

VILLAGE OF WILMETTE, ILLINOIS
COMPREHENSIVE ANNUAL FINANCIAL
REPORT



FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2018

**VILLAGE OF WILMETTE,
ILLINOIS**

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2018**

Prepared by Department of Finance

Melinda Molloy, Director of Finance/Village Treasurer

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, 2018**

LEGISLATIVE

VILLAGE BOARD OF TRUSTEES

Robert T. Bielinski – President

Kathy Dodd – Trustee

Joel Kurzman – Trustee

George Pearce – Trustee

Senta Plunkett – Trustee

Daniel E. Sullivan, Jr. – Trustee

Julie Wolf – Trustee

ADMINISTRATIVE

Timothy J. Frenzer, Village Manager

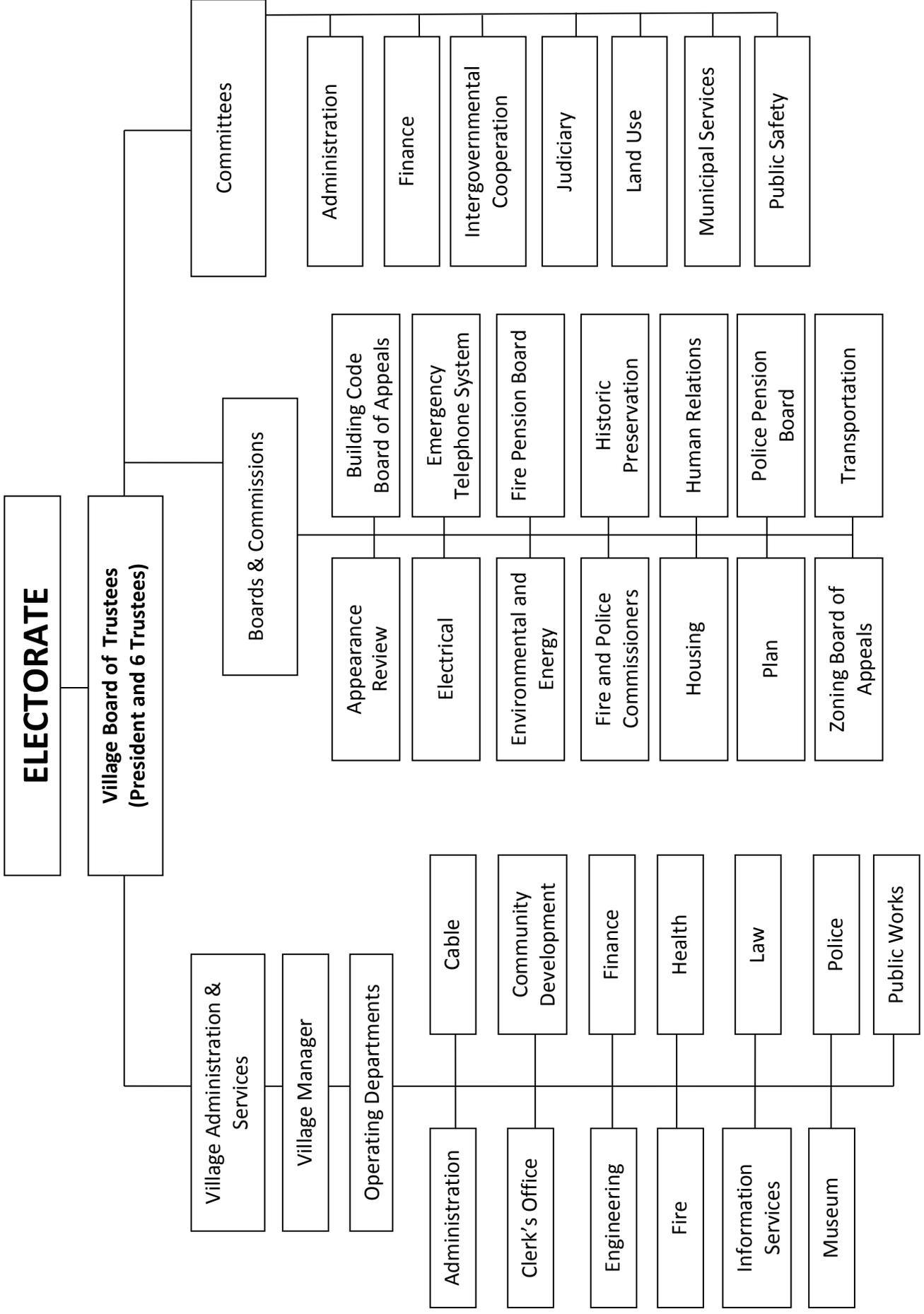
Michael Braiman, Assistant Village Manager

FINANCE DEPARTMENT

Melinda Molloy, Finance Director/Village Treasurer

John Risko, Assistant Finance Director

VILLAGE OF WILMETTE ORGANIZATIONAL STRUCTURE





1200 Wilmette Avenue.
WILMETTE, ILLINOIS 60091-0040

(847) 251-2700
Fax (847) 853-7642
TDD (847) 853-7634

June 12, 2019

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

The Comprehensive Annual Financial Report (CAFR) for the Village of Wilmette, Illinois, (Village) for the year ended December 31, 2018 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 report consists of management's representations concerning the finances of the Village. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the Village. The Village believes 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 auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the Village's financial statements for the fiscal year ended December 31, 2018 are fairly presented in conformity with GAAP.

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 Management's Discussion and Analysis, the auditor's report, the basic financial statements and the combining and individual fund 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 \$148,600. This compares to approximately \$59,400 for Cook County and \$61,200 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 2.5% at the end of 2018, which is below the State's unemployment rate of 4.3%.

Locally, the national economic downturn has had its most significant impact on real estate activity. The tax base for the Village shrank over 30% from the 2009 tax levy to the 2015 tax levy. The 2017 tax levy base has rebounded almost 27% from 2015. Since 2010, real estate transfer as well as home remodeling activity has been growing in the Village. Revenue from transfer taxes increased 124% in 2018 compared to 2009 and permit revenue was up 222% 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. In February 2018, Bon-Ton Stores, Inc., parent company of Carson's, the primary anchor store at Eden's Plaza, announced it had filed for bankruptcy protection and ceased operations later that year at both Carson's Department Store and Carson's Furniture Gallery at the Plaza. Since that time, Eden's Plaza has been acquired by Newport Capital Partners. In 2018, the Village approved a special use for a pediatric care center run by North Shore University Health System and Advocate Health Care. The remainder of the shopping center includes other major stores such as Bed, Bath & Beyond, The Fresh Market grocery store and Walgreen's Pharmacy. In 2017, Retail Properties of America, an Oakbrook based investment firm, acquired the Plaza del Lago shopping center.

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 decreased 8.8% to \$87,325,083 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. 2018 was the seventh 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 set aside funds for future vehicle and equipment purchases for critical public safety needs through the Village's Capital Equipment Replacement Fund. Further, the Village's strong financial position has led to an increasing General Fund reserve balance which may be utilized in future years for additional infrastructure investment. In all, the Village was able to supplement the General Fund Reserve and add 13% to the unassigned 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. During the course of 2016 the Village Board re-evaluated its engineering program funding strategy and committed to steadily improving the condition of the Village's roadways in a fiscally responsible manner. To that end, the Village will be striving to fund the annual road improvement program at \$2 million per year through 2023 through an incremental increase in the property tax and a three cent increase in the local fuel tax. It is anticipated that additional funding will be dedicated to the annual road program beginning in 2023 as existing debt is retired.

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 which articulated the goal to re-sell these properties for development in line with this Plan. On November 13, 2015, the Village closed on the sale of one of the properties, 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 completed a five-story luxury apartment development, with retail and amenity spaces on the first floor. The development has approximately 75 residences which are fully leased and over 6,300 square feet of first floor commercial retail space, 3,000 of which will be occupied by a new restaurant. The remaining property the Village purchased was demolished in 2017 and will serve as public parking on a temporary basis.

Marriott Residence Inn - The Village's first hotel broke ground in 2013 and opened in May 2014. Gross receipts in 2018 were 1.6% better than 2017.

Capital Improvements - With the economic declines noted previously, capital spending was reduced for several 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 the remainder in 2014. There were no new general fund bond financed projects in 2015 or 2016. In 2017, nearly \$5 million in long deferred facility repairs were initiated, including reconstruction of the public works yard, roof replacement at village hall, and generator replacement at various Village facilities.

Street Resurfacing Program -In 2018, \$2.8 million was allocated to resurface 1.95 miles of street, as well as curb, and sidewalk projects throughout the town with the largest project being reconstruction of Locust Road. These improvements were funded from State and Federal grants, the State-shared motor fuel tax, and dedicated operating revenues in the General Fund (vehicle license revenues, the increased home rule sales tax, a local fuel tax and a pavement degradation fee).

Equipment replacements and upgrades –A number of equipment purchases were made in 2018 including: a Fire Engine, Police Squad Car Replacement (2 cars), Public Works Large Dump Truck and Catch Basin Cleaner.

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 was completed in 2016 and is fully operational. The improvements were 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. In 2018, the Village continued consideration of improvements to the Village’s storm water system west of Ridge Road and elected to move forward with the Neighborhood Storage Improvement Project to reduce the frequency and duration of street flooding. The project is anticipated to begin in late 2019.

Water improvements –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. In 2016 the Village added two new wholesale water customers: the Village of Golf, which is supplied through Glenview, and the Village of Kenilworth. In 2017 the Village initiated a three-year electrical improvement project at the Water Plant to ensure the safe and reliable delivery of drinking water. The project is estimated to cost \$8.975 million and will be funded through Illinois Environmental Protection Agency low interest loans.

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, 2017. 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 2017 budget document. This was the nineteenth 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 2018 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 and Village Manager, Timothy Frenzer, 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,

A handwritten signature in cursive script that reads "Melinda Molloy". The signature is written in black ink and is positioned above the printed name and title.

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, 2017

Christopher P. Morrill

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
- Supplemental Schedules

INDEPENDENT AUDITORS' REPORT



INDEPENDENT AUDITORS' REPORT

June 12, 2019

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

Report on the Financial Statements

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, 2018, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the 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, 2018, 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 a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Wilmette, Illinois' basic financial statements. The introductory section, combining and individual fund financial statements and schedules, supplemental schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Matters – Continued

Other Information – Continued

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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2019, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF WILMETTE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018

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, 2018. 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

- Beginning net position was decreased \$4,719 (\$3,412 in governmental activities and \$1,307 in business-type activities) due to the implementation of GASB Statement No. 75.
- The Village's total net position was \$36,589, a decrease of \$2,075 (6%) from the prior fiscal year. The governmental net position decreased by \$17 (less than one percent). The business-type net position increased by \$2,058 (4%).
- Village-wide revenues were \$57,249, of which \$43,198 were generated by governmental activities and \$14,501 were generated by business-type activities.
- Village-wide expenses were \$55,174, of which \$44,131 were incurred by governmental activities and \$11,043 were incurred by business-type activities.
- Governmental Fund balances increased \$1,114 to \$19,511. Of this amount \$12,982 (67%) was unassigned fund balance available for spending at the Village's discretion.
- Governmental Fund revenues were \$43,171, an increase of \$1,856 from fiscal year 2017. Governmental Fund expenditures were \$43,007, a decrease of \$690 from fiscal year 2017 due primarily to a decrease in capital outlay expenditures for FY 2018.
- Enterprise Fund net position increased \$2,058 to \$59,488. Of this amount \$6,629 (11%) was unrestricted net position available for spending at the Village's discretion.
- Enterprise Fund operating revenues were \$13,880, a decrease of \$469 from the prior fiscal year. Enterprise Fund operating expenses were \$9,502, an increase of \$527 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 30-33) 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 statements 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 34-38) 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 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.

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 39-43) 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 44-45). 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 46-101 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 and retirement benefits to its employees. Required supplementary information can be found on pages 102-114 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. In the case of the Village, Table 1 shows total assets/deferred outflows exceed liabilities/deferred inflows by \$36,589 as of December 31, 2018. Beginning net position was decreased \$4,719 (\$3,412 in governmental activities and \$1,307 in business-type activities) due to the implementation of GASB Statement No. 75, which requires the Village to report the total OPEB liabilities and related deferred items that relate to retiree health insurance. The overall net position decreased \$2,075, or 19%, from a restated \$34,515 in FY 2018. The following table reflects the condensed Statement of Net Position. For more detailed information see the Statement of Net Position (pages 30-31).

Table 1: Statement of Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Assets						
Current / Other Assets	\$ 41,998	\$ 42,099	\$ 9,090	\$ 9,447	\$ 51,088	\$ 51,546
Capital Assets	49,603	48,270	99,786	99,235	149,389	147,505
Total Assets	\$ 91,601	\$ 90,369	\$ 108,876	\$ 108,682	\$ 200,477	\$ 199,051
Deferred Outflows	\$ 20,043	\$ 4,563	\$ -	\$ -	\$ 20,043	\$ 4,563
Total Assets/Deferred Outflows	\$ 111,644	\$ 94,932	\$ 108,876	\$ 108,682	\$ 220,520	\$ 203,614
Liabilities						
Current Liabilities	\$ 8,082	\$ 9,646	\$ 5,501	\$ 4,866	\$ 13,583	\$ 14,512
Non-Current Liabilities	105,725	78,475	43,847	45,079	149,572	123,554
Total Liabilities	\$ 113,807	\$ 88,121	\$ 49,348	\$ 49,945	\$ 163,155	\$ 138,066
Deferred Inflows	\$ 20,736	\$ 26,315	\$ 40	\$ -	\$ 20,776	\$ 26,315
Total Liabilities/ Deferred Inflows	\$ 134,543	\$ 114,436	\$ 49,388	\$ 49,945	\$ 183,931	\$ 164,381
Net Position:						
Net Investment in Capital Assets	\$ 22,488	\$ 18,020	\$ 52,859	\$ 49,947	\$ 75,347	\$ 67,967
Restricted	1,095	2,269	-	-	1,095	2,269
Unrestricted	(46,482)	(39,793)	6,629	8,790	(39,853)	(31,003)
Total Net position	\$ (22,899)	\$ (19,504)	\$ 59,488	\$ 58,737	\$ 36,589	\$ 39,233

Current assets within the governmental activities decreased \$101 primarily as a result of a decrease in restricted assets – cash. The decrease was planned with the spend down of bond proceeds.

Current assets within the business-type activities decreased \$357 mainly due to planned increase in the Due to Account for capital spending in anticipation of loan and bond proceeds.

Total liabilities for governmental activities increased \$25,686 from the prior fiscal year mainly due to the 57% increase in net pension liabilities from \$46,695 to \$73,177. Total liabilities for business type activities decreased \$557 from the prior fiscal year mainly due to the pay down of long-term debt.

The largest portion of the Village's net position, \$75,347, 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, \$1,095, represents resources held for specific purposes. The largest portion is from the Motor Fuel Tax Fund that is restricted for roadway improvements, a portion is for seized and forfeited assets resulting from Police actions and a small portion for future debt payments.

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 and related deferred items and the implementation of GASB 75 and the recording of total OPEB liability and related deferred items, the unrestricted net position was (\$39,853).

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 of changes in net position for both 2018 and 2017 broken out by governmental activities and business-type activities. The net position of the Village's governmental activities decreased to (\$22,899) in 2018 compared to a restated (\$22,916) in 2017. The net position of business-type activities increased by \$2,058 to \$59,488 in 2018.

Table 2: Statement of Activities

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Revenues						
Program Revenues						
Charges for Services	\$ 8,673	\$ 8,456	\$13,880	\$14,349	\$22,553	\$22,805
Grants / Contributions	1,132	987	-	540	1,132	1,527
General Revenues						
Property Taxes	17,845	17,023	-	-	17,845	17,023
Sales Taxes	4,566	5,924	-	-	4,566	5,924
Income Taxes	3,648	2,488	-	-	3,648	2,488
Utility Taxes	2,131	2,037	-	-	2,131	2,037
Other Taxes	2,953	1,382	-	-	2,953	1,382
Other General Revenues	2,250	3,020	171	15	2,421	3,035
Total Revenues	\$ 43,198	\$ 41,317	\$14,051	\$14,904	\$57,249	\$56,221
Expenses						
General Government	\$ 4,633	\$ 4,499	\$ -	\$ -	\$ 4,633	\$ 4,499
Public Safety	25,156	22,745	-	-	25,156	22,745
Streets and Sanitation	9,388	9,630	-	-	9,388	9,630
Other Public Works	1,874	2,825	-	-	1,874	2,825
Public Health	45	163	-	-	45	163
Community Development	1,933	1,993	-	-	1,933	1,993
Interest	1,102	1,198	-	-	1,102	1,198
Water	-	-	6,706	6,192	6,706	6,192
Sewer	-	-	3,851	3,993	3,851	3,993
Parking	-	-	486	429	486	429
Total Expenses	\$ 44,131	\$ 43,053	\$11,043	\$10,614	\$55,174	\$53,667
Change in Net Position						
Before Transfers	(933)	(1,736)	3,008	4,290	2,075	2,554
Transfers	950	1,000	(950)	(1,000)	-	-
Change in Net Position	17	(736)	2,058	3,290	2,075	2,554
Net Position January 1	(19,504)	(18,768)	58,737	55,447	39,233	36,679
Restatement - GASB 75	(3,412)	-	(1,307)	-	(4,719)	-
Net Position December 31	\$(22,899)	\$(19,504)	\$59,488	\$58,737	\$36,589	\$39,233

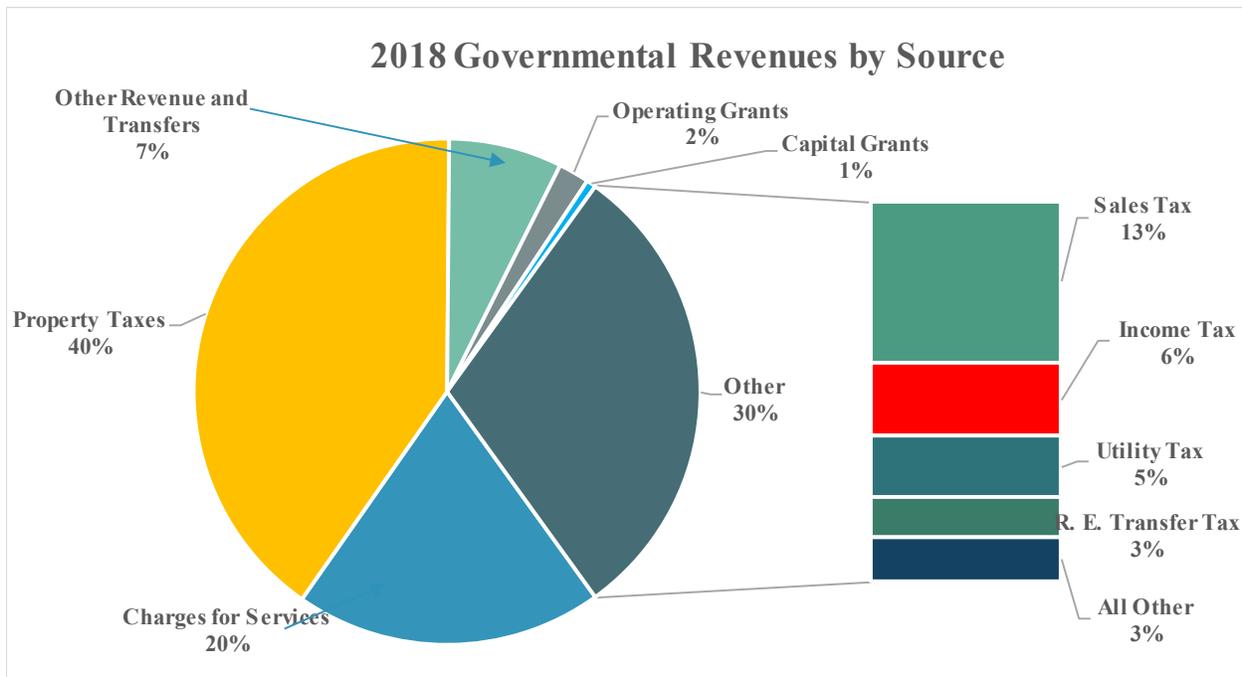
Governmental Activities – Revenues

Total governmental activities revenues amounted to \$43,198 for 2018, an increase of \$1,881 or 5% over 2017.

Program revenues in aggregate were up \$362 when comparing 2018 to 2017. Program revenues from grants and contributions increased \$145. More importantly, revenues received from governmental service charges increased \$217, or 3%, from 2017. The increase was the result of robust permit activity, and stronger vehicle sticker collections than in the prior year.

General revenues in aggregate were up \$1,519 from 2017. General revenues from property taxes increased \$822 or 5% in 2018. The growth in property tax revenues was expected as the Village’s 2017 tax levy included a 3.97% increase. General revenues from all other taxes and revenues increased \$697 or 4.7%, in 2018. The increase is mainly due to the increase in investment earnings.

The following graph depicts the major governmental revenue sources of the Village. The composition of the Village’s 2018 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 \$44,131 for 2018, an increase of \$1,078 or 3% from 2017.

General Government expenses increased \$134 or 3% from 2017.

Public Safety expenses increased \$2,411 or 11% from 2017. The current year adjustment for GASB 68 alone resulted in an increase in expenses of \$4,278.

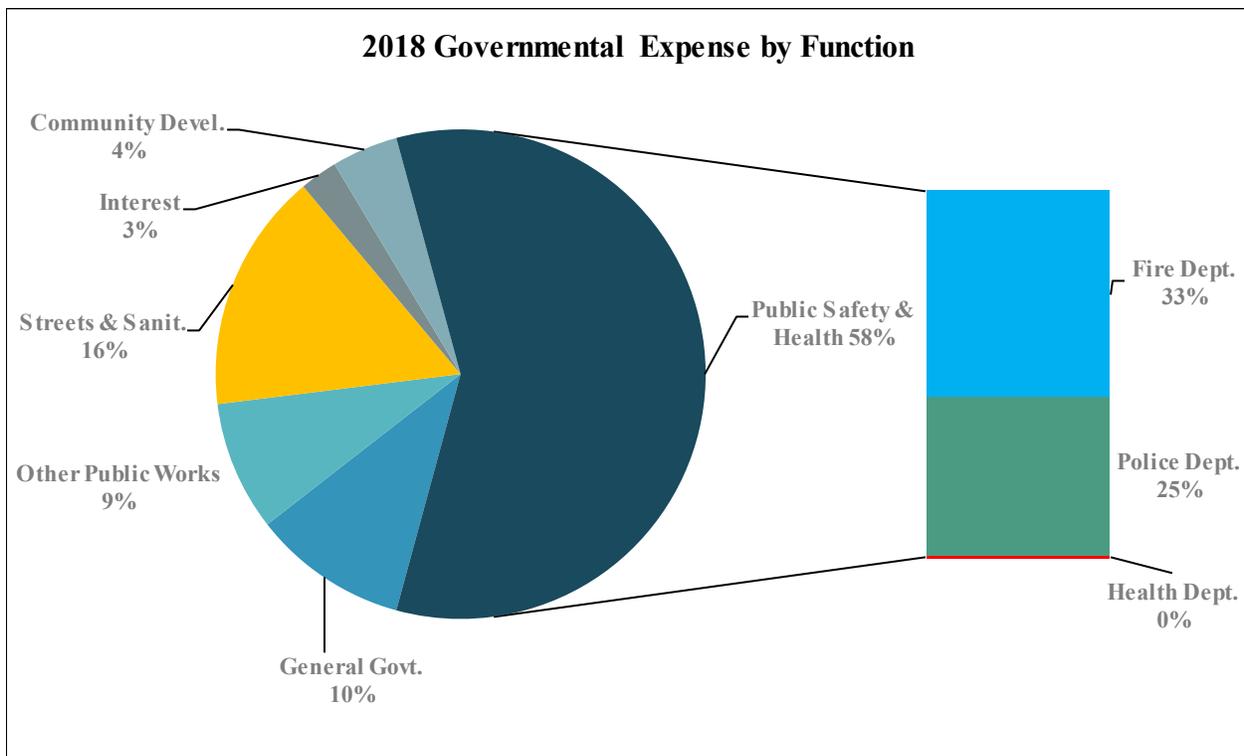
Streets and Sanitation expenses declined \$242 or 3% from 2017.

Other Public Works expenses declined \$951 or 34% from 2017.

Public Health expenses declined \$118 or 73% from 2017.

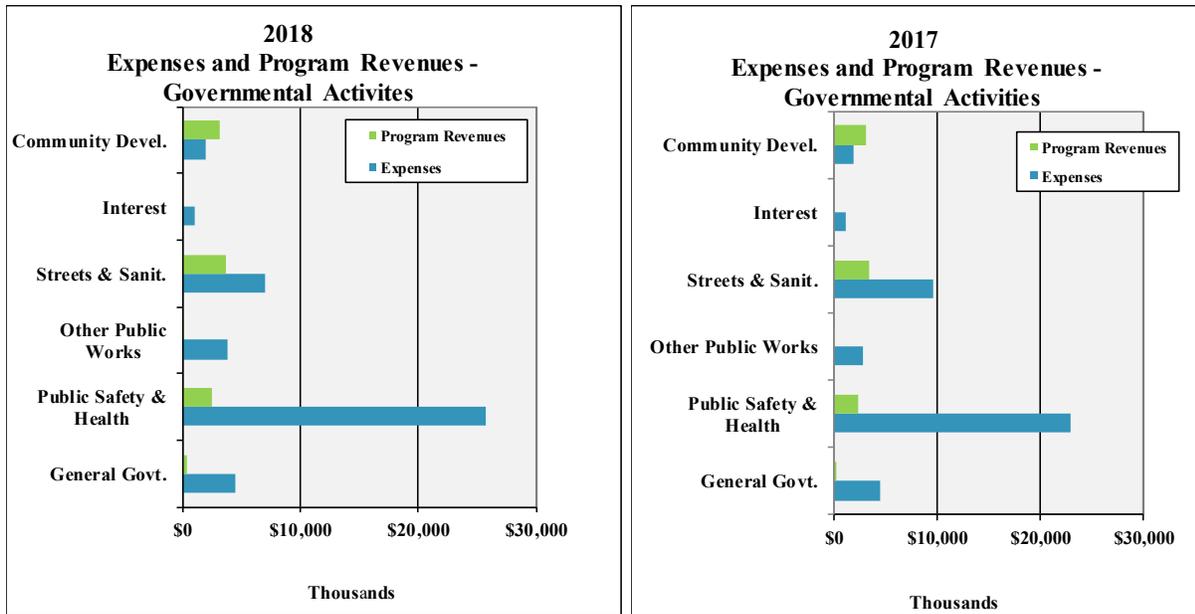
Community Development expenses declined \$60 or 3% from 2017.

The following graph depicts the major governmental expense by function of the Village. The composition of the Village's 2018 governmental activities expenses is similar to 2017. 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 2018 and 2017. For governmental activities, program revenues covered approximately 22% of expenses. This is the same as 2017. Community Development revenues were 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

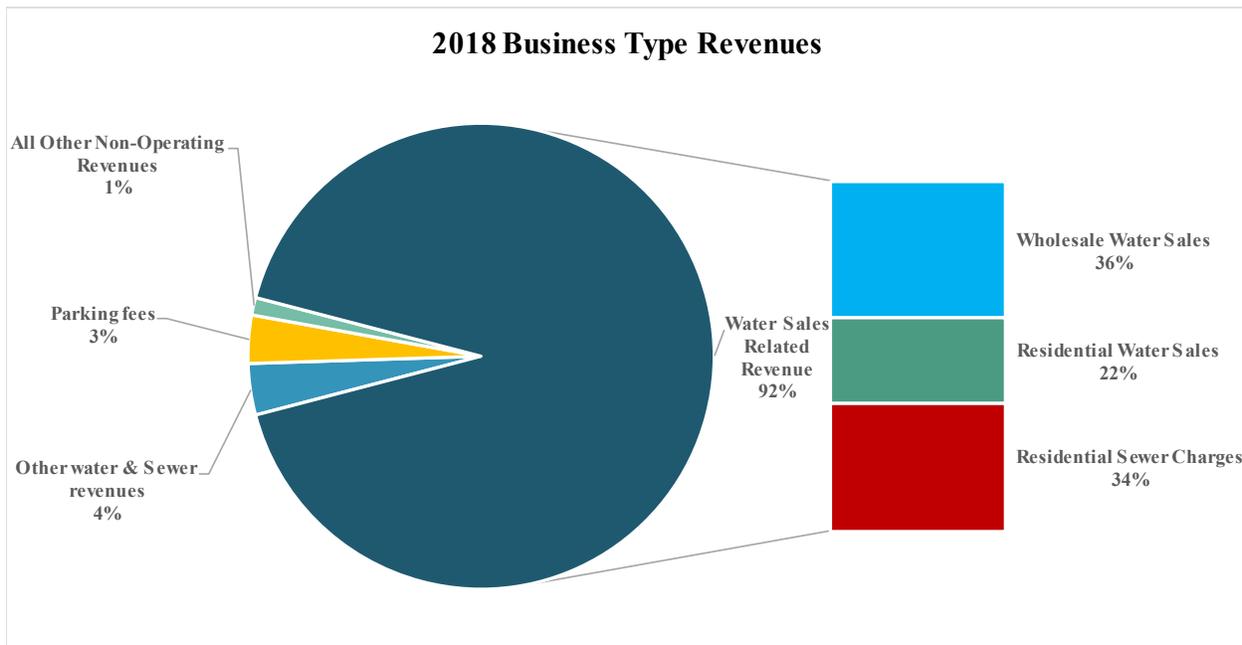
As noted previously, the business-type activities reflect private sector-type operations, where the fee for service typically covers all or most of the cost of operation, including depreciation. For the Village that applies to the Water Fund, and Sewer Fund but not the Parking Meter Fund.

Business-Type Activities – Revenues

Total business-type activities revenues amounted to \$14,051 for 2018, a decrease of \$853 or 6% compared to 2017.

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 decreased by \$469 or 3% from 2017. Although there was a residential water rate increase, water consumption declined from the prior year. The decrease in consumption had a negative impact on sewer collections as well.

The following graph depicts the major business-type revenue sources of the Village. The composition of the Village’s 2018 business-type activities revenues is similar to 2017.



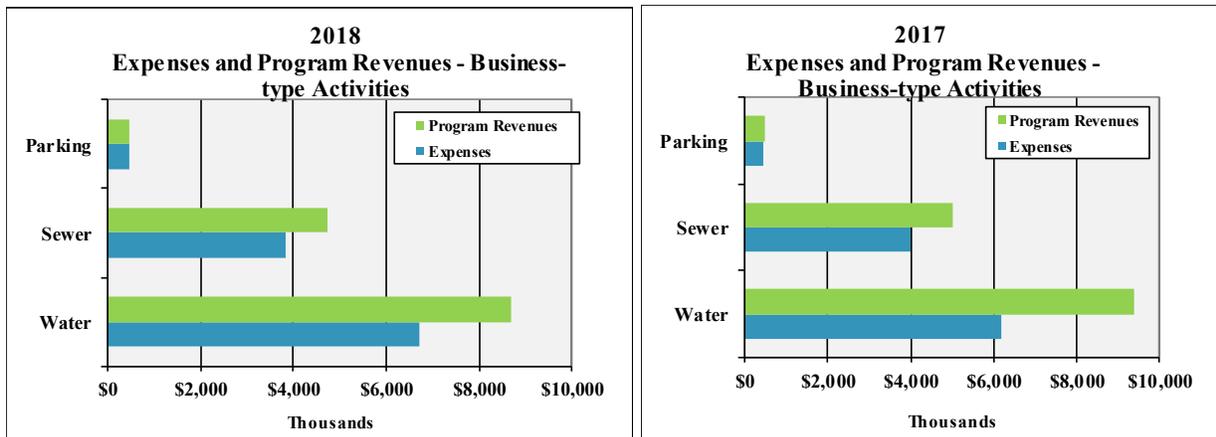
Business Type Activities – Expenses

Total business-type activities expenses amounted to \$11,043 for 2018, an increase of \$429 or 4% from 2017.

Expenses for the Water Fund were up \$514 or 8% compared to 2017. The increase is the result of additional contractual service work and materials for water main repairs, additional interest expense and the allocation of OPEB liability. The Sewer Fund expenses were down \$142 or 4% from 2017 due to a decrease in interest expenses.

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 2018 and 2017. 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 \$19,511, which is \$1,114, or 6%, higher than last year's total of \$18,397. Of the total \$12,982, or approximately 35%, 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 \$12,982, which was 70% 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 35% of total General Fund expenditures. The total fund balance in the fund increased by \$2,377, or 15%.

Other Major Funds

The Village's other major governmental funds include the Debt Service Fund and the 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 \$77, which is a decrease from last year of \$68. 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 increased the tax levy loss in collection amount for the Debt Service Fund. 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 \$502, which reflects unspent bond proceeds at year-end for future projects.

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 \$344, which was an increase of \$2, or 0.5% from last year. The increase is mainly attributable to stronger distribution of the MFT allocation than anticipated in the budget.

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.

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 2018 and 2017 were as follows:

	<u>2018</u>	<u>2017</u>	<u>% Change</u>
Wholesale Water Rate	\$ 1.392 / ccf	\$ 1.392 / ccf	0.0%
Residential Water Rate	\$ 2.68 / ccf	\$ 2.61 / ccf	2.7%
Residential Sewer Rate	\$ 4.24 / ccf	\$ 4.24 / ccf	0.0%
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 Villages of Glenview, Kenilworth and Golf as well as 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 transfers of \$2,133, which was \$1,076 less than last year. The unrestricted net position decreased to \$2,782. 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 a planned increase in net position of \$763, which was due mainly from rate increases in 2014 and 2015. The unrestricted net position totaled \$2,767 at year-end.

The Parking Meter Fund had a year-end Net Position of \$4,341 which is a decrease of \$17 from last year. The decrease was mainly driven by the GASB 75 OPEB liability recognition of \$26.

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 2018 Budget.

Table 3: General Fund Budgetary Highlights

	Original and Final <u>Budget</u>	Actual GAAP <u>Basis</u>
Revenues	\$ 31,786	\$ 38,768
Expenditures	<u>33,775</u>	<u>37,341</u>
Excess (Deficiency) of Revenues over Expenditures	(1,989)	1,427
Other Financing Sources (Uses):		
Transfers in	1,000	950
Transfers out	<u>(50)</u>	<u>-</u>
Net Changes in Fund Balance	<u>\$ (1,039)</u>	<u>\$ 2,377</u>

The principal goal in setting the 2018 budget was to maintain service levels and keep fund operating reserves stable. Ultimately, improved 2018 revenues resulted in the \$2,377 increase in the General Fund balance. An improving economy boosted State income tax distributions, \$376, licenses and permits fees, \$1,147, and investment income, \$430. Which all performed better than budgeted. Additionally, investment earnings from the IRMA excess surplus reserve, which are not budgeted, were \$492 of the positive variance. As for expenditures, most departments of the Village came in under budget for the year.

CAPITAL ASSETS

The Village's capital assets for its Government and Business-Type Activities at December 31, 2018 total \$149,389. This includes land, buildings, infrastructure, equipment and construction in progress. This amount represents an increase of \$1,884 (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 67-68.

The Governmental Activities net investment in capital assets increased from last year by \$4,468. The increase includes an increase related to capital additions of \$5,285 netted with depreciation of \$3,952 and debt repayment of \$2,743 and a change in unamortized bond discounts of \$110 and unexpended bond proceeds of \$502.

Business-Type Activities net investment in capital assets increased by \$2,912. Capital asset balances increased \$551 and \$3,858 of general obligation bonds were retired with \$1,497 in new issuances.

DEBT OUTSTANDING

The Village has seven general obligation (G.O.) bond issues and ten 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, 2017	Issued in 2017	Retired in 2017	Outstanding at Dec 31, 2018
General Obligation Bond:	76,220	-	(6,370)	69,850
E.P.A. Loans	4,113	1,497	(218)	5,392
State Loans	188	-	(13)	175
Totals	80,521	1,497	(6,601)	75,417
Governmental Activities	31,233	-	(2,743)	28,490
Business-Type Activities	49,288	1,497	(3,858)	46,927
Totals	80,521	1,497	(6,601)	75,417

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 2018 citing the Village's strong socioeconomic profile, healthy financial position and operating flexibility, and moderate debt burden. 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 69-76.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Village's elected and appointed officials considered many factors when setting the 2018 budget, tax rates, and fees that will be charged for its governmental and business type activities. While 2018 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 2018 at the time the Budget was formulated.

The Fiscal Year 2019 Budget as adopted by the Village Board assumes no reductions in state shared revenues or limitations to property tax levels.

- The property tax levy is projected to increase by 2.75% due to a number of components. The component the Village has full control over is operations, which is forecast to rise by a modest 1.68%. Pre-existing debt service cost increases (based on how long-term debt was financed in prior decades) will also impact the tax levy by -0.14%. The Village's pension expenses are largely determined by the State of Illinois, which defines the benefits municipal employers have to pay. Pension funding will increase the levy by 1.21%.
- The FY 2019 Budget provides for a 2.7% increase in the residential water rate and no increase to the sewer rate. A significant sewer rate increase is anticipated for 2020 to fund the debt service associated with the Neighborhood Storage Improvements (total project cost approximately \$60 million). During the course of 2019, the Village will be studying the feasibility of a stormwater utility to fund these improvements.
- While wages account for more than 30% of Village spending across all funds, wage growth across all funds in the FY 2019 Budget will be only 2.6%.
- The FY 2019 Budget provides for capital funding for critical infrastructure improvements in Village neighborhoods, including:
 - \$4.5 million for street resurfacing and related engineering improvements
 - \$870 thousand in critical vehicle replacements,
 - \$31,000 for the continued implementation of a document management system
 - \$1,970,000 for sewer lining and rehabilitation
 - \$5,000,000 for critical Water Plant electrical improvements, to be completed in 2019 and 2020 (total project cost of \$8.9 million) plus an additional \$300,000 in other important capital projects

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, 2018

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 16,556,258	6,982,885	23,539,143
Receivables - Net	19,329,740	2,450,296	21,780,036
Due from Other Governments	1,934,232	-	1,934,232
Internal Balances	599,376	(599,376)	-
Inventories/Prepays	85,345	69,011	154,356
Deposits	1,925,184	-	1,925,184
Restricted Assets - Cash and Investments	938,134	187,601	1,125,735
Total Current Assets	<u>41,368,269</u>	<u>9,090,417</u>	<u>50,458,686</u>
Noncurrent Assets			
Capital Assets			
Nondepreciable Capital Assets	6,700,462	3,451,989	10,152,451
Depreciable Capital Assets	94,837,332	142,956,918	237,794,250
Depreciation	(51,934,560)	(46,623,346)	(98,557,906)
	<u>49,603,234</u>	<u>99,785,561</u>	<u>149,388,795</u>
Other Assets			
Land Held for Resale	630,000	-	630,000
Total Noncurrent Assets	<u>50,233,234</u>	<u>99,785,561</u>	<u>150,018,795</u>
Total Assets	<u>91,601,503</u>	<u>108,875,978</u>	<u>200,477,481</u>
DEFERRED OUTFLOWS OF RESOURCES			
Loss on Refunding	872,831	-	872,831
Deferred Items - IMRF	5,644,806	-	5,644,806
Deferred Items - Police Pension	6,562,540	-	6,562,540
Deferred Items - Firefighters' Pension	6,962,678	-	6,962,678
Total Deferred Outflows of Resources	<u>20,042,855</u>	<u>-</u>	<u>20,042,855</u>
Total Assets and Deferred Outflows of Resources	<u>111,644,358</u>	<u>108,875,978</u>	<u>220,520,336</u>

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

	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 2,043,063	1,233,274	3,276,337
Accrued Wages and Benefits	111,368	27,688	139,056
Accrued Interest Payable	74,657	133,940	208,597
Deposits Payable	689,018	-	689,018
Other Payables	1,503,212	-	1,503,212
Compensated Absences Payable	867,722	53,940	921,662
Current Portion of Long-Term Debt	2,792,500	4,052,349	6,844,849
Total Current Liabilities	8,081,540	5,501,191	13,582,731
Noncurrent Liabilities			
Compensated Absences Payable	3,470,890	215,760	3,686,650
Net Pension Liability - IMRF	10,044,097	-	10,044,097
Net Pension Liability - Police Pension	29,225,151	-	29,225,151
Net Pension Liability - Firefighters' Pension	33,907,891	-	33,907,891
Total OPEB Liability - RBP	3,379,739	756,016	4,135,755
General Obligation Bonds Payable	25,535,000	37,740,000	63,275,000
EPA Loans Payable	-	5,134,525	5,134,525
Installment Contracts Payable	162,500	-	162,500
Total Noncurrent Liabilities	105,725,268	43,846,301	149,571,569
Total Liabilities	113,806,808	49,347,492	163,154,300
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	18,050,496	-	18,050,496
Deferred Items - IMRF	1,017,017	-	1,017,017
Deferred Items - Police Pension	181,310	-	181,310
Deferred Items - Firefighters' Pension	1,307,597	-	1,307,597
Deferred Items - RBP	179,660	40,188	219,848
Total Deferred Inflows of Resources	20,736,080	40,188	20,776,268
Total Liabilities and Deferred Inflows of Resources	134,542,888	49,387,680	183,930,568
NET POSITION			
Net Investment in Capital Assets	22,487,908	52,858,687	75,346,595
Restricted - Police Seizures	246,400	-	246,400
Restricted - Debt Service	2,534	-	2,534
Restricted - Highways and Streets	344,059	-	344,059
Restricted - Capital Projects	501,843	-	501,843
Unrestricted (Deficit)	(46,481,274)	6,629,611	(39,851,663)
Total Net Position	(22,898,530)	59,488,298	36,589,768

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, 2018

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/Contributions	Capital Grants/Contributions
Governmental Activities				
General Government	\$ 4,632,977	337,350	-	-
Public Safety	25,155,494	2,417,149	32,857	-
Streets and Sanitation	9,388,292	2,629,794	830,501	267,068
Other Public Works	1,874,096	100,766	1,875	-
Public Health	45,000	1,350	-	-
Community Development	1,932,627	3,186,349	-	-
Interest on Long-Term Debt	1,101,931	-	-	-
Total Governmental Activities	44,130,417	8,672,758	865,233	267,068
Business-Type Activities				
Water	6,706,771	8,672,692	-	-
Sewer	3,850,938	4,738,054	-	-
Parking	485,861	468,824	-	-
Total Business-Type Activities	11,043,570	13,879,570	-	-
Total Primary Government	55,173,987	22,552,328	865,233	267,068

General Revenues
Taxes
Property Taxes
Home Rule Sales Taxes
Utility Taxes
Real Estate Transfer
Other Taxes
Intergovernmental - Unrestricted
State Income Taxes
Sales Taxes
Investment Earnings
Miscellaneous
Transfers - Internal Activity
Change in Net Position
Net Position - Beginning as Restated
Net Position - Ending

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

Net (Expenses)/Revenues		
Governmental Activities	Business-Type Activities	Totals
(4,295,627)	-	(4,295,627)
(22,705,488)	-	(22,705,488)
(5,660,929)	-	(5,660,929)
(1,771,455)	-	(1,771,455)
(43,650)	-	(43,650)
1,253,722	-	1,253,722
(1,101,931)	-	(1,101,931)
(34,325,358)	-	(34,325,358)
-	1,965,921	1,965,921
-	887,116	887,116
-	(17,037)	(17,037)
-	2,836,000	2,836,000
(34,325,358)	2,836,000	(31,489,358)
17,844,794	-	17,844,794
1,971,959	-	1,971,959
2,131,007	-	2,131,007
1,418,805	-	1,418,805
1,534,123	-	1,534,123
2,594,015	-	2,594,015
3,647,752	-	3,647,752
985,038	171,337	1,156,375
1,265,190	-	1,265,190
950,000	(950,000)	-
34,342,683	(778,663)	33,564,020
17,325	2,057,337	2,074,662
(22,915,855)	57,430,961	34,515,106
(22,898,530)	59,488,298	36,589,768

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

VILLAGE OF WILMETTE, ILLINOIS

**Balance Sheet - Governmental Funds
December 31, 2018**

	General	Debt Service	Capital Projects	<u>Nonmajor Motor Fuel Tax</u>	Totals
ASSETS					
Cash and Investments	\$ 14,945,177	77,191	-	284,682	15,307,050
Receivables - Net of Allowances					
Property Taxes	14,374,621	3,675,875	-	-	18,050,496
Other Taxes	315,303	-	-	-	315,303
Accounts	948,903	-	-	545	949,448
Due from Other Governments	1,875,400	-	-	58,832	1,934,232
Due from Other Funds	599,855	-	-	-	599,855
Prepays	83,802	-	-	-	83,802
Inventories	1,543	-	-	-	1,543
Deposits	1,925,184	-	-	-	1,925,184
Restricted Assets - Cash and Investments	192,066	-	746,068	-	938,134
Land Held for Resale	630,000	-	-	-	630,000
Total Assets	<u>35,891,854</u>	<u>3,753,066</u>	<u>746,068</u>	<u>344,059</u>	<u>40,735,047</u>

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

	General	Debt Service	Capital Projects	Nonmajor Motor Fuel Tax	Totals
LIABILITIES					
Accounts Payable	\$ 1,786,445	-	244,225	-	2,030,670
Accrued Wages and Benefits	111,368	-	-	-	111,368
Deposits Payable	669,052	-	-	-	669,052
Other Prepayments	362,710	-	-	-	362,710
Total Liabilities	2,929,575	-	244,225	-	3,173,800
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	14,374,621	3,675,875	-	-	18,050,496
Total Liabilities and Deferred Inflows of Resources	17,304,196	3,675,875	244,225	-	21,224,296
FUND BALANCE					
Nonspendable	2,010,529	-	-	-	2,010,529
Restricted	246,400	77,191	501,843	344,059	1,169,493
Assigned	3,348,405	-	-	-	3,348,405
Unassigned	12,982,324	-	-	-	12,982,324
Total Fund Balances	18,587,658	77,191	501,843	344,059	19,510,751
Total Liabilities, Deferred Inflows of Resources and Fund Balances	35,891,854	3,753,066	746,068	344,059	40,735,047

The accompanying 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, 2018

Total Governmental Fund Balances	\$ 19,510,751
 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.	49,603,234
Deferred outflows (inflows) of resources related to the retirement benefits not reported in the funds.	
Deferred Items - IMRF	4,627,789
Deferred Items - Police Pension	6,381,230
Deferred Items - Firefighters' Pension	5,655,081
Deferred Items - RBP	(179,660)
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.	90,361
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(4,338,612)
Net Pension Liability - IMRF	(10,044,097)
Net Pension Liability - Police Pension	(29,225,151)
Net Pension Liability - Firefighters' Pension	(33,907,891)
Total OPEB Liability - RBP	(3,379,739)
General Obligation Bonds Payable - Net	(27,442,169)
Installment Contract Payable	(175,000)
Accrued Interest Payable	(74,657)
 Net Position of Governmental Activities	 <u>(22,898,530)</u>

The accompanying 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, 2018

	General	Debt Service	Capital Projects	Nonmajor Motor Fuel Tax	Totals
Revenues					
Taxes	\$ 21,226,867	3,673,821	-	-	24,900,688
Licenses, Permits and Fees	5,090,864	-	-	-	5,090,864
Intergovernmental	6,680,758	-	-	693,310	7,374,068
Charges for Services	3,281,434	-	-	-	3,281,434
Fines and Forfeitures	300,460	-	-	-	300,460
Investment Earnings	922,249	-	27,034	8,509	957,792
Miscellaneous	1,265,230	-	-	-	1,265,230
Total Revenues	38,767,862	3,673,821	27,034	701,819	43,170,536
Expenditures					
Current					
General Government	3,934,554	-	-	-	3,934,554
Public Safety	20,688,317	-	-	-	20,688,317
Streets and Sanitation	6,031,721	-	-	-	6,031,721
Other Public Works	3,781,568	-	-	-	3,781,568
Public Health	45,000	-	-	-	45,000
Community Development	1,875,595	-	-	-	1,875,595
Capital Outlay	971,282	-	1,224,241	700,000	2,895,523
Debt Service					
Principal Retirement	12,500	2,730,000	-	-	2,742,500
Interest and Fiscal Charges	-	1,012,115	-	-	1,012,115
Total Expenditures	37,340,537	3,742,115	1,224,241	700,000	43,006,893
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,427,325	(68,294)	(1,197,207)	1,819	163,643
Other Financing Sources					
Transfers In	950,000	-	-	-	950,000
Net Change in Fund Balances	2,377,325	(68,294)	(1,197,207)	1,819	1,113,643
Fund Balances - Beginning	16,210,333	145,485	1,699,050	342,240	18,397,108
Fund Balances - Ending	18,587,658	77,191	501,843	344,059	19,510,751

The accompanying 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, 2018

Net Change in Fund Balances - Total Governmental Funds	\$ 1,113,643
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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	5,285,442
Depreciation Expense	(3,952,409)
Disposals - Cost	(251,102)
Disposals - Accumulated Depreciation	251,062

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

Change in Deferred Items - IMRF	8,772,594
Change in Deferred Items - Police Pension	6,976,734
Change in Deferred Items - Firefighters' Pension	6,075,178
Change in Deferred Items - RBP	(179,660)

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.

24,847

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.

Increase to Compensated Absences Payable	(317,500)
Increase to Net Pension Liability - IMRF	(9,152,805)
Increase to Net Pension Liability - Police Pension	(9,071,862)
Increase to Net Pension Liability - Firefighters' Pension	(8,257,574)
Decrease to Total Pension Liability - RBP	48,053
Retirement of Debt	2,742,500
Amortization of Loss on Refunding	(109,103)

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.

19,287

Changes in Net Position of Governmental Activities

17,325

The accompanying 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, 2018**

See Following Page

VILLAGE OF WILMETTE, ILLINOIS

Statement of Fund Net Position - Proprietary Funds
December 31, 2018

	Business-Type Activities				Governmental
	Water	Sewer	Nonmajor Parking Meter	Totals	Activities Internal Service
ASSETS					
Current Assets					
Cash and Investments	\$ 2,910,322	2,921,481	1,151,082	6,982,885	1,249,208
Restricted Assets					
Cash and Investments	-	187,601	-	187,601	-
Receivables - Net of Allowances Accounts	1,550,754	891,751	7,791	2,450,296	14,493
Inventory	68,725	-	-	68,725	-
Prepays	286	-	-	286	-
Total Current Assets	<u>4,530,087</u>	<u>4,000,833</u>	<u>1,158,873</u>	<u>9,689,793</u>	<u>1,263,701</u>
Noncurrent Assets					
Nondepreciable Capital Assets	2,178,577	614,308	659,104	3,451,989	-
Depreciable Capital Assets	51,765,092	86,215,735	4,976,091	142,956,918	-
Accumulated Depreciation	<u>(23,588,170)</u>	<u>(20,660,963)</u>	<u>(2,374,213)</u>	<u>(46,623,346)</u>	-
Total Noncurrent Assets	<u>30,355,499</u>	<u>66,169,080</u>	<u>3,260,982</u>	<u>99,785,561</u>	-
Total Assets	<u>34,885,586</u>	<u>70,169,913</u>	<u>4,419,855</u>	<u>109,475,354</u>	<u>1,263,701</u>

The accompanying 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	\$ 470,983	711,125	51,166	1,233,274	12,393
Accrued Wages and Benefits	26,748	940	-	27,688	-
Accrued Interest Payable	23,820	110,120	-	133,940	-
Deposits Payable	-	-	-	-	19,966
Retiree Benefits Payable	-	-	-	-	1,140,502
Due to Other Funds	369,933	229,443	-	599,376	479
Compensated Absences Payable	43,710	10,230	-	53,940	-
General Obligation Bonds Payable	2,045,000	1,750,000	-	3,795,000	-
EPA Loans Payable	-	257,349	-	257,349	-
Total Current Liabilities	2,980,194	3,069,207	51,166	6,100,567	1,173,340
Noncurrent Liabilities					
Compensated Absences Payable	174,840	40,920	-	215,760	-
Total OPEB Liability - RBP	605,888	124,073	26,055	756,016	-
General Obligation Bonds Payable	8,330,000	29,410,000	-	37,740,000	-
EPA Loans Payable	1,254,171	3,880,354	-	5,134,525	-
Total Noncurrent Liabilities	10,364,899	33,455,347	26,055	43,846,301	-
Total Liabilities	13,345,093	36,524,554	77,221	49,946,868	1,173,340
DEFERRED INFLOW OF RESOURCES					
Deferred Items - RBP	32,208	6,595	1,385	40,188	-
Total Liabilities and Deferred Inflows of Resources	13,377,301	36,531,149	78,606	49,987,056	1,173,340
NET POSITION					
Net Investment in Capital Assets	18,726,328	30,871,377	3,260,982	52,858,687	-
Unrestricted	2,781,957	2,767,387	1,080,267	6,629,611	90,361
Total Net Position	21,508,285	33,638,764	4,341,249	59,488,298	90,361

The accompanying 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, 2018

	Business-Type Activities - Enterprise Funds				Governmental
	Water	Sewer	Nonmajor Parking Meter	Totals	Activities Internal Service
Operating Revenues					
Charges for Services	\$ 8,672,692	4,738,054	468,824	13,879,570	-
Interfund Services	-	-	-	-	7,069,808
Total Operating Revenues	8,672,692	4,738,054	468,824	13,879,570	7,069,808
Operating Expenses					
Administration	851,346	-	-	851,346	-
Operations	4,443,088	1,532,568	352,852	6,328,508	7,072,207
Depreciation	1,083,923	1,105,040	133,009	2,321,972	-
Total Operating Expenses	6,378,357	2,637,608	485,861	9,501,826	7,072,207
Operating Income (Loss)	2,294,335	2,100,446	(17,037)	4,377,744	(2,399)
Nonoperating Revenues (Expenses)					
Investment Earnings	167,118	4,219	-	171,337	27,246
Interest Expense	(328,414)	(1,213,330)	-	(1,541,744)	-
	(161,296)	(1,209,111)	-	(1,370,407)	27,246
Income Before Transfers	2,133,039	891,335	(17,037)	3,007,337	24,847
Transfers In	128,583	-	-	128,583	-
Transfers Out	(950,000)	(128,583)	-	(1,078,583)	-
Change in Net Position	1,311,622	762,752	(17,037)	2,057,337	24,847
Net Position - Beginning as Restated	20,196,663	32,876,012	4,358,286	57,430,961	65,514
Net Position - Ending	21,508,285	33,638,764	4,341,249	59,488,298	90,361

The accompanying 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, 2018**

See Following Page

VILLAGE OF WILMETTE, ILLINOIS

Statement of Cash Flows - Proprietary Funds
For the Fiscal Year Ended December 31, 2018

	<u>Water</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 8,773,296
Receipts from Interfund Services	-
Payments to Employees	(2,573,759)
Payments to Suppliers	(2,134,159)
	<u>4,065,378</u>
Cash Flows from Non-Capital Financing Activities	
Transfers In	128,583
Transfers Out	(950,000)
	<u>(821,417)</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(1,387,812)
Principal Issued on Debt	714,203
Principal Paid on Debt	(1,890,000)
Interest Paid on Debt	(328,414)
	<u>(2,892,023)</u>
Cash Flows from Investing Activities	
Interest Received	167,118
	<u>167,118</u>
Net Change in Cash and Cash Equivalents	519,056
Cash and Cash Equivalents - Beginning	<u>2,391,266</u>
Cash and Cash Equivalents - Ending	<u><u>2,910,322</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities.	
Operating Income (Loss)	<u>2,294,335</u>
Adjustments to Reconcile Operating Income to Net Income to Net Cash	
Provided by (Used in) Operating Activities:	
Depreciation Expense	1,083,923
(Increase) Decrease in Current Assets	100,604
Increase (Decrease) in Current Liabilities	586,516
	<u>1,771,043</u>
Net Cash Provided by Operating Activities	<u><u>4,065,378</u></u>

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

Business-Type Activities - Enterprise Funds			Governmental
Sewer	Nonmajor Parking Meter	Totals	Activities Internal Service
4,870,420	467,343	14,111,059	-
-	-	-	7,068,776
(574,875)	(90,141)	(3,238,775)	(752,398)
(476,635)	(232,776)	(2,843,570)	(6,298,079)
3,818,910	144,426	8,028,714	18,299
-	-	128,583	-
(128,583)	-	(1,078,583)	-
(128,583)	-	(950,000)	-
(1,461,683)	(23,100)	(2,872,595)	-
782,649	-	1,496,852	-
(1,968,425)	-	(3,858,425)	-
(1,213,330)	-	(1,541,744)	-
(3,860,789)	(23,100)	(6,775,912)	-
4,219	-	171,337	27,246
(166,243)	121,326	474,139	45,545
3,087,724	1,029,756	6,508,746	1,203,663
2,921,481	1,151,082	6,982,885	1,249,208
2,100,446	(17,037)	4,377,744	(2,399)
1,105,040	133,009	2,321,972	-
132,366	(1,481)	231,489	(1,032)
481,058	29,935	1,097,509	21,730
3,818,910	144,426	8,028,714	18,299

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

VILLAGE OF WILMETTE, ILLINOIS

**Statement of Fiduciary Net Position
December 31, 2018**

	Pension Trust	Agency
ASSETS		
Cash and Cash Equivalents	\$ 2,317,837	614,063
Investments		
U.S. Treasury Securities	16,645,853	-
U.S. Agency Securities	1,132,636	-
Mutual Funds	41,701,377	-
Corporate Bonds	11,490,196	-
Common Stock	13,871,561	-
Receivables		
Accrued Interest	208,753	-
Total Assets	<u>87,368,213</u>	<u>614,063</u>
LIABILITIES		
Accounts Payable	43,130	-
Deposits Payable	<u>-</u>	<u>614,063</u>
Total Liabilities	<u>43,130</u>	<u>614,063</u>
NET POSITION		
Net Position Restricted for Pensions	<u>87,325,083</u>	

The accompanying 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, 2018**

	<u>Pension Trust</u>
Additions	
Contributions - Employer	\$ 4,877,000
Contributions - Plan Members	883,792
Total Contributions	<u>5,760,792</u>
Investment Income	
Investment Earnings	970,740
Net Change in Fair Value	<u>(7,567,870)</u>
	(6,597,130)
Less Investment Expenses	<u>(180,179)</u>
Net Investment Income	<u>(6,777,309)</u>
Total Additions	<u>(1,016,517)</u>
Deductions	
Administration	25,969
Benefits and Refunds	<u>7,404,731</u>
Total Deductions	<u>7,430,700</u>
Change in Fiduciary Net Position	(8,447,217)
Net Position Restricted for Pensions	
Beginning	<u>95,772,300</u>
Ending	<u><u>87,325,083</u></u>

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2018

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, 2018

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.

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.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide Statements – Continued

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, 2018

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, \$23,280,000 of Series 2010 General Obligation Refunding and Improvements, \$1,000,000 of Series 2013 General Obligation, \$5,065,000 of Series 2017A General Obligation Bonds, and \$520,000 of Series 2017B General Obligation Refunding Bonds.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2018

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 resources used for the acquisition of capital assets. The Village's Capital Projects Fund is reported as a major fund.

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.

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.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Fiduciary Funds – Continued

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.

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.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

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.

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.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements

December 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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 generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

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, 2018**

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 acquisition 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, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2018

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, 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, 2018**

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	\$ 3,565,292
Water	22,084
Municipal Garage	24,206
Section 105 Sick Leave	7,709

The General Fund is over budget due to the recognition of the Public Safety Pension Fund property tax levy revenue. For Budget purposes, the property tax levies for the Police and Fire Pension funds, \$4,877,000 in total, are recognized as revenue in the respective funds. For Audit purposes, those levies are recorded as General Fund revenue. Employer Pension Contribution expense in each of the Police and Fire departments are recorded in the General Fund to move the levies to the Pension Funds. The Water Fund was over budget due to the implementation of GASB Statement No. 75.

DEFICIT NET POSITION

The following fund had deficit net position as of the date of this report:

Fund	Deficit
Employee Insurance	\$ 479

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.

Permitted Deposits and Investments – Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services and Illinois Funds.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

The 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. Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, which is the price for which the investment could be sold.

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 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.

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 \$25,294,333 and the bank balances totaled \$25,411,774. At year-end the Village also has \$545 invested in the Illinois Funds, which is measured at the net asset value per share as determined by the pool.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

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 year-end, the Village does not have any investments over 5 percent of the cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

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.

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, 2018, the Village’s investments in the Illinois Funds are AAAM rated by Standard & Poor’s.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

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, 2018, 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, 2018, the Village's investment in the Illinois Funds is not subject to custodial credit risk.

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 \$945,245 and the bank balances totaled \$922,121.

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 Securities	\$ 8,607,035	598,178	5,639,814	1,571,357	797,686
U.S. Agency Securities	567,131	-	100,353	114,495	352,283
Corporate Bonds	5,871,939	124,768	2,959,116	1,302,519	1,485,536
Totals	15,046,105	722,946	8,699,283	2,988,371	2,635,505

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

The Fund has the following recurring fair value measurements as of December 31, 2018:

Investments by Fair Value Level	Totals	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Treasury Securities	\$ 8,607,035	8,607,035	-	-
U.S. Agency Securities	567,131	-	567,131	-
Corporate Bonds	5,871,939	-	5,871,939	-
Equity Securities				
Mutual Funds	20,602,914	20,602,914	-	-
Common Stock	7,140,059	7,140,059	-	-
Total Investments by Fair Value Level	42,789,078	36,350,008	6,439,070	-

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

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. Agency were not rated. The Fund's investment in the U.S. Treasury are rated AAA and the Corporate Bonds are rated A1 to BAA3 by Moody's.

Custodial Credit Risk – Deposits. The Fund's investment policy does not limit custodial credit risk for deposits. At December 31, 2018, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Custodial Credit Risk – Investments. The Fund’s investment policy does not limit custodial credit risk for investments. At December 31, 2018, 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 year-end, the Fund does not have any investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments). The Fund also has \$7,140,059 invested in common stock and \$20,602,914 invested in mutual funds at year-end.

The Fund’s investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Domestic Equities	50.00%	0.72% - 2.29%
International Equities	12.00%	1.05%
Fixed Income	35.00%	1.68%
Private Real Estate	3.00%	0.24%
Cash and Cash Equivalents	0.00%	0.00%

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, 2018 are summarized in the table on the previous page.

Rate of Return

For the year ended December 31, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (7.47%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2018**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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 \$1,372,592 and the bank balances totaled \$1,350,311.

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 Securities	\$ 8,038,818	498,362	5,342,897	1,336,157	861,402
U.S. Agency Securities	565,505	-	91,932	121,291	352,282
Corporate Bonds	5,618,257	124,768	2,759,344	1,350,689	1,383,456
Totals	14,222,580	623,130	8,194,173	2,808,137	2,597,140

The Fund has the following recurring fair value measurements as of December 31, 2018:

Investments by Fair Value Level	Totals	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Treasury Securities	\$ 8,038,818	8,038,818	-	-
U.S. Agency Securities	565,505	-	565,505	-
Corporate Bonds	5,618,257	-	5,618,257	-
Equity Securities				
Mutual Funds	21,098,463	21,098,463	-	-
Common Stock	6,731,502	6,731,502	-	-
Total Investments by Fair Value Level	42,052,545	35,868,783	6,183,762	-

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities’ relationship to benchmark quoted prices.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

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. Agency were not rated. The Fund's investment in U.S. Treasury were rated AAA and the Corporate Bonds are rated A1 to BAA3 by Moody's.

Custodial Credit Risk – Deposits. The Fund's investment policy does not limit custodial credit risk for deposits. At December 31, 2018, 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, 2018, 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 year-end, the Fund does not have any investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments). The Fund also has \$6,731,502 invested in common stock and \$21,098,463 invested in mutual funds at year-end.

The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Domestic Equities	50.00%	0.72% - 2.29%
International Equities	12.00%	1.05%
Fixed Income	35.00%	1.68%
Private Real Estate	3.00%	0.24%
Cash and Cash Equivalents	0.00%	0.00%

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2018

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. 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, 2018 are summarized in the table above.

Rate of Return

For the year ended December 31, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (7.63%). 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 2018 attach as an enforceable lien on January 1, 2018, 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, 2019, and September 1, 2019. The County collects such taxes and remits them periodically. Since the 2018 levy is intended to finance the 2019 fiscal year, the levy has been recorded as receivable and deferred revenue.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2018**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund Balances

Interfund balances are advances in anticipation of receipts to cover temporary cash shortages. 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>
General	Water	\$ 369,933
General	Sewer	229,443
General	Internal Service	<u>479</u>
		<u>599,855</u>

Interfund Transfers

Interfund transfers for the year consisted of the following:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
General	Water	\$ 950,000
Water	Sewer	<u>128,583</u>
		<u>1,078,583</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2018**

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	\$ 1,836,454	-	-	1,836,454
Construction in Progress	3,940,192	1,498,206	574,390	4,864,008
	<u>5,776,646</u>	<u>1,498,206</u>	<u>574,390</u>	<u>6,700,462</u>
Depreciable Capital Assets				
Buildings	20,543,736	509,478	-	21,053,214
Improvements Other Than Buildings	58,033,458	2,699,171	-	60,732,629
Motor Equipment	8,683,569	347,919	174,947	8,856,541
Office Furniture and Equipment	945,084	-	-	945,084
Other Equipment	2,520,961	805,058	76,155	3,249,864
	<u>90,726,808</u>	<u>4,361,626</u>	<u>251,102</u>	<u>94,837,332</u>
Less Accumulated Depreciation				
Buildings	7,128,810	517,622	-	7,646,432
Improvements Other Than Buildings	32,525,094	2,605,930	-	35,131,024
Motor Equipment	5,912,955	493,710	174,947	6,231,718
Office Furniture and Equipment	719,812	66,940	-	786,752
Other Equipment	1,946,542	268,207	76,115	2,138,634
	<u>48,233,213</u>	<u>3,952,409</u>	<u>251,062</u>	<u>51,934,560</u>
Total Depreciable Capital Assets	<u>42,493,595</u>	<u>409,217</u>	<u>40</u>	<u>42,902,772</u>
Total Capital Assets	<u>48,270,241</u>	<u>1,907,423</u>	<u>574,430</u>	<u>49,603,234</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 173,951
Streets and Sanitation	3,166,465
Public Safety - Police	314,091
Public Safety - Fire	<u>297,902</u>
	<u>3,952,409</u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2018**

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	1,203,322	1,502,626	146,643	2,559,305
	<u>2,096,006</u>	<u>1,502,626</u>	<u>146,643</u>	<u>3,451,989</u>
Depreciable Capital Assets				
Buildings	13,166,851	87,921	-	13,254,772
Water System Improvements	30,293,934	1,285,974	-	31,579,908
Sewer System Improvements	81,309,907	-	-	81,309,907
Storm Water Pump Stations	2,001,674	-	-	2,001,674
Machinery, Equipment, and Vehicles	10,047,198	142,718	327,957	9,861,959
Parking Facilities/Improvements	4,948,698	-	-	4,948,698
	<u>141,768,262</u>	<u>1,516,613</u>	<u>327,957</u>	<u>142,956,918</u>
Less Accumulated Depreciation				
Buildings	6,441,278	493,121	-	6,934,399
Water System Improvements	10,889,545	999,765	-	11,889,310
Sewer System Improvements	17,563,053	37,190	-	17,600,243
Storm Water Pump Stations	1,193,666	304,304	-	1,497,970
Machinery, Equipment, and Vehicles	6,299,294	358,754	327,957	6,330,091
Parking Facilities/Improvements	2,242,495	128,838	-	2,371,333
	<u>44,629,331</u>	<u>2,321,972</u>	<u>327,957</u>	<u>46,623,346</u>
Total Depreciable Capital Assets	<u>97,138,931</u>	<u>(805,359)</u>	<u>-</u>	<u>96,333,572</u>
Total Capital Assets	<u>99,234,937</u>	<u>697,267</u>	<u>146,643</u>	<u>99,785,561</u>

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

Water	\$ 1,083,923
Sewer	1,105,040
Parking Meter	<u>133,009</u>
	<u>2,321,972</u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2018**

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 as Restated	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	\$ 2,205,000	-	2,205,000	-
\$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	22,490,000	-	385,000	22,105,000
	Sewer	1,485,000	-	760,000	725,000
	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	5,125,000	-	455,000	4,670,000
	Water	3,755,000	-	320,000	3,435,000
\$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	765,000	-	65,000	700,000
	Sewer	8,920,000	-	-	8,920,000

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2018**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Bonds – Continued

Issue	Fund Debt Retired by	Beginning Balances as Restated	Issuances	Retirements	Ending Balances
\$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.	Sewer	\$ 15,500,000	-	-	15,500,000
	Water	1,580,000	-	545,000	1,035,000
\$9,795,000 General Obligation Bonds of 2017A, due in annual installments of \$370,000 to \$1,375,000 plus interest at 2.00% to 3.00% through December 1, 2036.	Debt Service	5,065,000	-	-	5,065,000
	Sewer	1,115,000	-	400,000	715,000
	Water	3,615,000	-	855,000	2,760,000
\$3,470,000 General Obligation Refunding Bonds of 2017B, due in annual installments of \$380,000 to \$860,000 plus interest at 3.00% through December 1, 2023.	Debt Service	520,000	-	75,000	445,000
	Sewer	765,000	-	135,000	630,000
	Water	2,185,000	-	170,000	2,015,000
		76,220,000	-	6,370,000	69,850,000

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

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: The repayment schedule for the IEPA Revenue Bonds of 2017 will become available once final disbursement has been received by the Village.

Issue	Fund Debt Retired by	Beginning Balances as Restated	Issuances	Retirements	Ending Balances
IEPA Revenue Bonds of 2006, due in annual installments of \$27,847 and interest of 2.500% through September 13, 2026.	Sewer	\$ 223,188	-	22,407	200,781
IEPA Revenue Bonds of 2007, due in annual installments of \$41,495 and at 2.500% through October 21, 2027.	Sewer	364,406	-	32,587	331,819
IEPA Revenue Bonds of 2010, due in annual installments of \$8,822 and interest at 0.00% through April 7, 2030.	Sewer	110,274	-	8,822	101,452
IEPA Revenue Bonds of 2011, due in annual installments of \$42,888 and interest at 1.25% through July 18, 2031.	Sewer	549,248	-	36,134	513,114
IEPA Revenue Bonds of 2012, due in annual installments of \$47,414 and interest at 2.295% through August 5, 2032.	Sewer	598,843	-	33,864	564,979

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2018**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

IEPA Revenue Bonds – Continued

Issue	Fund Debt Retired by	Beginning Balances as Restated	Issuances	Retirements	Ending Balances
IEPA Revenue Bonds of 2013, due in semi annual installments of \$17,634 and interest at 1.93% through December 1, 2033.	Sewer	\$ 479,595	-	26,138	453,457
IEPA Revenue Bonds of 2014, due in semi annual installments of \$19,563 and interest at 1.995% through December 3, 2034.	Sewer	561,736	-	28,058	533,678
IEPA Revenue Bonds of 2016, due in semi annual installments of \$21,519 at and interest at 1.86% interest through July 19, 2036.	Sewer	686,189	-	30,415	655,774
IEPA Revenue Bonds of 2017, due in semi annual installments and interest at 1.76% interest through May 8, 2040.	Water	539,968	714,203	-	1,254,171
IEPA Revenue Bonds of 2018, due in semi annual installments of \$23,773 to \$47,546 and interest at 1.76% interest through April 4, 2038.	Sewer	-	782,649	-	782,649
		<u>4,113,447</u>	<u>1,496,852</u>	<u>218,425</u>	<u>5,391,874</u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2018**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Installment Contracts

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 loan was used to help defray the cost of the purchase of a new Emergency One Fire Pumping Apparatus to replace an approximately 25-year-old pumper. Installment contracts currently outstanding are governmental and are as follows:

<u>Issue</u>	<u>Fund Debt Retired by</u>	<u>Beginning Balances as Restated</u>	<u>Issuances</u>	<u>Retirements</u>	<u>Ending Balances</u>
\$250,000 Installment Contract of 2012 - due in annual installments of \$12,500 through November 1, 2032.	General	<u>\$ 187,500</u>	-	12,500	<u>175,000</u>

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, 2018**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

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	\$ 4,021,112	635,000	317,500	4,338,612	867,722
Net Pension Liability					
IMRF	891,292	9,152,805	-	10,044,097	-
Police Pension	20,153,289	9,071,862	-	29,225,151	-
Firefighters' Pension	25,650,317	8,257,574	-	33,907,891	-
Total OPEB Liability - RBP	3,427,792	-	48,053	3,379,739	-
General Obligation Bonds Payable	31,045,000	-	2,730,000	28,315,000	2,780,000
Installment Contracts	187,500	-	12,500	175,000	12,500
	<u>85,376,302</u>	<u>27,117,241</u>	<u>3,108,053</u>	<u>109,385,490</u>	<u>3,660,222</u>
Business-Type Activities					
Compensated Absences	236,000	67,400	33,700	269,700	53,940
Total OPEB Liability - RBP	766,766	-	10,750	756,016	-
General Obligation Bonds Payable	45,175,000	-	3,640,000	41,535,000	3,795,000
IEPA Loans Payable	4,113,447	1,496,852	218,425	5,391,874	257,349
	<u>50,291,213</u>	<u>1,564,252</u>	<u>3,902,875</u>	<u>47,952,590</u>	<u>4,106,289</u>

For governmental activities, the General Fund makes payments on the compensated absences, the net pension liabilities, the total OPEB liability, and the installment contracts. 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 Water Fund and Sewer Fund make payments on the IEPA loans payable. The Water and Sewer Funds make payments on the general obligation bonds payable.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2018**

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		Installment Contracts	
	Bonds Payable		Principal	Interest
	Principal	Interest	Principal	Interest
2019	\$ 2,780,000	895,874	12,500	-
2020	2,885,000	813,124	12,500	-
2021	2,980,000	727,226	12,500	-
2022	3,120,000	638,312	12,500	-
2023	3,315,000	545,036	12,500	-
2024	3,370,000	437,824	12,500	-
2025	3,465,000	324,349	12,500	-
2026	1,925,000	193,851	12,500	-
2027	460,000	125,025	12,500	-
2028	470,000	114,925	12,500	-
2029	400,000	103,350	12,500	-
2030	410,000	94,350	12,500	-
2031	425,000	82,050	12,500	-
2032	435,000	69,300	12,500	-
2033	450,000	56,250	-	-
2034	460,000	42,750	-	-
2035	475,000	28,950	-	-
2036	490,000	14,700	-	-
Totals	28,315,000	5,307,246	175,000	-

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2018**

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		IEPA	
	Bonds Payable		Loans Payable	
	Principal	Interest	Principal	Interest
2019	\$ 3,795,000	1,389,897	257,349	61,679
2020	3,535,000	1,294,572	261,563	60,407
2021	3,565,000	1,201,372	266,610	55,950
2022	3,275,000	1,104,322	271,765	51,395
2023	2,420,000	1,006,596	277,025	46,747
2024	1,730,000	934,498	282,396	42,000
2025	605,000	878,359	287,879	37,152
2026	600,000	860,210	293,477	32,202
2027	605,000	841,711	270,222	27,321
2028	605,000	822,550	234,521	23,146
2029	1,000,000	801,876	238,704	19,649
2030	1,050,000	768,125	238,551	16,084
2031	1,100,000	730,937	238,485	12,450
2032	1,100,000	691,437	199,891	8,879
2033	1,200,000	651,187	150,862	5,917
2034	1,250,000	606,687	123,585	3,989
2035	1,300,000	560,437	86,581	2,631
2036	1,350,000	508,063	88,154	1,837
2037	1,400,000	452,875	46,517	1,029
2038	1,500,000	394,375	23,566	207
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	41,535,000	17,552,211	4,137,703	510,671

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2018**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of December 31, 2018:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 49,603,234
Plus:	
Loss on Refunding	872,831
Unspent Bond Proceeds	501,843
Less Capital Related Debt:	
General Obligation Bonds Payable	(28,315,000)
Installment Contracts/Notes Payable	<u>(175,000)</u>
Net Investment in Capital Assets	<u><u>22,487,908</u></u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	99,785,561
Less Capital Related Debt:	
General Obligation Bonds Payable	(41,535,000)
IEPA Loans Payable	<u>(5,391,874)</u>
Net Investment in Capital Assets	<u><u>52,858,687</u></u>

NET POSITION RESTATEMENTS

Beginning net position for was restated due to the implementation of GASB Statement No. 75. In addition, governmental activities were restated due to an error in recognition of prior year net pension liability and business-type activities was restated to correct an error in recording long-term debt. The following is a summary of net position as originally reported and as restated:

Net Position	As Reported	As Restated	(Decrease)
Governmental Activities	\$ (19,504,325)	(22,915,855)	(3,411,530)
Business-Type Activities	58,737,695	57,430,961	(1,306,734)
Water	21,351,134	20,196,663	(1,154,471)
Sewer	33,001,849	32,876,012	(125,837)
Parking	4,384,712	4,358,286	(26,426)

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS

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.

Nonspendable Fund Balance. Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

Restricted Fund Balance. Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Trustees; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

Assigned Fund Balance. Consists of amounts that are constrained by the Board of Trustees' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Trustees itself or b) a body or official to which the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. The Village's highest level of decision-making authority is the Board of Trustees, who is authorized to assign amounts to a specific purpose.

Unassigned Fund Balance. Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

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, 2018. 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, 2018.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2018**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS – Continued

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

	General	Debt Service	Capital Projects	Nonmajor Motor Fuel Tax	Totals
Fund Balances					
Nonspendable					
Prepays	\$ 83,802	-	-	-	83,802
Inventories	1,543	-	-	-	1,543
IRMA Insurance Deposit	1,925,184	-	-	-	1,925,184
	<u>2,010,529</u>	-	-	-	<u>2,010,529</u>
Restricted					
Police Seizures	246,400	-	-	-	246,400
Debt Service	-	77,191	-	-	77,191
Motor Fuel Tax	-	-	-	344,059	344,059
Bond Projects	-	-	501,843	-	501,843
	<u>246,400</u>	<u>77,191</u>	<u>501,843</u>	<u>344,059</u>	<u>1,169,493</u>
Assigned					
Road Maintenance	1,264,546	-	-	-	1,264,546
Capital Projects	1,766,228	-	-	-	1,766,228
Encumbrances	317,631	-	-	-	317,631
	<u>3,348,405</u>	-	-	-	<u>3,348,405</u>
Unassigned	12,982,324	-	-	-	12,982,324
	<u>12,982,324</u>	-	-	-	<u>12,982,324</u>
Total Fund Balances	<u>18,587,658</u>	<u>77,191</u>	<u>501,843</u>	<u>344,059</u>	<u>19,510,751</u>

NOTE 4 – OTHER INFORMATION

COMMITMENTS

Tax Abatements

The Village of Wilmette established a hotel-motel occupancy tax in 2011. Concurrently, the Village entered into an economic incentive agreement with a corporation for the development of the Village's only hotel on property where no development existed. The agreement provides for the rebate of a portion of the hotel-motel taxes for ten years or up to a maximum cap of \$3.2 million. For the fiscal year ended December 31, 2018, the Village rebated a total of \$307,614 in taxes under this agreement.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2018

NOTE 4 – OTHER INFORMATION – Continued

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.

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's Benefit Cooperative (NSEBC), an agency of governmental entities created to finance and administer medical and dental care benefits to employees of its member organizations. Each municipality appoints one representative to serve on the Board of Directors. The Board determines the general policies, which includes approval of the annual budget. Members are contractually obligated to make all monthly payments and to fund any deficit upon dissolution of the pool. They will share in any surplus of the pool based on a decision by the Board. 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. The Village reports insurance activities within the Employee Insurance Fund. The Village's total payments for the year ended December 31, 2018 were \$2,515,102.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2018

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURE

Solid Waste Agency of Northern Cook County (SWANCC)

The Village is a member of the Solid Waste Agency of Northern Cook County (SWANCC) which consists of twenty-three municipalities. SWANCC is a municipal corporation and public body politic established pursuant to the Constitution Act of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended.

SWANCC is empowered to plan, construct, finance, operate, and maintain a solid waste disposal system to serve its members. SWANCC is governed by a Board of Directors which consists of one appointed representative from each member municipality. Each Director has an equal vote. The officers of SWANCC are appointed by the Board of Directors.

The Board of Directors determines the general policy of SWANCC, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of bonds or notes by SWANCC, adopts bylaws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the SWANCC agreement or the by-laws. Separate audited financial statements are available at 2700 Patriot Blvd., Suite 110, Glenview, Illinois 60026.

SWANCC's bonds are revenue obligations. They are limited obligations of SWANCC, with a claim for payment solely from and secured by a pledge of the revenues of the system, and amounts in various funds and accounts established by SWANCC resolutions. SWANCC has no power to levy taxes.

Revenues of the system consist of: (a) all receipts derived from Solid Waste Disposal Contracts or any other contracts for the disposal of waste; (b) all income derived from the investment of monies; and (c) all income, fees, service charges, and all grants, rents, and receipts derived by SWANCC from the ownership and operation of the system.

SWANCC covenants to establish fees and charges sufficient to provide revenues to meet all its requirements.

SWANCC has entered into Solid Waste Disposal Contracts with the member municipalities. The Contracts are irrevocable, and may not be terminated or amended, except as provided in the Contract. Each member is obligated, on a "take or pay" basis, to purchase or in any event to pay for a minimum annual cost of the system.

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

The payments required to be made by the Village under this Contract are required to be made solely from revenues to be derived by the Village from the operation of the Municipal Waste System Fund.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2018**

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURE – Continued

Solid Waste Agency of Northern Cook County (SWANCC) – Continued

The Village is not prohibited by the Contract from using any other funds to make the payments required by the Contract. The Contract shall not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation. In accordance with the joint venture agreement, the Village remitted \$386,121 to SWANCC for the year ended December 31, 2018, which is recorded in the Village’s General Fund.

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 issued for the Police Pension Plan and Firefighters’ Pension Plan and is available by contacting the Village. 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.

The aggregate amount of pension expense recognized for the three pension plans is:

IMRF	\$ 1,579,729
Police Pension	4,222,128
Firefighters' Pension	4,932,396
	<u>10,734,253</u>

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2018

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

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 meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

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.)

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.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2018

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Plan Membership. As of December 31, 2018, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	154
Inactive Plan Members Entitled to but not yet Receiving Benefits	73
Active Plan Members	<u>121</u>
Total	<u><u>348</u></u>

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. For the year-ended December 31, 2018, the Village's contribution was 11.60% of covered payroll.

Net Pension Liability. The Village's net pension liability was measured as of December 31, 2018. 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, 2018, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	3.75% to 14.50%
Cost of Living Adjustments	2.50%
Inflation	2.50%

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2018

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Actuarial Assumptions – Continued. For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

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 expense, 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 to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	28.00%	3.00%
Domestic Equities	37.00%	6.85%
International Equities	18.00%	6.75%
Real Estate	9.00%	5.75%
Blended	7.00%	2.65% - 7.35%
Cash and Cash Equivalents	1.00%	2.25%

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, and the prior year valuation used 7.50%. 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, 2018**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the 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	\$ 18,471,760	10,044,097	3,050,221

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2017	\$ 66,086,833	65,195,541	891,292
Changes for the Year:			
Service Cost	983,308	-	983,308
Interest on the Total Pension Liability	4,852,620	-	4,852,620
Difference Between Expected and Actual Experience of the Total Pension Liability	(138,743)	-	(138,743)
Changes of Assumptions	1,869,323	-	1,869,323
Contributions - Employer	-	1,199,518	(1,199,518)
Contributions - Employees	-	465,332	(465,332)
Net Investment Income	-	(3,780,714)	3,780,714
Benefit Payments, including Refunds of Employee Contributions	(3,753,777)	(3,753,777)	-
Other (Net Transfer)	-	529,567	(529,567)
Net Changes	3,812,731	(5,340,074)	9,152,805
Balances at December 31, 2018	69,899,564	59,855,467	10,044,097

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2018**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

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

For the year ended December 31, 2018, the Village recognized pension expense of \$1,579,729. At December 31, 2018, the Village reported deferred outflows of 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	\$ 152,616	(99,290)	53,326
Change in Assumptions	1,337,767	(917,727)	420,040
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	4,154,423	-	4,154,423
Total Deferred Amounts Related to IMRF	<u>5,644,806</u>	<u>(1,017,017)</u>	<u>4,627,789</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
2019	\$ 1,348,391
2020	792,436
2021	764,582
2022	1,722,380
2023	-
Thereafter	-
Total	<u>4,627,789</u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2018**

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, 2018, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	50
Inactive Plan Members Entitled to but not yet Receiving Benefits	1
Active Plan Members	<u>44</u>
Total	<u><u>95</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, 2018

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 or 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, 2018, the Village's contribution was 46.84% of covered payroll.

Significant Investments. At year-end, the Fund does not have any investments over 5 percent of net position restricted for benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2018**

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, 2018, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	Service Based
Cost of Living Adjustments	3.00%
Inflation	2.50%

Mortality rates are based on the PubS-2010 Employee mortality, projected 5 years past the valuation date with Scale MP-2018. 20% of active deaths are assumed to be in the line of duty.

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the same as the prior year valuation. 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, 2018**

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	\$ 39,170,434	29,225,151	21,076,784

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2017	\$ 68,093,909	47,940,620	20,153,289
Changes for the Year:			
Service Cost	1,043,688	-	1,043,688
Interest on the Total Pension Liability	4,889,924	-	4,889,924
Difference Between Expected and Actual Experience of the Total Pension Liability	744,635	-	744,635
Changes of Assumptions	1,653,451	-	1,653,451
Contributions - Employer	-	2,127,000	(2,127,000)
Contributions - Employees	-	456,418	(456,418)
Net Investment Income	-	(3,311,013)	3,311,013
Benefit Payments, including Refunds of Employee Contributions	(3,381,115)	(3,381,115)	-
Administrative Expense	-	(12,569)	12,569
Net Changes	4,950,583	(4,121,279)	9,071,862
Balances at December 31, 2018	73,044,492	43,819,341	29,225,151

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2018**

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, 2018, the Village recognized pension expense of \$4,222,128. At December 31, 2018, the Village reported deferred outflows of 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	\$ 701,122	(181,310)	519,812
Change in Assumptions	1,376,972	-	1,376,972
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	4,484,446	-	4,484,446
Total Deferred Amounts Related to Police Pension	<u>6,562,540</u>	<u>(181,310)</u>	<u>6,381,230</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
2019	\$ 2,025,762
2020	1,186,093
2021	1,340,064
2022	1,829,311
2023	-
Thereafter	<u>-</u>
Total	<u>6,381,230</u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2018**

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, 2018, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	59
Inactive Plan Members Entitled to but not yet Receiving Benefits	1
Active Plan Members	<u>44</u>
Total	<u><u>104</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, 2018

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 firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions. Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with 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, 2018, the Village's contribution was 59.89% of covered payroll.

Significant Investments. At year-end, the Fund does not have any investments over 5 percent of net position restricted for benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2018

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, 2018, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	Service Base
Cost of Living Adjustments	3.00%
Inflation	2.50%

Mortality rates are based on the PubS-2010 Employee mortality, projected 5 years past the valuation date with Scale MP-2018. 20% of active deaths are assumed to be in the line of duty.

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. 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, 2018**

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	\$ 44,215,677	33,907,891	25,469,282

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2017	\$ 73,481,997	47,831,680	25,650,317
Changes for the Year:			
Service Cost	1,246,034	-	1,246,034
Interest on the Total Pension Liability	5,271,850	-	5,271,850
Difference Between Expected and Actual Experience of the Total Pension Liability	(871,854)	-	(871,854)
Changes of Assumptions	2,309,222	-	2,309,222
Contributions - Employer	-	2,750,000	(2,750,000)
Contributions - Employees	-	427,374	(427,374)
Net Investment Income	-	(3,466,296)	3,466,296
Benefit Payments, including Refunds of Employee Contributions	(4,023,616)	(4,023,616)	-
Administrative Expense	-	(13,400)	13,400
Net Changes	3,931,636	(4,325,938)	8,257,574
Balances at December 31, 2018	77,413,633	43,505,742	33,907,891

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2018**

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, 2018, the Village recognized pension expense of \$4,932,396. At December 31, 2018, the Village reported deferred outflows of 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	\$ 416,512	(1,307,597)	(891,085)
Change in Assumptions	1,989,026	-	1,989,026
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	4,557,140	-	4,557,140
Total Deferred Amounts Related to Firefighters' Pension	<u>6,962,678</u>	<u>(1,307,597)</u>	<u>5,655,081</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
2019	\$ 1,890,384
2020	774,691
2021	1,132,245
2022	1,618,200
2023	239,561
Thereafter	<u>-</u>
Total	<u>5,655,081</u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2018**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan Description. The Village’s defined benefit OPEB plan, Village of Wilmette Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the Village. RBP is a single-employer defined benefit OPEB plan administered by the Village. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Village Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided. RBP provides a retired employee and his or her spouse and eligible dependents are eligible to continue health insurance identical to active employees if they meet the eligibility for retirement under the applicable retirement plan. The retiree is responsible for paying the entire monthly premium for health coverage and that of any covered spouse or eligible dependents. At age 65, Medicare becomes primary.

Plan Membership. As of December 31, 2018, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	31
Inactive Plan Members Entitled to but not yet Receiving Benefits	-
Active Plan Members	<u>194</u>
Total	<u><u>225</u></u>

Total OPEB Liability

The Village’s total OPEB liability was measured as of December 31, 2018, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2018

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Total OPEB Liability – Continued

Inflation	2.50%
Salary Increases	Varies by Service
Discount Rate	4.10%
Healthcare Cost Trend Rates	Initial rate of 8.00% in fiscal 2019, grading down to the ultimate trend rate of 4.00% in fiscal year 2073
Retirees' Share of Benefit-Related Costs	100% of the active premium rate

The discount rate was based on the week closest but not later than the measurement date of the Bond Buyer 20-Bond Index as published by the Federal Reserve. The 20-Bond Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA.

Mortality rates were based on PubS-2010 Employee mortality, projected 5 years past the valuation date with Scale MP-2018.

Change in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at December 31, 2017	<u>\$ 4,194,557</u>
Changes for the Year:	
Service Cost	187,043
Interest on the Total Pension Liability	148,224
Changes of Benefit Terms	
Difference Between Expected and Actual Experience	
Changes of Assumptions or Other Inputs	(247,329)
Benefit Payments	<u>(146,740)</u>
Net Changes	<u>(58,802)</u>
Balance at December 31, 2018	<u><u>4,135,755</u></u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2018**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability, calculated using a Single Discount Rate of 4.10%, as well as what the total OPEB liability would be if it were calculated using a Single Discount Rate that is one percentage point lower or one percentage point higher:

	1% Decrease (3.10%)	Current Discount Rate (4.10%)	1% Increase (5.10%)
Total OPEB Liability	\$ 4,517,106	4,135,755	3,791,718

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, calculated using a Healthcare Trend Rate of 8.50%, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

	(7.50% Decreasing to 3.00%)	Healthcare Cost Trend Rates (8.50% Decreasing to 4.00%)	(9.50% Decreasing to 5.00%)
Total OPEB Liability	\$ 3,723,172	4,135,755	4,616,235

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2018**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2018, the Village recognized OPEB expense of \$311,786. At December 31, 2018, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ -	-	-
Change in Assumptions	-	(219,848)	(219,848)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	-	-
Total Deferred Amounts Related to OPEB	-	(219,848)	(219,848)

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

Fiscal Year	Net Deferred (Inflows) of Resources
2019	\$ (27,481)
2020	(27,481)
2021	(27,481)
2022	(27,481)
2023	(27,481)
Thereafter	(82,443)
Total	(219,848)

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

- Schedule of Changes in the Employer's Total OPEB Liability
 - Retiree Benefits Plan

- 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, 2018

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 1,072,680	\$ 1,072,680	\$ -	\$ 9,335,774	11.49%
2016	1,137,869	1,137,869	-	9,498,079	11.98%
2017	1,128,188	1,131,369	3,181	9,948,746	11.37%
2018	1,199,518	1,199,518	-	10,340,678	11.60%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	25 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.75%
Salary Increases	3.75% - 14.50%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP-2014 (base year 2012)

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF WILMETTE, ILLINOIS

Police Pension Fund

Required Supplementary Information

Schedule of Employer Contributions

December 31, 2018

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered 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%
2016	1,890,902	1,891,000	98	4,539,433	41.66%
2017	2,022,056	2,023,000	944	4,363,788	46.36%
2018	2,062,486	2,127,000	64,514	4,540,859	46.84%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	23 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	PubS-2010 Employee mortality, projected 5 years past the valuation date with Scale MP-2018. 20% of active deaths are assumed to be in the line of duty.

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF WILMETTE, ILLINOIS

Firefighters' Pension Fund

**Required Supplementary Information
Schedule of Employer Contributions
December 31, 2018**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered 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%
2016	2,421,031	2,422,000	969	4,481,012	54.05%
2017	2,608,114	2,609,000	886	4,296,430	60.72%
2018	2,633,068	2,750,000	116,932	4,591,448	59.89%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	23 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	PubS-2010 Employee mortality, projected 5 years past the valuation date with Scale MP-2018. 20% of active deaths are assumed to be in the line of duty.

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF WILMETTE, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information

Schedule of Changes in the Employer's Net Pension Liability

December 31, 2018

	<u>2015</u>
Total Pension Liability	
Service Cost	\$ 1,001,981
Interest	4,446,817
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	<u>(2,999,904)</u>
Other (Net Transfer)	<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 Payroll	\$ 9,335,774
Employer's Net Pension Liability as a Percentage of Covered Payroll	78.24%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

2016	2017	2018
1,005,179	995,922	983,308
4,621,314	4,832,242	4,852,620
540,685	170,440	(138,743)
(149,306)	(2,101,568)	1,869,323
(3,246,994)	(3,484,262)	(3,753,777)
2,770,878	412,774	3,812,731
62,903,181	65,674,059	66,086,833
65,674,059	66,086,833	69,899,564
1,137,869	1,131,369	1,199,518
459,710	462,750	465,332
3,828,013	10,300,349	(3,780,714)
(3,246,994)	(3,484,262)	(3,753,777)
393,842	(1,386,107)	529,567
2,572,440	7,024,099	(5,340,074)
55,599,002	58,171,442	65,195,541
58,171,442	65,195,541	59,855,467
7,502,617	891,292	10,044,097
88.58%	98.65%	85.63%
9,498,079	9,948,746	10,340,678
78.99%	8.96%	97.13%

VILLAGE OF WILMETTE, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
December 31, 2018**

	<u>2014</u>
Total Pension Liability	
Service Cost	\$ 1,028,254
Interest	4,128,751
Differences Between Expected and Actual Experience	(165,348)
Change in Assumptions	-
Benefit Payments, Including Refunds of Member Contributions	<u>(2,577,760)</u>
 Net Change in Total Pension Liability	 2,413,897
Total Pension Liability - Beginning	<u>57,208,911</u>
 Total Pension Liability - Ending	 <u><u>59,622,808</u></u>
 Plan Fiduciary Net Position	
Contributions - Employer	\$ 1,800,000
Contributions - Members	423,565
Net Investment Income	1,985,708
Benefit Payments, Including Refunds of Member Contributions	(2,577,761)
Administrative Expense	<u>(24,963)</u>
 Net Change in Plan Fiduciary Net Position	 1,606,549
Plan Net Position - Beginning	<u>39,794,407</u>
 Plan Net Position - Ending	 <u><u>41,400,956</u></u>
 Employers Net Pension Liability	 <u><u>\$ 18,221,852</u></u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 69.44%
 Covered Payroll	 \$ 4,263,576
 Employer's Net Pension Liability as a Percentage of Covered Payroll	 427.38%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

2015	2016	2017	2018
1,076,377	1,100,542	1,151,491	1,043,688
4,304,465	4,529,260	4,697,824	4,889,912
115,649	(453,275)	137,129	744,635
271,061	-	-	1,653,451
(2,654,506)	(2,727,692)	(3,077,212)	(3,381,115)
3,113,046	2,448,835	2,909,232	4,950,571
59,622,808	62,735,854	65,184,689	68,093,921
62,735,854	65,184,689	68,093,921	73,044,492
1,763,100	1,891,000	2,023,000	2,127,000
439,929	449,131	445,506	456,418
(827,422)	3,231,460	5,670,917	(3,311,013)
(2,654,506)	(2,727,692)	(3,077,212)	(3,381,115)
(27,269)	(34,484)	(25,794)	(12,569)
(1,306,168)	2,809,415	5,036,417	(4,121,279)
41,400,956	40,094,788	42,904,203	47,940,620
40,094,788	42,904,203	47,940,620	43,819,341
22,641,066	22,280,486	20,153,301	29,225,151
63.91%	65.82%	70.40%	59.99%
4,385,426	4,539,433	4,363,788	4,540,859
516.28%	490.82%	461.83%	643.60%

VILLAGE OF WILMETTE, ILLINOIS

Firefighters' Pension Fund

**Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
December 31, 2018**

	<u>2014</u>
Total Pension Liability	
Service Cost	\$ 1,353,552
Interest	4,447,479
Differences Between Expected and Actual Experience	915,150
Change in Assumptions	-
Benefit Payments, Including Refunds of Member Contributions	<u>(3,143,670)</u>
Net Change in Total Pension Liability	3,572,511
Total Pension Liability - Beginning	<u>61,562,822</u>
Total Pension Liability - Ending	<u><u>65,135,333</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 2,200,000
Contributions - Members	404,901
Net Investment Income	2,008,758
Benefit Payments, Including Refunds of Member Contributions	(3,143,670)
Administrative Expense	<u>(67,965)</u>
Net Change in Plan Fiduciary Net Position	1,402,024
Plan Net Position - Beginning	<u>40,559,964</u>
Plan Net Position - Ending	<u><u>41,961,988</u></u>
Employers Net Pension Liability	<u><u>\$ 23,173,345</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	64.42%
Covered Payroll	\$ 4,333,254
Employer's Net Pension Liability as a Percentage of Covered Payroll	534.78%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

2015	2016	2017	2018
1,354,485	1,180,425	1,266,392	1,246,034
4,701,473	5,001,380	5,081,130	5,271,850
1,365,723	(1,452,630)	239,018	(871,854)
323,382	-	-	2,309,222
(3,283,837)	(3,584,863)	(3,845,414)	(4,023,616)
4,461,226	1,144,312	2,741,126	3,931,636
65,135,333	69,596,559	70,740,871	73,481,997
69,596,559	70,740,871	73,481,997	77,413,633
2,296,000	2,422,000	2,609,000	2,750,000
427,887	429,767	427,546	427,374
(869,293)	3,240,709	5,749,816	(3,466,296)
(3,283,837)	(3,584,863)	(3,845,414)	(4,023,616)
(51,846)	(76,697)	(21,083)	(13,400)
(1,481,089)	2,430,916	4,919,865	(4,325,938)
41,961,988	40,480,899	42,911,815	47,831,680
40,480,899	42,911,815	47,831,680	43,505,742
29,115,660	27,829,056	25,650,317	33,907,891
58.17%	60.66%	65.09%	56.20%
4,464,767	4,481,012	4,296,430	459,148
652.12%	621.04%	597.01%	7384.96%

VILLAGE OF WILMETTE, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Investment Returns
December 31, 2018**

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2014	5.01%
2015	(2.00%)
2016	8.24%
2017	7.72%
2018	(7.47%)

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF WILMETTE, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information

Schedule of Investment Returns

December 31, 2018

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2014	4.99%
2015	(2.09%)
2016	8.23%
2017	7.71%
2018	(7.63%)

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF WILMETTE, ILLINOIS

Retiree Benefits Plan

Required Supplementary Information

Schedule of Changes in the Employer's Total OPEB Liability

December 31, 2018

	<u>2018</u>
Total OPEB Liability	
Service Cost	\$ 187,043
Interest	148,224
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	-
Change of Assumptions or Other Inputs	(247,329)
Benefit Payments	<u>(146,740)</u>
Net Change in Total OPEB Liability	(58,802)
Total OPEB Liability - Beginning	<u>4,194,557</u>
Total OPEB Liability - Ending	<u><u>4,135,755</u></u>
Covered Payroll	\$ 18,039,186
Total OPEB Liability as a Percentage of Covered Payroll	22.93%

Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

Changes of Benefit Terms. There was no change in the retirees' share of health insurance premiums.

Changes of Assumptions. Changes of assumptions and other inputs reflect the effects of changes in the trend rate each period. The following are the trend rates used in each period:

<u>Fiscal Year</u>	<u>Medical</u>
2019	8.00%
2020	7.75%
2021	7.25%
2022	7.00%
2023	6.75%
2024	6.25%
2025	6.00%
2026	5.75%
2027	5.50%
Ultimate	4.00%

In 2018, there was no change in the healthcare trend rates from the prior year.

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, 2018

	Original Budget	Final Budget	Actual
Revenues			
Taxes	\$ 16,057,200	16,057,200	21,226,867
Licenses, Permits and Fees	3,943,500	3,943,500	5,090,864
Intergovernmental	6,900,410	6,900,410	6,680,758
Charges for Services	3,330,200	3,330,200	3,281,434
Fines and Forfeitures	298,700	298,700	300,460
Investment Earnings	10,000	10,000	922,249
Miscellaneous	1,246,300	1,246,300	1,265,230
Total Revenues	<u>31,786,310</u>	<u>31,786,310</u>	<u>38,767,862</u>
Expenditures			
General Government	3,916,085	3,916,085	3,934,554
Public Safety	16,112,890	16,112,890	20,688,317
Streets and Sanitation	6,159,020	6,159,020	6,031,721
Other Public Works	4,762,925	4,762,925	3,781,568
Public Health	45,000	45,000	45,000
Community Development	1,858,825	1,858,825	1,875,595
Capital Outlay	908,000	908,000	971,282
Debt Service			
Principal Retirement	12,500	12,500	12,500
Total Expenditures	<u>33,775,245</u>	<u>33,775,245</u>	<u>37,340,537</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,988,935)</u>	<u>(1,988,935)</u>	<u>1,427,325</u>
Other Financing Sources (Uses)			
Transfers In	1,000,000	1,000,000	950,000
Transfers Out	(50,000)	(50,000)	-
	<u>950,000</u>	<u>950,000</u>	<u>950,000</u>
Net Change in Fund Balance	<u>(1,038,935)</u>	<u>(1,038,935)</u>	<u>2,377,325</u>
Fund Balance - Beginning			<u>16,210,333</u>
Fund Balance - Ending			<u><u>18,587,658</u></u>

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 Fund
- Budgetary Comparison Schedules – Major Enterprise Funds
- Budgetary Comparison Schedules – Nonmajor Enterprise Fund
- 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 is used to account for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

Special Revenue Funds are used 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

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

CAPITAL PROJECTS FUND

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

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.

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.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

ENTERPRISE FUNDS – Continued

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.

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.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

INTERNAL SERVICE FUNDS – Continued

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, 2018**

	Original Budget	Final Budget	Actual
Taxes			
Property Taxes	\$ 9,286,500	9,286,500	14,170,973
Municipal Sales Tax - Home Rule	2,105,000	2,105,000	1,971,959
Utility Tax	2,135,000	2,135,000	2,131,007
Wireless 911 Tax	394,000	394,000	606,799
E-911 Surcharge		-	-
Real Estate Transfer Tax	1,245,000	1,245,000	1,418,805
Personal Property Replacement Tax	197,800	197,800	239,834
Fuel Use Tax	300,000	300,000	287,472
Hotel Tax	393,900	393,900	400,018
Total Taxes	16,057,200	16,057,200	21,226,867
Licenses, Permits and Fees			
Licenses			
Vehicle	1,475,400	1,475,400	1,566,714
Animal	1,500	1,500	1,265
Business	88,000	88,000	90,115
Contractor	156,000	156,000	154,880
Liquor Licenses	84,000	84,000	91,090
Permits			
Building	1,205,000	1,205,000	2,120,975
Roof	11,000	11,000	16,855
Demolition	158,000	158,000	163,092
Electric	90,000	90,000	100,766
Plumbing	46,400	46,400	59,691
Right-of Way	19,600	19,600	19,716
Grading	73,400	73,400	76,305
Other	39,100	39,100	49,674
Fees			
Inspections	302,400	302,400	300,344
Pavement Degradation Fee	80,000	80,000	128,514
Plan Review	80,000	80,000	99,776
Filing	23,700	23,700	19,577
Permit Penalties	10,000	10,000	31,515
Total Licenses, Permits, and Fees	3,943,500	3,943,500	5,090,864

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2018**

	Original Budget	Final Budget	Actual
Intergovernmental			
Municipal Sales Tax	\$ 3,804,000	3,804,000	3,647,752
State Income Tax	2,218,200	2,218,200	2,594,015
Police Grants	20,000	20,000	19,866
Fire Grants	20,000	20,000	12,991
State Grant - Locust Rd. Improvements	103,500	103,500	137,191
Federal Grant - Central Ave. Improvements	362,000	362,000	-
State Grant - Skokie/Lake Improvements	70,000	70,000	-
State Grant - Skokie / Hibbard Improvements	52,710	52,710	267,068
Miscellaneous Grant Revenue	250,000	250,000	1,875
Total Intergovernmental	6,900,410	6,900,410	6,680,758
Charges for Services			
Refuse Collection Charges	2,490,800	2,490,800	2,483,389
Sales of Yard Waste Bags	90,000	90,000	82,454
Ambulance Transport Charges	450,000	450,000	495,502
Burglar Alarms	20,000	20,000	23,975
Fire Alarms	2,000	2,000	-
Damage to Village Property	36,000	36,000	44,105
Traffic and Parking Study Reimbursement	-	-	19,846
Professional Service Reimbursements	80,000	80,000	-
School & Park District Ethernet Reimbursements	6,600	6,600	6,617
French Market Services	2,200	2,200	2,900
Park District Personnel Reimbursements	40,000	40,000	30,498
Other Police Service Charges	500	500	-
Elevator Inspections	16,100	16,100	13,033
Shore Line Place Services	24,000	24,000	25,417
Fairfield Court Services	72,000	72,000	52,348
Health Department Charges	-	-	1,350
Total Charges for Services	3,330,200	3,330,200	3,281,434

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2018**

	Original Budget	Final Budget	Actual
Fines and Forfeitures			
Court Fines	\$ 35,000	35,000	37,466
Adjudication Collections	10,000	10,000	12,177
Vehicle License and Parking	250,000	250,000	248,846
Animal and Impounding Fees	3,700	3,700	1,971
Total Fines and Forfeitures	<u>298,700</u>	<u>298,700</u>	<u>300,460</u>
Investment Earnings			
Interest	10,000	10,000	429,811
I.R.M.A. Excess Surplus Investment Earnings	-	-	492,438
Total Investment Earnings	<u>10,000</u>	<u>10,000</u>	<u>922,249</u>
Miscellaneous			
Rental Income			
Wilmette Park District	55,000	55,000	56,760
Depot Nuevo	48,800	48,800	48,887
3545 Lake Avenue	2,400	2,400	2,400
Cellular Antennae Leases	358,000	358,000	369,600
Cable TV Franchise Fees	565,000	565,000	546,574
Cable PEG Fees	42,500	42,500	39,976
Commercial Waste Collection Franchise Fees	86,900	86,900	90,039
Sale of General Capital Assets	20,000	20,000	20,026
Contribution from Wilmette Historical Society	26,700	26,700	35,967
Insurance Reimbursements	-	-	26,128
Other	21,000	21,000	23,603
Police Seizures	20,000	20,000	-
Donations	-	-	5,270
Total Miscellaneous	<u>1,246,300</u>	<u>1,246,300</u>	<u>1,265,230</u>
Total Revenues	<u>31,786,310</u>	<u>31,786,310</u>	<u>38,767,862</u>

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended December 31, 2018

	Original Budget	Final Budget	Actual
General Government			
Legislative			
Memberships	\$ 19,000	19,000	18,656
Annual Audit	10,700	10,700	7,800
Incidentals	2,000	2,000	1,168
Total Legislative	<u>31,700</u>	<u>31,700</u>	<u>27,624</u>
General Administration			
Salaries - Regular	459,575	459,575	459,806
Employee Benefits	144,820	144,820	140,740
Memberships	5,555	5,555	6,060
Professional Services	15,070	15,070	45,068
Community Notification System	4,500	4,500	3,981
Lease/Purchase - Copier	8,650	8,650	10,766
Pre-employment Exams	4,800	4,800	6,567
Office Supplies	3,000	3,000	1,870
Incidentals	1,500	1,500	1,227
Training	10,450	10,450	15,354
Personnel Training	500	500	-
Employee Recognition Program	7,800	7,800	10,967
Newsletters	16,500	16,500	16,483
Publishing Legal Notices	2,000	2,000	239
Classified Advertisements	4,200	4,200	1,650
Total General Administration	<u>688,920</u>	<u>688,920</u>	<u>720,778</u>
Administrative Services			
Salaries - Regular	287,850	287,850	287,853
Employee Benefits	102,255	102,255	97,692
Memberships	300	300	300
Professional Services	5,150	5,150	923
Geographic Information System	48,700	48,700	47,071
Administrative Adjudication	7,600	7,600	1,906
Contractual Hardware Support	10,400	10,400	3,523
Contractual Software Support	155,005	155,005	166,128
PC Software Subscription	40,910	40,910	40,903

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2018

	Original Budget	Final Budget	Actual
General Government - Continued			
Administrative Services - Continued			
Contractual Internet Expenditures	\$ 5,900	5,900	7,515
Telephone Service - Cellular	-	-	291
Computer Communications	42,900	42,900	40,885
Computer Parts	16,500	16,500	17,185
Computer Software	2,000	2,000	2,500
Office Supplies	500	500	62
Automotive	2,060	2,060	2,120
Incidentals	200	200	37
Training	7,880	7,880	10,089
Motor Equipment - Car Laptops	12,000	12,000	13,696
Office Furniture and Equipment	28,100	28,100	24,907
Total Administrative Services	<u>776,210</u>	<u>776,210</u>	<u>765,586</u>
Finance Department			
Salaries - Regular	790,600	790,600	752,968
Employee Benefits	261,460	261,460	261,751
Memberships	2,100	2,100	1,110
Professional Services	32,200	32,200	28,476
Lease/Purchase - Copier	18,100	18,100	18,998
Bank Charges	108,400	108,400	101,514
Postage - General Office	35,000	35,000	29,699
Contractual Services	18,500	18,500	17,983
Maintenance of Office Equipment	2,000	2,000	1,920
Telephone - Office Service	28,000	28,000	28,252
Telephone - Maintenance	5,500	5,500	8,899
Telephone - Cellular Service	30,000	30,000	28,057
Telephone - Long Distance	100	100	(107)
Office Supplies	19,000	19,000	8,377
Supplies Other than Office	11,000	11,000	5,097
Incidentals	400	400	388
Training	3,500	3,500	2,775
Publishing Legal Notices	1,000	1,000	1,060
Total Finance Department	<u>1,366,860</u>	<u>1,366,860</u>	<u>1,297,217</u>

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2018

	Original Budget	Final Budget	Actual
General Government - Continued			
Law Department			
Salaries - Regular	\$ 176,825	176,825	176,824
Employee Benefits	34,880	34,880	35,422
Memberships	2,325	2,325	2,758
Code Revision service	12,000	12,000	12,731
Special Attorney Fees	74,000	74,000	150,378
On-Line Legal Research Service	950	950	38
Contractual Corporation Counsel Services	-	-	1,177
Supplies - Legal	1,500	1,500	1,379
Incidentals	150	150	41
Training	2,010	2,010	2,156
Litigation Costs	5,000	5,000	30,907
Total Law Department	309,640	309,640	413,811
Boards and Commissions			
Incidentals	500	500	-
Housing Commission	3,000	3,000	909
Historic Preservation Commission	1,200	1,200	170
Human Relations Commission	1,750	1,750	335
Bicycle Task Force	2,000	2,000	-
Total Boards and Commissions	8,450	8,450	1,414
Historical Museum			
Salaries - Regular	132,275	132,275	140,300
Employee Benefits	28,650	28,650	28,436
Total Historical Museum	160,925	160,925	168,736
Cable Programming Services			
Salaries - Regular	94,200	94,200	91,978
Employee Benefits	37,135	37,135	35,957
Memberships	195	195	195
Contractual Website Services	4,000	4,000	5,002
Maintenance - Office Equipment	4,000	4,000	6,437
Hi-Speed Ethernet Service	5,500	5,500	18,882
Supplies - Office	250	250	-

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2018

	Original Budget	Final Budget	Actual
General Government - Continued			
Cable Programming Services - Continued			
Supplies - Video	\$ 2,000	2,000	1,821
Incidentals	300	300	-
Training	600	600	-
Office Space Rent	13,200	13,200	12,645
Office Furniture and Equipment	7,000	7,000	3,100
Total Cable Programming Services	<u>168,380</u>	<u>168,380</u>	<u>176,017</u>
Insurance			
General Liability and Property Insurance			
Fixed Premiums	125,000	125,000	101,759
Village Use of Excess IRMA Surplus Reserve			187,221
Deductible Payments	30,000	30,000	23,705
Total Insurance	<u>155,000</u>	<u>155,000</u>	<u>312,685</u>
Contingencies			
Regular	250,000	250,000	28,600
Total General Government	3,916,085	3,916,085	3,912,468
NonGAAP Activity			
Plus Prior Year Encumbrances	-	-	22,086
Total General Government	<u>3,916,085</u>	<u>3,916,085</u>	<u>3,934,554</u>
Public Safety			
Fire and Police Commission			
Salaries - Regular	52,700	52,700	52,900
Employee Benefits	18,920	18,920	15,982
Professional Services	17,500	17,500	15,794
Total Fire and Police Commission	<u>89,120</u>	<u>89,120</u>	<u>84,676</u>
Police			
General Operations			
Salaries - Regular	\$ 4,924,225	4,924,225	4,779,840
Salaries - Overtime	300,000	300,000	350,370

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2018

	Original Budget	Final Budget	Actual
Public Safety - Continued			
Police - Continued			
General Operations - Continued			
Employee Benefits	1,009,670	1,009,670	920,693
Employer Pension Contribution	-	-	2,127,000
Memberships	1,575	1,575	1,035
Professional Services	-	-	60
Physical Exams	15,000	15,000	11,827
Contractual Animal Observation	18,000	18,000	12,780
Maintenance - Equipment	36,250	36,250	29,001
Maintenance - Radios	42,700	42,700	12,070
Telephone Services - Cellular	-	-	492
Uniforms	44,660	44,660	47,803
Range Supplies	9,000	9,000	8,824
Supplies other than Office	14,050	14,050	10,655
Community Relations Materials	2,000	2,000	1,993
Automotive	211,085	211,085	216,060
Incidentals	7,000	7,000	6,021
Training	51,800	51,800	43,983
Police Seizure Expenditures	20,000	20,000	39,032
Crime Lab Contributions	41,100	41,100	39,113
NIPAS Contribution	6,300	6,300	6,205
Major Crimes Task Force	4,300	4,300	4,100
NIPSTA Contribution	8,140	8,140	7,304
C.E.R.F. Contribution	119,700	119,700	-
Police Incar Video	18,000	18,000	17,854
Total General Operations	6,904,555	6,904,555	8,694,115
General Services			
Salaries - Regular	559,900	559,900	541,293
Salaries - Overtime	300	300	-
Employee Benefits	192,915	192,915	208,772
Memberships	500	500	452
Professional Services	15,000	15,000	16,509
Lease/Purchase - Copier	6,100	6,100	6,682
Maintenance - Office Equipment	500	500	720

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2018

	Original Budget	Final Budget	Actual
Public Safety - Continued			
Police - Continued			
General Services - Continued			
Reaccreditation Fees	\$ 7,000	7,000	6,786
L.E.A.D.S./P.I.M.S. Program	3,000	3,000	1,500
Professional Services - Police Grant Work	1,500	1,500	-
Towing - Contractual	800	800	335
Computer Communications	3,000	3,000	-
Uniforms	300	300	284
Office Supplies	8,000	8,000	7,542
Supplies Other than Office	2,000	2,000	571
Incidentals	300	300	300
Training	1,200	1,200	705
Care of Prisoners	1,500	1,500	1,013
Total General Services	<u>803,815</u>	<u>803,815</u>	<u>793,464</u>
Public Safety Communications			
Salaries - Regular	753,475	753,475	695,165
Salaries - Overtime	64,000	64,000	88,202
Employee Benefits	278,650	278,650	271,888
Memberships	185	185	259
Professional Services	600	600	-
Contractual Regional Fire Dispatch	251,300	251,300	241,968
Contractual Software Support - C.A.D.	71,000	71,000	70,040
Software - 911 System	37,020	37,020	6,964
Maintenance - Office Equipment	5,600	5,600	5,580
Maintenance - E-911 System	-	-	23,386
Maintenance - NORCOM Network	77,250	77,250	55,836
IWIN Program	9,000	9,000	7,183
Computer Communications	11,340	11,340	5,193
Uniforms	4,000	4,000	2,352
Incidentals	200	200	-
Training	2,300	2,300	1,938
Telephone Services - Cellular	-	-	602
Total Public Safety Communications	<u>1,565,920</u>	<u>1,565,920</u>	<u>1,476,556</u>

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2018

	Original Budget	Final Budget	Actual
Public Safety - Continued			
Police - Continued			
School Crossing Protection			
Salaries - Regular	\$ 247,900	247,900	242,228
Employee Benefits	22,755	22,755	22,098
Uniforms	1,000	1,000	277
Supplies Other than Office	500	500	1,535
Total School Crossing Protection	<u>272,155</u>	<u>272,155</u>	<u>266,138</u>
Total Police	<u>9,546,445</u>	<u>9,546,445</u>	<u>11,230,273</u>
Emergency Fire and Medical Services			
Salaries - Regular	4,709,625	4,709,625	4,605,645
Salaries - Overtime	312,750	312,750	417,555
Salaries - Off-Duty Response	10,000	10,000	17,135
Employee Benefits	1,030,220	1,030,220	1,027,638
Employer Pension Contribution	-	-	2,750,000
Memberships	3,720	3,720	3,023
Lease/Purchase - Copier	5,000	5,000	4,745
Physical Exams	18,425	18,425	16,240
Maintenance - Equipment	5,950	5,950	1,880
Maintenance - Radios	4,350	4,350	4,313
Maintenance - Breathing Equipment	4,500	4,500	6,543
Maintenance - Telemetry Equipment	750	750	615
Maintenance - Special Rescue Equipment	8,500	8,500	8,865
Reaccreditation Fees	2,550	2,550	1,230
Telephone Services - Cellular	-	-	2,511
Computer Communications	23,750	23,750	21,911
Uniforms	24,750	24,750	20,591
Protective Clothing	32,300	32,300	28,990
Supplies - Fire Hose	9,500	9,500	9,553
Supplies - Medical	17,385	17,385	16,557
Supplies - Emergency Equipment	4,900	4,900	8,568
Supplies - Office	2,000	2,000	1,099
Supplies - Other than Office	8,400	8,400	5,227
Materials - Public Education Programming	4,000	4,000	3,011

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2018

	Original Budget	Final Budget	Actual
Public Safety - Continued			
Emergency Fire and Medical Services - Continued			
Automotive	\$ 285,100	285,100	291,810
Incidentals	1,000	1,000	1,191
Training	53,200	53,200	27,103
NIPSTA Contribution	8,325	8,325	7,304
MABAS Contribution	5,500	5,500	5,365
C.E.R.F. Contribution	131,250	131,250	-
Rent - Commonwealth Edison	575	575	575
Fire Stations Alerting Equipment	-	-	56,575
Total Emergency Fire and Medical Services	<u>6,728,275</u>	<u>6,728,275</u>	<u>9,373,368</u>
 Total Public Safety	 16,363,840	 16,363,840	 20,688,317
 NonGAAP Activity			
Less C.E.R.F. Contributions	(250,950)	(250,950)	-
 Total Public Safety	 <u>16,112,890</u>	 <u>16,112,890</u>	 <u>20,688,317</u>
 Streets and Sanitation			
Streets Department			
Salaries - Regular	1,020,950	1,020,950	1,041,206
Salaries - Overtime	89,550	89,550	87,374
Employee Benefits	368,890	368,890	371,834
Memberships	1,760	1,760	2,414
G.P.S. Fleet Management	5,200	5,200	6,280
Lease/Purchase - Copier	5,000	5,000	5,954
Contractual Services	43,100	43,100	47,344
Contractual Snow Removal	73,110	73,110	74,894
J.U.L.I.E. Expenditures	11,830	11,830	11,708
Landscaping and Maintenance of PRW	34,000	34,000	31,163
Reaccreditation Fees	5,500	5,500	-
Lease Leaf Packers	-	-	4,800
Leaf Disposal	120,150	120,150	-
Telephone Services - Cellular	-	-	659
Uniforms	6,800	6,800	6,850

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2018

	Original Budget	Final Budget	Actual
Streets and Sanitation - Continued			
Streets Department - Continued			
Supplies - Miscellaneous Tools and Equipment \$	5,500	5,500	5,762
Supplies - Office	3,000	3,000	2,897
Supplies - Other than Office	1,000	1,000	546
Materials - Traffic Signs	16,400	16,400	15,288
Materials - Salt	79,230	79,230	107,288
Materials - Street Repair and Landscaping	40,000	40,000	52,443
Materials - Leaf Pans	5,250	5,250	-
Automotive	534,570	534,570	547,093
Incidentals	1,200	1,200	897
Training	8,300	8,300	6,606
NIPSTA Contribution	1,500	1,500	1,500
C.E.R.F. Contribution	152,250	152,250	-
Snow Plows	12,500	12,500	10,162
Anti-Icing Equipment	25,000	25,000	22,475
Salt Brine Equipment	-	-	75,882
Total Streets Department	2,671,540	2,671,540	2,541,319
Refuse Collection and Disposal			
Contractual Refuse Collection	1,008,180	1,008,180	1,005,113
Recycling Collection	778,865	778,865	803,749
Landfill Tipping Fees	393,245	393,245	389,289
Contractual Yard Waste Collection	211,130	211,130	184,710
Yard Waste Supplies	2,550	2,550	960
Promotional and Educational	600	600	-
Total Refuse Collection and Disposal	2,394,570	2,394,570	2,383,821
Maintenance of Trees			
Salaries - Regular	270,475	270,475	273,777
Salaries - Overtime	8,575	8,575	5,061
Employee Benefits	113,120	113,120	116,074
Contractual Services	2,000	2,000	3,399
Tree Planting Program	61,000	61,000	62,476
Contractual Tree Pruning	316,570	316,570	195,140
Emerald Ash Borer - Tree Removals	29,675	29,675	26,295

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2018

	Original Budget	Final Budget	Actual
Streets and Sanitation - Continued			
Maintenance of Trees - Continued			
Telephone Services - Cellular	\$ -	-	1,451
Uniforms	1,250	1,250	1,104
Materials	2,200	2,200	2,141
Automotive	29,470	29,470	30,140
Training	1,400	1,400	2,200
Total Maintenance of Trees	835,735	835,735	719,258
Street Lighting			
Salaries - Regular	118,750	118,750	114,130
Salaries - Overtime	6,275	6,275	3,973
Employee Benefits	45,490	45,490	43,121
Contractual Services	5,300	5,300	3,124
Maintenance & Disposal of Transformers	1,000	1,000	626
Street Light Pole Painting	37,105	37,105	32,366
Uniforms	600	600	532
Supplies	23,700	23,700	20,704
Supplies - Light Poles and Parts	54,585	54,585	54,264
Commonwealth Edison Leased Lighting	22,000	22,000	22,973
Street Light Power - Village System	73,000	73,000	69,575
Automotive	21,250	21,250	21,730
Training	370	370	205
Total Street Lighting	409,425	409,425	387,323
Total Streets and Sanitation	6,311,270	6,311,270	6,031,721
NonGAAP Activity			
Less C.E.R.F. Contributions	(152,250)	(152,250)	-
Total Streets and Sanitation	6,159,020	6,159,020	6,031,721
Other Public Works			
Village Engineer			
Salaries - Regular	449,925	449,925	457,408
Salaries - Overtime	500	500	-
Employee Benefits	149,900	149,900	157,337

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2018

	Original Budget	Final Budget	Actual
Other Public Works - Continued			
Village Engineer - Continued			
Memberships	\$ 2,760	2,760	2,054
Professional Services	42,500	42,500	60,912
Mater Bike Plan	80,000	80,000	52,540
Plan Review Services	49,000	49,000	82,641
Plan Review Services - Non-Operating	33,000	33,000	37,784
Maintenance - Office Equipment	1,000	1,000	555
Maintenance - Traffic Signals	50,200	50,200	73,752
Sidewalk Replacement Program	72,100	72,100	69,917
Curb Replacement Program	42,200	42,200	41,917
Retaining Wall Repairs	-	-	12,933
Street and Alley Maintenance Program	544,700	544,700	473,929
Pavement Marking Program	51,500	51,500	50,774
Brick Street Maintenance	136,000	136,000	103,670
Brick Street Renovations	257,500	257,500	337,573
Crack Sealing Program	41,200	41,200	41,200
Street Resurfacing Program	1,146,985	1,146,985	479,900
Skokie / Hibbard Road Improvements	116,000	116,000	11,298
Locust Road Improvements	147,900	147,900	196,855
Central Avenue Reconstruction	518,000	518,000	35,647
Street Surfacing Program	70,000	70,000	-
Telephone Services - Cellular	-	-	755
Supplies - Office	2,100	2,100	2,191
Supplies - Other than Office	2,500	2,500	2,552
Automotive	9,590	9,590	9,810
Incidentals	1,200	1,200	1,989
Training	5,300	5,300	3,381
Skokie Valley Bike Trail	25,000	25,000	-
Total Village Engineer	4,048,560	4,048,560	2,801,274
Building and Grounds			
Salaries - Regular	240,200	240,200	223,683
Salaries - Overtime	10,350	10,350	9,910
Employee Benefits	94,110	94,110	84,113
Memberships	575	575	441

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2018

	Original Budget	Final Budget	Actual
Other Public Works - Continued			
Building and Grounds - Continued			
Contractual Services	\$ 87,360	87,360	89,066
Contractual Custodial Services	74,000	74,000	72,446
Heating and Cooling System Repairs	53,000	53,000	55,503
Uniforms	1,300	1,300	1,572
Supplies - Building	45,000	45,000	52,098
Supplies - Grounds	2,500	2,500	1,913
Supplies - Printing	6,000	6,000	4,655
Building and Furniture Repairs	58,000	58,000	54,248
Heating - Gas	30,000	30,000	29,929
Automotive	10,970	10,970	11,240
Training	1,000	1,000	260
Total Building and Grounds	<u>714,365</u>	<u>714,365</u>	<u>691,077</u>
Total Other Public Works	4,762,925	4,762,925	3,492,351
NonGAAP Activity			
Plus Prior Year Encumbrances		-	384,817
Less Current Year Encumbrances		-	(95,600)
Total Other Public Works	<u>4,762,925</u>	<u>4,762,925</u>	<u>3,781,568</u>
Public Health			
Sanitarian Services	45,000	45,000	45,000
Community Development			
Community Development			
Salaries - Regular	900,225	900,225	906,037
Salaries - Overtime	500	500	1,312
Employee Benefits	316,700	316,700	310,354
Memberships	2,395	2,395	2,379
Professional Services	5,450	5,450	5,586
Digital Records Conversion	17,400	17,400	1,153
Contractual Planning & Inspection Services	74,000	74,000	100,287
Contractual Elevator Inspection Services	16,000	16,000	8,475

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2018

	Original Budget	Final Budget	Actual
Community Development - Continued			
Community Development - Continued			
Maintenance - Office Equipment	\$ 200	200	-
Telephone Services - Cellular	-	-	1,077
Supplies - Office	2,500	2,500	2,228
Supplies - Other than Office	1,385	1,385	1,340
Automotive	16,450	16,450	16,840
Incidentals	300	300	134
Training	3,850	3,850	1,075
Publishing Legal Notices	2,000	2,000	1,904
Total Community Development	<u>1,359,355</u>	<u>1,359,355</u>	<u>1,360,181</u>
Business Development			
Salaries - Regular	58,000	58,000	58,004
Employee Benefits	23,045	23,045	23,435
Memberships	1,425	1,425	1,070
Business Promotion Activities	89,350	89,350	100,895
Incidentals	650	650	365
Land Acquisition	25,000	25,000	24,031
Hotel Tax Rebate	302,000	302,000	307,614
Total Business Development	<u>499,470</u>	<u>499,470</u>	<u>515,414</u>
Total Community Development	<u>1,858,825</u>	<u>1,858,825</u>	<u>1,875,595</u>
Capital Outlay - C.E.R.F. Program			
Document Management	34,350	34,350	37,219
Public Works Large Dump Truck T-09	172,650	172,650	172,813
Public Works Large Dump Truck T-04	-	-	5,513
Police Vehicles	76,000	76,000	73,810

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2018

	Original Budget	Final Budget	Actual
Capital Outlay - C.E.R.F. Program - Continued			
Fire Vehicles	\$ 625,000	625,000	625,235
Total Capital Outlay	908,000	908,000	914,590
NonGAAP Activity			
Plus Prior Year Encumbrances	-	-	141,298
Less Current Year Encumbrances	-	-	(84,606)
Total Capital Outlay	908,000	908,000	971,282
Debt Service			
Fire Truck Loan Principal Retirement	12,500	12,500	12,500
Total Expenditures	33,775,245	33,775,245	37,340,537

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, 2018**

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Taxes	\$ 3,672,900	3,672,900	3,673,821
Expenditures			
Debt Service			
Principal Retirement	2,675,000	2,675,000	2,730,000
Interest and Fiscal Charges	1,074,000	1,074,000	1,012,115
Total Expenditures	3,749,000	3,749,000	3,742,115
Excess (Deficiency) of Revenues Over (Under) Expenditures	(76,100)	(76,100)	(68,294)
Other Financing Sources			
Transfers In	50,000	50,000	-
Net Change in Fund Balance	<u>(26,100)</u>	<u>(26,100)</u>	(68,294)
Fund Balance - Beginning			<u>145,485</u>
Fund Balance - Ending			<u><u>77,191</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Capital Projects Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2018

	Original Budget	Final Budget	Actual
Revenues			
Investment Earnings	\$ -	-	27,034
Expenditures			
Capital Outlay			
Public Works Yard Improvements	1,000,000	1,000,000	72,100
Public Works Vehicle Hoists	-	-	1,798
Public Works Generator	309,000	309,000	145,155
Police Radio Network Replacement	450,000	450,000	410,017
Museum Roof Replacement	150,000	150,000	157,758
Street Light Improvement Project	75,000	75,000	71,269
Emergency Warning Siren	50,000	50,000	50,344
	<u>2,034,000</u>	<u>2,034,000</u>	<u>908,441</u>
NonGAAP Activity			
Plus Prior Year Encumbrances	-	-	317,286
Less Current Year Encumbrances	-	-	(1,486)
Total Expenditures	<u>2,034,000</u>	<u>2,034,000</u>	<u>1,224,241</u>
Net Change in Fund Balance	<u>2,034,000</u>	<u>2,034,000</u>	(1,197,207)
Fund Balance - Beginning			<u>1,699,050</u>
Fund Balance - Ending			<u><u>501,843</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, 2018

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental			
Motor Fuel Tax Allotments	\$ 640,000	640,000	693,310
Investment Earnings	2,000	2,000	8,509
Total Revenues	<u>642,000</u>	<u>642,000</u>	<u>701,819</u>
Expenditures			
Capital Outlay			
Road Resurfacing Improvements	<u>700,000</u>	<u>700,000</u>	<u>700,000</u>
Net Change in Fund Balance	<u>(58,000)</u>	<u>(58,000)</u>	1,819
Fund Balance - Beginning			<u>342,240</u>
Fund Balance - Ending			<u><u>344,059</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, 2018**

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services			
Water Sales			
Residential	\$ 3,292,800	3,292,800	3,132,091
Village of Glenview	4,062,000	4,062,000	3,892,664
Illinois American Water Company	1,073,000	1,073,000	1,111,856
Village of Golf	37,000	37,000	36,521
Other Water Sales	225,000	225,000	208,885
Other	175,000	175,000	290,675
Total Operating Revenues	<u>8,864,800</u>	<u>8,864,800</u>	<u>8,672,692</u>
Operating Expenses			
Administration			
General	246,295	246,295	211,284
Administrative	632,255	632,255	640,062
Operations			
Water Plant Operations	2,903,570	2,903,570	2,837,757
Distribution	1,131,235	1,131,235	1,260,222
Meter and Reservoir Maintenance	358,995	358,995	345,109
Depreciation	-	-	1,083,923
Total Operating Expenses	<u>5,272,350</u>	<u>5,272,350</u>	<u>6,378,357</u>
Operating Income (Loss)	<u>3,592,450</u>	<u>3,592,450</u>	<u>2,294,335</u>
Nonoperating Revenues (Expenses)			
Debt Issuance	5,000,000	5,000,000	-
Investment Earnings	15,000	15,000	167,118
Interest Expense	(433,500)	(433,500)	(328,414)
	<u>4,581,500</u>	<u>4,581,500</u>	<u>(161,296)</u>
Income Before Transfers	8,173,950	8,173,950	2,133,039
Transfers In	-	-	128,583
Transfers Out	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>(950,000)</u>
Change in Net Position	<u>7,173,950</u>	<u>7,173,950</u>	1,311,622
Net Position - Beginning as Restated			<u>20,196,663</u>
Net Position - Ending			<u>21,508,285</u>

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended December 31, 2018

	Original Budget	Final Budget	Actual
Administration			
General			
Salaries - Regular	\$ 75,875	75,875	75,737
Salaries - Overtime	500	500	-
Employee Benefits	57,870	57,870	39,118
Annual Audit	14,700	14,700	14,700
Bank Charges	40,100	40,100	37,709
Postage	20,000	20,000	17,375
Contractual Services	24,750	24,750	17,700
Supplies - Office - Administrative	9,000	9,000	6,774
Supplies - Office - Water Plant	2,400	2,400	2,084
Incidentals	100	100	87
Training	1,000	1,000	-
Total General	246,295	246,295	211,284
Administrative			
Salaries - Regular	357,350	357,350	343,227
Employee Benefits	111,295	111,295	109,882
OPEB Expense	-	-	23,593
Memberships	2,960	2,960	1,017
Telephone - Regular Service	38,000	38,000	44,891
Telephone - Maintenance	1,500	1,500	1,245
Telephone - Cellular	9,000	9,000	9,932
Supplies - Building	8,000	8,000	7,993
Building Furniture and Repairs	7,000	7,000	6,639
Training	6,950	6,950	1,443
General Liability and Property Insurance	90,200	90,200	90,200
Total Administrative	632,255	632,255	640,062

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2018

	Original Budget	Final Budget	Actual
Operations			
Water Plant Operations			
Salaries - Regular	\$ 1,438,800	1,438,800	1,492,073
Salaries - Overtime	34,000	34,000	32,142
Employee Benefits	612,700	612,700	603,073
Professional Services - SCADA System Maintenance	3,000	3,000	3,200
Contractual Services	32,600	32,600	22,093
Contractual Custodial Services	11,000	11,000	10,980
Maintenance of Equipment	40,000	40,000	35,039
Maintenance of Intake	18,000	18,000	10,646
Video Communications	460	460	200
Uniforms	5,800	5,800	5,763
Supplies	32,000	32,000	36,701
Supplies - Computer Parts	1,000	1,000	1,205
Supplies - Laboratory	15,300	15,300	16,105
Equipment Repair Materials	34,000	34,000	36,145
Power	350,000	350,000	342,134
Heating Gas	40,000	40,000	21,711
Chemicals	155,000	155,000	125,457
Automotive	8,910	8,910	9,110
Incidentals	1,000	1,000	1,287
Water Reclamation District User Charges	40,000	40,000	32,693
Heating System Improvements	150,000	150,000	119,618
Surface Wash Piping Replacement	-	-	161
Instrumentation Replacement	50,000	50,000	36,025
Treatment Process Improvments	60,000	60,000	-
Laboratory Equipment	30,000	30,000	-
	3,163,570	3,163,570	2,993,561
Less Nonoperating Items			
Capital Outlay	(260,000)	(260,000)	(155,804)
Total Water Plant Operations	2,903,570	2,903,570	2,837,757

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2018

	Original Budget	Final Budget	Actual
Operations - Continued			
Distribution			
Salaries - Regular	\$ 479,250	479,250	437,466
Salaries - Overtime	36,675	36,675	45,241
Employee Benefits	209,740	209,740	182,872
Geographic Information System	48,700	48,700	47,071
Contractual Services	112,300	112,300	110,932
Maintenance - Distribution System	11,000	11,000	141,474
Telephone Service - Cellular	-	-	695
Uniforms	3,825	3,825	3,620
Supplies - Miscellaneous Tools and Equipment	5,000	5,000	8,364
Materials	69,500	69,500	96,385
Replacement Fire Hydrants	24,800	24,800	23,808
Automotive	116,510	116,510	119,260
Incidentals	250	250	543
Training	3,285	3,285	2,637
Fire Hydrant Painting	10,400	10,400	9,675
Valve Installation	67,600	67,600	65,027
Glenview Water Meter Replacement	35,000	35,000	36,504
Catch Basin Cleaner T-30	198,000	198,000	411,165
	1,431,835	1,431,835	1,742,739
NonGAAP Activity			
Plus Prior Year Encumbrances	-	-	30,179
Less Nonoperating Items			
Capital Outlay	(300,600)	(300,600)	(512,696)
Total Distribution	1,131,235	1,131,235	1,260,222
Meter and Reservoir Maintenance			
Salaries - Regular	147,500	147,500	147,840
Salaries - Overtime	625	625	33
Employee Benefits	51,350	51,350	50,672
Contractual Services	11,600	11,600	32,405
Maintenance - Reservoir/Pumping Station	11,500	11,500	7,074
Maintenance - Standpipe	11,700	11,700	16,026
Uniforms	700	700	586
Supplies	2,300	2,300	2,420

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2018

	Original Budget	Final Budget	Actual
Operations - Continued			
Meter and Reservoir Maintenance - Continued			
Supplies - Reservoir	\$ 3,000	3,000	6,317
Water Meters - Cost of Sales	20,000	20,000	14,913
Water Meters - Repair Parts	2,200	2,200	2,199
Water Meter Replacement Program	88,000	88,000	56,204
Water Meter AMR Program	5,000	5,000	5,110
Automotive	8,220	8,220	8,420
Training	300	300	-
	363,995	363,995	350,219
Less Nonoperating Items			
Capital Outlay	(5,000)	(5,000)	(5,110)
Total Meter and Reservoir Maintenance	358,995	358,995	345,109
Capital Outlay			
Water Plant Electrical Improvements	5,000,000	5,000,000	714,202
Less Nonoperating Items			
Capital Outlay	(5,000,000)	(5,000,000)	(714,202)
Total Capital Outlay	-	-	-
Debt Service			
Principal Retirement	1,810,000	1,810,000	1,890,000
Interest Expense	431,000	431,000	326,164
Bond Registrar Fees	2,500	2,500	2,250
	2,243,500	2,243,500	2,218,414
Less Nonoperating Items			
Debt Service	(2,243,500)	(2,243,500)	(2,218,414)
Total Debt Service	-	-	-
Depreciation	-	-	1,083,923
Total Operating Expenses	5,272,350	5,272,350	6,378,357

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, 2018**

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services			
Sewer Charges	\$ 5,082,900	5,082,900	4,738,054
Operating Expenses			
Operations			
Maintenance of Sewers	1,445,705	1,445,705	1,452,933
Storm Water Pumping Station	100,095	100,095	75,031
Capital Outlay	-	-	4,604
Depreciation	-	-	1,105,040
Total Operating Expenses	1,545,800	1,545,800	2,637,608
Operating Income	3,537,100	3,537,100	2,100,446
Nonoperating Revenues (Expenses)			
Debt Issuance	1,970,000	1,970,000	-
Investment Earnings	-	-	4,219
Interest Expense	(1,287,000)	(1,287,000)	(1,213,330)
	683,000	683,000	(1,209,111)
Income (Loss) Before Transfers	4,220,100	4,220,100	891,335
Transfers Out	-	-	(128,583)
Change in Net Position	4,220,100	4,220,100	762,752
Net Position - Beginning as Restated			32,876,012
Net Position - Ending			33,638,764

VILLAGE OF WILMETTE, ILLINOIS

Sewer - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended December 31, 2018

	Original Budget	Final Budget	Actual
Operations			
Maintenance of Sewers			
Salaries - Regular	\$ 588,000	588,000	548,251
Salaries - Overtime	10,375	10,375	10,070
Employee Benefits	241,120	241,120	212,160
OPEB Expense	-	-	4,831
Professional Services	20,000	20,000	131,820
Geographic Information System	48,700	48,700	47,071
Contractual Services	102,150	102,150	52,749
Contractual Sewer Maintenance	261,500	261,500	230,443
Sewer Flow Monitoring	-	-	40,955
N.P.D.E.S. Phase II	6,000	6,000	6,000
Telephone Service - Cellular	-	-	695
Uniforms	3,825	3,825	3,620
Supplies - Miscellaneous Tools and Equipment	3,500	3,500	4,531
Materials	38,725	38,725	37,542
Automotive	116,510	116,510	119,260
Incidentals	500	500	248
Training	4,800	4,800	2,687
Sewer Main Improvements	421,270	421,270	360,277
Catch Basin Cleaner	198,000	198,000	-
Total Maintenance of Sewers	2,064,975	2,064,975	1,813,210
Less Nonoperating Items			
Capital Outlay	(619,270)	(619,270)	(360,277)
Total Maintenance of Sewers	1,445,705	1,445,705	1,452,933
Storm Water Pumping Station			
Salaries - Overtime	12,000	12,000	16,554
Employee Benefits	2,495	2,495	3,197
Contractual Services	2,500	2,500	8,298
Clean Out Sump	35,000	35,000	-
Maintenance - Equipment	2,400	2,400	873
Supplies	1,500	1,500	4,910
Supplies - Outfall Control	500	500	-
Power	38,000	38,000	37,697
Heating Gas	5,700	5,700	3,502
Total Storm Water Pumping Station	100,095	100,095	75,031

VILLAGE OF WILMETTE, ILLINOIS

Sewer - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2018

	Original Budget	Final Budget	Actual
Operations - Continued			
Capital Outlay			
Sewer Lining and Rehabilitation	\$ 1,970,000	1,970,000	782,248
Princeton Place Outfall	130,000	130,000	4,403
Storm Sewers	-	-	299,620
Sewer Main Improvements	421,270	421,270	360,277
	<u>2,521,270</u>	<u>2,521,270</u>	<u>1,446,548</u>
NonGAAP Activity			
Plus Prior Year Encumbrances	-	-	19,739
Less Nonoperating Items			
Capital Outlay	(2,521,270)	(2,521,270)	(1,461,683)
Total Capital Outlay	<u>-</u>	<u>-</u>	<u>4,604</u>
Debt Service			
Principal Retirement	2,160,000	2,160,000	1,968,425
Interest Expense	1,285,000	1,285,000	1,211,580
Bond Registrar Fees	2,000	2,000	1,750
	<u>3,447,000</u>	<u>3,447,000</u>	<u>3,181,755</u>
Less Nonoperating Items			
Debt Service	(3,447,000)	(3,447,000)	(3,181,755)
Total Debt Service	<u>-</u>	<u>-</u>	<u>-</u>
Depreciation	<u>-</u>	<u>-</u>	<u>1,105,040</u>
Total Operating Expenses	<u>1,545,800</u>	<u>1,545,800</u>	<u>2,637,608</u>

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, 2018

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services			
Parking Fees	\$ 435,860	435,860	468,824
Operating Expenses			
Operations			
Central Business District	228,255	228,255	204,028
CTA Station	146,610	146,610	142,405
Burmeister Parking Facility	9,190	9,190	6,419
Depreciation	-	-	133,009
Total Operating Expenses	384,055	384,055	485,861
Change in Net Position	51,805	51,805	(17,037)
Net Position - Beginning as Restated			4,358,286
Net Position - Ending			4,341,249

VILLAGE OF WILMETTE, ILLINOIS

Parking Meter - Nonmajor Enterprise Fund

**Schedule of Operating Revenues - Budget and Actual
For the Fiscal Year Ended December 31, 2018**

	Original Budget	Final Budget	Actual
Charges for Services			
Central Business District			
Parking Meter Revenue	\$ 213,500	213,500	230,616
Permit Fees	42,660	42,660	45,360
METRA Station Rent	3,000	3,000	3,000
Total Central Business District	<u>259,160</u>	<u>259,160</u>	<u>278,976</u>
CTA Station			
Commuter Daily Drop Box	130,000	130,000	140,691
Commuter Permit Fees	16,000	16,000	22,720
Merchant Permit Fees	4,200	4,200	4,212
Residential Permit Fees	4,000	4,000	3,200
Total CTA Station	<u>154,200</u>	<u>154,200</u>	<u>170,823</u>
Burmeister Parking Facility			
Permit Fees	<u>22,500</u>	<u>22,500</u>	<u>19,025</u>
Total Operating Revenues	<u><u>435,860</u></u>	<u><u>435,860</u></u>	<u><u>468,824</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, 2018

	Original Budget	Final Budget	Actual
Operations			
Central Business District			
Salaries - Regular	\$ 47,625	47,625	47,357
Salaries - Overtime	2,250	2,250	-
Employee Benefits	20,740	20,740	19,051
OPEB Expense	-	-	1,014
Bank Charges	37,000	37,000	38,079
Contractual Services - Railroad Property	29,150	29,150	26,348
Contractual Snow Plowing	17,545	17,545	13,237
Building Supplies - Railroad Property	400	400	308
Grounds Supplies - Village Property	4,370	4,370	1,725
Grounds Supplies - Railroad Property	2,000	2,000	1,023
Power - METRA Station	5,000	5,000	4,844
Lighting	5,400	5,400	4,075
Heating Gas - Railroad Property	1,500	1,500	1,386
Parking Meter Parts - Village Property	400	400	-
Parking Meter Parts - Railroad Property	1,500	1,500	1,270
Rent - Commuter Lot	47,500	47,500	34,694
Rent - Poplar Drive Lots	2,800	2,800	6,517
Rent - St. Augustine Lot	2,400	2,400	2,300
Rent - Masonic Temple Lot	675	675	800
Total Central Business District	228,255	228,255	204,028
CTA Station			
Salaries - Regular	40,000	40,000	42,421
Salaries - Overtime	500	500	363
Employee Benefits	18,340	18,340	17,980
Bank Charges	4,500	4,500	5,084
Contractual Services	2,155	2,155	25,189
Contractual Grounds Maintenance	4,120	4,120	939

VILLAGE OF WILMETTE, ILLINOIS

Parking Meter - Nonmajor Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2018

	Original Budget	Final Budget	Actual
Operations - Continued			
CTA Station - Continued			
Contractual Snow Plowing	\$ 9,950	9,950	7,874
Equipment Repairs	1,900	1,900	785
Materials	2,800	2,800	2,291
Rent - CTA	64,500	64,500	62,579
	<u>148,765</u>	<u>148,765</u>	<u>165,505</u>
Less Nonoperating Items			
Capital Outlay	<u>(2,155)</u>	<u>(2,155)</u>	<u>(23,100)</u>
Total CTA Station	<u>146,610</u>	<u>146,610</u>	<u>142,405</u>
Burmeister Parking Facility			
Contractual Services	4,690	4,690	4,264
Materials	500	500	484
Lighting	4,000	4,000	1,671
Total Burmeister Parking Facility	<u>9,190</u>	<u>9,190</u>	<u>6,419</u>
Depreciation	<u>-</u>	<u>-</u>	<u>133,009</u>
Total Operating Expenses	<u>384,055</u>	<u>384,055</u>	<u>485,861</u>

VILLAGE OF WILMETTE, ILLINOIS

Internal Service Funds

Combining Statement of Net Position

December 31, 2018

	<u>Municipal Garage</u>
ASSETS	
Current Assets	
Cash and Investments	\$ -
Receivables - Net of Allowances Accounts	<u>-</u>
Total Assets	<u>-</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	-
Deposits Payable	-
Other Retiree Deposits Payable	-
Due to Other Funds	<u>-</u>
Total Liabilities	<u>-</u>
NET POSITION	
Unrestricted (Deficit)	<u><u>-</u></u>

Employee Insurance	Workers' Compensation	Illinois Municipal Retirement	Section 105 Sick Leave	Totals
-	9,125	15,087	1,224,996	1,249,208
-	11,626	-	2,867	14,493
-	20,751	15,087	1,227,863	1,263,701
-	-	12,393	-	12,393
-	-	-	19,966	19,966
-	-	-	1,140,502	1,140,502
479	-	-	-	479
479	-	12,393	1,160,468	1,173,340
(479)	20,751	2,694	67,395	90,361

VILLAGE OF WILMETTE, ILLINOIS

Internal Service Funds

**Combining Statement of Revenues, Expenses, and Changes in Net Position
For the Fiscal Year Ended December 31, 2018**

	<u>Municipal Garage</u>
Operating Revenues	
Interfund Services	\$ 1,404,741
Operating Expenses	
Operations	<u>1,404,741</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
2,983,660	302,762	2,125,645	253,000	7,069,808
2,984,879	291,927	2,122,951	267,709	7,072,207
(1,219)	10,835	2,694	(14,709)	(2,399)
-	-	-	27,246	27,246
(1,219)	10,835	2,694	12,537	24,847
740	9,916	-	54,858	65,514
(479)	20,751	2,694	67,395	90,361

VILLAGE OF WILMETTE, ILLINOIS

Internal Service Funds

**Combining Statement of Cash Flows
For the Fiscal Year Ended December 31, 2018**

	<u>Municipal Garage</u>
Cash Flows from Operating Activities	
Receipts from Interfund Services	\$ 1,404,741
Payments to Employees	(614,668)
Payments to Suppliers	<u>(790,073)</u>
	<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
2,983,725	301,806	2,125,645	252,859	7,068,776
(137,730)	-	-	-	(752,398)
(2,846,670)	(293,587)	(2,120,612)	(247,137)	(6,298,079)
(675)	8,219	5,033	5,722	18,299
-	-	-	27,246	27,246
(675)	8,219	5,033	32,968	45,545
675	906	10,054	1,192,028	1,203,663
-	9,125	15,087	1,224,996	1,249,208
(1,219)	10,835	2,694	(14,709)	(2,399)
65	(956)	-	(141)	(1,032)
479	(1,660)	2,339	20,572	21,730
(675)	8,219	5,033	5,722	18,299

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, 2018**

	Original Budget	Final Budget	Actual
Operating Revenues			
Interfund Services			
General Fund Billings	\$ 1,179,300	1,179,300	1,146,843
Sewer Fund Billings	83,100	83,100	119,260
Water Fund Billings	100,200	100,200	136,790
Insurance Reimbursements	10,330	10,330	1,848
Total Operating Revenues	<u>1,372,930</u>	<u>1,372,930</u>	<u>1,404,741</u>
Operating Expenses			
Operations			
Maintenance			
Regular Salaries	611,175	611,175	610,731
Overtime Salaries	2,600	2,600	3,937
Employee Benefits	234,250	234,250	229,393
Contractual Services	40,000	40,000	41,923
Contractual Maintenance - Emergency Vehicles	56,530	56,530	70,415
Maintenance - Radios	200	200	-
Contractual Services - Vehicle Washing	2,120	2,120	505
Telephone Service - Cellular	-	-	600
Uniforms	3,700	3,700	3,468
Supplies - Automotive Parts	148,535	148,535	171,628
Supplies - Auto Shop	15,375	15,375	15,166
Supplies - Vehicle Striping and Safety	2,200	2,200	1,162
Squad Car Transfer Rehabilitation	2,200	2,200	1,458
Gasoline and Oil	190,910	190,910	186,009
Mechanics' Tool Allowance	3,000	3,000	3,000
Incidentals	400	400	318
Training	3,100	3,100	1,901
Licenses, Titles and Inspection Fees	5,240	5,240	4,127
Automobile Insurance and Claims	59,000	59,000	59,000
Total Operating Expenses	<u>1,380,535</u>	<u>1,380,535</u>	<u>1,404,741</u>
Change in Net Position	<u>(7,605)</u>	<u>(7,605)</u>	-
Net Position - Beginning			<u>-</u>
Net Position - Ending			<u><u>-</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, 2018**

	Original Budget	Final Budget	Actual
Operating Revenues			
Interfund Services			
General Fund Billings	\$ 2,275,330	2,275,330	2,341,643
Municipal Garage Fund Billings	95,850	95,850	96,652
Parking Meter Fund Billings	21,380	21,380	18,788
Sewer Fund Billings	105,410	105,410	89,497
Water Fund Billings	428,720	428,720	437,080
Total Operating Revenues	<u>2,926,690</u>	<u>2,926,690</u>	<u>2,983,660</u>
Operating Expenses			
Operations			
Flexible Benefit Program Contributions	138,250	138,250	137,730
Employee Health Insurance			
North Suburban Employee Benefit Co-Op	1,716,026	1,716,026	1,747,143
HMO - Illinois	1,160,443	1,160,443	1,047,551
Employee Life Insurance	40,000	40,000	37,629
Unemployment Compensation	30,000	30,000	6,997
Other Insurance Expense	-	-	7,829
Total Operating Expenses	<u>3,084,719</u>	<u>3,084,719</u>	<u>2,984,879</u>
Change in Net Position	<u>(158,029)</u>	<u>(158,029)</u>	(1,219)
Net Position - Beginning			<u>740</u>
Net Position - Ending			<u><u>(479)</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, 2018**

	Original Budget	Final Budget	Actual
Operating Revenues			
Interfund Services			
General Fund Billings	\$ 262,360	262,360	225,776
Municipal Garage Fund Billings	9,390	9,390	8,500
Parking Meter Fund Billings	860	860	1,180
Sewer Fund Billings	9,040	9,040	8,170
Water Fund Billings	39,050	39,050	34,800
Insurance Reimbursements	-	-	24,336
Total Operating Revenues	<u>320,700</u>	<u>320,700</u>	<u>302,762</u>
Operating Expenses			
Operations			
Workers' Compensation			
Fixed Premium Portion	278,800	278,800	250,800
Payment of Deductibles	41,900	41,900	41,127
Total Operating Expenses	<u>320,700</u>	<u>320,700</u>	<u>291,927</u>
Change in Net Position	<u>-</u>	<u>-</u>	10,835
Net Position - Beginning			<u>9,916</u>
Net Position - Ending			<u>20,751</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, 2018**

	Original Budget	Final Budget	Actual
Operating Revenues			
Interfund Services			
General Fund Billings	\$ 1,450,260	1,450,260	1,397,173
Municipal Garage Fund Billings	104,460	104,460	117,620
Parking Meter Fund Billings	26,750	26,750	17,062
Sewer Fund Billings	113,070	113,070	111,071
Water Fund Billings	473,460	473,460	482,719
Total Operating Revenues	<u>2,168,000</u>	<u>2,168,000</u>	<u>2,125,645</u>
Operating Expenses			
Operations			
Employer IMRF Contributions	1,211,140	1,211,140	1,200,252
Employer FICA Contributions	653,300	653,300	629,740
Employer Medicare Contributions	303,560	303,560	292,959
Total Operating Expenses	<u>2,168,000</u>	<u>2,168,000</u>	<u>2,122,951</u>
Change in Net Position	<u>-</u>	<u>-</u>	2,694
Net Position - Beginning			<u>-</u>
Net Position - Ending			<u>2,694</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, 2018**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Operating Revenues			
Interfund Services			
General Fund Billings	\$ 210,000	210,000	208,743
Municipal Garage Fund Billings	7,600	7,600	6,620
Sewer Fund Billings	7,600	7,600	6,619
Water Fund Billings	32,400	32,400	31,018
Total Operating Revenues	<u>257,600</u>	<u>257,600</u>	<u>253,000</u>
Operating Expenses			
Administration	<u>260,000</u>	<u>260,000</u>	<u>267,709</u>
Operating Income (Loss)	(2,400)	(2,400)	(14,709)
Nonoperating Revenues			
Investment Earnings	<u>4,000</u>	<u>4,000</u>	<u>27,246</u>
Change in Net Position	<u>1,600</u>	<u>1,600</u>	12,537
Net Position - Beginning			<u>54,858</u>
Net Position - Ending			<u>67,395</u>

VILLAGE OF WILMETTE, ILLINOIS

Pension Trust Funds

**Combining Statement of Fiduciary Net Position
December 31, 2018**

	Police Pension	Firefighters' Pension	Totals
ASSETS			
Cash and Cash Equivalents	\$ 945,245	1,372,592	2,317,837
Investments			
U.S. Treasury Securities	8,607,035	8,038,818	16,645,853
U.S. Agency Securities	567,131	565,505	1,132,636
Corporate Bonds	5,871,939	5,618,257	11,490,196
Mutual Funds	20,602,914	21,098,463	41,701,377
Common Stock	7,140,059	6,731,502	13,871,561
Receivables			
Accrued Interest	106,263	102,490	208,753
Total Assets	43,840,586	43,527,627	87,368,213
LIABILITIES			
Accounts Payable	21,245	21,885	43,130
NET POSITION			
Net Position Restricted for Pensions	43,819,341	43,505,742	87,325,083

VILLAGE OF WILMETTE, ILLINOIS

Pension Trust Funds

**Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended December 31, 2018**

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ 2,127,000	2,750,000	4,877,000
Contributions - Plan Members	456,418	427,374	883,792
Total Contributions	2,583,418	3,177,374	5,760,792
Investment Income			
Investment Earnings	491,970	478,770	970,740
Net Change in Fair Value	(3,711,426)	(3,856,444)	(7,567,870)
	(3,219,456)	(3,377,674)	(6,597,130)
Less Investment Expenses	(91,557)	(88,622)	(180,179)
Net Investment Income	(3,311,013)	(3,466,296)	(6,777,309)
Total Additions	(727,595)	(288,922)	(1,016,517)
Deductions			
Administration	12,569	13,400	25,969
Benefits and Refunds	3,381,115	4,023,616	7,404,731
Total Deductions	3,393,684	4,037,016	7,430,700
Change in Fiduciary Net Position	(4,121,279)	(4,325,938)	(8,447,217)
Net Position Restricted for Pensions			
Beginning	47,940,620	47,831,680	95,772,300
Ending	43,819,341	43,505,742	87,325,083

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, 2018**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Additions			
Contributions - Employer	\$ 2,127,000	2,127,000	2,127,000
Contributions - Plan Members	470,000	470,000	456,418
Total Contributions	<u>2,597,000</u>	<u>2,597,000</u>	<u>2,583,418</u>
Investment Income			
Investment Earnings	2,400,000	2,400,000	491,970
Net Change in Fair Value	-	-	(3,711,426)
	<u>2,400,000</u>	<u>2,400,000</u>	<u>(3,219,456)</u>
Less Investment Expenses	(144,230)	(144,230)	(91,557)
Net Investment Income	<u>2,255,770</u>	<u>2,255,770</u>	<u>(3,311,013)</u>
Total Additions	<u>4,852,770</u>	<u>4,852,770</u>	<u>(727,595)</u>
Deductions			
Administration	16,700	16,700	12,569
Benefits and Refunds	3,530,000	3,530,000	3,381,115
Total Deductions	<u>3,546,700</u>	<u>3,546,700</u>	<u>3,393,684</u>
Change in Fiduciary Net Position	<u>1,306,070</u>	<u>1,306,070</u>	(4,121,279)
Net Position Restricted for Pensions			
Beginning			<u>47,940,620</u>
Ending			<u>43,819,341</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, 2018

	Original Budget	Final Budget	Actual
Additions			
Contributions - Employer	\$ 2,750,000	2,750,000	2,750,000
Contributions - Plan Members	445,000	445,000	427,374
Total Contributions	<u>3,195,000</u>	<u>3,195,000</u>	<u>3,177,374</u>
Investment Income			
Investment Earnings	2,500,000	2,500,000	478,770
Net Change in Fair Value	-	-	(3,856,444)
	<u>2,500,000</u>	<u>2,500,000</u>	<u>(3,377,674)</u>
Less Investment Expenses	(174,230)	(174,230)	(88,622)
Net Investment Income	<u>2,325,770</u>	<u>2,325,770</u>	<u>(3,466,296)</u>
Total Additions	<u>5,520,770</u>	<u>5,520,770</u>	<u>(288,922)</u>
Deductions			
Administration	16,200	16,200	13,400
Benefits and Refunds	4,222,530	4,222,530	4,023,616
Total Deductions	<u>4,238,730</u>	<u>4,238,730</u>	<u>4,037,016</u>
Change in Fiduciary Net Position	<u>1,282,040</u>	<u>1,282,040</u>	(4,325,938)
Net Position Restricted for Pensions			
Beginning			<u>47,831,680</u>
Ending			<u>43,505,742</u>

VILLAGE OF WILMETTE, ILLINOIS

Agency Fund - Fire Insurance Tax

**Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended December 31, 2018**

	Beginning Balances	Additions	Deductions	Ending Balances
ASSETS				
Cash and Investments	\$ 617,186	614,063	617,186	614,063
LIABILITIES				
Deposits Payable	617,186	614,063	617,186	614,063

VILLAGE OF WILMETTE, ILLINOIS

**Consolidated Year-End Financial Report
December 31, 2018**

CSFA #	Program Name	State	Federal	Other	Totals
444-26-1565	Tobacco Enforcement Program	\$ 1,430	-	-	1,430
494-00-1488	Motor Fuel Tax Program	700,000	-	-	700,000
494-10-0343	State and Community Highway Safety/ National Priority Safety Program	-	4,644	-	4,644
494-42-0495	Local Surface Transportation Program	22,413	209,227	133,896	365,536
532-60-0377	USEPA Capitalization Grants for Clean Water State Revolving Funds	116,284	665,965	-	782,249
532-60-0379	USEPA Capitalization Grants for Drinking Water State Revolving Funds	344,270	369,933	-	714,203
	Other Grant Programs and Activities	-	-	18,287	18,287
	All Other Costs Not Allocated	-	-	52,587,638	52,587,638
	Totals	1,184,397	1,249,769	52,739,821	55,173,987

SUPPLEMENTAL SCHEDULES

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Bonds of 2010

December 31, 2018

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
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>23,960,000</u>	<u>3,617,882</u>	<u>27,577,882</u>
	22,105,000	Debt Service Fund	
	725,000	Sewer Fund	
	<u>1,130,000</u>	Water Fund	
	<u><u>23,960,000</u></u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2011
December 31, 2018**

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
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>8,105,000</u>	<u>770,875</u>	<u>8,875,875</u>
	4,670,000	Sewer Fund	
	<u>3,435,000</u>	Water Fund	
	<u><u>8,105,000</u></u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

General Obligation Bonds of 2013

December 31, 2018

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
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>9,620,000</u>	<u>4,698,280</u>	<u>14,318,280</u>
	700,000	Debt Service Fund	
	<u>8,920,000</u>	Sewer Fund	
	<u>9,620,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Bonds of 2014
December 31, 2018**

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

Fiscal Year	Principal	Interest	Totals
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
	16,535,000	11,530,724	28,065,724
	15,500,000	Sewer Fund	
	1,035,000	Water Fund	
	16,535,000		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Bonds of 2017A
December 31, 2018**

Date of Issue	November 8, 2017
Date of Maturity	December 1, 2036
Authorized Issue	\$9,795,000
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
2019	\$ 1,375,000	204,225	1,579,225
2020	1,185,000	176,725	1,361,725
2021	915,000	153,025	1,068,025
2022	-	134,725	134,725
2023	-	134,725	134,725
2024	-	134,725	134,725
2025	370,000	134,725	504,725
2026	375,000	127,325	502,325
2027	385,000	119,825	504,825
2028	390,000	112,125	502,125
2029	400,000	103,350	503,350
2030	410,000	94,350	504,350
2031	425,000	82,050	507,050
2032	435,000	69,300	504,300
2033	450,000	56,250	506,250
2034	460,000	42,750	502,750
2035	475,000	28,950	503,950
2036	490,000	14,700	504,700
	<u>8,540,000</u>	<u>1,923,850</u>	<u>10,463,850</u>
	5,065,000	Debt Service Fund	
	715,000	Sewer Fund	
	<u>2,760,000</u>	Water Fund	
	<u>8,540,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Bonds of 2017B

December 31, 2018

Date of Issue	December 5, 2017
Date of Maturity	December 1, 2023
Authorized Issue	\$3,470,000
Denomination of Bonds	\$5,000
Interest Rate	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
2019	\$ 385,000	92,700	477,700
2020	490,000	81,150	571,150
2021	490,000	66,450	556,450
2022	865,000	51,750	916,750
2023	860,000	25,800	885,800
	<u>3,090,000</u>	<u>317,850</u>	<u>3,407,850</u>
	445,000	Debt Service Fund	
	630,000	Sewer Fund	
	<u>2,015,000</u>	Water Fund	
	<u>3,090,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

IEPA Revenue Bonds of 2006

December 31, 2018

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
2019	\$ 22,971	4,876	27,847
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
	<u>200,781</u>	<u>21,996</u>	<u>222,777</u>
	<u>200,781</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

IEPA Revenue Bonds of 2007

December 31, 2018

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

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2019	\$ 33,408	8,087	41,495
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	1,743	41,495
2027	39,807	741	40,548
	<u>331,819</u>	<u>40,689</u>	<u>372,508</u>
	<u>331,819</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

IEPA Revenue Bonds of 2010

December 31, 2018

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
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>101,452</u>	-	<u>101,452</u>
	<u>101,452</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

IEPA Revenue Bonds of 2011

December 31, 2018

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
2019	\$ 36,588	6,300	42,888
2020	37,046	5,842	42,888
2021	37,511	5,377	42,888
2022	37,981	4,907	42,888
2023	38,457	4,431	42,888
2024	38,939	3,949	42,888
2025	39,427	3,461	42,888
2026	39,922	2,966	42,888
2027	40,422	2,466	42,888
2028	40,929	1,959	42,888
2029	41,443	1,445	42,888
2030	41,962	926	42,888
2031	42,487	401	42,888
	<u>513,114</u>	<u>44,430</u>	<u>557,544</u>
	<u>513,114</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

IEPA Revenue Bonds of 2012

December 31, 2018

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
2019	\$ 34,646	12,768	47,414
2020	35,446	11,968	47,414
2021	36,263	11,151	47,414
2022	37,101	10,313	47,414
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	4,869	47,414
2029	43,526	3,888	47,414
2030	44,532	2,882	47,414
2031	45,559	1,855	47,414
2032	46,611	803	47,414
	<u>564,979</u>	<u>98,817</u>	<u>663,796</u>
	<u>564,979</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

IEPA Revenue Bonds of 2013

December 31, 2018

Date of Issue	November 26, 2013
Date of Maturity	December 1, 2033
Authorized Issue	\$582,886
Denomination of Bonds	Various
Interest Rate	1.93%
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
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	29,552	403	29,955
	<u>453,457</u>	<u>70,264</u>	<u>523,721</u>
	<u>453,457</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

IEPA Revenue Bonds of 2014

December 31, 2018

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
2019	\$ 28,621	10,505	39,126
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	6,885	39,126
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	3,521	39,126
2031	36,320	2,806	39,126
2032	37,047	2,079	39,126
2033	37,790	1,336	39,126
2034	38,548	578	39,126
	<u>533,678</u>	<u>92,338</u>	<u>626,016</u>
	<u>533,678</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**IEPA Revenue Bonds of 2016
December 31, 2018**

Date of Issue	December 22, 2016
Date of Maturity	July 19, 2036
Authorized Issue	\$701,187
Denomination of Bonds	Various
Interest Rate	1.86%
Interest Dates	January 19 and July 19
Principal Maturity Date	January 19 and July 19
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2019	\$ 30,984	12,054	43,038
2020	31,563	11,475	43,038
2021	32,153	10,885	43,038
2022	32,753	10,285	43,038
2023	33,365	9,673	43,038
2024	33,989	9,049	43,038
2025	34,624	8,414	43,038
2026	35,271	7,767	43,038
2027	35,930	7,108	43,038
2028	36,602	6,436	43,038
2029	37,286	5,752	43,038
2030	37,982	5,056	43,038
2031	38,692	4,346	43,038
2032	39,415	3,623	43,038
2033	40,152	2,886	43,038
2034	40,902	2,136	43,038
2035	41,666	1,372	43,038
2036	42,445	593	43,038
	<u>655,774</u>	<u>118,910</u>	<u>774,684</u>
	<u>655,774</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

IEPA Revenue Bonds of 2018

December 31, 2018

Date of Issue	December 14, 2018
Date of Maturity	April 4, 2038
Authorized Issue	\$820,000
Denomination of Bonds	Various
Interest Rate	1.76%
Interest Dates	April 4 and October 4
Principal Maturity Date	April 4 and October 4
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2019	\$ 34,664	10,519	45,183
2020	34,533	13,013	47,546
2021	35,144	12,402	47,546
2022	35,765	11,781	47,546
2023	36,397	11,149	47,546
2024	37,040	10,506	47,546
2025	37,695	9,851	47,546
2026	38,362	9,184	47,546
2027	39,039	8,507	47,546
2028	39,730	7,816	47,546
2029	40,433	7,115	47,548
2030	41,147	6,399	47,546
2031	41,875	5,671	47,546
2032	42,615	4,931	47,546
2033	43,368	4,178	47,546
2034	44,135	3,411	47,546
2035	44,915	2,631	47,546
2036	45,709	1,837	47,546
2037	46,517	1,029	47,546
2038	23,566	207	23,773
	782,649	142,137	924,786
	782,649	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

Installment Contract of 2012

December 31, 2018

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

Fiscal Year	Principal	Interest	Totals
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>175,000</u>	-	<u>175,000</u>
	<u>175,000</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, 2018 (Unaudited)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Activities										
Net Investment in Capital Assets	\$ 14,080,279	13,744,098	14,596,442	14,842,391	15,481,696	15,800,477	17,261,630	18,950,815	18,019,675	22,487,908
Restricted	331,412	632,132	385,231	549,806	560,482	749,557	636,365	449,840	2,269,063	1,094,836
Unrestricted	1,755,021	1,893,264	1,790,398	2,197,088	2,961,727	4,888,765	(36,780,535)	(38,168,942)	(39,793,063)	(46,481,274)
Total Governmental Activities Net Position	16,166,712	16,269,494	16,772,071	17,589,285	19,003,905	21,438,799	(18,882,540)	(18,768,287)	(19,504,325)	(22,898,530)
Business-Type Activities										
Net Investment in Capital Assets	40,104,715	41,149,679	42,287,795	41,954,891	43,766,118	44,837,017	46,156,060	47,608,423	50,486,458	52,858,687
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	2,034,508	2,838,742	3,509,342	6,162,747	6,382,765	6,272,753	6,853,154	7,839,077	8,251,237	6,629,611
Total Business-Type Activities Net Position	42,139,223	43,988,421	45,797,137	48,117,638	50,148,883	51,109,770	53,009,214	55,447,500	58,737,695	59,488,298
Total Net Position										
Net Investment in Capital Assets	54,184,994	54,893,777	56,884,237	56,797,282	59,247,814	60,637,494	63,417,690	66,559,238	68,506,133	75,346,595
Restricted	331,412	632,132	385,231	549,806	560,482	749,557	636,365	449,840	2,269,063	1,094,836
Unrestricted	3,789,529	4,732,006	5,299,740	8,359,835	9,344,492	11,161,518	(29,927,381)	(30,329,865)	(31,541,826)	(39,851,663)
Total Primary Government Net Position	58,305,935	60,257,915	62,569,208	65,706,923	69,152,788	72,548,569	34,126,674	36,679,213	39,233,370	36,589,768

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years
December 31, 2018 (Unaudited)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental Activities										
General Government	3,104,396	3,381,500	3,041,952	3,266,556	3,303,014	3,432,230	6,138,251	4,214,252	4,498,769	4,632,977
Public Safety	16,704,907	17,608,075	17,968,456	18,403,275	18,979,618	19,306,629	27,886,999	23,273,654	22,744,932	25,155,494
Streets and Sanitation	7,764,833	7,907,842	8,522,586	8,353,031	8,740,030	8,952,573	9,070,216	9,722,953	9,630,001	9,388,292
Other Public Works	1,511,453	1,433,367	1,307,135	1,388,357	1,655,627	1,592,014	1,861,330	1,607,339	2,824,508	1,874,096
Public Health	1,123,256	1,267,254	1,209,544	1,293,984	1,305,083	249,781	246,680	257,189	163,601	45,000
Community Development	187,546	205,587	225,314	228,675	237,168	1,678,387	2,313,551	2,026,595	1,992,934	1,932,627
Interest	1,648,850	1,213,334	1,540,242	1,464,346	1,395,538	1,321,442	1,259,047	1,155,678	1,198,440	1,101,931
Total Governmental Activities Expenses	32,045,241	33,016,959	33,815,229	34,400,224	35,616,078	36,533,056	48,776,074	42,257,660	43,053,185	44,130,417
Business-Type Activities										
Water	6,155,509	5,950,487	6,241,730	6,417,546	6,150,922	6,229,920	6,117,781	6,132,147	6,191,777	6,706,771
Sewer	2,739,463	2,461,249	2,779,748	2,798,432	2,860,481	3,526,186	3,790,454	3,749,215	3,992,876	3,850,938
Parking	458,677	459,394	453,310	451,720	456,325	527,875	532,640	507,837	429,583	485,861
Total Business-Type Activities Net Position	9,353,649	8,871,130	9,474,788	9,667,698	9,467,728	10,283,981	10,440,875	10,389,199	10,614,236	11,043,570
Total Primary Government Expenses	41,398,890	41,888,089	43,290,017	44,067,922	45,083,806	46,817,037	59,216,949	52,646,859	53,667,421	55,173,987
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	297,132	368,144	374,785	394,563	416,400	439,014	468,820	443,273	334,110	337,350
Public Safety	2,147,962	2,245,337	2,181,609	2,245,305	2,307,524	2,440,980	2,375,151	2,453,251	2,338,553	2,417,149
Streets and Sanitation	1,946,200	2,177,599	2,244,027	2,286,245	2,390,723	2,494,038	2,547,578	2,541,607	2,543,282	2,629,794
Other Public Works	57,344	65,104	79,657	97,662	146,524	202,605	153,549	197,663	117,080	100,766
Public Health	35,518	1,306,315	1,309,940	1,737,213	2,329,847	76,757	95,546	61,520	39,513	1,350
Community Development	1,036,375	58,451	64,193	68,483	71,738	2,318,366	2,347,760	3,166,999	3,083,201	3,186,349
Operating Grants/Contributions	1,532,053	997,955	1,942,760	963,214	1,033,870	1,569,576	970,153	887,779	766,029	865,233
Capital Grants/Contributions	-	-	-	-	-	-	-	-	221,265	267,068
Total Governmental Activities	7,052,586	7,218,905	8,196,971	7,792,685	8,696,626	9,541,336	8,958,557	9,752,092	9,443,033	9,805,059
Business-Type Activities										
Charges for Services										
Water	6,981,313	7,261,814	7,447,541	8,130,836	7,806,574	7,390,257	7,926,936	8,427,635	8,846,310	8,672,692
Sewer	3,606,066	4,032,632	4,167,069	4,647,206	4,423,168	4,317,893	4,810,735	4,950,217	5,018,879	4,738,054
Parking	412,436	404,036	397,304	393,697	397,322	369,977	419,424	431,910	483,969	468,824
Operating Grants/Contributions	119,527	-	293,550	192,168	94,793	5,230	101,403	-	-	-
Capital Grants/Contributions	-	-	-	-	-	47,218	-	-	539,968	-
Total Business-Type Activities	11,119,342	11,698,482	12,305,464	13,363,907	12,721,857	12,130,575	13,258,498	13,809,762	14,889,126	13,879,570
Total Primary Government Program Revenue	18,171,928	18,917,387	20,502,435	21,156,592	21,418,483	21,671,911	22,217,055	23,561,854	24,332,159	23,684,629

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Net (Expenses) Revenues										
Governmental Activities	\$ (24,992,655)	(25,798,054)	(25,618,258)	(26,607,539)	(26,919,452)	(26,991,720)	(39,817,517)	(32,505,568)	(33,610,152)	(34,325,358)
Business-Type Activities	1,765,693	2,827,352	2,830,676	3,696,209	3,254,129	1,846,594	2,817,623	3,420,563	4,274,890	2,836,000
Total Net Revenues (Expenses)	(23,226,962)	(22,970,702)	(22,787,582)	(22,911,330)	(23,665,323)	(25,145,126)	(36,999,894)	(29,085,005)	(29,335,262)	(31,489,358)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property	12,765,894	13,335,569	13,885,934	14,326,855	14,782,567	15,355,548	15,859,278	16,500,301	17,023,404	17,844,794
Sales, Local Use	3,712,906	3,796,368	3,747,697	3,770,772	3,964,885	4,248,323	5,735,448	5,716,217	5,923,890	5,619,711
Utility	2,692,330	2,636,055	2,579,823	2,488,225	2,580,859	2,344,098	2,265,314	2,225,629	2,037,460	2,131,007
Income	2,247,445	2,176,193	2,146,830	2,380,064	2,481,566	2,593,413	2,882,144	2,636,758	2,487,918	2,594,015
Real Estate Transfer	634,160	910,128	717,780	937,983	1,081,380	1,285,913	1,311,792	1,303,787	1,410,066	1,418,805
Other	764,396	770,524	724,099	752,065	758,549	1,002,184	1,123,928	1,051,368	1,382,125	1,534,123
Investment Income	50,289	161,716	190,532	204,852	254,192	239,627	242,722	313,939	336,272	985,038
Miscellaneous	878,187	1,114,283	1,078,140	1,163,937	1,180,074	1,357,508	1,351,366	1,702,662	1,272,979	1,265,190
Transfers In (Out)	950,000	1,000,000	1,050,000	1,400,000	1,250,000	1,000,000	1,100,000	1,000,000	1,000,000	950,000
Total Governmental Activities	24,695,607	25,900,836	26,120,835	27,424,753	28,334,072	29,426,614	31,871,992	32,450,661	32,874,114	34,342,683
Business-Type Activities										
Investment Income	24,452	21,846	28,040	24,292	27,116	30,175	34,134	17,723	15,305	171,337
Miscellaneous	-	-	-	-	-	84,118	147,687	-	-	-
Transfers In (Out)	(950,000)	(1,000,000)	(1,050,000)	(1,400,000)	(1,250,000)	(1,000,000)	(1,100,000)	(1,000,000)	(1,000,000)	(950,000)
Contributions	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	(925,548)	(978,154)	(1,021,960)	(1,375,708)	(1,222,884)	(885,707)	(918,179)	(982,277)	(984,695)	(778,663)
Total Primary Government	23,770,059	24,922,682	25,098,875	26,049,045	27,111,188	28,540,907	30,953,813	31,468,384	31,889,419	33,564,020
Changes in Net Position										
Governmental Activities	(297,048)	102,782	502,577	817,214	1,414,620	2,434,894	(7,945,525)	(54,907)	(736,038)	17,325
Business-Type Activities	840,145	1,849,198	1,808,716	2,320,501	2,031,245	960,887	1,899,444	2,438,286	3,290,195	2,057,337
Total Primary Government	543,097	1,951,980	2,311,293	3,137,715	3,445,865	3,395,781	(6,046,081)	2,383,379	2,554,157	2,074,662

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Fund Balances of Governmental Funds - Last Ten Fiscal Years
December 31, 2018 (Unaudited)**

	2009	2010	2011
General Fund			
Reserved	\$ 257,117	97,544	-
Unreserved	4,810,519	5,258,531	-
Nonspendable	-	-	75,589
Restricted	-	-	-
Assigned	-	-	247,056
Unassigned	-	-	5,212,176
Total General Fund	<u>5,067,636</u>	<u>5,356,075</u>	<u>5,534,821</u>
All Other Governmental Funds			
Reserved	-	340,915	-
Unreserved, Reported in:			
Special Revenues Funds	331,412	407,836	-
Debt Service Funds	(96,363)	-	-
Capital Projects Funds	1,383,335	2,492,901	-
Restricted	-	-	385,231
Assigned	-	-	675,683
Unassigned	-	-	(96,209)
Total All Other Governmental Funds	<u>1,618,384</u>	<u>3,241,652</u>	<u>964,705</u>
Total All Governmental Funds	<u><u>6,686,020</u></u>	<u><u>8,597,727</u></u>	<u><u>6,499,526</u></u>

Data Source: Village Records

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

2012	2013	2014	2015	2016	2017	2018
-	-	-	-	-	-	-
-	-	-	-	-	-	-
961,697	1,067,921	1,222,557	1,378,759	1,552,347	1,705,075	2,010,529
128,968	64,251	64,712	107,367	103,817	82,288	246,400
503,336	198,348	816,646	359,773	2,694,923	3,013,575	3,348,405
5,171,969	6,701,690	7,856,971	9,391,977	10,018,868	11,409,395	12,982,324
6,765,970	8,032,210	9,960,886	11,237,876	14,369,955	16,210,333	18,587,658
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
669,561	577,842	717,918	562,598	346,023	2,186,775	923,093
437,095	554,643	69,638	81,724	53,334	-	-
-	-	-	-	-	-	-
1,106,656	1,132,485	787,556	644,322	399,357	2,186,775	923,093
7,872,626	9,164,695	10,748,442	11,882,198	14,769,312	18,397,108	19,510,751

VILLAGE OF WILMETTE, ILLINOIS

**General Governmental Revenues by Source - Last Ten Fiscal Years
December 31, 2018 (Unaudited)**

Source	2009	2010	2011
Taxes	\$ 22,817,131	23,624,837	23,802,163
Licenses, Permits and Fees	2,661,327	3,005,663	3,043,066
Intergovernmental	1,532,053	997,955	1,942,760
Charges for Services	2,557,660	2,823,915	2,855,787
Fines and Forfeitures	301,546	391,372	355,358
Investment Earnings	33,656	25,329	24,006
Miscellaneous	878,187	1,114,283	1,078,140
Totals	30,781,560	31,983,354	33,101,280

Data Source: Village Records

2012	2013	2014	2015	2016	2017	2018
24,655,964	25,649,806	26,829,479	29,177,904	23,133,335	23,986,266	24,900,688
3,505,584	4,167,041	4,407,036	4,313,554	5,215,126	4,976,559	5,090,864
963,214	1,033,870	1,569,576	970,152	7,188,505	7,265,891	7,374,068
2,989,446	3,137,432	3,191,053	3,342,773	3,338,934	3,169,267	3,281,434
334,441	358,283	373,671	332,078	310,252	309,913	300,460
201,172	250,614	237,646	240,651	311,681	333,875	957,792
1,163,937	1,180,074	1,357,508	1,351,366	1,704,470	1,272,979	1,265,230
33,813,758	35,777,120	37,965,969	39,728,478	41,202,303	41,314,750	43,170,536

VILLAGE OF WILMETTE, ILLINOIS

**General Governmental Expenditures by Function - Last Ten Fiscal Years
December 31, 2018 (Unaudited)**

Function	2009	2010	2011
General Government	\$ 2,892,303	2,925,964	2,818,641
Public Safety	16,155,101	16,900,426	17,591,397
Streets and Sanitation	5,807,962	5,567,467	5,761,344
Other Public Works	2,479,331	1,811,305	2,341,132
Public Health	187,046	205,787	215,689
Community Development	1,120,856	1,267,654	1,174,544
Capital Outlay	6,795,273	1,147,720	2,910,803
Debt Service			
Principal Retirement	1,578,609	1,588,176	2,020,000
Interest and Fiscal Charges	1,635,271	1,228,122	1,415,931
Totals	38,651,752	32,642,621	36,249,481

Data Source: Village Records

2012	2013	2014	2015	2016	2017	2018
3,054,387	3,267,339	3,258,505	3,588,764	3,734,719	3,846,318	3,934,554
18,599,081	18,691,624	19,061,947	19,749,081	19,662,967	20,205,642	20,688,317
5,832,631	5,905,510	6,156,261	6,352,641	5,912,101	5,828,382	6,031,721
1,909,400	2,382,792	1,951,515	3,085,813	3,210,852	3,663,532	3,781,568
226,412	235,339	244,963	249,180	258,189	163,601	45,000
1,274,590	1,280,804	1,675,987	2,307,447	1,790,405	1,745,244	1,875,595
918,493	1,676,552	1,655,988	1,013,861	1,463,819	4,705,810	2,895,523
1,720,000	2,027,500	2,157,500	2,212,500	2,397,500	2,447,500	2,742,500
1,338,899	1,267,591	1,219,556	1,135,435	1,053,797	1,091,223	1,012,115
34,873,893	36,735,051	37,382,222	39,694,722	39,484,349	43,697,252	43,006,893

VILLAGE OF WILMETTE, ILLINOIS

**Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years
December 31, 2018 (Unaudited)**

	2009	2010	2011
Revenues			
Taxes	\$ 22,817,131	23,624,837	23,802,163
Licenses and Permits	2,661,327	3,005,663	3,043,066
Intergovernmental	1,532,053	997,955	1,942,760
Charges for Services and Fees	2,557,660	2,823,915	2,855,787
Fines and Forfeits	301,546	391,372	355,358
Investment Income	33,656	25,329	24,006
Miscellaneous	878,187	1,114,283	1,078,140
Total Revenues	30,781,560	31,983,354	33,101,280
Expenditures			
General Government	2,892,303	2,925,964	2,818,641
Public Safety	16,155,101	16,900,426	17,591,397
Streets and Sanitation	5,807,962	5,567,467	5,761,344
Other Public Works	2,479,331	1,811,305	2,341,132
Public Health	187,046	205,787	215,689
Community Development	1,120,856	1,267,654	1,174,544
Capital Outlay	6,795,273	1,147,720	2,910,803
Debt Service			
Principal	1,578,609	1,588,176	2,020,000
Interest and Fiscal Charges	1,635,271	1,228,122	1,415,931
Total Expenditures	38,651,752	32,642,621	36,249,481
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,870,192)	(659,267)	(3,148,201)
Other Financing Sources (Uses)			
Debt Issuance	1,590,000	23,280,000	-
Premium on Debt Issuance	8,317	16,635	-
Payments to Escrow Agent	-	(21,725,661)	-
Transfers In	950,000	1,000,000	1,050,000
Transfers Out	-	-	-
	2,548,317	2,570,974	1,050,000
Net Change in Fund Balances	(5,321,875)	1,911,707	(2,098,201)
Debt Service as a Percentage of Noncapital Expenditures	10.58%	9.08%	10.62%

Data Source: Village Records

2012	2013	2014	2015	2016	2017	2018
24,655,964	25,649,806	26,829,479	29,177,904	23,133,335	23,986,266	24,900,688
3,505,584	4,167,041	4,407,036	4,313,554	5,215,126	4,976,559	5,090,864
963,214	1,033,870	1,569,576	970,152	7,188,505	7,265,891	7,374,068
2,989,446	3,137,432	3,191,053	3,342,773	3,338,934	3,169,267	3,281,434
334,441	358,283	373,671	332,078	310,252	309,913	300,460
201,172	250,614	237,646	240,651	311,681	333,875	957,792
1,163,937	1,180,074	1,357,508	1,351,366	1,704,470	1,272,979	1,265,230
33,813,758	35,777,120	37,965,969	39,728,478	41,202,303	41,314,750	43,170,536
3,054,387	3,267,339	3,258,505	3,588,764	3,734,719	3,846,318	3,934,554
18,599,081	18,691,624	19,061,947	19,749,081	19,662,967	20,205,642	20,688,317
5,832,631	5,905,510	6,156,261	6,352,641	5,912,101	5,828,382	6,031,721
1,909,400	2,382,792	1,951,515	3,085,813	3,210,852	3,663,532	3,781,568
226,412	235,339	244,963	249,180	258,189	163,601	45,000
1,274,590	1,280,804	1,675,987	2,307,447	1,790,405	1,745,244	1,875,595
918,493	1,676,552	1,655,988	1,013,861	1,463,819	4,705,810	2,895,523
1,720,000	2,027,500	2,157,500	2,212,500	2,397,500	2,447,500	2,742,500
1,338,899	1,267,591	1,219,556	1,135,435	1,053,797	1,091,223	1,012,115
34,873,893	36,735,051	37,382,222	39,694,722	39,484,349	43,697,252	43,006,893
(1,060,135)	(957,931)	583,747	33,756	1,717,954	(2,382,502)	163,643
250,000	1,000,000	150,000	-	-	5,585,000	-
-	-	20,000	-	-	-	-
-	-	(170,000)	-	-	(574,702)	-
1,400,000	1,250,000	1,060,000	1,130,000	1,065,000	1,110,000	950,000
-	-	(60,000)	(30,000)	(65,000)	(110,000)	-
1,650,000	2,250,000	1,000,000	1,100,000	1,000,000	6,010,298	950,000
589,865	1,292,069	1,583,747	1,133,756	2,717,954	3,627,796	1,113,643
9.41%	9.75%	9.62%	9.15%	9.51%	9.27%	9.95%

VILLAGE OF WILMETTE, ILLINOIS

**Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years
December 31, 2018 (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
2008	\$ 2,186,269,851	\$ 7,865,829	\$ 199,495	\$ 2,194,335,175	\$ 6,583,006,183	2.9786	\$ 0.593
2009	2,319,401,711	8,654,170	234,590	2,328,290,471	6,984,872,111	3.3701	0.581
2010	2,071,594,749	7,677,648	285,675	2,079,558,072	6,238,674,840	3.3000	0.674
2011	1,862,667,826	6,957,756	302,445	1,869,928,027	5,609,784,642	2.9706	0.778
2012	1,728,489,728	6,510,620	337,900	1,735,338,248	5,206,015,265	2.8056	0.867
2013	1,554,334,757	5,837,318	413,686	1,560,585,761	4,681,757,751	2.6621	0.996
2014	1,577,697,700	6,205,661	430,687	1,584,334,048	4,753,002,619	2.7253	1.015
2015	1,534,993,844	5,982,278	513,941	1,541,490,063	4,624,470,651	2.6685	1.078
2016	1,915,777,269	7,491,237	522,654	1,923,791,160	5,771,374,057	2.8032	0.907
2017	1,954,525,971	7,758,116	532,915	1,962,817,002	5,888,451,595	2.9627	0.924

Data Source: Cook County Clerk

VILLAGE OF WILMETTE, ILLINOIS

**Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years
December 31, 2018 (Unaudited)**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Village of Wilmette										
General Corporate Rate	\$ 0.448	0.449	0.530	0.615	0.679	0.785	0.803	0.856	0.726	0.733
Debt Service Rate	0.145	0.132	0.144	0.163	0.188	0.211	0.212	0.222	0.181	0.191
Total Direct Tax Rate	0.593	0.581	0.674	0.778	0.867	0.996	1.015	1.078	0.907	0.924
Overlapping										
School District #39	1.812	1.716	2.314	2.620	2.922	3.326	3.356	3.502	2.840	2.880
School District #203	1.290	1.237	1.474	1.674	1.864	2.111	2.268	2.380	1.974	1.993
Community College #535	0.140	0.140	0.160	0.196	0.219	0.256	0.258	0.271	0.231	0.232
Wilmette Park District	0.348	0.332	0.390	0.451	0.493	0.548	0.546	0.518	0.418	0.419
Wilmette Public Library	0.241	0.230	0.266	0.302	0.335	0.381	0.381	0.395	0.316	0.302
Cook County	0.415	0.415	0.423	0.487	0.531	0.598	0.575	0.586	0.533	0.527
Sanitary District	0.252	0.261	0.274	0.320	0.370	0.417	0.430	0.426	0.406	0.402
Forest Preserve District	0.051	0.049	0.051	0.058	0.063	0.069	0.069	0.069	0.063	0.062
New Trier Township	0.034	0.033	0.041	0.047	0.053	0.054	0.055	0.066	0.056	0.057
Mosquito Abatement Dist.	0.008	0.008	0.009	0.010	0.010	0.007	0.011	0.012	0.010	0.010
Total Overlapping Rates	4.591	4.421	5.402	6.165	6.860	7.767	7.949	8.225	6.847	6.884
Total Tax Rates	5.184	5.002	6.076	6.943	7.727	8.763	8.964	9.303	7.754	7.808

Data Source: Cook County Clerk

VILLAGE OF WILMETTE, ILLINOIS

**Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago
December 31, 2018 (Unaudited)**

Taxpayer	2018			2009		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Edens Plaza LLC	\$ 31,979,739	1	1.63%			
1630 Sheridan Corp.	11,588,118	2	0.59%	\$ 18,414,033	2	0.84%
Plaza del Lago, Inc.	9,118,500	3	0.46%	14,536,911	3	0.66%
Residence Inn Marriott	7,125,294	4	0.36%			
Albertson's	5,353,784	5	0.27%	6,575,852	5	0.30%
Chalet Nursery	5,261,172	6	0.27%			
TCB Westlake	5,174,554	7	0.26%			
JP Morgan Chase	4,700,282	8	0.24%			
Next Wilmette LLC	4,893,960	9	0.25%			
GER Wilmette	3,744,681	10	0.19%			
Joseph Freed & Assoc.				43,904,278	1	2.00%
L.J. Thalman & Co.				8,066,228	4	0.37%
William C. Kagan				6,128,780	6	0.28%
Landau & Heyman				5,996,342	7	0.27%
Avergis & Assoc.				4,285,130	8	0.20%
Wolin-Levin				4,159,421	9	0.19%
Manor Health Care Corp.				3,984,527	10	0.18%
	<u>88,940,084</u>		<u>4.53%</u>	<u>116,051,502</u>		<u>5.29%</u>

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Property Tax Levies and Collections - Last Ten Tax Levy Years
December 31, 2018 (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
2009	\$ 13,513,000	\$ 13,232,984	97.93%	\$ 8,596	\$ 13,241,580	97.99%
2010	14,016,100	13,801,603	98.47%	(35,468)	13,766,135	98.22%
2011	14,533,400	14,379,235	98.94%	(13,488)	14,365,747	98.85%
2012	15,039,800	14,864,317	98.83%	50,765	14,915,082	99.17%
2013	15,548,900	15,355,103	98.75%	130,146	15,485,249	99.59%
2014	16,070,450	15,871,443	98.76%	88,493	15,959,936	99.31%
2015	16,607,923	16,502,688	99.37%	(23,479)	16,479,209	99.22%
2016	17,433,764	17,282,279	99.13%	132,828	17,415,107	99.89%
2017	18,122,196	18,001,240	99.33%	-	18,001,240	99.33%
2018	18,620,800	*	*	*	*	*

*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, 2018 (Unaudited)**

Fiscal Year	Governmental Activities			Business-Type Activities					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					
2009	\$ 38,090,000	\$ 188,176	\$ 19,550,000	\$ 8,540,000	\$ 190,000	\$ 12,129,729	\$ 78,687,905	5.12%	\$ 2,846		
2010	39,950,000	40,000	20,075,000	9,805,000	65,000	10,326,541	80,261,541	4.27%	2,963		
2011	37,950,000	20,000	19,575,000	16,850,000	-	1,793,691	76,188,691	4.06%	2,813		
2012	36,250,000	250,000	18,810,000	16,035,000	-	2,462,695	73,807,695	3.93%	2,725		
2013	35,235,000	237,500	17,945,000	23,825,000	-	2,939,046	80,181,546	4.27%	2,960		
2014	33,070,000	225,000	16,745,000	37,880,000	-	3,428,688	91,348,688	4.86%	3,372		
2015	30,870,000	212,500	15,575,000	36,310,916	-	3,252,559	86,220,975	4.59%	3,183		
2016	28,485,000	200,000	14,235,000	34,618,000	-	3,772,878	81,310,878	4.33%	3,002		
2017	31,045,000	187,500	12,265,000	32,910,000	-	3,573,479	79,980,979	4.26%	2,953		
2018	28,315,000	175,000	10,375,000	31,160,000	-	5,391,874	75,416,874	4.01%	2,784		

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, 2018 (Unaudited)**

Fiscal Year	Gross General Obligation Bonds	Less: Amounts Available for Debt Service	Net General Obligation Bonds	Total Estimated Actual Value	Percentage of Actual Taxable Value of Property	Per Capita
2009	\$ 66,180,000	\$ -	\$ 66,180,000	\$ 6,583,006,183	1.01%	\$ 2,393
2010	69,830,000	340,915	69,489,085	6,984,872,111	0.99%	2,578
2011	74,375,000	-	74,375,000	6,238,674,840	1.19%	2,746
2012	71,095,000	167,376	70,927,624	5,609,784,642	1.26%	2,625
2013	77,005,000	81,611	76,923,389	5,206,015,265	1.48%	2,843
2014	87,695,000	33,073	87,661,927	4,681,757,751	1.87%	3,238
2015	82,755,916	33,600	82,722,316	4,753,002,619	1.74%	3,055
2016	77,338,000	49,207	77,288,793	4,753,002,619	1.63%	2,855
2017	76,220,000	145,485	76,074,515	4,624,470,651	1.65%	2,814
2018	69,850,000	2,534	69,847,466	5,771,374,057	1.21%	2,579

Notes:

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, 2018 (Unaudited)**

Governmental Unit	**Gross Debt	*Percentage to Debt Applicable to Village	Village's Share of Debt
Village of Wilmette	\$ 28,490,000	100.000 %	\$ 28,490,000
School Districts:			
Avoca School District #37	9,280,000	36.310 %	3,369,568
Kenilworth School District #38	8,750,000	2.490 %	217,875
Wilmette School District #39	8,695,000	95.230 %	8,280,249
Community College #535	32,130,000	8.600 %	2,763,180
New Trier Township High School District #203	85,820,000	35.060 %	30,088,492
Total School Districts	144,675,000		44,719,364
Other Agencies:			
Cook County and Forest Preserve Metropolitan Water Reclamation District of Greater Chicago	3,092,481,750	1.300 %	40,202,263
Wilmette Park District	2,348,253,000	1.330 %	31,231,765
Glenview Park District	8,880,000	100.000 %	8,880,000
Wilmette Public Library District	22,010,000	.130 %	28,613
Wilmette Public Library District	-	100.000 %	-
Total Other Agencies	5,471,624,750		80,342,641
Total Overlapping Debt	5,616,299,750		125,062,004
Total Direct and Overlapping Debt	5,644,789,750		153,552,004

* 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.

Data Source: Cook County and Wilmette Finance Department

VILLAGE OF WILMETTE, ILLINOIS

Legal Debt Margin

December 31, 2018 (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, 2018 (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	
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
2016	13,809,762	6,214,045	7,595,717	3,213,868	1,898,932	1.49
2017	14,349,158	6,699,108	7,650,050	3,764,399	1,638,905	1.42
2018	13,879,570	7,179,854	6,699,716	3,858,425	1,541,744	1.24

(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, 2018 (Unaudited)**

Fiscal Year	Population	Personal Income (in Thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
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%
2016	27,087	1,878,800	69,363	44.5	8,401	3.80%
2017	27,087	1,878,800	69,363	44.5	8,401	3.10%
2018	27,087	1,878,800	69,363	44.5	8,401	2.50%

Data Source: 2000 and 2010 census data

VILLAGE OF WILMETTE, ILLINOIS

**Principal Employers - Current Fiscal Year and Ten Fiscal Years Ago
December 31, 2018 (Unaudited)**

Employer	2018			2009		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Wilmette School District #39	569	1	N/A	629	1	N/A
Loyola Academy	275	2	N/A	270	2	N/A
Jewel	222	3	N/A	240	3	N/A
Village of Wilmette	214	4	N/A	203	5	N/A
Chalet Nursery	100	5	N/A	125	7	N/A
ManorCare Health Services	90	6	N/A	70	8	N/A
Baker Demonstration School	80	7	N/A			
Wilmette Park District	70	8	N/A	76	9	N/A
Westmoreland Country Club	70	9	N/A	69	10	N/A
Kerrigan Plumbing Co.	65	10	N/A			
Carson, Pirie, Scott & Co.				250	4	N/A
Koenig & Strey Inc.				135	6	N/A
	<u>1,755</u>		<u>N/A</u>	<u>2,067</u>		<u>N/A</u>

N/A - Not Available

Data Source: Illinois Manufacturer Directory, Illinois Services Directory, and selective telephone survey.

VILLAGE OF WILMETTE, ILLINOIS

**Full-Time Equivalent Village Government Employees by Function/Program - Last Ten Fiscal Years
December 31, 2018 (Unaudited)**

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government										
Administration & Law	7.03	6.03	6.03	6.15	6.35	6.05	5.70	5.70	5.85	6.70
Finance & Information										
Services	11.75	11.45	11.45	11.95	11.95	12.78	13.35	13.35	12.70	13.74
Other	3.15	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10
Police										
Officers	45.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00
Telecommunicators	8.00	8.50	9.00	9.00	9.00	9.00	9.00	9.00	8.75	8.75
Other Civilians	16.50	14.80	14.70	14.33	14.33	14.33	14.83	14.83	14.83	14.83
Fire										
Firefighters and Officer	44.00	45.00	45.00	45.00	46.00	46.00	46.00	45.00	45.00	44.00
Civilians	2.25	2.25	2.25	2.25	2.25	2.35	2.60	2.60	1.60	1.91
Health										
	1.88	1.88	2.00	2.00	2.00	2.00	2.00	2.00	2.00	-
Public Works										
Streets and Sanitation	29.55	27.55	27.55	28.18	28.40	27.20	27.45	27.00	27.45	27.45
Water and Sewer	30.00	29.00	28.00	28.80	28.80	29.80	31.00	30.00	30.00	30.00
Engineering	7.05	5.85	5.85	5.55	5.55	5.55	5.50	4.50	4.75	6.25
Other	3.50	3.50	3.50	3.50	3.50	3.50	3.00	3.00	3.00	3.00
Community Development										
	11.60	10.75	9.95	9.95	10.23	10.43	10.95	11.25	11.25	10.75
Total	221.26	213.66	212.38	213.76	215.46	216.09	218.48	215.33	214.28	214.48

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
December 31, 2018 (Unaudited)**

Function/Program	2009	2010	2011
Police			
Part I Offenses	427	390	318
Other Offenses	485	512	486
Calls for Service	15,594	18,930	20,178
Traffic Accidents	826	797	771
Fire			
Emergency Responses	3,221	3,095	3,154
Fires Extinguished	47	35	51
Inspections	720	856	975
Public Works			
Street Resurfacing (Miles)	3.79	1.68	1.19
Potholes Repaired	2,000	1,553	1,943
Water			
Average Daily Consumption (Thousands of Gallons)	11,244	11,458	11,149
Peak Daily Consumption (Thousands of Gallons)	19,325	20,029	22,979

N/A - Not Available

Data Source: Village Records

2012	2013	2014	2015	2016	2017	2018
417	251	354	415	351	387	380
350	410	342	341	412	547	429
18,712	18,320	18,540	19,045	17,655	18,497	20,285
779	796	807	828	805	751	633
3,122	3,149	3,064	2,876	3,181	3,268	3,330
40	37	32	41	40	51	40
680	736	1,199	881	740	624	764
0.90	0.90	1.76	2.00	1.06	1.18	1.44
889	889	2,048	2,787	2,511	2,260	2,192
11,997	11,400	11,340	10,510	10,930	11,200	10,920
24,281	19,770	16,600	17,300	18,203	19,211	18,403

VILLAGE OF WILMETTE, ILLINOIS

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
December 31, 2018 (Unaudited)**

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
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)	89.4	89.4	89.4	89.4	89.4	89.4	89.5	89.5	89.5	89.5
Streetlights	2,580	2,580	2,580	2,580	2,580	2,580	2,581	2,583	2,583	2,587
Traffic Signals:										
Village Owned	10	10	10	10	11	11	11	11	11	11
Other	16	16	16	16	16	16	16	16	16	16
Water										
Water Mains (Miles)	91	91	91	91	91	91	91	91	91	91
Fire Hydrants	983	984	984	984	977	977	977	979	977	977
System Capacity (Millions of Gallons)	44	44	44	44	44	44	44	44	44	44

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

MANAGEMENT LETTER

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2018



June 12, 2019

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, 2018, 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

CURRENT RECOMMENDATION

1. FUND WITH DEFICIT NET POSITION

Comment

During our current year-end audit procedures, we noted the following fund with deficit net position.

Fund	Deficit
Employee Insurance	\$ 479

Recommendation

We recommend the Village investigate the cause of the deficit and adopt appropriate future funding measures.

Management Response

The negative fund balance in the Employee Insurance Fund is a result of a timing issue. The issue is created when the expense is recognized (payment of premiums/monthly invoice) and the income is received (payroll processed). Amounts processed through payroll will reflect changes that have occurred in the month. Those changes will be reflected on the following month's invoice. Staff will continue to monitor expenses and process corrective entries when appropriate to eliminate this item going forward.

PRIOR RECOMMENDATIONS

1. **GASB STATEMENT NO. 74 FINANCIAL REPORTING FOR POST-EMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS AND GASB STATEMENT NO. 75 ACCOUNTING AND FINANCIAL REPORTING FOR POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS**

Comment

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 74, *Financial Reporting for Post-Employment Benefits Plans Other Than Pension Plans*, which applies to individual postemployment benefit plans, and Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*, which applies to the state and local government employers that sponsor the plans. The Statements apply to the reporting of other post-employment benefits, including medical, dental, life, vision and other insurance coverages provided by the employer post-employment. The Statements establish standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to the other post-employment benefit plans, and specifically identify the methods and assumptions that are to be used in calculating and disclosing these OPEB accounts in the financial statements. The Statements also provide for additional note disclosures and required supplementary information and are intended to improve information provided by state and local government employers regarding financial support to their OPEB plans. GASB Statement No. 75 applies to the employer's reporting of other post-employment benefit plans and is applicable to the Village's financial statements for the year ended December 31, 2018.

Recommendation

We recommended that the Village reach out to the private pension actuary engaged to provide the OPEB actuarial calculations 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 assist in answering any questions or concerns the Village 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:

<u>Fund</u>	<u>12/31/17</u>	<u>12/31/18</u>
Municipal Garage	\$ -	24,206
Workers' Compensation	3,185	-
Section 105 Sick Leave	-	7,709

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

Two funds were noted as having expenses exceeding their 2018 budgets.

The Municipal Garage Fund is noted as being \$24,206 over budget. Please refer to page 153 of the CAFR. The line items for “Contractual Maintenance – Emergency Vehicles” and “Supplies – Automotive Parts” both have actuals greater than the budget. The overages are mainly tied to extensive repair work for tower ladder fire trucks. Additionally, as the Garage Fund is an internal service type fund, all of its expenses are allocated to the user departments in the General Fund, Sewer Fund and Water Fund (as automotive expense). This Fund being over budget did not present any impact to the reserve balances in other Funds. Staff will continue to monitor expenses and recommend a budget amendment ordinance when appropriate to eliminate this item going forward.

The Section 105 Fund is noted as being \$7,709 over budget. Please refer to page 157 of the CAFR. This is the Fund that accumulates monies to provide post-retirement medical benefits based upon unused sick leave at retirement. Expenses in this Fund occur (1) when retirees utilize their benefits granted under this program and (2) when the actuarial valuation increases the projected liability for the accumulated benefits to be accrued. In 2018, the actual utilization of benefits by participant was greater than anticipated. This Fund is classified as an internal service type fund so the entire actuarial liability is presented in the face financials of the CAFR. From the Village’s perspective this is operated more like a pension trust fund where monies are accumulated for future earned benefits. The manner in which it is presented as over budget in the CAFR is not the result of current operations and has no impact on the major operating Funds financial condition. The budget for 2019 was increased to eliminate this item going forward.