1,135,435
Total Expenditures	3,459,000	3,335,435
Excess (Deficiency) of Revenues Over (Under) Expenditures	(164,200)	(29,473)
Other Financing Sources		
Transfers In	64,000	30,000
Net Change in Fund Balance	<u>(100,200)</u>	527
Fund Balance - Beginning		<u>33,073</u>
Fund Balance - Ending		<u><u>33,600</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Series 2013 and 2014 General Obligation Bonds - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2015

	Original and Final Budget	Actual
Revenues		
Investment Earnings	\$ -	174
Expenditures		
Capital Outlay		
Alley Improvements Program	59,813	32,026
Computer Server Replacements	-	37,786
Total Capital Outlay	<u>59,813</u>	<u>69,812</u>
Net Change in Fund Balances	<u>(59,813)</u>	(69,638)
Fund Balances - Beginning		<u>69,638</u>
Fund Balances - Ending		<u><u>-</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2015

	Original and Final Budget	Actual
Revenues		
Intergovernmental		
Motor Fuel Tax Allotments	\$ 640,000	662,207
Investment Earnings	3,600	1,946
Total Revenues	<u>643,600</u>	<u>664,153</u>
Expenditures		
Capital Outlay		
Road Resurfacing Improvements	820,000	820,000
NonGAAP Activity		
Less Current Year Encunbrances	(81,724)	(81,724)
Total Capital Outlay	<u>738,276</u>	<u>738,276</u>
Net Change in Fund Balance	<u>(176,400)</u>	(74,123)
Fund Balance - Beginning		<u>684,845</u>
Fund Balance - Ending		<u><u>610,722</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Operating Revenues		
Charges for Services		
Water Sales		
Residential	\$ 3,065,000	2,989,933
Unbilled Water Sales	-	(20,000)
Village of Glenview	3,594,834	3,815,582
Illinois American Water Company	1,061,066	1,028,596
Other Water Sales	50,000	3,647
Other	120,000	109,178
Total Operating Revenues	<u>7,890,900</u>	<u>7,926,936</u>
Operating Expenses		
Administration		
General	157,845	168,034
Administrative	575,435	545,151
Operations		
Water Plant Operations	2,894,745	2,655,548
Distribution	1,043,050	930,706
Meter and Reservoir Maintenance	271,250	254,492
Depreciation	-	1,023,896
Total Operating Expenses	<u>4,942,325</u>	<u>5,577,827</u>
Operating Income	<u>2,948,575</u>	<u>2,349,109</u>
Nonoperating Revenues (Expenses)		
Investment Earnings	15,000	14,786
Disposal of Capital Assets	-	147,687
Interest Expense	(603,500)	(539,954)
	<u>(588,500)</u>	<u>(377,481)</u>
Income Before Capital Contributions and Transfers	<u>2,360,075</u>	<u>1,971,628</u>
Capital Contributions	-	101,403
Transfers Out	(1,100,000)	(1,100,000)
	<u>(1,100,000)</u>	<u>(998,597)</u>
Change in Net Position	<u>1,260,075</u>	973,031
Net Position - Beginning		<u>16,858,714</u>
Net Position - Ending		<u>17,831,745</u>

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Administration		
General		
Salaries - Regular	\$ 61,825	66,458
Salaries - Overtime	500	-
Employee Benefits	15,070	15,883
Annual Audit	14,000	14,000
Bank Charges	37,100	42,765
Postage	22,350	21,681
Supplies - Office - Administrative	4,000	4,809
Supplies - Office - Water Plant	2,400	2,369
Incidentals	100	69
Training	500	-
Total General	157,845	168,034
Administrative		
Salaries - Regular	324,325	297,155
Employee Benefits	103,960	91,219
Memberships	2,800	2,104
Contractual Grounds Maintenance	1,700	-
Telephone - Regular Service	23,000	33,967
Telephone - Maintenance	1,500	1,450
Telephone - Cellular	6,000	8,261
Supplies - Building	8,000	7,535
Building Furniture and Repairs	7,000	8,449
Training	6,950	4,811
General Liability and Property Insurance	90,200	90,200
Total Administrative	575,435	545,151

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Operations		
Water Plant Operations		
Salaries - Regular	\$ 1,297,775	1,239,814
Salaries - Accrued Vacation	-	9,000
Salaries - Overtime	33,175	36,361
Employee Benefits	535,235	511,193
Professional Services - SCADA System Maintenance	2,400	2,546
Contractual Services	35,200	31,658
Contractual Custodial Services	11,000	10,980
Maintenance of Equipment	34,900	44,588
Maintenance of Intake	9,000	9,438
Video Communications	460	494
Uniforms	5,800	5,619
Supplies	29,000	36,414
Supplies - Computer Parts	1,000	1,107
Supplies - Laboratory	11,800	11,306
Equipment Repair Materials	33,000	46,769
Power	390,000	335,373
Heating Gas	55,000	26,232
Chemicals	172,000	141,035
Automotive	12,000	11,619
Incidentals	1,000	645
Water Reclamation District User Charges	85,000	20,404
Park District Lab Testing Supplies	20,000	40,192
Water System Study	120,000	82,761
Instrumentation Replacements	40,000	35,358
Basins #1 & #2 Improvements	-	978
Building Renovations and Piping Improvements	31,000	18,021
Pumping Improvements	35,000	20,744
	3,000,745	2,730,649
Less Nonoperating Items		
Capital Outlay	(106,000)	(75,101)
Total Water Plant Operations	2,894,745	2,655,548

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Operations - Continued		
Distribution		
Salaries - Regular	\$ 484,475	456,132
Salaries - Accrued Vacation	-	(4,100)
Salaries - Overtime	33,975	21,418
Employee Benefits	220,675	209,236
Contractual Services	119,875	82,476
Maintenance - Distribution System	11,000	3,879
Uniforms	4,700	3,780
Supplies - Miscellaneous Tools and Equipment	2,625	2,376
Materials	66,600	61,225
Automotive	67,900	65,818
Incidentals	250	193
Training	3,575	1,225
Fire Hydrant Painting	6,500	6,450
Replacement Fire Hydrants	20,900	20,598
Motor Equipment	137,500	101,403
Distribution Improvements	62,500	70,160
	1,243,050	1,102,269
Less Nonoperating Items		
Capital Outlay	(200,000)	(171,563)
Total Distribution	1,043,050	930,706
Meter and Reservoir Maintenance		
Salaries - Regular	126,150	125,969
Salaries - Overtime	625	33
Employee Benefits	56,575	42,870
Contractual Services	9,000	7,971
Maintenance - Reservoir/Pumping Station	3,500	6,900
Maintenance - Standpipe	4,600	4,548
Uniforms	700	1,335
Supplies	2,300	1,852
Supplies - Reservoir	3,000	3,115
Water Meters - Cost of Sales	20,000	12,510

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Operations - Continued		
Meter and Reservoir Maintenance - Continued		
Water Meters - Repair Parts	\$ 2,200	2,239
Water Meter Replacement Program	33,000	36,128
Automotive	9,300	9,022
Training	300	-
Total Meter and Reservoir Maintenance	<u>271,250</u>	<u>254,492</u>
Capital Outlay		
Building Renovations and Piping Improvements	74,000	13,385
	<u>74,000</u>	<u>13,385</u>
Less Nonoperating Items		
Capital Outlay	(74,000)	(13,385)
Total Capital Outlay	<u>-</u>	<u>-</u>
Debt Service		
Principal Retirement	1,090,000	1,170,000
Interest Expense	602,000	538,704
Bond Registrar Fees	1,500	1,250
	<u>1,693,500</u>	<u>1,709,954</u>
Less Nonoperating Items		
Debt Service	(1,693,500)	(1,709,954)
Total Debt Service	<u>-</u>	<u>-</u>
Depreciation	<u>-</u>	<u>1,023,896</u>
Total Operating Expenses	<u><u>4,942,325</u></u>	<u><u>5,577,827</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Sewer - Enterprise Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Operating Revenues		
Charges for Services		
Sewer Charges	\$ 5,082,900	4,793,735
Sewer Charges - Unbilled	-	17,000
Total Operating Revenues	<u>5,082,900</u>	<u>4,810,735</u>
Operating Expenses		
Operations		
Maintenance of Sewers	1,372,835	1,198,872
Storm Water Pumping Station	53,950	52,647
Capital Outlay	-	86,942
Depreciation	-	1,018,746
Total Operating Expenses	<u>1,426,785</u>	<u>2,357,207</u>
Operating Income	<u>3,656,115</u>	<u>2,453,528</u>
Nonoperating Revenues (Expenses)		
Investment Earnings	-	19,348
Bond Issuance Expense	(20,000)	-
Interest Expense	(863,000)	(1,433,247)
	<u>(883,000)</u>	<u>(1,413,899)</u>
Change in Net Position	<u><u>2,773,115</u></u>	1,039,629
Net Position - Beginning		<u>29,731,587</u>
Net Position - Ending		<u><u>30,771,216</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Sewer - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Operations		
Maintenance of Sewers		
Salaries - Regular	\$ 505,425	481,201
Salaries - Accrued Vacation	-	(4,100)
Salaries - Overtime	9,600	8,691
Employee Benefits	224,535	215,016
Contractual Services	127,500	98,974
Contractual Sewer Maintenance	251,000	188,276
N.P.D.E.S. Phase II	6,000	6,000
Uniforms	4,700	3,766
Supplies - Miscellaneous Tools and Equipment	2,625	1,639
Materials	33,725	30,978
Automotive	67,900	65,818
Incidentals	500	350
Training	1,825	860
Motor Equipment	137,500	101,403
Sewer Main Improvements	300,000	286,886
Total Maintenance of Sewers	1,672,835	1,485,758
Less Nonoperating Items		
Capital Outlay	(300,000)	(286,886)
Total Maintenance of Sewers	1,372,835	1,198,872
Storm Water Pumping Station		
Salaries - Overtime	9,650	11,969
Employee Benefits	2,000	2,289
Contractual Services	2,500	-
Maintenance - Equipment	2,400	820
Supplies	1,200	2,816
Supplies - Outfall Control	500	-
Power	30,000	31,194
Heating Gas	5,700	3,559
Total Storm Water Pumping Station	53,950	52,647

VILLAGE OF WILMETTE, ILLINOIS

Sewer - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2015**

	Original Budget	Actual
Operations - Continued		
Capital Outlay		
Sewer Lining and Rehabilitation	820,000	3,634
Separate Sewer System Study	-	83,308
Manhole Rehabilitations	650,000	329,886
Princeton Place Outfall	2,500,000	1,000
Harms Road Pump Station	15,500,000	13,692,771
Sewer Capacity Improvements	-	57,102
	19,470,000	14,167,701
Less Nonoperating Items		
Capital Outlay	(19,470,000)	(14,080,759)
Total Capital Outlay	-	86,942
Debt Service		
EPA Loan Proceeds	(820,000)	-
G.O. Bond Proceeds	(2,500,000)	-
Bond Issuance Expense	20,000	-
Principal Retirement	2,162,000	1,631,129
Interest Expense	863,000	1,431,747
Bond Registrar Fees	1,000	1,500
	(274,000)	3,064,376
Less Nonoperating Items		
Debt Service	274,000	(3,064,376)
Total Debt Service	-	-
Depreciation	-	1,018,746
Total Operating Expenses	1,426,785	2,357,207

VILLAGE OF WILMETTE, ILLINOIS

Parking Meter - Nonmajor Enterprise Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Operating Revenues		
Charges for Services		
Parking Fees	\$ 380,800	419,424
Operating Expenses		
Operations		
Central Business District	238,740	244,513
CTA Station	154,650	144,967
Burmeister Parking Facility	13,740	16,461
Depreciation	-	126,699
Total Operating Expenses	407,130	532,640
Change in Net Position	<u>(26,330)</u>	(113,216)
Net Position - Beginning		<u>4,519,469</u>
Net Position - Ending		<u>4,406,253</u>

VILLAGE OF WILMETTE, ILLINOIS

Parking Meter - Nonmajor Enterprise Fund

**Schedule of Operating Revenues - Budget and Actual
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Charges for Services		
Central Business District		
Parking Meter Revenue	\$ 40,500	187,538
Debit Card Revenue	142,200	(1,365)
Permit Fees	35,200	33,565
METRA Station Rent	2,400	2,915
Total Central Business District	<u>220,300</u>	<u>222,653</u>
CTA Station		
Commuter Daily Drop Box	117,000	146,939
Commuter Permit Fees	20,000	17,360
Merchant Permit Fees	3,900	4,212
Residential Permit Fees	1,400	5,360
Total CTA Station	<u>142,300</u>	<u>173,871</u>
Burmeister Parking Facility		
Permit Fees	<u>18,200</u>	<u>22,900</u>
Total Operating Revenues	<u><u>380,800</u></u>	<u><u>419,424</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Parking Meter - Nonmajor Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Operations		
Central Business District		
Salaries - Regular	\$ 79,425	79,016
Salaries - Overtime	2,000	461
Employee Benefits	30,980	28,692
Bank Charges	12,000	23,822
Contractual Services - Railroad Property	23,830	26,892
Contractual Snow Plowing	17,545	17,530
Building Supplies - Railroad Property	315	387
Grounds Supplies - Village Property	4,370	1,719
Grounds Supplies - Railroad Property	2,000	2,000
Power - METRA Station	4,200	5,285
Heating Gas - Railroad Property	1,800	1,195
Lighting	5,000	5,600
Parking Meter Parts - Village Property	400	-
Parking Meter Parts - Railroad Property	1,500	643
Rent - Commuter Lot	47,500	42,181
Rent - Poplar Drive Lots	2,800	5,892
Rent - St. Augustine Lot	2,400	2,408
Rent - Masonic Temple Lot	675	790
Total Central Business District	238,740	244,513
CTA Station		
Salaries - Regular	44,075	43,670
Salaries - Overtime	3,400	461
Employee Benefits	19,850	17,744
Bank Charges	2,800	4,069
Contractual Services	2,155	2,006
Contractual Grounds Maintenance	4,120	1,287

VILLAGE OF WILMETTE, ILLINOIS

Parking Meter - Nonmajor Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Operations - Continued		
CTA Station - Continued		
Contractual Snow Plowing	\$ 9,950	9,640
Equipment Repairs	1,000	1,572
Materials	2,800	1,206
Rent - CTA	64,500	63,312
Total CTA Station	<u>154,650</u>	<u>144,967</u>
 Burmeister Parking Facility		
Contractual Services	4,690	11,290
Materials	1,150	1,008
Lighting	7,900	4,163
Total Burmeister Parking Facility	<u>13,740</u>	<u>16,461</u>
 Depreciation	<u>-</u>	<u>126,699</u>
 Total Operating Expenses	<u><u>407,130</u></u>	<u><u>532,640</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Combining Statement of Net Position

Internal Service Funds

December 31, 2015

See Following Page

VILLAGE OF WILMETTE, ILLINOIS

Combining Statement of Net Position

Internal Service Funds

December 31, 2015

	<u>Municipal Garage</u>
ASSETS	
Current Assets	
Cash and Investments	\$ <u> -</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	-
Deposits Payable	-
Other Retiree Deposits Payable	<u> -</u>
Total Liabilities	<u> -</u>
NET POSITION	
Unrestricted	<u><u> -</u></u>

Employee Insurance	Workers' Compensation	Illinois Municipal Retirement	Section 105 Sick Leave	Totals
5,591	3,816	6,134	1,085,700	1,101,241
5,591	3,816	6,134	451	15,992
-	-	-	12,773	12,773
-	-	-	1,064,505	1,064,505
5,591	3,816	6,134	1,077,729	1,093,270
-	-	-	7,971	7,971

VILLAGE OF WILMETTE, ILLINOIS

Combining Statement of Revenues, Expenses, and Changes in Net Position

Internal Service Funds

For the Fiscal Year Ended December 31, 2015

	<u>Municipal Garage</u>
Operating Revenues	
Interfund Services	\$ 1,295,931
Operating Expenses	
Operations	<u>1,295,931</u>
Operating Income (Loss)	-
Nonoperating Revenues	
Investment Earnings	<u>-</u>
Change in Net Position	-
Net Position - Beginning	<u>-</u>
Net Position - Ending	<u><u>-</u></u>

Employee Insurance	Workers' Compensation	Illinois Municipal Retirement	Section 105 Sick Leave	Totals
2,723,945	324,053	1,920,475	250,700	6,515,104
2,723,945	324,053	1,920,475	477,318	6,741,722
-	-	-	(226,618)	(226,618)
-	-	-	2,071	2,071
-	-	-	(224,547)	(224,547)
-	-	-	232,518	232,518
-	-	-	7,971	7,971

VILLAGE OF WILMETTE, ILLINOIS

Combining Statement of Cash Flows

Internal Service Funds

For the Fiscal Year Ended December 31, 2015

	<u>Municipal Garage</u>
Cash Flows from Operating Activities	
Receipts from Interfund Services	\$ 1,295,931
Payments to Employees	(533,762)
Payments to Suppliers	(762,169)
	<u>-</u>
Cash Flows from Investing Activities	
Interest	<u>-</u>
Net Change in Cash and Cash Equivalents	-
Cash and Cash Equivalents - Beginning	<u>-</u>
Cash and Cash Equivalents - Ending	<u><u>-</u></u>
Reconciliation of Operating Income to Net Cash	
Provided (Used) by Operating Activities	
Operating Income (Loss)	<u>-</u>
Adjustments to Reconcile Operating Income to	
Net Cash Provided by Operating Activities:	
Changes in Assets and Liabilities	
(Increase) Decrease in Current Assets	-
Increase (Decrease) in Current Liabilities	<u>-</u>
Net Cash Provided by Operating Activities	<u><u>-</u></u>

Employee Insurance	Workers' Compensation	Illinois Municipal Retirement	Section 105 Sick Leave	Totals
2,723,945	335,836	1,920,475	251,847	6,528,034
(139,140)	-	-	-	(672,902)
(2,579,214)	(332,020)	(1,919,736)	(241,539)	(5,834,678)
5,591	3,816	739	10,308	20,454
-	-	-	2,071	2,071
5,591	3,816	739	12,379	22,525
-	-	5,395	1,073,321	1,078,716
5,591	3,816	6,134	1,085,700	1,101,241
-	-	-	(226,618)	(226,618)
-	11,783	-	1,147	12,930
5,591	(7,967)	739	235,779	234,142
5,591	3,816	739	10,308	20,454

VILLAGE OF WILMETTE, ILLINOIS

Municipal Garage - Internal Service Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 1,173,400	1,102,749
Sewer Fund Billings	67,900	79,330
Water Fund Billings	89,200	107,760
Insurance Reimbursements	12,800	6,092
Total Operating Revenues	<u>1,343,300</u>	<u>1,295,931</u>
Operating Expenses		
Operations		
Maintenance		
Regular Salaries	527,425	529,838
Overtime Salaries	2,575	3,924
Employee Benefits	201,115	207,090
Contractual Services	40,000	49,939
Contractual Maintenance - Emergency Vehicles	58,895	80,707
Maintenance - Radios	200	-
Contractual Services - Vehicle Washing	1,170	537
Automobile Insurance and Claims	59,000	59,000
Uniforms	3,700	3,690
Supplies - Automotive Parts	145,500	157,025
Supplies - Auto Shop	15,000	12,301
Supplies - Vehicle Striping and Safety	2,000	1,208
Gasoline and Oil	272,230	181,050
Mechanics' Tool Allowance	2,700	2,679
Incidentals	400	427
Training	4,100	931
Licenses, Titles and Inspection Fees	5,240	4,217
Squad Car Transfer Rehabilitation	2,050	1,368
Total Operating Expenses	<u>1,343,300</u>	<u>1,295,931</u>
Change in Net Position	<u>-</u>	-
Net Position - Beginning		<u>-</u>
Net Position - Ending		<u>-</u>

VILLAGE OF WILMETTE, ILLINOIS

Employee Insurance - Internal Service Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 2,174,715	2,126,344
Municipal Garage Fund Billings	91,740	90,266
Parking Meter Fund Billings	22,110	18,536
Sewer Fund Billings	107,300	106,944
Water Fund Billings	413,220	381,855
Total Operating Revenues	<u>2,809,085</u>	<u>2,723,945</u>
Operating Expenses		
Operations		
Flexible Benefit Program Contributions	141,860	139,140
Employee Health Insurance		
North Suburban Employee Benefit Co-Op	1,321,700	1,220,447
HMO - Illinois	1,275,525	1,295,285
Employee Life Insurance	40,000	37,379
Unemployment Compensation	30,000	27,268
Other Insurance Expense	-	4,426
Total Operating Expenses	<u>2,809,085</u>	<u>2,723,945</u>
Change in Net Position	<u>-</u>	-
Net Position - Beginning		<u>-</u>
Net Position - Ending		<u>-</u>

VILLAGE OF WILMETTE, ILLINOIS

Workers' Compensation - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2015

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 262,810	244,958
Municipal Garage Fund Billings	8,630	8,490
Parking Meter Fund Billings	2,110	2,010
Sewer Fund Billings	8,250	8,120
Water Fund Billings	38,900	36,960
Insurance Reimbursements	-	23,515
Total Operating Revenues	<u>320,700</u>	<u>324,053</u>
Operating Expenses		
Operations		
Workers' Compensation		
Fixed Premium Portion	278,800	278,800
Payment of Deductibles	41,900	45,253
Total Operating Expenses	<u>320,700</u>	<u>324,053</u>
Change in Net Position	<u>-</u>	-
Net Position - Beginning		<u>-</u>
Net Position - Ending		<u><u>-</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Illinois Municipal Retirement - Internal Service Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 1,327,350	1,278,226
Municipal Garage Fund Billings	93,080	101,144
Parking Meter Fund Billings	24,820	25,888
Sewer Fund Billings	96,970	94,286
Water Fund Billings	454,530	420,931
Total Operating Revenues	<u>1,996,750</u>	<u>1,920,475</u>
Operating Expenses		
Operations		
Employer IMRF Contributions	1,106,030	1,073,531
Employer FICA Contributions	611,850	577,605
Employer Medicare Contributions	278,870	269,339
Total Operating Expenses	<u>1,996,750</u>	<u>1,920,475</u>
Change in Net Position	<u>-</u>	-
Net Position - Beginning		<u>-</u>
Net Position - Ending		<u>-</u>

VILLAGE OF WILMETTE, ILLINOIS

Section 105 Sick Leave - Internal Service Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 190,000	204,740
Municipal Garage Fund Billings	7,190	7,350
Sewer Fund Billings	7,790	7,955
Water Fund Billings	31,030	30,655
Total Operating Revenues	<u>236,010</u>	<u>250,700</u>
Operating Expenses		
Administration	200,000	476,444
Operations		
Retiree Medical Reimbursements	6,700	874
Total Operating Expenses	<u>206,700</u>	<u>477,318</u>
Operating Income (Loss)	29,310	(226,618)
Nonoperating Revenues		
Investment Earnings	<u>4,000</u>	<u>2,071</u>
Change in Net Position	<u>33,310</u>	(224,547)
Net Position - Beginning		<u>232,518</u>
Net Position - Ending		<u><u>7,971</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Pension Trust Funds

**Combining Statement of Fiduciary Net Position
December 31, 2015**

	Police Pension	Firefighters' Pension	Totals
ASSETS			
Cash and Cash Equivalents	\$ 1,741,915	1,923,333	3,665,248
Investments			
U.S. Government and Agency Securities	7,779,381	7,772,569	15,551,950
Mutual Funds	19,053,938	19,271,281	38,325,219
Corporate Bonds	4,769,840	4,713,885	9,483,725
Common Stock	6,655,928	6,708,507	13,364,435
Receivables			
Accrued Interest	103,122	102,510	205,632
Total Assets	40,104,124	40,492,085	80,596,209
LIABILITIES			
Accounts Payable	9,336	11,186	20,522
NET POSITION			
Net Position Restricted for Pensions	40,094,788	40,480,899	80,575,687

VILLAGE OF WILMETTE, ILLINOIS

Pension Trust Funds

**Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended December 31, 2015**

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ 1,763,100	2,296,000	4,059,100
Contributions - Plan Members	439,929	427,887	867,816
Total Contributions	2,203,029	2,723,887	4,926,916
Other Income	-	25	25
Investment Income			
Investment Earnings	1,950,250	2,122,129	4,072,379
Net Change in Fair Value	(2,694,537)	(2,907,594)	(5,602,131)
	(744,287)	(785,465)	(1,529,752)
Less Investment Expenses	(83,135)	(83,853)	(166,988)
Net Investment Income	(827,422)	(869,318)	(1,696,740)
Total Additions	1,375,607	1,854,594	3,230,201
Deductions			
Administration	27,269	51,846	79,115
Benefits and Refunds	2,654,506	3,283,837	5,938,343
Total Deductions	2,681,775	3,335,683	6,017,458
Change in Fiduciary Net Position	(1,306,168)	(1,481,089)	(2,787,257)
Net Position Restricted for Pensions			
Beginning	41,400,956	41,961,988	83,362,944
Ending	40,094,788	40,480,899	80,575,687

VILLAGE OF WILMETTE, ILLINOIS

Police Pension - Pension Trust Fund

Schedule of Changes in Fiduciary Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2015

	Original and Final Budget	Actual
Additions		
Contributions - Employer	\$ 1,792,000	1,763,100
Contributions - Plan Members	435,000	439,929
Total Contributions	<u>2,227,000</u>	<u>2,203,029</u>
Investment Income		
Investment Earnings	2,430,000	1,950,250
Net Change in Fair Value	-	(2,694,537)
	<u>2,430,000</u>	<u>(744,287)</u>
Less Investment Expenses	(80,000)	(83,135)
Net Investment Income	<u>2,350,000</u>	<u>(827,422)</u>
Total Additions	<u>4,577,000</u>	<u>1,375,607</u>
Deductions		
Administration	13,000	27,269
Benefits and Refunds	<u>2,700,000</u>	<u>2,654,506</u>
Total Deductions	<u>2,713,000</u>	<u>2,681,775</u>
Change in Fiduciary Net Position	<u>1,864,000</u>	(1,306,168)
Net Position Restricted for Pensions		
Beginning		<u>41,400,956</u>
Ending		<u>40,094,788</u>

VILLAGE OF WILMETTE, ILLINOIS

Firefighters' Pension - Pension Trust Fund

**Schedule of Changes in Fiduciary Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2015**

	Original and Final Budget	Actual
Additions		
Contributions - Employer	\$ 2,135,500	2,296,000
Contributions - Plan Members	428,000	427,887
Total Contributions	<u>2,563,500</u>	<u>2,723,887</u>
Other Income	-	25
Investment Income		
Investment Earnings	2,544,800	2,122,129
Net Change in Fair Value	-	(2,907,594)
	<u>2,544,800</u>	<u>(785,465)</u>
Less Investment Expenses	(100,000)	(83,853)
Net Investment Income	<u>2,444,800</u>	<u>(869,318)</u>
Total Additions	<u>5,008,300</u>	<u>1,854,594</u>
Deductions		
Administration	12,000	51,846
Benefits and Refunds	3,377,000	3,283,837
Total Deductions	<u>3,389,000</u>	<u>3,335,683</u>
Change in Fiduciary Net Position	<u><u>1,619,300</u></u>	(1,481,089)
Net Position Restricted for Pensions		
Beginning		<u>41,961,988</u>
Ending		<u><u>40,480,899</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Agency Fund - Fire Insurance Tax

**Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended December 31, 2015**

	Beginning Balances	Additions	Deductions	Ending Balances
ASSETS				
Cash and Investments	\$ 629,102	70,541	63,862	635,781
LIABILITIES				
Deposits Payable	629,102	70,541	63,862	635,781

SUPPLEMENTAL SCHEDULES

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2007
December 31, 2015**

Date of Issue	September 1, 2007
Date of Maturity	December 1, 2021
Authorized Issue	\$19,850,000
Denomination of Bonds	\$5,000
Interest Rates	4.00% to 4.25%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Wells Fargo Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2016	\$ 2,710,000	546,432	3,256,432
2017	3,475,000	434,644	3,909,644
2018	3,430,000	291,300	3,721,300
2019	1,360,000	149,813	1,509,813
2020	1,205,000	92,013	1,297,013
2021	960,000	40,800	1,000,800
	<u>13,140,000</u>	<u>1,555,002</u>	<u>14,695,002</u>
	6,055,000	Debt Service Fund	
	2,030,000	Sewer Fund	
	<u>5,055,000</u>	Water Fund	
	<u>13,140,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2009
December 31, 2015**

Date of Issue	October 27, 2009
Date of Maturity	December 1, 2023
Authorized Issue	\$9,010,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 3.65%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Wells Fargo Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2016	\$ 360,000	145,718	505,718
2017	370,000	134,918	504,918
2018	380,000	123,355	503,355
2019	390,000	111,480	501,480
2020	495,000	98,806	593,806
2021	505,000	82,223	587,223
2022	900,000	64,800	964,800
2023	900,000	32,850	932,850
	<u>4,300,000</u>	<u>794,150</u>	<u>5,094,150</u>
	855,000	Debt Service Fund	
	845,000	Sewer Fund	
	<u>2,600,000</u>	Water Fund	
	<u><u>4,300,000</u></u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Bonds of 2010

December 31, 2015

Date of Issue	November 9, 2010
Date of Maturity	December 1, 2026
Authorized Issue	\$25,895,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Wells Fargo Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2016	\$ 395,000	835,526	1,230,526
2017	190,000	827,626	1,017,626
2018	1,145,000	822,874	1,967,874
2019	3,295,000	788,524	4,083,524
2020	2,670,000	689,674	3,359,674
2021	2,765,000	609,574	3,374,574
2022	3,055,000	526,624	3,581,624
2023	3,245,000	434,974	3,679,974
2024	4,430,000	329,512	4,759,512
2025	3,025,000	180,000	3,205,000
2026	1,475,000	59,000	1,534,000
	<u>25,690,000</u>	<u>6,103,908</u>	<u>31,793,908</u>
	23,075,000	Debt Service Fund	
	1,485,000	Sewer Fund	
	<u>1,130,000</u>	Water Fund	
	<u>25,690,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2011
December 31, 2015**

Date of Issue	December 1, 2011
Date of Maturity	December 1, 2023
Authorized Issue	\$13,605,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 3.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Wells Fargo Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2016	\$ 945,000	290,012	1,235,012
2017	765,000	271,112	1,036,112
2018	775,000	255,813	1,030,813
2019	955,000	238,375	1,193,375
2020	1,375,000	214,500	1,589,500
2021	2,210,000	173,250	2,383,250
2022	2,305,000	106,950	2,411,950
2023	1,260,000	37,800	1,297,800
	<u>10,590,000</u>	<u>1,587,812</u>	<u>12,177,812</u>
	6,540,000	Sewer Fund	
	<u>4,050,000</u>	Water Fund	
	<u>10,590,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

General Obligation Bonds of 2013

December 31, 2015

Date of Issue	November 7, 2013
Date of Maturity	December 1, 2037
Authorized Issue	\$9,920,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 4.35%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Wells Fargo Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2016	\$ 60,000	357,972	417,972
2017	60,000	356,772	416,772
2018	65,000	355,572	420,572
2019	65,000	354,272	419,272
2020	165,000	352,972	517,972
2021	165,000	349,674	514,674
2022	170,000	345,960	515,960
2023	170,000	341,710	511,710
2024	570,000	337,460	907,460
2025	575,000	320,360	895,360
2026	575,000	303,110	878,110
2027	580,000	285,286	865,286
2028	585,000	266,726	851,726
2029	500,000	246,250	746,250
2030	500,000	227,500	727,500
2031	500,000	207,500	707,500
2032	500,000	187,500	687,500
2033	500,000	167,500	667,500
2034	500,000	147,500	647,500
2035	1,000,000	127,500	1,127,500
2036	1,000,000	86,000	1,086,000
2037	1,000,000	43,500	1,043,500
	<u>9,805,000</u>	<u>5,768,596</u>	<u>15,573,596</u>
	885,000	Debt Service Fund	
	<u>8,920,000</u>	Sewer Fund	
	<u><u>9,805,000</u></u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Bonds of 2014
December 31, 2015**

Date of Issue	December 2, 2014
Date of Maturity	December 1, 2043
Authorized Issue	\$20,315,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Wells Fargo Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2016	\$ 1,005,000	691,975	1,696,975
2017	1,260,000	661,825	1,921,825
2018	545,000	624,025	1,169,025
2019	500,000	607,675	1,107,675
2020	535,000	592,675	1,127,675
2021	-	576,625	576,625
2022	-	576,625	576,625
2023	200,000	576,625	776,625
2024	100,000	570,625	670,625
2025	100,000	567,625	667,625
2026	100,000	564,625	664,625
2027	100,000	561,625	661,625
2028	100,000	558,625	658,625
2029	500,000	555,625	1,055,625
2030	550,000	540,625	1,090,625
2031	600,000	523,438	1,123,438
2032	600,000	503,938	1,103,938
2033	700,000	483,687	1,183,687
2034	750,000	459,187	1,209,187
2035	300,000	432,937	732,937
2036	350,000	422,062	772,062
2037	400,000	409,375	809,375
2038	1,500,000	394,375	1,894,375
2039	1,550,000	338,125	1,888,125
2040	1,650,000	280,000	1,930,000
2041	1,700,000	214,000	1,914,000
2042	1,800,000	146,000	1,946,000
2043	1,850,000	74,000	1,924,000
	<u>19,345,000</u>	<u>13,508,549</u>	<u>32,853,549</u>
	16,605,000	Sewer Fund	
	<u>2,740,000</u>	<u>Water Fund</u>	
	<u>19,345,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

IEPA Revenue Bonds of 2006

December 31, 2015

Date of Issue	March 13, 2007
Date of Maturity	September 13, 2026
Authorized Issue	\$420,715
Denomination of Bonds	Various
Interest Rate	2.500%
Interest Dates	March 13 and September 13
Principal Maturity Date	September 13
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2016	\$ 21,320	6,527	27,847
2017	21,857	5,990	27,847
2018	22,407	5,441	27,848
2019	22,971	4,877	27,848
2020	23,548	4,299	27,847
2021	24,140	3,707	27,847
2022	24,747	3,100	27,847
2023	25,370	2,477	27,847
2024	26,008	1,839	27,847
2025	26,663	1,184	27,847
2026	27,334	514	27,848
	266,365	39,955	306,320
	266,365	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

IEPA Revenue Bonds of 2007

December 31, 2015

Date of Issue	May 25, 2007
Date of Maturity	October 21, 2027
Authorized Issue	\$677,122
Denomination of Bonds	Various
Interest Rate	2.500%
Interest Dates	April 21 and October 21
Principal Maturity Date	April 21 and October 21
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2016	\$ 31,008	10,488	41,496
2017	31,788	9,707	41,495
2018	32,588	8,908	41,496
2019	33,408	8,089	41,497
2020	34,248	7,247	41,495
2021	35,109	6,386	41,495
2022	35,993	5,502	41,495
2023	36,898	4,597	41,495
2024	37,826	3,669	41,495
2025	38,778	2,717	41,495
2026	39,752	1,742	41,494
2027	39,806	743	40,549
	<u>427,202</u>	<u>69,795</u>	<u>496,997</u>
	<u>427,202</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

IEPA Revenue Bonds of 2010

December 31, 2015

Date of Issue	September 30, 2010
Date of Maturity	April 7, 2030
Authorized Issue	\$172,028
Denomination of Bonds	Various
Interest Rate	0.00%
Interest Date	N/A
Principal Maturity Date	April 7
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2016	\$ 8,822	-	8,822
2017	8,822	-	8,822
2018	8,822	-	8,822
2019	8,822	-	8,822
2020	8,822	-	8,822
2021	8,822	-	8,822
2022	8,822	-	8,822
2023	8,822	-	8,822
2024	8,822	-	8,822
2025	8,822	-	8,822
2026	8,822	-	8,822
2027	8,822	-	8,822
2028	8,822	-	8,822
2029	8,822	-	8,822
2030	4,410	-	4,410
	<u>127,918</u>	<u>-</u>	<u>127,918</u>
	<u>127,918</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

IEPA Revenue Bonds of 2011

December 31, 2015

Date of Issue	August 30, 2011
Date of Maturity	July 18, 2031
Authorized Issue	\$740,135
Denomination of Bonds	Various
Interest Rate	1.25%
Interest Dates	January 18 and July 18
Principal Maturity Date	July 18
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2016	\$ 35,244	7,642	42,886
2017	35,687	7,201	42,888
2018	36,134	6,753	42,887
2019	36,588	6,300	42,888
2020	37,046	5,841	42,887
2021	37,511	5,377	42,888
2022	37,981	4,906	42,887
2023	38,457	4,430	42,887
2024	38,939	3,948	42,887
2025	39,427	3,459	42,886
2026	39,922	2,965	42,887
2027	40,422	2,464	42,886
2028	40,929	1,958	42,887
2029	41,443	1,445	42,888
2030	41,962	925	42,887
2031	42,488	399	42,887
	620,180	66,013	686,193
	620,180	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

IEPA Revenue Bonds of 2012

December 31, 2015

Date of Issue	September 28, 2012
Date of Maturity	August 5, 2032
Authorized Issue	\$742,022
Denomination of Bonds	Various
Interest Rate	2.295%
Interest Dates	February 5 and August 5
Principal Maturity Date	August 5
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2016	\$ 32,353	15,061	47,414
2017	33,100	14,314	47,414
2018	33,864	13,550	47,414
2019	34,646	12,768	47,414
2020	35,446	11,969	47,415
2021	36,263	11,151	47,414
2022	37,101	10,314	47,415
2023	37,957	9,457	47,414
2024	38,833	8,581	47,414
2025	39,729	7,685	47,414
2026	40,646	6,768	47,414
2027	41,585	5,829	47,414
2028	42,545	4,870	47,415
2029	43,526	3,888	47,414
2030	44,532	2,884	47,416
2031	45,559	1,856	47,415
2032	46,611	804	47,415
	664,296	141,749	806,045
	664,296	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

IEPA Revenue Bonds of 2013

December 31, 2015

Date of Issue	November 26, 2013
Date of Maturity	December 1, 2033
Authorized Issue	\$582,886
Denomination of Bonds	Various
Interest Rate	1.930%
Interest Dates	June 1 and December 1
Principal Maturity Date	June 1 and December 1
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2016	\$ 25,154	10,115	35,269
2017	25,642	9,627	35,269
2018	26,138	9,131	35,269
2019	26,645	8,624	35,269
2020	27,162	8,107	35,269
2021	27,688	7,581	35,269
2022	28,226	7,043	35,269
2023	28,773	6,496	35,269
2024	29,332	5,937	35,269
2025	29,900	5,369	35,269
2026	30,480	4,789	35,269
2027	31,070	4,199	35,269
2028	31,673	3,596	35,269
2029	32,288	2,981	35,269
2030	32,913	2,356	35,269
2031	33,552	1,717	35,269
2032	34,203	1,066	35,269
2033	29,550	403	29,953
	530,389	99,137	629,526
	530,389	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

IEPA Revenue Bonds of 2014

December 31, 2015

Date of Issue	December 5, 2014
Date of Maturity	December 3, 2034
Authorized Issue	\$640,503
Denomination of Bonds	Various
Interest Rate	1.995%
Interest Dates	June 1 and December 1
Principal Maturity Date	June 1 and December 1
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2016	\$ 26,966	12,160	39,126
2017	27,507	11,619	39,126
2018	28,058	11,067	39,125
2019	28,621	10,504	39,125
2020	29,195	9,931	39,126
2021	29,780	9,346	39,126
2022	30,377	8,749	39,126
2023	30,986	8,140	39,126
2024	31,607	7,519	39,126
2025	32,241	6,884	39,125
2026	32,888	6,238	39,126
2027	33,547	5,579	39,126
2028	34,220	4,906	39,126
2029	34,906	4,220	39,126
2030	35,605	3,520	39,125
2031	36,320	2,806	39,126
2032	37,047	2,078	39,125
2033	37,790	1,335	39,125
2034	38,548	578	39,126
	616,209	127,179	743,388
	616,209	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

Installment Contract of 2012

December 31, 2015

Date of Issue	July 24, 2012
Date of Maturity	November 1, 2032
Original Contract	\$250,000
Interest Rate	0.000%
Interest Dates	Monthly
Principal Maturity Date	Monthly
Payable at	Illinois Finance Authority

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2016	\$ 12,500	-	12,500
2017	12,500	-	12,500
2018	12,500	-	12,500
2019	12,500	-	12,500
2020	12,500	-	12,500
2021	12,500	-	12,500
2022	12,500	-	12,500
2023	12,500	-	12,500
2024	12,500	-	12,500
2025	12,500	-	12,500
2026	12,500	-	12,500
2027	12,500	-	12,500
2028	12,500	-	12,500
2029	12,500	-	12,500
2030	12,500	-	12,500
2031	12,500	-	12,500
2032	12,500	-	12,500
	<u>212,500</u>	-	<u>212,500</u>
	<u>212,500</u>	General Fund	

STATISTICAL SECTION

(Unaudited)

This part of the 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.

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.

Revenue Capacity

These schedules contain information to help the reader assess the Village's most significant local revenue sources.

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.

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.

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.

VILLAGE OF WILMETTE, ILLINOIS

**Net Position by Component - Last Ten Fiscal Years
December 31, 2015 (Unaudited)**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities										
Net Investment in Capital Assets	\$ 8,929,074	10,499,597	11,418,376	14,080,279	13,744,098	14,596,442	14,842,391	15,481,696	15,800,477	17,261,630
Restricted	834,828	450,725	1,189,728	331,412	632,132	385,231	549,806	560,482	749,557	636,365
Unrestricted	4,928,203	5,845,733	3,855,656	1,755,021	1,893,264	1,790,398	2,197,088	2,961,727	4,888,765	(36,780,535)
Total Governmental Activities Net Position	14,692,105	16,796,055	16,463,760	16,166,712	16,269,494	16,772,071	17,589,285	19,003,905	21,438,799	(18,882,540)
Business-Type Activities										
Net Investment in Capital Assets	36,849,485	37,956,144	39,036,902	40,104,715	41,149,679	42,287,795	41,954,891	43,766,118	44,837,017	46,156,060
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	2,605,420	2,884,158	2,262,176	2,034,508	2,838,742	3,509,342	6,162,747	6,382,765	6,272,753	6,853,154
Total Business-Type Activities Net Position	39,454,905	40,840,302	41,299,078	42,139,223	43,988,421	45,797,137	48,117,638	50,148,883	51,109,770	53,009,214
Total Net Position										
Net Investment in Capital Assets	45,778,559	48,455,741	50,455,278	54,184,994	54,893,777	56,884,237	56,797,282	59,247,814	60,637,494	63,417,690
Restricted	834,828	450,725	1,189,728	331,412	632,132	385,231	549,806	560,482	749,557	636,365
Unrestricted	7,533,623	8,729,891	6,117,832	3,789,529	4,732,006	5,299,740	8,359,835	9,344,492	11,161,518	(29,927,381)
Total Primary Government Net Position	54,147,010	57,636,357	57,762,838	58,305,935	60,257,915	62,569,208	65,706,923	69,152,788	72,548,569	34,126,674

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years
December 31, 2015 (Unaudited)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental Activities										
General Government	\$ 3,466,888	3,395,790	3,341,486	3,104,396	3,381,500	3,041,952	3,266,556	3,303,014	3,432,230	6,138,251
Public Safety	13,727,439	15,071,445	16,501,474	16,704,907	17,608,075	17,968,456	18,405,275	18,979,618	19,306,629	27,886,999
Streets and Sanitation	7,445,005	8,270,333	8,413,098	7,764,833	7,907,842	8,522,586	8,353,031	8,740,030	8,952,573	9,070,216
Other Public Works	1,687,224	2,155,904	1,761,734	1,511,453	1,433,367	1,307,135	1,388,357	1,655,627	1,592,014	1,861,330
Community Development	1,137,139	177,124	170,743	187,546	205,587	225,314	228,675	237,168	1,678,387	2,313,551
Public Health	193,970	1,253,997	1,271,890	1,123,256	1,267,254	1,209,544	1,293,984	1,305,083	249,781	246,680
Interest	1,404,556	1,636,879	1,718,654	1,648,850	1,213,334	1,540,242	1,464,346	1,395,538	1,321,442	1,259,047
Total Governmental Activities Expenses	29,062,221	31,961,472	33,179,079	32,045,241	33,016,959	33,815,229	34,400,224	35,616,078	36,533,056	48,776,074
Business-Type Activities										
Water	5,770,344	6,146,053	6,207,177	6,155,509	5,950,487	6,241,730	6,417,546	6,150,922	6,229,920	6,117,781
Sewer	2,444,549	2,621,682	2,534,169	2,739,463	2,461,249	2,779,748	2,798,432	2,860,481	3,526,186	3,790,454
Parking	421,842	442,821	462,824	458,677	459,394	453,310	451,720	456,325	527,875	532,640
Total Business-Type Activities Net Position	8,636,735	9,210,556	9,204,170	9,353,649	8,871,130	9,474,788	9,667,698	9,467,728	10,283,981	10,440,875
Total Primary Government Expenses	37,698,956	41,172,028	42,383,249	41,398,890	41,888,089	43,290,017	44,067,922	45,083,806	46,817,037	59,216,949
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	265,168	288,614	292,394	297,132	368,144	374,785	394,563	416,400	439,014	468,820
Public Safety	1,572,175	1,993,313	2,131,372	2,147,962	2,245,337	2,181,609	2,245,305	2,307,524	2,440,980	2,375,151
Streets and Sanitation	1,649,677	1,729,235	1,840,135	1,946,202	2,177,599	2,244,027	2,286,245	2,390,723	2,494,038	2,547,578
Other Public Works	63,356	121,267	109,484	57,344	65,104	79,657	97,662	146,524	202,605	153,549
Community Development	1,569,484	1,769,744	1,434,373	1,036,375	58,451	64,193	68,483	71,738	2,318,366	2,347,760
Public Health	39,010	32,582	31,266	35,518	1,306,315	1,309,940	1,737,213	2,329,847	76,757	95,546
Operating Grants/Contributions	999,520	2,935,791	1,955,443	1,532,053	997,955	1,942,760	963,214	1,033,870	1,569,576	970,153
Capital Grants/Contributions	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities Program Revenue	6,158,390	8,870,546	7,794,467	7,052,586	7,218,905	8,196,971	7,792,685	8,696,626	9,541,336	8,958,557
Business-Type Activities										
Charges for Services										
Water	5,757,608	6,380,743	6,402,404	6,981,313	7,261,814	7,447,541	8,130,836	7,806,574	7,390,257	7,926,936
Sewer	3,406,059	3,468,473	3,491,359	3,606,066	4,032,632	4,167,069	4,647,206	4,423,168	4,317,893	4,810,735
Parking	305,994	308,102	320,670	412,436	404,036	397,304	393,697	397,322	369,977	419,424
Operating Grants/Contributions	-	155,024	13,145	119,527	-	293,550	192,168	94,793	5,230	101,403
Capital Grants/Contributions	21,550	-	-	-	-	-	-	-	47,218	-
Total Business-Type Activities Program Revenue	9,491,211	10,312,342	10,227,578	11,119,342	11,698,482	12,305,464	13,363,907	12,721,857	12,130,575	13,258,498
Total Primary Government Program Revenue	15,649,601	19,182,888	18,022,045	18,171,928	18,917,387	20,502,435	21,156,592	21,418,483	21,671,911	22,217,055

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Net (Expense) Revenue										
Governmental Activities	\$ (22,903,831)	(23,090,926)	(25,384,612)	(24,992,655)	(25,798,054)	(25,618,258)	(26,607,539)	(26,919,452)	(26,991,720)	(39,817,517)
Business-Type Activities	854,476	1,101,786	1,023,408	1,765,693	2,827,352	2,830,676	3,696,209	3,254,129	1,846,594	2,817,623
Total Net Revenue (Expense)	(22,049,355)	(21,989,140)	(24,361,204)	(23,226,962)	(22,970,702)	(22,787,582)	(22,911,330)	(23,665,323)	(25,145,126)	(36,999,894)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property	10,843,388	11,580,802	12,032,926	12,765,894	13,335,569	13,885,934	14,326,855	14,782,567	15,355,548	15,859,278
Sales, Local Use	4,113,029	4,186,809	4,091,855	3,712,906	3,796,368	3,747,697	3,770,772	3,964,885	4,248,323	5,735,448
Utility	2,647,823	2,739,621	2,718,132	2,692,330	2,636,055	2,579,823	2,488,225	2,580,859	2,344,098	2,265,314
Income	2,263,978	2,447,409	2,617,554	2,247,445	2,176,193	2,146,830	2,380,064	2,481,566	2,593,413	2,882,144
Real Estate Transfer	1,326,561	1,366,260	880,317	634,160	910,128	717,780	937,983	1,081,380	1,285,913	1,311,792
Other	666,020	805,021	859,204	764,396	770,524	724,099	752,065	758,549	1,002,184	1,123,928
Investment Income	686,719	565,408	94,736	50,289	161,716	190,532	204,852	254,192	239,627	242,722
Miscellaneous	617,410	1,384,310	1,049,103	878,187	1,114,283	1,078,140	1,163,937	1,180,074	1,357,508	1,351,366
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-	-	-	-	-
Transfers In (Out)	765,585	119,236	708,490	950,000	1,000,000	1,050,000	1,400,000	1,250,000	1,000,000	1,100,000
Contributions	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	23,930,513	25,194,876	25,052,317	24,695,607	25,900,836	26,120,835	27,424,753	28,334,072	29,426,614	31,871,992
Business-Type Activities										
Investment Income	549,745	402,847	143,858	24,452	21,846	28,040	24,292	27,116	30,175	34,134
Miscellaneous	-	-	-	-	-	-	-	-	84,118	147,687
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-	-	-	-	-
Transfers In (Out)	(765,585)	(119,236)	(708,490)	(950,000)	(1,000,000)	(1,050,000)	(1,400,000)	(1,250,000)	(1,000,000)	(1,100,000)
Contributions	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	(215,840)	283,611	(564,632)	(925,548)	(978,154)	(1,021,960)	(1,375,708)	(1,222,884)	(885,707)	(918,179)
Total Primary Government	23,714,673	25,478,487	24,487,685	23,770,059	24,922,682	25,098,875	26,049,045	27,111,188	28,540,907	30,953,813
Changes in Net Position										
Governmental Activities	1,026,682	2,103,950	(332,295)	(297,048)	102,782	502,577	817,214	1,414,620	2,434,894	(7,945,525)
Business-Type Activities	638,636	1,385,397	458,776	840,145	1,849,198	1,808,716	2,320,501	2,031,245	960,887	1,899,444
Total Primary Government	1,665,318	3,489,347	126,481	543,097	1,951,980	2,311,293	3,137,715	3,445,865	3,395,781	(6,046,081)

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Fund Balances of Governmental Funds - Last Ten Fiscal Years
December 31, 2015 (Unaudited)**

	2006	2007	2008
General Fund			
Reserved	\$ 617,896	564,620	281,354
Unreserved	6,391,407	7,121,664	6,350,014
Nonspendable	-	-	-
Restricted	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total General Fund	<u>7,009,303</u>	<u>7,686,284</u>	<u>6,631,368</u>
All Other Governmental Funds			
Reserved	-	200,000	1,261,330
Unreserved, Reported in:			
Special Revenues Funds	431,201	450,725	389,728
Debt Service Funds	28,366	(7,665)	(61,780)
Capital Projects Funds	1,816,076	8,444,739	3,787,249
Restricted	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total All Other Governmental Funds	<u>2,275,643</u>	<u>9,087,799</u>	<u>5,376,527</u>

Data Source: Village Records

Note: The Village implemented GASB No. 54 at December 31, 2011.

2009	2010	2011	2012	2013	2014	2015
257,117	97,544	-	-	-	-	-
4,810,519	5,258,531	-	-	-	-	-
-	-	75,589	961,697	1,067,921	1,222,557	1,378,759
-	-	-	128,968	64,251	64,712	107,367
-	-	247,056	503,336	198,348	816,646	359,773
-	-	5,212,176	5,171,969	6,701,690	7,856,971	9,391,977
5,067,636	5,356,075	5,534,821	6,765,970	8,032,210	9,960,886	11,237,876
-	340,915	-	-	-	-	-
331,412	407,836	-	-	-	-	-
(96,363)	-	-	-	-	-	-
1,383,335	2,492,901	-	-	-	-	-
-	-	385,231	669,561	577,842	717,918	562,598
-	-	675,683	437,095	554,643	69,638	81,724
-	-	(96,209)	-	-	-	-
1,618,384	3,241,652	964,705	1,106,656	1,132,485	787,556	644,322

VILLAGE OF WILMETTE, ILLINOIS

**General Governmental Revenues by Source - Last Ten Fiscal Years
December 31, 2015 (Unaudited)**

Source	2006	2007	2008	2009
Taxes	\$ 21,860,799	23,125,922	23,199,988	22,817,131
Licenses, Permits and Fees	2,678,714	3,382,726	3,034,314	2,661,327
Intergovernmental	999,520	2,935,791	1,955,443	1,532,053
Charges for Services	2,168,121	2,278,003	2,413,363	2,557,660
Fines and Forfeitures	312,035	274,026	391,347	301,546
Investment Earnings	538,001	497,251	273,773	33,656
Miscellaneous	617,410	1,384,310	1,049,103	878,187
Totals	29,174,600	33,878,029	32,317,331	30,781,560

Data Source: Village Records

2010	2011	2012	2013	2014	2015
23,624,837	23,802,163	24,655,964	25,649,806	26,829,479	29,177,904
3,005,663	3,043,066	3,505,584	4,167,041	4,407,036	4,313,554
997,955	1,942,760	963,214	1,033,870	1,569,576	970,152
2,823,915	2,855,787	2,989,446	3,137,432	3,191,053	3,342,773
391,372	355,358	334,441	358,283	373,671	332,078
25,329	24,006	201,172	250,614	237,646	240,651
1,114,283	1,078,140	1,163,937	1,180,074	1,357,508	1,351,366
31,983,354	33,101,280	33,813,758	35,777,120	37,965,969	39,728,478

VILLAGE OF WILMETTE, ILLINOIS

**General Governmental Expenditures by Function - Last Ten Fiscal Years
December 31, 2015 (Unaudited)**

Function	2006	2007	2008	2009
General Government	\$ 3,466,888	3,147,259	3,195,090	2,892,303
Public Safety	13,727,439	14,863,098	15,844,052	16,155,101
Streets and Sanitation	7,445,005	6,795,616	6,346,863	5,807,962
Other Public Works	1,687,224	2,149,004	1,759,034	2,479,331
Public Health	193,970	177,824	170,243	187,046
Community Development	1,137,139	1,451,671	1,386,238	1,120,856
Capital Outlay	-	5,068,278	5,178,517	6,795,273
Debt Service				
Principal Retirement	-	1,254,235	2,208,316	1,578,609
Interest and Fiscal Charges	1,404,556	1,501,513	1,703,656	1,635,271
Totals	29,062,221	36,408,498	37,792,009	38,651,752

Data Source: Village Records

2010	2011	2012	2013	2014	2015
2,925,964	2,818,641	3,054,387	3,267,339	3,258,505	3,588,764
16,900,426	17,591,397	18,599,081	18,691,624	19,061,947	19,749,081
5,567,467	5,761,344	5,832,631	5,905,510	6,156,261	6,352,641
1,811,305	2,341,132	1,909,400	2,382,792	1,951,515	3,085,813
205,787	215,689	226,412	235,339	244,963	249,180
1,267,654	1,174,544	1,274,590	1,280,804	1,675,987	2,307,447
1,147,720	2,910,803	918,493	1,676,552	1,655,988	1,013,861
1,588,176	2,020,000	1,720,000	2,027,500	2,157,500	2,212,500
1,228,122	1,415,931	1,338,899	1,267,591	1,219,556	1,135,435
32,642,621	36,249,481	34,873,893	36,735,051	37,382,222	39,694,722

VILLAGE OF WILMETTE, ILLINOIS

**Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years
December 31, 2015 (Unaudited)**

	2006	2007	2008	2009
Revenues				
Taxes	\$ 21,860,799	23,125,922	23,199,988	22,817,131
Licenses and Permits	2,678,714	3,382,726	3,034,314	2,661,327
Intergovernmental	999,520	2,935,791	1,955,443	1,532,053
Charges for Services and Fees	2,168,121	2,278,003	2,413,363	2,557,660
Fines and Forfeits	312,035	274,026	391,347	301,546
Investment Income	538,001	497,251	273,773	33,656
Miscellaneous	617,410	1,384,310	1,049,103	878,187
Total Revenues	29,174,600	33,878,029	32,317,331	30,781,560
Expenditures				
General Government	3,073,424	3,147,259	3,195,090	2,892,303
Public Safety	13,859,888	14,863,098	15,844,052	16,155,101
Streets and Sanitation	5,237,550	6,795,616	6,346,863	5,807,962
Other Public Works	1,687,224	2,149,004	1,759,034	2,479,331
Public Health	193,970	177,824	170,243	187,046
Community Development	1,137,139	1,451,671	1,386,238	1,120,856
Capital Outlay	4,468,596	5,068,278	5,178,517	6,795,273
Debt Service				
Principal	1,167,764	1,254,235	2,208,316	1,578,609
Interest and Fiscal Charges	1,386,148	1,501,513	1,703,656	1,635,271
Total Expenditures	32,211,703	36,408,498	37,792,009	38,651,752
Excess of Revenues Over (Under) Expenditures	(3,037,103)	(2,530,469)	(5,474,678)	(7,870,192)
Other Financing Sources (Uses)				
Proceeds from Bonds	-	11,673,827	-	1,590,000
Proceeds from I.E.P.A. Loan	-	-	-	-
Proceeds from Installment Contract	-	-	-	-
Premium on Proceeds	-	-	-	8,317
Payments to Escrow Agent	-	(1,773,457)	-	-
Transfers In	1,302,029	600,000	850,000	950,000
Transfers Out	(536,444)	(480,764)	(141,510)	-
Total Other Financing Sources (Uses)	765,585	10,019,606	708,490	2,548,317
Net Change in Fund Balances	(2,271,518)	7,489,137	(4,766,188)	(5,321,875)
Debt Service as a Percentage of Noncapital Expenditures	9.30%	9.07%	12.13%	10.58%

Data Source: Village Records

2010	2011	2012	2013	2014	2015
23,624,837	23,802,163	24,655,964	25,649,806	26,829,479	29,177,904
3,005,663	3,043,066	3,505,584	4,167,041	4,407,036	4,313,554
997,955	1,942,760	963,214	1,033,870	1,569,576	970,152
2,823,915	2,855,787	2,989,446	3,137,432	3,191,053	3,342,773
391,372	355,358	334,441	358,283	373,671	332,078
25,329	24,006	201,172	250,614	237,646	240,651
1,114,283	1,078,140	1,163,937	1,180,074	1,357,508	1,351,366
31,983,354	33,101,280	33,813,758	35,777,120	37,965,969	39,728,478
2,925,964	2,818,641	3,054,387	3,267,339	3,258,505	3,588,764
16,900,426	17,591,397	18,599,081	18,691,624	19,061,947	19,749,081
5,567,467	5,761,344	5,832,631	5,905,510	6,156,261	6,352,641
1,811,305	2,341,132	1,909,400	2,382,792	1,951,515	3,085,813
205,787	215,689	226,412	235,339	244,963	249,180
1,267,654	1,174,544	1,274,590	1,280,804	1,675,987	2,307,447
1,147,720	2,910,803	918,493	1,676,552	1,655,988	1,013,861
1,588,176	2,020,000	1,720,000	2,027,500	2,157,500	2,212,500
1,228,122	1,415,931	1,338,899	1,267,591	1,219,556	1,135,435
32,642,621	36,249,481	34,873,893	36,735,051	37,382,222	39,694,722
(659,267)	(3,148,201)	(1,060,135)	(957,931)	583,747	33,756
23,280,000	-	250,000	1,000,000	150,000	-
-	-	-	-	-	-
-	-	-	-	-	-
16,635	-	-	-	20,000	-
(21,725,661)	-	-	-	(170,000)	-
1,000,000	1,050,000	1,400,000	1,250,000	1,060,000	1,130,000
-	-	-	-	(60,000)	(30,000)
2,570,974	1,050,000	1,650,000	2,250,000	1,000,000	1,100,000
1,911,707	(2,098,201)	589,865	1,292,069	1,583,747	1,133,756
9.08%	10.62%	9.41%	9.75%	9.62%	9.15%

VILLAGE OF WILMETTE, ILLINOIS

**Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years
December 31, 2015 (Unaudited)**

Tax Levy Year	Real Property New Trier Township	Real Property Northfield Township	Railroad Property New Trier Township	Total Equalized Assessed Value	Total Estimated Actual Value	Equalization Factor	Direct Tax Rate
2005	\$ 1,623,962,496	\$ 5,472,282	\$ 174,078	\$ 1,629,608,856	\$ 4,888,826,568	2.7320	\$ 0.671
2006	1,616,506,819	5,577,543	172,349	1,622,256,711	4,866,770,133	2.7076	0.689
2007	2,049,171,401	6,942,143	185,588	2,056,299,132	6,168,897,396	2.8439	0.597
2008	2,186,269,851	7,865,829	199,495	2,194,335,175	6,583,005,525	2.9786	0.593
2009	2,319,401,711	8,654,170	234,590	2,328,290,471	6,984,871,413	3.3701	0.581
2010	2,071,594,749	7,677,648	285,675	2,079,558,072	6,238,674,216	3.3000	0.674
2011	1,862,667,826	6,957,756	302,445	1,869,928,027	5,609,784,081	2.9706	0.778
2012	1,728,489,728	6,510,620	337,900	1,735,338,248	5,206,014,744	2.8056	0.867
2013	1,554,334,757	5,837,318	413,686	1,560,585,761	4,681,757,283	2.6621	0.996
2014	1,577,697,700	6,205,661	430,687	1,584,334,048	4,753,002,144	2.7253	1.015

2015 Data - Currently Not Available

Data Source: Cook County Clerk

VILLAGE OF WILMETTE, ILLINOIS

**Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years
December 31, 2015 (Unaudited)**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Village of Wilmette										
General Corporate Rate	\$ 0.521	0.530	0.432	0.448	0.449	0.530	0.615	0.679	0.785	0.803
Debt Service Rate	0.150	0.159	0.165	0.145	0.132	0.144	0.163	0.188	0.211	0.212
Total Direct Tax Rate	0.671	0.689	0.597	0.593	0.581	0.674	0.778	0.867	0.996	1.015
Overlapping										
School District #39	2.151	2.238	1.848	1.812	1.716	2.314	2.620	2.922	3.326	3.356
School District #203	1.577	1.621	1.299	1.290	1.237	1.474	1.674	1.864	2.111	2.268
Community College #535	0.158	0.161	0.141	0.140	0.140	0.160	0.196	0.219	0.256	0.258
Wilmette Park District	0.413	0.440	0.360	0.348	0.332	0.390	0.451	0.493	0.548	0.546
Wilmette Public Library	0.283	0.315	0.245	0.241	0.230	0.266	0.302	0.335	0.381	0.381
Cook County	0.547	0.593	0.458	0.415	0.415	0.423	0.487	0.531	0.598	0.575
Sanitary District	0.315	0.347	0.263	0.252	0.261	0.274	0.320	0.370	0.417	0.430
Forest Preserve District	0.060	0.060	0.053	0.051	0.049	0.051	0.058	0.063	0.069	0.069
New Trier Township	0.039	0.039	0.034	0.034	0.033	0.041	0.047	0.053	0.054	0.055
Suburban T.B. Sanitarium	0.005	0.001	-	-	-	-	-	-	-	-
Mosquito Abatement Dist.	0.008	0.008	0.008	0.008	0.008	0.009	0.010	0.010	0.007	0.011
Total Tax Rate	6.227	6.512	5.306	5.184	5.002	6.076	6.943	7.727	8.763	8.964

2015 Data - Currently Not Available

Data Source: Cook County Clerk

VILLAGE OF WILMETTE, ILLINOIS

**Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago
December 31, 2015 (Unaudited)**

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Joseph Freed & Associates	\$ 27,296,147	1	1.72%	\$ 37,126,916	1	2.28%
1630 Sheridan Corp.	8,339,015	2	0.53%	14,985,015	2	0.92%
Plaza del Lago, Inc.	7,438,145	3	0.47%	12,294,000	3	0.75%
Albertson's	4,970,337	4	0.31%	5,925,605	5	0.36%
L.J. Thalmann & Co.	4,626,189	5	0.29%	7,002,954	4	0.43%
West Lake Plaza	4,552,690	6	0.29%	4,439,472	6	0.27%
Wilmette Commons	3,656,222	7	0.23%	4,221,970	7	0.26%
Koenig & Strey	3,680,733	8	0.23%			
Beth Corp.	3,619,365	9	0.23%			
Manor Health Care Corp.	3,095,821	10	0.20%	3,548,256	9	0.22%
Avergis				3,824,795	8	0.23%
Wolin-Levin				3,496,960	10	0.21%
	<u>71,274,664</u>		<u>4.50%</u>	<u>96,865,943</u>		<u>5.93%</u>

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Property Tax Levies and Collections - Last Ten Tax Levy Years
December 31, 2015 (Unaudited)**

Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	\$ 11,801,600	\$ 10,492,759	88.91%	\$ 1,164,097	\$ 11,657,161	98.78%
2007	12,272,800	11,841,358	96.48%	174,550	12,016,528	97.91%
2008	12,999,000	12,742,685	98.03%	41,523	12,788,669	98.38%
2009	13,513,000	13,232,984	97.93%	22,266	13,303,846	98.45%
2010	14,016,100	13,801,603	98.47%	10,283	13,831,222	98.68%
2011	14,533,400	14,379,235	98.94%	27,564	14,446,838	99.40%
2012	15,039,800	14,864,317	98.83%	98,350	14,864,317	98.83%
2013	15,548,900	15,355,103	98.75%	202,895	15,489,465	99.62%
2014	16,070,450	15,871,443	98.76%	*	15,871,443	98.76%
2015	16,607,923	*	*	*	*	*

*Taxes are collected in two installments due in March and August of the following year.

Note: Levies for all Special Service Areas have been excluded from this table.

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Ratios of Outstanding Debt by Type - Last Ten Fiscal Years
December 31, 2015 (Unaudited)**

Fiscal Year	Governmental Activities		Business-Type Activities					Unamortized Loss on Refunding	Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Installment Contracts	Water General Obligation Bonds	Sewer General Obligation Bonds	Parking Meter General Obligation Bonds	IEPA Revolving Loans					
2006	\$ 31,390,000	\$ 354,336	\$ 21,320,000	\$ 4,670,000	\$ 555,000	\$ 16,972,126	\$ (320,597)	\$ 74,940,865	4.87%	\$ 2,710	
2007	40,195,000	280,101	20,880,000	7,070,000	435,000	15,827,763	(237,859)	84,450,005	5.49%	3,054	
2008	38,030,000	236,785	20,215,000	7,020,000	310,000	14,031,016	(216,549)	79,626,252	5.18%	2,880	
2009	38,090,000	188,176	19,550,000	8,540,000	190,000	12,129,729	(157,942)	78,529,963	5.11%	2,840	
2010	39,950,000	40,000	20,075,000	9,805,000	65,000	10,326,541	(1,878,808)	78,382,733	4.17%	2,894	
2011	37,950,000	20,000	19,575,000	16,850,000	-	1,793,691	(1,721,794)	74,466,897	3.96%	2,749	
2012	36,250,000	250,000	18,810,000	16,035,000	-	2,462,695	(1,591,380)	72,216,315	3.84%	2,666	
2013	35,235,000	237,500	17,945,000	23,825,000	-	2,939,046	(1,460,966)	78,720,580	4.19%	2,906	
2014	33,070,000	225,000	16,745,000	37,880,000	-	3,428,688	(1,330,554)	90,018,134	4.79%	3,323	
2015	30,870,000	212,500	15,575,000	36,310,916	-	3,252,559	(1,200,140)	85,020,835	4.53%	3,139	

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.
See Demographic and Economic Statistics schedule for personal income and population data.

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years
December 31, 2015 (Unaudited)**

Fiscal Year	Gross General Obligation Bonds	Debt Payable From Other Sources	Net General Obligation Bonds	Total Estimated Actual Value	Percentage of Actual Taxable Value of Property	Per Capita
2006	\$ 57,614,403	28,366	57,586,037	4,888,826,568	1.18%	2,084
2007	68,342,141	-	68,342,141	4,866,770,133	1.40%	2,472
2008	65,358,451	-	65,358,451	6,168,897,396	1.06%	2,364
2009	66,212,058	-	66,212,058	6,583,005,525	1.01%	2,395
2010	68,016,192	340,915	67,675,277	6,984,871,413	0.97%	2,460
2011	72,653,206	-	72,653,206	6,238,674,216	1.16%	2,682
2012	72,653,206	167,376	72,485,830	5,609,784,081	1.29%	2,682
2013	69,503,620	81,611	69,422,009	5,206,014,744	1.33%	2,566
2014	86,364,446	33,073	86,331,373	4,681,757,283	1.84%	3,188
2015	81,555,776	33,600	81,522,176	4,753,002,144	1.72%	3,011

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

See Demographic and Economic Statistics schedule for personal income and population data.

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Schedule of Direct and Overlapping Bonded Debt
December 31, 2015 (Unaudited)**

Governmental Unit	**Gross Debt	*Percentage to Debt Applicable to Village	Village's Share of Debt
Village of Wilmette	\$ 31,082,500	100.000 %	\$ 31,082,500
School Districts:			
Avoca School District #37	3,727,093	35.770 %	1,333,181
Kenilworth School District #38	7,665,000	2.550 %	195,458
Wilmette School District #39	12,425,000	95.170 %	11,824,873
Community College #535	33,175,000	8.250 %	2,736,938
New Trier Township High School District #203	100,405,000	34.250 %	34,388,713
Total School Districts	157,397,093		50,479,161
Other Agencies:			
Cook County and Forest Preserve Metropolitan Water Reclamation District of Greater Chicago	3,519,420,000	1.240 %	43,640,808
Wilmette Park District	2,447,818,419	1.260 %	30,842,512
Glenview Park District	15,345,000	100.000 %	15,345,000
Wilmette Public Library District	20,845,000	.140 %	29,183
Wilmette Public Library District	-	100.000 %	-
Total Other Agencies	6,003,428,419		89,857,503
Total Overlapping Debt***	6,160,825,512		140,336,664
Total Direct and Overlapping Debt	6,191,908,012		171,419,164

* Determined by the ratio of assessed value of property in the Village subject to taxation by the Governmental Unit to the total assessed value of property of the Governmental Unit.

** Does not include unamortized loss on refunding

*** As of 5/16/2014

Data Source: Cook County and Wilmette Finance Department

VILLAGE OF WILMETTE, ILLINOIS

Legal Debt Margin

December 31, 2015 (Unaudited)

The Village is a home rule municipality.

Article VII, Section 6(k) of the Illinois Constitution governs computation of the legal debt margin.

"The General Assembly may limit by law the amount and may 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 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.

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Pledged Revenue Coverage - Last Ten Fiscal Years
December 31, 2015 (Unaudited)**

General Obligation Bonds Serviced by Water, Sewer and Parking Revenues and Illinois Environmental Protection Agency Loans Serviced by Sewer Revenues						
Fiscal Year	Operating Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue (3)	Debt Service		Coverage (4)
				Principal	Interest	
2006	\$ 9,469,661	\$ 5,051,138	\$ 4,418,523	\$ 2,323,360	\$ 1,793,394	1.07
2007	10,157,318	5,538,804	4,618,514	2,483,118	1,780,847	1.08
2008	10,214,433	5,603,520	4,610,913	2,679,063	1,682,119	1.06
2009	10,999,815	5,770,446	5,229,369	2,756,585	1,604,963	1.20
2010	11,698,482	5,455,208	6,243,274	2,925,216	1,410,464	1.44
2011	12,011,914	5,796,545	6,215,369	14,617,985	1,429,651	0.39
2012	13,171,739	6,346,773	6,824,966	1,653,018	1,196,965	2.39
2013	12,627,064	6,080,132	6,546,932	2,101,536	1,199,973	1.98
2014	12,078,127	6,414,787	5,663,340	7,433,558	1,543,830	0.63
2015	13,304,781	6,297,453	7,007,328	2,744,129	1,973,201	1.49

(1) As defined in applicable bond indentures and governing laws.

(2) Total expenses exclusive of depreciation and bond interest.

(3) Gross revenues minus expenses

(4) Net revenue available for debt service divided by total debt requirements.

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

Demographic and Economic Statistics - Last Ten Fiscal Years December 31, 2015 (Unaudited)

Fiscal Year	Population	Personal Income (in Thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2006	27,651	\$ 1,537,700	\$ 55,611	42.2	8,383	2.80%
2007	27,651	1,537,700	55,611	42.2	8,383	3.00%
2008	27,651	1,537,700	55,611	42.2	8,383	3.80%
2009	27,651	1,537,700	55,611	42.2	8,383	6.30%
2010	27,087	1,878,800	69,363	44.5	8,401	6.40%
2011	27,087	1,878,800	69,363	44.5	8,401	5.70%
2012	27,087	1,878,800	69,363	44.5	8,401	5.20%
2013	27,087	1,878,800	69,363	44.5	8,401	5.50%
2014	27,087	1,878,800	69,363	44.5	8,401	4.50%
2015	27,087	1,878,800	69,363	44.5	8,401	4.10%

Data Source: 2000 and 2010 census data

VILLAGE OF WILMETTE, ILLINOIS

**Principal Employers - Current Fiscal Year and Ten Fiscal Years Ago
December 31, 2015 (Unaudited)**

Employer	2015			2006		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Wilmette School District #39	540	1	N/A	565	1	N/A
Loyola Academy	275	2	N/A	283	2	N/A
Jewel	222	3	N/A	246	4	N/A
Carson, Pirie, Scott & Co.	220	4	N/A	250	3	N/A
Village of Wilmette	197	5	N/A	209	5	N/A
Chalet Nursery	100	6	N/A	130	6	N/A
ManorCare Health Services	90	7	N/A	100	7	N/A
Baker Demonstration School	80	8	N/A			
Wilmette Park District	71	9	N/A	82	9	N/A
Westmoreland Country Club	70	10	N/A	75	10	N/A
Bed, Bath & Beyond Koenig & Strey Inc.				100	8	N/A
	<u>1,865</u>		<u>N/A</u>	<u>2,040</u>		<u>N/A</u>

N/A - Not Available

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Full-Time Equivalent Village Government Employees by Function/Program - Last Ten Fiscal Years
December 31, 2015 (Unaudited)**

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government										
Administration & Law	7.15	7.25	7.10	7.03	6.03	6.03	6.15	6.35	6.05	5.70
Finance & Information Services	12.51	12.51	12.51	11.75	11.45	11.45	11.95	11.95	12.78	13.35
Other	3.05	3.15	3.15	3.15	3.10	3.10	3.10	3.10	3.10	3.10
Police										
Officers	46.00	46.00	45.00	45.00	44.00	44.00	44.00	44.00	44.00	44.00
Telecommunicators	8.00	8.00	8.00	8.00	8.50	9.00	9.00	9.00	9.00	9.00
Other Civilians	17.50	17.50	17.50	16.50	14.80	14.70	14.33	14.33	14.33	14.83
Fire										
Firefighters and Officers	44.00	44.00	45.00	44.00	45.00	45.00	45.00	46.00	46.00	46.00
Civilians	3.00	2.45	2.45	2.25	2.25	2.25	2.25	2.25	2.35	2.60
Health										
	1.75	1.88	1.88	1.88	1.88	2.00	2.00	2.00	2.00	2.00
Public Works										
Streets and Sanitation	30.60	32.10	32.10	29.55	27.55	27.55	28.18	28.40	27.20	27.45
Water and Sewer	30.00	31.00	30.00	30.00	29.00	28.00	28.80	28.80	29.80	31.00
Engineering	7.55	7.55	7.55	7.05	5.85	5.85	5.55	5.55	5.55	5.50
Other	3.75	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.00
Community Development										
	11.25	12.25	12.20	11.60	10.75	9.95	9.95	10.23	10.43	10.95
Totals	226.11	229.14	227.94	221.26	213.66	212.38	213.76	215.46	216.09	218.48

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
December 31, 2015 (Unaudited)**

Function/Program	2006	2007	2008
Police			
Part I Offenses	N/A	N/A	513
Other Offenses	N/A	N/A	630
Calls for Service	N/A	N/A	18,040
Felonies	423	367	N/A
Misdemeanors (Part II Crimes)	1,912	1,703	N/A
Miscellaneous Offenses (Incidents Reported)	15,046	15,116	N/A
Traffic Accidents	964	959	1,115
Fire			
Emergency Responses	3,180	4,104	3,679
Fires Extinguished	51	59	43
Inspections	618	1,250	1,037
Public Works			
Street Resurfacing (Miles)	3.50	2.10	0.75
Potholes Repaired	1,909	1,590	2,058
Water			
Average Daily Consumption (Thousands of Gallons)	11,931	12,207	11,931
Peak Daily Consumption (Thousands of Gallons)	24,474	22,545	24,474

N/A - Not Available

Data Source: Village Records

2009	2010	2011	2012	2013	2014	2015
427	390	318	417	251	354	415
485	512	486	350	410	342	341
15,594	18,930	20,178	18,712	18,320	18,540	19,045
N/A						
N/A						
N/A						
826	797	771	779	796	807	828
3,221	3,095	3,154	3,122	3,149	3,064	2,876
47	35	51	40	37	32	41
720	856	975	680	736	1,199	881
3.79	1.68	1.19	0.90	0.90	1.76	2.00
2,000	1,553	1,943	889	889	2,048	2,787
11,244	11,458	11,149	11,997	11,400	11,340	10,510
19,325	20,029	22,979	24,281	19,770	16,600	17,300

VILLAGE OF WILMETTE, ILLINOIS

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
December 31, 2015 (Unaudited)**

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	20	20	20	20	20	20	20	20	20	20
Fire Stations	2	2	2	2	2	2	2	2	2	2
Public Works										
Streets (Miles)	87.8	87.8	87.8	89.4	89.4	89.4	89.4	89.4	89.4	89.5
Streetlights	2,510	2,580	2,580	2,580	2,580	2,580	2,580	2,580	2,580	2,581
Traffic Signals:										
Village Owned	9	9	9	10	10	10	10	11	11	11
Other	17	17	17	16	16	16	16	16	16	16
Water										
Water Mains (Miles)	91	91	91	91	91	91	91	91	91	91
Fire Hydrants	977	982	982	983	984	984	984	977	977	977
System Capacity	44	44	44	44	44	44	44	44	44	44
(Millions of Gallons)										

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

MANAGEMENT LETTER

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015



May 12, 2016

The Honorable Village President
Members of the Board of Trustees and Village Manager
Village of Wilmette, Illinois

In planning and performing our audit of the financial statements of the Village of Wilmette (Village), Illinois, for the year ended December 31, 2015, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

We do not intend to imply that our audit failed to disclose commendable aspects of your system and structure. For your consideration we herein submit our comments and suggestions which are designed to assist in effecting improvements in internal controls and procedures. Those less significant matters, if any, which arose during the course of the audit, were reviewed with management as the audit field work progressed.

The accompanying comments and recommendations are intended solely for the information and use of the Board of Trustees, management, and others within the Village of Wilmette, Illinois.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various Village personnel. We would be pleased to discuss our comments and suggestions in further detail with you at your convenience, to perform any additional study of these matters, or to review the procedures necessary to bring about desirable changes.

We commend the finance department for the well prepared audit package and we appreciate the courtesy and assistance given to us by the entire Village staff.

Lauterbach + Amen LLP
LAUTERBACH & AMEN, LLP

PRIOR RECOMMENDATIONS

1. **GASB STATEMENT NO. 67 FINANCIAL REPORTING FOR PENSION PLANS AND GASB STATEMENT NO. 68 ACCOUNTING AND FINANCIAL REPORTING FOR PENSIONS**

Comment

In June 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 67, *Financial Reporting for Pension Plans*, which applies to individual pension plans issuing their own audited financial statements, and Statement No. 68, *Accounting and Financial Reporting for Pensions*, which applies to the state and local government employers that sponsor pension plans. The Statements apply to the reporting of the Illinois Municipal Retirement Fund (IMRF), Police Pension Fund and Firefighters' Pension Fund for the Village. The Statements establish standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to the pension plans. The Statements specifically identify the methods and assumptions that are to be used in calculating and disclosing these pension-related accounts in the financial statements and also provide for additional note disclosures and required supplementary information. The Statements are intended to improve information provided by state and local government employers regarding financial support to their pension plans, and ultimately requires that the total net pension liabilities of the pension plans be recorded on the face of the financial statements of the sponsoring government. GASB Statement No. 67 is applicable to the separately issued financial statements of the pension plan(s) for the year ended December 31, 2014. GASB Statement No. 68 is applicable to the Village's financial statements for the year ended December 31, 2015.

Recommendation

We recommended that the Village reach out to the private pension actuary engaged to provide the pension fund actuarial calculations (IMRF will automatically be providing the necessary information to all member agencies) in order to confirm the timeline for implementation and to review requested materials that will be required in order to implement the provisions and requirements of the new Statements. Lauterbach & Amen, LLP will also work directly with the Village to assist in the implementation process, including assistance in determining the implementation timeline with the Village and private actuary, providing all framework for the financial statements in order to complete the implementation, and assisting in answering any questions or concerns the Village or pension fund(s) might have related to the implementation process or requirements.

Status

This comment has been implemented and will not be repeated in the future.

PRIOR RECOMMENDATIONS – Continued

2. FUNDS OVER BUDGET

Comment

Previously and during our current year-end audit procedures, we noted that the following funds had an excess of actual expense/expenditures over budget for the fiscal year:

Fund	12/31/15	12/31/14
General	\$ 234,899	-
Section 105 Sick Leave	270,618	62,975
Workers' Compensation	3,353	214
Series 2013 and 2014 General Obligation Bonds	9,999	111,189
Parking Meter	-	18,782

Recommendation

We recommended the Village investigate the causes of the funds over budget and adopt appropriate future funding measures.

Status

This comment has not been implemented and will be repeated in the future.

Management Responses

Four funds were noted as having expenses exceeding their 2015 budgets. This can be explained as follows:

The General Fund exceeded the budget by \$234,899. The overage was caused by the unbudgeted loss on the sale of 611 Green Bay Road of \$585,100. Staff will evaluate the level of the contingency appropriation in future budgets to allow for unanticipated costs.

The Section 105 Fund was \$270,618 over budget. This fund is treated as an internal service type fund. The revenue budgeted for this Fund is set at the expected Village employer contribution that is actuarially determined and expenses are projected to equal this amount. Actual expenses are determined by actual retirements in a given fiscal year and by the amount of employee benefit each of these retirements has earned. Starting in 2013, the Section 105 Fund began recognizing the full liability for retirees as current liabilities in the Fund and only performs an actuarial valuation for the active employees. This has allowed the Village to recognize liabilities on a prospective basis for active employees that would be retiring after the year end. This recognition reduces the actuarial liability for active employees and thus the required contribution going forward.

PRIOR RECOMMENDATIONS – Continued

2. FUNDS OVER BUDGET – Continued

Management Responses - Continued

By moving forward with recognition of the liability of such employees, the Village took a more conservative approach than simply including them in the active employee valuation. But doing so did increase 2015 expense beyond the 2015 budget. Staff will discuss this in advance of the 2017 budget to evaluate how this can best be treated on a budgetary basis while continuing the conservative approach for impending retirements.

The Workers' Compensation Fund (also an internal service fund type) was \$3,353 over budget in 2015 and this was offset by \$23,515 in unbudgeted insurance reimbursements. Staff will consider budgeting an amount for insurance reimbursements and increasing the expense budget commensurately to eliminate this problem in 2017.

The Capital Projects Fund was \$9,999 over budget in 2015. The Village incurred review and inspection costs related to the sale of 611 Green Bay Road that were fully reimbursed by the developer.