

VILLAGE OF
WILMETTE, ILLINOIS

COMPREHENSIVE
ANNUAL
FINANCIAL REPORT



FOR THE FISCAL
YEAR ENDED
DECEMBER 31, 2009

**VILLAGE OF WILMETTE,
ILLINOIS**

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

YEAR ENDED DECEMBER 31, 2009

Prepared by Department of Finance

Robert Amoruso
Director of Finance

Kathleen Gargano
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 chart, certificate of achievement for excellence in financial reporting and the letter of transmittal.

VILLAGE OF WILMETTE, ILLINOIS

Principal Officials

December 31, 2009

LEGISLATIVE

VILLAGE BOARD OF TRUSTEES

Christopher S. Canning, President

Mike Basil - Trustee

Cameron Krueger - Trustee

Karen Spillers - Trustee

Alan Swanson - Trustee

Mari Terman - Trustee

Ted McKenna - Trustee

ADMINISTRATIVE

Timothy J. Frenzer, Interim Village Manager

Kathleen A. Gargano, Assistant Village Manager

FINANCE DEPARTMENT

Robert Amoruso, Finance Director

Blythe Trilling, Assistant Finance Director

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, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized handwritten signature in black ink.

President

A handwritten signature in black ink that reads "Jeffrey R. Enow".

Executive Director



VILLAGE OF WILMETTE

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June 30, 2010

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

The comprehensive annual financial report (CAFR) for the Village of Wilmette, Illinois, for the year ended December 31, 2009 is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that the Village issue an annual report on its financial position and activity presented in conformance with generally accepted accounting principles (GAAP), and that an independent firm of certified public accountants audit this report in accordance with generally accepted auditing standards. Although formally addressed to the elected officials and citizens of Wilmette, this financial report has numerous other users. Foremost among these other users are the bondholders of the Village, financial institutions, credit rating agencies, educational institutions, and other governmental entities.

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

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

The Reporting Entity and its Services

The Village of Wilmette, incorporated in 1872, is located approximately 16 miles from downtown Chicago in New Trier Township. It is one of eight Chicago suburban communities north of Chicago fronting on Lake Michigan and collectively referred to as the "North Shore." The Village operates under the council/manager form of government with a legislative body consisting of the Village President and Board of six Trustees, all elected on an at-large basis to overlapping four-year terms. The Village Manager is responsible for the day-to-day operation of the Village. The Village occupies a land area of 5.1 square miles and has a population of 27,651 per the 2000 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)

This is the seventh year that the financial statements have been prepared in accordance with Statement No. 34 (Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments) of the Governmental Accounting Standards Board (GASB). The GASB is an organization that establishes accounting and financial reporting standards for state and local governments in the United States. Statement No. 34 significantly changed the required format for governmental statements in a number of ways. The most significant of these changes was to require that governments prepare government-wide financial statements in addition to the fund-based financial statements governments have traditionally prepared. The government-wide financial statements attempt to present a government's financial position and results of operations in a manner similar to business. More information about this "new financial reporting model" is provided in Management's Discussion and Analysis (MD&A). The MD&A is located in the financial section of this report.

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, each of which is considered a separate and distinct accounting entity. 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 2000 Census Bureau data, median household family income for the Village was \$122,515 (an increase of 50% over 1990 median household income). This compares to the 2000 household family income of \$53,784 for Cook County and \$55,545 for the State of Illinois. This ranks Wilmette as the wealthiest community in the State of Illinois among communities with populations over 25,000 and Wilmette also ranks 11th in this category, nationally.

While the 2000 census reflects important statistics and the Village expects its impressive status to remain so with the 2010 census, it cannot be denied that the downturn in the nation's economy has impacted everyone. Statistically:

- National unemployment levels, which increased from 4.9% to 7.2% throughout 2008, grew to 9.3% at the end of 2009. The Illinois unemployment rate was 10.8% at December 31, 2009.
- Foreclosure rates, which increased 30% nationally in 2008, increased more than 22% in 2009. Illinois ranked 10th among states with the highest rates with a foreclosure rate of one per every 141 households.
- Overall, corporate profits improved in 2009. The Dow Jones Industrial average continued to fall from a low of 8,500 in 2008 to 6,600 in March 2009 but then grew by 57% to a year-end level of 10,400. Banking bailouts and federal stimulus moneys are attributable for much of this growth. While this is a positive statistic, there are concerns that profits are not being reinvested. As such, much of the overall economy remains stagnant.

Locally, the Village's unemployment rate was at 6.3% at December 31, 2009. Employment levels in the Village have always performed better than state and national averages. While this is the fourth lowest rate in the State (among cities over 25,000 population), it is still a great concern that nearly 1,000 residents are actively seeking employment.

Foreclosure activity has increased in Wilmette and while specific data is not available it is estimated that this may have affected up to 90 households in 2009. The nature of these foreclosures is significantly different than throughout much of the nation. In much of the country, property value drops have resulted in "negative equity" situations wherein balances of mortgage loans exceeded the home values. This has generally not been the case in Wilmette. Many of the Village's foreclosures have been resolved quickly with lending institutions so that properties have not been vacant for lengthy periods.

Locally, the greater issues concerning real estate have been decreases in the volume of real estate sales and in the volume of residential remodeling projects. With property values declining (estimated at between 10% and 20%), residents have hesitated listing properties in the current environment. In early 2010, there is evidence that home prices have started to stabilize and sales volume is expected to increase.

Similarly, with the overall business economy improving throughout the final three quarters of 2009, many residents saw personal wealth improve from their 2008 year-end levels. A result of this has been an increase in residential remodeling activity in early 2010. The Village's residents have always taken great pride in their properties. This is still evidenced in that the 2008 equalized assessed valuation grew nearly 7% over the 2007 valuation (and 35% greater than the 2006 valuation). However, in Cook County, it often may take two or three years for assessments to reflect market conditions and it is expected that the 2009 or 2010 valuation will reflect the percentage market declines noted above - but still remain well above the 2006 valuation levels.

While investment performance improved throughout the final three quarters of 2009 (and continuing into 2010), long-term results still reflect that equity investment performance throughout the decade reflected a nearly 0% return. Poor investment returns have a direct impact on the Village with respect to pension funding. With defined benefit pension plans, poor investment returns solely impact the employer in the form of increased employer contributions. The impact of the investment losses of 2008 will linger into 2011 as the Village's actuarial valuations of its pension funds use three year averaging of investment performance. This, in conjunction with the Village's adjustments to its actuarial assumptions, is expected to result in contribution growth of 10% to 17% for at least the next three years.

While the local economy has shown signs of improvement, the State's economic condition is still a serious concern. Statewide leadership has been lacking in dealing with the Illinois budget deficit, estimated at between \$4 billion and \$6 billion. The pensions for which the State is responsible are among the worst funded in the nation and contributions in recent years have been made in the form of additional borrowing. The concern is that the eventual solution to the State's problems may be borne by local government agencies.

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. Capital budgets are also prepared for the "spending down" of proceeds from bond issues. The Village utilizes a Five 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.

Cash Management. As the cash management and investing goals of operating monies is substantially different than those of the Village's pension monies, the Village Board and the Village's two Pension Boards operate under their own cash and investment policies. In both policies a high priority is placed upon procedures to ensure the prompt deposit of collections and that proper internal controls are in place to monitor disbursements. Both policies also ensure that all deposits are adequately collateralized and that investment securities are held in trust by a third party custodian.

Great emphasis is placed on security and liquidity for the Village's operating monies. Under the banking services agreement which took effect in November 1995, all of the Village's bank accounts earn interest equal to 30 basis points greater than the three-month discount rate for U. S. Treasury Bills.

Safety and cash flow objectives are also important for pension monies but the investment rate of return also must be considered. There will be market value risk associated with the investment in equity securities and fluctuating interest rates will create market value risk in longer term treasury securities. By statute, the pension funds may not invest more than 45% of their portfolios in equity securities. The current investment policy calls for an asset allocation strategy that will invest between 35% and 45% in equities, between 2% and 10% in cash and the remainder in full faith and credit government securities. The actual asset allocation strategy in place is set on a quarterly basis by the two pension boards. The benchmarks for investment performance in equities are the S&P 500 Index, the Russell 3000 index and the Russell 1000 value index. The MSCI EAFE Index is used for International Equities. The Barclay's Government Bond Index and the Barclay's GNMA Index is used for fixed income securities.

Risk Management. The Village's insurance coverages are outlined in the Schedule of Insurance in Force in the Statistical Section of this report. The Village participates in the Intergovernmental Risk Management Agency (IRMA) for its property, liability and workers' compensation insurance. The Village continues to maintain adequate insurance coverage in all areas and actively promotes employee safety through regular safety committee meetings, education programs and facility inspections, which are conducted with the assistance of IRMA.

The Village provides its employees with health care benefits. Since 2006, employees pay for 5% of individual health insurance premiums. In addition, employees may elect to cover their dependents through a contribution of 20% of the difference in premium cost between individual coverage and family coverage. Employees may choose an HMO coverage or may select PPO coverage through the North Suburban Employee Benefit Cooperative.

Pension and Other Post Employment Benefits. Sworn police and fire personnel receive retirement and disability benefits from the Police Pension Fund and Firefighters Pension Fund respectively. Both of these plans are defined benefit, single-employer plans administered by local boards of trustees. The defined benefits and employer and employee contribution levels are governed by State statutes. Police participants are required to contribute 9.91% of their base salaries and fire participants are required to contribute 9.455% (an increase from 8.455% as of July 1, 2004) of their base salaries. The Village is required to contribute the remaining amounts necessary to finance each plan as determined by an enrolled actuary. State statutes require that each plan must be fully funded by the year 2033.

All other employees of the Village who are scheduled to work at least 1,000 hours per year are covered by the Illinois Municipal Retirement Fund (IMRF), a statewide pension plan. IMRF acts as a common investment and administrative agent for local governments in Illinois. Benefit provisions and funding requirements are established by State statute. Employees participating in the IMRF are required to contribute 4.5% of their annual wages and the Village is required to contribute the remaining amounts necessary to fund the coverage of its employees in the plan.

The Village also provides post-retirement health benefits for certain retirees and their dependents. Retirees prior to 2003 fall into a number of different categories for these benefits and are financed on a pay-as-you-go basis. This is a small group of retirees and the other post-employment benefit (OPEB) liability is not considered material

Beginning in 2003, retirees now participate in a Section 105 Plan that provides them with a bank of money at retirement that is determined by their unused sick-leave at retirement in conjunction with their longevity. This bank of money may be used by the retiree and their dependents to reimburse any health care costs. The Village pre-funds the program and the annual contribution is determined by an independent actuary.

The notes to the financial statements and the required supplementary information provide more information pertaining to employee pensions and other post-employment benefits.

Major Initiatives

Development Initiatives

Master Development Plan for the Village Center - Following a 2007 review by a Technical Advisory Panel (consisting of professional planners, developers, business owners and government officials) of the Urban Land Institute (ULI), the Village sought and received a grant from the Regional Transportation Authority (RTA) to assist in funding a Master Plan study of the Village Center. A Master Plan will provide guidance regarding redevelopment of large tracts of land in the Village Center. The RTA grant will fund 80% of the cost of the study up to \$100,000 and was begun in the latter half of 2009 and will be completed in 2010.

Capital Improvements - With the economic declines noted previously, the 2009 capital program was reduced significantly from prior years and consisted primarily of completing projects that had already begun. The 2010 activity will be similar in this regard. This work related to the spending down of \$12.5 million in debt issued in 2007 and \$3.1 million in new debt issued in 2009. The following is a summary of some of this activity:

Public Works Facility - In 2006, the Village Municipal Services Committee reviewed a consultant's design alternatives for improvements to the Public Works Village Yard facility. These improvement alternatives can be made in multiple phases and detail drawings for the first phase were completed in 2007. Construction began in late 2008 and was near completion at the end of 2009.

Street Resurfacing Program - In 2008 the Village completed its commitment made in 1999 to pursue an aggressive multi-year street resurfacing enhancement program. This pledge was made after a study by the Engineering Department and an outside consultant indicated that the Village's previous level of spending was not sufficient to maintain the Village's streets in

satisfactory condition. In 2009, \$1.7 million in street resurfacing projects were completed in various areas of town. These improvements were funded from the State-shared motor fuel tax, and dedicated operating revenues in the General Fund (a portion of the vehicle license revenues, a local fuel tax and a pavement degradation fee). These specific revenues were instituted in 2007 but had not been used until 2009.

Sheridan Road Improvements - Following years of coordinating with Federal and State authorities, work began on this \$21 million project in 2007. The Village's contribution in this endeavor will total \$7.8 million. Water and sewer improvements will amount to \$2.9 million while the Village's share of the roadway improvements will be \$4.9 million. This project was completed in 2009.

Storm Water Pumping Station Electrical Improvements and new Emergency Generator - Following the August 2007 storm, it was determined that electrical improvements and an emergency generator were needed at this facility in order to ensure continued functioning of the storm water pumping station in the event of a power outage. This work began in 2008 and was near completion at the end of 2009. This work is financed from the Sewer Fund portion of the 2007 and 2009 bond issues.

While the Village has reduced the level of capital spending in 2010, additional debt is expected to fund approximately \$4.2 million in infrastructure improvements in 2011.

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 requirement has been complied with, and the auditors' opinion has been included in 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, 2008. In order to be awarded a Certificate of Achievement, the government 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 2009 budget document. This was the tenth 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 2010 budget has been submitted to the GFOA to determine its eligibility for another award.

Acknowledgments

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

Respectfully submitted,



Robert N. Amoruso
Finance Director

FINANCIAL SECTION

This section includes:

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

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

June 30, 2010

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

We have audited the accompanying basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the Village of Wilmette, Illinois as of and for the year ended December 31, 2009, which collectively comprise the Village of Wilmette's basic financial statements as listed in the accompanying table of contents. These basic financial statements are the responsibility of the Village of Wilmette, Illinois' management. Our responsibility is to express opinions on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the 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, 2008, and the respective changes in financial position and the cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The combining and individual fund schedules, as well as the information listed as supplemental schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Village of Wilmette, Illinois. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is presented fairly, in all material respects, in relation to the basic financial statements taken as a whole.

The Management's Discussion and Analysis and the other required supplementary information listed in the accompanying table of contents are not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion thereon.

The introductory and statistical information listed in the table of contents was not audited by us and, accordingly, we do not express an opinion thereon.

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF WILMETTE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2009

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, 2009. It is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the subsequent years' challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

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

Financial Highlights

- The Village's assets exceeded its liabilities by \$58,306 at December 31, 2009. Of this amount, \$3,789 (*unrestricted net assets*) may be used to meet the Village's ongoing obligations to citizens and creditors.

- The Village's total net assets increased \$543 (.9%) during the fiscal year ended December 31, 2009. This increase is the net of the increase in the investment in capital assets net of related debt of \$3,730; a decrease in restricted net assets of \$858; and the decrease in unrestricted net assets of \$2,329. The decrease in unrestricted net assets is attributed to revenue declines resulting from the economic downturn that began in the second half of 2008 and continued throughout 2009. The net increase is the result of infrastructure improvements that were well underway from existing bond proceeds and grants before the economic issues surfaced.

- Governmental net assets decreased \$297. For the same reasons that are noted above, the investment in capital assets increased \$2,662; restricted net assets decreased \$858; and these increases were offset by the \$2,101 decrease in unrestricted net assets. Similarly, business-type net assets increased \$840 consisting of a \$1,068 increase in net capital assets and a \$228 decrease in unrestricted net assets. Infrastructure improvements, primarily financed through additional debt, have increased governmental net capital assets by 105% since 2003. Existing bond proceeds will be spent down, continuing to produce growth in the capital asset portion of the Village's net assets in the near future. However, given the declines in operating revenues that will be discussed later in this report along with increasing pension contributions, capital spending will likely be reduced.

- At the end of the current fiscal year, unreserved and undesignated fund balance for the General Fund was \$4,810 or 16.8% of General Fund expenditures. This \$1,540 decrease represents a 24% decline from the prior year. This fund balance is approximately the same

balance that existed at December 31, 2003 and 2004. In preparing the 2010 budget it was imperative that projections called for no further decreases in fund balance.

- Total unrestricted net assets decreased \$2,329 (38%). This decrease is attributed to diminished revenues and increased pension costs. These will be discussed in detail with the analysis of the statement of activities.
- The Village's total debt decreased \$1,155 (1.5%) at December 31, 2009. Along with a \$5,845 Water Fund bond refunding, \$3,165 in new debt was issued in 2009. Scheduled principal repayments account for the net reduction in overall debt. Another refunding is planned for the end of 2010 which should include another \$4,100 in additional debt to finance 2011 capital expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis are intended to serve as an introduction to the Village of Wilmette'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. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The Government-Wide Financial Statements (see pages 3 - 6) are designed to emulate the corporate sector in that all governmental and business-type activities are consolidated into columns that add to a total for the Primary Government.

The focus of the Statement of Net Assets (the Unrestricted Net Assets) is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus. Over time, increases or decreases in net assets may serve as a useful indicator of whether or not the financial position of the Village is improving or deteriorating.

The Statement of Activities (see pages 5 - 6) presents information showing how the Village's net assets changed during the most recent fiscal year and is focused on both the gross and net cost of various activities (including governmental and business-type) which are supported by the Village's general taxes and other resources. 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 assets 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. earned but unused vacation leave).

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, 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.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Fund Financial Statement allows the demonstration of sources and uses and/or budgeting compliance associated therewith. Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is now on major funds, rather than (the previous model's) fund types. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. The Governmental Funds presentation (see pages 7 - 10) 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 government 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 Major Funds Total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected. The flow of current financial resources reflects bond proceeds and interfund transfers as other financing sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation eliminates these transactions and incorporates the capital assets and long-term obligations (bond and others) into the Governmental Activities column (in the Government-Wide Statements).

The Village maintains four individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, the Capital Projects Fund (for the 2007 and 2009 General Obligation Bond Issues) and General Debt Service Fund, which are considered to be major funds. The financial data from nonmajor funds are combined into a single aggregated presentation. The Village's Motor Fuel Tax Fund is its only nonmajor governmental fund in 2009.

The Village of Wilmette adopts an annual appropriation ordinance for all of its funds. No supplemental appropriations were adopted in 2009. Budgetary comparison statements have been provided to demonstrate budgetary compliance.

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 with Governmental Activities in the Government-Wide Financial Statements.

Proprietary Fund Financial Statements (see pages 11 - 15) 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 nonmajor enterprise fund. The Internal Service Funds are combined in a single, aggregate presentation in the Proprietary Fund Financial Statements. Individual fund data for nonmajor 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 16 - 17). 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 18 - 64 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information including budgetary basis schedules (with reconciliations to GAAP basis information) and the Village's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 65 - 73 of this report.

Infrastructure Assets

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 assets 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.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Statement of Net Assets

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the Village of Wilmette, assets exceed liabilities by \$58,306 as of December 31, 2009. The following table reflects the condensed Statement of Net Assets: For more detailed information see the Statement of Net Assets (page 3 - 4).

Table 1: Statement of Net Assets as of December 31, 2009

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total Primary</u> <u>Government</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Assets						
Current Assets	\$ 25,133	\$ 29,272	\$ 5,743	\$ 6,183	\$ 30,876	\$ 35,455
Noncurrent Assets	50,912	45,396	77,892	77,406	128,804	122,802
Total Assets	\$ 76,045	\$ 74,668	\$ 83,635	\$ 83,589	\$ 159,680	\$ 158,257
Liabilities						
Current Liabilities	\$ 19,316	\$ 18,273	\$ 3,909	\$ 3,402	\$ 23,225	\$ 21,675
Long-Term Liabilities	40,562	39,931	37,587	38,888	78,149	78,819
Total Liabilities	\$ 59,878	\$ 58,204	\$ 41,496	\$ 42,290	\$ 101,374	\$ 100,494
Net Assets:						
Investment in Capital						
Assets, Net of						
Related Debt	\$ 14,080	\$ 11,418	\$ 40,105	\$ 39,037	\$ 54,185	\$ 50,455
Restricted	332	1,190	-	-	332	1,190
Unrestricted	1,755	3,856	2,034	2,262	3,789	6,118
Total Net Assets	\$ 16,167	\$ 16,464	\$ 42,139	\$ 41,299	\$ 58,306	\$ 57,763

The largest portion of the Village's net assets 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; therefore 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.

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

The \$332 component of the Village's net assets labeled as restricted represent resources held for specific purposes. At December 31, 2009 this amount is the fund balance in the Motor Fuel Tax Fund and is restricted for future capital spending for roadway improvements. The final component of the Village's net assets, the unrestricted net assets, in the amount of \$3,789 may be used to meet the Village's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Village is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

An extensive infrastructure improvement program has been ongoing since 1999. This has included numerous road resurfacing and reconstruction projects as well as sewer and water main improvements. Additionally, significant building improvements have occurred at the Village Hall, Water Plant, both of the Village's fire stations and its museum. Most of these improvements have been debt financed with a smaller portion funded by State grants and contributions from the Village of Glenview. In 2009, capital spending and debt principal repayments exceeded depreciation, resulting in a net gain of \$3,730 (7.4%) in the Village's investment in capital assets, net of related debt.

As noted above, the decrease in restricted net assets pertains to the Village's Motor Fuel Tax Fund. This Fund had no expenditures in 2008 with an \$800 encumbrance for the Sheridan Road improvements. That \$800 plus \$772 in 2009 road resurfacing work was expended in the current year, reducing the restricted net assets and increasing the investment in capital assets.

Capital spending in the 2009 budget would have projected a decrease in unrestricted net assets of \$708 resulting from the expenditure of 2007 and 2008 revenues that were escrowed in those years for future street resurfacing projects. The actual decrease of \$2,101 for unrestricted governmental net assets is the result of numerous factors:

- Decreased revenues (from budget) of \$2,541. Most notable:

Building Permit Revenues	\$	874
Sales Taxes	\$	587
Income Taxes	\$	400
Real Estate Transfer Tax	\$	426
Interest Earnings	\$	111

- Netted against expenditure savings (also from budget):

Personnel	\$	637
Refuse Program	\$	116
Other Operating	\$	287
Reduced expense of escrowed revenues	\$	232

- Netted with increased expenditures for Fire and Police Pensions:

Pension Contributions	\$	68
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Net Pension Obligation \$ 441

The specific discussion related to the above will be commented upon with the Statement of Activities Section. As revenues began their decline in the 4th quarter of 2008, economic realities were noted very early in the year and steps were taken in the first quarter to reduce expenditures for the projected revenue shortfalls. The increase in net pension obligation is the result of phasing in new actuarial assumptions over a five year period (i.e. the actuarial liability fully reflects the new assumptions but the overall increase in contributions will occur gradually through 2011).

Statement of Activities

Governmental Activities. Program revenues from service charges decreased \$318 (5.5%) in 2009. This decrease is attributable to a \$450 decline in building permit revenues. With the sub-prime loan problems plaguing the nation's banking system, even quality real estate such as exists in Wilmette was not exempt to the issues that this created. While sales of real estate ebbed, in part due to tighter lending standards, home improvements also declined as home equity lines of credit were similarly impacted. This, in conjunction with individual income declines and investment losses on the part of Wilmette residents, resulted in fewer home improvements. This decline was partially offset by a \$106 increase in refuse collection fees from a planned rate increase.

Operating grants and contributions often occur irregularly. As such they may fluctuate widely and the net decrease in 2009 in this area was \$424. Much of this pertains to a \$675 grant in 2008 from Homeland Security toward the purchase of a new fire truck with no similar recurrence in 2009. Various road grants and contributions related to Sheridan Road, the Green Bay Road Traffic Signals and the Station #26 Bicycle Path increased a total of \$292 in 2009.

General revenues from property taxes increased \$733 (6.1%) in 2009. This is in line with the 5.9% increase in the Village's 2008 tax levy. The levy increase consisted of a 1.0% increase to fund recurring operations; a .8% decrease for expenses related to the EAB infestation; a 2.7% increase for debt service related to the Village's capital improvements program; and a 1.4% increase for Fire and Police Pension contributions.

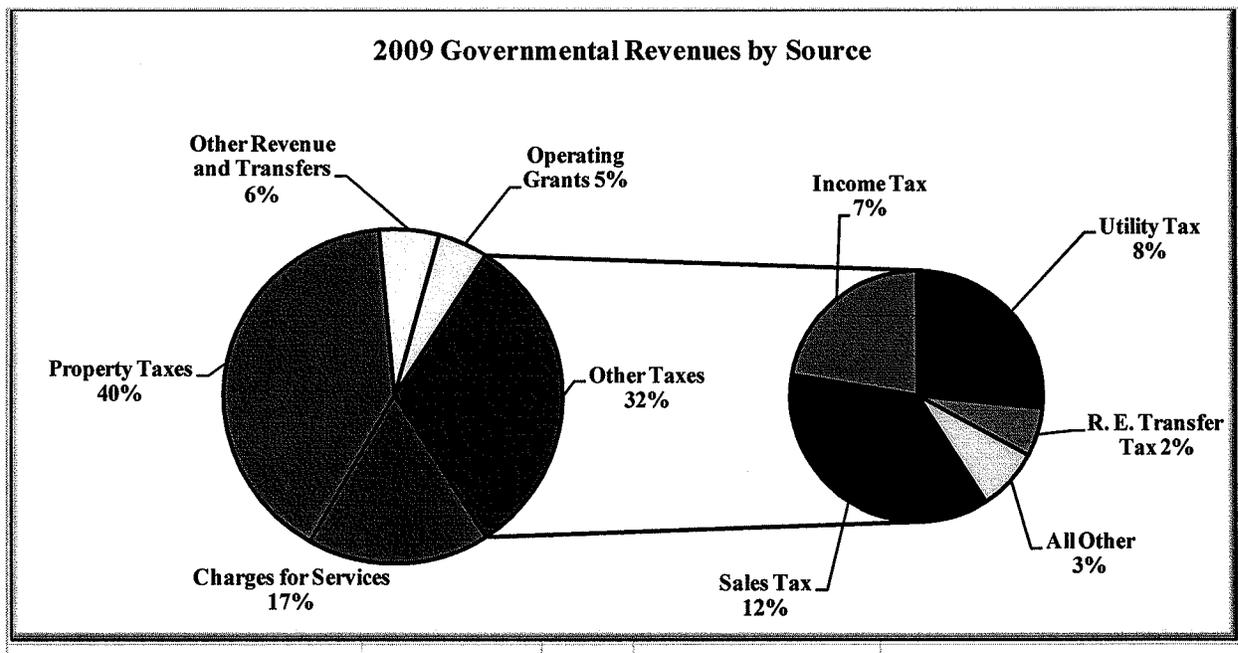
Other taxes decreased \$1,166 (10.0%). This is mainly attributable to a \$370 (9.0%) decline in sales taxes; a \$415 (14.3%) drop in income taxes (this includes the State personal property replacement tax); and a \$246 (27.9%) decrease in real estate transfer tax collections. These declines are reflective of the overall economy and actually appear to be better than some of the decreases that have been noted throughout the North Shore area – where 25% sales tax decreases and 50% transfer tax drops have been seen.

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

Table 2: Changes in Net Assets for the Fiscal Year Ended December 31, 2009

	Governmental Activities		Business-Type Activities		Total Primary Government	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Revenues						
Program Revenues						
Charges for Services	\$ 5,521	\$ 5,839	\$ 11,000	\$ 10,215	\$ 16,521	\$ 16,054
Operating Grants and Contributions	1,532	1,956	119	13	1,651	1,969
General Revenues						
Property Taxes	12,766	12,033	-	-	12,766	12,033
Other Taxes	10,051	11,167	-	-	10,051	11,167
Other Revenue and Transfers	1,878	1,852	(925)	(565)	953	1,287
Total Revenues	\$ 31,748	\$ 32,847	\$ 10,194	\$ 9,663	\$ 41,942	\$ 42,510
Expenses						
General Government	\$ 3,104	\$ 3,341	\$ -	\$ -	\$ 3,104	\$ 3,341
Public Safety	16,705	16,501	-	-	16,705	16,501
Streets and Sanitation	7,765	8,413	-	-	7,765	8,413
Other Public Works	1,511	1,762	-	-	1,511	1,762
Public Health	188	171	-	-	188	171
Community Development	1,123	1,272	-	-	1,123	1,272
Interest	1,649	1,719	-	-	1,649	1,719
Water	-	-	6,156	6,207	6,156	6,207
Sewer	-	-	2,739	2,534	2,739	2,534
Parking	-	-	459	463	459	463
Total Expenses	\$ 32,045	\$ 33,179	\$ 9,354	\$ 9,204	\$ 41,399	\$ 42,383
Changes in Net Assets	(297)	(332)	840	459	543	127
Net Assets January 1	16,464	16,796	41,299	40,840	57,763	57,636
Net Assets December 31	\$ 16,167	\$ 16,464	\$ 42,139	\$ 41,299	\$ 58,306	\$ 57,763

The composition of the Village's 2009 governmental revenues is similar to the prior year with property taxes being somewhat greater due to the declines in other taxes.



Other revenue and transfers increased \$26 (1.4%) from 2008. Transfers increased \$242 in 2009 as the planned transfer from the Water Fund was reduced in 2008 due to lower than expected Water Sales. Miscellaneous revenue decreased \$172 (16.4%) as a large one-time insurance reimbursement was received in 2008 that did not recur. Lastly, investment earnings decreased \$44 (38.2%) as a result of historically low interest rates on short-term cash holdings.

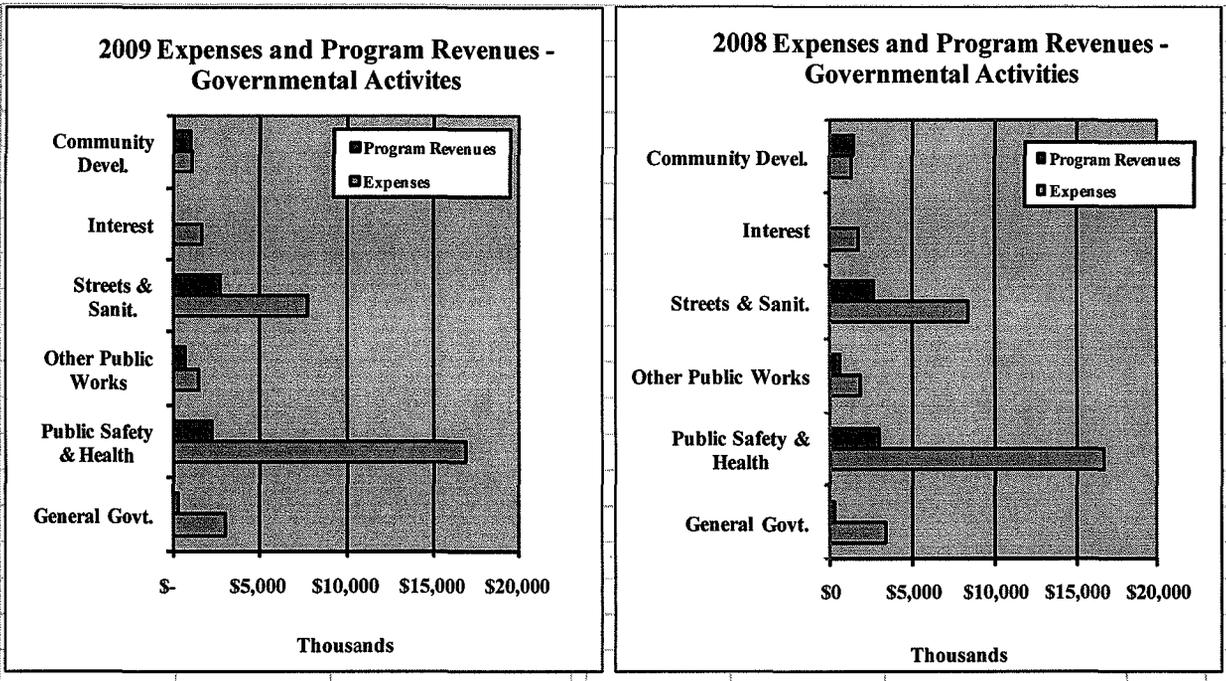
Business-type activities. Program revenues are nearly all from service charges related to the sales of water. A smaller percentage is from parking related revenues. These service charges increased by \$785 (7.7%) in 2009. Water sales and their related sewer charges accounted for \$693 of this increase. This reflects a 7% increase in water/sewer revenues. This is less than the percentage rate increases for these charges, which marks the fourth consecutive year of lower than projected volume in water sales. While this has historically been attributed to weather conditions, it now appears that other factors (such as higher efficiency household appliances) have played a role in this as well.

Parking revenues increased \$92 (28.7%). Both the Union Pacific and the CTA (who control the METRA Commuter Lots and "L" Station Lots respectively) authorized rate increases which took effect in 2008 and 2009 which account for this growth.

There were no grants related to business-type activities in 2008 or 2009. The only contribution in both years reflected the Sewer Fund's contribution to the Water Fund for vehicle purchases. This increased by \$106 in 2009 as a large vehicle replacement occurred in 2009 that did not occur in 2008. Other revenues and transfers decreased \$360. Of this amount, \$242 is the converse of the Water Fund transfer to the General Fund noted above with the Governmental Activities. The remaining decrease of \$118 is from a drop in interest earnings due to the same interest rate declines noted previously.

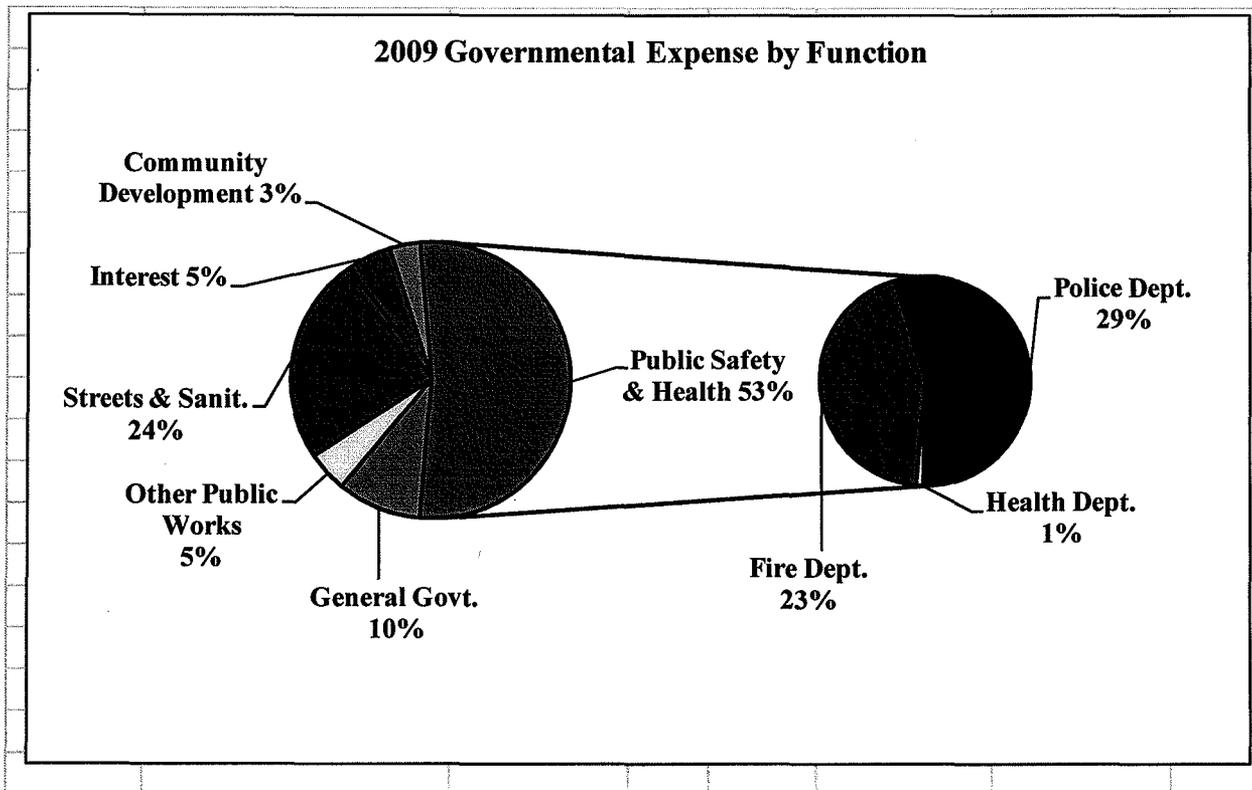
Village of Wilmette, Illinois
 Management's Discussion and Analysis, (Continued)

For governmental activities, program revenues covered approximately 22% of expenses. This is about the same as the 23% noted in 2008. Given the significant drop in building permit revenues, this coverage is notable in that expenses were reduced in 2009 to keep this ratio consistent from year to year. In both years, only Community Development program revenues were sufficient to match the related program expenses. All other categories are substantially subsidized by general revenues.



Governmental expenses. Net of the new \$1,200 budgeted for street resurfacing (funded from dedicated operating revenues and escrowed amounts from 2007 and 2008), the 2009 budget called for operating expense growth of about 2.5%. The budget for personnel expense increased 3.1%. This included a 3.5% general wage increase along with scheduled step and longevity increases that are contained in existing collective bargaining agreements. This also included 15% growth in Fire and Police Pension contributions. Budgeted savings were achieved from a reduction in full-time equivalent employees of 6.58; an 8.6% reduction in employee health insurance premiums; and zero growth in all other employee fringe benefits (including pension contributions for non-police and fire employees).

The 2009 budget for all other operating expenses projected a \$187 (1.5%) increase. Note that personnel costs account for about 70% of the General Fund expenditures and pension contributions have increased 83% since 2004.



Total governmental expenses decreased \$1,134 (3.4%) in 2009. This was accomplished through actions taken as early as the first quarter of 2009 to reduce expenses relative to the projected revenue decreases. This included wage and benefit savings from reducing 15 positions to a four day work-week and eliminating four other positions as vacancies occurred (note – no employees were terminated); reducing overtime; training expense reductions; capital expense deferrals; fuel and other commodity reductions; and landfill savings. All of these reductions became the service base in preparing the 2010 budget.

Public safety and health expenses, reflecting 53% of the total, increased \$221 (1.3%) from 2008. It is notable that this is the only category that reflects an increase in expenses over 2008. Expense reductions as described above totaled \$193 but fire and police pension contributions grew by \$414 (16.5%). This is the second year of a four-year phase in of new actuarial assumptions for the Village's Police and Fire Pension Funds. A 1994 mortality table is now in place (previously a 1984 table was used) in consideration of longer life expectancies and retirement rates were also adjusted to reflect that recent legislative changes would likely result in police and fire personnel retiring at earlier ages. Similar expense growth will continue in 2010 and 2011 and has been factored into future tax levy projections.

Streets and sanitation, which represents 24% of total governmental expenses, decreased \$648 (7.7%) in 2009. Two positions in forestry were eliminated through attrition along with reductions in tree removals related to the emerald ash borer infestation and reductions in contractual tree pruning. This provided \$225 of this category's decrease. Another \$100 decrease is attributable to a budgeted employee reduction (also through attrition) in the street lighting division. A milder winter season resulted in reduced overtime costs of \$60. Additional cuts (as described above) reduced expense levels in nearly every other line item in the streets division totaling \$122. The

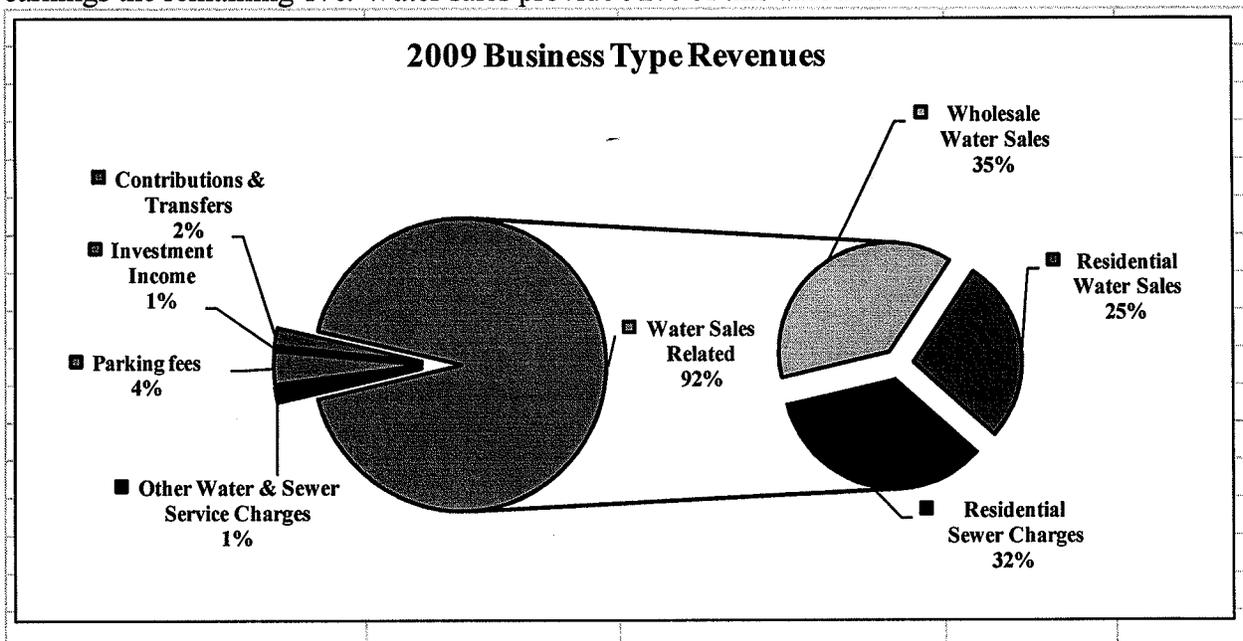
remaining expense decrease resulted from non-capitalized items in 2008 that did not recur in 2009.

Expenses for Other Public Works decreased \$251 (14.2%). Fewer street repairs were needed in 2009 due to the milder winter conditions noted above. This resulted in decreased expenses of \$147. Expenses for heating gas were reduced by \$52 following an audit of the franchise agreement with Nicor. Additional expense reductions (as described above) decreased expense levels in nearly every other line item in this Engineering and Buildings & Grounds totaling \$52.

General government expense decreased \$237 (7.1%) in comparison to 2008. Turnover in the Village Manager's position noted in the 2008 CAFR resulted in a reorganization of the Administration and Law Departments. The Village Manager position was eventually filled by the existing Corporation Counsel, Timothy Frenzer. Following this action, the Corporation Counsel position was then filled contractually. The timing involved in this resulted in personnel savings of \$154. Expense reductions in information services for contractual hardware and software support resulted in savings of \$70.

Community Development expenses decreased \$149 (11.7%). With decreased permit activity as noted in the revenue section, five positions were reduced to a four-day work week in this department. This decreased expenses by \$115 from 2008. The remaining decrease is attributed to expense cuts in contractual services, commodities and training as described above. Interest expense decreased \$70 (4.1%). While overall debt did not reflect this percentage decrease, the new debt in 2009 did not occur until November so there was minimal interest expense related to this in the current year.

Business Type Activities. Charges for services totaling \$11,000 represent 97% of total business-type activity revenues with contributions and transfers accounting for 2% and investment earnings the remaining 1%. Water sales provide 92% of this amount.



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

Total service charge revenues and the water and sewer rates in effect for 2009 and 2008 are shown as follows:

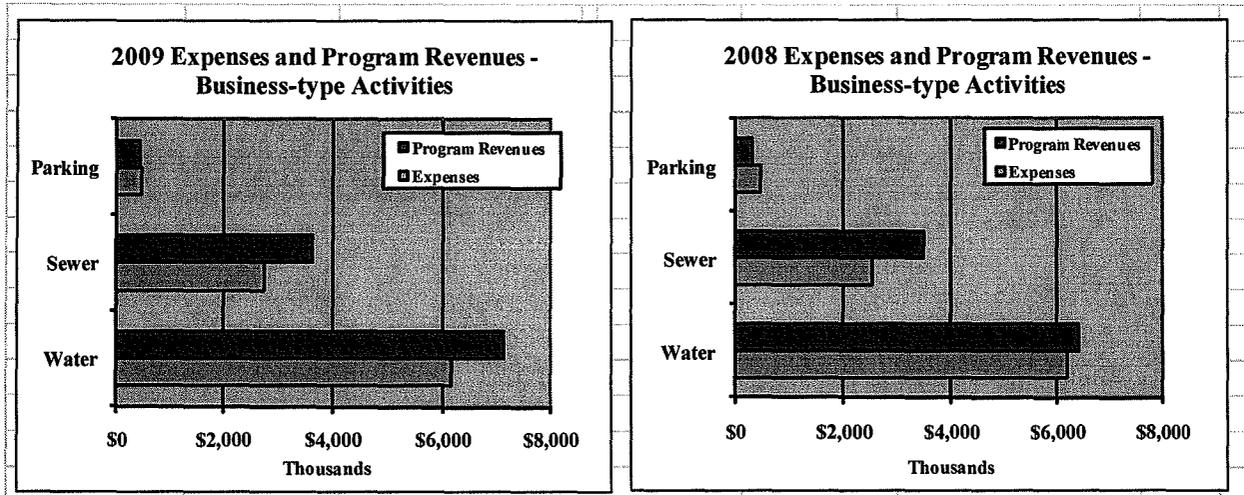
	<u>2009</u>	<u>2008</u>	<u>% Change</u>
Wholesale Water Sales	3,962	3,592	10.3%
Residential Water Sales	2,836	2,670	6.2%
Residential Sewer Charges	3,606	3,491	3.3%
Other water & Sewer revenues	184	140	31.4%
Parking fees	412	321	28.3%
	<u>\$ 11,000</u>	<u>\$ 10,214</u>	<u>7.7%</u>
Wholesale Water Rate	\$ 1.019 / ccf	\$.886 / ccf	15.0%
Residential Water Rate	\$ 2.19 / ccf	\$ 2.01 / ccf	9.0%
Residential Sewer Rate	\$ 2.86 / ccf	\$ 2.64 / ccf	8.3%
METRA Commuter Parking Rates	\$ 2.00 per day	\$ 1.75 per day	14.3%
CTA Commuter Parking Rates	\$ 4.00 per day	\$ 3.00 per day	33.3%

The Village's wholesale water rate is set by contract and is recalculated every other year; 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 volume for water sales is frequently a function of the rainfall that occurs during summer months.

Weather conditions in 2009 were similar to the summer of 2008. Thus, the decrease in water sales volume of about 6% cannot simply be attributed to rainy and cooler weather. The lower pumpage is likely a combination of the weather, high efficiency appliances, conservation efforts, and other undetermined factors. In consideration of this, volume projections (already reduced for the 2009 budget) were reduced again in preparing the 2010 budget. The \$651 (6.7%) revenue increase from water sales is consistent with the rate increases noted net of the lower sales volume.

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

In other business-type activities, the \$91 (28%) increase in parking revenues is consistent with the rate increases set by Union Pacific and the CTA that were implemented in 2009. The increase in other water and sewer operating revenues of \$44 (31%) consists of the net of three factors. First, the decrease in building permit activity noted above had a corresponding \$36 decrease in water related permits; secondly, a large vehicle replacement in 2009 resulted in a \$67 increase attributable to trade-in values of in excess of book values; and lastly, property damage insurance reimbursements (which can vary from year to year) increased by \$13 in 2009.



As expected, program revenues exceed expenses in the Water and Sewer Funds. The Parking Meter Fund had been annually subsidized by a transfer of cell tower lease revenues from the General Fund in order to meet all expenses however, the 2008 transfer was the final amount needed to subsidize this debt through retirement in 2011. As such, no further transfers will occur.

Total business-type expenses increased by \$150 (1.6%). This consists of a \$51 (.8%) decrease in the Water Fund; a \$205 (8.1%) increase in the Sewer Fund and a \$4 (.9%) decrease in the Parking Fund. The savings in the Water Fund are attributed to a personnel expense reduction following an employee retirement. The Sewer decrease is primarily due to a large vehicle purchase in 2009 that was capitalized as a Water Fund asset. The Sewer Fund portion of this purchase is shown as expense in that Fund while the Water Fund records this as a contribution. The vehicle purchase accounted for \$119 of the increase and additional sewer maintenance resulted in another \$37. The remaining increase is consistent with personnel expense growth as there were no changes in staffing in this department.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Table 3: General Fund Budgetary Highlights - I

	Original and Final <u>Budget</u>	Actual GAAP <u>Basis</u>
Revenues	\$ 28,719	\$ 26,178
Expenditures	\$ 31,281	\$ 28,692
Excess (Deficiency) of Revenues over Expenditures	(2,562)	(2,514)
Other Financing Sources (Uses):		
Transfers in	950	950
Transfers out	(150)	-
Net Changes in Fund Balance	<u>\$ (1,762)</u>	<u>\$ (1,564)</u>

General Fund revenues were \$2,541 (8.8%) below the 2009 budget. The primary revenues that resulted in this budget variance are noted as follows:

<u>Revenue Source</u>	Over (under) the 2009 <u>Budget</u>	Percentage <u>Variance</u>
Sales Taxes	(632)	-16.9%
Income Taxes	(400)	-15.5%
R.E. Transfer Tax	(426)	-40.2%
Building Permits	(874)	-44.8%
Interest Earnings	(111)	-88.6%
Grants	(255)	-78.5%
Cell Tower Rent	145	96.5%
<u>Total</u>	<u>(2,553)</u>	

The timing of the 2009 budget preparation (in the fall of 2008) set the revenue budgets in advance of the economic downturn that occurred in the late 2008. Even as this took place, the extent of this it was not fully realized until early 2009. As revenue budget variances were noted, expenditure reductions were enacted to minimize the overall financial impact.

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

Many of the revenues noted above were noted in the discussion of the statement of activities. Sales taxes and income taxes had budgeted small increases so the percentage decreases noted above are somewhat larger than the year to year comparisons previously discussed. The real estate transfer tax budget reflected a 30% decrease from the 2008 budget but home sales were hit hardest by the downturn. Permit revenues called for a 7% increase over the 2008 budget but activity levels ended the year at about 50% of expected volume.

The budget for interest earnings was set at approximately the actual amount received in 2008. Thus, the variance for this resulted from the historically low interest rates which took effect as the economic downturn proceeded. The budget variance for grant revenues reflected deferred activity to 2010, so there is an offsetting expense variance for this as well.

The increase in cellular lease revenues was the result of efforts in 2007 to collect prior years' rents that had been uncollected primarily due to mergers within the telecommunications industry. The 2008 and 2009 budgets did not reflect the revenue increases that resulted from these efforts. This variance should not recur in 2010 as the budget has now factored in the proper rents.

The 2009 General Fund expenditure budget amounts represent the total appropriations adjusted for encumbrance activity. Note that in developing the budgeted cash flow projections, savings are factored into certain expenditure categories that historically do not spend 100% of the appropriation. Additionally, due to ongoing contract negotiations, some expenditure budgets may be based on existing contracts with the cash flow projections allowing for any expected increases from contract settlements. The following table reflects the 2009 budget broken down by category of expense.

Table 4: General Fund Budgetary Highlights - II

	Original and Final Budget	GAAP Basis Actual Expenditures	Variance from Final Budget to Actual
Personnel	\$ 21,004	\$ 20,239	\$ 765
Refuse	2,199	2,083	116
Other Recurring	4,627	4,229	398
EAB expenses	202	186	16
Sidewalk, Alley & Curb Maintenance	302	287	15
Street Resurfacing	1,200	969	231
Capital Outlay	529	492	37
Contingency	500	7	493
Other Nonrecurring	706	151	555
Transfers	150	-	150
Debt Service	9	49	(40)
	\$ 31,428	\$ 28,692	\$ 2,736

The budget variances noted are mainly the result of actions taken during the year to reduce expenses in relation to the projected revenue decreases. As noted previously, personnel expenditures were reduced by not filling four positions that became vacant through attrition as well as 15 positions that were placed on a four-day work week. The variance in the refuse program resulted from unanticipated landfill savings.

With every department on notice to find and achieve expense reductions, other expenses resulted in a budget variance of \$398. These savings are spread throughout many hundreds of expense line items in the 2009 budget with training and commodities specifically targeted.

The cumulative \$299 variances noted for "EAB expenses", "sidewalk, alley and curb maintenance", "street resurfacing", and "capital outlay" reflect deferrals that became a part of the budget cuts specifically enacted relative to the revenue losses. Other non-recurring expenses similarly reflect deferred activity that is linked to the decrease in grant revenue noted previously. The \$150 transfer to the Parking Meter Fund was no longer necessary to subsidize that Fund's debt service following the 2008 transfer. That Fund now has a reserve balance that is sufficient to retire all related debt through maturity.

The \$493 budget savings for the contingency category is as expected since this is never included in the budgeted cash flow projections. Lastly, the variance for debt service is related to principal repayments made by the Wilmette Historical Society (described below) that are not budgeted.

CAPITAL ASSETS

The Village's capital assets for its Government and Business-Type Activities at December 31, 2009 total \$128,619. This includes land, buildings, infrastructure, equipment and construction in progress. This amount represents a net increase of \$6,046 (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 34 - 37.

The Governmental Activities net capital assets increased from last year by \$2,662. This is primarily the result of expenditures for street improvements and building improvements from the 2007 and 2009 general obligation bond issues. Business-Type Activities net capital assets increased by \$1,068. This is mainly from water and sewer main improvements that are taking place in conjunction with the aforementioned street improvements and are being financed from the water and sewer portions of the aforementioned bond issues.

DEBT OUTSTANDING

The Village has four general obligation bond issues and seven loans from the Environmental Protection Agency (EPA) 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 December 31, 2008	Issued in 2009	Retired in 2009	Outstanding at December 31, 2009
General Obligation Bonds	65,575	9,010	(8,215)	66,370
E.P.A. Loans	14,031	10	(1,911)	12,130
Installment Contracts	237	-	(49)	188
Totals	79,843	9,020	(10,175)	78,688
Governmental Activities	38,267	1,590	(1,579)	38,278
Business-Type Activities	41,576	7,430	(8,596)	40,410
Totals	79,843	9,020	(10,175)	78,688

The additional sewer debt from the EPA totaling \$10 reflected the final payouts from the EPA to close out previous years' projects. The new Series 2009 \$9,010 general obligation bond issue was primarily to refund the Water Fund's outstanding 1999 issue resulting in economic savings of \$277. Additional debt of \$3,165 (\$1,590 in tax supported debt and \$1,575 in sewer debt) was issued in conjunction with the \$5,845 Water debt refunding.

The new tax supported debt was needed to complete the ongoing Sheridan Road improvements and the improvements to the Public Works facility. The general obligation bond and EPA Loan principal retired in 2009 was per the required amortization schedules for this debt.

In 2004, the Village arranged an installment contract (line of credit) to assist the Wilmette Historical Society in building an addition to the Village's Museum. The Society financed 100% of the cost of this project through their own donations and an Illinois State Grant. The installment contract was put in place to provide the Society with adequate cash flow through the construction. This building addition was completed and placed into service in 2005 at a final cost of \$996. The Society is paying for all debt service on this loan and in 2009 the Society repaid \$40 in principal, leaving a balance on this debt of \$60. The only activity for the remaining installment contracts were the scheduled repayments throughout the year.

The Village, under its home rule authority, does not have a legal debt limit. With the 2009 Series Bond Issue, the Village's Aaa bond rating was reaffirmed by Moody's Investors Service citing the Village's well-managed financial operations, moderate debt burden and high property values. A bond issue is projected in late 2010 as an advance refunding of the 2002 bond issue and to

provide \$4,200 for 2011 capital improvements. The Village expects its bond rating to be reaffirmed with that issue as well. Additional information of the Village's long-term debt can be found in the Notes to the Financial Statements on pages 38 - 49.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Locally, the national economic downturn has had its most significant impact on real estate activity. Following the peak year of 2005, home sales decreased by 13% by the end of 2007; another 35% in 2008 and an additional decline of 27% in 2009. It is projected that the 2009 activity reflects a "bottoming out" and that home sales should increase in 2010.

Additionally, while foreclosures throughout the nation and state are at historically high levels, troubled property owners in Wilmette still generally have significant equity in their residences. Thus, properties in the Village have not remained vacant for lengthy periods of time. Home mortgage rates at historic low levels provide even more assurance that home sales should increase in 2010.

With investment gains in 2009 and improved corporate profitability, it is also projected that home remodeling projects will also increase in 2010 but tighter lending standards for home equity loans may still hinder this. The viewpoint relative to commercial real estate is less optimistic as commercial lending activity has not yet shown signs of growth. Any plans to improve vacant or under-developed parcels may remain on hold for two or more years for lender confidence to recur.

While national and state unemployment is near 10%, the unemployment rate in Wilmette at 6.3% remains well below national and statewide averages and is the fourth lowest rate in Illinois for cities greater than 25,000. However, this still reflects a large number of unemployed residents as well as other residents with reduced household incomes. Accordingly, it will be necessary to contain costs to keep tax and fee increases to a minimum.

The increasing cost of pension contributions (due to legislation that enhanced defined benefits in conjunction with poor investment performance) will continue to have the greatest impact on the Village's operating expenses through at least 2011. Additionally, the State of Illinois budget problems may trickle down to local agencies through legislative actions that could reduce revenues received from the State.

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 Robert Amoruso, 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 Assets
December 31, 2009**

See Following Page

VILLAGE OF WILMETTE, ILLINOIS

**Statement of Net Assets
December 31, 2009**

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets			
Cash and Investments	\$ 4,293,993	788,452	5,082,445
Receivables - Net	15,081,339	1,488,022	16,569,361
Due from Other Governments	2,116,021	-	2,116,021
Internal Balances	(89,583)	89,583	-
Inventories/Prepays	57,521	109,164	166,685
Deposits	488,079	-	488,079
Other Assets	211,387	-	211,387
Restricted Assets - Cash and Investments	2,973,770	3,268,067	6,241,837
Total Current Assets	25,132,527	5,743,288	30,875,815
Noncurrent Assets			
Capital Assets			
Nondepreciable Capital Assets	10,048,434	2,696,579	12,745,013
Depreciable Capital Assets	64,773,145	103,198,208	167,971,353
Depreciation	(24,094,316)	(28,002,751)	(52,097,067)
	50,727,263	77,892,036	128,619,299
Other Assets			
Long-term Note Receivable	184,928	-	184,928
Total Noncurrent Assets	50,912,191	77,892,036	128,804,227
Total Assets	76,044,718	83,635,324	159,680,042

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	\$ 2,979,450	796,304	3,775,754
Accrued Wages and Benefits	31,378	3,166	34,544
Accrued Interest Payable	136,082	155,237	291,319
Deposits Payable	412,425	1,650	414,075
Unearned Revenues	13,953,824	-	13,953,824
Compensated Absences Payable	235,120	27,260	262,380
Current Portion Long-Term Debt	1,568,176	2,925,215	4,493,391
Total Current Liabilities	19,316,455	3,908,832	23,225,287
Noncurrent Liabilities			
Compensated Absences Payable	940,480	132,840	1,073,320
Net Pension Obligation Payable	441,248	-	441,248
Net Other Postemployment Benefit Payable	2,597,680	-	2,597,680
Installment Contracts/Notes Payable	60,000	-	60,000
EPA Loans Payable	-	10,154,514	10,154,514
General Obligation Bonds Payable - Net	36,522,143	27,299,915	63,822,058
Total Noncurrent Liabilities	40,561,551	37,587,269	78,148,820
Total Liabilities	59,878,006	41,496,101	101,374,107
NET ASSETS			
Invested in Capital Assets - Net of Related Debt	14,080,279	40,104,715	54,184,994
Restricted - Highways and Streets	331,412	-	331,412
Unrestricted	1,755,021	2,034,508	3,789,529
Total Net Assets	16,166,712	42,139,223	58,305,935

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

VILLAGE OF WILMETTE, ILLINOIS

Statement of Activities
Year Ended December 31, 2009

	Expenses	Program Revenues	
		Charges for Services	Operating Grants/Contributions
Governmental Activities			
General Government	\$ 3,104,396	297,132	-
Public Safety	16,704,907	2,147,962	78,989
Streets and Sanitation	7,764,833	1,946,202	840,384
Other Public Works	1,511,453	57,344	612,680
Public Health	187,546	35,518	-
Community Development	1,123,256	1,036,375	-
Interest on Long-Term Debt	1,648,850	-	-
Total Governmental Activities	32,045,241	5,520,533	1,532,053
Business-Type Activities			
Water	6,155,509	6,981,313	119,527
Sewer	2,739,463	3,606,066	-
Parking	458,677	412,436	-
Total Business-Type Activities	9,353,649	10,999,815	119,527
	41,398,890	16,520,348	1,651,580

General Revenues
 Taxes
 Property Taxes
 Sales Taxes
 State Income Taxes
 Utility Taxes
 Real Estate Transfer
 Other Taxes
 Investment Earnings
 Miscellaneous
 Transfers

Change in Net Assets
 Net Assets - Beginning
 Net Assets - Ending

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

Net Expense/Revenue		
Governmental Activities	Business-Type Activities	Total
(2,807,264)	-	(2,807,264)
(14,477,956)	-	(14,477,956)
(4,978,247)	-	(4,978,247)
(841,429)	-	(841,429)
(152,028)	-	(152,028)
(86,881)	-	(86,881)
(1,648,850)	-	(1,648,850)
(24,992,655)	-	(24,992,655)
-	945,331	945,331
-	866,603	866,603
-	(46,241)	(46,241)
-	1,765,693	1,765,693
(24,992,655)	1,765,693	(23,226,962)
12,765,894	-	12,765,894
3,712,906	-	3,712,906
2,247,445	-	2,247,445
2,692,330	-	2,692,330
634,160	-	634,160
764,396	-	764,396
50,289	24,452	74,741
878,187	-	878,187
950,000	(950,000)	-
24,695,607	(925,548)	23,770,059
(297,048)	840,145	543,097
16,463,760	41,299,078	57,762,838
16,166,712	42,139,223	58,305,935

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

VILLAGE OF WILMETTE, ILLINOIS

**Balance Sheet - Governmental Funds
December 31, 2009**

	General	Debt Service	2007 & 2009 General Obligation Bonds	Nonmajor Fund Motor Fuel Tax	Total Governmental Funds
ASSETS					
Cash and Investments	\$ 2,800,326	-	-	715,842	3,516,168
Receivables - Net of Allowances				-	
Property Taxes	10,870,205	3,210,366	-	-	14,080,571
Other Taxes	166,162	-	-	-	166,162
Accounts	819,617	-	-	-	819,617
Due from Other Governments	1,741,604	-	317,537	56,880	2,116,021
Due from Other Funds	200,276	-	-	-	200,276
Prepays	57,521	-	-	-	57,521
Deposits	488,079	-	-	-	488,079
Restricted Assets - Cash and Investments	101,948	-	2,871,822	-	2,973,770
Other Assets	211,387	-	-	-	211,387
Long-Term Note Receivable	184,928	-	-	-	184,928
Total Assets	17,642,053	3,210,366	3,189,359	772,722	24,814,500
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	715,486	-	1,806,024	441,310	2,962,820
Accrued Wages and Benefits	31,378	-	-	-	31,378
Due to Other Funds	89,583	190,371	-	-	279,954
Deposits Payable	412,425	-	-	-	412,425
Deferred Revenue	11,325,545	3,116,358	-	-	14,441,903
Total Liabilities	12,574,417	3,306,729	1,806,024	441,310	18,128,480
Fund Balances					
Reserved - Note Receivable	184,928	-	-	-	184,928
Reserved - Prepays	57,521	-	-	-	57,521
Reserved - Encumbrances	14,668	-	-	-	14,668
Unreserved - Nonmajor Special Revenue	-	-	-	331,412	331,412
Unreserved	4,810,519	(96,363)	1,383,335	-	6,097,491
Total Fund Balances	5,067,636	(96,363)	1,383,335	331,412	6,686,020
Total Liabilities and Fund Balances	17,642,053	3,210,366	3,189,359	772,722	24,814,500

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

VILLAGE OF WILMETTE, ILLINOIS

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

December 31, 2009

Total Governmental Fund Balances	\$ 6,686,020
 Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	50,727,263
Certain revenues that are deferred in the governmental funds are available revenues in the statement of net assets.	488,079
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 Assets.	(1,831,401)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Net Pension Obligation Payable	(441,248)
Current Portion - General Obligation Bonds Payable	(1,440,000)
Compensated Absences Payable	(1,175,600)
General Obligation Bonds Payable - Net	(36,522,143)
Installment Contracts/Notes Payable	(188,176)
Accrued Interest Payable	(136,082)
	<hr/>
Net Assets of Governmental Activities	<u>16,166,712</u>

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

VILLAGE OF WILMETTE, ILLINOIS

**Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
Year Ended December 31, 2009**

	General	Debt Service	2007 & 2009 General Obligation Bonds	Nonmajor Fund Motor Fuel Tax	Total Governmental Funds
Revenues					
Taxes	\$ 19,694,806	3,122,325	-	-	22,817,131
Licenses, Permits and Fees	2,661,327	-	-	-	2,661,327
Intergovernmental	70,091	-	753,814	708,148	1,532,053
Charges for Services	2,557,660	-	-	-	2,557,660
Fines and Forfeitures	301,546	-	-	-	301,546
Investment Earnings	14,302	-	13,807	5,547	33,656
Miscellaneous	878,187	-	-	-	878,187
Total Revenues	26,177,919	3,122,325	767,621	713,695	30,781,560
Expenditures					
Current					
General Government	2,892,303	-	-	-	2,892,303
Public Safety	16,155,101	-	-	-	16,155,101
Streets and Sanitation	5,807,962	-	-	-	5,807,962
Other Public Works	2,479,331	-	-	-	2,479,331
Public Health	187,046	-	-	-	187,046
Community Development	1,120,856	-	-	-	1,120,856
Capital Outlay	-	-	5,223,262	1,572,011	6,795,273
Debt Service					
Principal Retirement	48,609	1,530,000	-	-	1,578,609
Issuance Costs	-	-	7,920	-	7,920
Interest and Fiscal Charges	443	1,626,908	-	-	1,627,351
Total Expenditures	28,691,651	3,156,908	5,231,182	1,572,011	38,651,752
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,513,732)	(34,583)	(4,463,561)	(858,316)	(7,870,192)
Other Financing Sources (Uses)					
Debt Issuance	-	-	1,590,000	-	1,590,000
Premium on Debt Issuance	-	-	8,317	-	8,317
Transfers In	950,000	-	-	-	950,000
	950,000	-	1,598,317	-	2,548,317
Net Change in Fund Balances	(1,563,732)	(34,583)	(2,865,244)	(858,316)	(5,321,875)
Fund Balances - Beginning	6,631,368	(61,780)	4,248,579	1,189,728	12,007,895
Fund Balances - Ending	5,067,636	(96,363)	1,383,335	331,412	6,686,020

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

VILLAGE OF WILMETTE, ILLINOIS

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

Year Ended December 31, 2009

Net Change in Fund Balances - Total Governmental Funds \$ (5,321,875)

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	8,270,190
Depreciation Expense	(2,710,342)

The net effect of various transactions involving capital assets is to
decrease net assets.

Disposals - Cost	(699,846)
Disposals - Accumulated Depreciation	699,846

Certain revenues are not available in the governmental funds
but are reported as revenues in the Statement of Activities.

13,364

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.

(48,033)

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.

Additions to Compensated Absences Payable	(18,100)
Additions to Net Pension Obligation Payable	(448,965)
Issuance of Debt	(1,590,000)
Retirement of Debt	1,578,609
Amortization of Loss on Refunding	(21,310)

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.

(586)

Changes in Net Assets of Governmental Activities

(297,048)

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

VILLAGE OF WILMETTE, ILLINOIS

**Statement of Net Assets - Proprietary Funds
December 31, 2009**

	Business-Type Activities			Totals	Governmental
	Water	Sewer	Nonmajor Parking Meter		Activities Internal Service
ASSETS					
Current Assets					
Cash and Investments	\$ (215,395)	192,484	811,363	788,452	777,825
Receivables - Net of Allowances Accounts	819,700	668,322	-	1,488,022	14,989
Due from Other Funds	89,583	-	-	89,583	-
Inventory	108,427	-	-	108,427	-
Prepays	737	-	-	737	-
Restricted Assets					
Cash and Investments	1,331,629	1,936,438	-	3,268,067	-
Total Current Assets	2,134,681	2,797,244	811,363	5,743,288	792,814
Capital Assets					
Nondepreciable Capital Assets	399,255	1,638,220	659,104	2,696,579	-
Depreciable Capital Assets	47,032,969	51,200,510	4,964,729	103,198,208	-
Depreciation	(14,851,165)	(11,835,089)	(1,316,497)	(28,002,751)	-
Total Capital Assets	32,581,059	41,003,641	4,307,336	77,892,036	-
Total Assets	34,715,740	43,800,885	5,118,699	83,635,324	792,814

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

	Business-Type Activities				Governmental
	Water	Sewer	Nonmajor	Totals	Activities
			Parking Meter		Internal Service
LIABILITIES					
Current Liabilities					
Accounts Payable	74,495	698,556	23,253	796,304	16,630
Accrued Wages and Benefits	2,988	178	-	3,166	-
Accrued Interest Payable	69,042	85,681	514	155,237	-
Due to Other Funds	-	-	-	-	9,905
Deposits Payable	1,650	-	-	1,650	-
Compensated Absences Payable	23,760	3,500	-	27,260	-
EPA Loans Payable	-	1,975,215	-	1,975,215	-
General Obligation Bonds Payable	605,000	220,000	125,000	950,000	-
Total Current Liabilities	776,935	2,983,130	148,767	3,908,832	26,535
Noncurrent Liabilities					
Compensated Absences Payable	119,440	13,400	-	132,840	-
Net Other Postemployment Benefits Payable	-	-	-	-	2,597,680
EPA Loans Payable	-	10,154,514	-	10,154,514	-
General Obligation Bonds Payable	18,945,000	8,320,000	65,000	27,330,000	-
Unamortized Loss on Refunding	(29,260)	-	(825)	(30,085)	-
Total Noncurrent Liabilities	19,035,180	18,487,914	64,175	37,587,269	2,597,680
Total Liabilities	19,812,115	21,471,044	212,942	41,496,101	2,624,215
NET ASSETS					
Invested in Capital Assets - Net of Related Debt					
Unrestricted	14,391,948	21,594,606	4,118,161	40,104,715	-
	511,677	735,235	787,596	2,034,508	(1,831,401)
Total Net Assets	14,903,625	22,329,841	4,905,757	42,139,223	(1,831,401)

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

VILLAGE OF WILMETTE, ILLINOIS

**Statement of Revenues, Expenses, and Changes in Net Assets - Proprietary Funds
Year Ended December 31, 2009**

	Business-Type Activities - Enterprise Funds				Governmental
	Water	Sewer	Nonmajor Parking Meter	Totals	Activities Internal Service
Operating Revenues					
Charges for Services	\$ 6,981,313	3,606,066	412,436	10,999,815	-
Interfund Services	-	-	-	-	5,369,239
Total Operating Revenues	6,981,313	3,606,066	412,436	10,999,815	5,369,239
Operating Expenses					
Administration	652,631	-	-	652,631	32,354
Operations	3,542,428	1,249,533	325,854	5,117,815	5,388,187
Depreciation	1,057,342	768,205	122,248	1,947,795	-
Total Operating Expenses	5,252,401	2,017,738	448,102	7,718,241	5,420,541
Operating Income (Loss)	1,728,912	1,588,328	(35,666)	3,281,574	(51,302)
Nonoperating Revenues (Expenses)					
Investment Earnings	19,214	5,238	-	24,452	3,269
Interest Expense	(873,488)	(721,725)	(9,750)	(1,604,963)	-
Amortization of Bond Discount	(29,620)	-	(825)	(30,445)	-
	(883,894)	(716,487)	(10,575)	(1,610,956)	3,269
Income (Loss) Before Contributions and Transfers	845,018	871,841	(46,241)	1,670,618	(48,033)
Contributions	119,527	-	-	119,527	-
Transfers In	-	100,000	-	100,000	-
Transfers Out	(1,050,000)	-	-	(1,050,000)	-
Change in Net Assets	(85,455)	971,841	(46,241)	840,145	(48,033)
Net Assets - Beginning	14,989,080	21,358,000	4,951,998	41,299,078	(1,783,368)
Net Assets - Ending	14,903,625	22,329,841	4,905,757	42,139,223	(1,831,401)

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

VILLAGE OF WILMETTE, ILLINOIS

**Statement of Cash Flows - Proprietary Funds
Year Ended December 31, 2009**

See Following Page

VILLAGE OF WILMETTE, ILLINOIS

Statement of Cash Flows - Proprietary Funds
Year Ended December 31, 2009

	<u>Water</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 7,196,706
Receipts from Interfund Services	-
Payments to Employees	(2,080,047)
Payments to Suppliers	<u>(2,244,481)</u>
	<u>2,872,178</u>
Cash Flows from Non-Capital Financing Activities	
Transfers In	-
Transfers Out	(1,050,000)
Change in Interfund Activity	<u>(1,144,394)</u>
	<u>(2,194,394)</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(723,098)
Principal Issued on Debt	5,845,000
Principal Paid on Debt	(6,510,000)
Interest Paid on Debt	<u>(873,488)</u>
	<u>(2,261,586)</u>
Cash Flows from Investing Activities	
Interest Received	<u>19,214</u>
Net Change in Cash and Cash Equivalents	(1,564,588)
Cash and Cash Equivalents - Beginning	<u>2,680,822</u>
Cash and Cash Equivalents - Ending	<u><u>1,116,234</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities.	
Operating Income (Loss)	<u>1,728,912</u>
Adjustments to Reconcile Operating Income to Net Income to Net Cash	
Provided by (Used in) Operating Activities:	
Depreciation Expense	1,057,342
(Increase) Decrease in Current Assets	215,393
Increase (Decrease) in Current Liabilities	<u>(129,469)</u>
Net Cash Provided by Operating Activities	<u><u>2,872,178</u></u>
Noncash Capital and Related Financing Activities	
Capital Contributions	<u><u>119,527</u></u>

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

Business-Type Activities - Enterprise Funds			Governmental
	Nonmajor		Activities
Sewer	Parking	Totals	Internal
	Meter		Service
3,620,651	412,436	11,229,793	-
-	-	-	5,369,829
(446,928)	(106,641)	(2,633,616)	(648,725)
(324,631)	(226,160)	(2,795,272)	(4,634,755)
2,849,092	79,635	5,800,905	86,349
100,000	-	100,000	-
-	-	(1,050,000)	-
-	-	(1,144,394)	(1,343)
100,000	-	(2,094,394)	(1,343)
(1,577,910)	(13,554)	(2,314,562)	-
1,585,298	-	7,430,298	-
(1,966,585)	(120,000)	(8,596,585)	-
(721,725)	(9,750)	(1,604,963)	-
(2,680,922)	(143,304)	(5,085,812)	-
5,238	-	24,452	3,269
273,408	(63,669)	(1,354,849)	88,275
1,855,514	875,032	5,411,368	689,550
2,128,922	811,363	4,056,519	777,825
1,588,328	(35,666)	3,281,574	(51,302)
768,205	122,248	1,947,795	-
14,585	-	229,978	590
477,974	(6,947)	341,558	137,061
2,849,092	79,635	5,800,905	86,349
-	-	119,527	-

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

VILLAGE OF WILMETTE, ILLINOIS

**Statement of Net Assets - Fiduciary Funds
December 31, 2009**

	Pension Trust	Agency
Assets		
Cash and Cash Equivalents	\$ 1,547,397	576,995
Investments		
U.S. Government and Agency Securities	18,077,534	-
Mutual Funds	38,022,872	-
Receivables		
Accrued Interest	229,729	-
Total Assets	<u>57,877,532</u>	<u>576,995</u>
Liabilities		
Accounts Payable	13,906	-
Deposits Payable	-	576,995
Total Liabilities	<u>13,906</u>	<u>576,995</u>
Net Plan Assets Held in Trust for Pension Benefits (A schedule of funding progress is presented following the notes to the financial schedules.)	<u><u>57,863,626</u></u>	-

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

VILLAGE OF WILMETTE, ILLINOIS

Statement of Changes in Net Assets - Fiduciary Funds
Year Ended December 31, 2009

	<u>Pension Trust</u>
Additions	
Contributions - Employer	\$ 2,920,000
Contributions - Plan Members	<u>781,358</u>
Total Contributions	<u>3,701,358</u>
Investment Income	
Investment Earnings	29,232
Net Change in Fair Value	<u>6,834,807</u>
	6,864,039
Less Investment Expenses	<u>(85,983)</u>
	<u>6,778,056</u>
Total Additions	<u>10,479,414</u>
Deductions	
Administration	21,776
Benefits and Refunds	<u>3,817,278</u>
Total Deductions	<u>3,839,054</u>
Change in Net Assets	6,640,360
Net Plan Assets Held in Trust for Pension Benefits	
Beginning	<u>51,223,266</u>
Ending	<u><u>57,863,626</u></u>

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2009

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). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB Pronouncements. Although the Village has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Village has chosen not to do so. 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
Blended Component Unit:	Police Pension Employees Retirement System Firefighters' Pension Employee Retirement System

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 14, "The Financial Reporting Entity," and includes all component units that have a significant operational or financial relationship with the Village.

Blended Component Units - Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the Village Council or the Component unit provided services entirely to the Village. These component units' funds are blended into those of the Village's by appropriate activity type to compose the primary government presentation.

Blended Component Units

Police Pension Employees Retirement System

The Village's 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.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

REPORTING ENTITY – Continued

Blended Component Units – Continued

Police Pension Employees Retirement System – Continued

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 pension trust fund.

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 pension trust fund.

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 Assets, 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 and receivables as well as long-term debt and obligations.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide Statements – Continued

The Village's net assets are reported in three parts: invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, community development, public safety, public works, etc). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges for services, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or discretely 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 assets 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, liabilities, reserves, 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. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, 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, 2009

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, liabilities, 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, liabilities, 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: \$3,000,000 of Series 2001 General Obligation Improvements, \$23,400,000 of Series 2002 General Obligation Improvements, \$9,300,000 of Series 2004 General Obligation Refunding, and \$11,735,000 of Series 2006 General Obligation Refunding and Improvements. In addition, this fund accounts for \$100,000 of Series 1988 Central Business District Improvements.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains one major capital projects fund, the 2002 General Obligation Bond Fund, which is used to account for capital improvements funded by the General Obligation Bond Series 2002.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, 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 four internal service funds, the Municipal Garage Fund, the Employee Insurance Fund, the Workers' Compensation Fund, the Illinois Municipal Retirement Fund, and the 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 assets and changes in net assets and is reported using accounting principles similar to proprietary funds.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Fiduciary Funds – Continued

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

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

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

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

On the government-wide Statement of Net Assets and the Statement of Activities, both governmental and business-like 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 and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

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

Basis of Accounting

In the government-wide Statement of Net Assets and Statement of Activities, both governmental and business-like 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 is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

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

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

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

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

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

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

Cash and Investments

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

Receivables

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

Inventories

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

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. Restricted assets of governmental funds have been designated in unreserved fund balance.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2009**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS 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.

Prepays

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaids.

Capital Assets

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

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

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

Buildings	75 Years
Improvements Other Than Buildings	20 Years
Water System	20 – 100 Years
Sewer System	25 – 75 Years
Parking Improvements	10 – 40 Years
Machinery, Equipment and Vehicles	3 – 20 Years
Infrastructure	20 Years

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Capital Assets – Continued

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

Compensated Absences

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

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, 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 deferred charges and amortized over the term of the related debt.

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.

Unearned/Deferred Revenue

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Fund Equity

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

Invested in capital assets, net of related debt—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 net assets—Consists of net assets 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 net assets—All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

All departments of the Village submit requests for appropriation to the Village’s manager so that a budget may be prepared. The budget is prepared by fund and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year.

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

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget.

The budget may be amended only by the governing body. Expenditures may not legally exceed budgeted appropriations at the fund level. No supplemental appropriations were made.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2009**

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:

<u>Fund</u>	<u>Excess</u>
Series 2007 and 2009 General Obligation Bonds	\$ 762,952
Workers' Compensation	5,173
Section 105 Sick Leave	155,102
Police Pension	27,171

DEFICIT FUND EQUITY

The following funds had deficit fund equity at year end:

<u>Fund</u>	<u>Deficit</u>
Debt Service	\$ 96,363
Section 105 Sick Leave	1,831,401

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, Illinois Funds and the Illinois Metropolitan Investment Fund. The deposits and investments of the Pension Funds are held separately from those of other Village funds. Statutes authorize the Pension Funds 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; State of Illinois Bonds; pooled accounts managed by the Illinois Public Treasurer, 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,

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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 provided the investment in separate accounts does not exceed ten percent of the pension fund's net assets. Pension funds of at least 5 million that have appointed an investment advisor may, through that investment advisor, invest up to thirty-five percent of the plan's net assets in common and preferred stocks that meet specific restrictions.

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

Village Credit Risk, Custodial Credit Risk, and Concentration Risk

Deposits. At year-end the carrying amount of the Village's deposits for governmental and business-type activities totaled \$11,324,150 and the bank balances totaled \$11,384,057. At year-end the Village also has \$132 invested in the Illinois Funds.

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

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City 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 Public Treasurer's Investment Pool
- 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, 2009, the Village's investments in the Illinois Funds are triple A rated by Standard & Poor's.

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. At December 31, 2009, 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, 2009, the Village's investment in the Illinois Funds is not subject to custodial credit risk.

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's policy states "the Village shall diversify its investments to avoid incurring unreasonable risks regarding specific security types and/or individual financial institutions. At December 31, 2009, the Village has no investment in any single issuer over 5% of total cash and investments.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Deposits. At year-end the carrying amount of the Police Pension Fund's deposits totaled \$461,700 and the bank balances totaled \$461,700.

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

Investment Type	Fair Value	Remaining Maturities - in Years			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Obligations	\$ 5,408,156	-	2,038,276	1,645,993	1,723,887
U.S Agency Obligations	3,693,784	1,208,006	1,371,788	227,824	886,166
Mutual Funds	18,891,094	18,891,094	-	-	-
Total	27,993,034	20,099,100	3,410,064	1,873,817	2,610,053

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

Credit Risk. The Fund's investment policy helps limit exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The investments in securities of the U.S. agencies were all rated triple A by Standard & Poor's and by Moody's Investors Services. The Fund's investment in mutual funds were also triple A rated by Standard & Poor's.

Custodial Credit Risk – Deposits. The Fund's investment policy does not limit custodial credit risk for deposits. At December 31, 2009, 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, 2009, 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. The Fund does not have a formal written policy with regards to concentration credit risk for investments. At December 31, 2009, the Police Pension Fund has over 5% of net plan assets available for retirement benefits (other than U.S. Government guaranteed obligations) invested in Vanguard (\$14,177,434).

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2009**

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 \$1,085,697 and the bank balances totaled \$1,085,697.

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

Investment Type	Fair Value	Remaining Maturities - in Years			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Obligations	\$ 5,408,156	-	1,663,668	2,020,601	1,723,887
U.S Agency Obligations	3,567,438	1,152,453	1,215,887	336,772	862,326
Mutual Funds	19,131,778	19,131,778	-	-	-
Total	28,107,372	20,284,231	2,879,555	2,357,373	2,586,213

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

Credit Risk. The Fund’s investment policy helps limit exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The investments in securities of the U.S. agencies were all rated triple A by Standard & Poor’s and by Moody’s Investors Services. The Fund’s investment in Mutual Funds were also triple A rated by Standard & Poor’s.

Custodial Credit Risk – Deposits. The Fund’s investment policy does not limit custodial credit risk for deposits. At December 31, 2009, 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, 2009, 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. The Fund does not have a formal written policy with regards to concentration credit risk for investments. At December 31, 2009, the Firefighters’ Pension Fund has over 5% of net plan assets available for retirement benefits (other than U.S. Government guaranteed obligations) invested in Vanguard (\$14,363,924) and Blackrock Equity Dividend Fund (\$2,604,803).

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements
December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

PROPERTY TAXES

Property taxes for 2009 attach as an enforceable lien on January 1, 2009, 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, 2009, and September 1, 2009. The County collects such taxes and remits them periodically. Since the 2009 levy is intended to finance the 2010 fiscal year, the levy has been recorded as receivable and deferred revenue.

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets- Nondepreciable				
Land	\$ 1,838,262	-	-	1,838,262
Construction in Progress	4,268,152	4,508,834	566,814	8,210,172
	<u>6,106,414</u>	<u>4,508,834</u>	<u>566,814</u>	<u>10,048,434</u>
Other Capital Assets				
Buildings	15,021,313	301,935	-	15,323,248
Improvements Other Than Buildings	36,252,473	3,102,013	-	39,354,486
Motor Equipment	7,306,523	697,625	612,833	7,391,315
Office Furniture and Equipment	718,713	-	87,013	631,700
Other Equipment	1,845,799	226,597	-	2,072,396
	<u>61,144,821</u>	<u>4,328,170</u>	<u>699,846</u>	<u>64,773,145</u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2009**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Governmental Activities – Continued

	Beginning Balances	Increases	Decreases	Ending Balances
Less Accumulated Depreciation				
Buildings	\$ 3,076,854	263,137	-	3,339,991
Improvements Other Than Buildings	12,539,591	1,831,848	-	14,371,439
Motor Equipment	4,962,172	432,236	612,833	4,781,575
Office Furniture and Equipment	591,511	33,652	87,013	538,150
Other Equipment	913,692	149,469	-	1,063,161
	<u>22,083,820</u>	<u>2,710,342</u>	<u>699,846</u>	<u>24,094,316</u>
 Total Other Capital Assets	 <u>39,061,001</u>	 <u>1,617,828</u>	 <u>-</u>	 <u>40,678,829</u>
 Total Capital Assets	 <u>45,167,415</u>	 <u>6,126,662</u>	 <u>566,814</u>	 <u>50,727,263</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 140,491
Streets and Sanitation	2,127,213
Public Safety - Police	240,323
Public Safety - Fire	<u>202,315</u>
	<u>2,710,342</u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2009**

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/ Transfers	Decreases/ Transfers	Ending Balances
Capital Assets - Nondepreciable				
Land	\$ 832,453	-	-	832,453
Landscaping	223,889	-	-	223,889
Construction in Progress	451,343	1,324,535	159,501	1,616,377
	<u>1,507,685</u>	<u>1,324,535</u>	<u>159,501</u>	<u>2,672,719</u>
Other Capital Assets				
Water System Improvements	26,594,969	221,884	-	26,816,853
Sewer System Improvements	48,328,592	469,722	-	48,798,314
Storm Water Pump Stations	2,323,911	-	-	2,323,911
Buildings	11,871,736	202,689	-	12,074,425
Machinery, Equipment, and Vehicles	8,080,792	361,205	198,161	8,243,836
Parking Facilities/Improvements	4,951,175	13,554	-	4,964,729
	<u>102,151,175</u>	<u>1,269,054</u>	<u>198,161</u>	<u>103,222,068</u>
Less Accumulated Depreciation				
Water System Improvements	6,338,877	499,739	-	6,838,616
Sewer System Improvements	10,201,612	704,277	-	10,905,889
Storm Water Pump Stations	852,632	57,608	-	910,240
Buildings	3,815,148	253,166	-	4,068,314
Machinery, Equipment, and Vehicles	3,850,599	310,757	198,161	3,963,195
Parking Facilities/Improvements	1,194,249	122,248	-	1,316,497
	<u>26,253,117</u>	<u>1,947,795</u>	<u>198,161</u>	<u>28,002,751</u>
Total Other Capital Assets	<u>75,898,058</u>	<u>(678,741)</u>	<u>-</u>	<u>75,219,317</u>
Total Capital Assets	<u>77,405,743</u>	<u>645,794</u>	<u>159,501</u>	<u>77,892,036</u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2009**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities – Continued

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

Water	\$ 1,057,342
Sewer	768,205
Parking Meter	<u>122,248</u>
	<u>1,947,795</u>

INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund Balances

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Debt Service	\$ 190,371
General	Workers' Compensation	9,905
Water	General	<u>89,583</u>
		<u>289,859</u>

The purpose of the interfund receivables/payables is for operating expenditures paid by the General Fund for the Water Fund. Repayment is expected on a monthly basis.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2009**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS – Continued

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
Sewer	Water	<u>100,000</u>
		<u>1,050,000</u>

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

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:

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2009**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

General Obligation Bonds – Continued

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
\$10,000,000 General Obligation Bond Series of 1999, due in annual installments of \$100,000 to \$1,240,000 plus interest at 3.20% to 4.45% through December 1, 2014.	Water	\$ 5,950,000	-	* 5,840,000 110,000	-
\$30,400,000 General Obligation Bond Series of 2002, due in annual installments of \$125,000 to \$2,700,000 plus interest at 4.00% to 5.00% through December 1, 2023.	Debt Service	21,005,000	-	320,000	20,685,000
	Sewer	1,870,000	-	30,000	1,840,000
	Water	4,750,000	-	100,000	4,650,000
	Debt Service	6,055,000	-	560,000	5,495,000
\$17,525,000 General Obligation Bonds of 2004, due in annual installments of \$530,000 to \$1,645,000 plus interest at 3.00% to 4.00% through December 1, 2020.	Sewer	2,700,000	-	25,000	2,675,000
	Water	4,150,000	-	310,000	3,840,000
	Parking Meter	310,000	-	120,000	190,000

* Refunded

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2009**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Bonds – Continued

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
\$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	\$ 10,970,000	-	650,000	10,320,000
	Sewer	2,450,000	-	-	2,450,000
	Water	5,365,000	-	150,000	5,215,000
\$9,010,000 General Obligation Refunding Bonds of 2009, due in annual installments of \$375,000 to \$960,000 plus interest at 2.00% to 3.65% through December 1, 2023.	Debt Service	-	1,590,000	-	1,590,000
	Sewer	-	1,575,000	-	1,575,000
	Water	-	5,845,000	-	5,845,000
		<u>65,575,000</u>	<u>9,010,000</u>	<u>8,215,000</u>	<u>66,370,000</u>

IEPA Revenue Bonds

The Village has entered into an agreement with the IEPA to provide low interest financing for Sewerage improvements. As if the date of this report the total amount owed to the IEPA is \$16,972,126 including interest during construction. A financial payment will not be established on the IEPA Revenue Bonds Series of 2006 until construction is complete and final draws on the loan have been made. The final debt will be due semi-annually over a 20 year period plus interest at 2.5 to 4.5 percent. IEPA revenue bonds currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Revenue Bonds of 1993, due in annual installments of \$327,951 to \$638,703 plus interest of 3.580% through December 10, 2013.	Sewer	\$ 2,752,246	-	574,207	2,178,039

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2009**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

IEPA Revenue Bonds – Continued

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Revenue Bonds of 1995, due in annual installments of \$335,386 to \$654,240 plus interest of 3.580% through January 1, 2014.	Sewer	\$ 3,399,091	-	572,602	2,826,489
IEPA Revenue Bonds of 1996, due in annual installments of \$155,031 to \$303,636 plus interest of 2.815% through December 7, 2016.	Sewer	2,112,567	-	256,751	1,855,816
IEPA Revenue Bonds of 1997, due in annual installments of \$422,907 to \$596,423 plus interest of 3.150% through September 8, 2017.	Sewer	4,752,438	-	464,479	4,287,959
IEPA Revenue Bonds of 2006, due in annual installments of \$8,437 to \$27,333 plus interest of 2.500% through September 13, 2026.	Sewer	395,087	6,276	17,625	383,738
IEPA Revenue Bonds of 2007, due in annual installments of \$26,641 to \$39,769 plus interest at 2.500% through October 21, 2027.	Sewer	619,587	4,022	25,921	597,688
		<u>14,031,016</u>	<u>10,298</u>	<u>1,911,585</u>	<u>12,129,729</u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2009**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Installment Contracts/Notes Payable

Installment contracts/notes payable currently outstanding are governmental and are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
Installment contract through November 2010 plus interest at 3.4%.	General	\$ 16,785	-	8,609	8,176
\$165,000 Village Manager housing allowance note payable due in June 2007 plus interest at 3.4%.	General	120,000	-	-	120,000
Historical Society improvements note due in October 2008 plus interest at 3.25%	General	100,000	-	40,000	60,000
		<u>236,785</u>	<u>-</u>	<u>48,609</u>	<u>188,176</u>

In September 2003, the Village entered into an agreement with the Wilmette Historical Society (the Society), wherein the Society would make capital improvements to the Historical Museum, a Village owned asset that the Society leases from the Village. In order to facilitate the project, the Village obtained a \$450,000 line of credit from North Shore Bank which the Society can draw down upon as necessary to pay construction costs. Under the agreement, the Society is required to pay all principal directly to the bank, and is required to reimburse the Village monthly for all interest charged to the Village. As of December 31, 2009, the line of credit outstanding balance is \$60,000.

The improvements to the Museum are capitalized by the Village in the capital assets of governmental activities at their fair value on the date donated.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2009**

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	Additions and Transfers	Deductions and Transfers	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 1,157,500	36,200	18,100	1,175,600	235,120
Net Pension Obligation					
Police Pension Fund	(8,701)	1,535,760	1,300,000	227,059	-
Firefighters' Pension Fund	984	1,833,205	1,620,000	214,189	-
Net Other Post-Employment Benefit Obligation	2,429,932	167,748	-	2,597,680	-
General Obligation Bonds	38,030,000	1,590,000	1,530,000	38,090,000	1,440,000
Unamortized Loss on Refunding	(149,167)	-	(21,310)	(127,857)	-
Installment Contracts/ Notes Payable	236,785	-	48,609	188,176	128,176
	<u>41,697,333</u>	<u>5,162,913</u>	<u>4,495,399</u>	<u>42,364,847</u>	<u>1,803,296</u>
Business-Type Activities					
Compensated Absences	156,400	7,400	3,700	160,100	27,260
General Obligation Bonds	27,545,000	7,420,000	6,685,000	28,280,000	950,000
Unamortized Loss on Refunding	(60,530)	-	(30,445)	(30,085)	-
IEPA Loans	14,031,016	10,298	1,911,585	12,129,729	1,975,215
	<u>41,671,886</u>	<u>7,437,698</u>	<u>8,569,840</u>	<u>40,539,744</u>	<u>2,952,475</u>

The General Fund makes payments on the net pension obligations. The Debt Service Fund, Water Fund, Sewer Fund, and Parking Meter Funds make payments on the general obligation bonds. Payments on the notes payable are made by the General Fund. The Sewer Fund makes payments on the IEPA loans. Also, for the governmental activities, compensated absences are generally liquidated by the general fund. In fiscal year 2008, the Village implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. This pronouncement required the Village to calculate and record a net other post employment benefit obligation (NOPEBO) at December 31, 2008. The NOPEBO is, in general, the cumulative difference between the actuarial required contribution and the actual contributions since January 1, 2008, and is reported as a liability in the Village's Section 105 Sick Leave – Internal Service Fund.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2009**

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 Ending December 31	Governmental Activities			
	General Obligation Bonds		Installment Contracts/ Notes Payable	
	Principal	Interest	Principal	Interest
2010	\$ 1,440,000	1,613,655	128,176	5,067
2011	2,460,000	1,561,937	-	-
2012	3,145,000	1,473,817	-	-
2013	3,755,000	1,354,252	-	-
2014	4,080,000	1,204,555	-	-
2015	4,040,000	1,036,790	-	-
2016	4,130,000	863,702	-	-
2017	4,615,000	683,252	-	-
2018	4,385,000	480,951	-	-
2019	2,205,000	287,970	-	-
2020	1,910,000	183,347	-	-
2021	1,915,000	92,083	-	-
2022	10,000	495	-	-
Total	38,090,000	10,836,806	128,176	5,067

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2009**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity – Continued

Fiscal Year Ending December 31	Business-Type Activities			
	General Obligation Bonds		IEPA Loans	
	Principal	Interest	Principal	Interest
2010	\$ 950,000	950,033	1,975,215	368,664
2011	895,000	919,806	2,040,663	303,334
2012	970,000	899,911	2,108,224	235,775
2013	1,380,000	880,415	1,844,215	165,960
2014	1,860,000	847,299	1,223,480	111,851
2015	1,930,000	794,215	914,957	79,354
2016	2,715,000	736,983	785,424	51,675
2017	3,170,000	644,995	650,063	29,824
2018	2,660,000	468,833	54,988	14,347
2019	2,740,000	458,802	56,371	12,964
2020	2,720,000	368,142	57,789	11,545
2021	2,550,000	269,590	59,242	10,090
2022	2,240,000	161,130	60,734	8,600
2023	1,500,000	62,850	62,259	7,073
2024	-	-	63,826	5,508
2025	-	-	65,433	3,901
2026	-	-	67,078	2,255
2027	-	-	39,768	743
Total	<u>28,280,000</u>	<u>8,463,004</u>	<u>12,129,729</u>	<u>1,423,463</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, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Advance Refunding

General Obligation Bonds of 2004

On November 22, 2004, the Village passed an ordinance providing for the issuance of \$17,525,000 General Obligation Bond Series 2004 and the levy and collection of a direct annual tax for the payment of principal and interest on the bonds. The bonds were issued for sewer and water improvements and in order to refund the General Obligation Bond Series of 1993, General Obligation Bond Series of 1997 and General Obligation Bond Series of 1998, issued by the Village and outstanding in the aggregate principal amounts of \$575,000, \$1,110,000 and \$2,230,000, respectively. The bonds were also issued to partially refund the General Obligation Bond Series of 1999 and General Obligation Bond Series of 2001, issued by the Village and outstanding in aggregate principal amounts of \$3,600,000 and \$4,575,000, respectively.

This advance refunding was undertaken to reduce principal and interest payments by a total of \$582,683 from 2005 through 2020. This was done at an economic gain (the difference between the present value of the debt service payments of the refunded and refunding bonds) of \$436,277.

Proceeds in the amount of \$12,402,616 from the refunding bonds were used to execute the escrow agreement. The long-term debt for the General Obligation Bond Series 1999 is recorded in the non-current liabilities of the governmental activities. Current principal and interest requirements are accounted for in the Debt Service Fund. The long-term debt for the General Obligation Bond Series 2001 is recorded in the non-current liabilities of the governmental activities and in the Water Fund. Current principal and interest requirements are accounted for in the Debt Service Fund and the Water Fund.

Although there has been no legal defeasance (satisfaction of debt) in this transaction, all conditions that normally satisfy defeasance of \$3,600,000 and \$4,575,000 of the General Obligation Bond Series of 1999 and 2001, respectively, have been met. The 1999 and 2001 bonds maturing on or after December 1, 2007 and December 1, 2009, respectively, may be redeemed prior to maturity at the option of the Village.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2009**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Advance Refunding – Continued

General Obligation Bonds of 2004 – Continued

The following is a schedule of future requirements for the General Obligation Bond Series of 1999 to be paid from escrow:

<u>Fiscal Year Ending December 31</u>	<u>Interest Rate</u>	<u>Principal</u>
2010	4.25%	\$ 500,000
2011	4.35%	600,000
2012	4.40%	600,000
2013	4.45%	600,000
2014	4.45%	<u>350,000</u>
Total		<u><u>2,650,000</u></u>

The following is a schedule of future requirements for the General Obligation Bond Series of 2001 to be paid from escrow:

<u>Fiscal Year Ending December 31</u>	<u>Interest Rate</u>	<u>Principal</u>
2010	4.20%	\$ 400,000
2011	4.25%	6,500,000
2012	4.40%	600,000
2013	4.50%	700,000
2014	4.60%	550,000
2015	4.75%	200,000
2016	4.80%	200,000
2017	4.90%	300,000
2018	4.90%	300,000
2019	5.00%	300,000
2020	5.00%	<u>300,000</u>
Total		<u><u>10,350,000</u></u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2009**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Advance Refunding – Continued

General Obligation Bonds of 2007

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

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

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

Although there has been no legal defeasance (satisfaction of debt) in this transaction, all conditions that normally satisfy defeasance of \$7,300,000 of the General Obligation Refunding Bond Series of 2000 have been met. The 2000 bonds maturing on or after December 1, 2008 may be redeemed prior to maturity at the option of the Village.

<u>Fiscal Year Ending</u> <u>December 31</u>	<u>Interest</u> <u>Rate</u>	<u>Principal</u>
2010	5.000%	\$ 250,000
2011	5.000%	250,000
2012	5.000%	250,000
2013	5.000%	250,000
2014	5.000%	250,000
2015	5.250%	300,000
2016	5.250%	650,000
2017	5.375%	800,000
2018	5.375%	850,000
2019	5.375%	875,000
2020	5.500%	950,000
2021	5.500%	<u>1,000,000</u>
Total		<u><u>6,675,000</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Advance Refunding – Continued

General Obligation Bonds of 2009

On October 27, 2009, the Village passed an ordinance providing for the issuance of \$9,010,000 General Obligation Refunding and Improvements Bond Series 2009 and the levy and collection of a direct annual tax for the payment of principal and interest on the bonds. The bonds were issued to complete the Sheridan Road reconstruction project and for a current refunding of the General Obligation Refunding Bond Series of 1999, issued by the Village and outstanding in the aggregate principal amount of \$5,840,000.

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

Proceeds in the amount of \$5,870,137 from the refunding bonds were used to execute the escrow agreement. The long-term debt for the General Obligation Refunding Bond Series 1999 is recorded in the non-current liabilities of the governmental activities and in the Water and Sewer Funds.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; illnesses to employees; and natural disasters. These risks are provided for through participation in the Intergovernmental Risk Management Agency and the North Suburban Employee Benefit Cooperative. Premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

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 Cooperations 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, and 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.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

RISK MANAGEMENT – Continued

North Suburban Employee Benefit Cooperative (NSEBC)

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

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

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

For the year ended December 31, 2009, NSEBC had a total equity of \$5,402,916. The Village's total payments for the year ended December 31, 2009 were \$1,376,089.

POST-EMPLOYMENT BENEFITS

Post-Employment Health Care Benefits

The Village provides post-retirement health care benefits to certain qualified retirees of the Village. These benefits can be categorized as follows:

- a. Employees who retired prior to 1989 may elect to continue health insurance coverage (single or family) through the Village's carriers, and the Village pays 25 percent of the premium cost and the retiree pays the balance. For the year ended December 31, 2009, there were no retirees in this category.
- b. Employees retiring after February 1989 who are eligible to receive an immediate pension under any of the Village's three pension plans and have at least twenty years of service with the Village may elect to continue health insurance coverage (single or family) through the Village's carriers, and the Village pays 25 percent of the single employee premium cost and the retiree pays the balance. For the year ended December 31, 2009, there were thirteen retirees in this category and the Village's expense totaled \$18,884.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

POST-EMPLOYMENT BENEFITS – Continued

Post-Employment Health Care Benefits – Continued

- c. Employees retiring after February 1989 who are eligible to receive an immediate pension under the Village's pension plan and have at least fifteen years of pension service and ten years of service with the Village may elect to continue health insurance coverage (single or family) through the Village's carriers. In these instances, the entire premium cost is paid by the employee.
- d. On three occasions since 1995, the Village offered an early retirement incentive program to employees with twenty years of service with the Village who were eligible to retire with an immediate pension under any of the Village's three pension plans. Under this offering, the Village pays 100 percent of the single employee premium for up to eight years or until the employee becomes age 65, whichever occurs first. For the year ended December 31, 2009, two employees are covered in this category and the Village's expense totaled \$4,725.

Retirees may only continue participation in the health care plan until age 65. Surviving spouses of these retirees who have not reached age 65 may continue their participation (until they become age 65) but must pay the entire premium expense. There were three retiree spouses in this category for the year ended December 31, 2009. Police officers and firefighters receiving disability pensions who had not completed twenty years of service may also continue participation (until age 65), but must pay the entire premium expense. While the claims of retirees affect the claims experience of the Village (and consequently the annual premium estimated for claims), this cost cannot be reasonably estimated by the Village.

Medical Savings Plan

Effective January 1, 2003, the Village adopted Medical Savings Plans for all full-time employees. There are separate plans in place for the Police Union employees, the Fire Union employees and the non-represented employees. Participants are automatically enrolled on their retirement date provided they have twenty or more years of continuous service with the Village and have a minimum of 400 hours of accrued, unused sick leave as of the date of retirement. At retirement a portion of the accrued, unused sick leave is converted to a "bank" that the retiree can use toward health insurance premiums and other qualified medical reimbursements.

Modifications to the Police and Fire Union Plans are subject to collective bargaining. The Village may amend or modify the Plan for the non-represented employees at any time. At December 31, 2009 four retirees are receiving benefits under these Plans (two under the Police Union Plan, one under the Fire Union Plan, and one under the Non-represented Plan).

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

POST-EMPLOYMENT BENEFITS – Continued

Medical Savings Plan – Continued

The actuarial value of the sick leave liability is recorded in the Village's Section 105 Sick Leave Internal Service Fund and the annual employer contributions (per the actuary) are expensed throughout the Village's operating programs.

As of the inception of these Plans, this is the sole retiree health insurance benefit offered to Village employees.

CONTINGENT LIABILITIES

Litigation

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

Grants

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

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system, the Police Pension Plan which is a single-employer pension plan, and the Firefighters' Pension Plan which is a single-employer pension plan. A separate report is not issued for the Police Pension Plan and Firefighters' Pension Plan. IMRF also issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523. The Police and Firefighters' Pension plans also issue separate audited GAAP financial reports that may be obtained by writing the Village of Wilmette, 1200 Wilmette Avenue, Wilmette, Illinois 60091. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2009**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies

Illinois Municipal Retirement System

All employees (other than those covered by the Police plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. Participating members who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Employees participating in the IMRF are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Village is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer rate for calendar year 2009 was 7.97 percent for IMRF.

Police Pension Plan

The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

At December 31, 2009 the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them.	40
Inactive Members	1
Current Employees	
Vested	32
Nonvested	13
	<u>86</u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2009**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Police Pension Plan - Continued

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

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Employees with at least 8 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% of the original pension and 3% compounded annually thereafter.

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, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2033 the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded.

Firefighters' Pension Fund

The Firefighters' Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

At December 31, 2009 the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them.	43
Inactive Members	4
Current Employees	
Vested	34
Nonvested	11
	<u>92</u>

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Firefighters' Pension Plan – Continued

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

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the monthly salary attached to the rank at the date of retirement.

The pension shall be increased by 1/12 of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75% of such monthly salary. Employees with at least 10 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension 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% of the original pension and 3% compounded annually thereafter.

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, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2033 the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is fully funded.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Summary of Significant Accounting Policies and Plan Asset Matters – Continued

Significant Investments

There are no investments in any one organization that represent 5 percent or more of net assets available for benefits for the Police Pension Plan. Information for IMRF is not available.

Related Party Transactions

There are no securities of the employer or any other related parties included in plan assets.

Annual Pension Cost and Net Pension Obligation

There was no net pension obligation for the IMRF plan. The pension liability for the Police Pension Plan and Firefighters' Pension Plan are as follows:

	Police Pension	Firefighters' Pension	Total
Annual Required Contribution	\$ 1,535,884	1,833,191	3,369,075
Interest on Net Pension Obligation	(648)	73	(575)
Adjustment to Annual Required Contribution	524	(59)	465
Annual Pension Cost	1,535,760	1,833,205	3,368,965
Actual Contribution	1,300,000	1,620,000	2,920,000
Increase (Decrease) to the NPO	235,760	213,205	448,965
NPO - Beginning of Year	(8,701)	984	(7,717)
NPO - End of Year	227,059	214,189	441,248

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2009**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Annual Pension Cost and Net Pension Obligation – Continued

The Village's annual pension cost for the current year and related information for each plan is as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Contribution Rates			
Employer	7.97%	20.22%	23.06%
Employee	4.50%	9.91%	9.455%
Annual Required Contribution	\$702,539	\$1,535,884	\$1,833,191
Contributions Made	\$702,539	\$1,300,000	\$1,620,000
Actuarial Valuation Date	12/31/2009	12/31/2009	12/31/2009
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level %of Projected Payroll Closed Basis	Level %of Projected Payroll Closed Basis	Level %of Projected Payroll Closed Basis
Remaining Amortization Period	23 Years	25 Years	25 Years
Asset Valuation Method	5-Year Smoothed Market	3-Year Smoothed Market	3-Year Smoothed Market
Actuarial Assumptions			
Investment Rate of Return	7.50% Compounded Annually	7.40% Compounded Annually	7.40% Compounded Annually
Projected Salary Increases	.4 to 11.6%	5.50%	5.50%
Inflation Rate Included	4.00%	4.00%	4.00%
Cost-of-Living Adjustments	3.00%	3.00%	3.00%

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2009**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Trend Information

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

	Year	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual Pension Cost (APC)	2007	\$ 707,886	1,012,822	1,242,298
	2008	687,857	1,310,836	1,598,154
	2009	702,539	1,535,760	1,833,205
Actual Contributions	2007	707,886	1,016,400	1,245,800
	2008	687,857	1,112,000	1,394,000
	2009	702,539	1,300,000	1,620,000
Percentage of APC Contributed	2007	100.00%	100.35%	100.28%
	2008	100.00%	84.83%	87.23%
	2009	100.00%	84.65%	88.37%
Net Pension Obligation (Asset)	2007	-	(207,537)	(203,170)
	2008	-	(8,701)	984
	2009	-	227,059	214,189

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2009**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Funded Status and Funding Progress

The Village's funded status for the current year and related information for each plan is as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial Valuation Date	12/31/09	12/31/09	12/31/09
Percent Funded	82.19%	67.40%	63.70%
Actuarial Accrued Liability for Benefits	\$31,310,510	\$46,081,936	\$49,748,319
Actuarial Value of Assets	\$25,732,932	\$31,057,872	\$31,700,500
Over (Under) Funded Actuarial Accrued Liability (UAAL)	(\$5,577,578)	(\$15,024,064)	(\$18,047,819)
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$8,814,790	\$3,835,524	\$3,928,010
Ratio of UAAL to Covered Payroll	63.28%	391.71%	459.46%

The schedule of funding progress, presented as Required Supplementary Information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2009**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

Plan Descriptions, Provisions, and Funding Policies

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

The Village provides post-employment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the Village's retirement plans. Elected officials are eligible for benefits if they qualify for retirement through the Illinois Municipal Retirement Fund.

All health care benefits are provided through the Village's health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medial services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the Village's plan becomes secondary.

All retirees contribute 100% of the actuarially determined premium to the plan. For the fiscal year ending December 31, 2009, retirees contributed \$107,214. Active employees do not contribute to the plan until retirement.

At December 31, 2009, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	13
Active Employees	<u>197</u>
Total	<u>210</u>
Participating Employers	1

The Village does not currently have a funding policy.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2009**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Annual OPEB Costs and Net OPEB Obligation

The net OPEB obligation (NOPEBO) as of December 31, 2009, was calculated as follows:

	<u>OPEB</u>
Annual Required Contribution	\$ 148,712
Interest on the NOPEBO	121,497
Adjustment to the ARC	<u>46,339</u>
Annual OPEB Cost	316,548
Actual Contribution	<u>148,800</u>
Change in the NOPEBO	167,748
NOPEBO - Beginning of Year	<u>2,429,932</u>
NOPEBO - End of Year	<u><u>2,597,680</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Annual OPEB Costs and Net OPEB Obligation – Continued

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Funded Status and Funding Progress

The funded status of the plan as of December 31, 2009, was as follows:

Actuarial Accrued Liability (AAL)	\$ 2,597,680
Actuarial Value of Plan Assets	766,279
Unfunded Actuarial Accrued Liability (UAAL)	1,831,401
Funded Ration (actuarial value of plan assets/AAL)	29.50%
Covered Payroll (active plan members)	N/A
UAAL as a percentage of covered payroll	N/A

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Actuarial Methods and Assumptions

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

In the December 31, 2009 actuarial valuation the entry age actuarial cost method was used. The actuarial assumptions included a 5.0% investment rate of return (net of administrative expenses and an annual healthcare cost trend rate of 8.0%. Both rates include a 3.0% inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2009, was 29 years.

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 Funding Progress
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund
 - Other Post-Employment Benefit Plan

- Employer Contributions
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund
 - Other Post-Employment Benefit 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 Funding Progress

December 31, 2009

Actuarial Valuation Date December 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2004	\$ 21,208,124	\$ 20,966,987	101.15%	\$ (241,137)	\$ 6,878,824	(3.51)%
2005	23,104,301	22,974,424	100.57%	(129,877)	7,312,047	(1.78)%
2006	25,004,056	24,257,794	103.08%	(746,262)	7,764,125	(9.61)%
2007	28,144,614	27,546,456	102.17%	(598,158)	8,437,260	(7.09)%
2008	24,786,414	28,995,793	85.48%	4,209,379	8,807,392	47.79%
2009	25,732,932	31,310,510	82.19%	5,577,578	8,814,790	63.28%

VILLAGE OF WILMETTE, ILLINOIS

Police Pension Fund

Required Supplementary Information

Schedule of Funding Progress

December 31, 2009

Actuarial Valuation Date December 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2004	\$ 25,256,500	\$ 30,875,862	81.80%	\$ 5,619,362	\$ 3,147,169	178.55%
2005	26,804,907	33,910,192	79.05%	7,105,285	3,318,829	214.09%
2006	28,333,401	35,758,708	79.23%	7,425,307	3,368,903	220.41%
2007	30,186,114	40,633,684	74.29%	10,447,570	3,615,846	288.94%
2008	30,449,896	43,578,850	69.87%	13,128,954	3,768,350	348.40%
2009	31,057,872	46,081,936	67.40%	15,024,064	3,835,524	391.71%

I. At 12/31/06 the Village changed the actuarial assumption for salary growth from 5% to 5.5%. This change increased the Unfunded Accrued Actuarial Liability by \$378,921.

II. At 12/31/07 the Village changed the actuarial assumptions for retirement rates and mortality. These changes increased the Unfunded Accrued Actuarial Liability be \$2,728,111.

VILLAGE OF WILMETTE, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information

Schedule of Funding Progress

December 31, 2009

Actuarial Valuation Date December 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2004	\$ 26,087,672	\$ 35,218,576	74.07%	\$ 9,130,904	\$ 3,133,245	291.42%
2005	27,609,198	37,315,512	73.99%	9,706,314	3,171,222	306.07%
2006	28,922,152	39,835,805	72.60%	10,913,653	3,228,600	338.03%
2007	30,668,985	44,470,280	68.97%	13,801,295	3,528,817	391.10%
2008	30,969,840	47,209,466	65.60%	16,239,626	3,767,777	431.01%
2009	31,700,500	49,748,319	63.72%	18,047,819	3,928,010	459.46%

I. At 12/31/06 the Village changed the actuarial assumption for salary growth from 5% to 5.5%. This change increased the Unfunded Accrued Actuarial Liability by \$368,770.

II. At 12/31/07 the Village changed the actuarial assumptions for retirement rates and mortality. These changes increased the Unfunded Accrued Actuarial Liability by \$3,752,251.

VILLAGE OF WILMETTE, ILLINOIS

Other Post-Employment Benefit Plan

Required Supplementary Information

Schedule of Funding Progress

December 31, 2009

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2004	\$ N/A	\$ N/A	N/A	\$ N/A	\$ N/A	N/A
2005	N/A	N/A	N/A	N/A	N/A	N/A
2006	N/A	N/A	N/A	N/A	N/A	N/A
2007	N/A	N/A	N/A	N/A	N/A	N/A
2008	646,564	2,429,932	26.61%	1,783,368	N/A	N/A
2009	766,279	2,597,680	29.50%	1,831,401	N/A	N/A

The Village Implemented GASB Statement No. 45 for the fiscal year ended December 31, 2008. Information for prior years is not available.

VILLAGE OF WILMETTE, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information

Employer Contributions

December 31, 2009

Calendar Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2004	\$ 373,520	\$ 373,520	100.00%
2005	568,877	568,877	100.00%
2006	663,056	663,056	100.00%
2007	707,886	707,886	100.00%
2008	687,857	687,857	100.00%
2009	702,539	702,539	100.00%

VILLAGE OF WILMETTE, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Employer Contributions
December 31, 2009**

Year Ended December 31	Employer Contributions	Annual Required Contribution	Percent Contributed
2004	\$ 774,300	\$ 774,290	100.00%
2005	789,400	789,384	100.00%
2006	860,000	859,890	100.01%
2007	1,016,400	1,016,367	100.00%
2008	1,112,000	1,314,149	84.62%
2009	1,300,000	1,535,884	84.64%

VILLAGE OF WILMETTE, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information

Employer Contributions

December 31, 2009

Year Ended December 31	Employer Contributions	Annual Required Contribution	Percent Contributed
2004	\$ 818,350	\$ 818,345	100.00%
2005	1,078,808	1,078,808	100.00%
2006	1,118,000	1,117,035	100.09%
2007	1,245,800	1,245,768	100.00%
2008	1,394,000	1,601,398	87.05%
2008	1,620,000	1,833,191	88.37%

VILLAGE OF WILMETTE, ILLINOIS

Other Post-Employment Benefit Plan

Required Supplementary Information

Employer Contributions

December 31, 2009

Year Ended Dec. 31	Employer Contributions	Annual Required Contributions	Percent Contributed
2004	\$ N/A	\$ N/A	N/A
2005	N/A	N/A	N/A
2006	N/A	N/A	N/A
2007	N/A	N/A	N/A
2008	143,400	143,367	100.02%
2009	148,800	148,712	100.06%

The Village Implemented GASB Statement No. 45 for the fiscal year ended December 31, 2008. Information for prior years is not available.

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Required Supplementary Information
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual
 Year Ended December 31, 2009

	Original and Final Budget	Actual
Revenues		
Taxes	\$ 21,130,500	19,694,806
Licenses, Permits and Fees	3,539,500	2,661,327
Intergovernmental	325,400	70,091
Charges for Services	2,515,500	2,557,660
Fines and Forfeitures	330,800	301,546
Investment Earnings	125,000	14,302
Miscellaneous	752,650	878,187
Total Revenues	28,719,350	26,177,919
Expenditures		
General Government	3,560,490	2,892,303
Public Safety	16,763,085	16,155,101
Streets and Sanitation	6,301,740	5,807,962
Other Public Works	2,898,495	2,479,331
Public Health	208,535	187,046
Community Development	1,536,755	1,120,856
Debt Service		
Principal Retirement	8,609	48,609
Interest and Fiscal Charges	491	443
Total Expenditures	31,278,200	28,691,651
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,558,850)	(2,513,732)
Other Financing Sources (Uses)		
Transfers In	950,000	950,000
Transfers Out	(150,000)	-
	800,000	950,000
Net Change in Fund Balance	(1,758,850)	(1,563,732)
Fund Balance - Beginning		6,631,368
Fund Balance - Ending		5,067,636

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 Schedules – 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

GENERAL FUND

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

SPECIAL REVENUE FUND

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

Motor Fuel Tax Fund

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

DEBT SERVICE FUND

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

CAPITAL PROJECTS FUNDS

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

Series 2002 and 2007 General Obligation Bonds Fund

The Series 2002 and 2007 General Obligation Bonds Fund is used to account for revenue and expenditures relative to the facility improvements at both fire stations and the village hall and the continuation of the Village's enhanced street resurfacing program.

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.

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.

INTERNAL SERVICE FUNDS – Continued

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.

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.

TRUST AND AGENCY FUNDS – Continued

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
Year Ended December 31, 2009

	Original and Final Budget	Actual
Taxes		
Property Taxes	\$ 9,684,500	9,643,569
Municipal Sales Tax	3,740,000	3,205,681
Municipal Sales Tax - Home Rule	605,000	507,225
State Income Tax	2,580,000	2,247,445
Real Estate Transfer Tax	1,060,000	634,160
Utility Tax	2,615,000	2,692,330
E-911 Surcharge	288,000	271,018
Wireless 911 Tax	157,000	160,942
Personal Property Replacement Tax	311,000	243,478
Fuel Use Tax	90,000	88,958
Total Taxes	21,130,500	19,694,806
Licenses, Permits and Fees		
Licenses		
Animal	1,500	1,575
Business	170,000	165,163
Vehicle	1,360,000	1,348,768
Taxi	13,000	14,905
Liquor Licenses	44,000	53,520
Permits		
Building	1,110,000	630,681
Demolition	100,000	47,305
Electric	90,000	37,465
Plumbing	54,000	34,423
Right-of Way	23,000	12,983
Other	61,400	45,242
Fees		
Plan Review	98,000	49,456
Pavement Degradation Fee	84,000	26,950
Inspections	286,000	155,833
Filing	22,100	23,455
Permit Penalties	22,500	13,603
Total Licenses, Permits, and Fees	3,539,500	2,661,327

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued
Year Ended December 31, 2009

	Original and Final Budget	Actual
Intergovernmental		
Police Grants	\$ 31,000	58,988
Fire Grants	194,400	11,103
R.T.A. Grant - Village Center Master Development Plan	100,000	-
Total Intergovernmental	325,400	70,091
Charges for Services		
Refuse Collection Charges	1,760,000	1,787,221
Refuse Collection Charges - unbilled	-	9,000
Sales of Yard Waste Bags	118,000	99,090
Ambulance Transport Charges	400,000	413,504
Fire Alarms	7,700	7,810
Burglar Alarms	25,000	19,444
Elevator Inspections	13,400	15,856
Sanitarian Services	20,000	22,408
Computer Aided Dispatch Services	1,500	1,086
Damage to Village Property	30,000	32,693
Maintenance of State Routes	19,500	18,198
Shore Line Place Services	15,700	16,335
Fairfield Court Services	60,000	61,114
French Market Services	2,000	2,175
Engineering & Consulting Reimbursements	-	(1,708)
Park District Personnel Reimbursements	26,500	38,774
Other Police Service Charges	1,000	550
Health Department Charges	13,200	13,110
Atrium Unit Closing Fees	2,000	1,000
Total Charges for Services	2,515,500	2,557,660
Fines and Forfeitures		
Court Fines	70,000	68,975
Vehicle License and Parking	260,000	231,909
Animal and Impounding Fees	800	662
Total Fines and Forfeitures	330,800	301,546

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual - Continued
Year Ended December 31, 2009**

	Original and Final Budget	Actual
Investment Earnings		
Interest	\$ 125,000	14,302
Miscellaneous		
Rental Income		
Wilmette Park District	52,700	49,911
Cellular Antennae Leases	150,000	294,779
3545 Lake Avenue	2,400	2,400
Sale of General Capital Assets	20,000	747
Cable TV Franchise Fees	385,000	396,716
Commercial Waste Collection Franchise Fees	75,000	75,000
Interest Payments from Property Tax Collections	20,000	2,474
Other	30,400	24,598
Donations	5,000	700
Contributions for Affordable Housing	-	10,000
Lien Recoveries	-	900
Section 125 Plan Liability Write-offs	-	743
Contribution from Wilmette Historical Society	12,150	19,219
Total Miscellaneous	<u>752,650</u>	<u>878,187</u>
Total Revenues	<u>28,719,350</u>	<u>26,177,919</u>

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual
Year Ended December 31, 2009

	Original and Final Budget	Actual
General Government		
Legislative		
Memberships	\$ 17,070	15,869
Professional Services	10,000	-
Annual Audit	10,600	10,170
Incidentals	5,000	3,886
Total Legislative	42,670	29,925
General Administration		
Salaries - Regular	362,325	301,165
Salaries - Overtime	300	-
Employee Benefits	102,585	97,168
Memberships	3,440	3,235
Professional Services	4,900	5,621
Community Notification System	4,200	4,200
Organizational Studies	40,000	35,307
Lease/Purchase - Copier	12,000	10,885
Pre-employment Exams	5,000	2,061
Employee Assistance Program	6,200	5,075
Maintenance of Office Equipment	500	-
Office Supplies	7,500	3,045
Automotive	5,100	4,260
Incidentals	3,000	1,814
Training	6,720	2,896
Personnel Training	2,500	-
Employee Recognition Program	7,900	7,344
Newsletters	14,500	15,259
Publishing Legal Notices	5,500	5,219
Classified Advertisements	8,000	1,100
Total General Administration	602,170	505,654
Information Services		
Salaries - Regular	218,500	220,028
Employee Benefits	65,890	66,762
Memberships	250	250

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2009

	Original and Final Budget	Actual
General Government - Continued		
Information Services - Continued		
Professional Services	\$ 5,000	1,424
Contractual Hardware Support	10,150	9,165
Contractual Software Support	88,305	77,782
PC Software Subscription	47,000	40,460
Contractual Internet Expenditures	5,600	5,937
Computer Communications	19,900	19,453
Computer Parts	14,000	8,414
Computer Software	3,000	941
Website Design Service & Software	-	999
Office Supplies	500	447
Incidentals	500	203
Training	9,475	2,897
Office Furniture and Equipment	25,000	16,152
Total Information Services	<u>513,070</u>	<u>471,314</u>
Finance Department		
Salaries - Regular	512,225	490,888
Salaries - Overtime	7,500	1,471
Employee Benefits	148,810	135,601
Memberships	1,445	1,530
Professional Services	25,000	22,312
Lease/Purchase - Copier	20,000	19,500
Bank Charges	16,500	22,926
Postage - General Office	37,500	21,438
Contractual Services	9,500	8,868
Maintenance of Office Equipment	5,700	5,376
Telephone - Office Service	73,000	89,183
Telephone - Maintenance	9,400	7,199
Telephone - Cellular Service	27,000	25,763
Telephone - Long Distance	3,300	2,853
Office Supplies	21,000	20,194
Supplies Other than Office	8,500	8,513
Incidentals	500	232

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2009

	Original and Final Budget	Actual
General Government - Continued		
Finance Department - Continued		
Training	\$ 3,000	1,684
Publishing Legal Notices	1,000	1,374
Total Finance Department	930,880	886,905
Law Department		
Salaries - Regular	220,150	185,204
Employee Benefits	46,125	29,359
Memberships	1,550	1,862
Code Revision service	3,500	4,736
Special Attorney Fees	35,000	138,459
On-line Legal Research Services	9,500	10,250
Contractual Corporation Counsel Services	-	41,000
Supplies - Legal	2,000	1,848
Incidentals	750	676
Training	5,250	1,370
Litigation Costs	5,000	1,649
Total Law Department	328,825	416,413
Boards and Commissions		
Incidentals	14,500	2,404
Housing Commission	55,000	44,935
Community Relations Commission	4,550	1,642
Fine Arts Commission	1,850	928
Historic Preservation Commission	1,600	605
Bicycle Commission	1,700	1,507
Youth Commission	20,000	20,400
Total Boards and Commissions	99,200	72,421
Historical Museum		
Salaries - Regular	98,325	100,303
Employee Benefits	22,215	18,430
Total Historical Museum	120,540	118,733

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2009

	Original and Final Budget	Actual
General Government - Continued		
Cable Programming Services		
Salaries - Regular	\$ 81,100	75,259
Salaries - Other	8,000	4,065
Employee Benefits	22,310	27,018
Memberships	175	175
Maintenance - Office Equipment	5,000	2,200
Supplies - Office	600	100
Supplies - Video	1,850	975
Incidentals	800	24
Training	600	-
Office Space Rent	11,700	11,119
Total Cable Programming Services	<u>132,135</u>	<u>120,935</u>
Insurance		
Retiree Health Insurance	<u>40,000</u>	<u>23,609</u>
General Liability and Property Insurance		
Fixed Premiums	210,750	210,750
Deductible Payments	40,250	28,497
Total General Liability	<u>251,000</u>	<u>239,247</u>
Total Insurance	<u>291,000</u>	<u>262,856</u>
Contingencies		
Regular	400,000	-
Atrium Condo Resales	100,000	7,147
Total Contingencies	<u>500,000</u>	<u>7,147</u>
Total General Government	<u>3,560,490</u>	<u>2,892,303</u>

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2009

	Original and Final Budget	Actual
Public Safety		
Fire and Police Commission		
Salaries - Regular	\$ 28,500	30,257
Employee Benefits	7,945	9,098
Professional Services	44,000	23,369
Classified Advertisements	7,000	7,850
Total Fire and Police Commission	<u>87,445</u>	<u>70,574</u>
Police		
General Operations		
Salaries - Regular	3,925,400	3,714,689
Salaries - Overtime	264,000	225,631
Salaries - Overtime - Grant Funded	20,000	39,056
Employee Benefits	2,049,605	2,049,838
Memberships	1,235	1,055
Professional Services	-	51,808
Physical Exams	20,000	8,652
Contractual Animal Observation	10,000	5,138
Maintenance - Equipment	8,500	8,581
Maintenance - Radios	36,200	28,630
Uniforms	40,200	33,987
Range Supplies	6,500	6,302
Supplies Other than Office	14,670	6,673
Crime Prevention Materials	13,865	1,162
Automotive	286,100	239,100
Incidentals	9,000	10,486
Training	35,000	24,822
Crime Lab Contributions	41,690	38,117
NIPAS Contribution	4,130	3,700
Major Crimes Task Force	5,000	3,600
NIPSTA Contribution	9,600	8,325
Building Improvements	-	8,428
Motor Equipment	86,900	27,514
Other Equipment	29,000	20,745
Total General Operations	<u>6,916,595</u>	<u>6,566,039</u>

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2009

	Original and Final Budget	Actual
Public Safety - Continued		
Police - Continued		
General Services		
Salaries - Regular	\$ 644,900	597,128
Salaries - Overtime	8,700	5,496
Employee Benefits	161,930	183,318
Memberships	715	147
Professional Services	24,500	16,768
Lease/Purchase - Copier	7,200	6,054
Maintenance - Office Equipment	6,000	115
Reaccreditation Fees	6,730	5,944
L.E.A.D.S./P.I.M.S. Program	3,000	3,600
Professional Services - Police Grant Work	11,000	12,541
Towing - Contractual	1,800	300
Computer Communications	3,450	3,279
Uniforms	3,000	1,123
Office Supplies	11,000	7,303
Supplies Other than Office	4,150	1,705
Incidentals	400	687
Training	3,000	375
Care of Prisoners	1,500	233
Total General Services	902,975	846,116
Public Safety Communications		
Salaries - Regular	577,200	553,255
Salaries - Overtime	66,950	78,294
Employee Benefits	207,805	196,966
Memberships	110	147
Professional Services	650	216
Contractual Regional Fire Dispatch	161,700	183,225
Contractual Software Support - C.A.D.	42,300	45,308
Maintenance - Office Equipment	300	260
Maintenance - E-911 System	57,900	53,610
Maintenance - NORCOM Network	44,400	53,968
IWIN Program	9,000	11,938
Computer Communications	9,120	13,087
Uniforms	4,500	2,679

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2009

	Original and Final Budget	Actual
Public Safety - Continued		
Police - Continued		
Public Safety Communications - Continued		
Incidentals	\$ 200	-
Training	6,000	3,263
Total Public Safety Communications	1,188,135	1,196,216
School Crossing Protection		
Salaries - Regular	178,500	188,052
Employee Benefits	16,660	17,778
Uniforms	1,000	1,028
Supplies Other than Office	1,500	1,207
Total School Crossing Protection	197,660	208,065
Total Police	9,205,365	8,816,436
Emergency Fire and Medical Services		
Salaries - Regular	3,995,650	4,057,532
Salaries - Overtime	443,500	310,388
Salaries - Off-Duty Response	26,900	21,025
Employee Benefits	2,356,400	2,379,664
Memberships	3,310	3,047
Professional Services	5,500	325
Lease/Purchase - Copier	3,895	3,151
Physical Exams	16,390	14,811
Maintenance - Equipment	32,500	22,917
Maintenance - Radios	9,950	11,556
Maintenance - Breathing Equipment	2,000	4,037
Maintenance - Telemetry Equipment	8,700	8,526
Maintenance - Special Rescue Equipment	8,500	6,770
Reaccreditation Fees	1,500	1,672
Computer Communications	1,200	2,611
Pager Rental	4,400	4,721
Uniforms	22,430	25,173
Protective Clothing	18,600	19,575
Supplies - Automotive Parts	16,700	20,814
Supplies - Auto Shop	2,000	5,607
Supplies - Fire Hose	9,500	9,551

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2009

	Original and Final Budget	Actual
Public Safety - Continued		
Emergency Fire and Medical Services - Continued		
Supplies - Office	\$ 4,000	2,802
Supplies - Other than Office	8,100	10,171
Materials - Public Education Programming	7,750	6,661
Gasoline and Oil	32,300	20,521
Incidentals	750	980
Training	35,000	32,234
NIPSTA Contribution	9,100	8,140
MABAS Contribution	5,250	5,000
Rent - Commonwealth Edison	1,500	1,500
Motor Equipment	161,000	86,967
Other Equipment	216,000	164,120
Total Emergency Fire and Medical Services	<u>7,470,275</u>	<u>7,272,569</u>
 Total Public Safety	 16,763,085	 16,159,579
NonGAAP Activity		
Less Current Year Encumbrances	-	(4,478)
 Total Public Safety	 <u>16,763,085</u>	 <u>16,155,101</u>
 Streets and Sanitation		
Streets Department		
Salaries - Regular	958,150	961,718
Salaries - Overtime	71,700	75,370
Employee Benefits	316,770	325,723
Memberships	1,615	1,530
Professional Services	1,500	-
Lease/Purchase - Copier	7,690	6,138
Contractual Services	46,395	45,216
Contractual Snow Removal	39,425	31,163
Maintenance - Office Equipment	475	328
Holiday Light Decorations	26,985	28,025
J.U.L.I.E. Expenditures	4,820	4,314
Landscaping and Maintenance of Public Right of Way	59,025	52,947
Lease Leaf Packers	87,200	87,956
Leaf Disposal	115,000	107,004
Pager Rental	1,710	1,414

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2009

	Original and Final Budget	Actual
Streets and Sanitation - Continued		
Streets Department - Continued		
Uniforms	\$ 6,500	4,505
Supplies - Miscellaneous Tools and Equipment	2,500	677
Supplies - Office	4,500	2,051
Supplies - Other than Office	1,300	761
Materials - Traffic Signs	28,000	17,751
Materials - Salt	189,050	182,385
Materials - Street Repair and Landscaping	31,000	30,755
Materials - Leaf Pans & Brooms	4,750	4,750
Automotive	530,100	442,963
Incidentals	1,000	1,033
Training	13,225	5,977
NIPSTA Contribution	1,500	1,500
Motor Equipment	192,500	170,559
Total Streets Department	2,744,385	2,594,513
Refuse Collection and Disposal		
Contractual Refuse Collection	937,095	921,201
Recycling Collection	384,200	380,095
Landfill Tipping Fees	619,175	536,296
Contractual Yard Waste Collection	210,650	197,445
Yard Waste Disposal	39,310	41,390
Yard Waste Supplies	2,550	-
Promotional and Educational	600	1,127
Other Equipment	5,480	5,475
Total Refuse Collection and Disposal	2,199,060	2,083,029
Maintenance of Trees		
Salaries - Regular	280,000	229,688
Salaries - Overtime	6,850	1,974
Employee Benefits	89,850	83,321
Contractual Services	11,000	6,500
Tree Planting Program	37,470	26,176
Contractual Tree Pruning	181,280	172,576

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2009

	Original and Final Budget	Actual
Streets and Sanitation - Continued		
Maintenance of Trees - Continued		
Emerald Ash Borer - Tree Removals	\$ 202,000	185,715
Uniforms	2,320	822
Materials	5,500	1,918
Automotive	56,000	46,740
Training	2,275	1,077
Total Maintenance of Trees	<u>874,545</u>	<u>756,507</u>
Street Lighting		
Salaries - Regular	170,825	106,696
Salaries - Overtime	5,000	3,236
Employee Benefits	71,080	44,149
Contractual Services	12,000	9,996
Maintenance & Disposal of Transformers	700	544
Uniforms	2,160	1,370
Supplies	26,675	26,621
Supplies - Light Poles and Parts	20,000	4,431
Commonwealth Edison Leased Lighting	25,000	26,088
Street Light Power - Village System	121,000	128,097
Automotive	33,100	27,630
Training	1,400	245
Total Street Lighting	<u>488,940</u>	<u>379,103</u>
Total Streets and Sanitation	6,306,930	5,813,152
NonGAAP Activity		
Less Current Year Encumbrances	<u>(5,190)</u>	<u>(5,190)</u>
Total Street and Sanitation	<u><u>6,301,740</u></u>	<u><u>5,807,962</u></u>

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2009

	Original and Final Budget	Actual
Other Public Works		
Village Engineer		
Salaries - Regular	\$ 456,050	444,998
Salaries - Overtime	500	17
Employee Benefits	148,535	138,111
Memberships	1,195	741
Professional Services	15,000	20,283
Microfilming	4,000	2,195
Update of Water/Sewer Atlases	9,000	8,127
Maintenance - Office Equipment	2,500	2,719
Maintenance - Traffic Signals	51,100	36,841
Sidewalk Replacement Program	80,000	62,076
Curb Repair Program	25,000	25,000
Street and Alley Maintenance Program	121,000	113,085
Pavement Marking Program	16,000	16,137
Brick Street Maintenance	30,000	70,999
Crack Sealing Program	30,000	-
Street Resurfacing Program	1,200,000	968,676
Supplies - Office	2,500	1,716
Supplies - Other than Office	2,500	1,127
Automotive	19,100	15,920
Incidentals	2,500	8,178
Training	4,400	2,605
Total Village Engineer	<u>2,220,880</u>	<u>1,939,551</u>
Building and Grounds		
Salaries - Regular	189,575	184,494
Salaries - Overtime	14,075	12,426
Employee Benefits	65,680	64,662
Memberships	950	376
Contractual Services	67,860	66,389
Contractual Custodial Services	59,275	56,222
Heating and Cooling System Repairs	45,000	52,595
Uniforms	1,500	598
Supplies - Building	42,000	42,461

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2009

	Original and Final Budget	Actual
Other Public Works - Continued		
Building and Grounds - Continued		
Supplies - Grounds	\$ 2,500	2,024
Supplies - Printing	6,000	7,294
Building and Furniture Repairs	42,000	22,046
Heating - Electric	20,600	-
Heating - Gas	70,000	13,173
Automotive	12,700	10,630
Training	500	-
Building Improvements	35,000	1,990
Total Building and Grounds	<u>675,215</u>	<u>537,380</u>
Total Other Public Works	2,896,095	2,476,931
NonGAAP Activity		
Plus Prior Year Encumbrances	<u>2,400</u>	<u>2,400</u>
Total Other Public Works	<u>2,898,495</u>	<u>2,479,331</u>
Public Health		
Salaries - Regular	123,425	124,456
Employee Benefits	53,710	42,697
Memberships	380	380
Lab Services - Contractual	1,600	1,125
Maintenance - Office Equipment	200	10
Supplies - Laboratory	13,500	5,290
Supplies - Office	300	414
Automotive	12,700	10,630
Incidentals	200	158
Training	1,200	562
C.P.R. Program	1,320	1,324
Total Public Health	<u>208,535</u>	<u>187,046</u>
Community Development		
Community Development		
Salaries - Regular	750,850	692,591
Salaries - Overtime	7,350	77
Employee Benefits	234,235	215,573

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2009

	Original and Final Budget	Actual
Community Development - Continued		
Community Development - Continued		
Memberships	\$ 3,500	3,023
Professional Services	18,750	21,931
Zoning Ordinance Review	100,000	34,321.00
Village Center Master Development Plan	200,000	-
Microfilming	5,000	3,787
Plan Review Inspection Services	50,000	6,600
Maintenance - Office Equipment	1,765	428
Supplies - Office	2,500	3,311
Supplies - Other than Office	3,900	1,734
Automotive	45,100	37,730
Incidentals	500	326
Training	4,800	1,897
Publishing Legal Notices	6,500	4,252
Total Community Development	<u>1,434,750</u>	<u>1,027,581</u>
Business Development		
Salaries - Regular	41,050	41,855
Employee Benefits	11,630	11,203
Memberships	875	600
Business Promotion Activities	40,000	33,771
Incidentals	1,000	574
Depot Building - Property Taxes	8,000	5,822
Total Business Development	<u>102,555</u>	<u>93,825</u>
Total Community Development	1,537,305	1,121,406
Plus NonGAAP Activity		
Plus Prior Year Encumbrances	4,450	4,450
Less Current Year Encumbrances	<u>(5,000)</u>	<u>(5,000)</u>
Total Community Development	<u>1,536,755</u>	<u>1,120,856</u>
Debt Service		
Historical Museum Principal Retirement	8,609	8,609
Historical Museum Interest Expense	491	443
Historical Society Installment Contract Principal Retirement	-	40,000
Total Debt Service	<u>9,100</u>	<u>49,052</u>

VILLAGE OF WILMETTE, ILLINOIS

Debt Service Fund

Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2009

	Original and Final Budget	Actual
Revenues		
Taxes		
Property Taxes	\$ 3,217,500	3,122,325
Expenditures		
Debt Service		
Principal Retirement	1,530,000	1,530,000
Interest and Fiscal Charges	1,666,000	1,626,908
Total Expenditures	3,196,000	3,156,908
Net Change in Fund Balance	<u>21,500</u>	(34,583)
Fund Balance - Beginning		<u>(61,780)</u>
Fund Balance - Ending		<u>(96,363)</u>

VILLAGE OF WILMETTE, ILLINOIS

Series 2007 and 2009 General Obligation Bonds - Capital Projects Fund

**Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2009**

	Original and Final Budget	Actual
Revenues		
Intergovernmental		
CMAQ Grant - Green Bay Road Traffic Signals	\$ -	338,195
L.E.E.D. Grant - Public Works Facility	-	61,500
State Grant - Station #26 Bicycle Path	-	132,236
State Grant - Skokie Valley Bicycle Trail	60,000	-
Municipal Contributions - Skokie Valley Bicycle Trail	-	2,925
Winnetka Computer Aided Dispatch Contribution	-	445
Evanston Sheridan Road Contribution	120,000	177,060
Wilmette Park District - Telephone Consultant Contribution	-	8,453
Sale of General Capital Assets	-	33,000
Investment Earnings	45,000	13,807
Total Revenues	<u>225,000</u>	<u>767,621</u>
Expenditures		
Capital Outlay	4,468,230	5,223,262
Debt Service		
Bond Issuance Costs	-	7,920
Total Expenditures	<u>4,468,230</u>	<u>5,231,182</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,243,230)</u>	<u>(4,463,561)</u>
Other Financing Sources		
Debt Issuance	1,700,000	1,590,000
Premium on Debt Issuance	-	8,317
	<u>1,700,000</u>	<u>1,598,317</u>
Net Change in Fund Balances	<u>(2,543,230)</u>	<u>(2,865,244)</u>
Fund Balances - Beginning		<u>4,248,579</u>
Fund Balances - Ending		<u>1,383,335</u>

VILLAGE OF WILMETTE, ILLINOIS

Series 2007 and 2009 General Obligation Bonds - Capital Projects Fund

Schedule of Expenditures - Budget and Actual
Year Ended December 31, 2009

	Original and Final Budget	Actual
Capital Outlay		
Public Works Facility Improvements	\$ 1,783,900	2,464,739
Public Works Garage Floor Painting	63,000	23,417
Public Works Office Workstations	120,000	25,000
Police Station Improvements	-	125
Fire Station Garage Doorway Expansion	-	68,369
Sheridan Road Improvements	1,500,000	1,873,162
Sheridan Road Bicycle Underpass	-	25,704
Greenbay Road Traffic Signal Improvements	-	164,497
Enhanced Street Resurfacing Program	-	5,073
Fire Station #26 Bicycle Path	-	2,749
Skokie Valley Bike Trail	60,000	-
Telephone System Improvements	180,000	175,986
Police Computer Aided Dispatch	-	6,852
Cable TV System Improvements	300,000	-
Motor Equipment - Public Safety	-	5,664
	<u>4,006,900</u>	<u>4,841,337</u>
NonGAAP Activity		
Plus Prior Year Encumbrances	461,330	381,925
Total Capital Outlay	<u>4,468,230</u>	<u>5,223,262</u>
Debt Service		
Bond Issuance Costs	-	7,920
Total Expenditures	<u>4,468,230</u>	<u>5,231,182</u>

VILLAGE OF WILMETTE, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

**Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2009**

	Original and Final Budget	Actual
Revenues		
Intergovernmental		
Motor Fuel Tax Allotments	\$ 780,000	708,148
Investment Earnings	20,000	5,547
Total Revenues	<u>800,000</u>	<u>713,695</u>
Expenditures		
Capital Outlay		
Road Resurfacing Improvements	800,000	772,011
NonGAAP Activity		
Plus Prior Year Encumbrances	800,000	800,000
Total Expenditures	<u>1,600,000</u>	<u>1,572,011</u>
Net Change in Fund Balance	<u>(800,000)</u>	(858,316)
Fund Balance - Beginning		<u>1,189,728</u>
Fund Balance - Ending		<u>331,412</u>

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual
Year Ended December 31, 2009

	Original and Final Budget	Actual
Operating Revenues		
Charges for Services		
Water Sales		
Residential	\$ 2,995,900	2,795,002
Unbilled Water Sales	-	41,000
Village of Glenview	3,086,700	3,046,795
Illinois American Water Company	927,500	915,047
Other Water Sales	-	13,995
Other	125,000	169,474
Total Operating Revenues	<u>7,135,100</u>	<u>6,981,313</u>
Operating Expenses		
Administration		
General	181,550	162,514
Administrative	511,770	490,117
Operations		
Water Plant Operations	2,502,105	2,369,221
Distribution	922,145	846,981
Meter and Reservoir Maintenance	389,975	325,862
Capital Outlay	-	364
Depreciation	-	1,057,342
Total Operating Expenses	<u>4,507,545</u>	<u>5,252,401</u>
Operating Income	<u>2,627,555</u>	<u>1,728,912</u>
Nonoperating Revenues (Expenses)		
Investment Earnings	115,000	19,214
Interest Expense	(863,200)	(873,488)
Amortization of Bond Discount	-	(29,620)
	<u>(748,200)</u>	<u>(883,894)</u>
Income Before Contributions and Transfers	1,879,355	845,018
Contributions	-	119,527
Transfers Out	<u>(1,000,000)</u>	<u>(1,050,000)</u>
Change in Net Assets	<u>879,355</u>	(85,455)
Net Assets - Beginning		<u>14,989,080</u>
Net Assets - Ending		<u>14,903,625</u>

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual
Year Ended December 31, 2009**

	Original and Final Budget	Actual
Administration		
General		
Salaries - Regular	\$ 70,650	69,038
Salaries - Overtime	1,575	93
Employee Benefits	28,600	25,877
Annual Audit	15,000	13,700
Bank Charges	20,450	18,723
Postage	19,000	20,531
Contractual Meter Reading	16,000	8,726
Uniforms	350	-
Supplies - Office - Administrative	6,000	3,458
Supplies - Office - Water Plant	2,500	1,631
Incidentals	100	82
Training	1,325	655
Total General	181,550	162,514
Administrative		
Salaries - Regular	277,425	263,627
Employee Benefits	81,445	74,139
Memberships	2,300	1,944
Contractual Grounds Maintenance	1,700	-
Telephone - Regular Service	23,000	34,355
Telephone - Maintenance	3,200	2,139
Telephone - Cellular	7,600	8,587
Telephone - Long Distance	1,100	950
Supplies - Building	9,000	9,958
Building Furniture and Repairs	8,000	2,813
Training	7,000	1,605
General Liability and Property Insurance	90,000	90,000
Total Administrative	511,770	490,117

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended December 31, 2009

	Original and Final Budget	Actual
Operations		
Water Plant Operations		
Salaries - Regular	\$ 1,118,600	1,067,800
Salaries - Accrued Vacation	-	9,100
Salaries - Overtime	28,725	32,105
Employee Benefits	383,880	382,563
Professional Services - SCADA System Maintenance	4,000	525
Contractual Services	23,000	18,602
Maintenance of Equipment	38,000	27,131
Maintenance of Intake	6,000	-
Video Communications	-	2,352
Uniforms	3,800	3,701
Supplies	34,000	20,504
Supplies - Computer Parts	2,000	348
Supplies - Laboratory	12,000	8,269
Equipment Repairs	37,000	17,528
Power	442,000	437,984
Heating Gas	85,000	42,530
Chemicals	180,000	188,032
Automotive	22,900	19,120
Incidentals	1,200	488
Water Reclamation District User Charges	80,000	84,047
Building Improvements	17,000	12,579
Pumping Improvements	69,000	61,284
Other Equipment	6,000	5,969
	2,594,105	2,442,561
Less Nonoperating Items		
Capital Outlay	(92,000)	(73,340)
Total Water Plant Operations	2,502,105	2,369,221
Distribution		
Salaries - Regular	405,400	402,404
Salaries - Accrued Vacation	-	(2,700)
Salaries - Overtime	29,425	16,335
Employee Benefits	161,855	151,547
Contractual Services	106,680	92,835

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended December 31, 2009

	Original and Final Budget	Actual
Operations - Continued		
Distribution - Continued		
Maintenance - Distribution System	\$ 11,000	-
Uniforms	4,710	2,286
Supplies - Miscellaneous Tools and Equipment	2,500	719
Materials	63,600	68,573
Automotive	113,200	94,560
Incidentals	200	-
Training	3,575	450
Replacement Fire Hydrants	20,000	19,972
Distribution Improvements	60,000	51,564
Motor Equipment	137,500	119,527
Other Equipment	18,000	17,320
	1,137,645	1,035,392
Less Nonoperating Items		
Capital Outlay	(215,500)	(188,411)
Total Distribution	922,145	846,981
Meter and Reservoir Maintenance		
Salaries - Regular	160,550	144,617
Salaries - Overtime	625	-
Employee Benefits	48,800	47,002
Contractual Services	11,500	6,880
Maintenance - Reservoir/Pumping Station	3,500	8,482
Maintenance - Standpipe	5,000	-
Uniforms	900	617
Supplies	2,300	774
Supplies - Reservoir	2,500	4,585
Water Meters - Cost of Sales	25,000	9,964
Water Meters - Repair Parts	7,000	2,677
Water Meter Replacement Program	1,500	1,500

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended December 31, 2009**

	Original and Final Budget	Actual
Operations - Continued		
Meter and Reservoir Maintenance - Continued		
Automatic Meter Reading Program	\$ 98,000	80,019
Automotive	22,300	18,580
Training	500	165
Total Meter and Reservoir Maintenance	<u>389,975</u>	<u>325,862</u>
Capital Outlay		
Filter Repairs - 1971 / 1933	60,000	119,000
SCADA Upgrade	30,000	28,417
Evanston Interconnection Improvements	-	97,239
Standpipe Reconditioning	-	2,300
Sheridan Road Water Main	-	144,754
	<u>90,000</u>	<u>391,710</u>
Less Nonoperating Items		
Capital Outlay	(90,000)	(391,346)
Total Capital Outlay	<u>-</u>	<u>364</u>
Debt Service		
Principal Retirement	675,000	670,000
Interest Expense	865,700	872,238
Bond Registrar Fees	2,500	1,250
New Bond Issuance	-	(5,845,000)
Refunded Bonds	-	5,840,000
Amortization of Bond Discount	-	29,620
	<u>1,543,200</u>	<u>1,568,108</u>
Less Nonoperating Items		
Debt Service	(1,543,200)	(1,568,108)
Total Debt Service	<u>-</u>	<u>-</u>
Depreciation	-	1,057,342
Total Operating Expenses	<u>4,507,545</u>	<u>5,252,401</u>

VILLAGE OF WILMETTE, ILLINOIS

Sewer - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual
Year Ended December 31, 2009

	Original and Final Budget	Actual
Operating Revenues		
Charges for Services		
Sewer Charges	\$ 3,948,000	3,556,016
Sewer Charges - Unbilled	-	50,000
Other	-	50
Total Operating Revenues	<u>3,948,000</u>	<u>3,606,066</u>
Operating Expenses		
Operations		
Maintenance of Sewers	1,203,710	1,113,051
Storm Water Pumping Station	45,725	39,165
Capital Projects	97,000	97,317
Depreciation	-	768,205
Total Operating Expenses	<u>1,346,435</u>	<u>2,017,738</u>
Operating Income	<u>2,601,565</u>	<u>1,588,328</u>
Nonoperating Revenues (Expenses)		
Investment Earnings	-	5,238
Interest Expense	(823,159)	(721,725)
	<u>(823,159)</u>	<u>(716,487)</u>
Income Before Transfers	1,778,406	871,841
Transfers In	-	<u>100,000</u>
Change in Net Assets	<u>1,778,406</u>	971,841
Net Assets - Beginning		<u>21,358,000</u>
Net Assets - Ending		<u>22,329,841</u>

VILLAGE OF WILMETTE, ILLINOIS

Sewer - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual
Year Ended December 31, 2009

	Original and Final Budget	Actual
Operations		
Maintenance of Sewers		
Salaries - Regular	\$ 423,725	419,483
Salaries - Accrued Vacation	-	(2,700)
Salaries - Overtime	8,300	7,891
Employee Benefits	162,975	156,080
Contractual Services	100,000	73,348
Contractual Sewer Improvements	210,000	204,116
N.P.D.E.S. Phase II	6,000	6,000
Uniforms	4,710	2,370
Supplies - Miscellaneous Tools and Equipment	2,500	954
Materials	32,775	30,652
Automotive	113,200	94,520
Incidentals	200	30
Training	1,825	780
Motor Equipment	137,500	119,527
Total Maintenance of Sewers	1,203,710	1,113,051
Storm Water Pumping Station		
Salaries - Overtime	8,300	3,306
Employee Benefits	1,425	1,034
Contractual Services	3,000	1,005
Maintenance - Equipment	3,000	3,562
Supplies	1,000	585
Supplies - Outfall Control	500	-
Power	28,500	29,673
Total Storm Water Pumping Station	45,725	39,165

VILLAGE OF WILMETTE, ILLINOIS

Sewer - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended December 31, 2009

	Original and Final Budget	Actual
Operations - Continued		
Capital Outlay		
Separate Sewer System Study	\$ 97,000	87,348
Storm Water Pumping Station Building Improvements	-	16,468
Storm Water Pumping Station Electrical Improvements	195,000	206,079
Storm Water Pumping Station Emergency Power Improv.	800,000	570,148
Sheridan Road Sewer	1,000,000	406,229
Sewer Lining and Rehabilitation	425,000	4,859
Sewer Lining and Rehabilitation - Edens	45,000	-
Greenleaf Relief Sewer	100,000	4,696
Sewer Main Repairs	340,000	369,163
Relief Sewer Improvements	-	10,237
	<u>3,002,000</u>	<u>1,675,227</u>
Less Nonoperating Items		
Capital Outlay	(2,905,000)	(1,577,910)
Total Capital Outlay	<u>97,000</u>	<u>97,317</u>
Debt Service		
Debt Proceeds	(1,825,000)	(1,593,475)
Amortization of Bond Reoffering Premium	-	(8,309)
Debt Issuance Costs	-	8,309
Principal Retirement	1,966,585	1,966,585
Interest Expense	823,159	721,725
	<u>964,744</u>	<u>1,094,835</u>
Less Nonoperating Items		
Debt Service	(964,744)	(1,094,835)
Total Debt Service	<u>-</u>	<u>-</u>
Depreciation	-	768,205
Total Operating Expenses	<u>1,346,435</u>	<u>2,017,738</u>

VILLAGE OF WILMETTE, ILLINOIS

Parking Meter - Nonmajor Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual
Year Ended December 31, 2009

	Original and Final Budget	Actual
Operating Revenues		
Charges for Services		
Parking fees	\$ 332,165	412,436
Operating Expenses		
Operations		
Central Business District	204,245	186,597
CTA Station	113,620	119,200
Burmeister Parking Facility	17,425	20,057
Depreciation	-	122,248
Total Operating Expenses	335,290	448,102
Operating Income (Loss)	(3,125)	(35,666)
Nonoperating Revenues (Expenses)		
Interest Expense	(10,075)	(9,750)
Amortization of Bond Discount	-	(825)
	(10,075)	(10,575)
Income (Loss) Before Transfers	(13,200)	(46,241)
Transfers In	150,000	-
Change in Net Assets	136,800	(46,241)
Net Assets - Beginning		4,951,998
Net Assets - Ending		4,905,757

VILLAGE OF WILMETTE, ILLINOIS

Parking Meter - Nonmajor Enterprise Fund

Schedule of Operating Revenues - Budget and Actual
Year Ended December 31, 2009

	Original and Final Budget	Actual
Charges for Services		
Central Business District		
Parking Meter Revenue	\$ 31,400	55,249
Debit Card Revenue	116,100	126,110
Permit Fees	30,000	30,785
METRA Station Rent	2,765	2,765
Total Central Business District	<u>180,265</u>	<u>214,909</u>
CTA Station		
Commuter Daily Drop Box	104,000	142,941
Commuter Permit Fees	16,000	25,060
Merchant Permit Fees	3,500	2,241
Residential Permit Fees	3,600	3,360
Total CTA Station	<u>127,100</u>	<u>173,602</u>
Burmeister Parking Facility		
Permit Fees	<u>24,800</u>	<u>23,925</u>
Total Operating Revenues	<u>332,165</u>	<u>412,436</u>

VILLAGE OF WILMETTE, ILLINOIS

Parking Meter - Nonmajor Enterprise Fund

Schedule of Operating Expenses - Budget and Actual
Year Ended December 31, 2009

	Original and Final Budget	Actual
Operations		
Central Business District		
Salaries - Regular	\$ 66,125	66,139
Salaries - Overtime	2,175	568
Employee Benefits	28,870	22,183
Contractual Services - Railroad Property	16,660	16,235
Contractual Snow Plowing	19,075	6,852
Building Supplies - Railroad Property	300	313
Grounds Supplies - Village Property	4,370	357
Grounds Supplies - Railroad Property	2,000	2,000
Power - METRA Station	4,035	3,626
Heating Gas - Railroad Property	2,500	1,562
Lighting	8,000	7,758
Parking Meter Parts - Village Property	400	245
Parking Meter Parts - Railroad Property	6,385	6,383
Rent - Commuter Lot	37,000	46,015
Rent - Poplar Drive Lots	3,300	3,436
Rent - St. Augustine Lot	2,300	2,400
Rent - Masonic Temple Lot	750	525
Total Central Business District	204,245	186,597
CTA Station		
Salaries - Regular	36,125	36,139
Salaries - Overtime	2,900	-
Employee Benefits	15,600	11,736
Bank Charges	-	60
Contractual Services	-	2,006
Contractual Grounds Maintenance	4,000	1,447
Contractual Snow Plowing	10,195	4,076
Materials	2,800	532
Rent - CTA	42,000	63,204
Other Equipment	-	13,554
	113,620	132,754
Less Nonoperating Items		
Capital Outlay	-	(13,554)
Total CTA Station	113,620	119,200

VILLAGE OF WILMETTE, ILLINOIS

Parking Meter - Nonmajor Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended December 31, 2009**

	Original and Final Budget	Actual
Operations - Continued		
Burmeister Parking Facility		
Contractual Services	\$ 6,300	8,810
Materials	525	-
Lighting	10,600	11,247
Total Burmeister Parking Facility	<u>17,425</u>	<u>20,057</u>
Debt Service		
Principal Retirement	120,000	120,000
Interest Expense	10,075	9,750
Interest Expense - Bond Discount Amortization	-	825
	<u>130,075</u>	<u>130,575</u>
Less Nonoperating Items		
Debt Service	<u>(130,075)</u>	<u>(130,575)</u>
Total Debt Service	<u>-</u>	<u>-</u>
Depreciation	<u>-</u>	<u>122,248</u>
Total Operating Expenses	<u><u>335,290</u></u>	<u><u>448,102</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Combining Statement of Net Assets

Internal Service Funds

December 31, 2009

See Following Page

VILLAGE OF WILMETTE, ILLINOIS

Combining Statement of Net Assets

Internal Service Funds

December 31, 2009

	<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	-
Due to Other Funds	<u>-</u>
Total Current Liabilities	-
Noncurrent Liabilities	
Net Other Postemployment Benefits Payable	<u>-</u>
Total Liabilities	<u>-</u>
NET ASSETS	
Unrestricted	<u><u>-</u></u>

Employee Insurance	Workers' Compensation	Illinois Municipal Retirement	Section 105 Sick Leave	Totals
10,695	-	1,864	765,266	777,825
-	13,976	-	1,013	14,989
10,695	13,976	1,864	766,279	792,814
10,695	4,071	1,864	-	16,630
-	9,905	-	-	9,905
10,695	13,976	1,864	-	26,535
-	-	-	2,597,680	2,597,680
10,695	13,976	1,864	2,597,680	2,624,215
-	-	-	(1,831,401)	(1,831,401)

VILLAGE OF WILMETTE, ILLINOIS

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

**Internal Service Funds
Year Ended December 31, 2009**

	<u>Municipal Garage</u>
Operating Revenues	
Interfund Services	<u>\$ 1,093,778</u>
Operating Expenses	
Administration	-
Operations	<u>1,093,778</u>
Total Operating Expenses	<u>1,093,778</u>
Operating Income (Loss)	-
Nonoperating Revenues	
Investment Earnings	<u>-</u>
Change in Net Assets	-
Net Assets - Beginning	<u>-</u>
Net Assets - Ending	<u><u>-</u></u>

Employee Insurance	Workers' Compensation	Illinois Municipal Retirement	Section 105 Sick Leave	Totals
2,367,452	305,173	1,454,036	148,800	5,369,239
-	-	-	32,354	32,354
2,367,452	305,173	1,454,036	167,748	5,388,187
2,367,452	305,173	1,454,036	200,102	5,420,541
-	-	-	(51,302)	(51,302)
-	-	-	3,269	3,269
-	-	-	(48,033)	(48,033)
-	-	-	(1,783,368)	(1,783,368)
-	-	-	(1,831,401)	(1,831,401)

VILLAGE OF WILMETTE, ILLINOIS

Combining Statement of Cash Flows

Internal Service Funds

Year Ended December 31, 2009

	<u>Municipal Garage</u>
Cash Flows from Operating Activities	
Receipts from Interfund Services	\$ 1,093,778
Payments to Employees	(506,615)
Payments to Suppliers	(587,163)
	<u>-</u>
Cash Flows from Noncapital Financing Activities	
Change in Interfund Activity	<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
2,367,818	306,410	1,454,036	147,787	5,369,829
(142,110)	-	-	-	(648,725)
(2,224,340)	(305,067)	(1,485,831)	(32,354)	(4,634,755)
1,368	1,343	(31,795)	115,433	86,349
-	(1,343)	-	-	(1,343)
-	-	-	3,269	3,269
1,368	-	(31,795)	118,702	88,275
9,327	-	33,659	646,564	689,550
10,695	-	1,864	765,266	777,825
-	-	-	(51,302)	(51,302)
366	1,237	-	(1,013)	590
1,002	106	(31,795)	167,748	137,061
1,368	1,343	(31,795)	115,433	86,349

VILLAGE OF WILMETTE, ILLINOIS

Municipal Garage - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual
Year Ended December 31, 2009

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 1,000,000	835,603
Sewer Fund Billings	113,200	94,520
Water Fund Billings	158,400	132,260
Insurance Reimbursements	16,035	31,395
Total Operating Revenues	<u>1,287,635</u>	<u>1,093,778</u>
Operating Expenses		
Operations		
Maintenance		
Regular Salaries	505,450	505,610
Overtime Salaries	2,350	1,005
Employee Benefits	161,080	160,854
Contractual Services	44,000	51,756
Maintenance - Radios	800	417
Contractual Services - Vehicle Washing	3,350	2,004
Automobile Insurance and Claims	66,000	66,000
Uniforms	3,700	2,638
Supplies - Automotive Parts	121,580	120,085
Supplies - Auto Shop	11,995	11,698
Supplies - Vehicle Striping and Safety	2,050	1,747
Gasoline and Oil	353,000	160,602
Mechanics' Tool Allowance	2,310	2,268
Incidentals	75	60
Training	3,050	932
Licenses, Titles and Inspection Fees	4,345	3,989
Squad Car Transfer Rehabilitation	2,500	2,113
Total Operating Expenses	<u>1,287,635</u>	<u>1,093,778</u>
Change in Net Assets	<u>-</u>	-
Net Assets - Beginning		<u>-</u>
Net Assets - Ending		<u>-</u>

VILLAGE OF WILMETTE, ILLINOIS

Employee Insurance - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual
Year Ended December 31, 2009

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 2,008,524	1,886,847
Municipal Garage Fund Billings	72,040	70,234
Parking Meter Fund Billings	25,020	16,273
Sewer Fund Billings	84,590	77,212
Water Fund Billings	324,170	316,886
Total Operating Revenues	2,514,344	2,367,452
Operating Expenses		
Operations		
Flexible Benefit Program Contributions	146,160	142,110
Employee Health Insurance		
North Suburban Employee Benefit Co-Op	1,548,184	1,376,089
HMO - Illinois	770,000	766,823
Employee Life Insurance	40,000	36,785
Unemployment Compensation	10,000	41,830
Other Insurance Expense	-	3,815
Total Operating Expenses	2,514,344	2,367,452
Change in Net Assets	-	-
Net Assets - Beginning		-
Net Assets - Ending		-

VILLAGE OF WILMETTE, ILLINOIS

Workers' Compensation - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual
Year Ended December 31, 2009

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 241,920	230,156
Municipal Garage Fund Billings	8,600	7,900
Parking Meter Fund Billings	2,290	1,670
Sewer Fund Billings	7,180	6,860
Water Fund Billings	40,010	32,580
Insurance Reimbursements	-	26,007
Total Operating Revenues	<u>300,000</u>	<u>305,173</u>
Operating Expenses		
Operations		
Workers' Compensation		
Fixed Premium Portion	257,250	258,145
Payment of Deductibles	42,750	47,028
Total Operating Expenses	<u>300,000</u>	<u>305,173</u>
Change in Net Assets	<u>-</u>	-
Net Assets - Beginning		<u>-</u>
Net Assets - Ending		<u>-</u>

VILLAGE OF WILMETTE, ILLINOIS

Illinois Municipal Retirement - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual
Year Ended December 31, 2009

	Original and Final Budget	Actual
Operating Revenues		
Interfund for Services		
General Fund Billings	\$ 996,560	974,957
Municipal Garage Fund Billings	75,900	79,340
Parking Meter Fund Billings	15,810	15,976
Sewer Fund Billings	66,790	68,972
Water Fund Billings	322,520	314,791
Total Operating Revenues	<u>1,477,580</u>	<u>1,454,036</u>
Operating Expenses		
Operations		
Employer IMRF Contributions	683,340	702,537
Employer FICA Contributions	558,050	532,158
Employer Medicare Contributions	236,190	219,341
Total Operating Expenses	<u>1,477,580</u>	<u>1,454,036</u>
Change in Net Assets	<u>-</u>	-
Net Assets - Beginning		<u>-</u>
Net Assets - Ending		<u><u>-</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Section 105 Sick Leave - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual
Year Ended December 31, 2009

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 127,300	124,480
Municipal Garage Fund Billings	3,250	3,380
Sewer Fund Billings	3,900	4,070
Water Fund Billings	16,150	16,870
Total Operating Revenues	<u>150,600</u>	<u>148,800</u>
Operating Expenses		
Administration	45,000	32,354
Operations		
Sick Leave Accrual	-	167,748
Total Operating Expenses	<u>45,000</u>	<u>200,102</u>
Operating Income (Loss)	105,600	(51,302)
Nonoperating Revenues		
Investment Earnings	<u>25,400</u>	<u>3,269</u>
Change in Net Assets	<u>131,000</u>	(48,033)
Net Assets - Beginning		<u>(1,783,368)</u>
Net Assets - Ending		<u>(1,831,401)</u>

VILLAGE OF WILMETTE, ILLINOIS

Pension Trust Funds

**Combining Statement of Net Plan Assets
December 31, 2009**

	Police Pension	Firefighters' Pension	Totals
Assets			
Cash and Cash Equivalents	\$ 461,700	1,085,697	1,547,397
Investments			
U.S. Government and Agency Securities	9,101,940	8,975,594	18,077,534
Mutual Funds	18,891,094	19,131,778	38,022,872
Receivables			
Accrued Interest	116,186	113,543	229,729
Total Assets	28,570,920	29,306,612	57,877,532
Liabilities			
Accounts Payable	6,907	6,999	13,906
Net Plan Assets Held in Trust for Pension Benefits (A schedule of funding progress is presented following the notes to the financial schedules.)	28,564,013	29,299,613	57,863,626

VILLAGE OF WILMETTE, ILLINOIS

Pension Trust Funds

**Combining Statement of Changes in Net Plan Assets
Year Ended December 31, 2009**

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ 1,300,000	1,620,000	2,920,000
Contributions - Plan Members	388,993	392,365	781,358
Total Contributions	1,688,993	2,012,365	3,701,358
Investment Income			
Investment Earnings	(4,338)	33,570	29,232
Net Change in Fair Value	3,442,621	3,392,186	6,834,807
	3,438,283	3,425,756	6,864,039
Less Investment Expenses	(43,056)	(42,927)	(85,983)
Net Investment Income	3,395,227	3,382,829	6,778,056
Total Additions	5,084,220	5,395,194	10,479,414
Deductions			
Administration	10,846	10,930	21,776
Benefits and Refunds	1,826,325	1,990,953	3,817,278
Total Deductions	1,837,171	2,001,883	3,839,054
Change in Net Assets	3,247,049	3,393,311	6,640,360
Net Plan Assets Held in Trust for Pension Benefits			
Beginning	25,316,964	25,906,302	51,223,266
Ending	28,564,013	29,299,613	57,863,626

VILLAGE OF WILMETTE, ILLINOIS

Police Pension - Pension Trust Fund

Schedule of Changes in Net Plan Assets - Budget and Actual
Year Ended December 31, 2009

	Original and Final Budget	Actual
Additions		
Contributions - Employer	\$ 1,256,560	1,300,000
Contributions - Plan Members	405,000	388,993
Total Contributions	<u>1,661,560</u>	<u>1,688,993</u>
Investment Income		
Investment Earnings	1,788,440	(4,338)
Net Change in Fair Value	-	3,442,621
	<u>1,788,440</u>	<u>3,438,283</u>
Less Investment Expenses	(44,000)	(43,056)
Net Investment Income	<u>1,744,440</u>	<u>3,395,227</u>
Total Additions	<u>3,406,000</u>	<u>5,084,220</u>
Deductions		
Administration	10,000	10,846
Benefits and Refunds	1,800,000	1,826,325
Total Deductions	<u>1,810,000</u>	<u>1,837,171</u>
Change in Net Assets	<u>1,596,000</u>	3,247,049
Net Plan Assets Held in Trust for Pension Benefits		
Beginning		<u>25,316,964</u>
Ending		<u>28,564,013</u>

VILLAGE OF WILMETTE, ILLINOIS

Firefighters' Pension - Pension Trust Fund

Schedule of Changes in Net Plan Assets - Budget and Actual
Year Ended December 31, 2009

	Original and Final Budget	Actual
Additions		
Contributions - Employer	\$ 1,575,220	1,620,000
Contributions - Plan Members	378,000	392,365
Total Contributions	<u>1,953,220</u>	<u>2,012,365</u>
Investment Income		
Investment Earnings	1,788,780	33,570
Net Change in Fair Value	-	3,392,186
	<u>1,788,780</u>	<u>3,425,756</u>
Less Investment Expenses	(44,000)	(42,927)
Net Investment Income	<u>1,744,780</u>	<u>3,382,829</u>
Total Additions	<u>3,698,000</u>	<u>5,395,194</u>
Deductions		
Administration	10,000	10,930
Benefits and Refunds	2,100,000	1,990,953
Total Deductions	<u>2,110,000</u>	<u>2,001,883</u>
Change in Net Assets	<u>1,588,000</u>	3,393,311
Net Plan Assets Held in Trust for Pension Benefits		
Beginning		<u>25,906,302</u>
Ending		<u>29,299,613</u>

VILLAGE OF WILMETTE, ILLINOIS

Agency Fund - Fire Insurance Tax

**Combining Statement of Changes in Assets and Liabilities
Year Ended December 31, 2009**

	Beginning Balances	Additions	Deductions	Ending Balances
ASSETS				
Cash and Investments	\$ 556,902	60,593	40,500	576,995
LIABILITIES				
Deposits Payable	556,902	60,593	40,500	576,995

SUPPLEMENTAL SCHEDULES

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Bonds of 2002
December 31, 2009**

Date of Issue	February 1, 2002
Date of Maturity	December 1, 2023
Authorized Issue	\$30,400,000
Denomination of Bonds	\$5,000
Interest Rates	4.00% to 5.00%
Interest Dates	December 1 and June 1
Principal Maturity Date	December 1
Payable at	JP Morgan Investments

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2010	\$ 450,000	1,264,701	1,714,701
2011	975,000	1,246,026	2,221,026
2012	1,575,000	1,205,563	2,780,563
2013	1,875,000	1,140,201	3,015,201
2014	2,125,000	1,059,576	3,184,576
2015	2,225,000	965,013	3,190,013
2016	2,500,000	863,775	3,363,775
2017	2,700,000	747,525	3,447,525
2018	2,700,000	620,625	3,320,625
2019	2,700,000	492,375	3,192,375
2020	2,400,000	361,425	2,761,425
2021	3,000,000	243,825	3,243,825
2022	1,350,000	96,825	1,446,825
2023	600,000	30,000	630,000
	<u>27,175,000</u>	<u>10,337,455</u>	<u>37,512,455</u>
	20,685,000	General Long-Term Debt	
	1,840,000	Sewer Fund	
	<u>4,650,000</u>	Water Fund	
	<u>27,175,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2004
December 31, 2009**

Date of Issue	December 1, 2004
Date of Maturity	December 1, 2020
Authorized Issue	\$17,525,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 4.00%
Interest Dates	December 1 and June 1
Principal Maturity Date	December 1
Payable at	Wells Fargo Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2010	\$ 1,245,000	444,926	1,689,926
2011	1,420,000	404,463	1,824,463
2012	1,260,000	358,313	1,618,313
2013	1,645,000	314,212	1,959,212
2014	1,630,000	252,525	1,882,525
2015	925,000	191,400	1,116,400
2016	1,275,000	156,713	1,431,713
2017	1,240,000	108,900	1,348,900
2018	535,000	62,400	597,400
2019	495,000	41,000	536,000
2020	530,000	21,200	551,200
	<u>12,200,000</u>	<u>2,356,052</u>	<u>14,556,052</u>
	5,495,000	General Long-Term Debt	
	2,675,000	Sewer Fund	
	3,840,000	Water Fund	
	<u>190,000</u>	Parking Meter Fund	
	<u>12,200,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2007
December 31, 2009**

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

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2010	\$ 320,000	742,556	1,062,556
2011	325,000	729,756	1,054,756
2012	440,000	716,756	1,156,756
2013	665,000	699,156	1,364,156
2014	1,235,000	672,556	1,907,556
2015	1,860,000	623,156	2,483,156
2016	2,710,000	546,432	3,256,432
2017	3,475,000	434,644	3,909,644
2018	3,430,000	291,300	3,721,300
2019	1,360,000	149,813	1,509,813
2020	1,205,000	92,013	1,297,013
2021	960,000	40,800	1,000,800
	<u>17,985,000</u>	<u>5,738,938</u>	<u>23,723,938</u>
	10,320,000	General Long-Term Debt	
	2,450,000	Sewer Fund	
	<u>5,215,000</u>	Water Fund	
	<u><u>17,985,000</u></u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

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

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

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2010	\$ 375,000	257,809	632,809
2011	635,000	241,992	876,992
2012	840,000	229,292	1,069,292
2013	950,000	212,492	1,162,492
2014	950,000	193,492	1,143,492
2015	960,000	172,118	1,132,118
2016	360,000	145,718	505,718
2017	370,000	134,918	504,918
2018	380,000	123,355	503,355
2019	390,000	111,480	501,480
2020	495,000	98,806	593,806
2021	505,000	82,223	587,223
2022	900,000	64,800	964,800
2023	900,000	32,850	932,850
	<u>9,010,000</u>	<u>2,101,345</u>	<u>11,111,345</u>
	1,590,000	General Long-Term Debt	
	1,575,000	Sewer Fund	
	<u>5,845,000</u>	Water Fund	
	<u><u>9,010,000</u></u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**IEPA Revenue Bonds of 1993
December 31, 2009**

Date of Issue	December 10, 1993
Date of Maturity	December 10, 2013
Authorized Issue	\$9,477,412
Denomination of Bonds	Various
Interest Rates	3.580%
Interest Dates	December 10 and June 10
Principal Maturity Date	December 10
Payable at	Illinois Environmental Protection Agency

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2010	\$ 594,948	72,696	667,644
2011	616,437	51,207	667,644
2012	638,703	28,941	667,644
2013	327,951	5,871	333,822
	<u>2,178,039</u>	<u>158,715</u>	<u>2,336,754</u>
	<u>2,178,039</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**IEPA Revenue Bonds of 1995
December 31, 2009**

Date of Issue	January 1, 1995
Date of Maturity	January 1, 2014
Authorized Issue	\$9,874,474
Denomination of Bonds	Various
Interest Rates	3.580%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	Illinois Environmental Protection Agency

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2010	\$ 592,003	90,039	682,042
2011	612,061	69,980	682,041
2012	632,799	49,242	682,041
2013	654,240	27,802	682,042
2014	335,386	5,634	341,020
	<u>2,826,489</u>	<u>242,697</u>	<u>3,069,186</u>
	<u>2,826,489</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**IEPA Revenue Bonds of 1996
December 31, 2009**

Date of Issue	June 7, 1996
Date of Maturity	December 7, 2016
Authorized Issue	\$4,783,543
Denomination of Bonds	Various
Interest Rates	2.815%
Interest Dates	December 7 and June 7
Principal Maturity Date	December 7
Payable at	Illinois Environmental Protection Agency

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2010	\$ 264,030	50,396	314,426
2011	271,515	42,911	314,426
2012	279,211	35,215	314,426
2013	287,127	27,299	314,426
2014	295,266	19,160	314,426
2015	303,636	10,790	314,426
2016	155,031	2,182	157,213
	<u>1,855,816</u>	<u>187,953</u>	<u>2,043,769</u>
	<u>1,855,816</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**IEPA Revenue Bonds of 1997
December 31, 2009**

Date of Issue	September 8, 1997
Date of Maturity	September 8, 2017
Authorized Issue	\$9,008,778
Denomination of Bonds	Various
Interest Rates	3.150%
Interest Dates	September 8 and March 8
Principal Maturity Date	September 8
Payable at	Illinois Environmental Protection Agency

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2010	\$ 479,226	131,326	610,552
2011	494,440	116,112	610,552
2012	510,138	100,414	610,552
2013	526,333	84,218	610,551
2014	543,043	67,508	610,551
2015	560,284	50,268	610,552
2016	578,072	32,480	610,552
2017	596,423	14,127	610,550
	<u>4,287,959</u>	<u>596,453</u>	<u>4,884,412</u>
	<u>4,287,959</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**IEPA Revenue Bonds of 2006
December 31, 2009**

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

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2010	\$ 18,368	9,480	27,848
2011	18,830	9,017	27,847
2012	19,304	8,544	27,848
2013	19,789	8,057	27,846
2014	20,287	7,560	27,847
2015	20,797	7,050	27,847
2016	21,320	6,527	27,847
2017	21,857	5,990	27,847
2018	22,407	5,441	27,848
2019	22,971	4,877	27,848
2020	23,548	4,299	27,847
2021	24,140	3,707	27,847
2022	24,748	3,100	27,848
2023	25,370	2,477	27,847
2024	26,008	1,839	27,847
2025	26,662	1,184	27,846
2026	27,333	514	27,847
	<u>383,739</u>	<u>89,663</u>	<u>473,402</u>
	<u>383,739</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**IEPA Revenue Bonds of 2007
December 31, 2009**

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

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2010	\$ 26,641	6,759	33,400
2011	27,380	6,452	33,832
2012	28,069	6,135	34,204
2013	28,773	5,812	34,585
2014	29,498	5,480	34,978
2015	30,241	5,140	35,381
2016	31,002	4,792	35,794
2017	31,782	4,434	36,216
2018	32,581	4,068	36,649
2019	33,401	3,693	37,094
2020	34,240	3,307	37,547
2021	35,102	2,912	38,014
2022	35,986	2,508	38,494
2023	36,889	2,093	38,982
2024	37,818	1,668	39,486
2025	38,770	1,232	40,002
2026	39,746	785	
2027	39,769	328	40,097
	597,688	67,598	624,755
	597,688	Sewer 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 Assets by Component - Last Seven Fiscal Years
December 31, 2009 (Unaudited)**

See Following Page

VILLAGE OF WILMETTE, ILLINOIS

**Net Assets by Component - Last Seven Fiscal Years
December 31, 2009 (Unaudited)**

	<u>2003</u>	<u>2004</u>
Governmental Activities		
Invested in Capital Assets, Net of Related Debt	\$ 6,845,616	7,343,577
Restricted	1,107,740	1,154,049
Unrestricted	2,886,309	2,621,235
	<u>10,839,665</u>	<u>11,118,861</u>
Business-Type Activities		
Invested in Capital Assets, Net of Related Debt	33,343,412	35,127,266
Restricted	-	-
Unrestricted	2,309,012	1,517,047
	<u>35,652,424</u>	<u>36,644,313</u>
Total Net Assets		
Invested in Capital Assets, Net of Related Debt	40,189,028	42,470,843
Restricted	1,107,740	1,154,049
Unrestricted	5,195,321	4,138,282
	<u>46,492,089</u>	<u>47,763,174</u>

Data Source: Village Records

Note: The Village implemented GASB No. 34 at December 31, 2003.

2005	2006	2007	2008	2009
8,166,032	8,929,074	10,499,597	11,418,376	14,080,279
1,076,158	834,828	450,725	1,189,728	331,412
4,423,233	4,928,203	5,845,733	3,855,656	1,755,021
13,665,423	14,692,105	16,796,055	16,463,760	16,166,712
35,475,772	36,849,485	37,956,144	39,036,902	40,104,715
-	-	-	-	-
3,340,497	2,605,420	2,884,158	2,262,176	2,034,508
38,816,269	39,454,905	40,840,302	41,299,078	42,139,223
43,641,804	45,778,559	48,455,741	50,455,278	54,184,994
1,076,158	834,828	450,725	1,189,728	331,412
7,763,730	7,533,623	8,729,891	6,117,832	3,789,529
52,481,692	54,147,010	57,636,357	57,762,838	58,305,935

VILLAGE OF WILMETTE, ILLINOIS

Changes in Net Assets - Last Seven Fiscal Years
December 31, 2009 (Unaudited)

	2003	2004	2005	2006	2007	2008	2009
Expenses							
Governmental Activities							
General Government	\$ 3,575,237	3,195,919	3,330,649	3,466,888	3,395,790	3,341,486	3,104,396
Public Safety	13,224,840	12,681,422	13,334,526	13,727,439	15,071,445	16,501,474	16,704,907
Streets and Sanitation	8,086,777	6,408,770	7,460,718	7,445,005	8,270,333	8,413,098	7,764,833
Other Public Works	1,012,646	1,073,884	1,051,838	1,687,224	2,155,904	1,761,734	1,511,453
Community Development	145,857	964,234	1,116,566	1,137,139	177,124	170,743	187,546
Public Health	869,963	154,543	160,447	193,970	1,253,997	1,271,890	1,123,256
Interest	1,590,316	1,570,605	1,447,678	1,404,556	1,636,879	1,718,654	1,648,850
Total Governmental Activities Expenses	28,505,636	26,049,377	27,902,422	29,062,221	31,961,472	33,179,079	32,045,241
Business-Type Activities							
Water	5,276,280	5,253,705	5,634,646	5,770,344	6,146,053	6,207,177	6,155,509
Sewer	2,407,541	2,146,754	2,436,380	2,444,549	2,621,682	2,534,169	2,739,463
Parking	410,039	417,245	432,340	421,842	442,821	462,824	458,677
Total Business-Type Activities Net Assets	8,093,860	7,817,704	8,503,366	8,636,735	9,210,556	9,204,170	9,353,649
Total Primary Government Expenses	36,599,496	33,867,081	36,405,788	37,698,956	41,172,028	42,383,249	41,398,890
Program Revenues							
Governmental Activities							
Charges for Services							
General Government	139,939	234,736	247,917	265,168	288,614	292,394	297,132
Public Safety	1,402,962	1,430,121	1,533,081	1,572,175	1,993,313	2,131,372	2,147,962
Streets and Sanitation	1,270,178	1,301,785	1,552,340	1,649,677	1,729,235	1,840,135	1,946,202
Other Public Works	27,435	25,547	38,000	63,356	121,267	109,484	57,344
Community Development	1,198,382	1,173,237	1,726,586	1,569,484	1,769,744	1,434,373	1,036,375
Public Health	11,311	11,589	12,558	39,010	32,582	31,266	35,518
Operating Grants/Contributions	850,178	881,558	1,330,251	999,520	2,935,791	1,955,443	1,532,053
Capital Grants/Contributions	2,106,109	108,160	-	-	-	-	-
Total Governmental Activities Program Revenue	7,006,494	5,166,733	6,440,733	6,158,390	8,870,546	7,794,467	7,052,586
Business-Type Activities							
Charges for Services							
Water	5,450,496	5,333,624	6,508,780	5,757,608	6,380,743	6,402,404	6,981,313
Sewer	2,934,783	3,296,414	3,940,993	3,406,059	3,468,473	3,491,359	3,606,066
Parking	260,831	256,235	312,782	305,994	308,102	320,670	412,436
Operating Grants/Contributions	-	-	-	-	155,024	13,145	119,527
Capital Grants/Contributions	45,750	426,713	101,377	21,550	-	-	-
Total Business-Type Activities Program Revenue	8,691,860	9,312,986	10,863,932	9,491,211	10,312,342	10,227,578	11,119,342
Total Primary Government Program Revenue	15,698,354	14,479,719	17,304,665	15,649,601	19,182,888	18,022,045	18,171,928

	2003	2004	2005	2006	2007	2008	2009
Net (Expense) Revenue							
Governmental Activities	\$ (21,499,142)	(20,882,644)	(21,461,689)	(22,903,831)	(23,090,926)	(25,384,612)	(24,992,655)
Business-Type Activities	598,000	1,495,282	2,360,566	854,476	1,101,786	1,023,408	1,765,693
Total Net Revenue (Expense)	(20,901,142)	(19,387,362)	(19,101,123)	(22,049,355)	(21,989,140)	(24,361,204)	(23,226,962)
General Revenues and Other Changes in Net Assets							
Governmental Activities							
Taxes							
Property	8,875,622	9,418,575	10,190,069	10,843,388	11,580,802	12,032,926	12,765,894
Sales, Local Use	3,375,314	3,356,036	3,940,023	4,113,029	4,186,809	4,091,855	3,712,906
Utility	2,831,751	2,707,925	2,913,414	2,647,823	2,739,621	2,718,132	2,692,330
Income	1,713,517	1,757,291	2,063,436	2,263,978	2,447,409	2,617,554	2,247,445
Real Estate Transfer	1,345,450	1,447,829	1,512,987	1,326,561	1,366,260	880,317	634,160
Other	621,325	599,239	652,464	666,020	805,021	859,204	764,396
Investment Income	368,368	220,809	398,842	686,719	565,408	94,736	50,289
Miscellaneous	520,692	483,499	795,150	617,410	1,384,310	1,049,103	878,187
Gain (Loss) on Disposal of Capital Assets	33,750	30,500	-	-	-	-	-
Transfers In (Out)	599,194	661,947	597,455	765,585	119,236	708,490	950,000
Contributions	365,045	478,190	-	-	-	-	-
Total Governmental Activities	20,650,028	21,161,840	23,063,840	23,930,513	25,194,876	25,052,317	24,695,607
Business-Type Activities							
Investment Income	131,292	158,554	408,845	549,745	402,847	143,858	24,452
Gain (Loss) on Disposal of Capital Assets	(91,123)	-	-	-	-	-	-
Transfers In (Out)	(599,194)	(661,947)	(597,455)	(765,585)	(119,236)	(708,490)	(950,000)
Contributions	1,866,839	-	-	-	-	-	-
Total Business-Type Activities	1,307,814	(503,393)	(188,610)	(215,840)	283,611	(564,632)	(925,548)
Total Primary Government	21,957,842	20,658,447	22,875,230	23,714,673	25,478,487	24,487,685	23,770,059
Changes in Net Assets							
Governmental Activities	(849,114)	279,196	1,602,151	1,026,682	2,103,950	(332,295)	(297,048)
Business-Type Activities	1,905,814	991,889	2,171,956	638,636	1,385,397	458,776	840,145
Total Primary Government	1,056,700	1,271,085	3,774,107	1,665,318	3,489,347	126,481	543,097

Data Source: Village Records

Note: The Village implemented GASB No. 34 at December 31, 2003.

VILLAGE OF WILMETTE, ILLINOIS

**Fund Balances of Governmental Funds - Last Ten Fiscal Years
December 31, 2009 (Unaudited)**

	<u>2000</u>	<u>2001</u>	<u>2002</u>
General Fund			
Reserved	\$ 591,673	625,531	900,743
Unreserved	4,546,813	3,590,642	3,979,211
Total General Fund	<u>5,138,486</u>	<u>4,216,173</u>	<u>4,879,954</u>
All Other Governmental Funds			
Reserved	11,127	30,971	1,918,991
Unreserved, Reported in:			
Special Revenues Funds	1,653,575	1,463,717	1,917,625
Debt Service Funds	95,003	55,802	55,720
Capital Projects Funds	1,947,704	658,054	15,926,988
Total All Other Governmental Funds	<u>3,707,409</u>	<u>2,208,544</u>	<u>19,819,324</u>

Data Source: Village Records

2003	2004	2005	2006	2007	2008	2009
500,461	771,163	563,159	617,896	564,620	281,354	257,117
4,687,146	4,727,523	5,756,062	6,391,407	7,121,664	6,350,014	4,810,519
5,187,607	5,498,686	6,319,221	7,009,303	7,686,284	6,631,368	5,067,636
5,257	-	-	-	200,000	1,261,330	-
1,056,168	1,107,427	680,990	431,201	450,725	389,728	331,412
48,994	49,334	34,553	28,366	(7,665)	(61,780)	(96,363)
13,221,678	8,977,970	4,521,700	1,816,076	8,444,739	3,787,249	1,383,335
14,332,097	10,134,731	5,237,243	2,275,643	9,087,799	5,376,527	1,618,384

VILLAGE OF WILMETTE, ILLINOIS

General Governmental Revenues By Source - Last Ten Fiscal Years December 31, 2009 (Unaudited)

Source	2000	2001	2002	2003
Taxes	\$ 17,796,767	17,985,396	18,211,850	19,547,732
Licenses, Permits and Fees	1,526,400	1,570,827	1,606,897	2,094,575
Intergovernmental	3,526	3,080	2,038,342	2,171,534
Charges for Services	3,133,083	3,151,875	4,456,680	1,605,341
Fines and Forfeitures	286,133	267,000	297,992	350,291
Investment Income	560,906	399,686	816,990	368,368
Miscellaneous	692,720	739,168	880,594	554,442
Total	23,999,535	24,117,032	28,309,345	26,692,283

Note: 1999 through 2003 includes General, Special Revenue, Capital Projects and Debt Service Funds.

2003 GASB 34 was implemented. Includes all Governmental Funds.

With the implementation of GASB 34, the Sewer Fund was reclassified as a Proprietary Fund from a Special Revenue Fund.

Data Source: Village Records

2004	2005	2006	2007	2008	2009
20,076,053	21,272,393	21,860,799	23,125,922	23,199,988	22,817,131
2,172,187	2,824,120	2,678,714	3,382,726	3,034,314	2,661,327
200,560	1,177,017	999,520	2,935,791	1,955,443	1,532,053
1,640,957	1,946,356	2,168,121	2,278,003	2,413,363	2,557,660
363,871	340,006	312,035	274,026	391,347	301,546
220,809	390,758	538,001	497,251	273,773	33,656
513,999	684,793	617,410	1,384,310	1,049,103	878,187
25,188,436	28,635,443	29,174,600	33,878,029	32,317,331	30,781,560

VILLAGE OF WILMETTE, ILLINOIS

**General Governmental Expenditures By Function - Last Ten Fiscal Years
December 31, 2009 (Unaudited)**

Function	2000	2001	2002	2003
General Government	\$ 2,223,039	2,577,904	2,748,934	3,575,237
Public Safety	9,630,599	10,330,474	10,323,232	13,224,840
Streets and Sanitation	5,822,727	5,831,953	5,563,500	8,086,777
Other Public Works	983,121	933,645	899,030	1,012,646
Public Health	162,908	163,634	148,368	145,857
Community Development	785,065	782,215	846,395	869,963
Capital Outlay	3,788,753	6,032,847	8,741,902	-
Debt Service				
Principal Retirement	2,047,229	2,166,972	2,306,600	-
Interest and Fiscal Charges	1,410,160	1,564,737	2,333,643	1,590,316
Total	26,853,601	30,384,381	33,911,604	28,505,636

Note: 1999 through 2003 includes General, Special Revenue, Capital Projects and Debt Service Funds.
 2003 GASB 34 was implemented. Includes all Governmental Funds.
 With the implementation of GASB 34, the Sewer Fund was reclassified as a Proprietary Fund from a
 Special Revenue Fund.

Data Source: Village Records

2004	2005	2006	2007	2008	2009
3,195,919	3,330,649	3,466,888	3,147,259	3,195,090	2,892,303
12,681,422	13,334,526	13,727,439	14,863,098	15,844,052	16,155,101
6,408,770	7,460,718	7,445,005	6,795,616	6,346,863	5,807,962
1,073,884	1,051,838	1,687,224	2,149,004	1,759,034	2,479,331
154,543	160,447	193,970	177,824	170,243	187,046
964,234	1,116,566	1,137,139	1,451,671	1,386,238	1,120,856
-	-	-	5,068,278	5,178,517	6,795,273
-	-	-	1,254,235	2,208,316	1,578,609
1,570,605	1,447,678	1,404,556	1,501,513	1,703,656	1,635,271
26,049,377	27,902,422	29,062,221	36,408,498	37,792,009	38,651,752

VILLAGE OF WILMETTE, ILLINOIS

**Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years
December 31, 2009 (Unaudited)**

	2000	2001	2002	2003
Revenues				
Taxes	\$ 17,796,767	17,985,396	18,211,850	18,762,978
Licenses and Permits	1,526,400	1,570,827	1,606,897	2,094,575
Intergovernmental	3,526	3,080	2,038,342	2,816,192
Charges for Services and Fees	3,133,083	3,151,875	4,456,680	1,605,341
Fines and Forfeits	286,133	267,000	297,992	350,291
Investment Income	560,906	399,686	816,990	274,252
Miscellaneous	692,720	739,168	880,594	694,537
Total Revenues	23,999,535	24,117,032	28,309,345	26,598,166
Expenditures				
General Government	2,223,039	2,577,904	2,748,934	2,769,169
Public Safety	9,630,599	10,330,474	10,323,232	11,527,958
Streets and Sanitation	5,822,727	5,831,953	5,563,500	5,181,212
Other Public Works	983,121	933,645	899,030	1,012,646
Public Health	162,908	163,634	148,368	145,857
Community Development	785,065	782,215	846,395	869,963
Capital Outlay	3,788,753	6,032,847	8,741,902	6,104,435
Debt Service				
Principal	2,047,229	2,166,972	2,306,600	885,000
Interest and Fiscal Charges	1,410,160	1,564,737	2,333,643	1,593,255
Total Expenditures	26,853,601	30,384,381	33,911,604	30,089,495
Excess of Revenues Over (Under) Expenditures	(2,854,066)	(6,267,349)	(5,602,259)	(3,491,329)
Other Financing Sources (Uses)				
Proceeds from Bonds	2,000,000	3,000,000	25,156,952	-
Proceeds from I.E.P.A. Loan	-	-	-	-
Proceeds from Installment Contract	-	-	165,000	65,586
Premium on Proceeds	-	-	-	-
Payments to Escrow Agent	-	-	(1,914,886)	-
Transfers In	700,000	700,000	700,000	757,886
Transfers Out	(185,855)	(157,242)	(284,329)	(158,692)
Total Other Financing Sources (Uses)	2,514,145	3,542,758	23,822,737	664,780
Net Change in Fund Balances	(339,921)	(2,724,591)	18,220,478	(2,826,549)
Debt Service as a Percentage of Noncapital Expenditures	14.99%	15.32%	18.44%	10.33%

Note: 1999 through 2002 includes General, Special Revenue, Capital Projects and Debt Service Funds.

2003 GASB 34 was implemented. Includes all Governmental Funds.

With the implementation of GASB 34, the Sewer Fund was reclassified as a Proprietary Fund from a Special Revenue Fund

Data Source: Village Records

2004	2005	2006	2007	2008	2009
19,286,895	21,272,393	21,860,799	23,125,922	23,199,988	22,817,131
2,172,187	2,824,120	2,678,714	3,382,726	3,034,314	2,661,327
989,718	1,177,017	999,520	2,935,791	1,955,443	1,532,053
1,640,957	1,946,356	2,168,121	2,278,003	2,413,363	2,557,660
363,871	340,006	312,035	274,026	391,347	301,546
260,765	390,758	538,001	497,251	273,773	33,656
513,999	684,793	617,410	1,384,310	1,049,103	878,187
25,228,392	28,635,443	29,174,600	33,878,029	32,317,331	30,781,560
2,934,612	2,989,626	3,073,424	3,147,259	3,195,090	2,892,303
12,272,889	13,184,417	13,859,888	14,863,098	15,844,052	16,155,101
4,857,268	5,327,047	5,237,550	6,795,616	6,346,863	5,807,962
1,043,884	1,107,204	1,687,224	2,149,004	1,759,034	2,479,331
154,543	160,447	193,970	177,824	170,243	187,046
964,234	1,116,566	1,137,139	1,451,671	1,386,238	1,120,856
5,303,393	6,734,692	4,468,596	5,068,278	5,178,517	6,795,273
1,010,000	1,261,869	1,167,764	1,254,235	2,208,316	1,578,609
1,581,375	1,429,943	1,386,148	1,501,513	1,703,656	1,635,271
30,122,198	33,311,811	32,211,703	36,408,498	37,792,009	38,651,752
(4,893,806)	(4,676,368)	(3,037,103)	(2,530,469)	(5,474,678)	(7,870,192)
9,300,000	-	-	11,673,827	-	1,590,000
-	-	-	-	-	-
314,979	-	-	-	-	-
-	-	-	-	-	8,317
(9,269,407)	-	-	(1,773,457)	-	-
800,000	1,300,000	1,302,029	600,000	850,000	950,000
(138,053)	(700,585)	(536,444)	(480,764)	(141,510)	-
1,007,519	599,415	765,585	10,019,606	708,490	2,548,317
(3,886,287)	(4,076,953)	(2,271,518)	7,489,137	(4,766,188)	(5,321,875)
10.44%	10.18%	9.30%	9.07%	12.13%	10.58%

VILLAGE OF WILMETTE, ILLINOIS

**Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Year
December 31, 2009 (Unaudited)**

Tax Levy Year	Real Property New Trier Township	Real Property Northfield Township	Railroad Property New Trier Township	Total Assessed Value	Equalization Factor	Direct Tax Rate
1999	\$ 891,271,087	\$ 3,509,801	\$ 132,765	\$ 894,913,653	2.2505	\$ 0.854
2000	882,765,423	3,500,518	135,787	886,401,728	2.2235	0.902
2001	1,127,562,716	4,164,954	139,261	1,131,866,931	2.3098	0.748
2002	1,210,079,062	4,432,414	158,585	1,214,670,061	2.4689	0.739
2003	1,202,287,401	4,377,864	167,938	1,206,833,203	2.4598	0.788
2004	1,492,689,803	5,056,436	184,479	1,497,930,718	2.5757	0.689
2005	1,623,962,496	5,472,282	174,078	1,629,608,856	2.7320	0.671
2006	1,616,506,819	5,577,543	172,349	1,622,256,711	2.7076	0.728
2007	2,049,171,401	6,942,143	185,588	2,056,299,132	2.8439	0.597
2008	2,186,269,851	7,865,829	199,495	2,194,335,175	2.9786	0.593

2009 Data - Currently Not Available

Data Source: Cook County Clerk

VILLAGE OF WILMETTE, ILLINOIS

**Direct and Overlapping Property Tax Rates
December 31, 2009 (Unaudited)**

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Village of Wilmette										
General Corporate Rate	\$ 0.723	0.753	0.614	0.584	0.608	0.530	0.521	0.530	0.432	0.448
Debt Service Rate	0.132	0.149	0.134	0.155	0.180	0.159	0.150	0.159	0.165	0.145
Total Direct Tax Rate	0.854	0.902	0.748	0.739	0.788	0.689	0.671	0.689	0.597	0.593
Overlapping										
School District #39	3.193	3.454	2.742	2.610	2.707	2.238	2.151	2.238	1.848	1.812
School District #203	1.845	1.936	1.611	1.935	1.799	1.621	1.577	1.621	1.299	1.290
Community College #535	0.203	0.213	0.186	0.179	0.186	0.161	0.158	0.161	0.141	0.140
Wilmette Park District	0.423	0.528	0.425	0.510	0.526	0.440	0.413	0.440	0.360	0.348
Wilmette Public Library	0.338	0.351	0.309	0.315	0.352	0.315	0.283	0.315	0.245	0.241
Cook County	0.877	0.824	0.778	0.690	0.659	0.593	0.547	0.593	0.458	0.415
Sanitary District	0.419	0.415	0.401	0.371	0.361	0.347	0.315	0.347	0.263	0.252
Forest Preserve District	0.070	0.069	0.067	0.061	0.059	0.060	0.060	0.060	0.053	0.051
New Trier Township	0.057	0.058	0.046	0.045	0.048	0.039	0.039	0.039	0.034	0.034
Suburban T.B. Sanitarium	0.008	0.008	0.007	0.006	0.004	0.001	0.005	0.001	-	-
Mosquito Abatement Dist.	0.011	0.011	0.010	0.009	0.009	0.008	0.008	0.008	0.008	0.008
Total Tax Rate	8.298	8.769	7.330	7.470	7.498	6.512	6.227	6.512	5.306	5.184

Data Source: Cook County Clerk

VILLAGE OF WILMETTE, ILLINOIS

**Principal Property Tax Payers - Current Year and Ten Years Ago
December 31, 2009 (Unaudited)**

Taxpayer	2009			1999		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Joseph Freed & Associates	\$ 43,904,278	1	2.00%	\$ 23,745,951	1	2.75%
1630 Sheridan Corp.	18,414,033	2	0.84%	5,901,862	3	0.68%
Plaza del Lago, Inc.	14,536,911	3	0.66%	8,614,951	2	1.00%
L.J. Thalmann & Co.	8,066,228	4	0.37%	4,437,716	4	0.51%
Albertson's	6,575,852	5	0.30%			
William C. Kagan	6,128,780	6	0.28%	2,628,632	8	0.30%
Landau & Heyman	5,996,342	7	0.27%	3,064,652	5	0.35%
Avgeris & Assoc.	4,285,130	8	0.20%	2,829,918	6	0.33%
Wolin-Levin	4,159,421	9	0.19%	1,615,191	13	0.19%
Manor Health Care Corp.	3,984,527	10	0.18%	2,381,120	9	0.28%
Beth Corp.	3,648,776	11	0.17%	2,657,876	7	0.31%
Westmoreland Country Club	3,646,057	12	0.17%	2,221,375	10	0.26%
Michigan Shores Club	3,116,411	13	0.14%	1,602,481	14	0.19%
Wilmette Imports	3,032,837	14	0.14%			
Rambler Hill, LLC	2,725,639	15	0.12%			
Polan	2,645,461	16	0.12%			
Kretchmar	2,577,359	17	0.12%			
Walgreen's	2,396,242	18	0.11%			
Wil-Ridge Plaza	2,383,202	19	0.11%			
Whitmore	2,330,099	20	0.11%			
Jeffrey Strange				1,769,643	11	0.20%
Ameritech				1,678,523	12	0.19%
	<u>144,553,585</u>		<u>6.59%</u>	<u>65,149,891</u>		<u>7.53%</u>

Data for 2000 was not available, therefore the Village used data from 1999, the closest year available.

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Property Tax Levies and Collections
December 31, 2009 (Unaudited)**

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
1999	\$ 7,642,700	\$ 7,553,626	98.83%	\$ 47,235	\$ 7,600,861	99.45%
2000	7,994,173	7,971,753	99.72%	(20,743)	7,951,010	99.46%
2001	8,461,616	8,384,855	99.09%	14,355	8,399,210	99.26%
2002	8,968,044	8,855,063	98.74%	38,521	8,893,584	99.17%
2003	9,505,136	9,039,215	95.10%	391,136	9,430,351	99.21%
2004	10,306,726	10,082,058	97.82%	105,330	10,187,388	98.84%
2005	10,925,600	10,681,712	97.77%	111,848	10,793,560	98.79%
2006	11,801,600	10,492,759	88.91%	1,234,992	11,727,751	99.37%
2007	12,272,800	11,841,358	96.48%	338,976	12,180,334	99.25%
2008	12,999,000	12,742,685	98.03%	-	12,742,685	98.03%
2009	13,513,000	*	*	*	*	*

* 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, 2009 (Unaudited)**

Fiscal Year Ended Dec 31	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			
2000	\$ 12,233,333	\$ 82,860	\$ 14,031,667	\$ -	\$ 1,150,000	\$ 25,771,571	\$ 53,269,431	3.46%	\$ 1,926
2001	14,510,000	76,860	15,735,000	-	1,065,000	24,327,934	55,714,794	3.62%	2,015
2002	35,210,000	227,650	20,440,000	2,000,000	975,000	22,836,334	81,688,984	5.31%	2,954
2003	34,330,000	281,232	20,150,000	1,980,000	880,000	21,492,258	79,113,490	5.14%	2,861
2004	33,590,000	583,969	22,175,000	4,760,000	785,000	19,906,130	81,800,099	5.32%	2,958
2005	32,445,000	467,100	21,790,000	4,715,000	670,000	18,267,269	78,354,369	5.10%	2,834
2006	31,390,000	354,336	21,320,000	4,670,000	555,000	16,972,126	75,261,462	4.89%	2,722
2007	40,195,000	280,101	20,880,000	7,070,000	435,000	15,827,763	84,687,864	5.51%	3,063
2008	38,030,000	236,785	20,215,000	7,020,000	310,000	14,031,016	79,842,801	5.19%	2,888
2009	38,090,000	188,176	19,550,000	8,540,000	190,000	12,129,729	78,687,905	5.12%	2,846

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, 2009 (Unaudited)**

Fiscal Year Ended Dec. 31	Gross General Obligation Bonds	Total Equalized Assessed Valuation	Percentage of Equalized Assessed Valuation	Per Capita
2000	\$ 12,233,333	\$ 886,401,728	1.38%	\$ 442
2001	14,510,000	1,131,866,931	1.28%	525
2002	35,210,000	1,214,670,061	2.90%	1,273
2003	34,330,000	1,206,833,203	2.84%	1,242
2004	33,590,000	1,497,930,718	2.24%	1,215
2005	32,445,000	1,629,608,856	1.99%	1,173
2006	31,390,000	1,622,256,711	1.93%	1,135
2007	40,195,000	2,056,299,132	1.95%	1,454
2008	38,030,000	2,194,335,175	1.73%	1,375
2009	38,090,000	2,194,335,175	1.74%	1,378

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

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

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Schedule of Direct and Overlapping Bonded Debt
December 31, 2009 (Unaudited)**

Governmental Unit	Gross Debt	*Percentage to Debt Applicable to Village	Village's Share of Debt
Village of Wilmette	\$ 38,090,000	100.000 %	\$ 38,090,000
School Districts:			
Avoca School District #37	3,497,192	34.922	1,221,289
Kenilworth School District #38	11,185,000	2.204	246,517
Wilmette School District #39	11,155,000	95.003	10,597,585
Community College #535	-	7.811	-
New Trier Township High School District #203	22,841,902	33.248	7,594,476
Total School Districts	48,679,094		19,659,867
Other Agencies:			
Cook County and Forest Preserve Metropolitan Water Reclamation District of Greater Chicago	3,293,495,000	1.264	41,629,777
Wilmette Park District	1,959,099,575	1.290	25,272,385
Glenview Park District	30,815,000	100.000	30,815,000
Wilmette Public Library District	13,295,000	.148	19,677
	-	100.000	-
Total Other Agencies	5,296,704,575		97,736,838
Total Overlapping Debt	5,345,383,669		117,396,705
Total Direct and Overlapping Debt	\$ 5,383,473,669		\$ 155,486,705

* 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.

Data Source: Cook County and Wilmette Finance Department

VILLAGE OF WILMETTE, ILLINOIS

Legal Debt Margin - Last Ten Fiscal Years December 31, 2009 (Unaudited)

The Government 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, 2009 (Unaudited)**

Fiscal Year Ended December 31	General Obligation Bonds Serviced by Water, Sewer and Parking Revenues and Illinois Environmental Protection Agency Loans Serviced by Sewer Revenues *					
	Operating Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue (3)	Debt Service		Coverage (4)
				Principal	Interest	
2000	\$ 4,741,163	\$ 3,158,607	\$ 1,582,556	\$ 390,000	\$ 847,900	1.28
2001	5,074,759	3,205,293	1,869,466	381,667	863,116	1.50
2002	5,320,019	3,214,693	2,105,326	385,000	1,042,556	1.47
2003	8,646,110	4,752,315	3,893,795	1,940,099	1,910,077	1.01
2004	8,886,273	4,402,576	4,483,697	2,046,127	1,971,160	1.12
2005	10,762,555	4,993,804	5,768,751	2,138,861	1,869,222	1.44
2006	9,469,661	5,051,138	4,418,523	2,323,360	1,793,394	1.07
2007	10,157,318	5,538,804	4,618,514	2,483,118	1,780,847	1.08
2008	10,214,433	5,603,520	4,610,913	2,679,063	1,682,119	1.06
2009	10,999,815	5,770,446	5,229,369	2,756,585	1,604,963	1.20

*With the implementation of GASB 34 in 2003, the Sewer Fund was reclassified as a Proprietary Fund from a Special Revenue Fund. The Sewer Fund is only noted on this schedule beginning in 2003.

- (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, 2009 (Unaudited)

Fiscal Year Ended December 31	Population	Personal Income (in Thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2000	27,651	\$ 1,537,700	\$ 55,611	42.2	8,383	2.80%
2001	27,651	1,537,700	55,611	42.2	8,383	3.60%
2002	27,651	1,537,700	55,611	42.2	8,383	4.40%
2003	27,651	1,537,700	55,611	42.2	8,383	4.30%
2004	27,651	1,537,700	55,611	42.2	8,383	3.90%
2005	27,651	1,537,700	55,611	42.2	8,383	3.70%
2006	27,651	1,537,700	55,611	42.2	8,383	2.80%
2007	27,651	1,537,700	55,611	42.2	8,383	3.00%
2008	27,651	1,537,700	55,611	42.2	8,383	3.80%
2009	27,651	1,537,700	55,611	42.2	8,383	6.30%

Data Source: 2000 census data

VILLAGE OF WILMETTE, ILLINOIS

**Principal Employers - Current Fiscal Year and Ten Fiscal Years Ago
December 31, 2009 (Unaudited)**

Employer	2009			2000		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Wilmette School District #39	588	1	N/A	450	1	N/A
Loyola Academy	270	2	N/A	230	3	N/A
Jewel	250	3	N/A			
Carson, Pirie, Scott & Co.	230	4	N/A	300	2	N/A
Village of Wilmette	203	5	N/A	200	4	N/A
Koenig & Strey, Inc.	100	6	N/A	70	7	N/A
Chalet Nursery	125	7	N/A			
ManorCare Health Services	90	8	N/A	80	5	N/A
Wilmette Park District	76	9	N/A			
Westmoreland Country Club	69	10	N/A	75	6	N/A
Loyola University				70	8	N/A
Regina Dominican				63	9	N/A
Bed, Bath & Beyond				60	10	N/A
	<u>2,001</u>		<u>-</u>	<u>1,598</u>		<u>-</u>

N/A - Not Available

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Full-Time Equivalent City Government Employees by Function/Program - Last Ten Fiscal Years
December 31, 2009 (Unaudited)**

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Government										
Administration & Law	7.05	7.15	7.15	7.15	7.15	7.15	7.15	7.25	7.10	7.03
Finance & Information Services	13.18	13.18	12.43	13.38	12.63	12.53	12.51	12.51	12.51	11.75
Other	3.56	3.56	3.18	3.05	3.05	2.55	3.05	3.15	3.15	3.15
Police										
Officers	43.00	43.00	45.00	45.00	45.00	46.00	46.00	46.00	45.00	45.00
Telecommunicators	9.00	9.00	9.00	9.00	9.00	9.00	8.00	8.00	8.00	8.00
Other Civilians	17.50	17.50	17.50	17.50	17.50	17.50	17.50	17.50	17.50	16.50
Fire										
Firefighters and Officers	44.00	45.00	45.00	45.00	45.00	45.00	44.00	44.00	45.00	44.00
Civilians	3.33	2.75	2.25	2.25	2.25	2.00	3.00	2.45	2.45	2.25
Health	2.20	2.20	2.00	2.00	1.75	1.75	1.75	1.88	1.88	1.88
Public Works										
Streets and Sanitation	33.92	34.17	31.42	29.10	28.85	30.10	30.60	32.10	32.10	29.55
Water and Sewer	28.63	29.50	29.25	29.50	29.50	30.00	30.00	31.00	30.00	30.00
Engineering	7.55	7.55	7.55	7.55	7.55	7.55	7.55	7.55	7.55	7.05
Other	4.25	3.75	3.75	3.75	3.75	3.75	3.75	3.50	3.50	3.50
Community Development	11.65	11.50	11.25	11.25	11.25	11.25	11.25	12.25	12.20	11.60
Total	228.82	229.81	226.73	225.48	224.23	226.13	226.11	229.14	227.94	221.26

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
December 31, 2009 (Unaudited)**

Function/Program	2000	2001	2002
Police			
Part I Offenses	N/A	N/A	N/A
Other Offenses	N/A	N/A	N/A
Calls for Service	N/A	N/A	N/A
Felonies	575	526	521
Misdemeanors (Part II Crimes)	1,414	1,515	1,549
Miscellaneous Offenses (Incidents Reported)	17,365	17,282	16,494
Traffic Accidents	1,148	1,055	1,092
Fire			
Emergency Responses	3,280	3,527	3,226
Fires Extinguished	53	47	35
Inspections	700	537	638
Public Works			
Street Resurfacing (Miles)	N/A	N/A	3.87
Potholes Repaired	N/A	N/A	784
Water			
New Connections			
Average Daily Consumption (Thousands of Gallons)	12,410	12,467	12,715
Peak Daily Consumption (Thousands of Gallons)	21,919	22,916	27,829

N/A - Not Available

Data Source: Village Records

2003	2004	2005	2006	2007	2008	2009
N/A	N/A	N/A	N/A	N/A	513	505
N/A	N/A	N/A	N/A	N/A	630	613
N/A	N/A	N/A	N/A	N/A	18,040	15,594
465	488	486	423	367	N/A	N/A
2,010	2,026	1,843	1,912	1,703	N/A	N/A
17,246	17,612	16,162	15,046	15,116	N/A	N/A
1,054	1,006	1,021	964	959	1,115	826
3,108	2,981	3,195	3,180	4,104	3,679	3,221
48	50	57	51	59	43	47
475	400	610	618	1,250	1,037	720
3.07	4.00	3.25	3.50	2.10	0.75	3.79
1,031	2,153	2,811	1,909	1,590	2,058	2,000
13,026	12,430	13,941	11,931	12,207	11,931	11,244
24,477	20,905	29,540	24,474	22,545	24,474	19,325

VILLAGE OF WILMETTE, ILLINOIS

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
December 31, 2009 (Unaudited)**

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	19	19	19	19	19	19	20	20	20	20
Fire Stations	2	2	2	2	2	2	2	2	2	2
Public Works										
Streets (Miles)	86.5	86.5	86.5	87.8	87.8	87.8	87.8	87.8	87.8	89.4
Streetlights	2,430	2,430	2,429	2,510	2,510	2,510	2,510	2,580	2,580	2,580
Traffic Signals:										
Village Owned	6	7	7	7	8	8	9	9	9	10
Other	18	18	18	18	17	17	17	17	17	16
Water										
Water Mains (Miles)	91	91	91	91	91	91	91	91	91	91
Fire Hydrants	962	974	975	975	975	975	977	982	982	983
System Capacity	38	38	34	34	42	44	44	44	44	44
(Millions of Gallons)										

Data Source: Village Records