

VILLAGE OF
WILMETTE, ILLINOIS

COMPREHENSIVE
ANNUAL
FINANCIAL REPORT



FOR THE FISCAL
YEAR ENDED
DECEMBER 31, 2010

**VILLAGE OF WILMETTE,
ILLINOIS**

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

YEAR ENDED DECEMBER 31, 2010

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, 2010**

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, Village Manager

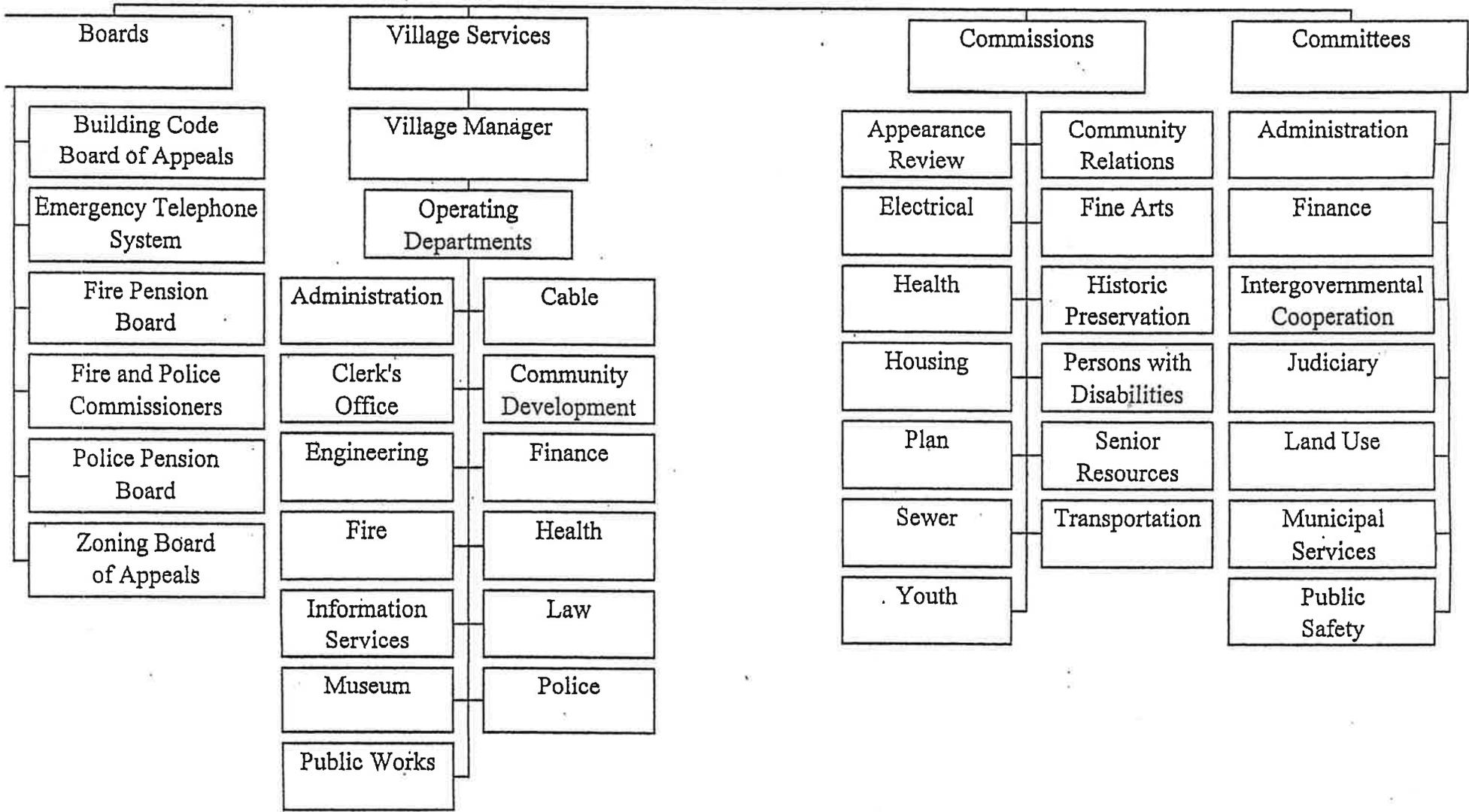
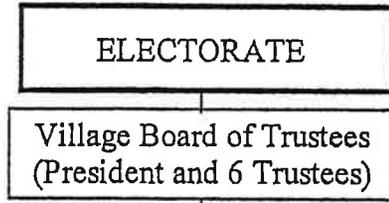
Kathleen A. Gargano, Assistant Village Manager

FINANCE DEPARTMENT

Robert Amoruso, Finance Director

Blythe Trilling, Assistant Finance Director

VILLAGE OF WILMETTE ORGANIZATIONAL STRUCTURE





VILLAGE OF WILMETTE

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WILMETTE, ILLINOIS 60091-0040

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EMAIL wilmette@wilmette.com

May 26, 2011

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, 2010 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 eight 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 grew to 9.4% at the end of 2010 from the 9.3% rate at the end of 2009. While the Illinois unemployment rate improved from 10.8% in 2009 to 9.2% at December 31, 2010.
- Foreclosure rates increased 30% nationally in 2008 and more than 22% in 2009. While this has somewhat stabilized, property values continue to decline. This has increased the number of home owners that are "under water" with their mortgages and continues to hinder economic growth.
- Corporate earnings improved again in 2010. The Dow Jones Industrial average which grew by 57% from March 2009 to the end of 2009 grew another 11% through December 31, 2010 to a year-end level of 11,577. While this is a positive statistic, the continued unemployment levels are an indication that profits are not being reinvested.

Locally, the Village's unemployment rate was at 6.4% at December 31, 2010. Employment levels in the Village have always performed better than state and national averages. While this is among the lowest rates 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 in 2010 was about the same as in 2009. While specific data is not available, the Village's utility billing records estimate that this has affected about 90 households in 2010. 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. With continued declines in property values (estimated at between 10% and 20%), residents have hesitated listing properties in the current environment. The 2010 Federal Tax Credit Program for home buyers spurred a significant increase in volume in the first half of 2010 but activity levels dropped off after that time.

With the overall business economy improving throughout the final three quarters of 2009 and continuing through 2010, many residents saw personal wealth improve from their 2008 year-end levels. A result of this has been an increase in residential remodeling activity throughout all of 2010 and into 2011. The Village's residents have always taken great pride in their properties. This is still evidenced in that the 2009 equalized assessed valuation grew 6% over the 2008 valuation (and 43% 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 2010 valuation (that will be set toward the end of 2011) will better reflect the percentage market declines noted above.

While investment performance improved throughout the final three quarters of 2009 and throughout 2010, long-term results still reflect that equity investment performance throughout the decade as the December 31, 2010 Dow Industrial Average of 11,577 is nearly the same as the December 31, 1999 level of 11,497. 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 16% in 2011 before stabilizing.

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 more than \$8 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 are 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 90% funded by the year 2040. The Village has elected to use more conservative assumptions than used by the State and intends to be 100% funded by 2040.

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. This study was near completion at the end of 2010.

In settlement of pending litigation of a zoning matter, the Village purchased a large tract of vacant property in the Village Center for \$3.675 million. The Village intends to re-sell this property for development in line with the aforementioned Master Development Plan.

Capital Improvements - With the economic declines noted previously, the 2009 and 2010 capital programs were reduced significantly from prior years and consisted primarily of completing projects that had already begun. 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 completed and furnished in 2010.

Cable TV System Improvements - The Village's cable broadcasting equipment was replaced in 2010 at a cost of \$290,000. This upgrade now allows residents to view the Village's, Park District's and School District's meetings on line. The broadcasts are also archived and can be accessed on each agency's website.

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 2010, \$1.2 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 but final engineering costs and payments to the State are still pending.

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 completed in 2010. This work was financed from the Sewer Fund portion of the 2007 and 2009 bond issues.

While the Village reduced the level of capital spending in 2010, additional debt is expected to fund approximately \$4.1 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, 2009. 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 2010 budget document. This was the eleventh 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 2011 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

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, 2009

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.



President

Executive 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

May 26, 2011

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the Village of Wilmette, Illinois as of and for the year ended December 31, 2010, which collectively comprise the Village's basic financial statements as listed in the accompanying table of contents. These financial statements are the responsibility of the Village of Wilmette, Illinois' management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Wilmette, Illinois as of December 31, 2010, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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

Our audit was conducted for the purposes of forming opinions on the financial statements that collectively comprise the Village of Wilmette, Illinois' financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF WILMETTE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2010

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, 2010. 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 \$60,258 at December 31, 2010. Of this amount, \$4,732 (*unrestricted net assets*) may be used to meet the Village's ongoing obligations to citizens and creditors.

- The Village's total net assets increased \$1,952 (3.3%) during the fiscal year ended December 31, 2010. All three categories of net assets increased from the prior year. The investment in capital assets net of related debt of increased \$709; restricted net assets increase \$301; and unrestricted net assets increased \$942. The increase in unrestricted net assets is attributed to 2010 revenue improvements and expense reductions following the economic downturn that began in the second half of 2008 and continued throughout 2009. The increase in restricted net assets resulted from a debt restructuring in 2010 that increased the fund balance in the Debt Service Fund (note - this will diminish over the next two years). In most areas, capital spending has been reduced but the overall increase in capital net assets is from sewer infrastructure improvements designed to reduce flooding.

- Governmental net assets increased \$103. The investment in capital assets decreased \$336 from capital budget reductions; restricted net assets increased \$301 from the aforementioned debt restructuring; the increase of \$138 in unrestricted net assets is a reflection of management's efforts to stabilize the budget and gradually improve fund balances following the economic downturn in 2008 and 2009. Business-type net assets increased \$1,849 consisting of a \$1,045 increase in net capital assets (from the aforementioned sewer improvements) and an \$804 increase in unrestricted net assets from increased water sales and operating expense reductions.

- At the end of the current fiscal year, unreserved and undesignated fund balance for the General Fund was \$5,259 or 18.2% of General Fund expenditures. This \$449 increase represents a 9% improvement from the prior year. In preparing the 2010 budget, following a 24% decline in 2009, it was imperative that projections called for no further decreases in fund balance.
- Total unrestricted net assets increased \$942 (25%) from improved water sales and budgeted expense reductions. This will be discussed in detail with the analysis of the statement of activities.
- The Village's total debt increased \$1,574 (2%) at December 31, 2010. New debt issued at the end of 2010 of \$4,317 was \$1,244 greater than the 2010 principal repayments. The remaining increase was the result of debt restructuring to provide property tax relief. All of the new debt in 2010 is for 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, 2009 and 2010 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 2010.

The Village of Wilmette adopts an annual appropriation ordinance for all of its funds. No supplemental appropriations were adopted in 2010. 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 18-65 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 66-70 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 \$60,258 as of December 31, 2010. The following table reflects the condensed Statement of Net Assets: For more detailed information see the Statement of Net Assets (pages 3-4).

Table 1: Statement of Net Assets as of December 31, 2010

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total Primary</u> <u>Government</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Assets						
Current Assets	\$ 27,977	\$ 25,133	\$ 8,103	\$ 5,743	\$ 36,080	\$ 30,876
Noncurrent Assets	49,429	50,912	77,006	77,892	126,435	128,804
Total Assets	\$ 77,406	\$ 76,045	\$ 85,109	\$ 83,635	\$ 162,515	\$ 159,680
Liabilities						
Current Liabilities	\$ 20,315	\$ 19,316	\$ 3,686	\$ 3,909	\$ 24,001	\$ 23,225
Long-Term Liabilities	40,822	40,562	37,434	37,587	78,256	78,149
Total Liabilities	\$ 61,137	\$ 59,878	\$ 41,120	\$ 41,496	\$ 102,257	\$ 101,374
Net Assets:						
Investment in Capital Assets, Net of Related Debt	\$ 13,744	\$ 14,080	\$ 41,150	\$ 40,105	\$ 54,894	\$ 54,185
Restricted	632	332	-	-	632	332
Unrestricted	1,893	1,755	2,839	2,034	4,732	3,789
Total Net Assets	\$ 16,269	\$ 16,167	\$ 43,989	\$ 42,139	\$ 60,258	\$ 58,306

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.

The \$632 component of the Village's net assets labeled as restricted represent resources held for specific purposes. A portion is from the Motor Fuel Tax Fund that is restricted for roadway improvements and a portion is from the Debt Service Fund to be used for future debt service.

The final component of the Village's net assets, the unrestricted net assets, in the amount of \$4,732 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.

It was noted in last year's report that capital spending would likely decrease due to the economic downturn. This was the case for governmental activities where the net investment in capital assets decreased \$336 – the net amount of depreciation relative to new capital spending and debt principal repayments. This was similarly the case in the Water Fund where the net investment in capital assets decreased \$485. Overall business-type activities reflect a \$1,045 increase in the investment in capital assets due to an increase of \$1,530 in the Sewer Fund. While sewer capital spending was also less than in previous years, debt principal repayments are substantially greater than the depreciation expense resulting in the net increase. Future capital spending will likely require additional debt and/or grants until economic conditions improve.

Restricted net assets of \$632 at December 31, 2010 are \$301 greater than last year. The \$408 fund balance in the Motor Fuel Tax (MFT) Fund is \$77 greater than last year due to additional revenue from the 2010 State budget (as an allocation from new State revenues). The \$224 that is restricted for debt service was zero in prior years and is the result of an advance refunding of the 2002 Series General Obligation Bonds. This portion will diminish over the next two years from abatements in the debt service tax levy.

Following the significant revenue decreases in 2009, budget stabilization and replenishment of fund balances were major objectives in 2010. Government activities reflected revenue increases of 4.3% with expense growth of 3% resulting in a \$138 increase in governmental unrestricted net assets. For business-type activities revenue growth was 5.2% with expenditure decreases of 5.2% resulting in an \$804 increase in unrestricted net assets. The specific discussion related to the above will be commented upon with the Statement of Activities Section.

Statement of Activities

Governmental Activities. Program revenues from service charges increased \$700 (12.7%) in 2010. Building permit revenues accounted for \$270 of this increase as home improvement activity began to improve following an \$874 decline in 2009. The increase is a positive economic sign but overall permit revenues are still significantly below the levels of 2007 and 2008. Another \$244 of this increase is the result of a residential fee increase for refuse collection services designed to meet the expense increase of a renewed refuse collection contract.

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

Table 2: Changes in Net Assets for the Fiscal Year Ended December 31, 2010

	Governmental Activities		Business-Type Activities		Total Primary Government	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Revenues						
Program Revenues						
Charges for Services	\$ 6,221	\$ 5,521	\$ 11,698	\$ 11,000	\$ 17,919	\$ 16,521
Operating Grants and Contributions	998	1,532	-	119	998	1,651
General Revenues						
Property Taxes	13,336	12,766	-	-	13,336	12,766
Other Taxes	10,289	10,051	-	-	10,289	10,051
Other Revenue and Transfers	2,276	1,878	(978)	(925)	1,298	953
Total Revenues	\$ 33,120	\$ 31,748	\$ 10,720	\$ 10,194	\$ 43,840	\$ 41,942
Expenses						
General Government	\$ 3,382	\$ 3,104	\$ -	\$ -	\$ 3,382	\$ 3,104
Public Safety	17,608	16,705	-	-	17,608	16,705
Streets and Sanitation	7,908	7,765	-	-	7,908	7,765
Other Public Works	1,433	1,511	-	-	1,433	1,511
Public Health	206	188	-	-	206	188
Community Development	1,267	1,123	-	-	1,267	1,123
Interest	1,213	1,649	-	-	1,213	1,649
Water	-	-	5,951	6,156	5,951	6,156
Sewer	-	-	2,461	2,739	2,461	2,739
Parking	-	-	459	459	459	459
Total Expenses	\$ 33,017	\$ 32,045	\$ 8,871	\$ 9,354	\$ 41,888	\$ 41,399
Changes in Net Assets	103	(297)	1,849	840	1,952	543
Net Assets January 1	16,167	16,464	42,139	41,299	58,306	57,763
Net Assets December 31	<u>\$ 16,270</u>	<u>\$ 16,167</u>	<u>\$ 43,988</u>	<u>\$ 42,139</u>	<u>\$ 60,258</u>	<u>\$ 58,306</u>

Fines for parking violations had not been increased for a number of years. A ten dollar increase (from \$25) was implemented in 2010 and this along with improved parking ticket collections resulted in a revenue increase of \$90. Similarly, contractor business licenses had not been increased since 2005 and a 50% fee increase (from \$50 to \$75) increased governmental program revenues by \$64. These fee increases were designed to recover costs to help stabilize the budget.

Operating grants and contributions often occur irregularly. As such they may fluctuate widely and the net decrease in 2010 in this area was \$534. With reduced capital spending there was no grant revenue in the Capital Projects Fund in 2010 compared to \$613 in 2009. This was partially offset by an \$84 grant from the Regional Transportation Authority (RTA) to provide 80% funding of a master development plan for the Village Center.

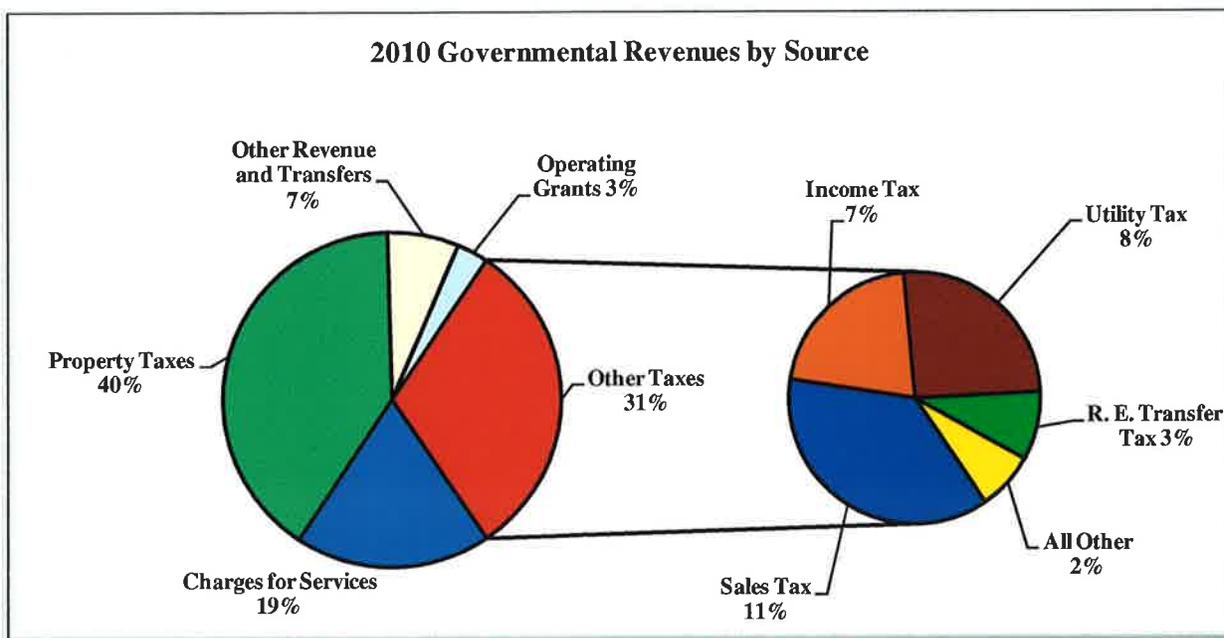
General revenues from property taxes increased \$570 (4.5%) in 2010. This is in line with the 3.95% increase in the Village's 2009 tax levy. The levy increase consisted of a .32% increase for recurring operations; a .77% decrease for expenses related to the EAB infestation; a 1.95% increase for debt service related to the Village's capital improvements program; and a 2.45% increase for Fire and Police Pension contributions.

Following the significant revenue declines of 2009 other taxes had a modest increase of \$238 (2.4%). Sales tax increased \$83 (2.2%) following a 9.0% decline last year. Income tax declined \$71 (3.2%) following the 14% drop in 2009. There was an expectation that the sales tax decline in 2009 had "bottomed out" and would begin to modestly improve. As unemployment in Illinois grew throughout 2009 and into 2010 the continued income tax decrease was also expected. It is believed that this tax has now reached its low point and will pick up as employment improves.

Real estate sales improved in 2010 with a complete reversal of 2009 activity. The 2010 increase of \$276 (43.5%) more than offset the \$246 decrease last year. While this is a sign of economic improvement it also appears that this increase may have been more linked to the federal tax credits that were available for real estate transactions in the first half of 2010. This revenue is now expected to decline in 2011 with these credits no longer in place.

Utility taxes declined \$56 (2.1%) in 2010. The portion from natural gas use declined due to milder winter conditions compared to 2009 and the decline from telecommunications is expected as more households eliminate landlines and choose to go entirely cellular.

The composition of the Village's 2010 governmental revenues is similar to the prior year with service charges being somewhat greater due to the aforementioned fee and activity increases.



Other revenue and transfers increased \$398 (21.2%) from 2009. Transfers increased \$50 in line with the increase planned for the annual transfer from the Water Fund. Investment income reflects an increase of \$112 from the Village's excess surplus credit in its insurance coalition. This credit is an asset and a deferred revenue in the General Fund and is designed to be used over a number of years to stabilize the growth of insurance premiums. Miscellaneous revenue increased \$236 (26.9%) in 2010. The auctioning of used trucks and equipment resulted in an increase of \$107. These disposals had not occurred for two years. Rental income increased by \$36 as the new tenant in the Depot property began paying rent in 2010 in line with the lease agreement. Franchise fees grew by \$45 (9.6%). This is mainly attributed to growth in AT&T's cable services which were first allowed to compete in all communities in Illinois in 2009. Lastly, a one-time insurance reimbursement of \$45 was received in 2010.

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 \$699 (6.4%) in 2010. Water sales and their related sewer charges increased \$707 while parking revenues decreased \$8 (1.9%).

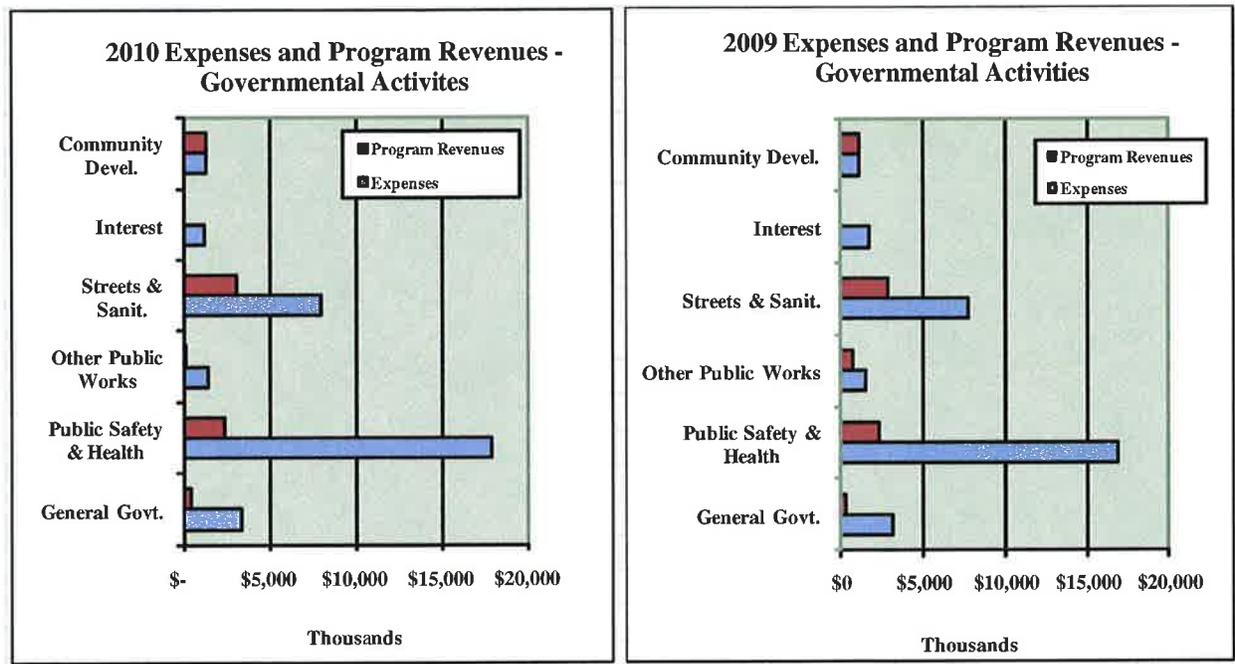
The 6.7% increase in water/sewer revenues was as expected. Residential water and sewer rates both increased slightly more than 8% while the wholesale water rate was unchanged from 2009. Sales volume projections have been lowered three times in the previous four years as it appeared that households were taking greater roles in water conservation (such as the installation of higher efficiency appliances). The reduction of projected volume used in 2010 now appears to be reflective of a new "average". Parking rates were unchanged in 2010 and the parking revenue decrease is not considered unusual or indicative of any trend.

There were no grants or contributions related to business-type activities in 2010. The only contribution in 2009 was the Sewer Fund's \$120 contribution to the Water Fund for vehicle purchases – accounting for the entire decrease in 2010. Other revenues and transfers decreased \$53. Of this amount, \$50 is the increase in the Water Fund transfer to the General Fund noted above with the Governmental Activities with the remaining decrease of \$3 from a decline in interest earnings due to lower cash balances and continued low interest rates.

Governmental expenses. Facing the revenue declines of 2009 and nominal revenue growth projected for 2010, the budget reflected expense reductions to stabilize fund balances. The 2010 General Fund budget was \$1,920 (6.1%) less than the 2009 budget. The overall personnel expense budget was about the same in 2010 as in 2009. Full time equivalent staffing was reduced from 221.25 to 213.65 but increased pension contributions and contractual pay increases offset the savings from the staff reductions.

Deferrals of capital spending and reductions in street resurfacing and other infrastructure maintenance account for \$1,289 of the General Fund decrease. Other non-recurring expenses were reduced \$290 and other recurring operating expenses were reduced \$371.

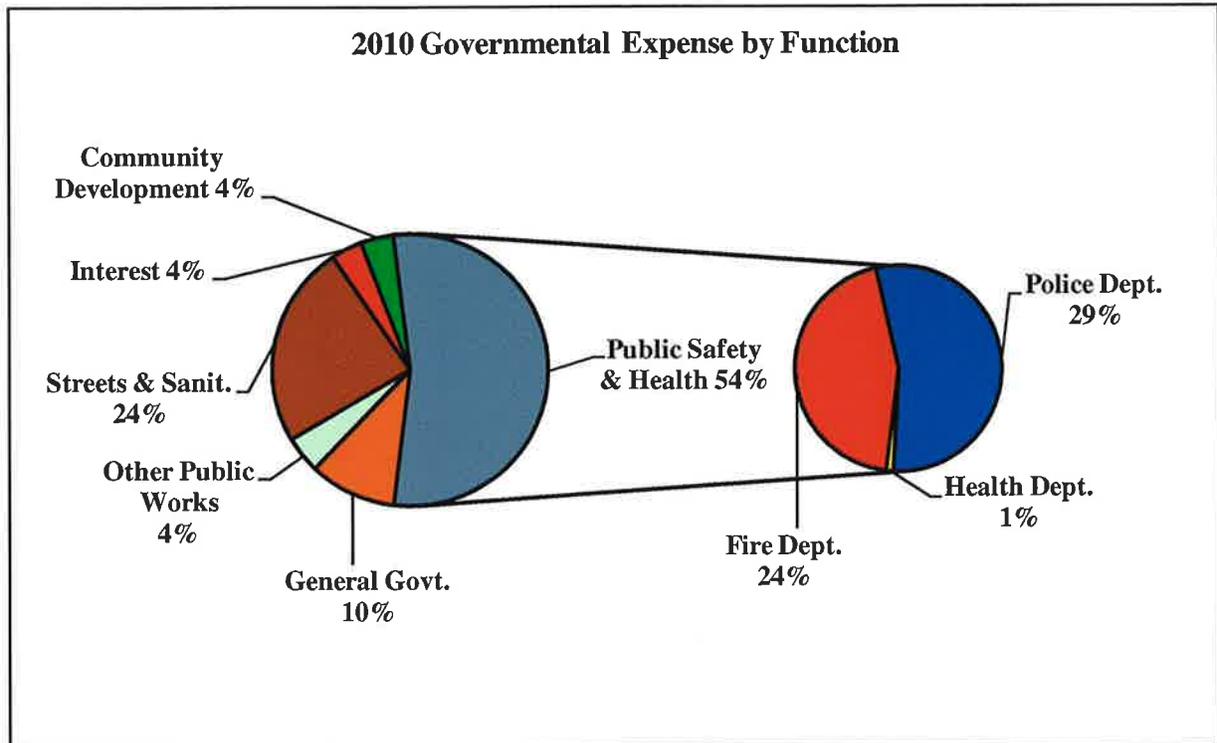
For governmental activities, program revenues covered approximately 22% of expenses. This is the same percentage as in 2009 indicative of the efforts of budget stabilization in 2010. In both years, only Community Development program revenues were sufficient to match the related program expenses. All other categories are substantially subsidized by general revenues – consistent with prior years.



With many expense reductions already in place throughout 2009, total governmental expenses increased \$972 (2.5%) in 2010. Collectively bargained pay increases for Police and Fire of 3.5% were in effect in 2010. Similar increases were also provided for non-represented employees. Wages and benefits continue to be more than 70% of all governmental expenses.

Public safety and health expenses, reflecting 54% of the total, increased \$921 (5.4%) from 2009. Most of this growth is pension related as Fire and Police Pension contributions increased \$502 along with growth in the net pension obligation (NPO) expense of \$66. The NPO is the result of phasing in new actuarial assumptions for the Police and Fire Pension Funds that began in 2008. The remaining \$353 growth in this category reflects a 2.1% increase and is primarily the result of employee pay increases.

Streets and sanitation, which represents 24% of total governmental expenses, increased \$143 (1.8%) in 2010. The costs for refuse collection and disposal increased \$120 with a new contract awarded in the first quarter of 2010. Expense decreases of \$137 resulted from reductions in tree removals related to the emerald ash borer infestation and reductions in contractual tree pruning. The remaining net \$160 growth in this category reflects a 2% increase and is in line with employee pay increases.

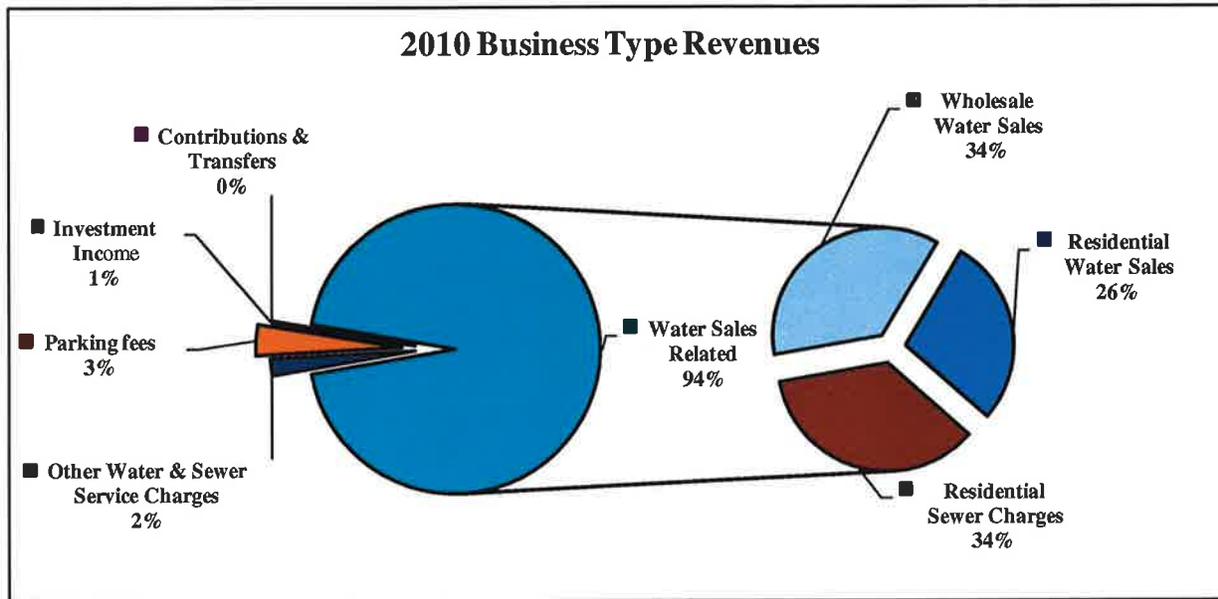


Expenses for Other Public Works decreased \$78 (5.2%) from staff reductions of 1.2 FTE along with curb, alley and sidewalk maintenance reductions. Community Development expenses increased \$144 related to consulting fees for a review of the Village's zoning ordinance and for a Master Development plan for the Village Center (the latter expense being 80% funded by a grant from the Regional Transportation Authority). Net of these two non-recurring items, expenses decreased \$3 reflecting staff reductions that began in 2009.

General government expense increased \$277 (8.9%) in comparison to 2009. An NPO expense of \$211 comprised most of this increase which was the result of accepting a 10% capped growth rate for pension contributions for full-time employees other than Police and Fire. Another \$44 in expense growth was due to legal expenses involving a zoning matter. This issue was ultimately settled in February 2011 with the village purchasing the subject property. The remaining expense increase of less than 1% is in line with pay increases netted against staff reductions and other expense reductions.

Interest expense decreased \$435 (26.4%) resulting from an advance refunding of the 2002 Series general obligation bonds. While the net present value savings of this refunding only total \$326 tax levy relief of \$13,700 will occur through 2018.

Business Type Activities. Charges for services totaling \$11,699 represent nearly all business-type activity revenues with investment earnings reflecting less than 1%. Water sales provide 94% of this amount.



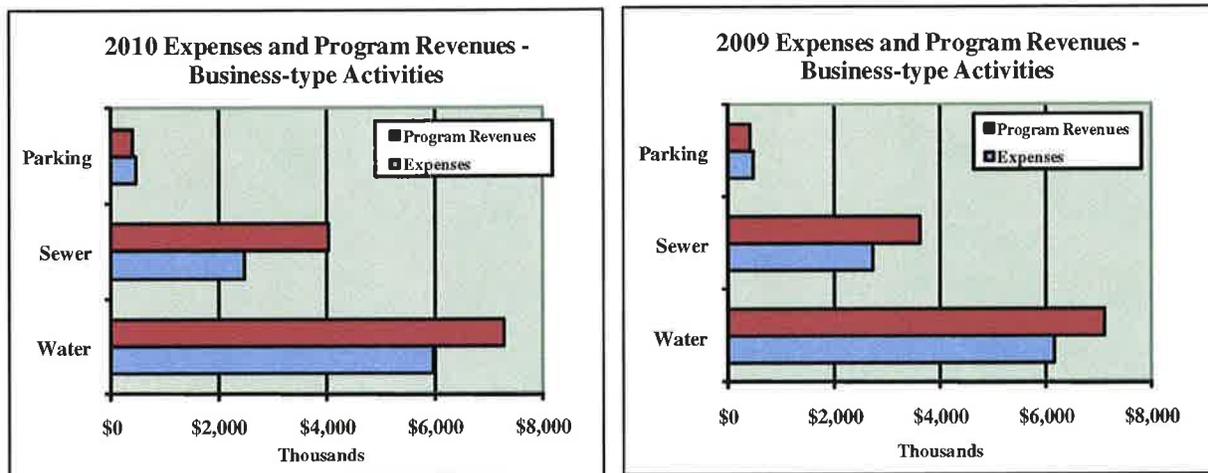
Total service charge revenues and the water and sewer rates in effect for 2010 and 2009 are shown as follows:

	<u>2010</u>	<u>2009</u>	<u>% Change</u>
Wholesale Water Sales	4,019	3,962	1.4%
Residential Water Sales	3,098	2,836	9.2%
Residential Sewer Charges	3,957	3,606	9.7%
Other water & Sewer revenues	220	184	19.6%
Parking fees	404	412	-1.9%
	<u>\$ 11,698</u>	<u>\$ 11,000</u>	<u>6.3%</u>
Wholesale Water Rate	\$ 1.019 / ccf	\$ 1.019 / ccf	0.0%
Residential Water Rate	\$ 2.37 / ccf	\$ 2.19 / ccf	8.2%
Residential Sewer Rate	\$ 3.10 / ccf	\$ 2.86 / ccf	8.4%
METRA Commuter Parking Rates	\$ 2.00 per day	\$ 2.00 per day	0.0%
CTA Commuter Parking Rates	\$ 4.00 per day	\$ 4.00 per day	0.0%

The 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 2010 would be considered average related to summer rainfall and temperatures. Accordingly, revenue from water sales reflects about 1% more than the expected increase from rate changes.

In other business-type activities, the \$8 (2%) decrease in parking revenues is not considered a significant drop in activity along with the same rates in effect in 2010. The increase in other water and sewer operating revenues of \$36 (19.6%) consists of an increase in water meter sales in line with the permit revenue increases noted above and an increase in rebate revenue from Commonwealth Edison for participating in their voluntary load reduction program. Under this program, the Village agrees to switch to generator supplied power at the water plant to assist the electrical utility during peak usage periods.



As expected, program revenues exceed expenses in the Water and Sewer Funds. The Parking Meter Fund generally operates very close to “break-even”.

Total business-type expenses decreased by \$483 (5.2%). This consists of a \$205 (3.3%) decrease in the Water Fund and a \$278 (10.2%) decrease in the Sewer Fund. There was negligible expense change in the Parking Fund. Administrative FTE staff reductions and the retirement of the water plant superintendant provided \$100 of the expense savings in the Water Fund. Another \$133 reflects interest expense savings following the debt restructuring in 2009.

There are three factors that account for the decrease in Sewer Fund expenses. The largest factor pertains to the fixed asset capitalization method for shared equipment by the Water / Sewer crews. Such items are capitalized as Water Fund assets and the Sewer Fund portion of these purchases are expensed in the Sewer Fund. The Water Fund then records the Sewer Fund share as a contribution. A vehicle purchase in 2009 accounts for the \$119 expense decrease in 2010. A one-time consulting study of the Village's separate sewer system in 2009 resulted in expense savings of \$91 in 2010. Lastly, in line with the pay down of principal balances from older IEPA loans, interest expense dropped by \$70.

Remaining expense reductions in the Water and Sewer Funds are in line with budget directives to reduce expense growth.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Table 3: General Fund Budgetary Highlights - I

	Original and Final Budget	Actual GAAP Basis
Revenues	\$ 27,804	\$ 28,115
Expenditures	29,516	28,827
Excess (Deficiency) of Revenues over Expenditures	(1,712)	(712)
Other Financing Sources (Uses):		
Transfers in	950	1,000
Transfers out	(150)	0
Net Changes in Fund Balance	<u>\$ (912)</u>	<u>\$ 288</u>

As previously pointed out, a principal goal in setting the 2010 budget was to keep fund balances from additional decreases following the \$1,564 General Fund decrease in 2009. While the budget would indicate another \$707 reduction, the use of escrowed monies and anticipated expense savings (primarily from the contingency appropriation) were expected to produce a \$15 budget reserve increase as follows:

Net Change in Fund Balance per Budget	\$ (707)
Use of Escrowed Funds for Road Resurfacing	138
Expected Personnel and Other Expense Savings	84
Expected Contingency Expense Savings	500
Net Projected Change in Budget Reserve	<u>\$ 15</u>

Ultimately, improved 2010 revenues and expense savings resulted in the \$288 increase in the General Fund fund balance. Revenues were \$311 better than budget as follows:

Revenue Source	2010 Revenue Budget	2010 Actual Revenues	Variance from Final Budget to Actual
Property Taxes	10,467	10,305	(162)
R.E. Transfer Tax	800	910	110
All Other Taxes	9,458	9,379	(79)
Permits and Licenses	2,834	3,006	172
Sales of capital assets	20	107	87
Expense recoveries	-	63	63
Rents	335	383	48
Franchise fees	480	517	37
Service Charges	2,792	2,824	32
All Other revenues	618	621	3
Total	<u>27,804</u>	<u>28,115</u>	<u>311</u>

Many of the revenues noted above were noted in the discussion of the statement of activities. The variance in property tax revenue is a function of delayed billings and resultant delayed collections on the part of Cook County. The Village budgets its property tax revenue based upon the expected 99.25% collection rate of its levy. This collection rate has proven to be accurate and any negative variance in a given year has proven to be collected in the following year.

While some improvement was expected from 2009, the \$110 positive budget variance in real estate transfer tax revenue is indicative of how the public responded to the availability of federal tax credits for home purchases. The negative budget variance for other taxes is primarily from the State income tax where the decline in 2009 continued into the early part of 2010.

The 2010 General Fund expenditure budget amounts represent the total appropriations adjusted for encumbrance activity. As noted above, in developing the budgeted cash flow projections, savings are factored into certain expenditure categories that historically do not spend 100% of the appropriation. The following table reflects the 2010 budget broken down by category of expense:

Table 4: General Fund Budgetary Highlights - II

	Original and Final <u>Budget</u>	GAAP Basis Actual <u>Expenditures</u>	Variance from Final Budget to Actual
Personnel			
Wages	\$ 14,570	\$ 14,502	\$ 68
Benefits	6,654	6,652	2
Refuse	2,307	2,203	104
Other Recurring	4,361	4,220	141
EAB expenses	100	98	2
Sidewalk, Alley & Curb Maintenance	249	226	23
Street Resurfacing	400	387	13
Capital Outlay	97	130	(33)
Contingency	500	12	488
Other Nonrecurring	271	249	22
Debt Service	8	148	(140)
	<u>\$ 29,517</u>	<u>\$ 28,827</u>	<u>\$ 690</u>

As noted above, the large budget savings in the contingency budget is always anticipated and is automatically built into the budget cash flow projections. Wage savings occur from employee turnover in a given year and the \$68 savings is not unusual. Fringe benefit savings netted to a negligible \$2. This was the result of a negative budget variance from pension contributions of \$134 offset by budget savings from health insurance due to lower than expected premium rates.

Previously it was noted that the Village awarded a new and revised refuse collection contract in 2010. While the contractual portion of the budget was on target, savings resulted from lower than expected disposal fees for both refuse and for yard waste.

Other recurring expense covers hundreds of line items throughout the General Fund budget. Some of the larger variances are now discussed. Significant savings of \$152 are noted in the automotive expense allocations from fuel savings due to lower than expected gas prices; savings from contractual tree pruning of \$49 reflected management's decision to reduce the volume of work to achieve savings; street light power savings of \$31 occurred following the discovery of prior years' billing errors by Commonwealth Edison; milder winter conditions resulted in street salt savings of \$28; the aforementioned zoning legal matter resulted in a negative budget variance of \$120.

The \$33 negative budget variance for capital outlay was the result of the Village's receiving a grant to replace the building generator at Fire Station #27. This \$33 expense was not budgeted and the \$30 grant receipt produced a positive budget variance in the General Fund revenues.

The negative budget variance for debt service consists of a \$20 pay down of an installment contract for 2005 improvements to the Historical Museum. While this note is a Village liability, the Wilmette Historical Society makes all payments in this regard so there is no net cost to the Village. Similarly, a \$120 note repayment for the former Village Manager's housing subsidy was offset by payment on the note receivable from that former employee per the terms of the employment contract. As with the museum, there was no net cost to the Village in this regard.

The cumulative \$60 positive variances noted for "EAB expenses", "sidewalk, alley and curb maintenance", "street resurfacing", and "other non-recurring" are relatively small and not considered unusual.

CAPITAL ASSETS

The Village's capital assets for its Government and Business-Type Activities at December 31, 2010 total \$126,395. This includes land, buildings, infrastructure, equipment and construction in progress. This amount represents a net decrease of \$2,224 (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 \$1,338. As noted in last year's report, capital expenditures would likely be deferred until economic conditions improve. Depreciation expense in 2010 of \$2,959 exceeded the \$1,621 in capital additions. Business-Type Activities net capital assets decreased by \$886 as the 2010 depreciation of \$1,987 exceeded the new capital outlay of \$1,101. Any significant future capital expense will likely require new debt until economic conditions improve.

DEBT OUTSTANDING

The Village has five general obligation bond issues and eight 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, 2009	Issued in 2010	Retired in 2010	Outstanding at December 31, 2010
General Obligation Bonds	66,370	25,895	(22,370)	69,895
E.P.A. Loans	12,130	172	(1,975)	10,327
Installment Contracts	188	-	(148)	40
Totals	78,688	26,067	(24,493)	80,262
Governmental Activities	38,278	23,280	(21,568)	39,990
Business-Type Activities	40,410	2,787	(2,925)	40,272
Totals	78,688	26,067	(24,493)	80,262

The additional sewer debt from the EPA totaling \$172 reflects the new loan from the EPA related to the 2009 sewer lining and rehabilitation project. The new Series 2010 \$25,895 general obligation bond issue was primarily an advance refunding of the tax supported portion of the outstanding 2002 bond issue. This refunding produced net present value savings of \$326 but will more importantly provide property tax levy relief of \$13,700 through 2018.

As noted in the Capital Asset section, new debt currently is necessary for future capital outlay. Consistent with that, the \$4,090 new money portion of the 2010 issue will fund \$1,475 of General capital outlay in 2011 along with \$1,485 and \$1,130 respectively of 2011 Sewer Fund and Water Fund capital projects.

In addition to the debt retired from the advance refunding, the general obligation bond and EPA Loan principal retired in 2010 were the required amounts per the 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 2010 the Society repaid \$20 in principal, leaving a balance on this debt of \$40.

The Village's other two installment contracts were fully retired in 2010. First, the final scheduled \$8 payment of the twenty year note for the 1991 purchase of the Museum building was made. Secondly, the \$120 note for the former Village Manager's housing subsidy was retired as that former employee was required to repay this amount per the employee's separation agreement.

The Village, under its home rule authority, does not have a legal debt limit. With the 2010 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 2011 bond issue is projected later next year to complete a \$3,675 land purchase made in the first quarter of 2011. Additional new money for 2012 capital improvements will also be considered later in 2011. 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. While the increased activity in 2010 was positive, it now appears to have been primarily driven by tax credits and that 2011 will not be substantially different than in 2009.

Foreclosures throughout the nation and state remain at historically high levels. Locally, prior to 2009 most property owners in Wilmette had significant equity in their residences, so even foreclosed properties in the Village have not remained vacant for lengthy periods of time. Property values throughout the metropolitan area have generally declined by 10% to 20%. As such, homeowners appear to have chosen to remain in their current homes while re-building equity in spite of the continuation of historically low mortgage interest rates.

The investment gains and improved corporate profitability in 2009 continued into 2010. This was certainly a factor in the increased volume of home remodeling projects in 2010 in spite of tighter lending standards for home equity loans. There are indications that this could continue into 2011. There also appears to be some positive movement for commercial real estate development with signs of interest in the Village Center properties under the nearly completed master development plan.

While national and state unemployment remains near 9%, the unemployment rate in Wilmette at 6.4% remains well below national and statewide averages and is among the lowest rates 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 State of Illinois enacted some level of pension reform in 2010 due to the increasing cost of pension contributions (due to legislation that enhanced defined benefits in conjunction with poor investment performance) that has vexed government budgets over the past decade. New employees, beginning in 2011, will continue to be part of a defined benefit pension plan but the

new legislation will require employees to work longer to receive a pension benefit along with reductions in the initial pension calculation as well as the annual pension increases. It will still take a number of years before there is enough employee turnover to see the full impact of this legislation but the significant growth of recent years should now stabilize. Additionally, there are still concerns that 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, 2010**

See Following Page

VILLAGE OF WILMETTE, ILLINOIS

Statement of Net Assets
December 31, 2010

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets			
Cash and Investments	\$ 3,711,504	1,466,955	5,178,459
Receivables - Net	17,197,995	1,835,538	19,033,533
Due from Other Governments	2,349,045	-	2,349,045
Internal Balances	148,570	(148,570)	-
Inventories/Prepays	48,003	93,853	141,856
Deposits	621,167	-	621,167
Other Assets	255,380	-	255,380
Restricted Assets - Cash and Investments	3,645,336	4,854,618	8,499,954
Total Current Assets	27,977,000	8,102,394	36,079,394
Noncurrent Assets			
Capital Assets			
Nondepreciable Capital Assets	5,382,093	1,898,103	7,280,196
Depreciable Capital Assets	70,486,775	105,097,937	175,584,712
Depreciation	(26,479,879)	(29,989,724)	(56,469,603)
	49,388,989	77,006,316	126,395,305
Other Assets			
Long-term Note Receivable	40,000	-	40,000
Total Noncurrent Assets	49,428,989	77,006,316	126,435,305
Total Assets	77,405,989	85,108,710	162,514,699

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	\$ 2,488,678	572,948	3,061,626
Accrued Wages and Benefits	52,492	4,161	56,653
Accrued Interest Payable	116,619	144,829	261,448
Deposits Payable	319,543	1,510	321,053
Unearned Revenues	15,090,611	-	15,090,611
Compensated Absences Payable	246,920	27,260	274,180
Current Portion Long-Term Debt	2,000,000	2,935,663	4,935,663
Total Current Liabilities	20,314,863	3,686,371	24,001,234
Noncurrent Liabilities			
Compensated Absences Payable	987,680	124,640	1,112,320
Net Pension Obligation Payable	956,422	-	956,422
Net Other Postemployment Benefit Payable	2,739,738	-	2,739,738
Installment Contracts/Notes Payable	40,000	-	40,000
EPA Loans Payable	-	8,285,878	8,285,878
General Obligation Bonds Payable - Net	36,097,792	29,023,400	65,121,192
Total Noncurrent Liabilities	40,821,632	37,433,918	78,255,550
Total Liabilities	61,136,495	41,120,289	102,256,784
NET ASSETS			
Invested in Capital Assets - Net of Related Debt	13,744,098	41,149,679	54,893,777
Restricted - Debt Service	224,296	-	224,296
Restricted - Highways and Streets	407,836	-	407,836
Unrestricted	1,893,264	2,838,742	4,732,006
Total Net Assets	16,269,494	43,988,421	60,257,915

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, 2010

	Expenses	Program Revenues	
		Charges for Services	Operating Grants/Contributions
Governmental Activities			
General Government	\$ 3,381,500	368,144	3,859
Public Safety	17,608,075	2,245,337	84,195
Streets and Sanitation	7,907,842	2,177,599	909,901
Other Public Works	1,433,367	65,104	-
Public Health	205,587	58,451	-
Community Development	1,267,254	1,306,315	-
Interest on Long-Term Debt	1,213,334	-	-
Total Governmental Activities	33,016,959	6,220,950	997,955
Business-Type Activities			
Water	5,950,487	7,261,814	-
Sewer	2,461,249	4,032,632	-
Parking	459,394	404,036	-
Total Business-Type Activities	8,871,130	11,698,482	-
	41,888,089	17,919,432	997,955

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
(3,009,497)	-	(3,009,497)
(15,278,543)	-	(15,278,543)
(4,820,342)	-	(4,820,342)
(1,368,263)	-	(1,368,263)
(147,136)	-	(147,136)
39,061	-	39,061
(1,213,334)	-	(1,213,334)
(25,798,054)	-	(25,798,054)
-	1,311,327	1,311,327
-	1,571,383	1,571,383
-	(55,358)	(55,358)
-	2,827,352	2,827,352
(25,798,054)	2,827,352	(22,970,702)
13,335,569	-	13,335,569
3,796,368	-	3,796,368
2,176,193	-	2,176,193
2,636,055	-	2,636,055
910,128	-	910,128
770,524	-	770,524
161,716	21,846	183,562
1,114,283	-	1,114,283
1,000,000	(1,000,000)	-
25,900,836	(978,154)	24,922,682
102,782	1,849,198	1,951,980
16,166,712	42,139,223	58,305,935
16,269,494	43,988,421	60,257,915

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

VILLAGE OF WILMETTE, ILLINOIS

**Balance Sheet - Governmental Funds
December 31, 2010**

	General	Debt Service	Series 2007, 2009 and 2010 General Obligation Bonds	Nonmajor Fund Motor Fuel Tax	Total Governmental Funds
ASSETS					
Cash and Investments	\$ 2,098,443	-	-	750,996	2,849,439
Receivables - Net of Allowances					
Property Taxes	12,657,445	3,473,035	-	-	16,130,480
Other Taxes	173,861	-	-	-	173,861
Accounts	837,608	-	-	-	837,608
Due from Other Governments	2,112,859	-	176,637	59,549	2,349,045
Due from Other Funds	309,163	-	-	-	309,163
Prepays	48,003	-	-	-	48,003
Deposits	621,167	-	-	-	621,167
Restricted Assets - Cash and Investments	83,363	-	3,561,973	-	3,645,336
Other Assets	255,380	-	-	-	255,380
Long-Term Note Receivable	40,000	-	-	-	40,000
Total Assets	19,237,292	3,473,035	3,738,610	810,545	27,259,482
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	832,171	-	1,245,709	402,709	2,480,589
Accrued Wages and Benefits	52,492	-	-	-	52,492
Due to Other Funds	-	106,957	-	-	106,957
Deposits Payable	309,939	-	-	-	309,939
Deferred Revenue	12,686,615	3,025,163	-	-	15,711,778
Total Liabilities	13,881,217	3,132,120	1,245,709	402,709	18,661,755
Fund Balances					
Reserved - Note Receivable	40,000	-	-	-	40,000
Reserved - Prepays	48,003	-	-	-	48,003
Reserved - Encumbrances	9,541	-	-	-	9,541
Reserved - Debt Service	-	340,915	-	-	340,915
Unreserved - Nonmajor Special Revenue	-	-	-	407,836	407,836
Unreserved	5,258,531	-	2,492,901	-	7,751,432
Total Fund Balances	5,356,075	340,915	2,492,901	407,836	8,597,727
Total Liabilities and Fund Balances	19,237,292	3,473,035	3,738,610	810,545	27,259,482

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, 2010

Total Governmental Fund Balances	\$ 8,597,727
 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.	49,388,989
Certain revenues that are deferred in the governmental funds are available revenues in the statement of net assets.	621,167
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.	(1,892,956)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Net Pension Obligation Payable	(956,422)
Current Portion - General Obligation Bonds Payable	(2,000,000)
Compensated Absences Payable	(1,234,600)
General Obligation Bonds Payable - Net	(36,097,792)
Installment Contracts/Notes Payable	(40,000)
Accrued Interest Payable	(116,619)
	<hr/>
Net Assets of Governmental Activities	<u>16,269,494</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, 2010**

	General	Debt Service	Series 2007, 2009 and 2010 General Obligation Bonds	Nonmajor Fund Motor Fuel Tax	Total Governmental Funds
Revenues					
Taxes	\$ 20,594,806	3,030,031	-	-	23,624,837
Licenses, Permits and Fees	3,005,663	-	-	-	3,005,663
Intergovernmental	171,911	-	3,859	822,185	997,955
Charges for Services	2,823,915	-	-	-	2,823,915
Fines and Forfeitures	391,372	-	-	-	391,372
Investment Earnings	13,271	-	7,819	4,239	25,329
Miscellaneous	1,114,283	-	-	-	1,114,283
Total Revenues	28,115,221	3,030,031	11,678	826,424	31,983,354
Expenditures					
Current					
General Government	2,925,964	-	-	-	2,925,964
Public Safety	16,900,426	-	-	-	16,900,426
Streets and Sanitation	5,567,467	-	-	-	5,567,467
Other Public Works	1,811,305	-	-	-	1,811,305
Public Health	205,787	-	-	-	205,787
Community Development	1,267,654	-	-	-	1,267,654
Capital Outlay	-	-	397,720	750,000	1,147,720
Debt Service					
Principal Retirement	148,176	1,440,000	-	-	1,588,176
Issuance Costs	-	71,250	4,116	-	75,366
Interest and Fiscal Charges	3	1,152,753	-	-	1,152,756
Total Expenditures	28,826,782	2,664,003	401,836	750,000	32,642,621
Excess (Deficiency) of Revenues Over (Under) Expenditures	(711,561)	366,028	(390,158)	76,424	(659,267)
Other Financing Sources (Uses)					
Debt Issuance	-	21,805,000	1,475,000	-	23,280,000
Premium on Debt Issuance	-	-	24,724	-	24,724
Discount on Debt Issuance	-	(8,089)	-	-	(8,089)
Payment to Escrow Agent	-	(21,725,661)	-	-	(21,725,661)
Transfers In	1,000,000	-	-	-	1,000,000
	1,000,000	71,250	1,499,724	-	2,570,974
Net Change in Fund Balances	288,439	437,278	1,109,566	76,424	1,911,707
Fund Balances - Beginning	5,067,636	(96,363)	1,383,335	331,412	6,686,020
Fund Balances - Ending	5,356,075	340,915	2,492,901	407,836	8,597,727

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, 2010

Net Change in Fund Balances - Total Governmental Funds	\$ 1,911,707
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	1,621,115
Depreciation Expense	(2,959,389)
The net effect of various transactions involving capital assets is to decrease net assets.	
Disposals - Cost	(573,826)
Disposals - Accumulated Depreciation	573,826
Certain revenues are not available in the governmental funds but are reported as revenues in the Statement of Activities.	133,088
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.	(61,555)
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	(59,000)
Additions to Net Pension Obligation Payable	(515,174)
Issuance of Debt	(23,280,000)
Retirement of Debt	21,568,176
Amortization of Loss on Refunding	1,724,351
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.	<u>19,463</u>
Changes in Net Assets of Governmental Activities	<u><u>102,782</u></u>

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, 2010**

	Business-Type Activities				Governmental
	Water	Sewer	Nonmajor Parking Meter	Totals	Activities Internal Service
ASSETS					
Current Assets					
Cash and Investments	\$ 520,071	188,570	758,314	1,466,955	862,065
Receivables - Net of Allowances Accounts	1,140,326	695,212	-	1,835,538	14,649
Inventory	93,416	-	-	93,416	-
Prepays	437	-	-	437	-
Restricted Assets					
Cash and Investments	2,018,062	2,836,556	-	4,854,618	-
Total Current Assets	3,772,312	3,720,338	758,314	8,250,964	876,714
Capital Assets					
Nondepreciable Capital Assets	487,293	751,706	659,104	1,898,103	-
Depreciable Capital Assets	47,383,994	52,748,441	4,965,502	105,097,937	-
Depreciation	(15,934,551)	(12,615,094)	(1,440,079)	(29,989,724)	-
Total Capital Assets	31,936,736	40,885,053	4,184,527	77,006,316	-
Total Assets	35,709,048	44,605,391	4,942,841	85,257,280	876,714

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

	Business-Type Activities			Totals	Governmental
	Water	Sewer	Nonmajor Parking Meter		Activities Internal Service
LIABILITIES					
Current Liabilities					
Accounts Payable	76,156	469,526	27,266	572,948	8,089
Accrued Wages and Benefits	3,795	366	-	4,161	-
Accrued Interest Payable	64,205	80,448	176	144,829	-
Due to Other Funds	148,570	-	-	148,570	12,239
Deposits Payable	1,510	-	-	1,510	9,604
Compensated Absences Payable	23,760	3,500	-	27,260	-
EPA Loans Payable	-	2,040,663	-	2,040,663	-
General Obligation Bonds Payable	610,000	220,000	65,000	895,000	-
Total Current Liabilities	927,996	2,814,503	92,442	3,834,941	29,932
Noncurrent Liabilities					
Compensated Absences Payable	112,490	12,150	-	124,640	-
Net Other Postemployment Benefits Payable	-	-	-	-	2,739,738
EPA Loans Payable	-	8,285,878	-	8,285,878	-
General Obligation Bonds Payable	19,465,000	9,585,000	-	29,050,000	-
Unamortized Loss on Refunding	(26,600)	-	-	(26,600)	-
Total Noncurrent Liabilities	19,550,890	17,883,028	-	37,433,918	2,739,738
Total Liabilities	20,478,886	20,697,531	92,442	41,268,859	2,769,670
NET ASSETS					
Invested in Capital Assets - Net of Related Debt					
Unrestricted	13,906,398	23,123,754	4,119,527	41,149,679	-
	1,323,764	784,106	730,872	2,838,742	(1,892,956)
Total Net Assets	15,230,162	23,907,860	4,850,399	43,988,421	(1,892,956)

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, 2010**

	Business-Type Activities - Enterprise Funds			Totals	Governmental
	Water	Sewer	Nonmajor Parking Meter		Activities Internal Service
Operating Revenues					
Charges for Services	\$ 7,261,814	4,032,632	404,036	11,698,482	-
Interfund Services	-	-	-	-	5,378,061
Total Operating Revenues	7,261,814	4,032,632	404,036	11,698,482	5,378,061
Operating Expenses					
Administration	612,249	-	-	612,249	87,796
Operations	3,484,815	1,028,994	329,150	4,842,959	5,355,119
Depreciation	1,083,386	780,005	123,582	1,986,973	-
Total Operating Expenses	5,180,450	1,808,999	452,732	7,442,181	5,442,915
Operating Income (Loss)	2,081,364	2,223,633	(48,696)	4,256,301	(64,854)
Nonoperating Revenues (Expenses)					
Investment Earnings	15,210	6,636	-	21,846	3,299
Interest Expense	(752,377)	(652,250)	(5,837)	(1,410,464)	-
Amortization of Bond Discount	(17,660)	-	(825)	(18,485)	-
	(754,827)	(645,614)	(6,662)	(1,407,103)	3,299
Income (Loss) Before Transfers	1,326,537	1,578,019	(55,358)	2,849,198	(61,555)
Transfers Out	(1,000,000)	-	-	(1,000,000)	-
Change in Net Assets	326,537	1,578,019	(55,358)	1,849,198	(61,555)
Net Assets - Beginning	14,903,625	22,329,841	4,905,757	42,139,223	(1,831,401)
Net Assets - Ending	15,230,162	23,907,860	4,850,399	43,988,421	(1,892,956)

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, 2010**

See Following Page

VILLAGE OF WILMETTE, ILLINOIS

**Statement of Cash Flows - Proprietary Funds
Year Ended December 31, 2010**

	<u>Water</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 6,956,499
Receipts from Interfund Services	-
Payments to Employees	(1,935,000)
Payments to Suppliers	<u>(2,168,863)</u>
	<u>2,852,636</u>
Cash Flows from Non-Capital Financing Activities	
Transfers Out	(1,000,000)
Change in Interfund Activity	238,153
	<u>(761,847)</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(439,063)
Principal Issued on Debt	1,130,000
Principal Paid on Debt	(605,000)
Interest Paid on Debt	<u>(770,037)</u>
	<u>(684,100)</u>
Cash Flows from Investing Activities	
Interest Received	<u>15,210</u>
Net Change in Cash and Cash Equivalents	1,421,899
Cash and Cash Equivalents - Beginning	<u>1,116,234</u>
Cash and Cash Equivalents - Ending	<u><u>2,538,133</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities.	
Operating Income (Loss)	<u>2,081,364</u>
Adjustments to Reconcile Operating Income to Net Income to Net Cash	
Provided by (Used in) Operating Activities:	
Depreciation Expense	1,083,386
(Increase) Decrease in Current Assets	(305,315)
Increase (Decrease) in Current Liabilities	<u>(6,799)</u>
Net Cash Provided by Operating Activities	<u><u>2,852,636</u></u>

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

Business-Type Activities - Enterprise Funds			Governmental
Sewer	Nonmajor Parking Meter	Totals	Activities Internal Service
4,005,742	404,036	11,366,277	-
-	-	-	5,378,401
(452,013)	(106,446)	(2,493,459)	(515,863)
(812,306)	(218,204)	(3,199,373)	(4,783,931)
2,741,423	79,386	5,673,445	78,607
-	-	(1,000,000)	-
-	-	238,153	2,334
-	-	(761,847)	2,334
(661,417)	(773)	(1,101,253)	-
1,657,028	-	2,787,028	-
(2,195,216)	(125,000)	(2,925,216)	-
(652,250)	(6,662)	(1,428,949)	-
(1,851,855)	(132,435)	(2,668,390)	-
6,636	-	21,846	3,299
896,204	(53,049)	2,265,054	84,240
2,128,922	811,363	4,056,519	777,825
3,025,126	758,314	6,321,573	862,065
2,223,633	(48,696)	4,256,301	(64,854)
780,005	123,582	1,986,973	-
(26,890)	-	(332,205)	340
(235,325)	4,500	(237,624)	143,121
2,741,423	79,386	5,673,445	78,607

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, 2010

	Pension Trust	Agency
Assets		
Cash and Cash Equivalents	\$ 2,617,836	641,842
Investments		
U.S. Government and Agency Securities	19,278,823	-
Mutual Funds	40,352,346	-
Common Stock	1,178,525	-
Receivables		
Accrued Interest	186,946	-
 Total Assets	 <u>63,614,476</u>	 <u>641,842</u>
 Liabilities		
Accounts Payable	6,927	-
Deposits Payable	-	601,642
Due to Other Funds	1,197	40,200
 Total Liabilities	 <u>8,124</u>	 <u>641,842</u>
 Net Plan Assets Held in Trust for Pension Benefits	 <u><u>63,606,352</u></u>	 <u><u>-</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, 2010

	<u>Pension Trust</u>
Additions	
Contributions - Employer	\$ 3,421,600
Contributions - Plan Members	<u>768,630</u>
Total Contributions	<u>4,190,230</u>
Investment Income	
Investment Earnings	2,355,254
Net Change in Fair Value	<u>3,519,247</u>
	5,874,501
Less Investment Expenses	<u>(86,006)</u>
	<u>5,788,495</u>
Total Additions	<u>9,978,725</u>
Deductions	
Administration	45,807
Benefits and Refunds	<u>4,190,192</u>
Total Deductions	<u>4,235,999</u>
Change in Net Assets	5,742,726
Net Plan Assets Held in Trust for Pension Benefits	
Beginning	<u>57,863,626</u>
Ending	<u>63,606,352</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, 2010

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. 39, "Determining Whether Certain Organizations are Component Units – an Amendment of GASB Statement No. 14," 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, 2010

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, 2010

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 directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

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

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

This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net 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, 2010

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: \$23,400,000 of Series 2002 General Obligation Improvements, \$9,300,000 of Series 2004 General Obligation Refunding, \$11,735,000 of Series 2006 General Obligation Refunding and Improvements, \$1,590,000 of Series 2009 General Obligation Improvements, and \$23,280,000 of Series 2010 General Obligation Refunding and Improvements.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2010

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 2007, 2009 and 2010 General Obligation Bonds Fund, which is used to account for revenues and expenditures for road resurfacing, alley and other infrastructure improvements, Public Works facility improvements and large equipment replacements.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net 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 five 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, 2010

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, 2010

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, 2010

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.

Prepays/Inventories

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

Restricted Assets

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

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2010**

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.

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, 2010

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, 2010

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, if any, 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, 2010**

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS

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

Fund	Excess
Series 2007, 2009 and 2010 General Obligation Bonds	\$ 164,336
Workers' Compensation	8,847
Illinois Municipal Retirement	23,035
Section 105 Sick Leave	184,584
Firefighters' Pension	74,062

DEFICIT FUND EQUITY

The following funds had deficit fund equity at year end:

Fund	Deficit
Section 105 Sick Leave	\$ (1,892,956)

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, 2010

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 \$13,378,289 and the bank balances totaled \$14,196,647. At year-end the Village also has \$124 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, 2010

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, 2010, 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, 2010, 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, 2010, 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, 2010, 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, 2010

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 \$993,845 and the bank balances totaled \$993,845.

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	\$ 6,790,783	301,689	4,530,947	428,296	1,529,851
U.S Agency Obligations	2,912,429	209,030	2,035,186	27,222	640,991
Mutual Funds	20,053,804	20,053,804	-	-	-
Total	29,757,016	20,564,523	6,566,133	455,518	2,170,842

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, 2010, 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, 2010, 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, 2010, 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 totaling \$13,348,156. The Fund also has \$582,515 invested in common stock at year-end.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2010

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 \$1,623,991 and the bank balances totaled \$1,623,991.

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	\$ 6,739,061	301,689	4,479,226	324,966	1,633,180
U.S Agency Obligations	2,836,550	209,030	1,980,890	14,127	632,503
Mutual Funds	20,298,542	20,298,542	-	-	-
Total	29,874,153	20,809,261	6,460,116	339,093	2,265,683

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, 2010, 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, 2010, 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, 2010, 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 totaling \$13,525,725 and Blackrock Equity Dividend Fund totaling \$2,950,334. The Fund also has \$596,010 invested in common stock at year-end.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2010**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

PROPERTY TAXES

Property taxes for 2010 attach as an enforceable lien on January 1, 2010, 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, 2010, and September 1, 2010. The County collects such taxes and remits them periodically. Since the 2010 levy is intended to finance the 2011 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	8,210,172	-	4,666,341	3,543,831
	<u>10,048,434</u>	<u>-</u>	<u>4,666,341</u>	<u>5,382,093</u>
Other Capital Assets				
Buildings	15,323,248	3,987,569	-	19,310,817
Improvements Other Than Buildings	39,354,486	1,670,375	-	41,024,861
Motor Equipment	7,391,315	62,606	425,903	7,028,018
Office Furniture and Equipment	631,700	533,296	147,923	1,017,073
Other Equipment	2,072,396	33,610	-	2,106,006
	<u>64,773,145</u>	<u>6,287,456</u>	<u>573,826</u>	<u>70,486,775</u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2010**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Governmental Activities – Continued

	Beginning Balances	Increases	Decreases	Ending Balances
Less Accumulated Depreciation				
Buildings	\$ 3,339,991	375,637	-	3,715,628
Improvements Other Than Buildings	14,371,439	1,920,849	-	16,292,288
Motor Equipment	4,781,575	442,346	425,903	4,798,018
Office Furniture and Equipment	538,150	58,743	147,923	448,970
Other Equipment	1,063,161	161,814	-	1,224,975
	<u>24,094,316</u>	<u>2,959,389</u>	<u>573,826</u>	<u>26,479,879</u>
 Total Other Capital Assets	 <u>40,678,829</u>	 <u>3,328,067</u>	 <u>-</u>	 <u>44,006,896</u>
 Total Capital Assets	 <u>50,727,263</u>	 <u>3,328,067</u>	 <u>4,666,341</u>	 <u>49,388,989</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 160,294
Streets and Sanitation	2,331,714
Public Safety - Police	222,088
Public Safety - Fire	<u>245,293</u>
	<u><u>2,959,389</u></u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2010**

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	60,231	-	-	60,231
Construction in Progress	1,780,035	66,553	841,169	1,005,419
	<u>2,672,719</u>	<u>66,553</u>	<u>841,169</u>	<u>1,898,103</u>
Other Capital Assets				
Water System Improvements	26,816,853	60,000	-	26,876,853
Sewer System Improvements	48,798,314	580,501	-	49,378,815
Storm Water Pump Stations	2,323,911	-	-	2,323,911
Buildings	12,074,425	-	-	12,074,425
Machinery, Equipment, and Vehicles	8,243,836	327,332	-	8,571,168
Parking Facilities/Improvements	4,964,729	908,036	-	5,872,765
	<u>103,222,068</u>	<u>1,875,869</u>	<u>-</u>	<u>105,097,937</u>
Less Accumulated Depreciation				
Water System Improvements	6,838,616	501,205	-	7,339,821
Sewer System Improvements	10,905,889	713,774	-	11,619,663
Storm Water Pump Stations	910,240	40,033	-	950,273
Buildings	4,068,314	120,950	-	4,189,264
Machinery, Equipment, and Vehicles	3,963,195	272,535	-	4,235,730
Parking Facilities/Improvements	1,316,497	338,476	-	1,654,973
	<u>28,002,751</u>	<u>1,986,973</u>	<u>-</u>	<u>29,989,724</u>
Total Other Capital Assets	<u>75,219,317</u>	<u>(111,104)</u>	<u>-</u>	<u>75,108,213</u>
Total Capital Assets	<u>77,892,036</u>	<u>(44,551)</u>	<u>841,169</u>	<u>77,006,316</u>

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements
December 31, 2010

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	\$ 1,083,386
Sewer	780,005
Parking Meter	<u>123,582</u>
	<u>1,986,973</u>

INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund Balances

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

Receivable Fund	Payable Fund	Amount
General	Debt Service	\$ 106,957
General	Workers' Compensation	12,239
General	Water	148,570 *
General	Firefighters' Pension	1,197
General	Agency Fund - Fire Insurance Tax	<u>40,200</u>
		<u>309,163</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, 2010**

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:

Transfer In	Transfer Out	Amount
General	Water	<u>\$ 1,000,000</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:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
\$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	\$ 20,685,000	-	* 19,980,000 320,000	385,000
	Sewer	1,840,000	-	30,000	1,810,000
	Water	4,650,000	-	100,000	4,550,000

* Refunded

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements
December 31, 2010

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
\$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.	Debt Service	\$ 5,495,000	-	735,000	4,760,000
	Sewer	2,675,000	-	25,000	2,650,000
	Water	3,840,000	-	360,000	3,480,000
	Parking Meter	190,000	-	125,000	65,000
\$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	10,320,000	-	270,000	10,050,000
	Sewer	2,450,000	-	50,000	2,400,000
	Water	5,215,000	-	-	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	-	115,000	1,475,000
	Sewer	1,575,000	-	115,000	1,460,000
	Water	5,845,000	-	145,000	5,700,000

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements
December 31, 2010

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
\$25,895,000 General Obligation Refunding Bonds of 2010, due in annual installments of \$190,000 to \$4,430,000 plus interest at 2.00% to 4.00% through December 1, 2026.	Debt Service	\$ -	23,280,000	-	23,280,000
	Sewer	-	1,485,000	-	1,485,000
	Water	-	1,130,000	-	1,130,000
		<u>66,370,000</u>	<u>25,895,000</u>	<u>22,370,000</u>	<u>69,895,000</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	\$ 2,178,039	-	594,948	1,583,091
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	2,826,489	-	592,003	2,234,486

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2010**

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 1996, due in annual installments of \$155,031 to \$303,636 plus interest of 2.815% through December 7, 2016.	Sewer	\$ 1,855,816	-	264,030	1,591,786
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	4,287,959	-	479,226	3,808,733
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	383,738	-	18,368	365,370
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	597,688	-	26,641	571,047
IEPA Revenue Bonds of 2010, due in annual installments of \$8,822 at 0.00% interest through April 7, 2030.	Sewer	-	172,028	-	172,028
		<u>12,129,729</u>	<u>172,028</u>	<u>1,975,216</u>	<u>10,326,541</u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2010**

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	\$ 8,176	-	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	60,000	-	20,000	40,000
		<u>188,176</u>	<u>-</u>	<u>148,176</u>	<u>40,000</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, 2010, the line of credit outstanding balance is \$40,000.

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, 2010**

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	\$ 1,175,600	118,000	59,000	1,234,600	246,920
Net Pension Obligation					
Police Pension Fund	227,059	163,745	-	390,804	-
Firefighters' Pension Fund	214,189	140,641	-	354,830	-
Illinois Municipal Retirement Fund	-	210,788	-	210,788	-
Net Other Post-Employment Benefit Obligation					
Benefit Obligation	2,597,680	142,058	-	2,739,738	-
General Obligation Bonds	38,090,000	23,280,000	21,420,000	39,950,000	2,000,000
Unamortized Loss on Refunding	(127,857)	(1,745,661)	(21,310)	(1,852,208)	-
Installment Contracts/ Notes Payable	188,176	-	148,176	40,000	-
	<u>42,364,847</u>	<u>22,309,571</u>	<u>21,605,866</u>	<u>43,068,552</u>	<u>2,246,920</u>
Business-Type Activities					
Compensated Absences	160,100	8,200	16,400	151,900	27,260
General Obligation Bonds	28,280,000	2,615,000	950,000	29,945,000	895,000
Unamortized Loss on Refunding	(30,085)	-	(3,485)	(26,600)	-
IEPA Loans	12,129,729	172,028	1,975,216	10,326,541	2,040,663
	<u>40,539,744</u>	<u>2,795,228</u>	<u>2,938,131</u>	<u>40,396,841</u>	<u>2,962,923</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.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2010**

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:

<u>Fiscal Year</u> Ending December 31	<u>Governmental Activities</u>	
	<u>General Obligation</u>	
	<u>Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2011	\$ 2,000,000	1,381,344
2012	1,700,000	1,326,190
2013	2,015,000	1,266,591
2014	2,090,000	1,191,715
2015	2,160,000	1,112,504
2016	2,325,000	1,030,185
2017	2,495,000	944,135
2018	2,610,000	845,654
2019	2,715,000	743,723
2020	2,820,000	661,910
2021	2,920,000	576,785
2022	3,055,000	488,488
2023	3,245,000	396,838
2024	3,300,000	291,375
2025	3,025,000	180,000
2026	1,475,000	59,000
Total	<u>39,950,000</u>	<u>12,496,437</u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2010**

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
2011	\$ 895,000	1,002,723	2,040,663	303,334
2012	970,000	982,599	2,108,224	235,775
2013	1,380,000	963,103	1,844,215	165,960
2014	1,860,000	929,987	1,223,480	111,851
2015	1,930,000	876,903	914,957	79,354
2016	2,715,000	819,671	785,424	51,675
2017	3,170,000	727,683	650,063	29,824
2018	3,420,000	551,521	54,988	14,347
2019	3,465,000	518,690	56,371	12,964
2020	2,720,000	406,280	57,789	11,545
2021	2,550,000	307,728	59,242	10,090
2022	2,240,000	199,268	60,734	8,600
2023	1,500,000	100,988	62,259	7,073
2024	1,130,000	38,138	63,826	5,508
2025	-	-	65,433	3,901
2026	-	-	67,078	2,255
2027	-	-	39,768	743
Total	29,945,000	8,425,282	10,154,514	1,054,799

* Does not include IEPA Revenue Bonds of 2010, as a final repayments schedule is currently not available.

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, 2010

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, 2010**

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>
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>2,150,000</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>
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>9,950,000</u></u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2010**

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>
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>6,425,000</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2010

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.

General Obligation Bonds of 2010

On November 30, 2010, the Village passed an ordinance providing for the issuance of \$23,280,000 General Obligation Refunding and Improvements Bond Series 2010 and the levy and collection of a direct annual tax for the payment of principal and interest on the bonds. The bonds were issued to complete various street resurfacing and alley improvements and for a current refunding of the General Obligation Refunding Bond Series of 2002, issued by the Village and outstanding in the aggregate principal amount of \$19,980,000.

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

Proceeds in the amount of \$21,788,540 from the refunding bonds were used to execute the escrow agreement. The long-term debt for the General Obligation Refunding Bond Series 2002 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, 2010

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET ASSETS CLASSIFICATIONS

Investment in capital assets – net of related debt, was comprised of the following as of December 31, 2010:

Governmental Activities		
Capital Assets - Net of Accumulated Depreciation		\$ 49,388,989
Less Capital Related Debt:		
General Obligation Bonds	(38,097,792)	
Installment Contracts/Notes Payable	(40,000)	
Unspent Bond Proceeds	2,492,901	<u>(35,644,891)</u>
Investment in Capital Assets - Net of Related Debt		<u>13,744,098</u>
Business-Type Activities		
Capital Assets - Net of Accumulated Depreciation		77,006,316
Less Capital Related Debt:		
Revenue Bonds	(10,326,691)	
General Obligation Bonds	(29,918,400)	
Unspent Bond Proceeds	4,388,304	<u>(35,856,787)</u>
Investment in Capital Assets - Net of Related Debt		<u>41,149,529</u>

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2010

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, 2010

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, 2010, NSEBC had a total equity of \$6,190,672. The Village's total payments for the year ended December 31, 2010 were \$1,261,086.

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, 2010, there were no employees 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, 2010, there were eleven retirees in this category and the Village's expense totaled \$14,782.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2010

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, 2010, no employees are covered in this category.

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 five retiree spouses in this category for the year ended December 31, 2010. 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, 2010 twenty retirees are receiving benefits under these Plans (four under the Police Union Plan, two under the Fire Union Plan, and fourteen under the Non-represented Plan).

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2010

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, 2010**

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 2010 was 11.25 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, 2010 the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them.	41
Inactive Members	1
Current Employees	
Vested	33
Nonvested	<u>11</u>
	<u>86</u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2010**

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, 2010 the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them.	46
Inactive Members	2
Current Employees	
Vested	34
Nonvested	13
	<u>95</u>

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2010

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, 2010**

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

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 totaling \$13,348,156 and the Firefighters' Pension Fund has over 5% invested in Vanguard totaling \$13,525,725 and Blackrock Equity Dividend Fund totaling \$2,950,334. 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:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension	Total
Annual Required Contribution	\$ 956,196	1,701,843	2,018,698	4,676,737
Interest on Net Pension Obligation	-	16,802	15,850	32,652
Adjustment to Annual Required Contribution	-	(14,000)	(13,207)	(27,207)
Annual Pension Cost	956,196	1,704,645	2,021,341	4,682,182
Actual Contribution	745,408	1,540,900	1,880,700	4,167,008
Increase (Decrease) to the NPO	210,788	163,745	140,641	515,174
NPO - Beginning of Year	-	227,059	214,189	441,248
NPO - End of Year	210,788	390,804	354,830	956,422

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2010**

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	11.25%	22.29%	25.04%
Employee	4.50%	9.91%	9.455%
Actuarial Valuation Date	12/31/2010	12/31/2010	12/31/2010
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level %of Projected Payroll Open Basis	Level %of Projected Payroll Closed Basis	Level %of Projected Payroll Closed Basis
Remaining Amortization Period	30 Years	24 Years	24 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	7.35% Compounded Annually	7.35% Compounded Annually
Projected Salary Increases	.4 to 10.0%	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, 2010**

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)	2008	\$ 687,857	1,310,836	1,598,154
	2009	702,539	1,535,760	1,833,205
	2010	956,196	1,704,645	2,021,341
Actual Contributions	2008	687,857	1,112,000	1,394,000
	2009	702,539	1,300,000	1,620,000
	2010	745,408	1,540,900	1,880,700
Percentage of APC Contributed	2008	100.00%	84.83%	87.23%
	2009	100.00%	84.65%	88.37%
	2010	77.96%	90.39%	93.04%
Net Pension Obligation (Asset)	2008	-	(8,701)	984
	2009	-	227,059	214,189
	2010	210,788	390,804	354,830

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2010**

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	12/31/10	12/31/10	12/31/10
Percent Funded	82.75%	65.76%	60.52%
Actuarial Accrued Liability for Benefits	\$31,865,129	\$48,562,989	\$53,786,181
Actuarial Value of Assets	\$26,367,785	\$31,937,125	\$32,553,522
Over (Under) Funded Actuarial Accrued Liability (UAAL)	(\$5,497,344)	(\$16,625,864)	(\$21,232,659)
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$8,499,522	\$3,945,408	\$4,143,165
Ratio of UAAL to Covered Payroll	64.68%	421.40%	512.47%

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, 2010**

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 insurance 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, 2010, retirees contributed \$193,146. Active employees do not contribute to the plan until retirement.

At December 31, 2010, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	20
Active Employees	<u>195</u>
Total	<u>215</u>
Participating Employers	1

The Village does not currently have a funding policy.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2010**

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, 2010, was calculated as follows:

	<u>OPEB</u>
Annual Required Contribution	\$ 157,054
Interest on the NOPEBO	129,884
Adjustment to the ARC	<u>20,120</u>
Annual OPEB Cost	307,058
Actual Contribution	<u>165,000</u>
Change in the NOPEBO	142,058
NOPEBO - Beginning of Year	<u>2,597,680</u>
NOPEBO - End of Year	<u><u>2,739,738</u></u>

Trend Information

The District’s annual OPEB cost, actual contributions, the percentage of annual OPEB cost contributed and the net OPEB obligation are as follows:

Fiscal Year	Annual OPEB Cost	Actual Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2008	\$ 311,953	\$ 143,400	45.97% %	\$ 2,429,932
2009	316,548	148,800	47.01%	2,597,680
2010	307,058	165,000	53.74%	2,739,738

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2010**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Annual OPEB Costs and Net OPEB Obligation – Continued

Funded Status and Funding Progress

The funded status of the plan as of December 31, 2010, was as follows:

Actuarial Accrued Liability (AAL)	\$ 2,739,738
Actuarial Value of Plan Assets	846,782
Unfunded Actuarial Accrued Liability (UAAL)	1,892,956
Funded Ration (actuarial value of plan assets/AAL)	30.91%
Covered Payroll (active plan members)	8,499,522
UAAL as a percentage of covered payroll	22.27%

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.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2010

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, 2010 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, 2010, was 28 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 and 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 and Employer Contributions
December 31, 2010**

Funding Progress

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)
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%
2010	26,367,785	31,865,129	82.75%	5,497,344	8,499,522	64.68%

Employer Contributions

Calendar Year	Employer Contributions	Annual Required Contribution	Percent Contributed
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%
2010	745,408	956,196	77.96%

VILLAGE OF WILMETTE, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Funding Progress and Employer Contributions
December 31, 2010**

Funding Progress

Actuarial Valuation Date	(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)
December 31						
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%
2010	31,937,125	48,562,989	65.76%	16,625,864	3,945,408	421.40%

Employer Contributions

Year Ended December 31	Employer Contributions	Annual Required Contribution	Percent Contributed
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%
2010	1,540,900	1,701,843	90.54%

- 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 by \$2,728,111.
- III. At 12/31/10 the Village changes the actuarial assumption for interest rate of return from 7.40% to 7.35%. This change increased the Unfunded Accrued Actuarial Liability by \$334,981.

VILLAGE OF WILMETTE, ILLINOIS

Firefighters' Pension Fund

**Required Supplementary Information
Schedule of Funding Progress and Employer Contributions
December 31, 2010**

Funding Progress

Actuarial Valuation Date	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded Accrued Liability (Overfunded) (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
December 31						
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%
2010	32,553,522	53,786,181	60.52%	21,232,659	4,143,165	512.47%

Employer Contributions

Year Ended December 31	Employer Contributions	Annual Required Contribution	Percent Contributed
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%
2009	1,620,000	1,833,191	88.37%
2010	1,880,700	2,018,698	93.16%

- 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.
- III. At 12/31/10 the Village changes the actuarial assumption for interest rate of return from 7.40% to 7.35%. This change increased the Unfunded Accrued Actuarial Liability by \$351,288.

VILLAGE OF WILMETTE, ILLINOIS

Other Post-Employment Benefit Plan

Required Supplementary Information
 Schedule of Funding Progress and Employer Contributions
 December 31, 2010

Funding Progress

Actuarial Valuation Date	(1) Actuarial Value of Plan Assets	(2) Actuarial Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Liability as a Percentage of Covered Payroll (4) ÷ (5)
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	8,807,392	20.25%
2009	766,279	2,597,680	29.50%	1,831,401	8,814,790	20.78%
2010	846,782	2,739,738	30.91%	1,892,956	8,499,522	22.27%

Employer Contributions

Year Ended December 31	Employer Contributions	Annual Required Contribution	Percent Contributed
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%
2010	165,000	157,054	105.06%

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, 2010**

	Original and Final Budget	Actual
Revenues		
Taxes	\$ 20,724,700	20,594,806
Licenses, Permits and Fees	2,834,600	3,005,663
Intergovernmental	131,000	171,911
Charges for Services	2,792,400	2,823,915
Fines and Forfeitures	380,800	391,372
Investment Earnings	26,500	13,271
Miscellaneous	914,325	1,114,283
Total Revenues	<u>27,804,325</u>	<u>28,115,221</u>
Expenditures		
General Government	3,322,540	2,925,964
Public Safety	16,832,048	16,900,426
Streets and Sanitation	5,925,392	5,567,467
Other Public Works	1,903,112	1,811,305
Public Health	205,395	205,787
Community Development	1,319,330	1,267,654
Debt Service		
Principal Retirement	8,200	148,176
Interest and Fiscal Charges	100	3
Total Expenditures	<u>29,516,117</u>	<u>28,826,782</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,711,792)</u>	<u>(711,561)</u>
Other Financing Sources (Uses)		
Transfers In	950,000	1,000,000
Transfers Out	(150,000)	-
	<u>800,000</u>	<u>1,000,000</u>
Net Change in Fund Balance	<u>(911,792)</u>	288,439
Fund Balance - Beginning		<u>5,067,636</u>
Fund Balance - Ending		<u>5,356,075</u>

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
- Budgetary Comparison 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 2007, 2009 and 2010 General Obligation Bonds Fund

The Series 2007, 2009 and 2010 General Obligation Bonds Fund is used to account for revenue and expenditures for road resurfacing, alley and other infrastructure improvements, Public Works facility improvements and large equipment replacements.

ENTERPRISE FUNDS

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

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, 2010

	Original and Final Budget	Actual
Taxes		
Property Taxes	\$ 10,466,700	10,305,538
Municipal Sales Tax	3,295,000	3,280,264
Municipal Sales Tax - Home Rule	515,000	516,104
State Income Tax	2,280,000	2,176,193
Real Estate Transfer Tax	800,000	910,128
Utility Tax	2,615,000	2,636,055
E-911 Surcharge	288,000	260,829
Wireless 911 Tax	159,000	153,988
Personal Property Replacement Tax	216,000	262,525
Fuel Use Tax	90,000	93,182
Total Taxes	20,724,700	20,594,806
Licenses, Permits and Fees		
Licenses		
Animal	1,500	1,315
Business	249,000	228,505
Vehicle	1,360,000	1,349,074
Taxi	19,100	18,950
Liquor Licenses	45,000	57,585
Permits		
Building	667,000	838,693
Demolition	40,000	34,744
Electric	45,000	48,096
Plumbing	39,000	37,831
Right-of Way	13,000	12,802
Other	43,400	62,149
Fees		
Plan Review	58,000	53,188
Pavement Degradation Fee	34,000	22,718
Inspections	186,000	191,442
Filing	20,100	23,307
Permit Penalties	14,500	25,264
Total Licenses, Permits, and Fees	2,834,600	3,005,663

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued
Year Ended December 31, 2010

	Original and Final Budget	Actual
Intergovernmental		
Police Grants	\$ 31,000	52,708
Fire Grants	-	31,487
R.T.A. Grant - Village Center Master Development Plan	100,000	87,716
Total Intergovernmental	<u>131,000</u>	<u>171,911</u>
Charges for Services		
Refuse Collection Charges	2,024,000	2,026,834
Refuse Collection Charges - unbilled	-	14,000
Sales of Yard Waste Bags	115,000	106,857
Ambulance Transport Charges	404,400	416,906
Fire Alarms	8,000	13,084
Burglar Alarms	20,000	6,267
Elevator Inspections	13,400	16,295
Sanitarian Services	23,400	47,648
Computer Aided Dispatch Services	1,500	468
Damage to Village Property	32,000	29,908
Maintenance of State Routes	19,500	-
Shore Line Place Services	16,400	18,030
Fairfield Court Services	61,100	61,114
French Market Services	2,200	2,025
Engineering & Consulting Reimbursements	-	2,865
Park District Personnel Reimbursements	36,000	47,751
Park District Ethernet Reimbursements	-	1,910
Other Police Service Charges	300	150
Health Department Charges	13,200	10,803
Atrium Unit Closing Fees	2,000	1,000
Total Charges for Services	<u>2,792,400</u>	<u>2,823,915</u>
Fines and Forfeitures		
Court Fines	70,000	93,310
Vehicle License and Parking	310,000	297,161
Animal and Impounding Fees	800	901
Total Fines and Forfeitures	<u>380,800</u>	<u>391,372</u>

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual - Continued
Year Ended December 31, 2010**

	Original and Final Budget	Actual
Investment Earnings		
Interest	\$ 26,500	13,271
Miscellaneous		
Rental Income		
Wilmette Park District	52,700	50,686
Cellular Antennae Leases	280,000	303,857
Depot Nuevo	-	26,319
3545 Lake Avenue	2,400	2,400
Sale of General Capital Assets	20,000	107,160
Cable TV Franchise Fees	405,000	438,278
Commercial Waste Collection Franchise Fees	75,000	78,750
Interest Payments from Property Tax Collections	10,000	1,338
Other	27,500	20,121
Donations	5,000	2,500
Contributions for Affordable Housing	20,000	-
Mallinckrodt Expense Reimbursement	-	15,000
Insurance Recoveries	-	45,416
Lien Recoveries	-	1,800
Section 125 Plan Liability Write-offs	-	497
Contribution from Wilmette Historical Society	16,725	20,161
Total Miscellaneous	914,325	1,114,283
 Total Revenues	 27,804,325	 28,115,221

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual
Year Ended December 31, 2010**

	Original and Final Budget	Actual
General Government		
Legislative		
Memberships	\$ 16,770	16,854
Professional Services	-	9,948
Annual Audit	10,700	8,305
Incidentals	2,000	1,312
Total Legislative	29,470	36,419
General Administration		
Salaries - Regular	366,300	372,295
Salaries - Overtime	300	-
Employee Benefits	116,140	112,039
Memberships	3,800	3,760
Professional Services	4,300	6,248
Community Notification System	4,200	4,200
Organizational Studies	-	4,693
Lease/Purchase - Copier	8,000	8,548
Pre-employment Exams	2,000	4,628
Employee Assistance Program	5,550	-
Maintenance of Office Equipment	100	-
Office Supplies	4,000	2,308
Automotive	4,500	4,300
Incidentals	1,500	1,193
Training	5,095	3,644
Personnel Training	500	-
Employee Recognition Program	6,300	7,941
Newsletters	14,500	14,360
Publishing Legal Notices	5,500	4,457
Classified Advertisements	3,000	200
Total General Administration	555,585	554,814
Information Services		
Salaries - Regular	223,875	222,280
Employee Benefits	72,515	67,396
Memberships	250	250

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2010

	Original and Final Budget	Actual
General Government - Continued		
Information Services - Continued		
Professional Services	\$ 2,500	2,010
Contractual Hardware Support	10,600	12,982
Contractual Software Support	96,260	98,626
PC Software Subscription	29,000	31,141
Contractual Internet Expenditures	4,900	4,850
Computer Communications	19,900	18,779
Computer Parts	6,000	5,818
Computer Software	2,000	1,163
FOIA Search Software	8,000	7,711
Office Supplies	500	326
Incidentals	200	188
Training	1,200	45
Office Furniture and Equipment	5,000	4,376
Total Information Services	482,700	477,941
Finance Department		
Salaries - Regular	502,825	504,454
Salaries - Overtime	2,000	225
Employee Benefits	145,555	141,015
Memberships	1,530	1,445
Professional Services	24,000	28,827
Lease/Purchase - Copier	19,700	19,500
Bank Charges	24,000	14,273
Postage - General Office	33,000	28,867
Contractual Services	8,900	8,358
Maintenance of Office Equipment	5,000	4,896
Telephone - Office Service	37,000	31,828
Telephone - Maintenance	6,000	1,326
Telephone - Cellular Service	24,700	22,089
Telephone - Long Distance	3,000	89
Office Supplies	17,000	9,689
Supplies Other than Office	8,500	7,485
Incidentals	-	75

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2010**

	Original and Final Budget	Actual
General Government - Continued		
Finance Department - Continued		
Training	\$ 500	432
Publishing Legal Notices	1,375	1,224
Total Finance Department	864,585	826,097
Law Department		
Salaries - Regular	75,000	68,261
Employee Benefits	7,010	6,149
Memberships	1,550	1,259
Code Revision service	3,500	5,411
Special Attorney Fees	50,000	170,704
On-line Legal Research Services	9,500	7,642
Contractual Corporation Counsel Services	132,000	123,397
Supplies - Legal	2,000	788
Incidentals	300	155
Training	1,200	910
Litigation Costs	5,000	75,228
Total Law Department	287,060	459,904
Boards and Commissions		
Incidentals	2,500	-
Housing Commission	55,000	44,057
Community Relations Commission	2,550	1,935
Fine Arts Commission	1,850	351
Historic Preservation Commission	1,600	760
Bicycle Commission	1,700	1,850
Youth Commission	20,000	20,184
Total Boards and Commissions	85,200	69,137
Historical Museum		
Salaries - Regular	102,175	101,745
Employee Benefits	17,690	19,090
Total Historical Museum	119,865	120,835

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2010**

	Original and Final Budget	Actual
General Government - Continued		
Cable Programming Services		
Salaries - Regular	\$ 81,250	76,135
Salaries - Other	4,000	2,597
Employee Benefits	29,060	26,066
Memberships	175	175
Maintenance - Office Equipment	3,000	1,050
Hi-Speed Ethernet Service	9,120	8,785
Supplies - Office	450	585
Supplies - Video	1,850	1,061
Incidentals	400	-
Training	600	38
Office Space Rent	12,170	11,292
Total Cable Programming Services	142,075	127,784
Insurance		
General Liability and Property Insurance		
Fixed Premiums	218,500	210,750
Deductible Payments	37,500	30,331
Total Insurance	256,000	241,081
Contingencies		
Regular	400,000	-
Atrium Condo Resales	100,000	11,952
Total Contingencies	500,000	11,952
Total General Government	3,322,540	2,925,964

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2010

	Original and Final Budget	Actual
Public Safety		
Fire and Police Commission		
Salaries - Regular	\$ 30,325	30,182
Employee Benefits	9,690	8,929
Professional Services	20,580	33,725
Classified Advertisements	2,500	2,397
Total Fire and Police Commission	<u>63,095</u>	<u>75,233</u>
Police		
General Operations		
Salaries - Regular	4,113,575	3,992,017
Salaries - Overtime	225,000	327,430
Salaries - Overtime - Grant Funded	20,000	25,809
Employee Benefits	2,348,210	2,295,396
Memberships	735	940
Professional Services	-	10
Physical Exams	20,000	8,234
Contractual Animal Observation	4,000	15,392
Maintenance - Equipment	8,500	12,351
Maintenance - Radios	31,200	28,555
Undercover Vehicle Rental	-	(134)
Uniforms	39,000	34,154
Range Supplies	6,500	5,570
Supplies Other than Office	7,800	5,577
Crime Prevention Materials	3,465	2,873
Automotive	255,600	243,049
Incidentals	6,800	6,097
Training	19,000	21,131
Crime Lab Contributions	41,690	38,117
NIPAS Contribution	4,170	3,700
Major Crimes Task Force	5,000	3,851
NIPSTA Contribution	9,600	8,325
Building Improvements	-	11,223
Motor Equipment	80,900	77,234
Other Equipment	7,000	-
Total General Operations	<u>7,257,745</u>	<u>7,166,901</u>

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2010

	Original and Final Budget	Actual
Public Safety - Continued		
Police - Continued		
General Services		
Salaries - Regular	\$ 432,325	462,243
Salaries - Overtime	250	1,873
Employee Benefits	114,110	153,229
Memberships	625	15
Professional Services	19,850	14,993
Lease/Purchase - Copier	5,500	4,864
Maintenance - Office Equipment	500	115
Reaccreditation Fees	4,500	4,493
L.E.A.D.S./P.I.M.S. Program	3,600	3,000
Professional Services - Police Grant Work	12,000	1,706
Towing - Contractual	1,800	-
Computer Communications	3,450	3,279
Uniforms	1,000	257
Office Supplies	8,000	9,922
Supplies Other than Office	4,150	1,227
Incidentals	300	264
Training	2,200	691
Care of Prisoners	1,000	514
Total General Services	615,160	662,685
Public Safety Communications		
Salaries - Regular	597,075	577,382
Salaries - Overtime	30,000	105,173
Employee Benefits	203,040	219,537
Memberships	110	152
Contractual Regional Fire Dispatch	166,700	174,472
Contractual Software Support - C.A.D.	45,275	44,025
Maintenance - Office Equipment	300	272
Maintenance - E-911 System	57,850	49,450
Maintenance - NORCOM Network	46,500	42,459
IWIN Program	11,000	9,241
Computer Communications	10,200	10,094
Uniforms	3,000	4,494

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2010**

	Original and Final Budget	Actual
Public Safety - Continued		
Police - Continued		
Public Safety Communications - Continued		
Incidentals	\$ 200	90
Training	3,000	2,782
Total Public Safety Communications	1,174,250	1,239,623
School Crossing Protection		
Salaries - Regular	191,500	202,037
Employee Benefits	17,910	18,906
Uniforms	500	-
Supplies Other than Office	1,000	-
Total School Crossing Protection	210,910	220,943
Total Police	9,258,065	9,290,152
Emergency Fire and Medical Services		
Salaries - Regular	4,249,850	4,248,864
Salaries - Overtime	370,000	306,493
Salaries - Off-Duty Response	20,000	12,901
Employee Benefits	2,622,590	2,673,424
Memberships	3,475	2,074
Professional Services	5,500	2,807
Lease/Purchase - Copier	4,530	3,684
Physical Exams	17,660	14,080
Maintenance - Equipment	29,150	38,277
Maintenance - Radios	3,450	2,901
Maintenance - Breathing Equipment	2,000	4,543
Maintenance - Telemetry Equipment	8,950	9,033
Maintenance - Special Rescue Equipment	6,300	6,170
Reaccreditation Fees	1,000	1,000
Computer Communications	7,200	9,306
Pager Rental	4,400	2,231
Uniforms	22,430	25,738
Protective Clothing	18,600	20,122
Supplies - Automotive Parts	16,700	23,089
Supplies - Auto Shop	2,500	4,605
Supplies - Fire Hose	-	21

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2010**

	Original and Final Budget	Actual
Public Safety - Continued		
Emergency Fire and Medical Services - Continued		
Supplies - Office	\$ 4,000	2,306
Supplies - Other than Office	7,950	7,866
Materials - Public Education Programming	4,500	4,065
Gasoline and Oil	25,000	26,714
Incidentals	750	413
Training	32,850	29,886
NIPSTA Contribution	8,325	8,325
MABAS Contribution	5,250	5,000
Rent - Commonwealth Edison	1,500	1,500
Other Equipment	-	33,125
Total Emergency Fire and Medical Services	7,506,410	7,530,563
 Total Public Safety	 16,827,570	 16,895,948
NonGAAP Activity		
Plus Prior Year Encumbrances	4,478	4,478
Total Public Safety	16,832,048	16,900,426
 Streets and Sanitation		
Streets Department		
Salaries - Regular	1,004,075	967,194
Salaries - Overtime	74,210	74,409
Employee Benefits	337,600	323,179
Memberships	1,370	1,410
Professional Services	550	-
Lease/Purchase - Copier	5,320	4,261
Contractual Services	63,545	52,627
Contractual Snow Removal	47,945	62,475
Maintenance - Office Equipment	475	316
Holiday Light Decorations	28,025	32,521
J.U.L.I.E. Expenditures	4,820	4,308
Landscaping and Maintenance of Public Right of Way	28,205	5,517
Lease Leaf Packers	93,525	92,903
Leaf Disposal	127,400	101,681
Pager Rental	1,600	1,477

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2010**

	Original and Final Budget	Actual
Streets and Sanitation - Continued		
Streets Department - Continued		
Uniforms	\$ 5,800	3,938
Supplies - Miscellaneous Tools and Equipment	1,000	999
Supplies - Office	4,500	1,804
Supplies - Other than Office	1,300	851
Materials - Traffic Signs	15,000	14,845
Materials - Salt	189,050	161,809
Materials - Street Repair and Landscaping	31,000	28,288
Automotive	473,860	449,269
Incidentals	1,000	382
Training	7,375	5,593
NIPSTA Contribution	1,500	1,500
Total Streets Department	2,550,050	2,393,556
Refuse Collection and Disposal		
Contractual Refuse Collection	882,865	882,864
Recycling Collection	597,655	597,656
Landfill Tipping Fees	597,450	502,980
Contractual Yard Waste Collection	180,365	180,365
Yard Waste Disposal	45,820	29,151
Yard Waste Supplies	2,550	2,190
Promotional and Educational	600	7,386
Total Refuse Collection and Disposal	2,307,305	2,202,592
Maintenance of Trees		
Salaries - Regular	224,410	224,095
Salaries - Overtime	7,090	9,876
Employee Benefits	82,660	83,900
Contractual Services	2,500	1,538
Tree Planting Program	37,470	29,487
Contractual Tree Pruning	173,280	124,135

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2010**

	Original and Final Budget	Actual
Streets and Sanitation - Continued		
Maintenance of Trees - Continued		
Emerald Ash Borer - Tree Removals	\$ 100,000	98,366
Uniforms	1,580	706
Materials	2,000	1,993
Automotive	50,000	47,410
Training	1,100	885
Total Maintenance of Trees	<u>682,090</u>	<u>622,391</u>
Street Lighting		
Salaries - Regular	108,850	109,640
Salaries - Overtime	5,180	3,799
Employee Benefits	45,760	44,333
Contractual Services	4,100	3,158
Maintenance & Disposal of Transformers	700	393
Uniforms	1,380	1,269
Supplies	26,675	26,697
Supplies - Light Poles and Parts	10,000	9,778
Commonwealth Edison Leased Lighting	26,400	25,996
Street Light Power - Village System	125,000	93,693
Automotive	29,500	28,030
Training	370	110
Total Street Lighting	<u>383,915</u>	<u>346,896</u>
Total Streets and Sanitation	5,923,360	5,565,435
NonGAAP Activity		
Less Current Year Encumbrances	(3,158)	(3,158)
Plus Prior Year Encumbrances	<u>5,190</u>	<u>5,190</u>
Total Streets and Sanitation	<u>5,925,392</u>	<u>5,567,467</u>

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2010**

	Original and Final Budget	Actual
Other Public Works		
Village Engineer		
Salaries - Regular	\$ 397,875	397,347
Salaries - Overtime	500	-
Employee Benefits	124,425	125,642
Memberships	920	982
Professional Services	7,500	12,404
Microfilming	-	50
Update of Water/Sewer Atlases	9,000	14,100
Maintenance - Office Equipment	2,500	1,630
Maintenance - Traffic Signals	54,100	46,880
Sidewalk Replacement Program	30,000	30,244
Street and Alley Maintenance Program	150,000	130,458
Pavement Marking Program	19,000	20,268
Brick Street Maintenance	20,000	16,170
Crack Sealing Program	20,000	19,994
Traffic Calming Program	10,000	8,986
Street Resurfacing Program	400,000	387,037
Supplies - Office	1,500	1,297
Supplies - Other than Office	1,500	791
Automotive	17,000	16,170
Incidentals	1,500	2,017
Training	3,250	2,621
Total Village Engineer	1,270,570	1,235,088
Building and Grounds		
Salaries - Regular	195,825	196,636
Salaries - Overtime	14,550	8,148
Employee Benefits	68,230	64,327
Memberships	450	368
Contractual Services	75,120	70,850
Contractual Custodial Services	72,000	60,946
Heating and Cooling System Repairs	45,000	39,224
Uniforms	1,000	458
Supplies - Building	37,000	45,644

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2010

	Original and Final Budget	Actual
Other Public Works - Continued		
Building and Grounds - Continued		
Supplies - Grounds	\$ 2,500	2,261
Supplies - Printing	6,000	4,231
Building and Furniture Repairs	39,000	46,029
Heating - Electric	20,600	-
Heating - Gas	50,000	32,708
Automotive	11,400	10,770
Training	250	-
Total Building and Grounds	<u>638,925</u>	<u>582,600</u>
Total Other Public Works	1,909,495	1,817,688
NonGAAP Activity		
Less Current Year Encumbrances	<u>(6,383)</u>	<u>(6,383)</u>
Total Other Public Works	<u>1,903,112</u>	<u>1,811,305</u>
Public Health		
Salaries - Regular	130,175	139,594
Employee Benefits	45,210	44,280
Memberships	590	590
Lab Services - Contractual	1,300	1,438
Maintenance - Office Equipment	200	111
Supplies - Laboratory	13,500	6,947
Supplies - Office	300	388
Automotive	11,400	10,770
Incidentals	200	213
Training	1,200	432
C.P.R. Program	<u>1,320</u>	<u>1,024</u>
Total Public Health	<u>205,395</u>	<u>205,787</u>
Community Development		
Community Development		
Salaries - Regular	722,875	682,685
Salaries - Overtime	500	2,877
Employee Benefits	233,535	212,341

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2010

	Original and Final Budget	Actual
Community Development - Continued		
Community Development - Continued		
Memberships	\$ 3,000	2,730
Professional Services	18,750	59,481
Zoning Ordinance Review	85,000	70,198
Village Center Master Development Plan	105,000	109,765
Plan Review Inspection Services	10,000	-
Maintenance - Office Equipment	1,000	902
Supplies - Office	2,500	2,091
Supplies - Other than Office	3,900	359
Automotive	40,300	38,240
Incidentals	400	135
Training	1,800	338
Publishing Legal Notices	6,500	3,481
Total Community Development	<u>1,235,060</u>	<u>1,185,623</u>
Business Development		
Salaries - Regular	44,975	44,798
Employee Benefits	12,920	12,231
Memberships	875	825
Business Promotion Activities	20,000	19,574
Incidentals	500	530
Depot Building - Property Taxes	-	-
Total Business Development	<u>79,270</u>	<u>77,958</u>
Total Community Development	1,314,330	1,263,581
Plus NonGAAP Activity		
Plus Prior Year Encumbrances	<u>5,000</u>	<u>4,073</u>
Total Community Development	<u>1,319,330</u>	<u>1,267,654</u>
Debt Service		
Historical Museum Principal Retirement	8,200	8,176
Historical Museum Interest Expense	100	3
Village Manager's Housing Subsidy Installment Contract Retirement	-	120,000
Historical Society Installment Contract Principal Retirement	-	20,000
Total Debt Service	<u>8,300</u>	<u>148,179</u>

VILLAGE OF WILMETTE, ILLINOIS

Debt Service Fund

Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2010

	Original and Final Budget	Actual
Revenues		
Taxes		
Property Taxes	\$ 3,217,500	3,030,031
Expenditures		
Debt Service		
Principal Retirement	1,450,000	1,440,000
Interest and Fiscal Charges	1,611,500	1,152,753
Issuance Costs	-	71,250
Total Expenditures	3,061,500	2,664,003
Excess (Deficiency) of Revenues Over (Under) Expenditures	156,000	366,028
Other Financing Sources (Uses)		
Debt Issuance	-	21,796,911
Payment to Escrow Agent	-	(21,725,661)
	-	71,250
Net Change in Fund Balance	<u>156,000</u>	437,278
Fund Balance - Beginning		<u>(96,363)</u>
Fund Balance - Ending		<u>340,915</u>

VILLAGE OF WILMETTE, ILLINOIS

Series 2007, 2009 and 2010 General Obligation Bonds - Capital Projects Fund

**Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2010**

	Original and Final Budget	Actual
Revenues		
Intergovernmental		
Wilmette School District #39 - Cable TV System Improvements Contribution	\$ -	3,859
Investment Earnings	-	7,819
Total Revenues	-	11,678
Expenditures		
Capital Outlay	237,500	397,720
Debt Service		
Bond Issuance Costs	-	4,116
Total Expenditures	237,500	401,836
Excess (Deficiency) of Revenues Over (Under) Expenditures	(237,500)	(390,158)
Other Financing Sources		
Debt Issuance	-	1,475,000
Premium on Debt Issuance	-	24,724
	-	1,499,724
Net Change in Fund Balances	(237,500)	1,109,566
Fund Balances - Beginning		1,383,335
Fund Balances - Ending		2,492,901

VILLAGE OF WILMETTE, ILLINOIS

Series 2007, 2009 and 2010 General Obligation Bonds - Capital Projects Fund

Schedule of Expenditures - Budget and Actual
Year Ended December 31, 2010

	Original and Final Budget	Actual
Capital Outlay		
Cable TV System Improvements	\$ 237,500	289,302
Public Works Facility Improvements		7,873
Public Works Office Workstations	-	27,198
Sheridan Road Improvements	-	45,710
Greenbay Road Traffic Signal Improvements	-	4,966
Skokie Valley Bike Trail	-	6,862
Telephone System Improvements	-	15,809
Total Capital Outlay	<u>237,500</u>	<u>397,720</u>
Debt Service		
Bond Issuance Costs	-	4,116
Total Expenditures	<u>237,500</u>	<u>401,836</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, 2010

	Original and Final Budget	Actual
Revenues		
Intergovernmental		
Motor Fuel Tax Allotments	\$ 740,000	822,185
Investment Earnings	10,000	4,239
Total Revenues	<u>750,000</u>	<u>826,424</u>
Expenditures		
Capital Outlay		
Road Resurfacing Improvements	<u>750,000</u>	<u>750,000</u>
Net Change in Fund Balance	<u>-</u>	76,424
Fund Balance - Beginning		<u>331,412</u>
Fund Balance - Ending		<u><u>407,836</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual
Year Ended December 31, 2010

	Original and Final Budget	Actual
Operating Revenues		
Charges for Services		
Water Sales		
Residential	\$ 3,152,000	3,081,847
Unbilled Water Sales	-	16,000
Village of Glenview	3,087,000	3,136,150
Illinois American Water Company	928,000	883,527
Other Water Sales	-	25,204
Other	100,000	119,086
Total Operating Revenues	<u>7,267,000</u>	<u>7,261,814</u>
Operating Expenses		
Administration		
General	155,475	144,956
Administrative	492,590	467,293
Operations		
Water Plant Operations	2,427,125	2,261,065
Distribution	968,830	885,849
Meter and Reservoir Maintenance	375,680	337,901
Depreciation	-	1,083,386
Total Operating Expenses	<u>4,419,700</u>	<u>5,180,450</u>
Operating Income	<u>2,847,300</u>	<u>2,081,364</u>
Nonoperating Revenues (Expenses)		
Investment Earnings	35,000	15,210
Interest Expense	(757,790)	(752,377)
Amortization of Bond Discount	-	(17,660)
	<u>(722,790)</u>	<u>(754,827)</u>
Income Before Transfers	2,124,510	1,326,537
Transfers Out	<u>(1,000,000)</u>	<u>(1,000,000)</u>
Change in Net Assets	<u>1,124,510</u>	326,537
Net Assets - Beginning		<u>14,903,625</u>
Net Assets - Ending		<u>15,230,162</u>

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual
Year Ended December 31, 2010

	Original and Final Budget	Actual
Administration		
General		
Salaries - Regular	\$ 61,550	61,773
Salaries - Overtime	500	-
Employee Benefits	24,850	23,675
Annual Audit	14,000	14,000
Bank Charges	18,500	13,788
Postage	19,000	21,288
Contractual Meter Reading	9,000	5,554
Uniforms	350	-
Supplies - Office - Administrative	4,000	3,057
Supplies - Office - Water Plant	2,300	1,054
Incidentals	100	167
Training	1,325	600
Total General	155,475	144,956
Administrative		
Salaries - Regular	265,300	263,736
Employee Benefits	79,270	76,498
Memberships	2,220	1,948
Contractual Grounds Maintenance	1,700	-
Telephone - Regular Service	20,000	14,225
Telephone - Maintenance	2,000	-
Telephone - Cellular	8,400	7,363
Telephone - Long Distance	1,000	1
Supplies - Building	8,000	6,581
Building Furniture and Repairs	6,400	5,192
Training	5,000	1,749
General Liability and Property Insurance	93,300	90,000
Total Administrative	492,590	467,293

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended December 31, 2010

	Original and Final Budget	Actual
Operations		
Water Plant Operations		
Salaries - Regular	\$ 1,067,200	1,009,155
Salaries - Accrued Vacation	-	(5,700)
Salaries - Overtime	29,730	35,384
Employee Benefits	388,475	361,311
Professional Services - SCADA System Maintenance	2,500	1,304
Contractual Services	20,720	13,586
Maintenance of Equipment	35,000	35,273
Video Communications	-	2,727
Uniforms	4,000	4,089
Supplies	31,000	13,600
Supplies - Computer Parts	1,000	-
Supplies - Laboratory	12,000	6,967
Equipment Repairs	32,000	19,177
Power	442,000	436,260
Heating Gas	75,000	38,959
Chemicals	185,000	170,799
Automotive	20,500	19,390
Incidentals	1,000	853
Water Reclamation District User Charges	80,000	96,356
Building Improvements	25,000	10,276
Pumping Improvements	145,000	25,499
	<u>2,597,125</u>	<u>2,295,265</u>
Less Nonoperating Items		
Capital Outlay	(170,000)	(34,200)
Total Water Plant Operations	<u>2,427,125</u>	<u>2,261,065</u>
Distribution		
Salaries - Regular	422,525	412,996
Salaries - Accrued Vacation	-	(1,250)
Salaries - Overtime	30,450	22,573
Employee Benefits	165,570	157,003
Contractual Services	106,680	85,371

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended December 31, 2010

	Original and Final Budget	Actual
Operations - Continued		
Distribution - Continued		
Maintenance - Distribution System	\$ 11,000	9,045
Unidirectional Water Main Flushing	37,000	37,100
Uniforms	4,630	2,661
Supplies - Miscellaneous Tools and Equipment	2,500	-
Materials	63,600	63,990
Automotive	101,100	95,870
Incidentals	200	40
Training	3,575	450
Replacement Fire Hydrants	20,000	-
Distribution Improvements	60,000	60,000
	<u>1,028,830</u>	<u>945,849</u>
Less Nonoperating Items		
Capital Outlay	(60,000)	(60,000)
Total Distribution	<u>968,830</u>	<u>885,849</u>
Meter and Reservoir Maintenance		
Salaries - Regular	166,825	136,333
Salaries - Overtime	600	-
Employee Benefits	42,855	44,898
Contractual Services	9,000	4,101
Maintenance - Reservoir/Pumping Station	3,500	-
Maintenance - Standpipe	1,500	-
Uniforms	900	475
Supplies	2,300	1,362
Supplies - Reservoir	3,000	479
Water Meters - Cost of Sales	20,000	22,019
Water Meters - Repair Parts	5,500	2,186
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, 2010

	Original and Final Budget	Actual
Operations - Continued		
Meter and Reservoir Maintenance - Continued		
Automatic Meter Reading Program	\$ 98,000	105,678
Automotive	19,900	18,870
Training	300	-
Total Meter and Reservoir Maintenance	<u>375,680</u>	<u>337,901</u>
Capital Outlay		
Roof Repairs	340,000	312,756
Standpipe Reconditioning	-	3,980
Evanston Interconnection Improvements	-	11,616
	<u>340,000</u>	<u>328,352</u>
Less Nonoperating Items		
Capital Outlay	<u>(340,000)</u>	<u>(328,352)</u>
Total Capital Outlay	<u>-</u>	<u>-</u>
Debt Service		
Principal Retirement	605,000	605,000
Interest Expense	756,290	751,452
Bond Registrar Fees	1,500	925
New Bond Issuance	-	(1,130,000)
Amortization of Bond Discount	-	17,660
	<u>1,362,790</u>	<u>245,037</u>
Less Nonoperating Items		
Debt Service	<u>(1,362,790)</u>	<u>(245,037)</u>
Total Debt Service	<u>-</u>	<u>-</u>
Depreciation	<u>-</u>	<u>1,083,386</u>
Total Operating Expenses	<u>4,419,700</u>	<u>5,180,450</u>

VILLAGE OF WILMETTE, ILLINOIS

Sewer - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual
Year Ended December 31, 2010

	Original and Final Budget	Actual
Operating Revenues		
Charges for Services		
Sewer Charges	\$ 4,005,000	3,930,949
Sewer Charges - Unbilled	-	26,000
ARRA Grant	-	75,683
Total Operating Revenues	<u>4,005,000</u>	<u>4,032,632</u>
Operating Expenses		
Operations		
Maintenance of Sewers	1,078,375	986,998
Storm Water Pumping Station	47,160	35,171
Capital Outlay	-	6,825
Depreciation	-	780,005
Total Operating Expenses	<u>1,125,535</u>	<u>1,808,999</u>
Operating Income	<u>2,879,465</u>	<u>2,223,633</u>
Nonoperating Revenues (Expenses)		
Investment Earnings	-	6,636
Interest Expense	(702,483)	(652,250)
	<u>(702,483)</u>	<u>(645,614)</u>
Change in Net Assets	<u>2,176,982</u>	1,578,019
Net Assets - Beginning		<u>22,329,841</u>
Net Assets - Ending		<u>23,907,860</u>

VILLAGE OF WILMETTE, ILLINOIS

Sewer - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual
Year Ended December 31, 2010

	Original and Final Budget	Actual
Operations		
Maintenance of Sewers		
Salaries - Regular	\$ 443,075	442,944
Salaries - Accrued Vacation	-	(1,250)
Salaries - Overtime	8,590	7,121
Employee Benefits	167,680	164,423
Contractual Services	100,000	81,388
Contractual Sewer Improvements	210,000	149,909
N.P.D.E.S. Phase II	6,000	6,000
Uniforms	4,630	2,492
Supplies - Miscellaneous Tools and Equipment	2,500	717
Materials	32,775	32,761
Automotive	101,100	95,870
Incidentals	200	-
Training	1,825	323
Motor Equipment	-	4,300
Total Maintenance of Sewers	<u>1,078,375</u>	<u>986,998</u>
Storm Water Pumping Station		
Salaries - Overtime	8,600	3,198
Employee Benefits	1,560	694
Contractual Services	2,500	-
Maintenance - Equipment	3,000	1,316
Supplies	1,000	1,574
Supplies - Outfall Control	500	397
Power	30,000	27,992
Total Storm Water Pumping Station	<u>47,160</u>	<u>35,171</u>

VILLAGE OF WILMETTE, ILLINOIS

Sewer - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended December 31, 2010**

	Original and Final Budget	Actual
Operations - Continued		
Capital Outlay		
Separate Sewer System Study	\$ -	5,649
Storm Water Pumping Station Electrical Improvements	-	11,859
Storm Water Pumping Station Emergency Power Improv.	-	39,308
Sewer Lining and Rehabilitation	900,000	247,790
Greenleaf Relief Sewer	-	19,414
Sewer Main Repairs	425,000	308,680
Relief Sewer Improvements	-	35,542
	<u>1,325,000</u>	<u>668,242</u>
Less Nonoperating Items		
Capital Outlay	<u>(1,325,000)</u>	<u>(661,417)</u>
Total Capital Outlay	<u>-</u>	<u>6,825</u>
Debt Service		
Debt Proceeds	(900,000)	(1,702,028)
Amortization of Bond Reoffering Premium	-	45,000
Principal Retirement	2,195,147	1,966,585
Interest Expense	702,483	652,250
	<u>1,997,630</u>	<u>961,807</u>
Less Nonoperating Items		
Debt Service	<u>(1,997,630)</u>	<u>(961,807)</u>
Total Debt Service	<u>-</u>	<u>-</u>
Depreciation	<u>-</u>	<u>780,005</u>
Total Operating Expenses	<u><u>1,125,535</u></u>	<u><u>1,808,999</u></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, 2010

	Original and Final Budget	Actual
Operating Revenues		
Charges for Services		
Parking fees	\$ 414,065	404,036
Operating Expenses		
Operations		
Central Business District	206,605	196,008
CTA Station	147,440	122,313
Burmeister Parking Facility	17,425	10,829
Depreciation	-	123,582
Total Operating Expenses	371,470	452,732
Operating Income (Loss)	42,595	(48,696)
Nonoperating Revenues (Expenses)		
Interest Expense	(6,175)	(5,837)
Amortization of Bond Discount	-	(825)
	(6,175)	(6,662)
Change in Net Assets	36,420	(55,358)
Net Assets - Beginning		4,905,757
Net Assets - Ending		4,850,399

VILLAGE OF WILMETTE, ILLINOIS

Parking Meter - Nonmajor Enterprise Fund

**Schedule of Operating Revenues - Budget and Actual
Year Ended December 31, 2010**

	Original and Final Budget	Actual
Charges for Services		
Central Business District		
Parking Meter Revenue	\$ 55,400	47,254
Debit Card Revenue	120,200	135,131
Permit Fees	29,100	29,800
METRA Station Rent	2,765	2,765
Total Central Business District	<u>207,465</u>	<u>214,950</u>
CTA Station		
Commuter Daily Drop Box	150,000	140,952
Commuter Permit Fees	25,000	18,720
Merchant Permit Fees	3,200	2,484
Residential Permit Fees	3,600	2,880
Total CTA Station	<u>181,800</u>	<u>165,036</u>
Burmeister Parking Facility		
Permit Fees	<u>24,800</u>	<u>24,050</u>
Total Operating Revenues	<u><u>414,065</u></u>	<u><u>404,036</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Parking Meter - Nonmajor Enterprise Fund

Schedule of Operating Expenses - Budget and Actual
Year Ended December 31, 2010

	Original and Final Budget	Actual
Operations		
Central Business District		
Salaries - Regular	\$ 68,370	68,454
Salaries - Overtime	2,000	588
Employee Benefits	23,040	23,664
Contractual Services - Railroad Property	17,260	17,982
Contractual Snow Plowing	17,545	9,745
Building Supplies - Railroad Property	300	350
Grounds Supplies - Village Property	4,370	2,620
Grounds Supplies - Railroad Property	2,000	2,000
Power - METRA Station	4,035	3,623
Heating Gas - Railroad Property	2,500	1,547
Lighting	8,000	6,431
Parking Meter Parts - Village Property	400	-
Parking Meter Parts - Railroad Property	6,385	6,240
Rent - Commuter Lot	44,400	47,119
Rent - Poplar Drive Lots	3,500	2,565
Rent - St. Augustine Lot	2,000	2,400
Rent - Masonic Temple Lot	500	680
Total Central Business District	206,605	196,008
CTA Station		
Salaries - Regular	37,320	37,404
Salaries - Overtime	3,250	-
Employee Benefits	13,110	13,066
Bank Charges	-	2,263
Contractual Services	2,010	2,006
Contractual Grounds Maintenance	4,000	1,171
Contractual Snow Plowing	9,950	5,797
Materials	2,800	828
Rent - CTA	75,000	59,778
Other Equipment	-	773
	147,440	123,086
Less Nonoperating Items		
Capital Outlay	-	(773)
Total CTA Station	147,440	122,313

VILLAGE OF WILMETTE, ILLINOIS

Parking Meter - Nonmajor Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended December 31, 2010

	Original and Final Budget	Actual
Operations - Continued		
Burmeister Parking Facility		
Contractual Services	\$ 6,300	2,454
Materials	525	-
Lighting	10,600	8,375
Total Burmeister Parking Facility	<u>17,425</u>	<u>10,829</u>
Debt Service		
Principal Retirement	125,000	125,000
Interest Expense	6,175	5,837
Interest Expense - Bond Discount Amortization	-	825
	<u>131,175</u>	<u>131,662</u>
Less Nonoperating Items		
Debt Service	<u>(131,175)</u>	<u>(131,662)</u>
Total Debt Service	<u>-</u>	<u>-</u>
Depreciation	<u>-</u>	<u>123,582</u>
Total Operating Expenses	<u><u>371,470</u></u>	<u><u>452,732</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Combining Statement of Net Assets

Internal Service Funds

December 31, 2010

See Following Page

VILLAGE OF WILMETTE, ILLINOIS

Combining Statement of Net Assets

Internal Service Funds

December 31, 2010

	<u>Municipal Garage</u>
ASSETS	
Current Assets	
Cash and Investments	\$ -
Receivables - Net of Allowances	
Accounts	<u>-</u>
Total Assets	<u>-</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	-
Deposits Payable	-
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
2,858	-	2,821	856,386	862,065
1,118	13,531	-	-	14,649
3,976	13,531	2,821	856,386	876,714
3,976	1,292	2,821	-	8,089
-	-	-	9,604	9,604
-	12,239	-	-	12,239
3,976	13,531	2,821	9,604	29,932
-	-	-	2,739,738	2,739,738
3,976	13,531	2,821	2,749,342	2,769,670
-	-	-	(1,892,956)	(1,892,956)

VILLAGE OF WILMETTE, ILLINOIS

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

Internal Service Funds
Year Ended December 31, 2010

	<u>Municipal Garage</u>
Operating Revenues	
Interfund Services	<u>\$ 1,094,205</u>
Operating Expenses	
Administration	-
Operations	<u>1,094,205</u>
Total Operating Expenses	<u>1,094,205</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
2,309,394	308,847	1,500,615	165,000	5,378,061
-	-	-	87,796	87,796
2,309,394	308,847	1,500,615	142,058	5,355,119
2,309,394	308,847	1,500,615	229,854	5,442,915
-	-	-	(64,854)	(64,854)
-	-	-	3,299	3,299
-	-	-	(61,555)	(61,555)
-	-	-	(1,831,401)	(1,831,401)
-	-	-	(1,892,956)	(1,892,956)

VILLAGE OF WILMETTE, ILLINOIS

Combining Statement of Cash Flows

Internal Service Funds

Year Ended December 31, 2010

	<u>Municipal Garage</u>
Cash Flows from Operating Activities	
Receipts from Interfund Services	\$ 1,094,205
Payments to Employees	(515,863)
Payments to Suppliers	(578,342)
	<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
2,308,276	309,292	1,500,615	166,013	5,378,401
-	-	-	-	(515,863)
(2,316,113)	(311,626)	(1,499,658)	(78,192)	(4,783,931)
(7,837)	(2,334)	957	87,821	78,607
-	2,334	-	-	2,334
-	-	-	3,299	3,299
(7,837)	-	957	91,120	84,240
10,695	-	1,864	765,266	777,825
2,858	-	2,821	856,386	862,065
-	-	-	(64,854)	(64,854)
(1,118)	445	-	1,013	340
(6,719)	(2,779)	957	151,662	143,121
(7,837)	(2,334)	957	87,821	78,607

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, 2010

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 1,000,000	848,007
Sewer Fund Billings	113,200	95,870
Water Fund Billings	158,400	134,130
Insurance Reimbursements	16,035	16,198
Total Operating Revenues	<u>1,287,635</u>	<u>1,094,205</u>
Operating Expenses		
Operations		
Maintenance		
Regular Salaries	505,450	513,836
Overtime Salaries	2,350	2,027
Employee Benefits	161,080	163,775
Contractual Services	44,000	34,898
Maintenance - Radios	800	-
Contractual Services - Vehicle Washing	3,350	655
Automobile Insurance and Claims	66,000	66,000
Uniforms	3,700	2,665
Supplies - Automotive Parts	121,580	114,709
Supplies - Auto Shop	11,995	10,278
Supplies - Vehicle Striping and Safety	2,050	1,071
Gasoline and Oil	353,000	178,234
Mechanics' Tool Allowance	2,310	1,844
Incidentals	75	20
Training	3,050	419
Licenses, Titles and Inspection Fees	4,345	3,614
Squad Car Transfer Rehabilitation	2,500	160
Total Operating Expenses	<u>1,287,635</u>	<u>1,094,205</u>
Change in Net Assets	<u>-</u>	<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, 2010

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 2,008,524	1,850,538
Municipal Garage Fund Billings	72,040	67,107
Parking Meter Fund Billings	25,020	17,446
Sewer Fund Billings	84,590	78,420
Water Fund Billings	324,170	295,883
Total Operating Revenues	<u>2,514,344</u>	<u>2,309,394</u>
Operating Expenses		
Operations		
Flexible Benefit Program Contributions	146,160	140,040
Employee Health Insurance		
North Suburban Employee Benefit Co-Op	1,548,184	1,261,086
HMO - Illinois	770,000	843,559
Employee Life Insurance	40,000	36,938
Unemployment Compensation	10,000	24,131
Other Insurance Expense	-	3,640
Total Operating Expenses	<u>2,514,344</u>	<u>2,309,394</u>
Change in Net Assets	<u>-</u>	-
Net Assets - Beginning		<u>-</u>
Net Assets - Ending		<u>-</u>

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, 2010

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 241,920	233,348
Municipal Garage Fund Billings	8,600	8,440
Parking Meter Fund Billings	2,290	1,800
Sewer Fund Billings	7,180	7,380
Water Fund Billings	40,010	32,840
Insurance Reimbursements	-	25,039
Total Operating Revenues	<u>300,000</u>	<u>308,847</u>
Operating Expenses		
Operations		
Workers' Compensation		
Fixed Premium Portion	257,250	257,387
Payment of Deductibles	42,750	51,460
Total Operating Expenses	<u>300,000</u>	<u>308,847</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, 2010

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 996,560	1,006,744
Municipal Garage Fund Billings	75,900	84,459
Parking Meter Fund Billings	15,810	17,484
Sewer Fund Billings	66,790	74,791
Water Fund Billings	322,520	317,137
Total Operating Revenues	<u>1,477,580</u>	<u>1,500,615</u>
Operating Expenses		
Operations		
Employer IMRF Contributions	683,340	745,407
Employer FICA Contributions	558,050	529,684
Employer Medicare Contributions	236,190	225,524
Total Operating Expenses	<u>1,477,580</u>	<u>1,500,615</u>
Change in Net Assets	<u>-</u>	-
Net Assets - Beginning		<u>-</u>
Net Assets - Ending		<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, 2010**

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 127,300	139,180
Municipal Garage Fund Billings	3,250	3,770
Sewer Fund Billings	3,900	4,525
Water Fund Billings	16,150	17,525
Total Operating Revenues	<u>150,600</u>	<u>165,000</u>
Operating Expenses		
Administration	45,000	87,796
Operations		
Sick Leave Accrual	-	142,058
Total Operating Expenses	<u>45,000</u>	<u>229,854</u>
Operating Income (Loss)	105,600	(64,854)
Nonoperating Revenues		
Investment Earnings	<u>25,400</u>	3,299
Change in Net Assets	<u>131,000</u>	(61,555)
Net Assets - Beginning		<u>(1,831,401)</u>
Net Assets - Ending		<u>(1,892,956)</u>

VILLAGE OF WILMETTE, ILLINOIS

Pension Trust Funds

**Combining Statement of Net Plan Assets
December 31, 2010**

	Police Pension	Firefighters' Pension	Totals
Assets			
Cash and Cash Equivalents	\$ 993,845	1,623,991	2,617,836
Investments			
U.S. Government and Agency Securities	9,703,212	9,575,611	19,278,823
Mutual Funds	20,053,804	20,298,542	40,352,346
Common Stock	582,515	596,010	1,178,525
Receivables			
Accrued Interest	94,116	92,830	186,946
Total Assets	31,427,492	32,186,984	63,614,476
Liabilities			
Accounts Payable	3,379	3,548	6,927
Due to Other Funds	-	1,197	1,197
Total Liabilities	3,379	4,745	8,124
Net Plan Assets Held in Trust for Pension Benefits (A schedule of funding progress is presented following the notes to the financial schedules.)	31,424,113	32,182,239	63,606,352

VILLAGE OF WILMETTE, ILLINOIS

Pension Trust Funds

**Combining Statement of Changes in Net Plan Assets
Year Ended December 31, 2010**

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ 1,540,900	1,880,700	3,421,600
Contributions - Plan Members	383,121	385,509	768,630
Total Contributions	1,924,021	2,266,209	4,190,230
Investment Income			
Investment Earnings	1,148,603	1,206,651	2,355,254
Net Change in Fair Value	1,781,883	1,737,364	3,519,247
	2,930,486	2,944,015	5,874,501
Less Investment Expenses	(43,070)	(42,936)	(86,006)
Net Investment Income	2,887,416	2,901,079	5,788,495
Total Additions	4,811,437	5,167,288	9,978,725
Deductions			
Administration	10,814	34,993	45,807
Benefits and Refunds	1,940,523	2,249,669	4,190,192
Total Deductions	1,951,337	2,284,662	4,235,999
Change in Net Assets	2,860,100	2,882,626	5,742,726
Net Plan Assets Held in Trust for Pension Benefits			
Beginning	28,564,013	29,299,613	57,863,626
Ending	31,424,113	32,182,239	63,606,352

VILLAGE OF WILMETTE, ILLINOIS

Police Pension - Pension Trust Fund

**Schedule of Changes in Net Plan Assets - Budget and Actual
Year Ended December 31, 2010**

	Original and Final Budget	Actual
Additions		
Contributions - Employer	\$ 1,482,000	1,540,900
Contributions - Plan Members	405,000	383,121
Total Contributions	<u>1,887,000</u>	<u>1,924,021</u>
Investment Income		
Investment Earnings	1,850,000	1,148,603
Net Change in Fair Value	-	1,781,883
	<u>1,850,000</u>	<u>2,930,486</u>
Less Investment Expenses	(44,000)	(43,070)
Net Investment Income	<u>1,806,000</u>	<u>2,887,416</u>
Total Additions	<u>3,693,000</u>	<u>4,811,437</u>
Deductions		
Administration	14,600	10,814
Benefits and Refunds	2,000,000	1,940,523
Total Deductions	<u>2,014,600</u>	<u>1,951,337</u>
Change in Net Assets	<u>1,678,400</u>	2,860,100
Net Plan Assets Held in Trust for Pension Benefits		
Beginning		<u>28,564,013</u>
Ending		<u>31,424,113</u>

VILLAGE OF WILMETTE, ILLINOIS

Firefighters' Pension - Pension Trust Fund

Schedule of Changes in Net Plan Assets - Budget and Actual
Year Ended December 31, 2010

	Original and Final Budget	Actual
Additions		
Contributions - Employer	\$ 1,824,000	1,880,700
Contributions - Plan Members	394,000	385,509
Total Contributions	<u>2,218,000</u>	<u>2,266,209</u>
Investment Income		
Investment Earnings	1,850,000	1,206,651
Net Change in Fair Value	-	1,737,364
	<u>1,850,000</u>	<u>2,944,015</u>
Less Investment Expenses	(44,000)	(42,936)
Net Investment Income	<u>1,806,000</u>	<u>2,901,079</u>
Total Additions	<u>4,024,000</u>	<u>5,167,288</u>
Deductions		
Administration	10,600	34,993
Benefits and Refunds	2,200,000	2,249,669
Total Deductions	<u>2,210,600</u>	<u>2,284,662</u>
Change in Net Assets	<u>1,813,400</u>	2,882,626
Net Plan Assets Held in Trust for Pension Benefits		
Beginning		<u>29,299,613</u>
Ending		<u>32,182,239</u>

VILLAGE OF WILMETTE, ILLINOIS

Agency Fund - Fire Insurance Tax

**Combining Statement of Changes in Assets and Liabilities
December 31, 2010**

	Beginning Balances	Additions	Deductions	Ending Balances
ASSETS				
Cash and Investments	\$ 576,995	64,847	-	641,842
LIABILITIES				
Deposits Payable	576,995	64,847	40,200	601,642
Due to Other Funds	-	40,200	-	40,200
Total Liabilities	576,995	105,047	40,200	641,842

SUPPLEMENTAL SCHEDULES

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Bonds of 2002
December 31, 2010**

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
2011	\$ 515,000	314,383	829,383
2012	130,000	300,998	430,998
2013	135,000	295,604	430,604
2014	135,000	289,799	424,799
2015	140,000	283,791	423,791
2016	300,000	277,480	577,480
2017	390,000	263,470	653,470
2018	540,000	245,140	785,140
2019	640,000	219,490	859,490
2020	640,000	188,450	828,450
2021	1,240,000	157,090	1,397,090
2022	1,340,000	96,330	1,436,330
2023	600,000	30,000	630,000
	<u>6,745,000</u>	<u>2,962,025</u>	<u>9,707,025</u>
	385,000	General Long-Term Debt	
	1,810,000	Sewer Fund	
	<u>4,550,000</u>	Water Fund	
	<u>6,745,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Bonds of 2004

December 31, 2010

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 December	Principal	Interest	Totals
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>10,955,000</u>	<u>1,911,126</u>	<u>12,866,126</u>
	4,760,000	General Long-Term Debt	
	2,650,000	Sewer Fund	
	3,480,000	Water Fund	
	<u>65,000</u>	Parking Meter Fund	
	<u>10,955,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2007
December 31, 2010**

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
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>17,665,000</u>	<u>4,996,382</u>	<u>22,661,382</u>
	10,050,000	General Long-Term Debt	
	2,400,000	Sewer Fund	
	<u>5,215,000</u>	Water Fund	
	<u>17,665,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2009
December 31, 2010**

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
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>8,635,000</u>	<u>1,843,536</u>	<u>10,478,536</u>
	1,475,000	General Long-Term Debt	
	1,460,000	Sewer Fund	
	<u>5,700,000</u>	Water Fund	
	<u>8,635,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Bonds of 2010

December 31, 2010

Date of Issue	November 9, 2010
Date of Maturity	December 1, 2026
Authorized Issue	\$25,895,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 4.00%
Interest Dates	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
2011	\$ -	841,958	841,958
2012	-	839,626	839,626
2013	-	839,626	839,626
2014	-	839,626	839,626
2015	205,000	839,626	1,044,626
2016	395,000	835,526	1,230,526
2017	190,000	827,626	1,017,626
2018	1,145,000	822,874	1,967,874
2019	3,295,000	788,524	4,083,524
2020	2,670,000	689,674	3,359,674
2021	2,765,000	609,574	3,374,574
2022	3,055,000	526,624	3,581,624
2023	3,245,000	434,974	3,679,974
2024	4,430,000	329,512	4,759,512
2025	3,025,000	180,000	3,205,000
2026	1,475,000	59,000	1,534,000
	<u>25,895,000</u>	<u>10,304,370</u>	<u>36,199,370</u>
	23,280,000	General Long-Term Debt	
	1,485,000	Sewer Fund	
	<u>1,130,000</u>	Water Fund	
	<u>25,895,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**IEPA Revenue Bonds of 1993
December 31, 2010**

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
2011	\$ 616,437	51,207	667,644
2012	638,703	28,941	667,644
2013	327,951	5,871	333,822
	<u>1,583,091</u>	<u>86,019</u>	<u>1,669,110</u>
	<u>1,583,091</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**IEPA Revenue Bonds of 1995
December 31, 2010**

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
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>2,234,486</u>	<u>152,658</u>	<u>2,387,144</u>
	<u>2,234,486</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**IEPA Revenue Bonds of 1996
December 31, 2010**

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 December	Principal	Interest	Totals
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>1,591,786</u>	<u>137,557</u>	<u>1,729,343</u>
	<u>1,591,786</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**IEPA Revenue Bonds of 1997
December 31, 2010**

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
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>3,808,733</u>	<u>465,127</u>	<u>4,273,860</u>
	<u>3,808,733</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**IEPA Revenue Bonds of 2006
December 31, 2010**

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
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	26,007	1,839	27,846
2025	26,662	1,184	27,846
2026	27,333	514	27,847
	<u>365,370</u>	<u>80,183</u>	<u>445,553</u>
	<u>365,370</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

IEPA Revenue Bonds of 2007

December 31, 2010

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
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
	<u>571,047</u>	<u>60,839</u>	<u>591,355</u>
	<u>571,047</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**IEPA Revenue Bonds of 2010
December 31, 2010**

Date of Issue	September 30, 2010
Date of Maturity	April 7, 2020
Authorized Issue	\$172,028
Denomination of Bonds	Various
Interest Rates	0.00%
Interest Dates	N/A
Principal Maturity Date	October 7 and April 7
Payable at	Illinois Environmental Protection Agency

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2011	\$ 8,822	-	8,822
2012	8,822	-	8,822
2013	8,822	-	8,822
2014	8,822	-	8,822
2015	8,822	-	8,822
2016	8,822	-	8,822
2017	8,822	-	8,822
2018	8,822	-	8,822
2019	8,822	-	8,822
2020	8,822	-	8,822
2021	8,822	-	8,822
2022	8,822	-	8,822
2023	8,822	-	8,822
2024	8,822	-	8,822
2025	8,822	-	8,822
2026	8,822	-	8,822
2027	8,822	-	8,822
2028	8,822	-	8,822
2029	8,822	-	8,822
2031	4,410	-	4,410
	<u>172,028</u>	<u>-</u>	<u>172,028</u>
	<u>172,028</u>	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 Eight Fiscal Years
December 31, 2010 (Unaudited)**

See Following Page

VILLAGE OF WILMETTE, ILLINOIS

**Net Assets by Component - Last Eight Fiscal Years
December 31, 2010 (Unaudited)**

	2003	2004	2005	2006	2007	2008	2009	2010
Governmental Activities								
Invested in Capital Assets, Net of Related Debt	\$ 6,845,616	7,343,577	8,166,032	8,929,074	10,499,597	11,418,376	14,080,279	13,744,098
Restricted	1,107,740	1,154,049	1,076,158	834,828	450,725	1,189,728	331,412	632,132
Unrestricted	2,886,309	2,621,235	4,423,233	4,928,203	5,845,733	3,855,656	1,755,021	1,893,264
Total Governmental Activities Net Assets	10,839,665	11,118,861	13,665,423	14,692,105	16,796,055	16,463,760	16,166,712	16,269,494
Business-Type Activities								
Invested in Capital Assets, Net of Related Debt	33,343,412	35,127,266	35,475,772	36,849,485	37,956,144	39,036,902	40,104,715	41,149,679
Restricted	-	-	-	-	-	-	-	-
Unrestricted	2,309,012	1,517,047	3,340,497	2,605,420	2,884,158	2,262,176	2,034,508	2,838,742
Total Business-Type Activities Net Assets	35,652,424	36,644,313	38,816,269	39,454,905	40,840,302	41,299,078	42,139,223	43,988,421
Total Net Assets								
Invested in Capital Assets, Net of Related Debt	40,189,028	42,470,843	43,641,804	45,778,559	48,455,741	50,455,278	54,184,994	54,893,777
Restricted	1,107,740	1,154,049	1,076,158	834,828	450,725	1,189,728	331,412	632,132
Unrestricted	5,195,321	4,138,282	7,763,730	7,533,623	8,729,891	6,117,832	3,789,529	4,732,006
Total Primary Government Net Assets	46,492,089	47,763,174	52,481,692	54,147,010	57,636,357	57,762,838	58,305,935	60,257,915

Data Source: Village Records

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

VILLAGE OF WILMETTE, ILLINOIS

Changes in Net Assets - Last Eight Fiscal Years
December 31, 2010 (Unaudited)

	2003	2004	2005	2006	2007	2008	2009	2010
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	3,381,500
Public Safety	13,224,840	12,681,422	13,334,526	13,727,439	15,071,445	16,501,474	16,704,907	17,608,075
Streets and Sanitation	8,086,777	6,408,770	7,460,718	7,445,005	8,270,333	8,413,098	7,764,833	7,907,842
Other Public Works	1,012,646	1,073,884	1,051,838	1,687,224	2,155,904	1,761,734	1,511,453	1,433,367
Community Development	145,857	964,234	1,116,566	1,137,139	177,124	170,743	187,546	205,587
Public Health	869,963	154,543	160,447	193,970	1,253,997	1,271,890	1,123,256	1,267,254
Interest	1,590,316	1,570,605	1,447,678	1,404,556	1,636,879	1,718,654	1,648,850	1,213,334
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	33,016,959
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	5,950,487
Sewer	2,407,541	2,146,754	2,436,380	2,444,549	2,621,682	2,534,169	2,739,463	2,461,249
Parking	410,039	417,245	432,340	421,842	442,821	462,824	458,677	459,394
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	8,871,130
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	41,888,089
Program Revenues								
Governmental Activities								
Charges for Services								
General Government	139,939	234,736	247,917	265,168	288,614	292,394	297,132	368,144
Public Safety	1,402,962	1,430,121	1,533,081	1,572,175	1,993,313	2,131,372	2,147,962	2,245,337
Streets and Sanitation	1,270,178	1,301,785	1,552,340	1,649,677	1,729,235	1,840,135	1,946,202	2,177,599
Other Public Works	27,435	25,547	38,000	63,356	121,267	109,484	57,344	65,104
Community Development	1,198,382	1,173,237	1,726,586	1,569,484	1,769,744	1,434,373	1,036,375	58,451
Public Health	11,311	11,589	12,558	39,010	32,582	31,266	35,518	1,306,315
Operating Grants/Contributions	850,178	881,558	1,330,251	999,520	2,935,791	1,955,443	1,532,053	997,955
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	7,218,905
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	7,261,814
Sewer	2,934,783	3,296,414	3,940,993	3,406,059	3,468,473	3,491,359	3,606,066	4,032,632
Parking	260,831	256,235	312,782	305,994	308,102	320,670	412,436	404,036
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	11,698,482
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	18,917,387

	2003	2004	2005	2006	2007	2008	2009	2010
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)	(25,798,054)
Business-Type Activities	598,000	1,495,282	2,360,566	854,476	1,101,786	1,023,408	1,765,693	2,827,352
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)	(22,970,702)
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	13,335,569
Sales, Local Use	3,375,314	3,356,036	3,940,023	4,113,029	4,186,809	4,091,855	3,712,906	3,796,368
Utility	2,831,751	2,707,925	2,913,414	2,647,823	2,739,621	2,718,132	2,692,330	2,636,055
Income	1,713,517	1,757,291	2,063,436	2,263,978	2,447,409	2,617,554	2,247,445	2,176,193
Real Estate Transfer	1,345,450	1,447,829	1,512,987	1,326,561	1,366,260	880,317	634,160	910,128
Other	621,325	599,239	652,464	666,020	805,021	859,204	764,396	770,524
Investment Income	368,368	220,809	398,842	686,719	565,408	94,736	50,289	161,716
Miscellaneous	520,692	483,499	795,150	617,410	1,384,310	1,049,103	878,187	1,114,283
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	1,000,000
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	25,900,836
Business-Type Activities								
Investment Income	131,292	158,554	408,845	549,745	402,847	143,858	24,452	21,846
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)	(1,000,000)
Contributions	1,866,839	-	-	-	-	-	-	-
Total Business-Type Activities	1,307,814	(503,393)	(188,610)	(215,840)	283,611	(564,632)	(925,548)	(978,154)
Total Primary Government	21,957,842	20,658,447	22,875,230	23,714,673	25,478,487	24,487,685	23,770,059	24,922,682
Changes in Net Assets								
Governmental Activities	(849,114)	279,196	1,602,151	1,026,682	2,103,950	(332,295)	(297,048)	102,782
Business-Type Activities	1,905,814	991,889	2,171,956	638,636	1,385,397	458,776	840,145	1,849,198
Total Primary Government	1,056,700	1,271,085	3,774,107	1,665,318	3,489,347	126,481	543,097	1,951,980

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, 2010 (Unaudited)**

	2001	2002	2003
General Fund			
Reserved	\$ 625,531	900,743	500,461
Unreserved	3,590,642	3,979,211	4,687,146
Total General Fund	<u>4,216,173</u>	<u>4,879,954</u>	<u>5,187,607</u>
All Other Governmental Funds			
Reserved	30,971	1,918,991	5,257
Unreserved, Reported in:			
Special Revenues Funds	1,463,717	1,917,625	1,056,168
Debt Service Funds	55,802	55,720	48,994
Capital Projects Funds	658,054	15,926,988	13,221,678
Total All Other Governmental Funds	<u>2,208,544</u>	<u>19,819,324</u>	<u>14,332,097</u>

Data Source: Village Records

2004	2005	2006	2007	2008	2009	2010
771,163	563,159	617,896	564,620	281,354	257,117	97,544
4,727,523	5,756,062	6,391,407	7,121,664	6,350,014	4,810,519	5,258,531
5,498,686	6,319,221	7,009,303	7,686,284	6,631,368	5,067,636	5,356,075
-	-	-	200,000	1,261,330	-	340,915
1,107,427	680,990	431,201	450,725	389,728	331,412	407,836
49,334	34,553	28,366	(7,665)	(61,780)	(96,363)	-
8,977,970	4,521,700	1,816,076	8,444,739	3,787,249	1,383,335	2,492,901
10,134,731	5,237,243	2,275,643	9,087,799	5,376,527	1,618,384	3,241,652

VILLAGE OF WILMETTE, ILLINOIS

**General Governmental Revenues By Source - Last Ten Fiscal Years
December 31, 2010 (Unaudited)**

Source	2001	2002	2003	2004
Taxes	\$ 17,985,396	18,211,850	19,547,732	20,076,053
Licenses, Permits and Fees	1,570,827	1,606,897	2,094,575	2,172,187
Intergovernmental	3,080	2,038,342	2,171,534	200,560
Charges for Services	3,151,875	4,456,680	1,605,341	1,640,957
Fines and Forfeitures	267,000	297,992	350,291	363,871
Investment Income	399,686	816,990	368,368	220,809
Miscellaneous	739,168	880,594	554,442	513,999
Total	24,117,032	28,309,345	26,692,283	25,188,436

Note: 2001 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

2005	2006	2007	2008	2009	2010
21,272,393	21,860,799	23,125,922	23,199,988	22,817,131	23,624,837
2,824,120	2,678,714	3,382,726	3,034,314	2,661,327	3,005,663
1,177,017	999,520	2,935,791	1,955,443	1,532,053	997,955
1,946,356	2,168,121	2,278,003	2,413,363	2,557,660	2,823,915
340,006	312,035	274,026	391,347	301,546	391,372
390,758	538,001	497,251	273,773	33,656	25,329
684,793	617,410	1,384,310	1,049,103	878,187	1,114,283
28,635,443	29,174,600	33,878,029	32,317,331	30,781,560	31,983,354

VILLAGE OF WILMETTE, ILLINOIS

**General Governmental Expenditures By Function - Last Ten Fiscal Years
December 31, 2010 (Unaudited)**

Function	2001	2002	2003	2004
General Government	\$ 2,577,904	2,748,934	3,575,237	3,195,919
Public Safety	10,330,474	10,323,232	13,224,840	12,681,422
Streets and Sanitation	5,831,953	5,563,500	8,086,777	6,408,770
Other Public Works	933,645	899,030	1,012,646	1,073,884
Public Health	163,634	148,368	145,857	154,543
Community Development	782,215	846,395	869,963	964,234
Capital Outlay	6,032,847	8,741,902	-	-
Debt Service				
Principal Retirement	2,166,972	2,306,600	-	-
Interest and Fiscal Charges	1,564,737	2,333,643	1,590,316	1,570,605
Total	30,384,381	33,911,604	28,505,636	26,049,377

Note: 2001 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

2005	2006	2007	2008	2009	2010
3,330,649	3,466,888	3,147,259	3,195,090	2,892,303	2,925,964
13,334,526	13,727,439	14,863,098	15,844,052	16,155,101	16,900,426
7,460,718	7,445,005	6,795,616	6,346,863	5,807,962	5,567,467
1,051,838	1,687,224	2,149,004	1,759,034	2,479,331	1,811,305
160,447	193,970	177,824	170,243	187,046	205,787
1,116,566	1,137,139	1,451,671	1,386,238	1,120,856	1,267,654
-	-	5,068,278	5,178,517	6,795,273	1,147,720
-	-	1,254,235	2,208,316	1,578,609	1,588,176
1,447,678	1,404,556	1,501,513	1,703,656	1,635,271	1,228,122
27,902,422	29,062,221	36,408,498	37,792,009	38,651,752	32,642,621

VILLAGE OF WILMETTE, ILLINOIS

**Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years
December 31, 2010 (Unaudited)**

	2001	2002	2003	2004
Revenues				
Taxes	\$ 17,985,396	18,211,850	18,762,978	19,286,895
Licenses and Permits	1,570,827	1,606,897	2,094,575	2,172,187
Intergovernmental	3,080	2,038,342	2,816,192	989,718
Charges for Services and Fees	3,151,875	4,456,680	1,605,341	1,640,957
Fines and Forfeits	267,000	297,992	350,291	363,871
Investment Income	399,686	816,990	274,252	260,765
Miscellaneous	739,168	880,594	694,537	513,999
Total Revenues	24,117,032	28,309,345	26,598,166	25,228,392
Expenditures				
General Government	2,577,904	2,748,934	2,769,169	2,934,612
Public Safety	10,330,474	10,323,232	11,527,958	12,272,889
Streets and Sanitation	5,831,953	5,563,500	5,181,212	4,857,268
Other Public Works	933,645	899,030	1,012,646	1,043,884
Public Health	163,634	148,368	145,857	154,543
Community Development	782,215	846,395	869,963	964,234
Capital Outlay	6,032,847	8,741,902	6,104,435	5,303,393
Debt Service				
Principal	2,166,972	2,306,600	885,000	1,010,000
Interest and Fiscal Charges	1,564,737	2,333,643	1,593,255	1,581,375
Total Expenditures	30,384,381	33,911,604	30,089,495	30,122,198
Excess of Revenues Over (Under) Expenditures	(6,267,349)	(5,602,259)	(3,491,329)	(4,893,806)
Other Financing Sources (Uses)				
Proceeds from Bonds	3,000,000	25,156,952	-	9,300,000
Proceeds from I.E.P.A. Loan	-	-	-	-
Proceeds from Installment Contract	-	165,000	65,586	314,979
Premium on Proceeds	-	-	-	-
Payments to Escrow Agent	-	(1,914,886)	-	(9,269,407)
Transfers In	700,000	700,000	757,886	800,000
Transfers Out	(157,242)	(284,329)	(158,692)	(138,053)
Total Other Financing Sources (Uses)	3,542,758	23,822,737	664,780	1,007,519
Net Change in Fund Balances	(2,724,591)	18,220,478	(2,826,549)	(3,886,287)
Debt Service as a Percentage of Noncapital Expenditures	15.32%	18.44%	10.33%	10.44%

Note: 2001 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

2005	2006	2007	2008	2009	2010
21,272,393	21,860,799	23,125,922	23,199,988	22,817,131	23,624,837
2,824,120	2,678,714	3,382,726	3,034,314	2,661,327	3,005,663
1,177,017	999,520	2,935,791	1,955,443	1,532,053	997,955
1,946,356	2,168,121	2,278,003	2,413,363	2,557,660	2,823,915
340,006	312,035	274,026	391,347	301,546	391,372
390,758	538,001	497,251	273,773	33,656	25,329
684,793	617,410	1,384,310	1,049,103	878,187	1,114,283
28,635,443	29,174,600	33,878,029	32,317,331	30,781,560	31,983,354
2,989,626	3,073,424	3,147,259	3,195,090	2,892,303	2,925,964
13,184,417	13,859,888	14,863,098	15,844,052	16,155,101	16,900,426
5,327,047	5,237,550	6,795,616	6,346,863	5,807,962	5,567,467
1,107,204	1,687,224	2,149,004	1,759,034	2,479,331	1,811,305
160,447	193,970	177,824	170,243	187,046	205,787
1,116,566	1,137,139	1,451,671	1,386,238	1,120,856	1,267,654
6,734,692	4,468,596	5,068,278	5,178,517	6,795,273	1,147,720
1,261,869	1,167,764	1,254,235	2,208,316	1,578,609	1,588,176
1,429,943	1,386,148	1,501,513	1,703,656	1,635,271	1,228,122
33,311,811	32,211,703	36,408,498	37,792,009	38,651,752	32,642,621
(4,676,368)	(3,037,103)	(2,530,469)	(5,474,678)	(7,870,192)	(659,267)
-	-	11,673,827	-	1,590,000	23,280,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	8,317	16,635
-	-	(1,773,457)	-	-	(21,725,661)
1,300,000	1,302,029	600,000	850,000	950,000	1,000,000
(700,585)	(536,444)	(480,764)	(141,510)	-	-
599,415	765,585	10,019,606	708,490	2,548,317	2,570,974
(4,076,953)	(2,271,518)	7,489,137	(4,766,188)	(5,321,875)	1,911,707
10.18%	9.30%	9.07%	12.13%	10.58%	9.08%

VILLAGE OF WILMETTE, ILLINOIS

**Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years
December 31, 2010 (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
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	2,319,401,711	8,654,170	234,590	2,328,290,471	3.3701	0.581

2010 Data - Currently Not Available

Data Source: Cook County Clerk

VILLAGE OF WILMETTE, ILLINOIS

**Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years
December 31, 2010 (Unaudited)**

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Village of Wilmette										
General Corporate Rate	\$ 0.753	0.614	0.584	0.608	0.530	0.521	0.530	0.432	0.448	0.449
Debt Service Rate	0.149	0.134	0.155	0.180	0.159	0.150	0.159	0.165	0.145	0.132
Total Direct Tax Rate	0.902	0.748	0.739	0.788	0.689	0.671	0.689	0.597	0.593	0.581
Overlapping										
School District #39	3.454	2.742	2.610	2.707	2.238	2.151	2.238	1.848	1.812	1.716
School District #203	1.936	1.611	1.935	1.799	1.621	1.577	1.621	1.299	1.290	1.237
Community College #535	0.213	0.186	0.179	0.186	0.161	0.158	0.161	0.141	0.140	0.140
Wilmette Park District	0.528	0.425	0.510	0.526	0.440	0.413	0.440	0.360	0.348	0.332
Wilmette Public Library	0.351	0.309	0.315	0.352	0.315	0.283	0.315	0.245	0.241	0.230
Cook County	0.824	0.778	0.690	0.659	0.593	0.547	0.593	0.458	0.415	0.415
Sanitary District	0.415	0.401	0.371	0.361	0.347	0.315	0.347	0.263	0.252	0.261
Forest Preserve District	0.069	0.067	0.061	0.059	0.060	0.060	0.060	0.053	0.051	0.049
New Trier Township	0.058	0.046	0.045	0.048	0.039	0.039	0.039	0.034	0.034	0.033
Suburban T.B. Sanitarium	0.008	0.007	0.006	0.004	0.001	0.005	0.001	-	-	-
Mosquito Abatement Dist.	0.011	0.010	0.009	0.009	0.008	0.008	0.008	0.008	0.008	0.008
Total Tax Rate	8.769	7.330	7.470	7.498	6.512	6.227	6.512	5.306	5.184	5.002

Data Source: Cook County Clerk

VILLAGE OF WILMETTE, ILLINOIS

**Principal Property Tax Payers - Current Year and Nine Years Ago
December 31, 2010 (Unaudited)**

Taxpayer	2010			2001		
	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	\$ 36,931,696	1	1.59%	\$ 24,220,893	1	1.10%
1630 Sheridan Corp.	15,819,772	2	0.68%	6,021,965	3	0.27%
Plaza del Lago, Inc.	15,385,582	3	0.66%	8,787,259	2	0.40%
Albertson's	7,440,180	4	0.32%			
L.J. Thalmann & Co.	7,045,305	5	0.30%	4,526,474	4	0.21%
Landau & Heyman	6,739,182	6	0.29%	3,109,340	5	0.14%
William C. Kagan	6,103,228	7	0.26%	2,681,208	6	0.12%
Wolin-Levin	4,470,818	8	0.19%	1,646,316	12	0.08%
Westmoreland Country Club	4,125,269	9	0.18%	2,265,805	9	0.10%
Michigan Shores Club	3,506,269	10	0.15%	1,634,533	13	0.07%
Beth Corp.	3,398,476	11	0.15%	2,154,535	10	0.10%
Avgeris & Assoc.	3,092,946	12	0.13%	2,677,094	7	0.12%
Manor Health Care Corp.	3,059,168	13	0.13%	2,428,745	8	0.11%
Rambler Hill, LLC	2,929,695	14	0.13%			
Polan	2,843,519	15	0.12%			
Kretchmar	2,770,310	16	0.12%			
Walgreen's	2,711,202	17	0.12%			
Whitmore	2,504,540	18	0.11%			
Ivankovich	2,396,215	19	0.10%			
Wil-Ridge Plaza	2,338,607	20	0.10%			
Jeffrey Strange				1,805,037	11	0.08%
Ameritech				1,390,637	14	0.06%
Premiere Bank				1,132,964	15	0.05%
	<u>135,611,979</u>		<u>5.82%</u>	<u>66,482,805</u>		<u>3.01%</u>

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Property Tax Levies and Collections - Last Ten Tax Levy Years
December 31, 2010 (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
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%	14,153	8,399,008	99.26%
2002	8,968,044	8,855,063	98.74%	38,189	8,893,252	99.17%
2003	9,505,136	9,039,215	95.10%	390,577	9,429,792	99.21%
2004	10,306,726	10,082,058	97.82%	96,174	10,178,232	98.75%
2005	10,925,600	10,681,712	97.77%	99,276	10,780,988	98.68%
2006	11,801,600	10,492,759	88.91%	1,200,205	11,692,964	99.08%
2007	12,272,800	11,841,358	96.48%	294,371	12,135,729	98.88%
2008	12,999,000	12,742,685	98.03%	202,597	12,945,282	99.59%
2009	13,513,000	13,232,984	97.93%	*	13,232,984	97.93%
2010	14,016,100	*	*	*	*	*

* 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, 2010 (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			
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
2010	39,950,000	40,000	20,075,000	9,805,000	65,000	10,326,541	80,261,541	5.22%	2,903

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, 2010 (Unaudited)**

Fiscal Year Ended Dec. 31	Gross General Obligation Bonds	Total Equalized Assessed Valuation	Percentage of Equalized Assessed Valuation	Per Capita
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
2010	39,950,000	2,328,290,471	1.72%	1,445

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, 2010 (Unaudited)**

Governmental Unit	Gross Debt	*Percentage to Debt Applicable to Village	Village's Share of Debt
Village of Wilmette	\$ 39,950,000	100.000 %	\$ 39,950,000
School Districts:			
Avoca School District #37	2,931,610	34.212	1,002,962
Kenilworth School District #38	10,760,000	2.580	277,608
Wilmette School District #39	15,830,000	94.870	15,017,921
Community College #535	-	8.165	-
New Trier Township High School District #203	21,124,474	33.394	7,054,307
Total School Districts	50,646,084		23,352,798
Other Agencies:			
Cook County and Forest Preserve Metropolitan Water Reclamation District of Greater Chicago	3,601,550,000	1.308	47,108,274
Wilmette Park District	1,961,973,643	1.335	26,192,348
Wilmette Park District	27,950,000	100.000	27,950,000
Glenview Park District	12,845,000	.147	18,882
Wilmette Public Library District	-	.000	-
Total Other Agencies	5,604,318,643		101,269,504
Total Overlapping Debt	5,654,964,727		124,622,303
Total Direct and Overlapping Debt	\$ 5,694,914,727		\$ 164,572,303

* 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, 2010 (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, 2010 (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	
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
2010	11,698,482	5,455,208	6,243,274	2,925,216	1,410,464	1.44

*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, 2010 (Unaudited)

Fiscal Year Ended December 31	Population	Personal Income (in Thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
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%
2010	27,651	1,537,700	55,611	42.2	7,383	6.30%

Data Source: 2000 census data

VILLAGE OF WILMETTE, ILLINOIS

**Principal Employers - Current Fiscal Year and Ten Fiscal Years Ago
December 31, 2010 (Unaudited)**

Employer	2010			2001		
	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
Carson, Pirie, Scott & Co.	200	3	N/A	300	2	N/A
Village of Wilmette	198	4	N/A	204	2	N/A
Jewel	194	5	N/A			
Chalet Nursery	125	6	N/A			
Koenig & Strey, Inc.	100	7	N/A	70	9	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
Regina Dominican				75	6	N/A
Bed, Bath & Beyond				75	6	N/A
Loyola University				50	10	N/A
	<u>1,910</u>		<u>-</u>	<u>1,609</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, 2010 (Unaudited)**

Function/Program	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Government										
Administration & Law	7.15	7.15	7.15	7.15	7.15	7.15	7.25	7.10	7.03	6.03
Finance & Information										
Services	13.18	12.43	13.38	12.63	12.53	12.51	12.51	12.51	11.75	11.45
Other	3.56	3.18	3.05	3.05	2.55	3.05	3.15	3.15	3.15	3.10
Police										
Officers	43.00	45.00	45.00	45.00	46.00	46.00	46.00	45.00	45.00	44.00
Telecommunicators	9.00	9.00	9.00	9.00	9.00	8.00	8.00	8.00	8.00	8.50
Other Civilians	17.50	17.50	17.50	17.50	17.50	17.50	17.50	17.50	16.50	14.80
Fire										
Firefighters and Officers	45.00	45.00	45.00	45.00	45.00	44.00	44.00	45.00	44.00	45.00
Civilians	2.75	2.25	2.25	2.25	2.00	3.00	2.45	2.45	2.25	2.25
Health										
	2.20	2.00	2.00	1.75	1.75	1.75	1.88	1.88	1.88	1.88
Public Works										
Streets and Sanitation	34.17	31.42	29.10	28.85	30.10	30.60	32.10	32.10	29.55	27.55
Water and Sewer	29.50	29.25	29.50	29.50	30.00	30.00	31.00	30.00	30.00	29.00
Engineering	7.55	7.55	7.55	7.55	7.55	7.55	7.55	7.55	7.05	5.85
Other	3.75	3.75	3.75	3.75	3.75	3.75	3.50	3.50	3.50	3.50
Community Development										
	11.50	11.25	11.25	11.25	11.25	11.25	12.25	12.20	11.60	10.75
Total	229.81	226.73	225.48	224.23	226.13	226.11	229.14	227.94	221.26	213.66

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
December 31, 2010 (Unaudited)**

Function/Program	2001	2002	2003
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	526	521	465
Misdemeanors (Part II Crimes)	1,515	1,549	2,010
Miscellaneous Offenses (Incidents Reported)	17,282	16,494	17,246
Traffic Accidents	1,055	1,092	1,054
Fire			
Emergency Responses	3,527	3,226	3,108
Fires Extinguished	47	35	48
Inspections	537	638	475
Public Works			
Street Resurfacing (Miles)	N/A	3.87	3.07
Potholes Repaired	N/A	784	1,031
Water			
New Connections			
Average Daily Consumption (Thousands of Gallons)	12,467	12,715	13,026
Peak Daily Consumption (Thousands of Gallons)	22,916	27,829	24,477

N/A - Not Available

Data Source: Village Records

2004	2005	2006	2007	2008	2009	2010
N/A	N/A	N/A	N/A	513	505	399
N/A	N/A	N/A	N/A	630	613	612
N/A	N/A	N/A	N/A	18,040	15,594	16,247
488	486	423	367	N/A	N/A	N/A
2,026	1,843	1,912	1,703	N/A	N/A	N/A
17,612	16,162	15,046	15,116	N/A	N/A	N/A
1,006	1,021	964	959	1,115	826	792
2,981	3,195	3,180	4,104	3,679	3,221	3,095
50	57	51	59	43	47	35
400	610	618	1,250	1,037	720	856
4.00	3.25	3.50	2.10	0.75	3.79	1.68
2,153	2,811	1,909	1,590	2,058	2,000	1,553
12,430	13,941	11,931	12,207	11,931	11,244	11,458
20,905	29,540	24,474	22,545	24,474	19,325	20,029

VILLAGE OF WILMETTE, ILLINOIS

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
December 31, 2010 (Unaudited)**

Function/Program	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	19	19	19	19	19	20	20	20	20	20
Fire Stations	2	2	2	2	2	2	2	2	2	2
Public Works										
Streets (Miles)	86.5	86.5	87.8	87.8	87.8	87.8	87.8	87.8	89.4	89.4
Streetlights	2,430	2,429	2,510	2,510	2,510	2,510	2,580	2,580	2,580	2,580
Traffic Signals:										
Village Owned	7	7	7	8	8	9	9	9	10	10
Other	18	18	18	17	17	17	17	17	16	16
Water										
Water Mains (Miles)	91	91	91	91	91	91	91	91	91	91
Fire Hydrants	974	975	975	975	975	977	982	982	983	984
System Capacity (Millions of Gallons)	38	34	34	42	44	44	44	44	44	44

Data Source: Village Records